Handbook for Floodplain Acquisition and Elevation Projects

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1. Introduction
1.1 Who Should Use This Handbook

This handbook is intended for local government personnel and others who need to:

- Learn about federal funds that may be available for flood mitigation projects;
- Plan flood mitigation projects, including involving the public;
- Define projects and prepare grant applications;
- Decide how best to manage the workload;
- Understand how and when property owners will be involved;
- Organize to implement a flood mitigation project;
- Oversee and manage the day-to-day activities; and
- Keep the paperwork and financial accounting straight.

The grant funding sources discussed in this guidance are those provided by the Federal Emergency Management Agency (FEMA), including the Section 404 Hazard Mitigation Grant Program (HMGP) and the Flood Mitigation Assistance Program (FMA). For the most part, the processes and requirements of the two funding sources are very similar. For simplicity, the handbook is written primarily to address HMGP – the few things that are specific to only one program or the other will be noted.

Most of this handbook is written to address floodplain acquisition projects, although a section on elevation is included. In addition, the primary focus is residential properties. Projects involving non-residential property may require a more detailed review of alternatives and environmental considerations. The following flood mitigation projects, described in greater detail in Chapter 4, are covered:

- Acquisition of floodplain properties and demolition of the buildings to allow use of the land for compatible, open space purposes;
- Elevation of buildings on new foundations so that the lowest floors are above predicted flood levels;
- Relocation of structurally sound buildings to sites outside of mapped flood hazard areas; and
- Demolishing damaged buildings and reconstructing new buildings that are compliant with floodplain regulations and codes.
1.2 Frequently Asked Questions for Communities

A handout about floodplain buyout projects is included in Appendix A. It is formatted to make it easy for you to add your community’s seal and contact information, and answers these basic questions:

- Is our community eligible to receive a mitigation grant for a floodplain buyout project?
- What grant money is available to help?
- What do we need to do to plan a project?
- How will a floodplain buyout help our community?
- How can the purchased land be used when the project is finished?
- When do we apply? How long does it take to get the grant? What can be done to speed things up?
- Who makes the decisions on the grant application?
- What are the most important things to tell people right after a flood?

1.3 Overview and How to Use this Handbook

1.3.1 Overview

Acquisition and elevation projects can be complex. A quick glance at the Table of Contents of this handbook may be daunting, but keep in mind that you have lots of help. While many of the details and options that may come up as you begin to plan for and implement your project are covered here, other questions will come up. Get the telephone number and email address of your assigned project manager at the Florida Department of Community Affairs (the Department). Keep it close at hand and don’t hesitate to get in touch.

Check with the Florida Department of Community Affairs to find out when the next training on acquisition and elevation projects will be in your area. Contact the Department at (850) 413-9884.
1.3.2 How to Use this Handbook

For the most part, this handbook is organized to follow the entire process, from planning your project, deciding policies, preparing the application, implementing the project, through to a brief section on closing out the books. However, as you will see when you start reading, no two projects will be the same and most projects do not progress through the steps exactly as they are outlined here.

It is strongly recommended that everyone involved in an acquisition or elevation project read this entire handbook as early as possible in the process.

- **Chapter 1** lays out the Department’s role in mitigation and outlines the two FEMA grant programs that provide funding to implement acquisition and elevation projects. As you begin to define your project, be sure to check back to Chapter 1 to make sure that it is among the types of projects that are eligible.

- **Chapter 2** is an overview of the planning work that is best done in advance as part of the Local Mitigation Strategy. Some key steps that you should take before the next flood are described, especially dealing with property owners in areas that flood frequently. Many projects are prompted by flooding, but after a flood is when things get hectic for everyone. Rather than wait for the aftermath, it is a good idea to identify other organizations that may be able to support your goals. Another important pre-flood activity is to encourage property owners to get flood insurance. Not only can flood insurance help lower the cost of mitigation projects, but owners will have some financial protection if they aren’t eligible for inclusion in a mitigation project.

- **Chapter 3** is the first place to look when your community has experienced a damaging flood. There are several things that you should right away to help smooth the way for a mitigation project. Make sure you brief your elected officials as soon as possible so they understand the conditions and the process to apply for mitigation funds. Another key step is to document damage as quickly as possible, with particular attention to “substantial damage,” as defined in your local floodplain management ordinance. If covered by federal flood insurance from the National Flood Insurance Program (NFIP), owners of substantially damaged buildings may be eligible for additional claim payments that can be part of the non-federal cost
share for mitigation grants. Chapter 3 includes two timelines: one for the application process, the other for a typical buyout project.

- **Chapter 4** should be read when you're working on the Local Mitigation Strategy. The more you understand about the different project types and the many decisions that go into defining projects, the better off you will be. Some of these decisions will influence how you set priorities. Others will help you set some policies in advance rather than when you are in the middle of trying to implement the project. There will be enough going on that you want to avoid making policy decisions “on the fly.” This chapter also addresses matching funds. Since funding is often a significant sticking point, it is a good idea to understand the options in advance.

- **Chapter 5** adds to the planning and policy work that was covered in previous chapters, and sets up beginning the process. By this point you should have defined the project, so now you need to cover a few basic decisions before you work on the grant application. The main steps in a project are outlined and keyed to the chapters of this handbook. Perhaps one of the more important decisions is how you will manage project implementation. Get a good feel for it before you get too far into filling out the application, in part because the cost of hiring a project manager can be included as an allowable cost in the project budget. This chapter also touches on work that you need to begin with property owners to help them understand the overall process.

- **Chapter 6** is very focused on helping you understand and complete the grant application. By the time you get to this chapter you should know what your project is, how you will go about managing it, and something about the property owners and tenants in the project area. Pay particular attention to Section 6.7, which defines allowable and unallowable costs. However, the most important sections cover estimating costs for the project budget. In order to have the funds you need to complete the project as proposed, you must be sure to include all the appropriate line items in the budget (see Section 6.8). While there is a process to request funds if you have a shortfall, there is no guarantee that there will be funds available to make up the difference.

- **Chapter 7** is a quick overview of the application review conducted by the Department. Florida is one of only a handful of states that have been recognized by FEMA as a “managing state.” As such, the Department has assumed significant responsibilities for review and
oversight. For you, this means faster service because many more decisions are made by the Department rather than by FEMA.

- **Chapter 8** covers a number of things that you can do after the application is submitted to the Department. While you wait for approval, you will continue to gather information about the properties and owners. Most of the time the more unusual situations described in this chapter don’t come up, but it’s hard to know until you start getting into the details. At this stage you can do a fair amount of work to get ready to contract for services by refining scopes of work and deciding how to handle the procurements.

> By their very nature, acquisition and elevation projects simply take longer than most people realize. There isn’t much you can do about the timing of many tasks, but if you read this whole handbook in advance, you’ll get a feel for what can help speed things up.

- **Chapter 9** should be reviewed while waiting to hear the decision on the grant from the Department. You may want to start setting up your files as soon as you get a sense that approval is forthcoming. One very important task you can start is preparing to request the Duplication of Benefits information, although you need to have some paperwork from each property owner before you can submit the request. Once the project is approved, move quickly to procure the necessary services in order to minimize delays.

- **Chapter 10** covers the details of preparing and making the buyout offers. If you have hired an Implementation Manager to handle all or part of the project, most of these steps will be handled by that person. However, as the primary point of contact, you should read and understand what goes into the negotiations so that you can answer questions and provide adequate oversight.

- **Chapter 11** should be read very early in the process, as soon as you begin to consider an acquisition project. Two very important aspects of acquisition project are land ownership and how the land will be
maintained. When you define your project you will also have to specify how homes will be removed. The different options are described in detail in this chapter.

- **Chapter 12** is an overview of implementing an elevation project. Many aspects of these projects are similar to those described in detail for acquisition projects, and so this chapter adds aspects that are specific to elevation.

- **Chapter 13** is an overview of the closeout, including the final inspections and the final paperwork.

- **Appendix A** contains five pre-formatted handouts set up as Frequently Asked Questions. They are designed to be easy for you to tailor to your community.

- **Appendix B** is a collection of reference information: statutes, regulations, and definitions. While use of acronyms is kept to a minimum, a key to the ones that are used is in Section 1.4.

- **Appendix C** summarizes the citations for documents that are referenced, as well as others that may be of interest. Some documents are available on-line, and many can be ordered free of charge from FEMA.

- **Appendix D** contains the standard Joint Hazard Mitigation Grant Program and Flood Mitigation Assistance Application that you use to apply for the grant, the standard Subgrantee Agreement that your community will execute with the Department, a sample Public Notice, and the Notice of Asbestos removal.

- **Appendix E** is a large collection of sample forms and documents used during implementation of a buyout project. It is organized to generally follow the timeline for a typical project. Read through all of the forms to help get a sense of the order in which they are to be used. Some forms will be given to property owners, some are sample agreements/contracts or scopes of services. Also included are some checklists to help both you and property owners keep track of things.

  The sample forms in Appendix E are just that – samples. Before you use a generic form, be sure to review and change it to fit your specific needs.
1.4 Acronyms

B:C – Benefit:Cost analysis
CDBG – Community Development Block Grant (HUD program)
DOB – Duplication of Benefits
FEMA – Federal Emergency Management Agency
FMA – Flood Mitigation Assistance (FEMA program)
FMV – Fair Market Value
HMGP – Hazard Mitigation Grant Program
ICC – Increased Cost of Compliance (NFIP flood insurance)
LMS – Local Mitigation Strategy
NFIP – National Flood Insurance Program
ORAP – Optional Rehousing Assistance Policy
SBA – U.S. Small Business Administration
SFHA – Special Flood Hazard Area
URA – Uniform Relocation Act

1.5 Pre-Event Planning: Before the Next Flood

Interest in flood mitigation projects is most focused after a major event. However, there is quite a lot that can be done beforehand. Chapter 2 briefly outlines planning aspects, including the Local Mitigation Strategy (LMS), which are important steps towards getting mitigation grants.

Section 5.5 covers a lot of material about working with property owners and renters. Read it before the next flood so that you will be better prepared to move quickly.

If the LMS has identified a flood mitigation project as a high priority, then this handbook can be used to do a great deal of advance work to speed things along when funding becomes available. An important part of preparation is understanding the details, opportunities, and constraints of each possible funding source.
This handbook primarily addresses FEMA’s mitigation funding programs. If other federal funds are likely to be used, for example Community Development Block Grant (CDBG) funds may be used for the non-federal cost-share and for certain costs that FEMA’s funds can’t cover, then your pre-flood planning should include learning more about CDBG. Although the two sources are intended to work together, there are differences. Notably, CDBG requires considerably more information about property owners so that eligibility can be determined.

1.6 The Department’s Role in Mitigation

Most mitigation funds that originate from federal agencies are administered through Florida’s Department of Community Affairs, Division of Emergency Management. The Department’s Division of Housing and Community Development and the Division of Community Planning may be involved in coordination, planning, and funding, as are the Florida Housing Finance Corporation, the Florida Coastal Management Program, and the Communities Trust Program.

Designated by FEMA as a Managing State, Florida has assumed significant responsibility for administration of FEMA’s mitigation grant programs. This expanded role facilitates and shortens the entire application and approval process. The Department determines project eligibility, develops documentation for environmental considerations, and makes benefit-cost determinations. Project summary sheets are provided to FEMA for oversight and final approval.
The State, through the Department of Community Affairs, is the “grantee.” This means the Department is responsible to FEMA for proper administration of the grant funds. Florida’s high level of capability was recognized by FEMA through its designation as a Managing State. FEMA has determined that the State is capable of performing a strong role in the review, approval, and oversight of mitigation projects. Communities benefit because the State has more direct decision-making authority.

The Department doesn’t just step back after sending out grant award letters. Staff is always available to explain policies and criteria. The Department does have some specific duties – it is expected to:

- Prepare and maintain a State Hazard Mitigation Plan that establishes State priorities and is the basis for identifying eligible projects and prioritizing the award of funding;
- Maintain the State Administrative Plan for Hazard Mitigation, which describes procedures for administration of mitigation grant funds;
- Conduct post-flood field inspections to help determine the cause of damage and to identify potential mitigation projects;
- Provide technical assistance to communities preparing grant applications;
- Review grant applications for completeness and consistency;
- Work with applicants to turn anticipated project schedules prepared for the application into implementation schedules;
- Coordinate obtaining Duplication of Benefits data;
- Monitor and evaluate progress. Most of the time the Department will do this by reviewing your quarterly reports. Be sure to identify problems that may affect scheduling in the formal report, but do not wait that long to seek help;
- Monitor the financial status of the project, including review of reimbursement requests and determination of eligibility of submitted costs;
- Conduct on-site inspections of selected projects or properties. Although you have to certify satisfactory completion, the Department may visit to check on progress; and
- Conduct audits of project files and/or financial records.
1.7 Hazard Mitigation Grant Program Overview

In light of the rising costs of natural disasters, FEMA’s Hazard Mitigation Grant Program (HMGP) was authorized by Congress to fulfill four objectives:

- To prevent future loss of life and damage to property due to disasters;
- To implement State or local mitigation plans;
- To enable mitigation measures to be implemented during immediate recovery from a disaster; and
- To provide funding for previously identified mitigation measures that benefit the disaster area.

Appendix C includes text from Section 404 of the Robert T. Stafford Disaster Relief Act, which authorized the Hazard Mitigation Grant Program.

1.7.1 HMGP Funding

HMGP funds become available only as a result of a Presidential disaster declaration. The amount of funding is computed as a percentage of certain other federal disaster assistance (emergency support, assistance to repair public infrastructure, and assistance provided to individuals and families). It is set aside for the purpose of supporting State and local mitigation projects. After every disaster declaration that includes HMGP, the Department will contact affected communities and provide the opportunity to participate.

The HMGP provides up to 75% of eligible costs of projects that meet all the eligibility criteria. The non-federal share can be made up of several funding sources, including CDBG funds, local and/or State general revenue, and private non-profit funds. A portion may be covered by certain in-kind or donated services, and property owners provide much of
the non-federal share for some projects, especially those involving elevation of flood-prone homes.

Through its mitigation planning process, the State establishes priorities for mitigation funding. These priorities may be set or revised after every disaster that yields HMGP funds. Local priorities should be set through the Local Mitigation Strategy. Check with the Department if local priorities are not consistent with State priorities.

Although states and communities can establish mitigation priorities, FEMA encourages inclusion of projects that address homes and other properties that have received repetitive claim payments from the National Flood Insurance Program.

HMGP can fund projects to protect public or private property as long as the projects are in compliance with the program’s guidelines and policies. Since the Midwest Floods of 1993, a great deal of attention has focused on projects to acquire or elevate homes. Many communities consider projects to protect public infrastructure in order to better serve all of their residents. HMGP funds may not be used as a match, substitute or replacement to fund projects that may be eligible under other federal programs.

1.7.2 Eligible Applicants

There are three categories of eligible applicants:

- Government entities, including State agencies, general purpose local governments, and special districts;
- Private non-profit organizations that have an effective ruling letter from the IRS granting tax exemption status under Sec. 501(c), (d), or (e), or that are able to demonstrate they meet non-profit status under State law; and
- Indian Tribes or authorized tribal organizations.
To be eligible to apply for mitigation funds, local governments must participate in the National Flood Insurance Program if FEMA has prepared a flood hazard map showing areas within which development is regulated. Also, communities that are on probation or suspended from the NFIP may not apply until they are reinstated. For questions about the NFIP, contact the Florida NFIP State Coordinator’s office at (850) 413-9959.

1.7.3 Minimum Project Eligibility

Minimum eligibility standards are set forth in federal regulations and the State’s mitigation plan. As a rule, acquisition, elevation, and relocation of flood-prone homes are eligible projects provided they meet all of the following criteria:

- Conform with the State’s plan. Acquisition and elevation projects are likely to be among the State’s priorities for disasters declared due to floods and hurricanes;
- Supported by the Local Mitigation Strategy;
- Provide a beneficial impact on the disaster area. Especially in areas of high risk or repetitive flooding, acquisition and elevation may meet this criterion through reduction in safety risks and property damage;
- Conform with environmental regulations. Acquisition and elevation projects typically are categorically excluded from an extensive environmental review, although certain information is required so that the State and FEMA can make informed decisions;
- Solve a problem either independently or as a functional part of a solution. Acquisition and elevation projects readily satisfy this criterion, in that a successful project may address only one or many
homes. The acquired land can be part of a solution, for example if it will be used for stormwater management;

- Impact a local government that participates in the NFIP. To receive mitigation grant funding, communities that have mapped special flood hazard areas must participate in the NFIP;

- Meet all applicable State and local codes and standards and does not contribute to or encourage development in coastal high hazard areas or other vulnerable areas. Certain codes are triggered by acquisition and elevation projects, and project applications must provide evidence that such codes and standards are addressed and that permits have been or will be issued, as applicable;

- Demonstrate cost-effectiveness. Briefly stated, this concept means that the benefits of a project must outweigh the costs. There is a distinct priority placed on acquisition and elevation projects, especially those that address repetitive loss properties. In some instances, for example if buildings have sustained substantial damage (50% or more of market value, see Section 3.5), a policy statement issued by FEMA deems that acquisition is cost effective; and

- Consider a range of alternatives. Communities are required to determine that a proposed project is the most practical, effective and environmentally sound alternative after considering a range of options.

### 1.8 Flood Mitigation Assistance (FMA) Overview

The Flood Mitigation Assistance Program (FMA) was authorized in 1994 for the specific purpose of funding certain projects that are in the best interest of the National Flood Insurance Program (NFIP). It was prompted by evidence that a small number of insured buildings account for a large percentage of the dollars paid out by the NFIP. In the long run, if mitigation measures are focused on that subset of buildings, then claim payments will be reduced and the pressure to raise the rates may be relieved. Over 1.6 million buildings in Florida are insured by the NFIP, which means many people would save money if this result is realized.
Appendix C includes text from the NFIP Reform Act and the NFIP regulations which establish the Flood Mitigation Assistance Program.

1.8.1 FMA Funding
FMA funds are made available from amounts collected by the NFIP through the sales of flood insurance. Each year $20 million is set aside for FMA activities across the nation: planning grants, project grants, and technical assistance grants. Of that, about $18.5 million is targeted for project grants, including acquisition and elevation of insured structures. FMA funds are allocated to the states based on a number of criteria established by FEMA, including the number of repetitive loss properties and number of insurance policies.

Some interesting numbers from the NFIP:
- Over 1.7 million properties in Florida have flood insurance, more than any other state.
- About 5,700 properties are on FEMA’s “repetitive loss” list, which means they have received 2 or more claims of at least $1,000 in the past 10 years.
- Florida receives over $2.5 million each year in FMA funds to help implement buyout and elevation projects.
FMA provides up to 75% of eligible costs of projects that meet the eligibility criteria. In addition to CDBG and local or State funds, the match may include property owner funds or a portion of flood insurance claim payments (see Section 3.6 about Increased Cost of Compliance, also called mitigation insurance). No more than 12.5% may be from in-kind contributions.

1.8.2 Eligible Applicants

Most applicants for FMA funds are communities, although other authorities that are specifically and formally designated by communities to develop and administer mitigation plans and projects may apply, such as planning districts or water management districts. Communities must:

- Participate in the NFIP (communities on probation or suspended from the NFIP are not eligible);
- Have an approved Flood Mitigation Plan (or Local Mitigation Strategy with appropriate elements that satisfy FMA planning criteria); and
- Have the ability to provide the non-federal cost share.

1.8.3 Minimum Project Eligibility

To be eligible for FMA funding, projects are to:

- Be technically feasible;
- Be cost-effective;
- Conform to applicable environmental regulations and State and local codes and standards;
- Conform with the Local Mitigation Strategy, which must specifically address continued compliance with the NFIP; and
- Be located in an eligible community.
FMA is focused on “insured buildings.” Although projects that include uninsured buildings are not excluded automatically, they may be ranked lower than others. This is a good reason to encourage all property owners in a potential project area to buy flood insurance.

While FEMA’s primary focus for FMA is on NFIP-insured buildings, projects may include uninsured buildings provided the entire project meets the minimum eligibility criteria. Specific project types include:

- Acquisition and demolition of buildings;
- Elevation-in-place of buildings;
- Relocation of buildings to non-floodplain locations;
- Other retrofit measures for non-residential structures, if protected up to the Base Flood Elevation; and
- Minor, localized projects that protect insured structures.

What comes next:

- Now that you know the background on mitigation funds that may be available, you’re ready to revisit your Local Mitigation Strategy.
- Look at areas of your community that flood, and think about the different mitigation measures that will reduce damage and risk (see Chapters 2 and 4 for more detail).
- A very important next step is to get ready to move quickly after the next flood. The rest of this handbook is intended to help.
- Pay particular attention to communicating with property owners to encourage their participation. Chapter 2 has some specific guidance for owners, especially getting flood insurance and keeping receipts for repairs.
2. Mitigation Planning
What you need to know:

- If your community hasn’t been part of the Local Mitigation Strategy development, contact the Department for technical assistance: (850) 413-9884.
- This chapter is written to help you start on the work that can be done in advance of the next disaster. If your community knows the area(s) that are mostly likely to be included in a mitigation project, then you should know that understanding and communicating with property owners now can help you later on.
- Not all projects have to wait until the next flood – learn more about FEMA’s Flood Mitigation Assistance Program that provides annual funding.

2.1 Local Mitigation Strategy (LMS)

To foster development of countywide Local Mitigation Strategies, in 1998, the Department of Community Affairs provided planning funds to each county and city. The goal of this program is to encourage communities to protect residents and infrastructure by:

- Identifying areas that are most vulnerable to disasters; and
- Developing mitigation initiatives to reduce the damages associated with such disasters.

LMS resource publications can be downloaded at www.dca.state.fl.us/brm.

Communities interested in applying for mitigation funds must have a compliant Local Mitigation Strategy, and the LMS must list anticipated projects in priority order. When funding becomes available, projects must be submitted in priority order or approval will be withheld.
To be eligible for FMA grants, the LMS must specifically address:
- Repetitive flood losses; and
- Assurances for continued compliance with the NFIP.

2.1.1 Actions to Take in Advance

While actual project implementation often has to wait until money becomes available, some mitigation actions can be taken right away. Some suggested actions that will lay the groundwork for defining projects in the future, and that may substantially shorten the application phase include:

- Prepare a map showing all floodplain buildings, with specific notation for those in the Floodway or V Zone. Using Geographic Information Systems (GIS) is ideal, especially if the data are an overlay of a detailed map or an aerial image. A number of federal or State agencies may have aerial imagery of your project area. Check with the U.S. Geological Survey (USGS) to see if a Digital Orthophoto Quarter Quadrangle has been prepared.

- Obtain and verify the list of NFIP-insured properties that have received repetitive flood insurance claim payments. Even before the next flood, a community can explore feasible options for repetitive loss areas. This will set the stage for moving quickly to help people when funding becomes available.

- Develop a database of surveyed ground and lowest floor elevations and Base Flood Elevations (BFEs). It could also include some preliminary building data that are useful when estimating project costs, such as square footage, building age and type, and assessed value. If possible, include the latitude and longitude of each building (geocode) which may be provided by surveyors or by using handheld GPS units.

- Photograph building in flood hazard areas before the next event (Section 2.1.4).
- Prepare an estimated Benefit:Cost analysis of possible projects to get a feel for whether they will meet the cost-effective criteria of the grant programs.
- Identify multiple objectives that can be satisfied by one project, such as recreational use of open space.
- Identify possible sources of funds to be used for the 25% match for FEMA funds and to help cover costs that may not be allowable under FEMA’s programs. Because CDBG funds are often used, a good readiness action would be to prepare to collect the property owner information that is needed for both FEMA and CDBG requirements.

Lee County, FL, evaluated repetitive loss properties (and neighboring properties) to determine feasible and cost-effective measures in advance of the next flood. Owners were interviewed to help identify acceptable solutions, and the results help set priorities for grant applications.

2.1.2 Policies That Can be Decided Before You Announce a Project

During the weeks and months right after a flood disaster is not the best time to do your planning. Solid and thoughtful planning takes time and ideally will be done long before the next disaster. Similarly, after you get your grant award is not a good time to think through and establish policies, especially since some policies affect project costs. There are ramifications to every policy decision – or to not having thought through them early in the process. Some decisions will affect the cost of a project – others could reduce supplementary assistance to owners.

Refer to the sample Subgrantee Agreement (Appendix D) to understand the commitments and assurances that you’ll be expected to provide as a
condition of the funding. Some of these policies flow from those assurances, especially those related to reuse of the land.

Read this entire guide to get a better feel for what is involved in acquisition and elevation projects. Some things that can be considered in advance, even if you don’t know when a project might get underway, include:

- Selection of the project that will work best for your community and the target area: acquisition, elevation, or relocation (see Chapter 4)
- Phasing large projects and defining them to maximize funding (see Section 4.5.6)
- Prioritizing homes if funding won’t cover them all (see Section 4.5.19)
- Possible sources of the non-federal matching funds (see Section 5.4)
- Whether and how property owners will “contribute” (see Section 5.4.2)
- Using pre-flood value versus post-flood value to determine buyout offers (see Section 6.8.1)
- Estimating Fair Market Value (see Section 6.8.2)
- The formal “initiation of negotiations” with owners, which is important when considering tenant eligibility for URA payments (see Section 5.5.8)
- Property taxes (see Section 10.2.3)
- Property owner salvage (see Section 11.3.5)
- Salvage by the demolition contractor (see Section 11.3.6)
- Selling buildings that are detached from foundations (see Section 11.4)
- Options for land ownership (see Section 4.5.21 and Section 11.2.4)
- Acreage to be acquired when a project includes large parcels (see Section 4.5.22)
- Using and maintaining vacated lots (see Section 11.2)
- How to handle the situation when some owners have flood insurance and others do not (see Section 5.5.4)
- Whether to adopt an Optional Rehousing Assistance Policy (ORAP) (see Section 8.1)
2.1.3 Concepts Governing Equal Treatment Under the Civil Rights Act

Title VI of the 1964 Civil Rights Act, and Sec. 308 of the Stafford Act, set forth certain concepts and policies regarding how communities are to treat individuals. All recipients of federal assistance must comply. Because the State receives both HMGP and FMA funding from FEMA, the State also must comply as it administers mitigation programs and approves grants. Communities that receive grants must comply as they plan for and undertake projects.

The overarching purposes of policies regarding equal treatment are to prohibit discriminatory practices and to avoid conflicts of interest. As part of the application package, a community official will have to execute an assurance statement to that effect. Then it will be the community’s responsibility to ensure even-handedness during project implementation.

Over time, buildings in many flood-prone areas may have diminished in value and may have become substandard housing. This is more likely to occur in areas that flood frequently. Thus, some flood mitigation practices may appear to target low income or minority populations who live in these areas. Be sensitive to this when defining the project, and take extra care to involve citizen representatives in the planning process. As long as you understand and apply the concepts governing equal treatment you will be well-protected should a question of inequity arise.

While preparing the LMS and putting together the grant application, consider the following steps that you can take to help comply with Title VI and Sec. 308:

- Invite citizen representatives to participate as you plan the project, and be sure to include those who live outside or near the project area;
- Prepare outreach materials and property owner materials in appropriate languages;
- Clearly define why selected areas are included in the project, usually based on frequency and severity of flooding;
Verify that local officials or members of boards who may benefit from a project have recused themselves from the decisionmaking and oversight functions; and

- Set objective criteria for prioritizing properties, keeping in mind the ultimate desired use of the public open space that results.

2.1.4 Take “Sunny Day” Photographs

An important step in your Local Mitigation Strategy planning process is to document existing conditions. It is a good idea to record buildings that could be included in a project by photographing them from at least two sides. In part, this is valuable to have if the area could be severely damaged to the point that it would be difficult to determine pre-damage conditions for the purpose of preparing market value appraisals. Do not key the photographs only to addresses – use a map and geo-code each building (latitude and longitude).

Keep in mind that severe or total damage may be caused by flood and/or high wind, or in extreme cases post-flood fires have totally destroyed buildings. Because insurance payments are considered in determining Duplication of Benefits, good “sunny day” photographs will help sort out which coverage should pay for which parts of the damage. This documentation will also help when considering comparable sales and assessed values, especially if owners claim certain building characteristics that could increase the buyout offer.

Most property owners involved in a buyout are up-front and fully cooperative. But, occasionally things don’t go smoothly. One community that was trying to buy totally destroyed homes used pre-flood photographic evidence of the size and type of accessory structures after an owner tried to inflate the purchase offer.
2.2 Outreach and Public Support

Most mitigation projects are designed and implemented with public participation, typically handled through the Local Mitigation Strategy process. Communicating with those affected, including those whose homes are not within the immediate project area, can minimize misinformation and rumors. Because acquisition, elevation, and relocation projects can not be approved unless the property owners participate voluntarily, it is in everyone’s best interest to share accurate information.

2.2.1 Recommended Outreach Plan

Some communities find it helpful to develop a plan of action for outreach efforts that will be taken. Throughout a project, from the initial step of deciding the details to project closeout, there are times that public involvement may be beneficial. FEMA requires that public notices be published before an application is submitted, and again when a grant is awarded. In addition, you may consider the following outreach steps:

- Citizen involvement through the Local Mitigation Strategy.
- Inform people whose homes have been damaged to keep good records of disaster assistance they receive and receipts to document repair work performed and paid for. Paperwork should be kept for at least three years.
- Appoint a Point of Contact so that people know who to call when they have questions (this task can be assigned to the Implementation Manager).
- Develop materials such as handouts or Frequently Asked Questions for Property Owners to explain the buyout project and what property owners can expect (Section 2.2.2).
- Involve non-profit organizations that work with low income or minority groups.
- Set up a new telephone line with an answering machine, and record a new status update message every week. Not only does this reduce the number of simply inquiries you’ll have to answer, but it is a good way for people to leave their questions which can be answered during a planned call-back session.
- Develop handouts such as Frequently Asked Questions for Tenants if your project includes rental properties (Section 5.5.7).
- Develop a graphic showing a realistic timeline and use it in materials sent to owners to mark progress (Section 3.7).
- Prepare a simple monthly “newsletter” to send to affected property owners and others.
- Publish required public notices in the local paper.
- Inform and encourage the media to report on progress.
- Conduct public meetings, both those that are required as well as additional meetings as the situation warrants.

2.2.2 Frequently Asked Questions for Property Owners

The following questions are answered on a handout in Appendix A, ready to tailor to your community and your project:

- Right after the flood I was told to keep all of my paperwork, including receipts for materials and repairs. Why?
- Why was my house selected for buyout?
- How do I apply to be bought out?
- Does the buyout offer depend on how much I make?
- I’m not sure I want to sell. How will this help my family? How will it help my community?
- Who will pay the closing costs?
- How will the purchase price be determined?
- What do I do if I disagree with the purchase price?
- How long will it take before my house is bought?
- Why should I buy flood insurance if I’m going to sell?
- After FEMA approves the project, can the money be taken back?
- Who do I call if I have other questions?

2.2.3 Factors that Motivate Property Owners

Some owners will be eager to sell while others may be cautious or reluctant. A number of factors influence owners as they consider participation, including:
Fairness of the offer;
Number of previous floods and severity of past damages suffered;
Personal finances and ability to recover;
Actual and perceived value of the property;
Expectations, whether realistic or unrealistic, about the overall project as well as how much their buyout offer is likely to be;
Level of detail provided about what the project will and will not pay for;
Attachment to the location and willingness to stay flood-prone; and
Decisions and opinions of neighbors and family.

Significant factors that influence how people make decisions are what they know about the project and how they are being treated. There are some aspects of mitigation projects that you need to be up-front with property owners in order to help head off unreasonably high expectations:
The length of time it may take before they receive an offer; and
The fact that certain disaster benefits (including insurance payments) will be deducted from the appraised value of the property (see Section 9.6 to learn more about Duplication of Benefits).

Decide in advance how you will handle owners who are reluctant to participate and those who refuse an offer (see Section 5.5.11).

2.2.4 A Caution About Human Nature and Expectations

Right after people have suffered flood damage they often respond positively to the possibility of a buyout or elevation project. This positive attitude usually lasts for a couple of months, depending on how fast it looks like they’ll be able to get their lives back together. Unfortunately, the length of time it can take to get a mitigation project through the entire process can be longer than many people want to wait. This is especially true if they’re trying to live in damaged homes, or if available temporary
housing is less than satisfactory. The result may be that some people shift from feeling grateful for whatever help they might get – to feeling entitled to more than their property is worth.

This change in attitude often happens when property owners begin to think that “deep” federal pockets are paying for the project. Another reason is they’ll start hearing about their neighbors’ offers, and they may feel their offer should be comparable, regardless of measurable differences in property values. Especially when a project is prompted by a flood it becomes even more important to have pre-flood photographs and documentation of what the homes were like (see Section 2.1.4).

Throughout the buyout process you’ll need to keep the focus on the “win-win” nature of these projects. Mitigation is not an entitlement program. There is no law or requirement that communities have to do anything! Yet all too often property owners complain that even being offered pre-flood value for a destroyed building isn’t enough. Even the best project is unlikely to make property owners feel “whole” again. You should be prepared to offer a gentle reminder that the community is working for them, and that without the program they’d be left to recover entirely on their own.

Because of the way that relocation assistance for renters is determined, it is important to define when you formally initiate negotiations with owners. This will reduce the likelihood that renters who moved in after the flood will try to take advantage of the additional assistance (see Section 5.5.8).

2.2.5 Fairness and Equal Access
Federal grants must be administered in an equitable and impartial manner, without discrimination on the grounds of race, color, religion, nationality,
sex, age, or economic status. Fairness and equal access by everyone in the defined project area must be ensured. Keep good records of all communication with owners and renters, especially if correspondence is returned unopened or if you don’t get responses to inquiries. Sometimes owners are suspicious of government, even when your objective is to provide help.

If the project area includes homes that are rented, be sure to verify that you’re communicating with the owner. Don’t rely on the renter to forward critical information to the owner.

To encourage non-English speaking residents to understand and participate, be sure to use translators. This will be especially important when you are making offers because many property owners decide to accept offers based on whether they perceive they are being treated fairly.

2.2.6 Encourage Everyone in the Potential Project Area to Buy Flood Insurance

There are good reasons why you should encourage owners to buy flood insurance, even if you’re in the immediate post-flood period and are working on a mitigation project. Remember that several months will pass before you can actually begin to demolish homes, and repeat floods do happen! Some of the paid premium may be rebated by FEMA if a home is sold before the end of the policy period, but in the meantime the owner is better protected should another flood occur. Some other reasons include:

- Many floods do not qualify for a Presidential disaster declaration. Without insurance, property owners will have to bear the full cost of damage and repair. FEMA’s largest source of funds, HMGP, is triggered by declared disasters, and is not available to help after smaller events.
FEMA’s Flood Mitigation Assistance Program is funded by the National Flood Insurance Program, and has a particular focus on buildings that are insured. Your project could move up on the priority list, if more buildings are insured.

- Acquisition of a fully-insured home that is destroyed by flood is less expensive if the owner had flood insurance because the grant only has to pay for demolition, site cleanup, and the value of the land.

- Under certain circumstances, notably if a building is damaged more than 50% of its market value (called substantial damage), federal flood insurance will pay a mitigation claim of up to $20,000 towards a mitigation project (see Section 3.6). This money must be used for an approved project, and can be part of the non-federal match for elevation or it can be used to pay for demolition in an acquisition project.

2.2.7 Record Keeping for the Property Owner

If a mitigation project has been identified through the LMS, then be prepared to request that property owners and tenants keep good records and receipts for how they used disaster assistance payments for repairs and insurance payments provided for structural damage. Form A is designed as a handout that you can use right after a damaging flood to encourage homeowners to keep their receipts.

If a project is likely to evolve quickly, it may be appropriate to suggest that owners make no repairs and stay in temporary housing, or make only minimal repairs required for temporary occupancy. Because of the requirement to avoid Duplication of Benefits, the owner’s record keeping is very important. As explained in Section 9.6, failure to keep receipts will mean they get less money in a buyout.
Be careful about raising expectations, especially if a mitigation project has not yet been defined. Urge that people keep receipts just in case, but don’t overcommit to actually implementing a project.

2.3 Partners

Some communities undertake mitigation projects entirely with in-house staff and financial resources. Others, after reviewing the entire process, determine that partners can not only help with implementation, but can sometimes contribute funding.

2.3.1 Building Your Project Team

Most of the time, at the beginning of the process one person has the responsibility to get things moving. That shouldn’t mean that person has to do all the work. Depending on how your community is organized, perhaps that person is the coordinator and the moving force to make sure things get done on time.

Communities considering large projects should consider hiring outside help. Whether a contractual employee who is dedicated to this function, or an on-call consultant who handles only parts of the implementation process, the costs are allowable and can be covered by the grant. More about how this approach can help is outlined in Section 5.3.
For each project type, typical work steps are outlined in the applicable sections in Chapter 4. Think through the work steps and consider who in your agency – or in other agencies – is best suited to help, for example:

- The public works department may have handled land acquisition or right-of-way purchases.
- The town attorney may be able to handle deed preparation and real estate closings.
- The housing agency may have experience working with low-income property owners through weatherization, improvement, and energy efficiency grants.
- The parks and recreation department can tell you about identified or planned open space needs, and may be interested in owning and managing vacated land.
- The transportation department may need a site to recreate wetlands or to satisfy reforestation requirements.

You may find that some tasks can be performed by community organizations. If going door-to-door to collect data is a big job, perhaps volunteers from a service organization can be trained. A conservation group interested in open space or greenways may be a partner, as might activists for low income housing. Legal Aid, a federally funded program to help low income people, may be able to help owners clear title problems. Check out how donated or in-kind services can be valued as part of your non-federal match (see Section 5.4.1).

### 2.3.2 Non-Governmental Organizations

There are several ways that a non-governmental organization may be able to help with your project. The degree to which they can help likely will depend on their mission and resources, both financial and people (staff, volunteers). A land trust may be willing to take title to land from which homes were removed. A homeowner’s association or recreation organization may want to foster a streamside hiker-biker trail or a passive park and could fund part of the land purchase in return for ownership.

An organization that works with low income and minority families to find safe and affordable housing may want to take “recycle” homes after they...
are detached from the foundations. This approach works best in areas where the floodplain homes are still sound and reasonable for relocation, where there is a shortage of low income housing, and where there are infill lots already provided with utility service.

Through networking, non-governmental organizations may be able to help. Remember that this support can be valued as in-kind, non-federal match:

- **Property Owner Interface.** Housing or community development organizations may be able to help coordinate with citizens, especially low income or minority property owners and renters who may need some additional help through the process.

- **Relocation Assistance.** Some housing organizations may be able to facilitate temporary housing or other assistance, especially for low income property owners and renters who have been severely affected by flood damage.

- **Acquire the Building.** Some housing organizations may be in a position to take ownership of the building and physically move it to a non-floodplain location. The transfer usually takes place after the community acquires the property, at which time the building can be separated from the title to the land. In these cases, you will need to be certain that the organization has the ability to handle the work required to hire a contractor to move and place the building. You should execute an agreement that covers specific elements of the project or make it part of the sale contract. For example, will the community or the organization be responsible for fully clearing and stabilizing the vacated lot?

- **Acquire the Land.** Environmental and conservation organizations, such as land trusts, may be able to take title to the deed-restricted land. While preserving the land in compatible open space, this approach also relieves the community of on-going maintenance. The degree of participation by an organization will depend on their resources. Because they end up with a tangible asset, some organizations may be able to contribute to the cost of the project, which will be counted in the non-federal match. Keep in mind that if you “sell” the property, you may be asked to reduce the amount of the grant by a portion of the income you receive. You may be able to handle it as a donation, land swap, or a “dollar sale.”
What comes next:

- With your planning in place you’re better prepared to act quickly after the next flood. Some important actions are covered in Chapter 3, such as looking at damaged buildings in areas where a project may be possible.
- Substantial damage determinations, required by your local floodplain management ordinance, can be very important. These buildings can be prioritized, don’t have to be scrutinized as closely in terms of cost effectiveness, and if insured by the NFIP, owners may receive an additional mitigation claim payment that can be used as part of the non-federal cost share.
3. Post-Disaster Sequence of Events
What you need to know:

- It is very important that you tell property owners right away that they need to keep receipts to document how they use disaster assistance and insurance payments. But until you know more about the availability of funding be careful about raising expectations too high.
- Mitigation projects take longer than most people think they should. Do your part by planning ahead and reading ahead in this manual.
- After a flood, careful administration of the local floodplain management ordinance can make a big difference.

3.1 Brief Your Elected Officials

This section is located at the beginning of this chapter for a reason. In the rush to respond to a disaster, you may find it difficult to get time to properly brief elected officials about possible funding sources and project types. Ever since FEMA began to focus on mitigation, and especially with the press surrounding successful buyouts, many more citizens are aware of buyout projects. Unless the Local Mitigation Strategy is in-place, your priorities identified, and a project already well-defined, it may be premature for local elected officials to make a “commitment” to a project.

The Frequently Asked Questions for Elected Officials (Section 3.1.1 and Appendix A) may be helpful, both to inform them about mitigation possibilities as you work through the LMS and definition of a project, and right after an event. Include a copy of the FAQ for Communities (Section 1.2) and the FAQ for Property Owners (Section 2.2.2) so they see the information you’ll provide to affected owners.
Redefining high priorities can be especially difficult if a broad announcement of a buyout is made prematurely. You may have to tell some owners that they’re not included – and then they may feel that you have taken something away from them.

3.1.1 Frequently Asked Questions for Elected Officials

The following questions have been prepared in handout form, ready to be tailored for your community (see Appendix A):

- How is a floodplain buyout good for my community?
- How will a floodplain buyout affect our tax base?
- What factors can be considered to prioritize homes to be bought out?
- What commitments do I need to be prepared to support?
- What should I say when our citizens ask if we’ll buy them out?
- What is DOB and what do I tell our citizens? Give me the short answer.
- Right after a flood, what are the most important things for me to keep in mind?

3.2 Preliminary Damage Assessments (PDA)

Insurance companies always urge property owners to take photographs of damage before clean up begins. This is an important step to document damage, especially when a flood disaster affects a large area and adjusters may take several days to visit everyone.
Encourage property owners to keep all of their disaster assistance paperwork. It is very important to advise them to keep receipts for all repair work for at least 3 years. If they don’t, the Duplication of Benefits determination may mean they end up with less buyout money than they should be entitled to receive (see Sections 2.2.7 and 9.6).

It is also important for the community to take post-flood photographs, especially in areas where buildings clearly are substantially damaged. If buildings have been shifted off foundations or are otherwise clearly not repairable, it may be advantageous to have the debris cleared under a Section 406 Public Assistance claim (see Section 11.3.4). In this case, when buyout offers are being prepared after project funds are approved, the photographs may be the best available evidence to help document the types and sizes of buildings.

If you have already defined a mitigation project, then you can start right away by gathering information from people in the area. It is very important to make sure that you contact each property owner – not just the occupant/tenant. Section 5.5.5 covers what you need to gather and a sample form is included as Form G-6.

Appendix E includes a series of forms that is organized, more or less, in an order that follows a “typical” project – of course, most projects aren’t typical. Read through the forms to get a feel for what’s there and how you might want to make changes to better suit your community and your project.
3.3 Mitigation Assessment Reports (MAR)

In addition to assessing damage right after a disaster event, the Department also completes a Mitigation Assessment Report for the disaster area. The purpose of the MAR is two-fold:

- The State, in cooperation with community representatives, looks to determine why certain homes and infrastructure were damaged while others were not. For a variety of reasons, flooding may occur in areas that are not mapped as floodplain.
- The MAR outlines the causes of damage and opportunities to reduce future damage, and is used by communities to update their Local Mitigation Strategies.

The State will announce its priorities for use of HMGP funding after each disaster that yields funds. To learn more, be sure to attend the applicants’ briefings.

3.4 Update Local Mitigation Strategy (LMS) Procedures

Communities interested in applying for HMGP funds must have a compliant Local Mitigation Strategy (LMS). While annual updates are encouraged, the LMS must be reevaluated after each disaster. Damage data gathered for the Mitigation Assessment Report should be used to update the Hazard Identification and Vulnerability Assessment section of the LMS, which may highlight areas not previously known to be susceptible to storm damage. This is a good opportunity to review the list of mitigation initiatives to determine which projects, including acquisitions, will be submitted for funding. The LMS update reinforces the approach used to identify and prioritize acquisition and elevation projects.
3.5 Substantial Damage Determinations

Communities that participate in the NFIP are required to make determinations as to whether damaged buildings that are located within the mapped Special Flood Hazard Area have been “substantially damaged.” This step, which has been part of local floodplain management regulations since the late 1970s, is required regardless of what causes the damage to a building, be it flood, wind, fire, or even a truck running into a building. The determination of substantial damage must be made regardless of whether the owner intends to repair at all, or whether repairs will be made over a long period of time.

Typically the local building official evaluates whether substantial damage has been sustained. This can be handled by preparing a certification of the damage based on the owner’s submission of cost estimates obtained from a licensed contractor (but care must be exercised to ensure that all repairs are included, not phased in order to try to get around the requirement). Another approach is to use a computerized tool, based on regionalized cost data (R.S. Means), that was developed by FEMA.
FEMA has developed a tool, the Residential Substantial Damage Estimator (FEMA 311), to help post-flood evaluations. The software produces a “certificate” that is to be attached to the grant application. Technical assistance is available from the Department, especially if many buildings have been damaged and the resources of the building official are stretched.

Substantially damaged buildings that have federal flood insurance will be eligible to receive up to $20,000 in additional claim payment. This could be a significant source of funds for a mitigation project (see Section 3.6). The payment, called Increased Cost of Compliance (ICC), is to be used to bring buildings into compliance in accordance with the local floodplain management ordinance. It can be used as part of the non-federal share of buyouts, elevation, and relocation projects.

Care must be taken when making substantial damage determinations so that the community remains in good standing with the NFIP. If you have an acquisition or elevation project already defined, you may be inclined to be liberal in making these determinations so that owners qualify for the ICC claim payment. There are a few cautions about being too liberal:

- Once you make the substantial damage determination, you can’t “change your mind” unless the owner provides documentation that challenges the official determination made by the building official. This means the owner must bring the building into compliance and may be faced with covering the entire cost if a project isn’t funded.
- Having substantially damaged buildings in your project does not guarantee that HMGP or FMA funding will be awarded for your project.
Just as there are benefits to making good substantial damage determinations, there are consequences for not properly implementing this provision of the local floodplain management ordinance:

- Insured property owners may miss out on the ICC claim payment, which can be used as the non-federal cost share required to match HMGP and FMA funds.
- You may have to work harder to justify a project, given that a rigorous analysis of the costs compared to the benefits isn’t required for substantially damaged buildings.
- Communities that show a pattern and practice of poor administration of the NFIP requirements may be sanctioned. If the community is placed on probation, every citizen who has a flood insurance policy will be assessed a $50 surcharge, and projects submitted for FEMA’s mitigation funds will not be considered until the problems are corrected.

### 3.6 Flood Insurance: Increased Cost of Compliance (ICC)

When a home is covered by an NFIP flood insurance policy, it may be eligible for a “mitigation insurance” claim payment if the next flood causes damage of a certain amount (see Section 3.5). This benefit is called Increased Cost of Compliance, and became part of the standard flood insurance policy in 1997.

When ICC is triggered by damage that prompts compliance with the ordinance (called “substantial damage”), the owner is eligible to receive up to $20,000 in addition to the standard claim payment. The amount of the ICC claim payment depends on issuance of a local permit and the cost of mitigation measures implemented.

A critical aspect of ICC is that funded activities must be completed so claims can be settled within 2 years of filing. Given how long it can take to apply and get mitigation grant funding approval, it is very important that you plan ahead.
“Substantial damage” means damage of any origin whereby the cost of restoring the building to its before-damaged condition would equal or exceed 50% of the market value of the building before the damage occurred. NOTE: Substantial damage can be caused by many hazards, but ICC is triggered only by a flood that causes +50% damage.

The intent of ICC is to help owners bring their buildings into compliance. What triggers ICC? The most common trigger is substantial damage caused by flood, sometimes called the “50% rule.” For many years, the NFIP has required local ordinances to have specific provisions for substantial damage, requiring that a building that is substantially damaged by any cause be brought into compliance:

- **Elevate-in-place.** In most cases, bringing a home into “compliance” means elevating as required for new floodplain construction. With ICC, the owner gets an additional claim payment to help implement this requirement when a local permit has been issued. If the home is part of an elevation project this additional claim is counted as part of the non-federal match.

- **Demolish as part of buyout project.** Because the ICC claim payment is triggered by code compliance, and floodplain regulations do not require that damaged properties be acquired, the maximum amount available under ICC ($20,000) is not paid automatically when a community pursues a buyout project – it has to be coordinated with the insurance adjuster. The ICC claim payment can be used to cover 100% of the cost of demolition and site cleanup (up to a maximum of $20,000), and those amounts count towards the non-federal match.

- **Relocation.** As with demolition, the actual costs of relocating the building (including new site work, but not purchase of the new site)
and demolition of the old foundation and site cleanup can be paid by the ICC payment and counted towards the non-federal match.

- **Reconstruct Compliant.** These projects involve demolition of the damaged building and reconstruction of a fully compliant structure. The ICC claim, most likely the entire amount, plus the basic insurance payment, are used to pay for removal of the debris and new construction. New construction may take place on the same footprint or another site on the same property.

There is another way that ICC is triggered, but it requires your community to amend its floodplain management ordinance to address repetitive flooding. If the ordinance requires compliance when the cumulative cost of repairing damage caused by floods on two or more occasions equals 50% of the pre-flood market value, then the ICC claim payment can be paid. A downside of this approach is that owners have to wait for two more floods to occur after the date the cumulative provision in the ordinance is adopted.

> **If the area you’re considering for a mitigation project is subject to repetitive flooding, you might want to consider modifying the floodplain management ordinance to capture cumulative substantial damage. Insurance company claims adjusters are supposed to watch for damage that appears to be close to the 50% threshold, but they are unlikely to know if you have a cumulative damage provision. NOTE: The ordinance applies throughout all mapped floodplain areas, not just the project area. Contact the NFIP State Coordinator to learn more.**
3.7 Grant Program Timelines

3.7.1 Typical HMGP Program Timeline

Overall, FEMA and the Department are working to meet a programmatic goal of obligating and awarding HMGP funds within 24 months of the date of a major disaster declaration. To this end, Florida is a “Managing State” and assumes a greater role and responsibility for reviewing applications. Note that this goal is to get the funds awarded – it is not the deadline for projects to be completed.

Although FEMA may grant 90-day extensions to certain deadlines, the typical timeline for applying for HMGP funds is shown in Figure 3-1 (page 3-12). This timeline shows key steps in elapsed time from the date of a disaster declaration, in months.

3.7.2 Typical FMA Program Timeline

FMA funding becomes available each year – it is not dependent on whether a disaster is declared. Typically, FEMA notifies the Department of Florida’s allocation in December. The Department notifies communities and schedules application workshops in January, with applications typically due by the end of March.

3.7.3 Optimum Project Implementation Timeline

Because there are so many variables, most projects only come close to following an optimum or typical timeline. Perhaps the most significant factor that influences implementation is the number of properties involved. The timeline shown in Figure 3-2 (page 3-13) approximates the timing of a typical, small acquisition project, in elapsed months from the date of award.
What comes next:

- The time between approval of the LMS and the period shortly after a flood will most likely be when the details of a project are refined.
- For each project type there are pros and cons which need to be considered before finalizing the project proposal.
- Chapter 4 covers many questions that may come up as you define the project. To get a more complete feel for projects, including implementation, you should read the rest of this guide.
Figure 3-1. Typical Application Timeline (in months from disaster).
Figure 3-2. Typical Small Project Implementation Timeline (in months from award).

1. Procure appraisal services
2. Procure title services
3. Receive DOB data
4. Receive and review appraisals
5. Receive and review title commitments
6. Resolve title issues
7. Prepare Agreements for Sale
8. Schedule owner meetings
9. Explain offers and revise, if appropriate
10. Notify tenants
11. Receive funds from DCA
12. Schedule closings
13. Inspect vacant property
14. Conduct closings
15. Finalize demolition instructions
16. Submit certification to DCA
17. Closeout by DCA

- Open bank accounts
- Set up property case files
- Verify homeowner data
- Identify tenants and collect data
- Review ORAP policies and eligibility
- Request DOB from DCA
- Determine ORAP payments
- Develop Determination of Compensation
- Determine URA benefits
- Procure demolition services
- Process signed Agreements for Sale
- Request funds from DCA
- Perform demolition
- Conduct final inspection
4. Overview of Project Types
What you need to know:

- In order to weigh the pros and cons of different types of mitigation projects, you need to a good assessment of the area and the characteristics of the flood hazards.
- These questions and others should be part of your LMS and your considerations: Does the area flood frequently? Is it subject to waves or fast moving water? How long is the water up? Are there evacuation problems? How many people are affected?
- What are your mitigation goals, and how can acquisition or elevation help you reach those goals? Can a project support the need for recreational open space, greenways, wetlands management, or reforestation?

This chapter includes brief descriptions of four types of flood mitigation projects and each section includes an overview of the typical project process. Key factors that should be understood and considered when defining projects are described in Section 4.5, including pros and cons.

4.1 Acquisition or Buyout

4.1.1 Overview

A floodplain buyout project involves the purchase of properties that have sustained flood damage or that may be subject to severe or repetitive flooding. To be eligible for funding, property owner participation must be voluntary. Buildings are either demolished or physically moved, and the land must be retained in open space in perpetuity so that it fulfills natural and beneficial floodplain functions. These projects can be planned to fulfill multiple objectives, including recreational open space and environmental enhancement.
There are a number of pros and cons that should be weighed when deciding whether to undertake an acquisition project. Section 4.5.1 outlines some of the factors, but each community will likely have unique considerations.

Acquisition projects can be very beneficial. They help a lot of people out of a difficult or dangerous living environment, and they can be very fulfilling for those who complete a successful project.

Imagine what it was like for the staff of St. Charles County, Missouri after the 1995 floods. In 1993, over 4,250 residents applied for disaster assistance totaling more than $26 million. With FEMA and State support, the County acquired 1,347 flood-prone properties, leaving the land as open space. In 1995, when the Mississippi and Missouri Rivers rose to flood the same areas, only 333 applicants sustained enough damage to get support, which totaled less than $300,000. For a taxpayer investment of $13.7 million, damage of nearly twice that amount was avoided in just one flood!

4.1.2 Community Assurances for a Buyout

A great deal of a community’s communication with property owners will take place before a grant application is submitted to the Department, and long before a Subgrantee Agreement is executed (Appendix D). Therefore, it is good to know early on that the Subgrantee Agreement will, in part, be a statement of assurance that the community:

- Will inform property owners that it will not use its eminent domain authority (condemnation) to acquire property should negotiations fail (Form F);
- Will advise property owners, and obtain a statement from them, that their participation is voluntary (Form G-3);
- Will restrict the title to the acquired property to allow only compatible open space use (see Section 11.2.1) without future construction; and
- Remove (demolish or relocate) acquired buildings within 90-days of closing.

Appendix E contains a series of sample forms organized more or less in the order that they’re likely to be used in the “typical” buyout project. Of course, few projects are “typical,” so you may want to look through them all now to better understand when they’re referenced in the text.

4.1.3 The Typical Buyout Process

It is important to understand that buyout projects can be difficult and they can stretch on for a long time, especially when many properties are involved. Chapter 10 includes Figure 10-1, a flowchart outlining the typical buyout process. The following is a brief description of some of the elements in the process:

- **Community commitment.** Your community has to commit more than money and some staff time. A successful project needs active participation of many players, including the elected officials and property owners.
- **Involve property owners.** This might seem obvious if these people have been damaged, but don’t assume they know what’s going on. You need to have a good outreach plan and you need to be committed to making it work. A successful mitigation project requires active and willing property owner participation, especially since there are several commitments owners must make, such as agreeing to invest in homes outside of the mapped floodplain.
Hold a public meeting. Remember that nearby residents and others throughout the community will be interested. Although they may not be personally impacted, large projects can change neighborhoods, so they need to be kept informed as well.

Obtain statements of voluntary participation. Federal mitigation funding is strictly limited to helping owners who participate voluntarily. The grant application must include a signed statement from each property owner that his or her participation is voluntary. Communities must assure, in writing, that they will not condemn any property if the owner is unwilling to participate.

Begin to collect information required to estimate costs and prepare buyout offers. You will collect data about each house and property, and about each owner. Owners will sign documents that allow access for the purpose of estimating costs: (a) a Right to Enter and Inspect and Notice of Intent to Take Soil Borings and Ground Water Samples, and (b) Property Inventory, which gives the community permission to conduct an inventory of the property.

Watch the details – all the time. This step applies throughout, from application to implementation to close-out. You’ll have to get a lot of information from property owners, and this data becomes very important in determining the cost of mitigation measures and computing the buyout offers.

Be consistent. Property owners will begin to talk and learn about each other’s offers, so it is important that you set clear policies up front (see Section 2.1.2) and apply them uniformly. Consistency is another reason why a good outreach plan is important, so that it is clear who will be communicating what and when.

Define needed in-house support and services to be procured. If your community has the necessary expertise on-staff, and if they can handle the workload, some services can be done in-house. Typical services that may be contracted include overall project management, an implementation specialist, appraisals, surveying, legal services for title work and closing, and demolition.

Scrutinize the basis for compensation and obtain appraisals. These are fairness issues. You will establish the basis for deciding the value of property and what compensation property owners will get. You will have a licensed appraiser prepare fair market valuations, which need to be reviewed to make sure they reflect the specifics of each property.
- **Determine Duplication of Benefits (DOB).** From the appraised value will be subtracted certain financial benefits that may have been paid to owners after a flood, if those benefits were not put back into the building as repairs. Subtracted benefits may include: (a) flood insurance payments for structure damage, (b) IFG payments for structural repairs, (c) Emergency Minimal Repair Grants (EMR), and (d) private insurance payments that weren’t expended for repairs. If any of these payments were used to repair the structure, the property owner must provide proof with invoices marked paid or other receipts.

  If FMA-funded projects may not have been preceded by a recent flood. In these cases, a determination of DOB is not required.

- **Factor in value of materials and items salvaged by owners.** If the owners want to remove items after the appraisals have been made, then the value of items removed must be subtracted from the Fair Market Value.

- **Determine compensation and make the buyout offers.** Each property owner will get a document that explains the acquisition process and the specific amounts used to determine compensation. The document includes a purchase agreement in a form that constitutes an offer from the owner to sell property to the community, and acceptance by the community of the offer.

- **Provide the opportunity to appeal.** No process is perfect, so it’s important that property owners have a means of recourse if they feel they are not being treated fairly. This occasionally happens when owners don’t understand the basis for the offer or get confused about subtracted benefits. When someone believes they aren’t being made a fair offer, they need to be able to appeal the decision. Typically this involves the owner paying for an independent appraisal, or offering additional information to dispute the DOB deductions.

- **Execute the Voluntary Transaction Agreement.** When you and the property owner come to agreement within the limits of the grant
and funding program guidelines, you will execute the Voluntary Transaction Agreement.

- **Conduct the title search.** As with all real estate sales, a title search is conducted to determine ownership and to identify any ownership issues and encumbrances that will have to be resolved prior to closing and conveyance of the deed.

- **Notify the owners and schedule the closing.** The property must be vacant on the date of closing. If the owner can’t move until a later date, the closing may have to be delayed to a mutually acceptable date after the owners are able to move. Just like any real estate transfer, the owner is responsible for mortgage payments, utility bills, and taxes up to the date of closing.

- **Conduct the closing.** At the closing, the property owner will execute a Certificate of Removal of Personal Property and Debris (Form V). The owner will then receive the net proceeds from the sale.

- **The closing paperwork.** After the closing, the title company will provide the community with a complete title package that will include, at a minimum, a Final Title Insurance Policy, copy of the recorded Warranty Deed, copy of the closing statement, and a copy of the checks for all disbursements made at closing.

- **Demolish buildings and clear sites.** This part of the project is when real progress is visible! You’ll want to use the demolition contractor efficiently, grouping buildings as much as possible without creating too much delay. FEMA requires that buildings are to be demolished within 90-days of closing, but this isn’t always possible. Wells have to be capped and septic tanks handled according to State regulations.

- **Watch the dollars and cents.** All projects are approved with a budget that is based on a number of assumptions and estimates. You will keep track of the running total so that you can report on anticipate overruns or underruns.

- **Conduct the project closeout.** The Department will perform a final field inspection before approving final disbursement. Keep all the paperwork – FEMA or the Department may need to conduct an audit in the future.

- **Celebrate success!** You don’t need to wait for the next flood to feel good about a completed project! But do plan to document the benefits after the next flood occurs and fewer people are affected?
4.2 Elevation-in-Place

4.2.1 Overview

An elevation project typically involves lifting up the existing building (if it is structurally sound) and constructing an elevated foundation under it. Although the costs and complications vary, buildings with all types of foundations have been elevated, including those on crawlspaces, on piers or pilings, and those on concrete slabs-on-grade. As demonstrated in several Florida communities, “elevation” can be achieved in some types of buildings by retrofitting an existing flood-prone ground level to become a platform on which a new living area is constructed.

For several reasons, some communities decide to elevate floodplain homes rather than undertake a buyout project. Sometimes only a few homes in an area are flood-prone, and acquiring “postage stamp” lots for public ownership may not make sense. In other areas where new buildings are being permitted and constructed in the floodplain, some of the benefits of returning a few lots to open space may not be significant.

When new buildings are permitted in the floodplain, the single most important design and construction requirement is that the lowest floor be elevated to or above the predicted flood level, the Base Flood Elevation. The required elevation is set forth in each community’s floodplain management regulations adopted for participation in the NFIP. An elevation project applies this same requirement to non-conforming, structurally sound buildings by raising them in-place on elevated foundations.

While elevated buildings may not be subject to the same levels of physical damage, other flood-related risks and needs continue. Communities will still have to provide warnings, residents will still have to be evacuated, emergency shelters will have to be opened, and lives will be disrupted.

Another matter to consider when deciding to do an elevation project has to do with a potential health concern. Some buildings that have been inundated, especially those that were flooded for more than a brief period
of time, experience mold growth or may have other contamination that could pose risks. An important step may be careful inspection of homes, especially behind siding and other enclosed areas that do not dry quickly.

There are several other factors to think through when considering elevation, and while each community’s decision process will be unique, some of those factors are outlined in Section 4.5.

In Dunedin, homes that had been flooded several times were elevated. Not only does the project reduce future flood insurance claim payments, but property owners feel safer and homes have increased in value.

4.2.2 Properties Eligible for Elevation

To be eligible for HMGP or FMA funds, elevation-in-place projects must fulfill certain requirements, including:

- The buildings must be inspected inside and underneath to determine that they are sound and can be elevated.
- The property owner must agree to obtain and maintain flood insurance.
- The height to which the building will be elevated must be at least the Base Flood Elevation, plus any freeboard specified in local regulations.
- Foundations are to be designed for the soil conditions and to withstand the flood and wind loads for the area.
- Enclosed areas under elevated buildings must comply with the local floodplain management ordinance with respect to use of flood resistant materials, size and location of flood openings, and uses must be restricted to parking, building access, and limited storage.
- Other aspects of the local building code must be addressed.
4.2.3 The Typical Elevation-In-Place Process

Elevation projects can be difficult and time-consuming. Many elements in the process are similar to those for acquisition (see Section 4.2.3). The following is a brief description of key elements that are different:

- **Involve property owners.** As with an acquisition project, property owners will be very involved. Not only are they concerned about the appearance of their homes, but they’ll have to execute contracts and temporarily vacate during the actual elevation work.

- **Double check substantial damage and “mitigation” insurance payment.** Section 3.5 briefly outlines the substantial damage provision, and Section 3.6 details the Increased Cost of Compliance (mitigation) insurance coverage that is part of all NFIP flood insurance policies on buildings in mapped floodplains. If an insured building that is proposed for elevation was substantially damaged, then the ICC claim payment is specifically provided to achieve compliance through elevation. This payment, which is made only after coordination and verification between the insurance adjuster and the community, can be used as the non-federal cost share for FMA and HMGP grants.

- **Determine foundation type or design the foundations.** To get a detailed cost estimate, foundations may be designed during the application phase. If they are not, then an early step after grant award is to have designs prepared for those homes for which the owners have agreed to proceed. If the home has a basement, it must be filled in (see Section 11.5.2). Utilities that were located in the basement may be relocated to a “utility addition,” which is the only expansion of habitable space that is eligible under the grant.

- **Look at upgrades required by the building code.** Considerable work is involved in elevating an existing home on a new foundation or when expanding a home on a platform converted from the original ground level. Given the nature and amount of work involved, the provisions of the building code trigger a requirement that other non-conforming aspects of the building are to be brought into compliance. This may mean that older electrical systems and plumbing systems have to be upgraded. In some cases, upgrades to other aspects of the building or its utility support systems may be required, such as wind-resistant provisions. Code upgrades add to the cost of the project, and some of those costs may not be allowable as part of the project costs that are eligible for federal funding. Some
of the additional costs, which are the responsibility of the property owner, may be used as part of the non-federal cost share.

- **Scrutinize the basis for compensation and temporary living support.** These are fairness issues. FEMA’s requirements limit the elements of an elevation project that are eligible (see Section 6.7.3). You and the property owners may negotiate who pays for other elements (see Section 12.5.2). The amount of financial support provided to owners will likely be a key decision in their participation.

> While participation in a grant-funded project is voluntary, complying with local floodplain regulations is not. Substantially damaged buildings must be brought into compliance – with or without grant support.

- **Determine Duplication of Benefits.** Some of the same factors identified for acquisition projects will be considered when you review financial assistance that was provided after a damaging event, including flood insurance payments and emergency funds for repairs.

- **Make the assistance offers.** Each property owner will get a document that explains the elevation process, details the costs not covered by the grant, and outlines the commitment to fulfill that financial obligation. The owner’s commitment also addresses other requirements, such as getting and keeping flood insurance.

- **Identify qualified contractors and help owners obtain contracts.** Because elevation projects take place on privately owned property, some communities decide they cannot contract for the construction work. The alternative is to have the owners be responsible for hiring the contractor, in which case it is in everyone’s best interest to have a standard scope of work and certain conditions that must be included in the contracts. Sometimes a community will solicit contractors, and then issue a “task order” to be negotiated for each house. Working with one contractor can also reduce costs, both mobilization and implementation costs, if work on multiple homes can be closely scheduled.
- **Obtain permits and schedule the work.** The owner should notify the community when the work is to be performed, especially to ensure proper inspection as required by local building permits. If the community holds the contract, close coordination on the timing is important.

- **Personal property and liability.** Furnishings in a home do not have to be completely removed during an elevation project, although most owners want to remove fragile items. The elevation contractor should specify, as a matter of liability, the items that can be left in the building.

- **The paperwork.** To speed reimbursement from the State, make sure the community’s records and invoices from the contractor clearly separate costs that are grant-eligible from those that are not. If the contractor will be performing upgrade work that is paid entirely by the owner, such work should be specifically called out in the scope of work and the contractor’s cost estimate.

- **Elevate buildings and clear the sites.** This is when everyone will see a lot of progress. If a contractor is working on several homes in the same area, work can proceed more efficiently if they’re scheduled close together in time, as well.

- **Require the as-built Elevation Certificate.** This certificate is required as part of the closeout. It is also important for the owner to keep a copy in order to obtain flood insurance.

- **Watch the dollars and cents.** All projects are approved with a budget that is based on a number of assumptions and estimates. You will keep track of the running total so that you can report on anticipated overruns and underruns.

4.3 **Relocation to Non-Floodplain Lot**

A relocation project blends characteristics of a buyout with retention of existing building stock. If flood-prone buildings are structurally sound, and if non-floodplain sites are located within a reasonable distance, buildings may be physically moved. The vacated lands are to be retained as open space.

This manual does not address this project type in detail, although it is easy to see how parts of an acquisition project are combined with physically moving a building (elevation-in-place is physically moving a
building up, rather than horizontally). The most significant factor that is different will be whether the receiving site is a vacant “in fill” lot, or whether the receiving site must be developed with utilities and roads. Generally, FEMA encourages communities to consider demolition because it requires minimal environmental review, typically is less expensive, and allows more flexibility for property owners in their relocation decisions.

Relocation projects funded by FEMA must specify the location of the receiving site, which must be outside of the mapped special flood hazard area shown on the Flood Insurance Rate Map.

Another matter to consider regarding relocation has to do with a potential health concern. Some buildings that have been inundated, especially those that were flooded for more than a brief period of time, mold growth or other contamination may pose risks. An important step may be careful inspection of homes, especially behind siding or other closed areas.

4.4 Reconstruct Fully Compliant

Few projects take the unusual approach of demolishing existing buildings and reconstructing fully compliant, elevated buildings on the same sites. It is notable that:

- This approach is unlikely to be the most cost-effective solution;
- Grant funding may be limited to the amounts necessary to implement the most cost-effective solution (usually elevation).

However, especially when buildings are not sound enough to be elevated, and when property owners do not want to move and are willing to add their own funds to whatever grant amounts are available, this approach can work. It is particularly attractive to owners who will receive the Increased Cost of Compliance payment from their flood insurance (if
substantially damaged) because the additional insurance payment can be used to reconstruct a compliant building. The grant may provide funding in an amount equivalent to the cost of elevation, which must be estimated assuming the building is sound enough to be elevated.

This manual does not address this project type in detail. Contact the Department if you would like to know more.

Conversion of a ground level to function as a platform for an elevated building is a special case of elevation-in-place. Fully compliant reconstruction involves clearing the lot and building a new, code-compliant house from the ground up.

4.5 Considerations to Help Define the Project

4.5.1 Pros & Cons for Different Project Types

Acquisition: FEMA has encouraged communities to buyout flood-prone homes since the early ‘90s, and more recently HUD has provided funds to communities struggling to deal with severe and repetitive flood problems in low to moderate income areas. Acquired lands are allowed to serve floodplain functions, and are required to be kept in restricted, permanent public open space or deed restricted if ownership is transferred to others.

- **Pros:** Permanent removal of people and property from harm’s way; reduce property damage and cleanup costs; reduce/eliminate need to evacuate; re-house people in safer homes; return floodplain to natural function to allow floodwater to pass unimpeded; create public open space; reduce likelihood of sewage contamination.

- **Cons:** May remove homes from local housing stock; disrupts neighborhoods; removes land from tax base; requires voluntary participation so may not clear contiguous lots, thus continuing requirement for services.
Elevation-In-Place: In some floodplains, where the depth and velocity of floodwaters are not expected to be safety hazards, it may be reasonable to elevate-in-place. This measure can be applied to homes that are structurally sound, especially those that are already on crawlspace, pier, or pile foundations. Slab-on-grade houses can be elevated, although there are some other technical issues to address, along with costs.

- **Pros:** Retains housing stock; keeps property on tax rolls; keeps neighborhood together; results in code-compliant buildings; reduces the cost of flood insurance; reduces (but not entirely eliminates) potential flood losses.

- **Cons:** Temporarily displaces residents; makes access more difficult due to higher stairs; continues need to evacuate; some homes may have residual mold or contamination; may expose homes to higher wind loading; can be expensive; continued impairment of septic tanks and drain fields during periods of high water.

Relocate to Non-Floodplain Land: Sometimes homes may be structurally sound enough to physically move to ground that is at a higher elevation and out of the mapped floodplain. To be cost effective, vacant non-floodplain land should be available within reasonable distance, and the transport path should be free of constrictions.

- **Pros:** Retains sound housing; returns floodplain to natural function; facilitates in-fill development; eliminates need for flood insurance; vacated land becomes public open space.

- **Cons:** Temporarily displaces residents; installing utilities and roads to vacant land is expensive, if such services are not already in-place; likely to increase costs if it triggers code compliance for plumbing, wiring, energy efficiency, etc.

Fully Compliant Reconstruction: In select instances, an unusual approach may be to demolish the damaged floodplain home and rebuild a fully compliant building. Note that this measure may not qualify for full funding participation by some grant programs. However, many flood-prone areas will continue to be occupied, the water depths and velocities may not be “dangerous,” and new construction can be built in compliance with applicable ordinances. Therefore, there is an argument for allowing
reconstruction if a building cannot be elevated-in-place, or if another cost effective measure is not available.

Typically, cost is the complicating factor because a grant program usually limits the amount of funding available to the most cost-effective measure. One approach is to limit the grant to an amount equivalent to what it would cost to elevate-in-place. Despite the limitation on funding, fully compliant reconstruction is an option to consider.

- **Pros:** Rebuilding adds sound, code-compliant housing to the community; effective where homes have been substantially damaged and retrofit or compliance is required; keeps communities intact; avoids public ownership of “odd” lots; higher value new homes increase local tax base.

- **Cons:** Grants may not provide sufficient funds to rebuild; temporary housing required during construction; public services still required to evacuate.

### 4.5.2 Specific Measures for Different Floodplains

There are several types of floodplains, with different physical characteristics. Some of these characteristics are shown on the NFIP Flood Insurance Rate Map (FIRM) or Floodway map, but some are not. Some characteristics add to damage potential, some pose increased threats to evacuation and safety:

- Riverine flood hazard areas where velocities are high (typically Floodways):
  - That may endanger people (see Figure 4-1)
  - That carry debris that can cause additional physical damage upon impact with buildings
  - That exert additional forces on foundations

- Coastal flood hazard areas subject to high velocity wave action (V Zone):
  - With significant wave action (waves greater than 3 feet)
  - Subject to erosion
  - With significant overwash of sand
  - Where buildings are flooded frequently
• Coastal A Zones, located just inland of the V Zone where waves are still a factor although predicted to be less than 3 feet:
  – Subject to erosion
  – With significant overwash of sand
  – Where building are flooded frequently
• Riverine (Inland) flood hazard areas (A Zones):
  – In the fringe (outside of the Floodway)
  – Where buildings are flooded frequently
  – Subject to erosion
  – Subject to significant debris which can damage buildings

Figure 4-1. Riverine Flood Hazard Chart for Adults.

![Riverine Flood Hazard Chart for Adults](image-url)
When you are deciding which mitigation measure to apply in specific areas, you should check the FIRMs and other sources to understand the nature of the flood hazard. Sources may include your public works department, the local floodplain management agency, the local emergency management agency, State agencies (Community Affairs, Transportation), the U.S. Army Corps of Engineers, and the Natural Resources Conservation Service.

The specific mitigation measure selected should take into consideration some of the physical characteristics of the area. Table 4-1 suggests measures for coastal floodplains. Table 4-2 suggests measures for riverine floodplains. For elevation projects, several methods of elevation are noted because some are more appropriate than others, depending on the nature of the flood hazard. For example:

- Where velocities are high, solid foundations (even with flood openings) will have to be designed to withstand higher loads.
- Where velocities are high, earthen fill may be subject to erosion and become unstable.
- High velocities pose greater threats during evacuation.
- Long duration flooding complicates temporary housing during floods.
- Long duration flooding saturated earthen fill.
- Solid foundations don’t allow transport of overwash sand.

Elevation projects (and fully compliant reconstruction) must be designed to comply with the NFIP, local floodplain management regulations, and the building code. Figures 4-2 and 4-3 are intended to be starting points when you’re considering alternative – they are not recommendations of one method over another.
Table 4-1. Suggested Mitigation Measures as a Function of Flood Zone and Special Hazard Characteristics [COASTAL].

<table>
<thead>
<tr>
<th>Flood Zone</th>
<th>Special Hazards</th>
<th>No Action</th>
<th>Elevate on Fill</th>
<th>Elevate on Piles</th>
<th>Elevate on Columns</th>
<th>Elevate Solid Fdn Walls</th>
<th>Acquire or Relocate</th>
<th>Demolish &amp; Rebuild</th>
<th>*Flood-proof</th>
</tr>
</thead>
<tbody>
<tr>
<td>V Zone</td>
<td>Subject to erosion</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>V Zone</td>
<td>High sediment/overwash</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>Yes**</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>Minor, major</td>
</tr>
<tr>
<td>V Zone</td>
<td>None</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>Yes**</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>Minor, major</td>
</tr>
<tr>
<td>V Zone</td>
<td>Repetitive</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>Yes**</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>Minor, major</td>
</tr>
<tr>
<td>A Zone</td>
<td>Subject to erosion</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>A Zone</td>
<td>High sediment/overwash</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Minor, major</td>
</tr>
<tr>
<td>A Zone</td>
<td>Repetitive</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Minor, major</td>
</tr>
</tbody>
</table>

* Floodproofing may involve minor measures (relocate utilities, vacate and fill basements) that are applicable to both residential and non-residential buildings. Major measures, such as structural strengthening, are allowed only for non-residential buildings where advanced warning is reasonable and sufficient. NOTE: Floodproofing may not be eligible for HMGP and FMA grants.

** Designs should account for flood loads and other loads. See ASCE 24-98 and ASCE 7-98.

Table 4-2. Suggested Mitigation Measures as a Function of Flood Zone and Special Hazard Characteristics [RIVERINE].

<table>
<thead>
<tr>
<th>Flood Zone</th>
<th>Special Hazards</th>
<th>No Action</th>
<th>Elevate on Fill</th>
<th>Elevate on Piles</th>
<th>Elevate on Columns</th>
<th>Elevate Solid Fdn Walls</th>
<th>Acquire or Relocate</th>
<th>Demolish &amp; Rebuild</th>
<th>*Flood-proof</th>
</tr>
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<tbody>
<tr>
<td>A Zone</td>
<td>Fringe</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Minor, major</td>
</tr>
<tr>
<td>A Zone</td>
<td>Floodway</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>Yes**</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>Minor, major</td>
</tr>
<tr>
<td>A Zone</td>
<td>Repetitive</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Minor, major</td>
</tr>
<tr>
<td>A Zone</td>
<td>High velocity</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>Yes**</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>Major, minor</td>
</tr>
<tr>
<td>A Zone</td>
<td>Subject to erosion</td>
<td>Yes</td>
<td>No</td>
<td>Yes**</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>No</td>
</tr>
<tr>
<td>A Zone</td>
<td>Debris impact</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes**</td>
<td>Yes**</td>
<td>No</td>
<td>Yes</td>
<td>Yes**</td>
<td>No</td>
</tr>
</tbody>
</table>

* Floodproofing may involve minor measures (relocate utilities, vacate and fill basements) that are applicable to both residential and non-residential buildings. Major measures, such as structural strengthening, are allowed only for non-residential buildings where advanced warning is reasonable and sufficient. NOTE: Floodproofing may not be eligible for HMGP and FMA grants.

** Designs should account for flood loads and other loads. See ASCE 24-98 and ASCE 7-98.
4.5.3 Defining the Project to Your Benefit

About three months after a disaster declaration, the Department will notify eligible communities of the funding allocations for HMGP. Whether the funding is used entirely for one project or split between projects is up to the Local Mitigation Strategy workgroup. Approval of funding will be withheld unless each project’s priority, as set forth in the LMS, is specified.

For a specific project, the amount of funding that is requested in the grant application determines the amount likely to be provided to implement the project. You certainly won’t get more than you request, and it’s possible to get less if funds are limited. This means that the better you can detail the project costs, the more likely you are to get enough to finish the project. An incomplete or underestimated cost estimate means you may have to seek additional funds – and that might not be easy. Or, if you come up short, you might not be able to work with all of the homes you have on the list. Needless to say, that can cause a lot of problems when you have to tell families they are no longer part of the current project.

Except for projects to acquire floodway and substantially damaged homes, one of FEMA’s decision factors is the ratio of Benefits to Costs. FEMA approves projects when that ratio is greater than 1, or if the ratio is “close” to 1 and there are other intangible benefits. Therefore, while it’s important to include realistic estimates of all the costs, it is just as important to cover all the benefits (see Section 6.6).
4.5.4 Properties Outside the Mapped Floodplain

FEMA reports that nearly one-third of all NFIP flood insurance claims are made on properties that are in B, C, or X Zones, or outside of the mapped floodplain. FEMA also acknowledges that the Flood Insurance Rate Maps, especially older maps, may not provide the detail necessary to reasonably delineate those areas that are subject to the 1% annual chance flood (i.e., within the 100-year floodplain).

If the properties you want to include in your project are not within the mapped floodplain, contact the Department as early as possible in your planning process.

You may need to explore additional technical data to define the hazard, but the documented history of flooding supports the idea that a mitigation project outside of the mapped floodplain may be reasonable to pursue. At a minimum, with assistance from the Department, you may need to approximate the flood hazard characteristics, similar to the way that Base Flood Elevations are approximated in unnumbered A Zones (see Section 6.4.2).

4.5.5 Conservation Easements

An easement is a “right of passage” over someone’s land, and the owner and whomever pays for that right agree on the specifics of that right, in return for some sort of compensation. In recent years, most conservation easements are used to limit the owner’s use and activities, rather than convey active use to the holder of the easement. For example, in some parts of the country local governments use purchase or transfer of development rights to control growth patterns. This means the owner retains ownership of the land but sells the right to subdivide and build to someone else who then has the “right” to build elsewhere.
As part of a mitigation project, a conservation easement can be placed on certain parts of land that remain in private ownership. The easement, which is required to run with the land “forever,” spells out what can and cannot be done on the property. For flood mitigation projects, easements are most often used when the landowner has enough land to physically relocate the home, or to rebuild a new home out of the floodplain.

If a farm home is included in the project, acquisition of the entire farm is impractical. The house may be removed (demolished or moved) and an agricultural easement could be written to cover the vacated floodplain portion of the land. This approach would allow the farmer to continue productive use of the land, or it may restrict use to allow the land to return to more natural floodplain functions. Other options are discussed in Section 4.5.20, and you should contact the Department for advice.

An interesting combination of easements and re-use of larger tracts of vacated land might help fulfill reforestation requirements or wetland creation requirements associated with public works projects or private development. You should check with your planning or environmental agency to see if there are opportunities to network projects. A significant benefit of this approach may be to bring additional funding to the table – which can then be used as the non-federal match.

Don’t overlook non-governmental partners that may be willing to invest in order to help restore land to floodplain compatible uses.

4.5.6 Defining the Project in Phases to Retain Future Eligibility

Under FEMA’s HMGP program, you and the Department define the project. You define FMA projects as well, although there is more emphasis on repetitive loss, NFIP-insured properties. What this means is
you can define a project that maximizes your needs, and for a large project, this should mean that you can group homes in a logical manner.

If the available funding is insufficient to complete the ideal project, you’re faced with a tough situation. Naturally you want to deal first with the properties that are at greatest risk. But, doing so may leave you with some homes that, in the future, might not stand on their own as a project.

How can this happen? Consider a simple scenario. Suppose a project includes 50 homes in a flood-prone area identified by recreational planners as a terrific addition to a neighboring complex of ball fields. Suppose 38 of the homes are 5 feet below the Base Flood Elevation and were substantially damaged. The remaining 12, located throughout the area, are only 1 foot below the BFE. You submit an application to acquire 50 homes – anything less means your community ends up with land that cannot be added to the recreational complex. When you add up all the costs and all the benefits (damages avoided) the project has a B:C that exceeds 1:1.

Now, suppose the available funding will be enough to buy only 45 of the homes in the area? How do you decide which of the 50 homes to buy? Will the ones that don’t make the priority list the first time still be eligible for future funding? As described above, it is possible to define the project so that implementation in phases won’t jeopardize eligibility for future grants. But keep in mind that you may need to reinforce the overall benefits of the larger project when negotiating with the Department or FEMA.

Good planning can yield well-defined phased projects that, over time, will achieve multiple objectives. As part of the application, make sure you put together a thorough narrative statement of the long-term benefits (see Section 6.6.3).
4.5.7 How Does an Acquisition Project Affect Property Taxes?

This question comes up most frequently in smaller towns, and especially where flood-prone homes are a fairly large percent of the total number of properties. Because acquired land has to be kept in public ownership or severely deed restricted, the concern is that removing many homes from the tax rolls will reduce tax income and adversely impact the community’s operating budget.

It is true that there will be a reduction in property tax income. The question is whether the net impact is positive or negative. Plus, how would it look to say that your community chose to not seek funding for a public safety project because it might reduce tax income?

To examine the net impact, you need to understand the full costs and benefits of a project. You can get a good handle on them during the application process. However, FEMA does not require that lost tax income be counted as a project cost.

Before you focus too much on what the loss of tax revenue means, be sure to think about all of the ways that flood damage costs your community. This will help you to respond if the question about reducing property taxes comes up:

- Putting acquired land in public ownership does reduce property tax income in the short term. However, many communities are realizing that public open spaces are attractive amenities, and often floodplain land can be used for compatible and passive recreational uses. Adjacent land may increase in value as those compatible uses become established.
- Reducing the number of people who need to be evacuated and sheltered reduces emergency response costs for all future flood events.
- In flood-prone areas, property tax income may fall over time anyway. Flood-damaged buildings, especially if frequently flooded, often are not restored fully. They may become substandard, undesirable housing that diminishes in value even if nearby homes outside of the floodplain are appreciating in value.
To the extent that vacant land is available for new homes, or if currently vacant homes outside of the floodplain are rehabilitated, an acquisition project may help stimulate growth which would add to the tax base.

In the past 10 years, a number of economic analyses of the impact of open space have been published. One example is a 1999 report from the Trust for Public Lands, online at www.tpl.org/newsroom/reports/econbenz.

4.5.8 How Does an Elevation Project Affect Property Taxes?

If the assessed value of a property is based, at least in part, on whether the building conforms to code, then property tax income is likely to rise. Most tax assessment offices re-compute assessed value when they receive notice of a building permit for improvements and additions. Therefore, for homes that are elevated-in-place, assessed values are likely to go up to reflect the increased market value.

Initially, some people may not perceive that the value of their newly-elevated homes will go up because of the change in appearance and more difficult access. On the other hand, when homes flood frequently, people report that it can be very difficult to sell or they have to accept a price that is lower than anticipated. This happens most often within the first year or two after a damaging flood. Once an elevated home makes it through the next high water event, it won’t be subject to this temporary reduction in value.
4.5.9 Giving Property Owner Options: Acquisition or Elevation?

One of the objectives behind the Local Mitigation Strategy is to decide what type of project is in the community’s best interest. It gives you the opportunity to consider whether acquiring public open space is consistent with your community objectives, such as recreational sites, wetlands replacement/mitigation, and others.

Your community is the applicant, not the property owner. This means that in most cases the decision about the type of project should be based on what is in the best interest of the community as a whole, and not simply what each property owner desires. If for some reason you plan to allow the property owner the choice of acquisition or elevation, be very sure you are willing to accept the results. You may end up owning parcels that are in between elevated homes, then those remaining owners may demand a higher level of ground maintenance than you can afford. An alternative may be to lease or to grant an easement to an adjacent owner, with FEMA approval, and only provided the agreement is severely restricted in terms of how the land can be used. Some restrictions even specify that certain types of fences that may block the flow of water are not allowed. Also keep in mind that you may need to monitor leased lots from time to time to check that the conditions are satisfied.

Read Sections 5.5.11 and 5.5.12 to understand some other implications of changes.

If you are uncertain whether you will be acquiring or elevating, check with the Department before you go much further. If you want to keep options open, then the application will have to include sufficient information for the Department to be able to evaluate both, and approval will likely be based on the most cost-effective option. Then you can
proceed with either elevation or acquisition, as long as the costs don’t exceed the approved amount of the grant.

4.5.10 Avoiding “Patchwork” in Acquisition Projects

With respect to floodplain acquisition projects, the term “patchwork” refers to an area that is left with some buildings and privately-owned lots interspersed with lots that are publicly-owned. FEMA’s official position is to encourage projects that are whole and that don’t create patchwork problems.

The goal of many acquisition projects is to have large open space areas that can be used to benefit the community (see Section 11.2 for allowable uses). Ideally, every home in your project area will add to a cost-effective project, every property owner will be a willing seller, and you’ll find a way to acquire any parcels that are vacant. If it all falls into place, the end result will be the contiguous open space that can then be used to meet open space needs.

The best way to achieve this ideal is to carefully define and plan the project from the beginning. If the area you’re looking at is large, be sure to involve other departments in your community that might have an interest in helping to acquire properties that don’t qualify for federal mitigation funding. For example, if your parks department wants the area for recreational use, they will have an interest in securing the entire area. If the roads department wants the area for wetlands mitigation or reforestation, they will have an interest that may prompt financial support. Be sure to let the residents know how you plan to re-use the area – they may be supportive of a new public park or natural area.

Funding from other agencies may be counted towards the non-federal match. If it derives from other federal sources, then there may be restrictions as to how it is counted.
What contributes to the patchwork problem? Some or all of the following can do it:

- Not enough money to buy out the entire area;
- Property owners who are unwilling to sell;
- Using only one criterion to prioritize the buyouts, which can lead to the less flood-prone homes being left behind; and
- Vacant lots that weren’t included in the application and for which you don’t have other funding.

The single most important thing to do to avoid patchwork is to define your project to meet your needs – and stick to it. Where things tend to break down is if a benefit:cost analysis is required. If your project includes a couple of vacant lots or a few structures that would not have positive individual B:Cs, but the aggregate B:C is good, then the project as a whole should be acceptable.

Sometimes there is a tendency to break apart an aggregated B:C. Federal regulations say the project has to be cost effective, not that each component of a project has to stand-alone as cost-effective. If you think this could happen, be sure to emphasize how you arrived at the project definition, and that pulling it apart will diminish the value of your planning process and Local Mitigation Strategy.

### 4.5.11 Vacant Parcels

At first glance, using scarce mitigation funds to buy vacant land may not seem to make a lot of sense. However, as explained in Section 4.5.10, leaving them in private ownership results in “patchwork.” More significantly, the owners may decide to apply for building permits.
Denying a building permit would be difficult if not impossible, even though a long-term goal of public open space has been established. To avoid these complications, under some circumstances vacant parcels can be included in the grant application.

FEMA funds have been used to acquire vacant parcels. How the Department and FEMA will evaluate the inclusion of vacant land will, in part, depend on the cost-effectiveness of the project as a whole and whether it makes sense, in light of the overall project objective. If repetitive loss, Floodway, or substantially damaged homes are included in the project, then the occasional vacant parcel is unlikely to significantly reduce the cost effectiveness of the overall project. Under other circumstances, contact the Department for advice.

If your project area includes vacant parcels, propose buying them with local funds or partner funds and then count the cost towards the match. If the project qualifies, CDBG funds can be used to buy vacant parcels in order to complete the project.

4.5.12 Mitigation Options to Consider for Historic Structures

Structures that are listed on the national or State register of historic places can be part of a mitigation project. Simply being listed does not mean “hands off,” indeed, in some cases it makes sense to protect valuable historic and cultural resources from future flood damage. The approach you take will depend on several factors, including negotiations with FEMA and the State Historic Preservation Officer. The following outlines typical approaches:

- **Acquisition.** If you propose to acquire a historic property, consider asking a local preservation organization to relocate the structure
(provided relocation will not jeopardize its historical value). You can sell the building for a minimal amount, and they may be able to cover the cost of relocation. Some communities require the recipient to completely clear and stabilize the vacated lot and the value of the work is a contribution to the non-federal match.

- **Demolition.** You may be required to fully document the structure before it is demolished. If it is a fairly typical structure, this may be completed by your local preservation office. If it is very unusual, you may be asked to photographically document construction techniques during demolition. If this is the option, you need to know well in advance so that you can include the costs in your application and specify the details in the demolition contractor’s specifications.

- **Elevation.** Even old buildings can be elevated if they are structurally sound, although extra attention to the visual impact would be required. This approach makes the most sense if adjacent buildings are also being elevated.

- **Minor Floodproofing.** If acquisition or elevation aren’t feasible or desirable, then consider other ways to minimize damage, including redesigning the interior space, replacing materials with water-resistant materials, or constructing barriers to prevent water from entering low spaces. Such measures would have to be designed to preserve the historic value of the building.

> Even if not individually listed, buildings that are 50 years old or older must be reviewed by the State Historic Preservation Officer.

### 4.5.13 Set Priorities: Substantial Damage vs. Lesser Damage

For post-flood projects, the degree of damage that is sustained is a good factor to include when setting your priorities. Homes that are destroyed are likely to be very high on the list, followed by those that sustained substantial damage (as defined in your floodplain management ordinance and explained Section 3.5). Review the Preliminary Damage Reports
(Section 3.2) and the State’s Mitigation Assessment Reports (Section 3.3) for additional information that may be helpful in setting priorities.

You may have good reasons for including homes that experienced less damage, especially if you have open space plans for the vacated area and need to avoid leaving behind homes that may not rank high if you are constrained by a strict priority system.

FEMA encourages putting on your priority list any buildings that have flooded two or more times and that also are insured by the NFIP. Of particular concern are repetitive loss buildings for which the total value of insurance claims is about the cost of replacing the structure.

4.5.14 Set Priorities: Primary Residence vs. Secondary/Vacation Properties

FEMA’s regulations and policies for its mitigation grant programs do not explicitly address handling primary residences and secondary/vacation homes in different ways (although the disaster assistance housing programs do). Especially if there is a high demand for funds, the Department may establish a priority to focus on primary residences. Even though secondary and vacation homes account for a lot of damage in many coastal communities, their owners aren’t “homeless” if the buildings are destroyed. In addition, many vacation homes are rental units that generate considerable income. On the other hand, if part of your project purpose is to clear a contiguous area for open space use, using this criterion to prioritize properties would make less sense.

If the homes in your mapped flood hazard areas include both primary and secondary homes, you should address this issue in your Local Mitigation Strategy. Don’t get caught late in the game and have to redefine your
high priorities. This can be especially difficult if elected officials have announced broad eligibility and then you have to go back to some owners and tell them they’re not included – they may feel that you have taken something away from them.

What are the arguments for and against including secondary/vacation homes as high priority? On the plus side, excluding them will focus your program and funding on primary homes, helping people who are less likely to have sufficient resources to replace their homes. On the negative side, not including them could leave behind “orphans,” meaning a contiguous area won’t be cleared. Including them may give the impression that you’re using scarce public funds to help “rich” people.

4.5.15 Set Priorities: Rental vs. Owner-Occupied

Some communities treat rental properties as non-residential properties (see Section 4.5.18). But others, especially when rental home are occupied by low income families, treat them like other owner-occupied homes. While the theory may be that the landlord owner has income and therefore should be treated different, the reality is that if you exclude rental properties from your project you will likely continue to have vulnerable families exposed to flood risks.

Your approach to rental homes may be different if your project area includes an apartment building, especially if it has units that are higher than the Base Flood Elevation and if obtaining a contiguous open space is not part of your objectives. In a case like this, one option may be to negotiate with the owner for the rental rights of the ground level units, which would be deed restricted as uninhabitable space. The walls around the ground level space would then be physically modified to meet the appropriate floodplain management (NFIP) standards. Modification may involve filling below grade areas, retrofitting flood openings to allow inflow and outflow of floodwaters, removal of finish materials, and other such steps. Check with the Department before you get very far along with this approach.
4.5.16 Set Priorities: Other Factors

Each community will likely include other factors when setting priorities. Some factors that have been used include:

- Priorities set out in the Mitigation Initiatives List in the LMS;
- Owner interest and commitment;
- Availability of alternative decent, safe and sanitary rental housing;
- Location within the Floodway;
- Other flood hazard factors such as velocity and depth that are risks to safety;
- Frequency of flooding;
- Preliminary review of cost effectiveness (benefit:cost);
- Whether the acquired land helps further other community goals (avoid “patchwork”), such as open space, recreational use, or stormwater management; and
- History of infrastructure losses or water/sewer line infiltration.

4.5.17 Single-Owner Manufactured Home Parks

There are two types of single-owner manufactured home parks. In many parks, utility-ready lots are leased to people who bring in their own manufactured home units (mobile homes). Other parks lease the entire set-up, ready for move-in. Manufactured home parks are likely to have many at-risk units concentrated in one place.

Single-owner manufactured home parks are both excellent mitigation opportunities and complicated to handle. They are good projects because you only have to negotiate the purchase with one person or entity. However, they can be complicated because you have many renters to deal with, and the total cost to provide URA assistance can be high (see Section 5.5.9).
4.5.18 What About Non-Residential Properties?

Your Local Mitigation Strategy may spell out whether and how you propose to address business and industrial properties that are subject to flooding. Many downtown areas are flood-prone because early settlers established communities along waterways. Some communities decide that helping businesses is important, and there are several options to consider. Call the Department if you would like to learn more about these options:

- Retrofit floodproofing (physically strengthening a building to keep out floodwaters);
- Dry floodproofing, which requires structural engineering evaluation and design; or
- Wet floodproofing, which means altering a building and how it is used to allow water to enter without causing significant damage.

Most of FEMA’s attention throughout the country has been focused on buyouts and elevations for homes. There are several reasons for this, not the least of which is that the home is the single most significant investment for most families. At least in theory, businesses (including owners of rental properties) appear to have more options open to them to pay for repairs or mitigation on their own. However, FEMA warns that a large number of small businesses that are uninsured for flood damage go out of business after a damaging event.
Your community may decide that helping businesses is a good way to keep jobs. While there may be some additional work (primarily the environmental review), preparing for and implementing projects involving non-residential properties isn’t much different than dealing with homeowners.

Another reason businesses tend to be lower on the priority scale is price. FEMA’s funding will compensate an owner for the value of the building, not the value of the business or lost income. For many businesses, this means a purchase offer is not enough to finance relocating to a new site. Still, combining a FEMA-funded buyout with SBA loans may be the only way a business can stay in business. Before you identify acquisition, elevation or retrofit of non-residential properties as a priority, you might want to involve the State or local economic development agency to help identify other sources of funds or loans.

FEMA also tends to be wary of non-residential structures that may have environmental problems. Particularly problematic are those that use chemicals, have underground storage tanks, or contain quantities of asbestos. If clearing businesses out of the floodplain is part of your strategy, there are several things you need to consider and decide in advance. If the owner agrees to “clean up” the property, FEMA may approve a grant – but it is important to understand that FEMA’s funding will not reimburse the owner. Be prepared to recommend that the owner will have to pay for the cleanup costs, probably even before FEMA makes a decision. A “clean” certification will be required before a funding decision is made.

One option for handling businesses that are anxious to relocate, elevate, or otherwise floodproof, is to broker the grant for them. What this means
is the community agrees to apply for funding and to administer it, but the owner has to provide the entire non-federal match, as well as any project costs that are determined to be ineligible. Because the grant agreement is signed by the community as the “subgrantee,” you have to stay involved.

As with other economic development projects, some communities may decide to help businesses mitigate flood losses in order to keep the jobs. Providing local funds, or finding other funds to help businesses may be justified, depending on all the benefits.

4.5.19 More Properties than Funds

Limits on funding might mean that you cannot include every home that qualifies based on your priorities. Your own matching funds or FEMA’s grant might not be enough to meet the entire need. While you may have decided that the community’s objective is to clear the whole floodway, or elevate all of the repetitively flooded homes in a backwater area, suppose there isn’t enough money?

If you’re lucky enough to have a good source of non-federal funds, keep in mind that FEMA’s programs provide no more than 75% of allowable costs. You might be able to include more homes in your project if you can provide more than the minimum 25% non-federal share.

If you phase a project in more than one part in order to match the funding amount in your community’s HMGP allocation pay careful attention to how this might affect eligibility for future funding (see Section 4.5.6). While you may want to focus on high priority homes first, doing so could reduce the Benefit:Cost ratio for the remaining homes. If this happens and the B:C drops too low, it could mean that future grant funding will be difficult to justify. The best way to approach this situation and to
preserve future options is to phase the project, which takes careful planning and a good narrative of the multiple objective benefits it will yield.

The best way to handle large projects that need to be phased is to define the entire project to meet the objectives set forth in the Local Mitigation Strategy. If a community decides to buy 50 homes, then that’s the project that should be submitted. Just because implementation has to be phased should not mean that the project should have to be redefined into separate projects. It may take time to complete a phased project, but sometimes you have to start with what you can get.

If your community’s long-term objective includes creating open space that will be used for compatible recreation, then it is important to get all of the land. If phases have to be defined, consider the impact of simply ranking the homes by risk (depth or frequency of flooding). In the long run, if adjacent properties are kept together, you’ll have more luck ending up with a clear, contiguous area. Plus, in future applications, the high risk properties will help “carry” those with lower B:Cs.

When a project has been clearly defined in advance of the next flood, take advantage of what has been learned. This is the ideal time to urge owners to buy flood insurance. If you phase the project, they’ll remain at-risk to future damage. Plus, if the owner isn’t willing to “contribute” reasonable protection through insurance, one good question might be why should the community be interested? Mitigation is a partnership!
4.5.20 **Agricultural Property can be Part of a Project**

When a farm home is considered as part of a mitigation project, you might want to think about it a little differently. To mitigate – avoid future damage to the home – acquisition of an entire farm property is not necessary. Actually, acquisition is rarely a good option for farms.

Acquisition might make some sense if the land immediately around the home can be subdivided out of the farm, if the farmer wants to rebuild elsewhere on the property, and if the community wants to take title and responsibility for the vacated new lot. Rarely do all those factors come together.

If the farm home is sound and there is higher ground outside of the mapped flood hazard area, then relocation may be an option. If the building isn’t sound, then demolishing the old and building a new home on high ground is an alternative. In these cases, the farmer still owns the land, but the vacated home site and some area around it (perhaps the entire SFHA on the farm) would be deed restricted by conservation easement. The easement would require that it remain open space in perpetuity, but farming and grazing are allowable uses (see Section 4.5.5 on Conservation Easements).

Many farm homes have several outbuildings nearby, both large and small. This could complicate relocation of the home to a flood-free site, especially if farming of the old site is not going to continue. Owners can be responsible for relocating outbuildings. Keep in mind that agricultural buildings may be covered by flood insurance – if they are walled and roofed, they can be insured.

4.5.21 **Transferring Land Ownership**

Typically, when a community decides to get involved in a floodplain acquisition program it is a tacit decision to own the vacated land. Along with that ownership goes certain responsibilities such as picking up trash, vegetation maintenance, and monitoring for nuisances.
In some cases the acquired land may be attractive to non-governmental organizations such as land trusts, neighborhood recreation councils, and others. With permission granted by the Department and the FEMA Regional Director, you can transfer ownership, as long as the land is deed restricted for allowable uses. For example, you may be removing homes along a waterway and the project opens up access for a hiker-biker path that a local greenway/recreation organization is planning. If you transfer ownership, with or without money changing hands, then the community would no longer be responsible for maintenance.

Another government agency may also be interested in owning the land. If it abuts a public park, forest preserve, or resource management area, floodplain land may be a logical addition. Shoreline property may be very attractive for boat ramps if public access to the water is limited.

If you identify other agencies that may be interested in owning the land, there is another option that can help fund the project. Another agency can purchase vacant parcels, or homes that perhaps haven’t been substantially damaged, and that investment can be part of the non-federal match (see Section 5.4.1).

Even within your own community, you may find that another department is interested if it has or anticipates a need for land to develop wetland mitigation sites. State agencies, especially the Department of Transportation, may also have wetland mitigation requirements to fulfill. When looking for locations to create or enhance wetlands, one of the most constraining factors is whether there is adequate “hydrology.” This means the land needs to be subject to frequent saturation – which may very well be the hallmark of land from which you’re removing homes that have been flooded repetitively.
Property acquired with FEMA’s mitigation grant funds should not be transferred to private ownership. The land may be used by others (see Section 11.2.4), provided the uses are compatible with the open space requirement.

4.5.22 Large Lots with Non-SFHA Land

Some projects include homes on large lots that are big enough to have some area that is not in the mapped special flood hazard area (SFHA). Large lots typically cost more, and a lot with buildable area outside of the SFHA could be valuable. You can consider several approaches. The one you select will most likely depend on whether the lot is a valuable contribution to your open space plan. Consider these options:

- Elevate-in-place;
- Relocate out of the mapped floodplain, but on the same lot, deed restrict the floodplain portion to prevent future construction;
- Demolish and rebuild out of the mapped floodplain, on the same lot, and deed restrict the floodplain portion;
- Acquire entire lot for public open space; or
- Subdivide the lot and acquire only the portion that is in the mapped floodplain (or a large enough lot to meet the overall open space needs you may have planned).

4.5.23 Coastal Barrier Resources Areas

Areas designated by Congress as Coastal Barrier Resources Areas (CoBRA) may have some restrictions or additional conditions with respect to use of federal grant funds. Check with the Department early in your planning process if structures in CoBRA areas will be among those you consider for a mitigation project.
What comes next:

- Now that you’ve defined your project, you need to think about a number of things before you do the paperwork to apply for the funding.
- Don’t wait until the grant is awarded to decide how you will manage the project. Management responsibilities and options are covered in Chapter 5.
- You will have to identify the source of the non-federal cost share, so now is the time to consider options to pin that down.
- Don’t leave the property owners out of the planning process.
5. Beginning the Process
What you need to know:

- This is a good time to review project management responsibilities and the implementation process, and then decide how your project will proceed. This will affect the project budget.

- One very important decision has to do with how you will manage the day-to-day implementation and the administrative requirements of the grant.

- It’s a good idea to start letting property owners know what’s going on. From where they stand, this will process seems overly drawn-out, so regular updates will help.

- If your project includes low to moderate income property owners or tenants, you need to pay particular attention to the requirements for relocation assistance. Because only voluntary owners will be included in a buyout, you need to decide in advance if an Optional Rehousing Assistance Program plan is needed.

5.1 Purpose of this Chapter

Approximately 90 days after a disaster is declared the Department will notify communities of the availability of HMGP funds. FMA funds are available annually. The actual amount of funds available to your county and the municipalities within it will be estimated at this time. The final amount will be locked in between 6 and 12 months after the declaration.

The Department’s notification of HMGP funding availability will also advise when applicant’s briefings will be held with the Local Mitigation Strategy Work Group.
You have several critical decisions to make before you start developing the application. This chapter gives you enough detail to help you:

- Understand the key steps in the overall process. Some of the things you decide now will influence how the project is defined, how costs are determined, and ultimately how willingly the property owners will participate.

- Review the overall project management responsibilities that the community assumes when it receives a mitigation grant. Most communities can prepare the application on their own or with help from the Department. In addition to this chapter, be sure to read through the Chapters 8, 9, and 10 to get a good feel for what is involved in day-to-day implementation. Then critically review whether in-house staff have the time and experience to handle it all.

- Begin to work with property owners and renters to help them understand the process, to gather the paperwork needed for the application, and to encourage participation.

5.2 Overview of the Key Steps in a Project

Each project will follow a slightly different process and have its own timeline, depending on variables such as type of project, number of properties involved, how much work is done in-house, complications discovered during title work, involvement of the property owners, and others. The more you understand the entire process, the better you can define your project management approach.

The following overview of the key steps in an acquisition project assumes the planning work is completed (Chapter 2), the immediate post-flood recovery period has passed (Chapter 3), and your project is being defined or refined (Chapter 4). Details of the rest of the process are provided in sections and chapters that follow.

Chapter 5 Beginning the Process

- Review project management responsibilities
- Appoint a Project Manager
- Consider whether to contract outside services
- Consider options for the non-federal matching funds
- Meet with property owners to explain the project and collect data

**Chapter 6  Preparing the Application**
- Collect flood hazard, environmental, cost, and benefit data
- Estimate project budget
- Prepare the grant application

**Chapter 7  Review and Approval**
- Submit grant application to the Department
- Respond to requests for additional information

**Chapter 8  Getting Ready to Implement**
- Collect additional property owner data, including receipts, insurance, etc.
- Decide on in-house vs. contracted services and prepare scopes for bidding
- Decide on Optional Rehousing Assistance Program (ORAP)

**Chapter 9  Approved! What’s Next?**
- Receive notice of grant award and funding obligation letter
- Place a public notice of the award in the local newspaper
- Set up financial management accounts
- Set up case file for each property
- Request Duplication of Benefits information
- Verify completeness of each property case file and confirm owner interest
- Review URA requirements for qualified renters
- Review ORAP rehousing assistance policies
- Procure property appraisal services
- Procure title company services
- Prepare specifications for demolition services
- Obtain and review property appraisals
- Receive title company’s commitment to insure
Chapter 10 Working with Owners & Tenants
- Prepare Duplication of Benefits summary for each property owner
- Determine URA and/or ORAP payments
- Prepare purchase offers
- Meet with owners, verify DOB, and explain the purchase offer
- Procure demolition services
- Revise purchase offers based on owner information, if necessary
- Receive owner’s executed Voluntary Transaction Agreement
- Prepare draft request for reimbursement
- Inspect and certify property is vacant
- Schedule and conduct closings

Chapter 11 Clearing Acquired Properties
- Submit request for reimbursement for purchase
- Issue notice to proceed to demolition contractor
- Notify DEP for demolition
- Inspect and certify improvements removed and site is stabilized

Chapter 12 Elevation Projects
- Define the project
- Prepare and make offers to owners
- Contract for services
- Construction and inspection

Chapter 13 Closeout & File Inspection
- Submit Project Completion and final settlement of account

5.3 Project Management
The Project Manager will have some general responsibilities that are common to every project undertaken with grant funds. The person assigned to oversee the project needs to factor the following into the work plan:
- Develop the data and compile the grant application;
- Conduct public meetings;
- Keep good records and submit reports in a timely manner;
- Be responsive to the public, individual property owners, and the media;
- Oversee the day-to-day tasks;
- Keep in touch with the Department’s assigned staff; and
- Keep all the various pieces of the project moving forward.

The Department recommends that you carefully consider appointing an employee as the overall Project Manager, and then hire a specialist or consultant to handle the technical aspects and day-to-day work. You may decide that existing staff can handle overall management, but that you need a specialist to handle some or all of the critical steps in the acquisition process (listed in Section 4.1.3). Regardless of whether the entire process is handled in-house or parts are contracted out, your citizens need a single point of contact. Ideally, this person will be assigned for the duration of the project to provide oversight and to avoid misinformation and confusion. Especially for large projects, you may decide to hire a project manager to handle just about all of the work elements.

The Project Manager should read this entire manual to get an overall sense of implementation. Check with the Department for scheduled workshops, and be sure to call any time you have questions.

### 5.3.1 Decision: Contracting for Services

Most communities decide to contract for certain functions. Larger communities may have in-house capabilities to perform some of these functions. These decisions should be made before you finalize the grant application because the costs for contracted services are eligible for reimbursement as project costs (not administrative costs, see Section 6.13).
Sample scopes of work for the following services are included in Appendix E:

- Management and Implementation (Form AA)
- Appraisals (Form BB)
- Property Surveys (Form CC)
- Title Services (Form DD)
- Demolition Contractor (Form EE)

5.3.2 Decision: Hire an Implementation Manager

It may not make sense to hire a specialist to manage a small number of properties if you have good staff capabilities. However, adding this project to the workload of a small staff could end up affecting the project schedule, as well as interfering with completion of their normal tasks.

There are no set specifications for a consultant – the scope outlined in Form AA is a menu of tasks from which you can pick and choose what you want handled. Whether you contract with a specialist to manage all or part of your project will depend on a number of factors, from the number of properties you’re dealing with, to the capacity of your staff to handle the additional work on top of daily responsibilities. The following are some points to consider when making this decision:

- These projects can be time intensive, especially when you have more than just a few property owners involved. People need to be able to talk to someone who is familiar with the project and the details of the process.
- A specialist can provide the required project management capabilities to procure other services (surveys, appraisals, title work) and manage those contractors, as well as handle the public meetings, data collection, property owner sessions, and keep the files and financial paperwork in order (see list of key functions, below).
- In some cases, hiring a specialist can be cheaper. For example, even if another agency can handle part of the work, their costs may actually be higher than procured services if their overhead is reimbursed as well as hourly rates.
- You have more control over scheduling a contractor, rather than tapping into another agency for support. Another agency will likely place higher priority on its own work.
- You’re more likely to get consistent handling of all properties, and all the owners will hear “one voice” so there is less likelihood of differences in interpretation.
- An experienced specialist will be familiar with current FEMA and State policies, and can advise you when a complicated or technical matter warrants seeking an opinion from the Department.
- If a project is sensitive politically, it can be useful to have a third party interact with property owners to help deflect claims of favoritism. Many communities report that property owners in the project area often are suspicious of government’s “real” agenda. Having a neutral voice can help assure them that there aren’t any hidden purposes behind the project.
- All or some of the cost may be grant eligible, but you have to include it in the budget submitted with your application.

The menu of tasks that could be assigned to a consultant, depending upon when in the process the services are procured, includes:
- Support planning and project development;
- Prepare grant application and supporting documentation;
- Advise on policy issues and implications;
- Conduct public meetings;
- Procure and oversee appraisal services;
- Review appraisals for compliance with Uniform Standards for Professional Appraisal Practices and grant requirements;
- Procure and oversee title company services;
- Review title searches and title insurance commitments;
- Develop determination of Duplication of Benefits and other data;
- Prepare the Determination of Compensation and the Voluntary Transaction Agreement;
- Meet with owners and present offers;
- Prepare deeds, deed restrictions, and coordinate with community attorney;
- Oversee and coordinate closings/settlements;
Determine relocation benefits for eligible tenants;
Maintain property case files; and
Provide progress reports.

Costs incurred before award should not be included in the estimated budget. If the grant is approved, those costs may be counted towards the non-federal match.

5.3.3 Overview of Paperwork Duties

Throughout this manual a wide variety of duties are described. Your community accepted these responsibilities when it decided to implement a project. Duties related to paperwork include:

- Keep a central file for materials for the overall project. Form B is a Project Status Chart to track key steps in the overall process with property owners.
- Set up a property case file for each property. Form C can be used to organize each property case file and to track paperwork sent to, and received from, each owner.
- Form D and Form E are used when your project includes tenants.
- Pay close attention to accounting for in-kind costs that are used as part of the non-federal share.
- Prepare quarterly reports to document progress or problems encountered. Be clear if you need assistance, but don’t wait to ask for it in a quarterly report.
- Prepare invoices with copies of receipts, contractor invoices, and other backup.
- When the project is complete, fill out the Project Completion Certificate (Form Y-1) and have it signed by the chief elected official or designated representative executive. Final payment will not be made until this certificate is submitted. It also serves to notify the Department that a final field inspection can be conducted.
- Complete the Subgrantee Checklist (Form Y-2) and send it to the Department with the certification.
As with all grants, accountability is important. You must keep complete records of all work, i.e., receipts, checks, job orders, contracts, equipment usage documentation, and payroll information. A final accounting and reporting will take place after the project is completed.

Start with good record keeping so that you can respond easily to future audits.

Make sure your financial management system can document and track all funds by fund source. If you have FEMA, CDBG or other funds, you must keep them separate. The local share also has to be maintained in a separate account or have a separate charge code so that you can clearly document the match.

Records are to be retained for three years from the completion date of the project, or three years after any litigation claim, audit or other action has been resolved, whichever is later. During this retention period, all project documentation is subject to random audits.

If you use contractors for any part of the project, make sure the contracts clearly specify:

- That all data will be treated as confidential to protect the privacy of citizens;
- That any and all data collected or developed will be delivered to the community; and
- The level of detail that is needed in each invoice, especially identification of properties and breakdown of costs to separate out those that are not allowable under the grant.
5.3.4 Managing Multiple Sources of Funding

One of the first things you will have to do upon receiving the grant award is to get your financial system in order. You will set up separate accounts for each fund source. They have to be kept separate because each is subject to the reporting requirements and programmatic restrictions specified by the grantor agency. Be prepared to immediately begin to document that funds were used only for allowable costs.

> It is very important that you know up-front what is and is not eligible under each fund source. Ideally, you will have this sorted out as part of the application package, which is the only way to have reasonable confidence that the funds received will cover all anticipated costs. There is no guarantee that you can get a grant modification should you need additional funding to cover expenditures in excess of the original grant amount (see Section 13.3 on cost overruns).

5.4 Options for Matching Funds: the Non-Federal Cost Share

The source (or sources) of the non-federal match are to be specified in the grant application. The signed application is a certification that the matching funds are or will be available. HMGP and FMA require non-federal cost sharing of at least 25% of project costs, and no more than 12.5% can be in-kind contributions.
5.4.1 Defining the Local Match: Funds and In-Kind Contributions

Applications for FEMA’s mitigation grants have to identify the source(s) of the non-federal share of project costs, which can be partially fulfilled by in-kind contributions. Matching funds may come from one or more of the following sources:

- Owners whose properties are specified in the application may provide cash, funds borrowed from other sources, or “donated” value (see Section 5.4.2);
- Owners who receive a federal flood insurance claim payment, including an Increased Cost of Compliance payment, can use the basic claim payment and the ICC payment only for activities that bring the home into compliance, which is the objective of a grant for elevation (see Section 3.6);
- Property owners who have received claim payments from their homeowners insurance company may be able to use some of the proceeds towards the match;
- Locally budgeted funds;
- Community Development Block Grant (CDBG) funds, provided the project is consistent with your community’s CDBG Action Plan;
- Disaster-specific CDBG funds that may be made available by HUD or by specific Congressional action;
- Other government program funds (check with the Department to see if State funds may be made available);
- Matching funds from other organizations that are project participants (land trusts, neighborhood associations, housing non-profits); and
- Salary paid to staff to carry out specific functions that are allowable costs. However, the time of staff who are federally-funded staff cannot be used as part of this match.

Check the Florida Resource Identification Strategy, a listing of possible sources online at www.state.fl.us/fhcd/fnr/ris/index.htm.
Third-party contributions may be counted as part of the non-federal cost share and may be made in a number of ways:

- Individuals and civic organizations may donate funds;
- A third-party, such as a local land trust or community organization, might purchase a property and donate it as an in-kind contribution;
- Services to carry out specific functions that are allowable costs and that are donated by others (civic organizations, fire company, professional or non-profit organizations); and
- Donated supplies, equipment, buildings, and land.

Donated services are valued at the rate the community would have paid, either if services were procured or performed by local staff:

- Volunteer services are valued at rates consistent with those paid to community staff for similar work or paid by other employers for similar work. FEMA’s guidance suggests that “a reasonable amount of fringe benefits may be included in the valuation.”
- Employee services provided free of charge by another organization are valued at the employee’s regular rate (exclusive of fringe benefits and overhead) for employees who typically perform such services. An example is a law firm that provides the services of an attorney to help with closings on acquired properties.
- Employee services that are provided by employees who do not typically perform the same type of work would be valued as “volunteer services.” An example of this is a manufacturer whose employees volunteer to spend a day, paid by the employer, cleaning up and seeding sites from which houses have been removed.
- Donated supplies, equipment, buildings, and land are valued in a number of ways. Call the Department to learn more if you think your protect may involve such donations.

The most common problem with third-party and in-kind contributions is lack of documentation about how the valuations were determined. Keep good records of hourly rates and the actual hours worked.
5.4.2 Property Owner Contributions to the Non-Federal Share

One of your biggest challenges will likely be finding the non-federal share. There are a number of situations in which the owner may “contribute” to the non-federal share:

- For acquisition projects, owners may accept less than the full, appraised market value, with the balance counted as a third party, in-kind contribution.
- For acquisition projects, owners may donate the value of the land (less building) to a nonprofit organization that FEMA and the Department approve as the ultimate title holder. The owners might benefit from an income tax deduction.
- For acquisition projects, the NFIP-insured owner’s Increased Cost of Compliance (ICC) claim payments pays for the demolition and site clearance.
- For elevation projects, some communities “broker” the grant on behalf of property owners who then commit to provide the entire non-federal share, which may be cash or the proceeds of a loan such as a Small Business Administration loan.
- For elevation projects involving substantially damaged buildings, the NFIP-insured owner’s ICC claim payment is part of the non-federal share.
- For relocation projects, ICC claim payments can be used to pay for physical relocation of the building, demolition of the old foundation, and construction of the new foundation.
- For all project types, loans made by the Small Business Administration, Farmer’s Home Administration, or commercial loans can be the owner’s contribution.

5.4.3 Other Federal Funds

Generally, the non-federal match may not include funds from other federal agencies. However, certain funds that “lose federal identify” may be used, provided the project meets all appropriate qualifying criteria:

- U.S. Department of Housing and Urban Development (HUD) Community Development Block Grants (CDBG) funds for entitlement communities and small cities.
- CDBG funds distributed by the State to other communities.
- U.S. Small Business Administration (SBA) loans to individuals.
- Federal Housing Administration (FHA) loans to individuals.

5.4.4 Using CDBG Flexibility

Community Development Block Grant (CDBG) funds are available to support activities that meet one of the three National Objectives criteria established by HUD:

- Benefit low and moderate income persons;
- Prevent or eliminate slum and blight conditions; or
- Designed to meet other community development needs having a particularly urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community, and where other financial resources are not available to meet such needs.

This manual does not address all requirements of the CDBG program administered by the Florida Department of Community Affairs, Division of Housing and Community Development. If CDBG funds are used as part of the match, check with the Department or your local housing agency for additional guidance.

If a flood mitigation project meets one of the three National Objectives criteria, then CDBG funds may be used as the non-federal match required by FEMA. Communities have found the flexibility of CDBG funds to be very supportive of mitigation activities, provided the property owners meet appropriate eligibility requirements. CDBG funds may be used for:

- Up to 25% of the project cost-share;
- Most costs that FEMA deems are “unallowable” (see Section 6.7);
- Buyout of homes that may not meet FEMA criteria, but do meet the HUD/CDBG criteria;
- Acquisition of vacant lots in the project area, to support viable public open space;
- Replacement of flood-protected, on-site water and sewer systems when homes are elevated;
- Repair and rehabilitation costs not covered by FEMA’s grant; and
- Payment of (non-flood) upgrades required for code compliance (i.e., to result in decent, safe and sanitary housing) that are required but not allowable under FMA/HMGP.

5.5 Property Owners, Tenants and Paperwork

You need to inform and involve the property owners well before submitting the grant application to the Department. Not only are there various requirements for public involvement, but FEMA has some very specific requirements regarding information from owners, including a statement of voluntary participation. Suggestions to generate interest include direct mailings, public meetings, or a workshop for owners in the affected area. The FAQs in Section 2.2.2 may help reach more people with basic information.

The best way to get a good cost estimate is to have good data about all the anticipated costs (see Section 6.7). Sometimes owners are the best source of information on past damages, which may be useful when estimating benefits (potential future damage that will be avoided).

You need to review and understand the topics covered in this section before you finish the application, as well as long before you get a funding decision.

5.5.1 Property Owner Rights & Responsibilities

Property owners have certain rights that are protected through the acquisition process. They also have certain responsibilities to fulfill.
The property owner has the right to:

- Understand the process and be able to access someone who is able and has the time to explain it to them;
- Appeal the valuation of the property by securing a second market value appraisal; and
- Decline an offer.

The property owner has the responsibility to:

- Provide complete and accurate information about the property;
- Provide complete and accurate information about disaster benefits and insurance claim payments received;
- Respond to requests within a reasonable time;
- Reinvest in a home outside of the mapped floodplain; and
- Avoid spreading rumors.

5.5.2 Statement of Voluntary Participation

Early in the process you may have received statements of voluntary participation from the property owners in the project area. If not, then you need to get those statements as soon as possible (see Section 5.5.5 about collecting all data up-front). You may want to confirm that the owners are still interested and willing to participate by obtaining a specific statement. Be certain to require that the statement be executed by all owners of each property, otherwise preparations of the buyout offer and the closing could be delayed. The statement, along with other forms to be completed by the property owners, is in the packet made up of Form G (and attachments G-1 through G-9).

For buyout and elevation, the Statement of Voluntary Participation (Form G-3) must be collected before you submit the grant application to the Department.
5.5.3 Limits on Assistance to Unlawful Residents

One of your jobs is to determine the residence status of property owners. The buyout offer that can be made is affected by the determination. You must ask all owners of each parcel to certify that they either are an U.S. citizen or a qualified alien:

- Owners who certify they are an U.S. citizen or a qualified alien will be offered pre-flood, appraised Fair Market Value. While proof of status is not required, FEMA may conduct an audit. If the owner applied for federal disaster assistance, a form is on-file, and FEMA may provide verification of status.

- Owners who refuse to certify their legal residency status (and those who are determined not to qualify) can still participate in the project, but they can only be offered current (post-flood) appraised Fair Market Value. In addition, they are not eligible to receive additional non-mandatory rehousing assistance or optional relocation assistance (ORAP).

5.5.4 Some Owners have Flood Insurance – Some Don’t

This is a tricky situation and you need to decide how it will be handled before it becomes an issue with property owners. Some property owners have had flood insurance policies for a long time, perhaps paying an average of $400 per year. Other homes in the project area may be uninsured. The problem arises because everyone will get offers made on the same basis of property value and benefits. Yet those who have insurance have done the “right thing” by investing in insurance, and they feel this should be factored into the compensation package.

Under FEMA guidelines, you have the option of providing a “credit” to those who have a flood insurance policy. The most common approach is to allow the owner to keep part of the insurance claim settlement, usually an amount equal to the last 5 years of premiums actually paid (unless that amount exceeds the total claim payment). Although the guidelines allow you to do this, keep in mind that it will reduce the amount of funding available for the project unless you included this additional payment in your estimated budget as part of the grant application. The only way you can plan for this is to ask owners to disclose information about flood
insurance while you’re gathering the data needed to put together the application.

Here’s how crediting the owners with flood insurance works. First, you decide two things: (1) the number of years of paid premiums you will consider (5 or fewer years), and (2) whether you will give credit for the entire paid premium, or set a cap per year (typically no more than $500 per year). Here are two examples:

- Suppose you decide to allow credit for full premiums for 5 years: An owner receives a claim payment of $20,000, and can prove he paid between $300-500 in annual premiums for 5 years for a total of $2,400. Under your policy, he would be allowed to keep $2,400 of the claim payment while the remaining $17,600 would be factored into the Duplication of Benefits determination.

- Suppose you decide to allow credit for up to $400/year, but only for 4 years: That same owner might get credit for only $1,800, with the remaining $18,200 factored into the DOB determination.

5.5.5 Gather All Data from Property Owners Up-Front

This sounds easier than it is: At the beginning of the process, you should get all data about homes in the project area, and all the information required from property owners. Appendix E includes several forms to help you do this:

- **Form A** is a handout used right after a flood, to inform damaged owners and to urge that they keep records and receipts for repairs.

- **Form F** is an introductory letter to property owners, including a questionnaire, to request that they notify you of their interest in a buyout.

- **Form G** and the packet of forms that are attached to it (G-1 through G-9) are to be completed by property owners who express interest in being considered for the project.
You are more likely to get more participation if you meet with owners one-on-one to explain these forms and the process (see Section 10.1).

- **Form G-6** is of particular interest because it documents damage. While owners may be able to fill in some of it, you can help them complete it in during the first meeting.
- Contact the local housing agency to gather income and housing data during the first meeting with the owner.

It is very important that owners who have been damaged recently be advised to keep all paperwork on any disaster assistance they receive. Also, it is important that they keep all receipts for repairs and cleanup. Use Form A as a handout to explain this to owners, along with the FAQ (Appendix A).

Some funding sources, such as CDBG, may require more property owner data than may be required by others. Some information is needed depending on the type of project, which you may not have settled on shortly after a flood occurs. Experience suggests that it is best to minimize the number of times you go back to owners to get more information. You will need to know:

- Building type from on-site visit, owner, or tax records (foundation, materials, and additions);
- Building size from on-site visit, owner, or tax records (footprint, stories, total square footage);
Damage history (flood depth above the lowest floor, dates, photographs);
- Documentation of damage and receipts for repairs;
- Insurance claim information and receipts for repairs; and
- Information that is the basis for determining income eligibility for using CDBG funds.

To obtain the income and housing data, interviewers should be trained before talking with property owners and occupants because the following need to be accounted for in determining household income: wages, salaries, fees, tips, bonuses, commissions, IRA withdrawals, business income, interest and dividend income, other investment income, social security payments, annuities, insurance policy periodic payments, retirement fund payments, pension or disability payments, worker’s compensation payments, unemployment benefits, welfare assistance, and child support payments. If personnel from your housing agency are conducting these interviews, they should have introductory training in the purpose of the mitigation program and project.

Close coordination with your housing agency is required if you plan to use CDBG funds. HUD has several requirements, including a citizen participation plan, certification of notices of public hearings, and documentation as to how public comments were considered. Communities must also adopt a fair housing ordinance, an anti-displacement and relocation policy, an affirmative action plan, a citizen’s complaint policy, and a procurement policy.
5.5.6 Uniform Relocation Act (URA) – General

This section is only a very brief overview of the URA. If your project affects rental properties with eligible tenants, you should learn more. Your local housing agency should be part of your project team because dealing with URA requirements is part of their job.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) mandates just compensation for property and appropriate relocation assistance when acquisition programs are supported by federal funds. URA also has requirements for assistance to tenants who must move due to an acquisition project. A brief summary of both:

- **Property Owners:** URA does not require payment of relocation assistance for owners of owner-occupied homes who voluntarily sell their homes. The subgrantee must inform the owner that (a) it will not use its power of eminent domain should negotiations fail, and (b) it will provide the Fair Market Value for the property.

  Some rehousing assistance may be offered to owners if you adopt an optional program (ORAP), see Section 8.1.

- **Displaced Tenants:** Certain displaced tenants in rental property are entitled to relocation assistance, and certain qualified low-income property owners may also be eligible. The actual amount of assistance will vary, but will not exceed the amount prescribed by law ($5,250 in 1999). The assistance for tenants can be paid directly by the community and credited as part of the non-federal match, or it
can be added to the project cost and cost-shared (see Sections 5.5.8 and 6.8.8). The Frequently Asked Questions for Tenants may be useful (Section 5.5.7).

Projects for acquisition or elevation using FEMA’s mitigation grant funds require voluntary participation by property owners. Therefore, as a rule, owners are not entitled to assistance under the URA mandates. This guidance, and that provided in FEMA documents, is a summary of the requirements of 49 CFR Part 24, which take precedence if a conflict arises.

5.5.7 Frequently Asked Questions for Tenants

The following questions have been prepared in handout form, ready to be tailored for your community (see Appendix A):

- Why is my landlord selling?
- What types of assistance are available?
- How do I find out if I’m eligible?
- If I’m eligible, how much assistance will I get?
- I rented after the flood. Will I still qualify for assistance?
- How much notice will I get before I have to move?
- Who do I call if I have other questions?

5.5.8 Tenant Eligibility Under URA

Early on, when you are defining the project, you need to find out if the potential project area includes homes that are occupied by tenants. Check with your local housing agency, which may be familiar with rental patterns and occupants if the neighborhood is considered to be a low- to moderate-income area or if other community development projects have been provided. There are two other reasons to find out about tenants early on:

- You want to decide when you will formally “initiate negotiations,” which triggers certain eligibility (see box, below); and
- If you expect to pay URA assistance, you will want to estimate the amount when you prepare the project budget for the grant application.
Your local housing agency is a logical partner and can help you understand how the requirements of the Uniform Relocation Act (URA) may come into play. That agency may have councilors who have worked with displaced tenants in other projects – use them to help implement the buyout project. This overview is intended to let you know which tenants may be eligible – it is not intended as a complete explanation.

A person or family who rents or leases a floodplain home as a primary residence may be eligible for relocation assistance if they are displaced and must relocate due to an acquisition project. Displaced tenants are entitled to URA relocation benefits if:

- They occupied the home for at least 90 days before “initiation of negotiations” with the owner (see box below); and
- They rent or purchase a decent, safe, and sanitary replacement dwelling within 1 year after moving out of the acquired floodplain home.

URA defines “initiation of negotiations” as the “first formal indication that the applicant (community) wants to purchase the property.” A tenant who occupied the home before a disaster is usually eligible, unless the project negotiations are unrelated to the most recent event or if they begin so long after the event that it is no longer a relevant factor.

5.5.9 Rental/Rehousing Assistance for MFH Park Tenants

If your project includes a manufactured housing park, you should learn more about how URA may come into play. This overview is intended to let you know who may be eligible and the types of assistance that can be
offered. It is not intended as a complete explanation. Contact your local housing agency or the Department for additional guidance.

Tenants of manufactured home parks either own the mobile unit and lease the pad, or they rent the unit and the pad. If the park owner is negotiating to sell the land, then eligible tenants, as described in Section 5.5.9, may be eligible for URA assistance:

- **Homepad Rental Assistance.** The tenant who owns the mobile unit and rents the pad is entitled to compensation for a reasonable increase in rent and utility costs of a new pad location and reasonable out-of-pocket moving expenses. Compensation may not exceed $5,250.

- **Replacement Housing Assistance.** If the tenant owns the mobile unit and rents the pad, and if the unit has been damaged by flood and therefore will not be relocated, then the unit owner is entitled to replacement housing assistance (which is equivalent to “acquisition”). The amount is determined by subtracting the value of the damaged unit from the cost of a new replacement manufactured home unit. The owner may also be compensated for the rental increase for a new homepad. However, the total replacement/relocation benefits may not exceed $22,500.

- **Moving a Manufactured Home.** If the tenant owns the mobile unit and rents the pad, and if the unit is to be relocated rather than sold, then the owner is eligible for reasonable moving costs, including moving and anchoring the unit on the new site, utility disconnect and hookup charges, and the costs of disassembling, moving, and reassembling any attached appurtenances such as porches, decks, skirting and awnings. The total assistance may not exceed $22,500.

### 5.5.10 Optional Rehousing Assistance Policy (ORAP)

Sometimes buyout offers, even at pre-disaster Fair Market Value, are insufficient for owners to purchase a comparable home outside of the floodplain. The purpose of ORAP (also known as rehousing assistance, RHA) is to encourage greater participation in mitigation projects by providing certain people who live in low value homes with reasonable additional payments so they can find comparable housing.
ORAP may also provide payments for reasonable moving and relocation expenses, which are to be made according to the URA guidelines.

**ORAP may have been considered as part of your Local Mitigation Strategy. If not, contact the Department to understand the requirements. If your community decides to offer this non-mandatory assistance, you should move quickly to put it into place.**

FEMA’s mitigation programs do not require these “non-mandatory” rehousing payments, although it is an allowable cost under certain circumstances. In order to provide rehousing payments, your community must prepare a plan that sets forth guidelines for providing the payments. After the plan is reviewed by the Department, it must be adopted by ordinance or resolution. At a minimum, the ORAP must:

- Identify the average price of comparable housing in non-floodplain locations;
- Include a listing of potential replacement properties;
- Specify conditions under which an owner will be eligible;
- Identify how the amount of payment will be determined;
- Clarify that the owner must (a) identify a replacement dwelling before a decision on an ORAP payment will be made, or (b) if unable to find a replacement dwelling before the closing on the floodplain house, then the amount of the payment will be determined at the second closing; and
- Specify the maximum amount of payment, not to exceed $22,500 (as of 1999).
Ideally, you will get a good feel about ORAP payments before you put together the project budget. Otherwise, your options may be limited because there may not be enough HMGP funds to add to your grant later on. Without ORAP, you may have a harder time getting willing participants.

5.5.11 Owners who Change Their Minds or Refuse an Offer

Buyout and elevation projects are voluntary, so owners have plenty of opportunity to change their minds up to the actual closing on the property or finalizing an agreement for elevation. Obviously, you want to reduce the chances that people will change their minds. The best way to do this is to be up-front with information. Keep people informed so that rumors don’t get out of control.

The Property Owner Packet is intended to help owners understand each step in the process. It is clear that you expect a good faith effort on behalf of owners, but it is also clear that anyone who changes his mind has a responsibility to contact you as soon as possible.

If someone decides not to sell (or to elevate), you have options:

- Let the owner know that you are still interested, but that his property is moved to the end of the list. If there are enough funds, you may renew your offer at a later date.
- Let the owner know that you do not have enough funding to buy or elevate homes at the end of the list, and that there is no guarantee that funds will be available after the next flood.
5.5.12 Changing the Project from Acquisition to Elevation (or Vice Versa)

Generally, after a grant has been awarded you cannot change from one type of project to another. There are enough differences in costs and benefits that it is difficult to justify changing after a grant has been awarded. Ideally, you will have defined a solid project through the Local Mitigation Strategy process. Most acquisition projects are, at least in part, justified on multiple benefits (see Section 6.6). Therefore, switching from one project type to another would be contrary to both the LMS and the scope that was approved by the Department and FEMA.

Depending on the nature of a project area, and whether there are overall goals for compatible use of vacated land, some communities may consider allowing owners to change from buyout to elevation-in-place. For example, if acquisition is considered only for a few houses that are not on contiguous lots, and the vacated lots will be surrounded by other homes, then it might make sense to elevate rather than acquire.

\[
\text{In general, communities should decide in advance whether property owners will be offered buyout or elevation – letting owners decide can lead to complications.}
\]

Changing a project type must be consistent with the Local Mitigation Strategy, and the Department’s approval must be received before the change. Note that if changing the project scope results in increased costs you will not necessarily get increased funding. Increased costs may have to be absorbed by the community and/or property owners.

Depending on several factors, especially if a project combines both acquisition and elevation, owners who were originally identified for elevation-in-place may decide they prefer acquisition. Again, you must check with the Department, especially if the B:C for elevation was
marginal and the project was deemed acceptable due to benefits of acquisition that are difficult to quantify (such as fewer families to evacuate). More than likely you will have to work within the original grant amount. Because acquisition typically is more expensive, this might mean you are able to deal with fewer homes. Note that this is a change in project scope and, if a B:C was required, could jeopardize the cost-effectiveness of the overall project.

What comes next:

- Now you’re ready to work on the grant application.
- The Florida Joint Hazard Mitigation Grant Program & Flood Mitigation Assistance Program Application is in Appendix C, and you can download it at www.dca.state.fl.us/brm/publications.htm.
- Chapter 6 provides additional background to better understand the information requested in the application.
6. Preparing the Application
What do you need to know:

- The Department of Community Affairs is available to provide technical assistance as you put together the application. Call (850) 413-9884 to be connected with a specialist.

- To do a good job on the application, and especially to prepare a good project budget, you should have a well-defined project, know how you will go about managing it, and know something about the property owners and tenants in the project area.

- You might want to double-check the considerations outlined in Chapter 4 to help define projects.

6.1 Overview of the Application Process

In terms of timing, you can begin to work on your application at any time, and focus on refining it after the project is sufficiently well defined. Remember, there are two sources of funding that come from FEMA, and each has its own overall timeline:

- **Hazard Mitigation Grant Program (HMGP).** HMGP funds become available based on whether a disaster is declared. The Department expects to provide technical assistance support on grant applications during the period between 1 and 6 months after the disaster, and the deadline to submit applications is at about 9 months. You’ll receive written notification of the exact date. Do not expect extensions to be granted except under extraordinary circumstances.

- **Flood Mitigation Assistance Program (FMA).** FEMA provides annual FMA funds, notifying the Department of the Florida’s annual allocation in December of each year. The Department conducts application workshops every January, and applications are due by the end of March.
FEMA’s mitigation grant programs are intended to support projects that are technically feasible, cost effective, and that do not have adverse environmental impacts. The Department has prepared a standard application packet that is designed to capture all necessary information, the Joint Hazard Mitigation Grant Program & Flood Mitigation Assistance Application (Appendix D). This information is needed to determine eligibility, evaluate projects for consistency with State priorities and federal requirements, and to make decisions about funding.

In addition to the information about the applicant/community and a completeness checklist, the Joint Application covers the following:

- History of hazards/damages in the project area;
- Project description, including project type and number of people and properties involved;
- Project location detail, including maps and photographs;
- Project cost worksheets for specific project types;
- Total project budget;
- Identification of funding sources;
- Project schedule, with milestones; and
- Information for the environmental review.

This chapter will help you refine the project scope, identify and locate the data required in the application, and answer a number of questions and issues that may arise as you finalize the project scope and costs. You need to provide good data so that the Department can prepare a solid analysis of benefits and costs for FEMA’s review, approval, and obligation of funds.
Projects that propose acquisition of homes in the FEMA-mapped floodplain that have been substantially damaged are not subject to the same comparison of benefits to costs. A certification of the substantial damage determination must be included in the application. It can be generated by the local building official or by using FEMA’s Residential Substantial Damage Estimator. Contact the Department to learn more about this computerized tool for making these determinations.

6.2 Project Eligibility

Minimum project eligibility criteria are explained in Chapter 1. As a reminder, the following brief explanations of some of the concepts and terminology may help as you get ready to complete the grant application:

- A project is “cost-beneficial” if, over time, its benefits outweigh its costs.
- Project costs are determined by estimating the costs for all elements of the project. This makes it very important to decide, before you apply, how certain aspects of the project will be conducted, including how property will be valued, and whether the services of specialists and contractors will be procured. These decisions will affect the project budget.
- Benefits are defined as “damages avoided.” To compute damages that will be avoided if a project is undertaken, you have to characterize the flood hazards that may impact the area over the anticipated life of a project.
- Flood hazards are characterized by frequency (how many times high water is likely to occur) and magnitude (how high is the water likely to rise) over the anticipated life of the project. Other flood
characteristics contribute to damage, including flow velocity, erosion or scour, and whether debris impacts are likely to cause additional damage.

- The anticipated life of a project is somewhat subjective. For acquisitions, FEMA generally assumes a 100-year life. For elevation projects, the foundations and elevated buildings are reasonably expected to last 30-60 years.

- For projects involving non-residential properties, benefits include direct physical damages that are avoided, and indirect damages including loss of function, lost wages and sales, and other factors.

Learn more about the details of determining the benefit:cost ratio of acquisition and elevation projects and other decision factors that go into designing elevation projects by getting a copy of Engineering Principles and Practices of Retrofitting Flood-Prone Residential Structures (FEMA 259).

### 6.3 Specific Data on Each Property/Building

The standard Joint Application (Appendix D) contains a sample worksheet for acquisition projects and another for elevation projects. The worksheets request specific information about each property or building to be included in your project. Some of the information will describe the buildings, such as its square footage that is heated/cooled, the construction type, date of construction, and estimated replacement costs. Form G-6 is used to gather data from the property owners (see Section 5.5.5), and some of it will be transferred to the application worksheets.

For acquisition projects, information related to the flood hazard at each building location is needed, including:
The Base Flood Elevation at the site of the building. Usually this elevation is found by looking at the Flood Insurance Rate Map (see Section 6.4 for more about hazard data).

The elevation of the lowest floor (including basement). Combining this elevation with the Base Flood Elevation results in the predicted depth of water above the lowest floor. This depth of water inside the building is used in the benefit:cost computation (see Section 6.6).

The depth of water and length of time the water was in the building, along with an indication of the frequency of the actual flood, i.e., whether it was a 10-, 25-, 50-, 100- or 500-year event. You may not know this last piece of information, which can be estimated by looking at the Flood Insurance Study if the waterway was studied in detail (see Sections 6.4.1 and 6.4.3).

6.4 Hazard Data & Information

Hazard data are used to estimate the frequency and magnitude of future flood events and to quantify damage that can be expected over time if the project is not implemented. These estimates of future damage become the project “benefits.” For elevation projects, the hazard data (the Base Flood Elevation) are used to specify the minimum height to which buildings are to be elevated in accordance with the local floodplain management ordinance. In addition, foundations under elevated buildings are to be designed based on the anticipated flood conditions and wind loads for the site.

For most areas, the best sources of flood hazard data are the Flood Insurance Rate Map (FIRM), the Floodway Map, and the Flood Insurance Study (FIS). Some FIRMs show the Base Flood Elevation where engineering studies have produced detailed information on the frequency and magnitude of anticipated flooding (numbered zones). In other areas, a special flood hazard area may be shown on the map but a study has not determined the height to which water will rise to fill the area shown (unnumbered zones).
6.4.1 Riverine Flood Zone (Numbered A Zone)

You can easily provide data for reaches of rivers and streams that have numbered A zones:

- **Base Flood Elevation (BFE)** at the building site is read from the FIRM. If the site is between cross sections (wavy lines), either use the higher number, interpolate, or scale the location on the Flood Profile that is found in the Flood Insurance Study (FIS).

- **Flood Frequency** is noted on the Flood Profile, located in the back of the FIS. The profiles usually show separate lines for the 10-, 50-, 100- and 500-year floods.

- **Peak Discharges** for each of the flood frequencies are listed in a Flood Data Table for the waterway. Use the peak discharge for the cross section that is closest to the project site.

6.4.2 Riverine Flood Zone (Unnumbered A Zone)

It is more difficult to approximate the flood hazard data for unnumbered A zones, and the Department expects you to seek assistance on this question. Unnumbered A zones are shown as shaded areas on the FIRM, but they were not studied in detail and specific flood elevations have not been defined. There are some common approaches to estimating the Base Flood Elevation, including:

- Check with other agencies that may have flood information, such as the U.S. Army Corps of Engineers, the Natural Resources Conservation Service, or the local or State agency responsible for highway construction (if a road crossing has been constructed in recent years).

- Interpolate using a topographic map. Be careful to account for maps of different scales, and look for landmarks that show on both maps, such as road intersections or stream crossings.
- Obtain the surveyed elevation of a nearby recognizable spot such as where the floodplain boundary crosses a road, a process called “point on boundary.”
- Perform a quick estimation analysis using FEMA’s Quick 2 software.

Managing Floodplain Development in Approximate Zone A Areas: A Guide for Obtaining and Developing Base (100-year) Flood Elevations (FEMA 265) is a good resource, not only to help you complete your grant application, but to determine BFEs for permit applications using the Quick 2 software that is included.

6.4.3 Coastal Flood Hazard Area (V Zones and A Zones Subject to Storm Surge)
In these flood zones, the Base Flood Elevation is shown on the FIRM in parentheses under the zone designation. The Flood Insurance Study includes a table that may show the elevations for flood events of other frequencies, including the 10-, 50- and 500-year events.

6.4.4 Unmapped Floodplain Area (B, C or X Zones)
Nearly one-third of all NFIP flood insurance claims are paid on properties that are outside of the mapped flood hazard area. If your project includes homes in this category, there is a good record of flood history which may be sufficient to support the application. However, unless they were substantially damaged in the last flood, you will need to develop data so that the Department can prepare a Benefit:Cost analysis.
Contact the Department early on to get technical assistance as you prepare the application.

6.4.5 Other Hazard Factors

There are other hazard factors that are not specifically required to be noted on the application but which may be important. Depending on the circumstances of your project area, you may want to highlight the following in your description of the hazard or past events, especially those that are related to project benefits that are difficult to quantify:

- Floodwater velocity can contribute to damage and also poses greater safety risks to residents and emergency personnel.
- Erosion undermines foundations and can cause a total loss, even if the depth of floodwater inside a building isn’t significant. Erosion may be a factor even in coastal A zones, or along some riverine waterways.
- Floating debris can impact buildings and cause additional damage.

6.5 Environmental Data & Information

6.5.1 Overview of Environmental Review Responsibilities

A significant determination as to whether a project is eligible for funding under FEMA’s mitigation grant programs is whether it meets the environmental requirements. All project applications must include information on the environmental, historical, and archaeological impacts that may result if a project is implemented.
As of March 24, 2000, acquisition and elevation projects are no longer required to be reviewed through the State Clearinghouse. Because relocation involves disturbing a new site, such projects must be routed through the Clearinghouse.

FEMA is required to conduct the environmental reviews pursuant to the National Environmental Policy Act (NEPA). NEPA is a federal law that establishes national policy for the protection and maintenance of the environment. It provides a broad planning process that must be followed to ensure that a funding agency has considered environmental effects before deciding to fund a proposed action. NEPA requires that environmental information be made public.

Most buyout projects are “categorically excluded” from a detailed federal environmental review. In addition, the State Clearinghouse has determined that acquisition and elevation projects are exempt. However, you must still provide environmental data and fulfill the requirements for public notice.

The State of Florida, as a managing state for HMGP and FMA grant programs, has a role to support FEMA to a significant degree, and has prepared a document that may be helpful, *HMGP Environmental Considerations: Informational Guide* (undated). For projects that require review, the Department can undertake certain tasks on FEMA’s behalf, including coordinating with other State agencies, gathering data, and
preparing portions of the record of environmental review. In addition, after reviewing the application and environmental data, the Department makes a recommendation regarding the level of review required by FEMA.

Check with the Department if you believe an emergency or imminent threat exists and you need to perform work in advance of getting a decision on your application. An example may involve demolition of seriously damaged buildings in danger of collapse. While you need to take care of threats to public safety, if non-critical work is started before the NEPA review process is completed, it may not be eligible for federal funding.

6.5.2 Applicant’s Responsibilities

Even though acquisition and elevation projects are exempt from the State Clearinghouse review, the environmental information requested in the application must be provided. The Department is still required to review it in order to confirm that no further review is necessary.

As the applicant, your community’s role is twofold. First, you are responsible for providing adequate information to allow the environmental review. Second, if your project is not exempt from the Clearinghouse review then you are responsible for coordinating with regulatory agencies to gain concurrence and to obtain permits. Keep in mind that if the Department’s review of information submitted with the application yields questions, your project may be processed through Clearinghouse regardless of the exemption.
The Joint Application includes a table that outlines information that is to be included with the application. Table 6-1 is an excerpt from the table, showing only acquisition and elevation projects.

Table 6-1. HMGP/FMA Environmental Review: Information and Documentation Needs by Project Type. [Excerpted from the Joint Application.]

<table>
<thead>
<tr>
<th>Project Types</th>
<th>Project Area Map</th>
<th>Project Area Photos</th>
<th>Building Construction Dates</th>
<th>Engineering Plans</th>
<th>DEP Concurrence</th>
<th>SHPO Concurrence</th>
<th>Public Notice for Demolition</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition, demolition</td>
<td>T</td>
<td>T</td>
<td>T</td>
<td></td>
<td>T</td>
<td>T</td>
<td>T</td>
<td>&quot;DEP district office demolition notice required&quot;</td>
</tr>
<tr>
<td>Elevation</td>
<td>T</td>
<td>T</td>
<td>T</td>
<td>T</td>
<td>T</td>
<td>T</td>
<td>**</td>
<td></td>
</tr>
</tbody>
</table>

* Notice only needed for some of these projects.
** State Historic Preservation Officer (SHPO) concurrence only needed if structure is over 50-years old or if work is done outside an existing building footprint.

6.5.3 Compliance with Laws, Regulations, and Executive Orders

Projects must be in compliance with applicable federal environmental laws, regulations and Executive Orders. In most cases, acquisition and elevation projects can be categorically excluded from a detailed environmental review. However, you must include in the application sufficient information for the appropriate State and/or FEMA environmental officer to determine that the project satisfies the criteria to be excluded. Projects that are not categorically excluded must be supported with a more detailed Environmental Review. Typically, this level of detail is not required for acquisition and elevation projects.
A relocation project that involves significant site development and utility work may prompt an Environmental Review, which requires more detailed environmental evaluations. Discuss relocation projects with the Department to determine the level of detail required. For acquisition of non-residential properties, obtain a Hazardous Materials Questionnaire from the Department. Costs to clean contamination are not eligible project costs.

The Joint Application is designed to collect the information required for the environmental review. The Department will review the material for completeness. If deemed appropriate, it will be forwarded to the State Clearinghouse for environmental consistency determinations with State laws.

Environmental matters that may be reviewed include:

- **Historic Structures.** You must provide a letter from the State Historic Preservation Officer (SHPO) regarding cultural and historic resources. Although required only for structures that are more than 50 years old, it is recommended that this letter be obtained for all projects so that delays can be avoided if questions arise later. Typically, the SHPO requires photographs, maps, and a project description in order to determine if the affected structures have historic significance. See Section 4.5.11 for some of the issues and possible approaches for resolution if a project impacts historic structures (National Historic Preservation Act, Section 106).

- **Floodplains.** Projects in mapped flood hazard areas are required to comply with local regulations adopted for participation in the NFIP. For elevation projects, this means the lowest floor must be at or above the BFE (plus freeboard, if applicable), enclosures in A Zones must be vented and limited in use, enclosures in V Zones must have
breakaway walls, utilities must be elevated, and flood damage resistant materials must be used. (Executive Order 11988; NFIP regulations)

- **Environmental Justice.** FEMA is required to identify and address disproportionately high and adverse human health or environmental effects that projects may have on minority populations and low-income populations. The NEPA review is a convenient mechanism for satisfying this requirement, which includes public involvement to encourage affected citizens to participate in project planning. (Executive Order 12898)

- **Contamination.** FEMA has determined that its funds may not be used to acquire contaminated property. This issue typically is not a concern for residential property unless, for example, an outbuilding has been used for a non-residential purpose such as an auto repair or furniture refinishing shop.

- **Air Quality.** Provisions in the National Emissions Standards for Hazardous Air Pollutants address asbestos removal. Applicants for projects that involve demolition or activities that disturb asbestos are to submit a formal notice to the Florida Department of Environmental Protection. (Clean Air Act)

- **Wetlands.** If wetlands will be disturbed during the project, you must obtain the necessary permits and approvals from the appropriate regulatory agency. (Clean Water Act; Executive Order 11990). Even if wetlands impacts are not involved, it is helpful to attach a copy of an appropriate resource map, such as the National Wetlands Inventory.

- **Endangered Species.** Only rarely would threatened and endangered species issues arise for an acquisition or elevation project. In many cases, acquisition has a net benefit by returning vacated land to permanent open space. Elevation projects do not disturb new lands, and therefore do not disturb habitats. For relocation projects that involve newly developed sites, the work to prepare the receiving site may affect threatened and endangered species and habitats, and documentation is required to demonstrate that no adverse effects will result. (Endangered Species Act)

- **Hazardous Materials.** Projects involving non-residential properties and that involve buying land or disturbing the ground must address certain questions related to hazardous and toxic materials that are outlined in the State’s Hazardous Materials Questionnaire (request from the Department).
- **Coastal Zone.** If located within the State’s designated coastal zone, projects are to be reviewed by the Florida Coastal Management Program, and the certification, waiver, or preliminary comments should be attached to the application. (Coastal Zone Management Act)

- **Coastal Barrier Resource Areas.** Contact the Department if your project includes properties in CoBRA zones.

  For acquisition of homes, lead paint/pipe, asbestos, home heating oil tanks, and other household materials are not considered “contamination.” Removal is handled as a project demolition cost. Elevation projects can include the cost of floodproofing septic tanks or relocating failed septic fields to minimize future contamination under flood conditions.

### 6.5.4 State Clearinghouse

The State Clearinghouse is a streamlined way to coordinate intergovernmental review of federally assisted projects, including projects that originate from a State agency and that are supported with federal funds. After several years of experience reviewing HMGP and FMA applications, a determination was made that acquisition and elevation projects could be exempted from review. Note that this exemption does not apply if there are unusual or “extraordinary circumstances” that warrant a more complete review.

The Department reviews application packages to determine that they contain all information needed for environmental considerations. At this time, a determination will be made either confirming the exemption from Clearinghouse or that a review is appropriate due to “extraordinary
“Extraordinary circumstances” Extraordinary circumstances are described in federal regulation (44 CFR §10.8(d)(3)), and include the following, which may arise as part of buyout or elevation projects:

- Project scope is greater than normal;
- High level of public controversy;
- Potential for degradation of already poor environmental conditions;
- Use of unproven technology or actions involving unique or unknown environmental risks;
- Presence of historical or other protected resources; and
- Presence of hazardous or toxic substances at levels which exceed federal, State or local standards.

Fulfilling the State Clearinghouse review is not the same as obtaining permits or advice from appropriate regulatory agencies. If required for your specific project, you must get permits before final approval of the project is granted. Section 6.11.3 lists permits that may be required for various types of projects.

6.5.5 NEPA Requirement to Consider Alternatives

NEPA requires an applicant to consider at least two viable alternatives to a proposed project, particularly when environmental issues or impacts are anticipated. After a damaging flood, it may not seem productive to consider alternatives if the extent of damage has, more or less, defined the project for you. However, NEPA applies to a wide variety of federal actions, not just mitigation projects. So, although this may feel like an extra step, it is required to explain why the preferred alternative was selected.
A great deal of information is not required to describe alternatives, but the descriptions should approximate costs, describe likely benefits, and discuss the impacts on the project area. Note that the alternatives considered should be limited to those that are eligible for funding by HMGP or FMA. Typical alternatives considered include:

- No Action Alternative (always included);
- Elevation, as an alternative to proposed acquisition;
- Acquisition, as an alternative to proposed elevation;
- Demolition and rebuild, as an alternative to acquisition or elevation; and
- Relocate utilities out of lower area or basement and conversion of the lower area to a flood resistant enclosure and filling the basement.

6.5.6 NEPA Requirement for Public Notice

Public notices are required at the beginning of the process to develop a project (initial notice) and at the end of the application review (final notice). For projects that impact a large number of people, or that are controversial for other reasons, in addition to formal published notices you may find that public meetings are a better way to inform people who may be affected by the project. At a minimum, NEPA requires:

- **Initial Notice.** You need to prepare and publish an initial Public Notice in accordance with Executive Order 11988 (floodplains), Executive Order 11990 (wetlands) and 44 CFR §9.12(e). An example is included in Appendix D. Send a copy of the published notice to the Department as part of the Joint Application package.

- **Final Notice.** When the grant is awarded, you need to prepare and publish a final Public Notice. Keep a copy of the published notices as part of the project records.

6.5.7 Low-Income and Minority Populations

During its site visit as part of the application review, the Department will make a preliminary determination regarding environmental justice (see Section 6.5.3). To allow FEMA to fulfill its responsibilities under Executive Order 12898 on Environmental Justice, the following information may be requested:
Summary statistics on low-income and minority residents in or near the project area. For most projects, data at the block group level from the most recent release from the U.S. Census Bureau are sufficient.

Describe how the project might adversely affect low-income and minority populations, and if any are identified, how might the adverse effects be addressed.

If such populations are identified, consultation with local agencies or organization that serve them may be requested.

### 6.5.8 Hazardous and Toxic Materials

In general, residential properties are not expected to have significant issues surrounding hazardous and toxic materials even though “normal quantities” may be found. The presence of normal quantities does not preclude use of FEMA funding for acquisition. If you know that houses in the project area are likely to contain asbestos and lead, use the Notice of Asbestos Renovation or Demolition (Appendix D or online at [www.dep.state.fl.us/air/forms/forms.htm](http://www.dep.state.fl.us/air/forms/forms.htm), and click on “Asbestos”). Have this form completed by a qualified person. Send it to the Department of Environmental Protection as the notice of intent to demolish, which is required at least 45 days in advance.

If special treatment is required, the costs of removal should be included in the estimate of demolition and site clearance (see Sections 6.8.4 and 6.8.5). Consider answering the following in the application:

- Are there any fuel storage tanks (above-ground or underground)? Is there any evidence of leakage?
- Other than normal household products, is there any evidence of past generation, treatment, storage, disposal, release, or spill of petroleum products, solid or hazardous substances and/or wastes?
- Have there been any recently reported unusual odors or discoloration of the drinking water supply?
- Are there any past or on-going environmental investigations on the properties?
Projects that include property that is or was used for commercial, light industrial, industrial, transportation, or institutional uses are examined in more detail than those that acquire residential property. Call the Department as early as possible after identifying a property of this nature.

6.5.9 Historic Buildings: Issues & Resolution

If the State Historic Preservation Officer (SHPO) determines that your project would have adverse historic impacts, then you and the Department will enter into consultation with the SHPO to determine how the impacts can be avoided or mitigated. Projects with adverse impacts can be approved, provided you explore alternative measures to mitigate the adverse historical impacts, and those measures have to be included in the project. The following are some ways that adverse impacts have been addressed:

- Research, along with photographic and descriptive documentation during dismantling, to preserve the history of origin and use and to record unique elements of the building itself.
- Extra structural stabilization in order to allow a particularly unique historic building to be relocated, often combined with transfer of ownership to a non-profit organization or government agency.
- Extra structural stabilization to allow elevation-in-place, combined with additional architectural elements to minimize the visual impact on the historic character of the building.
- Keep the building in-place, with modifications to minimize damageable items below flood level or to allow re-use as a public building if compatible with the permanent open space use of the land, and if approved by FEMA.
6.5.10 Projects Started Before NEPA Review

As a general rule, you are jeopardizing FEMA’s approval if you start a project before the environmental documentation is reviewed. For projects that will notably alter the physical, biological, or social/built environment, NEPA and associated environmental laws and regulations require that FEMA complete the environmental reviews and compliance consultations before obligation of funds.

In extreme cases, for example, if damaged buildings are unstable and deemed a risk to public health and safety, the Department and FEMA may determine that an exception to the general rule is appropriate and funding may be obligated for work that has been started.

FEMA funding will be denied if a project is started before final approval. If for some reason your project can’t wait, contact the Department as soon as possible to discuss options.

6.6 Project Benefits

6.6.1 Overview

The statutory authorities behind both HMGP and FMA mitigation grant programs require that projects be good investments for the federal government, i.e., they must be “cost effective.” Weighing the numbers – the costs and the physical damages avoided – is only one aspect of determining whether a project is a good investment. There are many benefits that are difficult to quantify, but that are very real benefits associated with flood mitigation projects.
By FEMA policy, projects that propose acquisition of homes in the Floodway and those that have been substantially damaged are not subject to the same comparison of costs and benefits. A certification of the substantial damage determination must be included in the application. It can be generated by the local building official or by using FEMA’s Residential Substantial Damage Estimator. Contact the Department to learn more about this computerized tool for making these determinations.

6.6.2 Quantitative Benefits

To compute benefits, it is necessary to quantify the damages that will be avoided if the project is implemented. This is done using the hazard data and data regarding the type of building (and contents) and its susceptibility to damage. Additional specific data may be included in the application, but are not required. The Department prepares the estimate of benefits (damages that will be avoided) and compares it to project costs, but the results are dependent on the quality of the data you provide in the application.

Be sure to consider other direct benefits associated with your project and include them in the application so that they may be included in the benefit:cost analysis. Examples of other direct benefits include:

- Infrastructure damage that may be avoided if, for example, water and sewer lines can be terminated because an entire area is acquired and returned to open space, natural floodplain function; and
Avoidance of displacement costs and temporary housing/sheltering or relocation costs, especially in areas where floodwaters remain high over long periods of time.

Certain “losses” that may not be included are those for which there are no clear cause and effect between the event and the loss. Examples of some of these “indirect benefits” that might accrue if the project is implemented include:

- Wages that would not be “lost;”
- Tax income that would not be “lost;” and
- Losses associated with looting that would not occur.

When you are working on your narrative to support and explain the anticipated benefits of your project, check with the Department if you have questions about whether certain losses and damage that you believe will be avoided can be counted as benefits for the purpose of the benefit:cost analysis.

6.6.3 Qualitative Benefits

FEMA’s policy allows funding of certain types of projects where the ratio of benefits to costs is “close” to 1:1, provided there are other benefits. Be certain to include a statement of qualitative benefits in your narrative supporting the project.

Consider the following examples of qualitative benefits:

- Emergency response is costly, in time, equipment, and risks to evacuees and response personnel. When flood-prone homes are acquired, there is no one there to evacuate, so life and limb are not threatened.
Homes with septic systems or underground fuel tanks will not pose environmental risks if they are acquired and removed from the floodplain.

Allowing acquired land to return to a natural state over time or by reforestation, may enhance wildlife habitat.

Recreating wetlands on acquired land will improve water quality.

Developing passive recreational opportunities on acquired land will enhance the quality of community life.

Elevation projects have fewer qualitative benefits because people continue to occupy the floodplain. However, the following may be beneficial aspects to elevation projects:

- Housing stock is retained and communities are kept together.
- Elevated homes are less likely to experience mold growth that poses health risks.
- Businesses in elevated buildings are likely to reopen more quickly and to remain in business after a major flood.

Be sure to state in the application how you plan to use the acquired land, especially if you are claiming qualitative benefits associated with that use. After the project is approved by FEMA, it will be difficult to change the proposed use.

6.6.4 Department’s Responsibilities

The Department is responsible for determining the cost-effectiveness of proposed acquisition and elevation projects using FEMA’s standard analysis methodologies or other approved methods. The information that you provide in the application is the basis for this assessment. The project cost data, combined with the hazard data, yield estimates of damages that will be avoided (benefits) if a project is implemented.
The Department prepares a benefit:cost summary sheet for FEMA’s review as part of the final grant approval process. The summary sheet outlines assumptions made, derivations of data used, and the analytical techniques applied.

6.7 Project Cost Data

Grant funds may be used for certain project costs that are called “allowable costs” and for reasonable fees for cost-based contractors. One of the most critical steps in the entire mitigation process is making solid estimates of project costs. Underestimating costs, or not including key cost elements, will likely mean the amount of funds approved will be inadequate. This could jeopardize completion of the project. While there is a process to address cost overruns and request additional funding, there is no guarantee that federal grant funds will be available to cover increases.

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Don’t underestimate the importance of good project cost data. Check with the Department if you need help identifying all the cost elements or estimating those costs.
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6.7.1 Allowable and Unallowable Costs – General

The U.S. Office of Management and Budget (OMB) outlines the general principles and standards for “allowable costs.” Stated simply, “allowable” means a cost that may be funded from the grant, provided there are sufficient funds to cover the costs. Note that allowable costs that are included in the total project budget are funded along the cost-share percentages, with no more than 75% from HMGP or FMA. “Unallowable costs” are those that clearly are not grant-eligible.

FEMA directs states and communities to circulars prepared by the Office of Management and Budget for details on allowable and unallowable costs. Three circulars apply, depending on the type of applicant:
OMB Circular A-87 applies to State, local, and Native American tribal governments.

OMB Circular A-122 applies to most private non-profit organizations, other than higher educational institutions, hospitals, and others specifically named in A-122.

OMB Circular A-21 applies to educational institutions.

The person or office responsible for your community’s budget is probably familiar with these circulars, available online at www.whitehouse.gov/omb/circulars/index.htm.

Because most applicants for HMGP and FMA funds are local governments, the following is based on OMB Circular A-87. To be allowable, costs must meet several general criteria. The most important (but not all) of those criteria specify that the costs must be:

- Necessary and reasonable for proper and efficient performance and administration of the grant and the project;
- Allocable to the grant (for goods and services necessary to conduct the activity);
- Specifically authorized or not prohibited under State or local laws or regulations;
- Not used to meet cost-sharing or match requirements of another federal grant; and
- Adequately documented.

“Reasonableness” is another aspect that the Department and FEMA consider when reviewing project costs. Reasonable costs, defined in Circular A-87, are those that “do not exceed costs that would be incurred by a prudent person in the same circumstances at the same time.” In addition to applicable laws and regulations, factors that enter into the
determination of reasonableness are the specific terms and conditions of the federal award and market prices for comparable goods and services.

The Department will disallow costs that are determined to be unreasonable, including costs that are not directly applicable to the proposed project. Costs may be disallowed at the application phase, or when reimbursement requests are submitted. Obvious areas of caution include:

- Costs incurred before grant approval, unless specifically approved (very unusual for acquisition and elevation projects);
- Items covered by subgrantee administrative costs (see Section 6.13);
- Loss of tax revenue for acquired lands; and
- On-going maintenance of a project area.

The costs of hiring a temporary project manager or contracting for an implementation manager are allowable costs. You may need to document why your existing staff capabilities are insufficient to handle the workload.

6.7.2 Allowable and Unallowable Costs for Acquisition Projects

Allowable costs that are specific to acquisition of flood-prone properties, as determined by FEMA, include:

- Environmental mitigation costs associated with residential properties, including removal of asbestos, lead, and underground fuel tanks;
- If required for historic structures, costs for recordation or relocation, Phase III archeological data recovery;
- Costs for specific measures that are required to protect endangered species;
- Reasonable costs for contracts for program management or implementation;
- Costs to obtain one appraisal from a licensed real estate appraiser for each property.
- Costs for a property survey;
- Up to pre-flood Fair Market Value of the real property (land and structures) either at the time of sale or immediately prior to the damaging event (see Section 6.8.1 about property valuation options);
- Necessary closing costs: title search, easement and deed recordation, title insurance, closing fees, and title transfer fees;
- Legal fees associated with review of deeds and contracts, if applicable;
- Demolition or removal of buildings and accessory structures, filling in of basements, removal of utilities and site improvements, closure of wells and septic tanks, disposal of debris, and site stabilization;
- Optional Rehousing Assistance Program payments (see Section 8.1); and
- URA Relocation assistance for eligible tenants.

**The 75-25 cost share formula applies to the project as a whole, not necessarily every line item in the budget. While the above items are all allowable costs and can be cost shared, another approach is for the community to pay some of them entirely as part of the local match.**

**Unallowable costs** that may be part of acquisition projects include:
- Percentage-based contracts;
- Value of donated services (however, donations can be part of the in-kind cost share); and
- General government expenses such as salaries and costs associated with services normally provided to the public, such as fire, police, inspectors, etc. Funds to cover such services, called subgrantee administrative costs, are provided by FEMA and are computed on a sliding scale (see Section 6.13).
6.7.3 Allowable and Unallowable Costs for Elevation-in-Place

Allowable costs for elevation, in addition to appropriate allowable costs identified for acquisition, include:

- Engineering costs for preparing the design and cost estimate for the new foundation;
- Costs associated with contracting for inspection services;
- Detaching the building from its foundation (or lifting it slab and all) and raising it so the new foundation can be constructed;
- Turning off, extending, and turning on utility service;
- Temporary removal and storage of foundation plantings and replanting;
- Demolition and disposal of old foundation, if not suitable for extension;
- Modification of the ground floor, if it is kept as a platform on which habitable space will be constructed or extended;
- Filling in below-grade (basement) spaces, and relocation of utility equipment and appliances;
- Addition of small utility room if needed for relocated utility equipment and appliances;
- Construction of new foundation;
- Certain code-required upgrades (check with the Department);
- Survey to verify adequacy of the lowest floor elevation;
- In-kind (same size and type) replacement of decks and porches, and additions deemed to be unsound and not able to be elevated along with the base building;
- Typical builder’s grade decking and stairs required to access higher elevation;
- Site clean-up and stabilization of disturbed grassed areas;
- Reasonable expenses associated with the owner living elsewhere during the period that the home must be vacated (except those listed as unallowable requires receipts); and
- Reasonable expenses associated with temporary storage of fragile items during the period of the actual elevation construction (requires receipts).
Construction inspection costs may be allowable under the grant if the community does not have on-staff capability or if the elevation project involves so many buildings that limited staff cannot perform inspections in a timely manner.

Unallowable costs that may be part of a typical elevation project include:

- Non-flood or wind upgrades required for code compliance (see Section 12.3.2);
- New siding, other than appropriate to the new foundation work;
- Deck that is larger than required for entryway landing, unless replacing a removed deck;
- Utility service or materials for the underfloor space (which must be used only for parking, limited storage, or building access to be code compliant);
- Fill for landscaping purposes;
- Sidewalks and other site improvements;
- Reimbursement of expenses for food or personal transportation; and
- Reimbursement of housing and other expenses that coincide with any type of vacation or leisure travel.

FEMA funding may not be able to pay for non-flood related rehabilitation and repairs. CDBG funds can, provided the project qualifies.
6.7.4 Allowable and Unallowable Costs for Relocation

Allowable costs for relocation to sites outside of the mapped floodplain, in addition to the allowable costs identified for acquisition, include:

- Jacking and moving the structure to the new site;
- Demolition of the old foundation and remaining site improvements, filling in basements, disposal of debris, capping utilities, closing wells and septic tanks, and stabilizing the vacated site;
- Necessary preparations at the new site, including new foundation, and water, sewer and other utility hookups; and
- Fee simple acquisition of the vacated lot.

Unallowable costs that may be part of a relocation project include:

- Purchase of the new lot;
- New public infrastructure and utility installation, such as extension of sewer lines or new roads to serve the lots receiving the relocated home;
- Aesthetic improvements and landscaping; and
- New accessory structures.

6.7.5 Allowable and Unallowable Costs for Fully-Compliant Reconstruction

If an owner agrees to pay the difference between the cost of elevation and the cost of building a fully-compliant new structure, then the allowable and unallowable costs for elevation-in-place (Section 6.7.3) are applicable. Some other elements may also be allowable – check with the Department before you get too far into preparing the cost estimate for the application budget, and definitely before you discuss or outline specific commitments with the owner.

6.8 Prepare the Acquisition Project Budget

In order to prepare a reasonable project budget that will give you enough funding to implement a buyout project without significant shortfalls or overruns, several allowable cost elements need to be estimated. The acquisition cost work sheet in the State’s HMGP/FMA Joint Application
packet lists many cost items that may be applicable to your project. Before you can make reasonable estimates for these items, you will need to make some decisions about several of them:

- What basis for determining the value of the property will you use? (Section 6.8.1)
- How will you estimate the value of property? (Section 6.8.2)
- How will you manage and implement the project, with in-house or contracted services? (Section 6.8.3)
- What are average costs for demolition, disposal, and site stabilization? (Section 6.8.4)
- What are the average costs for environmental remediation? (Section 6.8.5)
- What are the average costs for surveys and appraisals? (Section 6.8.6)
- What are the average costs for title company services and closing costs? (Section 6.8.7)
- Will any owners be eligible and will you provide ORAP (rehousing) assistance? (Sections 6.8.8)
- How many eligible tenants will qualify for relocation assistance? (Section 6.8.9)

It is not advisable to reduce the project budget by anticipated Duplication of Benefits amounts. Until you get the DOB information from the Department and FEMA, and until you verify use of those funds by the property owner, there is no good way to estimate DOB deductions.
6.8.1 Basis of Property Valuation: Pre-Flood vs. Post-Flood

Regardless of the approach you decide to use to determine property values, it is a requirement of both HMGP and FMA that State-certified appraisers prepare the valuations. The final offers will be developed after the Department has approved the appraisals. This can be an important point to share with property owners, especially those who may be concerned about government’s motives for buying land.

Some communities have certified appraisers on staff. While they can prepare the appraisals, you can avoid the appearance of conflict of interest by hiring an outside appraiser.

The most common approach to determining Fair Market Value is to base the appraisal on the pre-flood condition of the home. The most obvious benefit is that it encourages owners to voluntarily participate because they feel that the community is not taking advantage of them when they’re struggling with all the impacts of damage. There are some downsides to this approach:

- If the homes aren’t there (washed away, burned post-flood) it will be difficult for any appraiser to make a pre-damage valuation unless there are many similar homes in the area. This is another good reason to document potential project areas in your LMS by taking “sunny day” photos or video (see Section 2.1.4).
- If a long period of time elapses from the date of damage to the date of offer, the owner feels that any inflation-related increase in value is lost.

FEMA policies allow you to make post-flood value determinations in two circumstances:

- Homes are unrepaired. This situation usually occurs if you are ready to start the project very soon after the flood, and owners receive
emergency and insurance payments but do not use them for repairs. If you use post-flood value, you do not have to perform the Duplication of Benefits determination and owners get to keep those payments for use towards purchase of another property. Note that this approach assumes that emergency and insurance payments were adequate to compensate for the damage sustained, and that combined with the post-flood value, the purchase price is effectively equivalent to the pre-flood value.

- Every post-flood period eventually becomes pre-flood. In areas that flood repetitively it becomes difficult to draw the line between when is it after the last flood, or before the next flood? If a long period of time has elapsed between the last flood and the award of the grant, then it makes sense to value the homes in their current condition. Of course, if buildings were substantially damaged, then proper administration of the local floodplain management ordinance should have required that they be brought into compliance. If this is the case, then they are unlikely to be eligible for a mitigation project. On the other hand, repetitively flooded homes may not have sustained substantial damage, and may have been repaired to pre-flood habitable condition.

> Most property valuations are based on pre-flood conditions. Contact the Department if you decide that another approach works best for your project. As part of the grant application you have to indicate how you will make the valuation determinations for buyout offers, and you cannot change the method after the grant is awarded.

### 6.8.2 Estimate the Value of Property

You need to estimate the value (likely purchase price) of each property in the project area in order to prepare the project budget for the application. This is a very important step because usually it represents the largest part
of the cost of the project. If you under-estimate property values, the requested grant funds won’t be enough to finish the project. These estimates are for the application only – the final buyout offers must be based on a complete appraisal prepared by a State-certified appraiser.

There are three ways to develop an estimate of the value of properties that are likely to be included in your acquisition project:

- One way that you can estimate the value is to apply a multiplier to the tax assessment value. There are some cautions to consider, for example sometimes a single tax bill can cover more than one lot, or the owner may have requested one bill for the building and another for the land. Tax assessments are revenue-generating tools, they are not necessarily good predictors of market value. If you use tax assessments, compute the multiplier by looking at recent sales in the area and compare actual sales costs to assessed values. A multiplier of 1.5 is not uncommon.

- Contact a knowledgeable real estate broker in your area and request the “broker’s price opinion of value.” This is a recognized format for approximating market value. You may be able to get this valuation free, or a minimum fee may be charged.

- Hire a licensed appraiser to prepare a statement of Fair Market Value. If you do this, you should review Section 9.7.2 and see the sample scope of services (Form DD). Keep in mind that if for some reason the grant is not approved, or if some properties are not included in the final project, your costs to get the appraisals will not be allowable costs.

Estimates that you make for the purpose of the application may not hold up over time, especially if 6 months or more elapses before offers are made to property owners. Even though the homes are prone to flooding and identified for potential acquisition, real estate values tend to keep rising. You can include an inflation factor in the cost estimate, especially if you can document recent increases in property values throughout the community.
Be careful about sharing estimates or appraised values with owners too early in the project. It may affect expectations in ways that cause problems down the road. If the estimates are high, people will expect high offers. If the estimates are on the low side, you may have to overcome reluctance. Also keep in mind that FEMA’s damage estimate is not the same as the value of a building.

6.8.3 Project Implementation Costs (In-House or Contracted)

Your options for handling project management and implementation were outlined in Section 5.3. You need to make a decision before you finish the project budget in the application, because the costs may be allowable costs. Small projects are more likely to be handled by existing staff, in which case staff time is not an allowable project cost since the employee’s salary is already included in the operating budget. Large projects often require more time than existing staff has available.

Under the following circumstances, project management and implementation are allowable costs if you:

- Contract with another governmental entity, such as a planning council or water management district. A formal agreement outlining specific responsibilities is required, along with a budget to estimate hours and costs.
- Hire a contractual employee with the specific assignment to manage the project. While non-project related tasks may be assigned to this person, the grant will only allow costs associated with management of the project.
- Procure services by competitive bid. Services may cover the entire project or just implementation tasks, as described in Section 5.3.
Form AA outlines tasks that may be assigned to contracted specialists.

If you’re uncertain about estimating these costs, contact the Department.

6.8.4 Estimate Demolition Costs

Actual demolition costs are likely to depend on several variables, including size and type of the buildings, location and hauling route, termination of utilities, salvage rights, landfill tipping fees, size of lot to be stabilized, and other factors. For the purpose of estimating the costs for the application, at least the following options are available:

- Call a local contractor and request a non-binding, verbal estimate; or
- If another local project has included demolition of houses, such as a road relocation or airport expansion project, check with that agency for an estimate.

6.8.5 Estimate Environmental Remediation Costs

Environmental remediation (clean-up) usually is included in the demolition contract. When you develop the demolition estimates, make sure you consider “with” and “without” remediation of items normally found in homes in your area. For example, if most homes have septic tanks, be sure to estimate the costs to properly cap or remove them. Unless you have completed the inspections to determine whether the homes have asbestos, lead, or underground tanks, there is no easy way to estimate these costs.

When the Department conducts the field inspection as part of its application review, it will make a preliminary determination as to whether any conditions are likely to require remediation. If necessary, your project budget will be amended to include an estimate of the remediation costs, however, you should include a “best guess.”
6.8.6 Estimate Survey and Appraisal Costs

Unless properties are located far from an established benchmark, the property survey costs can be estimated by contacting one or more surveyors to request a non-binding estimate for similar boundary surveys in the area.

Similarly, unless individual properties are unique to the area, a non-binding estimate provided by one or more certified real estate appraisers is a satisfactory basis for estimating the cost to hire an appraiser.

6.8.7 Estimate Title Company Services and Closing Costs

At the time that you develop the project budget for the application you will not know of any complicating title and ownership factors that may be revealed during the title work. Despite this, it is acceptable to obtain a non-binding cost estimate from one or more title companies that work in your area and use it to develop your costs.

A significant cost of closing that is often overlooked in the application phase is title insurance provided by the title company. This security is required by FEMA. It protects the community and FEMA should a claim against the property arise in the future. The cost typically varies with the purchase price because it insures your dollar interest in the property, regardless of the value of the property after removal of the improvements. When you get an estimate to perform the title work, be sure to ask that they estimate the cost of title insurance based on what you believe will be the average purchase price.

You have a choice as to how you handle closing costs, and you should decide before you finalize the project budget for the application. The standard approach for the typical property transactions is to split the costs between the seller and the buyer. However, FEMA allows the community to pay all of the closing costs, rather than split them. This is one more way that the seller is treated to encourage voluntary participation. If you choose this approach, make sure it is clear in the instructions to the title company that recording fees, escrow fees, and
other closing costs will be covered entirely by the community. The property owner is responsible for costs associated with clearing the title.

6.8.8 Estimate Mandatory URA Assistance Payments for Tenants

Some overview information about URA and tenant eligibility is in Sections 5.5.7, 5.5.8, and 5.5.9. This section is not intended to provide detail about how URA will be handled. It is to give you sufficient guidance to estimate the costs so that you can include them in your project budget.

Certain URA regulations apply to tenants. Whether tenants are eligible for URA rental increase assistance is covered in Section 5.5.8. Eligible tenants will get no more than the maximum prescribed by law ($5,250 in 1999). The following may be eligible:

- Reasonable out-of-pocket moving expenses or a moving allowance determined using HUD’s guidelines (usually more generous); and
- Adjustment for a reasonable increase in rent and utility costs, if comparable non-flood-prone rental units are more expensive.

URA assistance to eligible tenants is an allowable grant cost. After determining if the project will impact eligible tenants, add an estimate of these costs to the project Cost Worksheet by assuming each likely tenant will receive the maximum amount. The actual amounts will be determined during implementation.

6.8.9 Estimate Non-Mandatory Rehousing Assistance (ORAP)

If your community chooses, non-mandatory rehousing assistance will be addressed in your Optional Rehousing Assistance Policy (ORAP), covered in Section 8.1.
There may be a shortfall between the amount an eligible seller receives and the cost of comparable replacement housing in the community. Your community may provide owner-occupants the difference between the two, up to a maximum of $22,500 (established by relocation payments under URA). In order to adequately estimate rehousing assistance when you prepare the application budget, you may have to do some research to locate comparable housing and to determine the Fair Market Value of such comparable housing. If the difference in values is distinct, then include an estimate of this rehousing assistance in the project budget.

It is important to know that all of the following circumstances must exist in order for non-mandatory rehousing assistance to be an allowable, cost-shared project cost:

- Decent, safe, and sanitary housing of comparable size and capacity is not available in non-flood-prone locations in nearby areas at the anticipated buyout price of the property being vacated;
- The project would otherwise have a disproportionately high adverse effect on low-income or minority populations because project participants within those populations would not be able to secure comparable decent, safe, and sanitary housing; and
- Funds cannot be secured from other more appropriate sources such as housing agencies or voluntary groups. Determining this lack of funding should be addressed in the ORAP plan.

If you are buying a manufactured home park, then the owners of owner-occupied manufactured home units that are damaged and uninhabitable may be eligible for rehousing assistance not to exceed $22,500, provided their damaged units are not being moved to a new location.
6.9 Cost Worksheet for a Sample Project

The Joint Application includes a worksheet designed specifically to develop a cost estimate for acquisition projects. Look it over carefully to make sure you include estimates of all parts of your project. If you have questions about a cost item, first check Section 6.7 to see if it is an allowable cost, then call the Department if you still have questions.

Section 6.12 covers estimating management and implementation costs. A sample worksheet for an acquisition project is shown in Table 6-2.

Table 6-3 is an example of a Project Budget Summary.

Table 6-2. Sample Property Acquisition Project Cost Information.a

<table>
<thead>
<tr>
<th>ID#</th>
<th>Owner</th>
<th>Address</th>
<th>Estimated Pre-Disaster FMVb</th>
<th>Appraisal</th>
<th>Lot Survey</th>
<th>Closingc</th>
<th>Demolition and Site Work</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>A-01</td>
<td>Smith, T. and J.</td>
<td>23 River Rd</td>
<td>$31,650</td>
<td>$250</td>
<td>$350</td>
<td>$1,250</td>
<td>d$ 1,500</td>
<td>$35,000</td>
</tr>
<tr>
<td>A-02</td>
<td>Jones, D. and C.</td>
<td>24 River Rd</td>
<td>$43,770</td>
<td>$250</td>
<td>$350</td>
<td>$1,250</td>
<td>d$ 2,000</td>
<td>$47,620</td>
</tr>
<tr>
<td>A-03</td>
<td>White, R. Estate of</td>
<td>27 River Rd</td>
<td>$8,500</td>
<td>$250</td>
<td>$350</td>
<td>$1,250</td>
<td>(vacant)</td>
<td>$10,350</td>
</tr>
<tr>
<td>A-04</td>
<td>Perez, C. and C.</td>
<td>28 River Rd</td>
<td>$52,380</td>
<td>$250</td>
<td>$350</td>
<td>$1,250</td>
<td>$5,000</td>
<td>$59,230</td>
</tr>
<tr>
<td>A-06</td>
<td>Barnes, W. and F.</td>
<td>12 Oak Dr</td>
<td>$49,340</td>
<td>$250</td>
<td>$350</td>
<td>$1,250</td>
<td>$5,000</td>
<td>$56,190</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$185,640</strong></td>
<td>$1,250</td>
<td>$1,750</td>
<td>$6,250</td>
<td><strong>$13,500</strong></td>
<td><strong>$208,390</strong></td>
</tr>
</tbody>
</table>

a Table 6-2 is an example only. The estimates for specific cost elements should NOT be used to prepare an actual estimate of Project Costs.

b For the purpose of this estimate, the Pre-Disaster Fair Market Value is assumed to be 1.35 times the most recent tax assessment. This factor was determined by looking at sales of similar single family homes in the county and comparing actual sales prices to tax assessment values. Appraisals will be obtained.

c Includes estimate for title insurance.

d Debris cleared by Public Assistance; in this example the costs noted include slab and driveway removal, well closure, grade and seed.
Table 6-3. Summary of Example Acquisition Project Budget.

<table>
<thead>
<tr>
<th>Summary of Example Acquisition Project Budget Town of River View DR #2100</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost Item</strong></td>
</tr>
<tr>
<td>Estimated Pre-Disaster FMV</td>
</tr>
<tr>
<td>Appraisals</td>
</tr>
<tr>
<td>Surveys</td>
</tr>
<tr>
<td>Closings</td>
</tr>
<tr>
<td>Demolitions</td>
</tr>
<tr>
<td>Contract services to coordinate implementation with owners</td>
</tr>
<tr>
<td>Estimated ORAP for A-01</td>
</tr>
<tr>
<td><strong>Total Cost to Acquire</strong></td>
</tr>
<tr>
<td>Federal Share (75%)</td>
</tr>
<tr>
<td>Local Share (25%)</td>
</tr>
</tbody>
</table>

6.10 Benefit:Cost Computations

Projects that propose acquisition of buildings that are located in the Floodway as shown on the community’s NFIP maps and that were substantially damaged are, by policy, not required to be supported with a rigorous Benefit:Cost analysis. Other properties, and projects to elevate, relocate or rebuild, are subject to the B:C requirement. Projects must be cost effective – which generally means the benefits over time are greater than the costs of the project.

You may decide you need to have a better feel for how B:Cs are computed. FEMA has developed a manual and software, *Engineering Principles and Practices for Retrofitting Flood Prone Residential Structures* (FEMA 259), and the Department will conduct workshops from time to time. Contact the Department for dates and locations.
If your project will seek funding from more than one source, you may have to meet different criteria in terms of demonstrating that the project is beneficial and/or cost effective.

6.11 Other Considerations to Review as You Prepare the Application

This section covers a few miscellaneous items that you may need to think about while you’re working on the application:

- Project income may affect the project budget, but there are some drawbacks to collecting income. (See Section 6.11.1)
- How long do projects take? This may be important not only for the tentative schedule, which is part of the application, but also because of rising costs. (See Section 6.11.2)
- What permits are required? (See Section 6.11.3)
- For acquisition, who will take title to the land and are the restrictions on use understood? (See Section 6.11.4)

6.11.1 Project Income

Any income from a project has to be returned to (or shared with) the funding agencies in the same proportion as the project costs are shared. Unless project income is likely to be significant, it is better to avoid it due to the pay-back complications. Call the Department to discuss the implications if you anticipate project income. Some circumstances where project income may arise include:

- Selling detached houses;
- Selling salvaged materials;
- Selling acquired lots to eligible public or nonprofit owners (see Section 11.2.4); and
- Rents.
Income generated from the land itself after the project is completed and the project file is closed is not shared. Examples of such income would be normal fees charged for entry to the land if added to a public recreational area or rental income from farming.

6.11.2 Period of Implementation

Applications are to include a proposed implementation schedule. Figure 3-2 illustrates a typical timeline for a typical small project. Your schedule should be as realistic as possible, given the fact that there are many unknowns at this stage. The implementation schedule will be used by the Department to track progress that is reported in quarterly reports. Check with the Department for help deciding if your schedule is reasonable. Several factors may come into play, including the number of properties, whether dealing with tenants will be a lengthy process, the estimated time to procure contract services, availability of contractors, the time of year, and others.

For the most part, FEMA expects projects to be completed within 24 months after award. Time extensions may be granted for circumstances beyond the control of the applicant. If you document in your quarterly reports that you have made steady progress, and if you can demonstrate that you need more time, you’re more likely to get an extension.

6.11.3 Other Permits may be Required

As part of the application process, FEMA requires that you identify other permits that are required. Check with your local planning, zoning, and building departments for local permit requirements. By type of project, the following permits may be required:
● **Acquisition and Demolition**
  - Local demolition permit
  - Grading (sediment & erosion control)
  - Abandonment permits (water wells, septic systems)

● **Elevation-in-Place**
  - Building/remodeling permit for new foundation
  - Building/remodeling permit for code-required upgrades
  - Demolition permit for old foundation

● **Relocation**
  - Demolition permit for old foundation
  - Environmental permits to develop receiving site (if required)
  - Grading permit to stabilize old site
  - Building permit for new foundation
  - Remodeling permit (if required for upgrades to moved building)
  - State transportation permit
  - Abandonment permits (water wells, septic systems)

● **Demolish and Compliant Reconstruction**
  - Demolition permit
  - Building permit

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Check with the local water management district and the health department for specific requirements, and pay particular attention to these requirements:

- **Florida Statute 403, Environmental Control, Part IV, Resource Recovery and Management (ss.403.702-403.7895)** (disposal of construction/demolition debris).
- **Florida Administrative Code Chapter 64E-6** (septic tank closures).
- **Florida Administrative Code Chapter 40A-3** (water well closures).
6.11.4 Details of the Deed Restriction

When acquisition or relocation are used to clear sites, the intent is to preclude future development on those sites. To make sure this intent is fulfilled, FEMA requires restrictions on the deed to ensure a permanent record of the intent. As a condition of receiving a grant, your community will have to enter into an agreement with the State or FEMA specifying that:

- The property will be maintained for open space, compatible recreational use, wetlands management, or other approved use.
- No future disaster assistance for any purpose from any federal source will be sought or provided.
- New structures will not be built unless approved, and then only if a public facility that is open on all sides or is a restroom and functionally related to use of the open space. Note that any new structure must comply with the local floodplain management ordinance.
- Existing structures, if proposed for reuse in a manner that is compatible with the use of the open space, must be retrofitted to minimize future flood damage (see Section 11.4.1).
- If the land is used for agricultural purposes (grazing or cultivation), federal crop insurance is available, but disaster assistance will not be available for uninsured crop losses.
- If farmed, an exception can be negotiated through the Department to allow some limited crop storage facilities on-site. The only allowable buildings are “simple agricultural structures used exclusively for agricultural purposes in connection with the production, harvesting, storage, drying, or raising of agricultural commodities, including livestock.” Included are general purpose barns that are open on at least one side, pole-frame buildings for storage of farm machinery and goods, and steel grain bins and steel-frame corn cribs.

If another entity is going to take title to the land, such as a non-profit organization, you may need to execute a “three-way” agreement containing the deed restrictions.
6.11.5 How Maps Help Projects

It is important to have a good base map of the project area, not only as part of the application package, but for tracking purposes. A digital map is ideal, especially if it is prepared from an aerial image. If you don’t already have aerial photographs of the project area you may be able to get them from other sources. Examples of maps and how they can be used:

- Flood maps, especially if combined with topographic maps, help define the project area and identify priority structures.
- Base maps, with existing lot lines and building footprints, can be used to document progress as buildings are removed and normal landmarks change.
- Maps help people understand the project, how it relates to the neighborhood, and what the area will look like afterward. A progress map can show buildings that are color-coded by priority or by the mitigation measure to be applied.

6.12 Estimate Your Project Management & Implementation Costs

Options for project management and implementation were outlined in Section 6.5.3. This section covers suggestions for estimating those costs so that you can include them in the project budget. Allowable costs (cost-shared as part of the grant) are those costs incurred specifically to manage the project. You may decide to hire outside services before you get the grant in order to help plan the project and prepare the application, in which case some of those costs may be counted towards the non-federal match.

A cost estimate is needed for the project budget – it is not acceptable to use a percentage of the total project costs.
Management costs are different from administrative costs (see Sections 6.12 and 6.13). Your estimate of project management costs will depend on how you will manage the project:

- If you contract with another governmental entity (e.g., planning district), give them a tentative scope of services and request an estimate of hours, labor rates, and total costs.
- If you decide to hire a contractual employee specifically to manage the project, decide on the qualifications and experience level required, and estimate the costs by comparing to local salary levels.
- If you will contract for project management or implementation services by competitive bid, check with the Department. On the one hand bids could be solicited, but the actual work will not be started until after the application is submitted and project is reviewed and approved (a process that may take up to 6–18 months). Thus, cost estimates could change over time.

FEMA automatically calculates and provides funding to cover the community’s administrative costs (see Section 6.13). Do not combine administrative costs with management costs.

6.13 Subgrantee Administrative Costs

The Department receives funds from FEMA, and therefore is the “grantee.” The term “subgrantee” refers to the grant recipient. Throughout this manual the “subgrantee” and “community” are used interchangeably.
As subgrantees, communities are reimbursed for certain administrative costs that are “all necessary costs of requesting, obtaining, and administering federal financial assistance.” Rather than requiring that you keep detailed records, the amount of reimbursement is determined by a sliding scale that is keyed to the total costs of the project that are eligible for cost-share, i.e., cost items that are not allowable costs are not included. Administrative costs include those associated with:

- Preparation of the application;
- Record keeping and preparation of quarterly reports;
- Financial management, such as preparing reimbursement requests, and audits; and
- Routine field inspections conducted by staff, unless the project is too large to be handled in-house and those inspections are done by a contractor.

The notice of grant approval and obligation that you will get from FEMA will specify both the federal funds, the non-federal share, and the subgrantee administrative cost. The amounts are computed based on the total net eligible costs, which are the FEMA share plus the non-federal, minimum required match (the lesser of either the total project costs or 4/3 the amount of the federal share). Do not include administrative costs in the project budget.

Subgrantee administrative costs are determined by adding the following amounts:

- 3% of first $100,000 of the total project cost
- +2% of next $900,000 of the total project cost
- +1% of next $4,000,000 of the total project cost
- +0.5% of assistance over $5,000,000 of the total project cost.
Specific cost items associated with project management are not covered by administrative costs, and may be part of the project budget, including such costs as hiring a project manager, an inspector for construction oversight, or a specialist to handle only certain implementation tasks.

6.14 Public Notice

As outlined in Section 6.5.6, you need to publish a Public Notice (Appendix D) of the application and include a copy in the application.

6.15 Submitting the Application

The Joint Application is long and includes pages for different types of projects. Be sure to review the entire application for completeness. Avoid leaving anything blank – it will only slow down the Department’s review. Consider having someone else review everything, preferably someone who has not worked directly on the application.

The application is a valuable package. Make a copy of everything, including photographs, and send to the Department by a method that you can track.

What comes next:

- Make sure the application package is reviewed for completeness before you send it to the Department.
- Understand that the Department (and FEMA) have several steps to their review and approval process, so be patient if they call for more information or clarifications.
7. Review and Approval
Chapter 7
Review and Approval

What you need to know:

- Applications that are complete and clear are easier to review quickly.
- It is easier and faster to call the Department with your questions before you submit the application, rather than have the review take longer because of missing or incomplete information.
- While the Department has considerable authority to make decisions, it is bound by an agreement with FEMA to comply with certain rules.

At this point in the process, you have worked on your grant application and now you’re ready to submit to the Department. Before you do that, be sure to double check that the application is complete. It’s a good idea to have some else look it over, preferably someone who has not been involved in the details of the application. Don’t just leave something blank. Be sure to contact the Department if you need help. It’s better to try to get this done before you submit the whole package.

Application deadlines depend on the funding source:

- For HMGP, submit to the Department no later than approximately 9 months after the disaster. You will be notified of the exact deadline.
- For FMA, you will be notified of the due date when you are advised of the availability of funds.
FEMA recognizes the State of Florida as a “Managing State,” which means the State has a significant role in reviewing grant applications. More detail on the Department’s role is covered in Section 1.6. This chapter summarizes the steps that the Department takes when a formal application is received. After FEMA concurrence, a Subgrantee Agreement is prepared for execution by your community (see Section 9.2 and Appendix D).

While approval of your project is the anticipated result of the Department’s review, there is a chance you will disagree with its recommendations or decisions. The appeal process is outlined in Section 7.2. If the Department has recommended approval but FEMA renders an adverse decision, then seek advice from the Department to understand FEMA’s appeal process.

### 7.1 The Department of Community Affairs’ Responsibilities

When you have completed and reviewed your application package, you will submit it to the Department. The Department:

- Receives the application, verifies eligibility of the applicant, and determines eligibility of project type;
- Reviews supporting hazard, environmental, and cost data for completeness;
- Reviews for additional information necessary to evaluate environmental considerations;
- Unless there are “extraordinary circumstances,” acquisition and elevation projects are not forwarded to the State Clearinghouse;
- May conduct a site visit to verify environmental information and to scan for environmental justice issues and the presence of environmental factors;
- Prepares the benefit:cost analysis (if required);
- Prepares benefit:cost summary sheet (if required), record of environmental review, and recommendation of award; and
- Submits the final application package to FEMA for concurrence and obligation of funds after the community provides evidence that permits (if required) have been obtained.
FEMA reviews the package to:

- Ensure appropriate documentation and agency concurrences are included (if required);
- Verify that the Department has determined the appropriate level of environmental review;
- Prepare the final NEPA document;
- Render a decision regarding award and obligation of funds; and
- Transmit decision and commitment to the Department and community.

To appeal a decision made by the Department, check the Subgrantee Agreement and the Department for details of the process.

7.2 Appeals

Decisions that may be appealed include whether:

- The applicant is an eligible recipient (see Section 1.7.2);
- The proposed project is an eligible activity (see Section 1.7.3);
- Aspects of the environmental and cost-effectiveness reviews warrant reconsideration; and
- Whether the funding amount recommended by the Department is appropriate.

If you believe that the Department has made an adverse ruling that is incorrect, your community has the right to file a letter of appeal. Specifically, if you dispute any material fact on which the Department’s decision or action is based, you have the right to a formal hearing in accordance with 120.57(1). F.S. (1999), before an Administrative Law Judge of the Division of Administrative Hearings. Letters of appeal should be submitted as soon as possible after you receive the Department’s ruling or determination.
If you believe that FEMA has made an adverse ruling that is incorrect, you should contact the Department as soon as possible because a specific timeline is required. Appeals are to be submitted in writing to the Department within 60 days of receipt of the decision, and must contain documentation that justifies the request for reconsideration. Appeals of FEMA’s decisions are forwarded by the Department to the FEMA Regional Director. Appeals are to specify:

- The aspect of the decision being appealed; and
- If the appellant believes the decision was inconsistent, the applicable governing law, regulations, or policy.

Within 60 days of receiving an appeal, the Department will prepare a written recommendation to forward to FEMA. Within 90 days of receiving the material from the Department, FEMA will notify the Department as to the new decision or the need for more information. If additional information or evaluation is needed and requested from the Department and the applicant, FEMA will act within 90 days following its receipt. FEMA’s decisions are provided in writing.

**What comes next:**

- There are several things that you can do while waiting to hear back from the Department about approval of your application.
- Keep in mind that owners may get tired of waiting, but keeping them informed is still a good idea.
- To reduce delays later on, this is a good time to get ready to procure the services you’ll need.
8. Getting Ready to Implement
Chapter 8
Getting Ready to Implement

What you need to know:

- Acquisition projects tend to take longer than most people expect.
- Six months or more may go by between submitting the application and hearing back from the Department whether funding is approved.
- It makes sense for you to do what you can during that time.

The most critical things you can do to get ready include:

- Finalize your ORAP plan (Section 8.1);
- Prepare to move quickly to procure contracted services (Section 8.2);
- Stay in touch with property owners (Section 8.3); and
- Finalize plans for maintaining the acquired land (Section 11.2).

8.1 ORAP (Florida's Optional Rehousing Assistance Policy)

If your application asks for grant funds for non-mandatory rehousing assistance (see Sections 5.5.10 and 6.8.9), then your community must adopt an ORAP policy before the grant can be awarded.

The purpose of ORAP is to allow communities to encourage greater participation in a mitigation project by providing certain property owners with reasonable additional payments for housing, and reasonable moving and relocation expenses. Sometimes offers to pay pre-disaster Fair Market Value are insufficient for owners to purchase a comparable home outside of the floodplain. Sometimes owners need temporary housing/relocation assistance while their homes are being elevated-in-place, and the funds in the FEMA grant may be insufficient to cover this cost.

FEMA’s mitigation programs do not require these “non-mandatory” rehousing payments, although such assistance is an allowable cost under
certain circumstances. In order to provide rehousing payments, your community must prepare a plan that sets forth guidelines for providing the payments. After the plan is reviewed by the Department, it must be adopted by ordinance or resolution. At a minimum, the ORAP must:

- Identify the average price of comparable housing in non-floodplain locations;
- Include a listing of potential replacement properties;
- Specify conditions under which an owner will be eligible;
- Identify how the amount of payment will be determined;
- Clarify that the owner must either (a) identify a replacement dwelling before a decision on an ORAP payment will be made, or (b) if unable to find a replacement dwelling, the amount of the payment will be determined when the owner is ready to buy another home; and
- Specify the maximum amount of payment, not to exceed $22,500 (as of 1999).

Including in the ORAP payment may be reimbursement of reasonable out-of-pocket moving expenses, including:

- Packing and unpacking;
- Temporary storage;
- Transportation of personal property;
- Insurance during the move;
- Transfer fees for telephone and other utility service;
- Other expenses considered eligible.

### 8.2 Contracting for Services

There are several distinct activities that are part of an acquisition project. You may decide to handle many of them in-house or you may contract with outside providers and companies. Keep in mind that you can count some in-house work as in-kind services, which count towards part of the non-federal matching funds. You do have to keep track of personnel and the time spent so that it can be valued. Certain expenses incurred during project implementation may also counted.
FEMA and the State do not have rules governing how you procure services. You must follow your community’s standard procurement procedures. Some of these services are very standard: just because they’re being used for a flood mitigation project does not mean that you have to seek a contractor with special experience with flood projects. For example, any properly credentialed appraiser who handles residential property can prepare the required appraisals. As long as the bid document is complete in the specifications, you should be able to request submittal of qualifications and a price proposal. Some services may be simple enough to procure through three telephone bids, provided your local process allows this approach. For most of these services, you are unlikely to need to ask for detailed proposals from bidders.

Other services that you may contract may best be handled by contractors who are familiar FEMA’s grant programs, specifically those who have handled DOB and explaining projects and various federal requirements to property owners. In order to qualify to bid, you may decide to require that contractors who do not have specific and pertinent experience read this guidance document and, if possible, attend training.

The following activities often are contracted. Sample scopes of work are in Appendix E:

- **Appraisals (Form BB).** The bid document should estimate the number of properties and clearly state the basis on which the appraisal is to be based. Most communities use pre-flood market value, because most likely it offers the owner the best price, and that encourages voluntary participation.

- **Property boundary surveys (Form CC).** A boundary survey may be prepared to define the property to be acquired. A survey is needed if your project proposes subdividing a large lot in order to acquire only the flood-prone portion, or to clearly define the lot lines along properties that are not being acquired.

- **Title services (Form DD).** To make sure all the legal requirements are covered, a title company is hired to handle researching deeds, identifying encumbrances, preparing the paperwork, and issuing the title insurance from a nationally recognized insurer.
- **Project management and implementation (Form AA).** Especially if you have a large project and if you don’t have someone on staff who devote considerable time to the project, you may decide to hire a project manager. Some communities decide to hire this capability from the start, including helping with the application. A capable consultant can help define the project, prepare additional planning documents, identify and recommend policies, facilitate in-house and public meetings, coordinate your outreach plan, and perform many other tasks. Some communities decide to handle overall management and administrative functions in-house, but procure the services of a specialist to handle some of the more technical tasks. The contractor can be tasked with managing and reviewing the work of surveyors, appraisers, and title companies. In addition, the contractor can be tasked with handling preparation of Duplication of Benefits, preparing the offers, meeting with property owners, maintaining paperwork on each property, reviewing deed restrictions, and managing the closings.

- **Demolition contractor (Form EE).** The scope of services for a demolition contractor should specify the anticipated number of properties, items to be demolished and removed, and a tentative schedule for the work. Most contractors will give you the best price if they can conduct the demolitions in groups, because their on-site mobilization costs are reduced. You need to clearly specify how long after receiving a notice to proceed the contractor has to perform the work (see Section 11.3.1). Section 11.3.5 addresses salvage by the property owner. The contract for demolition must address salvage, which may reduce the cost, and it should specify disposal and who is responsible for landfill fees (if any). And finally, the scope should clearly describe the final condition of the property. The end result should leave you with a smoothly graded lot that is seeded and mulched to encourage vegetative growth.

- **Environmental abatement.** If identified hazardous materials (asbestos, lead, petroleum products around fuel tanks) have to be removed prior to or as part of demolition, you may choose to contract that as a separate activity. Many communities include it as part of the demolition contract, in which case the specifications for the contractor should be clear regarding methods of removal and disposal.

- **Elevation contractor (Form GG).** There are two approaches to obtaining a contractor to elevate homes in-place. One approach is to
procure a general contractor who will be responsible for getting the
specialty firm to lift the buildings, as well as performing the
construction of the new foundation. The other approach may be
harder to coordinate because it involves two contractors: one to
elevate the building and one to build the foundation. Even though an
elevation project does not involve moving a building to another
place, the same supporting beams and hydraulic jacking equipment
are used. If you specifically procure a house moving contractor, you
may have to separately procure a contractor to build the foundation.
Part of Form GG is a sample checklist that may be helpful when
selecting contractors.

There is a surprising number of
house moving contractors, and one
source of contact information is on-
Always check qualifications and
state-required licenses.

- Construction inspection and management (Form HH). If your
  project involves elevation or relocation of a large number of homes,
  you may need outside help to negotiate with contractors, perform
  inspections, review cost estimates and invoices and oversee the field
  operations.

8.3 Stay in Touch with Property Owners

You should plan to send written updates or meet regularly with property
owners, especially if more than a few people are going to be affected.
Section 2.2.1 outlines some other effective options to include in an
outreach plan. Regular communication is the best way to reduce rumors.
Property owners are understandably concerned and are likely to have
many questions. The type of questions will vary depending on the type of
project. In acquisition projects, most questions have to do with the
adequacy and fairness of the buyout offer and when do owners have to
start looking for a new house. In elevation projects, questions range from
what the homes will look like to where families will live during the actual construction work.

You may discover a number of property owner issues that can complicate matters, either as you hold individual meetings with owners or during the title work. Section 9.8 covers some situations that can come up in acquisition projects.

**What comes next:**

- *The first thing you’ll do when you get notice of grant award is to execute the Subgrantee Agreement. Review it in advance to get your questions answered now, rather than cause delays later.*
- *Set up a good record system. While audits may not occur frequently, it is important to be able to respond completely, especially when a project invests public funds a project that, to some, has the appearance of enriching only a few.*
- *Duplication of Benefits is one of the more complicated aspects of an acquisition project. Make sure you have a good understanding before you begin to contact property owners.*
9. Approved! What’s Next?
Chapter 9
Approved! What’s Next?

What you need to know:

- The Subgrantee Agreement includes several commitments tied to the date of the agreement. Read through the standard form in Appendix D to understand and prepare to move quickly.

9.1 Overview of Department’s Role During Implementation

After FEMA reviews and obligates grant funding, the Department continues to support your activities throughout project implementation. The Department will:

- Respond to requests for policy clarification and technical assistance.
- Work with you to turn the anticipated project schedule in the application into an implementation schedule.
- Request data from FEMA for determinations of Duplication of Benefits.
- Look at property appraisals for reasonableness and concur with recommended purchase prices.
- Monitor and evaluate progress by reviewing your quarterly reports.
- Work with you to address problems that may affect scheduling.
- Provide funds based on reimbursement requests.
- Monitor the financial status of the project, including determination of eligibility of submitted costs.
- Conduct on-site inspection of selected projects or properties.
- Conduct financial audits.

The “applicant” becomes the “subgrantee” after award. The Department is the grantee, responsible to FEMA for oversight and management of mitigation funds.
9.2 The Subgrantee Agreement

The Department has developed a standard Subgrantee Agreement (Appendix E) that each subgrantee must execute shortly after the grant is approved by FEMA. It includes provisions that are typical of grants to communities, so it may be familiar to staff who handle other projects supported with State and federal funds.

Some key elements of the Subgrantee Agreement that are specific to HMGP and FMA grants are:

- Upon award, you need to prepare and publish a final Public Notice (Appendix D).
- You have to provide a detailed Scope of Work within 30 days of execution.
- You have to develop and submit a detailed, line item budget within 30 days.
- Your work plan, specifying interim due dates for each task, is due within 30 days.
- The period of the Agreement is 24 months; extensions may be granted after review.
- Separate record keeping is required if multiple projects are funded under one Agreement.
- Separate checking accounts are required for each funding source.
- Copies of contracts for services are to be submitted to the Department within 5 days of execution.
- For each property acquired, Duplication of Benefits are to be verified and determined based on data provided by FEMA and the Department.
- The Department is to be notified immediately if a change in scope is anticipated.
- Documentation of public notices for demolition activities is to be provided.
- A letter is to be submitted to certify completion in accordance with the approved scope and Subgrantee Agreement.
9.3 Public Notice

Shortly after receiving notice of grant award you should issue a public notice (see Section 6.5.6). Keep a copy of the published notice as part of the project records.

9.4 Record Keeping

As with any grant program, a significant community responsibility is to maintain complete records to document project performance and that funds have been used appropriately. There are two primary components of your record keeping system: project files and financial records. All records are to be retained for at least 3 years, and access is to be provided to the State or FEMA for audit purposes.

9.4.1 Project Files

For the project as a whole, use the Project Status Charts (Form B and Form D) to track key steps. Make sure you keep the following:

- The application and supporting documentation;
- Map identifying each property;
- Correspondence with the Department, FEMA and other agencies;
- The Subgrantee Agreement; and
- Quarterly progress reports (see Section 9.5).

For individual properties, use the Property Owner Case File (Form C) and the Tenant Case File Checklist (Form E) to monitor all the paperwork. You need to have a separate case file for each parcel to keep all the information and correspondence specific to each parcel and owner.

9.4.2 Financial Records

For the project as a whole, make sure you keep the following:

- Separate accounts for each funding source;
- Bid and contract documents for contracted services;
- Work reports and time sheets for in-kind services;
- Time sheets and valuation computations for donated services;
- Vouchers that detail the services provided by contractors;
Affidavit or tipping receipts for debris disposal;
Quarterly financial reports submitted to the Department;
Reconciled “as built” project budget; and
Close out and audit records.


9.5 Reporting Requirements

The Subgrantee Agreement that your community executes with the Department will specify the reporting requirements and provide standard report forms. Be sure you mark your calendar at the end of each quarter to stay on top of these requirements:

- **Quarterly Reports.** You will submit quarterly reports to the Department, and the Department will submit summary reports to FEMA. For each active project, the Department has to describe the progress of the project, percent completed, estimated completion date, and any problems that were identified by the community.

  Quarterly progress reports are to identify any problems or delays. However, this mechanism should not be used to report serious difficulties or changes in scope, which must be reported to the Department immediately. Unauthorized changes in scope could jeopardize funding.
**Change in Project Scope.** The project scope is the specific work that is described in the project award letter and Subgrantee Agreement. If you propose a change in project scope, or if a change is anticipated, you must notify the Department immediately. Do not do work outside of the scope until and unless the grant agreement is modified. Some examples of possible scope changes:

- The original application specified acquisition of homes, but then owners indicate they’d rather be elevated-in-place. Do not automatically assume that making this switch to a “new” project is acceptable, even if it can be done within budget. You must request a modification of the grant, including a modified project budget. Be prepared to submit cost estimates, if necessary to demonstrate that the changed project is still cost effective.

- The application anticipated acquisition of a certain number of homes, but based on actual costs you aren’t able to buy them all, prompting a change in project scope. Although rare, the opposite can happen, where you end up with more money than homes, in which case the scope would need to be changed in order to add more homes to the buyout list.

- The application specified certain homes by address, but as you began to work with owners, dropped some, and others that weren’t on the list became interested.

> It’s a good idea to take photographs at different stages during the project, even though they’re not required for the quarterly reports. The next time the water rises, you may find it useful to have “before” and “after” photos to demonstrate conclusively that the project was worthwhile.
9.6 Duplication of Benefits

9.6.1 Overview

Duplication of Benefits (DOB) is relatively simple to define, but not so easy to handle. In order to avoid using tax dollars to provide the same benefits more than once, federal funding programs require a DOB determination:

- Amounts received from federal disaster assistance that are specifically intended for repair will be deducted from the buyout offer, unless the owner has receipts to document that the money was used for repairs;
- Amounts received from NFIP flood insurance and homeowner’s insurance are handled the same way, provided the funds were paid to repair flood-related damage; and
- Amounts received for temporary living are not deducted from the buyout offer.

Experience indicates that homeowners have more confusion and anger associated with DOB than any other aspect of a post-disaster buyout mitigation project, so make sure you understand it. Use the Frequently Asked Questions handout to help explain some of the more common concerns (see Section 9.6.2). It is also very important that you are prepared to notify disaster victims as soon as possible after a damaging event, and encourage them to keep their paperwork and receipts (see Section 2.2.6).

If the owner received disaster assistance or insurance payments to repair the damaged building and if the money was not spent for that purpose, then it is considered to be “in the pocket.” DOB requires that it be deducted from the Fair Market Value.
Most acquisition projects use pre-flood Fair Market Value to determine the purchase offers. From the FMV will be subtracted the total value of other disaster-related repair assistance, including flood insurance. This avoids duplicating “benefits.” The exception is if the owner has receipts to show that the money was used for the intended purposes, that is, if it was actually used for home repairs. In this case, the benefits received won’t be subtracted, as long as receipts confirm the actual cost of repairs.

**DOB will not subtract documented repairs provided those repairs were "in-kind." If the owner was paid for wallboard but chose to replace with paneling, only the equivalent cost of wallboard will be credited.**

If post-flood market value is used to develop buyout offers, then a DOB assessment is not required and the owner keeps all disaster assistance and insurance payments. A post-flood market valuation takes into consideration the damage that was repaired as well as unrepaired damage. This approach isn’t used very frequently because it usually does not provide the owner with sufficient financial resources to find comparable housing. The exception is if the flood occurred some time ago (12+ months) and owners have fully repaired.

The DOB process, described below, follows this procedure:

- You develop the DOB research request. The request is a list of property owners who are expected to participate, and includes the name and Social Security Number of each property owner, and the property address.
- You send the list to the Department.
- The Department and FEMA research their records and return to you an Official DOB Settlement Sheet showing amounts of assistance (including flood insurance claim payments) that were provided as a result of the damaging flood that prompted the project.
You review the data that you collected from each property owner to determine if a private insurance payment was made to cover flood-related damage.

If federal assistance was provided for the purpose of making repairs, then you must prepare a Determination of Duplication of Benefits.

**DOB is also determined for elevation projects. Flood insurance payments, EMR and IFG grants, and SBA loans given to make repairs must be considered, and in most cases can be applied towards the non-federal cost-share.**

### 9.6.2 Frequently Asked Questions About DOB

A handout about Duplication of Benefits is included in Appendix A. It is formatted to make it easy for you to add your community’s seal and contact information, and answers these basic questions:

- What is “Duplication of Benefits?”
- OK, that sounds reasonable. But suppose I have spent the disaster assistance and/or flood insurance payments?
- I understand that the buyout offer for my property will be based on an appraisal of its pre-flood Fair Market Value. So how will you decide how much will be subtracted because of “Duplication of Benefits?”
- I know what you mean when you say “insurance payments,” which I get if my home was covered by insurance. But you keep saying “disaster assistance payments.” How do I know if I got any of those payments?
- I got a disaster loan from the Small Business Administration (SBA). How will I pay it off if my house is part of the Floodplain Buyout Project?
9.6.3 Request for DOB Information

When you submit the Request for DOB Information (Form J), you will certify that each owner has signed and provided the Privacy Act Release which you should have already collected. Double check that you have the required identification information from all owners of record, including:

- Names of all owners of record for the property;
- FEMA control number (if owner applied for disaster assistance) or Social Security Number(s) of the owner(s);
- Address of the property;
- Telephone numbers where owner(s) can be contacted; and
- If applicable, the NFIP policy number, NFIP company code, and insurance agent’s name and telephone number.

Because of the private nature of the DOB information, requests are to:

- Be on official community letterhead, signed by an authorized official; and
- Contain a statement that signed Privacy Act Releases from all owners are on file.

The DOB Research Request is submitted to the Department for a search of records:

- The Department searches records for Individual and Family Grants (IFG) that may have been provided to the owners on the list.
- FEMA researches its Individual Assistance (IA) program records to identify whether owners received Emergency Minimization Repair (EMR) grants.
- FEMA searches the NFIP claim and payment records to determine whether insured properties received claim payments.
- For elevation projects, FEMA will determine whether it appears (based on value of claim) that insured owners may be eligible for Increased Cost of Compliance claim payments (see Section 3.6). The final determination of ICC eligibility depends on whether the building is certified by the community to have been substantially damaged by flood.
9.6.4 Are SBA Loans Part of the DOB Determination?

SBA loans must be paid off, but they are handled differently than disaster grants and insurance payments. There are different ways SBA loans are handled, in part depending on the type of loan:

- If the owner has not yet spent the money from an SBA loan given to make repairs, then it is used pay off the loan.
- If the loan was used, then the SBA loan will be treated just like any other lien against the home, and the title company will handle it. It will be paid off from the proceeds of the sale, and at settlement, both the mortgage loan and the SBA loan will be paid. The owner will receive the balance.
- In some rare cases, especially if the money was spent to repair the home (and if the owner has receipts) an SBA loan may be “rolled” over to the new home if the proceeds from the sale aren’t enough to pay it off. This could happen, for example, if what the owner’s current mortgage plus the SBA loan add up to more than the Fair Market Value (buyout price) of the home. This is a very unusual situation.
- Some SBA loans are specifically to help buy a new home, which usually are conditioned that the owner sell within 2 years and return the proceeds of the sale and any unused funds.
- If the owner got an SBA disaster loan to purchase a new home, then SBA will take the flood-damaged home as additional collateral and places a lien on it, which will show up during the title search. When a community wants to buy the property as part of a mitigation project, SBA gives a partial release that gives clear title to the property. It is the title company’s responsibility to handle the details. Payoffs will be made in this order: taxes owed, old mortgage, then SBA’s lien.

9.6.5 Determination of DOB

You will receive an Official DOB Settlement Sheet for each property owner. It will identify the data available to the Department and FEMA for all deductions and credits that are to be applied to the buyout price. The data collected from the property owner will have to be checked to determine if a private insurance payment was received, and if so, it has to be considered in the determination.
Because this step will likely reduce the dollars the owner expects to receive, a copy of the determination is to be provided to the property owner along with an explanation. This is called the Statement of Determination of Compensation (Form N-1) and is to be attached to the Voluntary Transaction Agreement. The Statement is to be signed by the owner at closing, to certify that it represents all benefits received. Section 10.2.2 also addresses the Determination of Compensation.

The following examples illustrate how benefits are factored into the Determination of Compensation, depending on the benefits are received and what the property owner did with those benefits. Remember, people cannot get paid twice for the same thing – that’s why DOB is examined closely.

Assume that the Smiths own a home that was flooded and determined to be eligible for buyout. The pre-flood Fair Market Value is determined to be $125,000.

**Scenario One:**
- The home was declared by the building official to be substantially damaged.
- The Smiths have a federal flood insurance policy that paid $70,500 for structural damage.
- The flood insurance policy paid $25,000 for personal contents damage (note that this is not part of the DOB computation because the payment was not for damage to the building).
- Because of the substantial damage, ICC coverage under the flood insurance policy may pay up to $20,000, depending on the mitigation measure applied. Note that the availability of the ICC claim payment does not alter the purchase price – however, a portion is applied to the non-federal share of the project (see Section 3.6). The Smiths do not “keep” any of this flood insurance benefit.
- The Smiths received temporary housing assistance, but did not qualify for any disaster assistance because their damage was insured.
- Because of the pending buyout offer, the Smiths have cleaned up and done minor repairs, only enough to allow them to occupy the home. They have receipts for the work, totaling $7,500, which they paid out...
of the flood insurance claim payment, so they have not spent the remaining $63,000 of the payment.

### Scenario One – Determination of Compensation:

a. A deduction for an insurance payment of $70,500
b. A deduction for an IFG Grant payment of n/a
c. A deduction for an EMR Grant payment of n/a
d. A credit for documented repairs of $(7,500)
   Total Adjustment: $63,000

<table>
<thead>
<tr>
<th>Fair Market Value:</th>
<th>$125,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Adjustment:</td>
<td>$(63,000)</td>
</tr>
<tr>
<td>Compensation Due at Closing*:</td>
<td>$62,000</td>
</tr>
</tbody>
</table>

* less seller’s obligations such as mortgage, liens, taxes, etc.

### Scenario Two:

- The home was declared by the building official to be substantially damaged.
- The Smiths do not have a federal flood insurance policy.
- They received temporary housing assistance.
- An IFG grant of $5,000 was provided and designated for housing repairs only.
- An EMR grant of $3,500 was provided, also for minimal cleanup and repairs.
- Because of the pending buyout offer, the Smiths have cleaned up and done minor repairs, only enough to allow them to occupy the home. They have receipts for the work, totaling $7,500.

### Scenario Two – Determination of Compensation:

a. A deduction for an insurance payment of $n/a
b. A deduction for an IFG Grant payment of 5,000
c. A deduction for an EMR Grant payment of 3,500
d. A credit for documented repairs of $(7,500)
   Total Adjustment: $1,000

<table>
<thead>
<tr>
<th>Fair Market Value:</th>
<th>$125,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Adjustment:</td>
<td>$(1,000)</td>
</tr>
<tr>
<td>Compensation Due at Closing*:</td>
<td>$124,000</td>
</tr>
</tbody>
</table>

* less obligations
Scenario Three:
- The home was not declared substantially damaged, but the community is including it in the buyout project.
- The Smiths have a federal flood insurance policy that paid $35,000 for structural repairs and cleanup.
- Because their loss was covered by insurance, and they were able to continue to live in the home, the Smiths didn’t qualify for Individual Assistance.
- The buyout project wasn’t announced until 6 months after the flood, so the Smith’s have completely repaired the home, however, they only have receipts for $31,500 to document repairs.

### Scenario Three – Determination of Compensation:

<table>
<thead>
<tr>
<th>Item</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. A deduction for an insurance payment of</td>
<td>$35,000</td>
</tr>
<tr>
<td>b. A deduction for an IFG Grant payment of</td>
<td>n/a</td>
</tr>
<tr>
<td>c. A deduction for an EMR Grant payment of</td>
<td>n/a</td>
</tr>
<tr>
<td>d. A credit for documented repairs of</td>
<td>(31,500)</td>
</tr>
<tr>
<td></td>
<td>$3,500</td>
</tr>
</tbody>
</table>

**Fair Market Value:** $125,000  
**Total Adjustment:** (3,500)  
**Compensation Due at Closing:** $121,500  
* less owner’s obligations

Scenario Four:
- The home was not declared substantially damaged, but the community is including it in the buyout project.
- The Smiths did not have a federal flood insurance policy.
- They received temporary housing assistance.
- An IFG grant of $6,750 was provided and designated for housing repairs only.
- An EMR grant of $4,000 was provided, also for minimal cleanup and repairs.
The buyout project wasn’t announced until 6 months after the flood, so the Smith’s have completely repaired the home, however, they only have receipts for $9,900 to document repairs.

NOTE: if the IFG grant includes an amount specified for uses other than for repairs, that amount is not deducted.

<table>
<thead>
<tr>
<th>Scenario Four – Determination of Compensation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. A deduction for an insurance payment of $n/a</td>
</tr>
<tr>
<td>b. A deduction for an IFG Grant payment of 6,750</td>
</tr>
<tr>
<td>c. A deduction for an EMR Grant payment of 4,000</td>
</tr>
<tr>
<td>d. A credit for documented repairs of (9,900)</td>
</tr>
<tr>
<td><strong>Total Adjustment:</strong> ($850)</td>
</tr>
</tbody>
</table>

Fair Market Value: $125,000
Total Adjustment: ($850)
Compensation Due at Closing*: $124,150

* less owner’s obligations

Scenario Five:
- The home was not declared substantially damaged, but the community is including it in the buyout project.
- The Smiths did not have a federal flood insurance policy.
- They received temporary housing assistance and an EMR grant of $3,000 for minimal repairs.
- They obtained an SBA loan of $35,500.
- The buyout project was announced 3 months after the flood, but the Smiths had started some repair work, which they can document with receipts totaling $10,500.
- Regardless of how the Smiths used the SBA loan, it must be paid off during closing.
Scenario Five – Determination of Compensation:

a. A deduction for an insurance payment of $n/a
b. A deduction for an IFG Grant payment of n/a
c. A deduction for an EMR Grant payment of 3,000
d. A credit for documented repairs of (3,000 of the $10,500)

Total Adjustment: $-0-

Fair Market Value: $125,000
Total DOB Adjustment: (          -0-)
Compensation Due at Closing*: $125,000

*less owner's obligations, including the SBA loan

9.7 Surveys, Appraisals, Title Work

9.7.1 Lot Line Surveys

Performing a lot line survey is optional, although recommended especially for those parcels of land that will abut privately-owned parcels. The cost of the survey is an eligible cost.

A lot line survey is a standard part of selling property, so owners should expect you to request permission to have a survey crew enter onto their property. Section 8.2 reviews getting ready to contract for survey services. Now that your grant is approved, you are ready to procure those services. All procurements are to be handled according to your community’s standard processes and any special conditions found in the Subgrantee Agreement.

9.7.2 Appraisals

Each property to be acquired must be appraised to determine its Fair Market Value. Most appraisals are performed on the basis of pre-flood value, which should not present a problem for the appraiser unless the homes were so severely damaged that the remaining debris was removed during disaster cleanup. Any deviations from a standard FMV appraisal should be clearly specified in the instructions to the appraiser.

Now that your grant is approved, you are ready to procure the appraisal services. Section 8.2 describes getting ready. All procurements are to be
handled according to your community’s standard processes and any special conditions that may be included in the Subgrantee Agreement.

For consistency, use one appraiser or appraisal company. If more are used, then a review for consistency between appraisers becomes more important. Although not required, it is recommended that a knowledgeable person review the appraisals to make sure that the appropriate assumptions were followed and that all pertinent aspects of the property were appropriately incorporated. This task may be done by in-house staff, a hired review appraiser, or a contracted implementation specialist. The Department does not perform a technical review of each detailed appraisal.

If an owner wishes to appeal the FMV by paying for a separate appraisal, make sure it is prepared to the same specifications as to date of value and that it covers the same pertinent aspects of the property.

9.7.3 Concurrence by the Department of the Recommended Purchase Price

Property appraisals (recommended purchase prices) are to be sent to the Department before you prepare the Determination of Compensation. The Department checks the certification of the appraiser(s), compares the appraised value to the Tax Assessment Value, and looks at the recommended purchase price for reasonableness. The Department has the option to request clarification from the community’s appraiser or to request that you obtain a second appraisal. You will receive a letter indicating the Department’s concurrence.

9.7.4 Title Search

Section 8.2 described getting ready to procure the services of a title company. All procurements are to be handled according to your
community’s standard processes. Check the Subgrantee Agreement for special conditions that may apply.

The purpose of the title search is to ensure that the owner is really the titleholder and that the title is clear. If owned by more than one person or entity, all must participate in the discussions. If encumbrances such as mortgages or outstanding liens against the property are discovered, they will be handled at closing. The title search will also reveal whether there are easements over the property that may conflict with the intent of the project. Not all easements will be in conflict, for example a flowage or drainage easement may be acceptable, as might utility easements.

The title company will search the title of the property and provide a title commitment to insure (title insurance). The title commitment must identify:

- The owners of record;
- Title deed;
- Easements, restrictions and out conveyances; and
- All liens, mortgages, and other encumbrances.

Copies of all documents referenced in the title commitment must be attached. The title commitment should be reviewed to check that the property owner with whom you have initiated discussions is the owner of record and can convey free and clear title to the property.

### 9.8 Situations That May Come Up

There are many variations and unusual situations that may come up – this handbook can’t cover them, but several are described below. If other situations arise as part of your project, check with the Department first. Don’t interpret or set policy on your own, you may adversely affect your funding.

#### 9.8.1 What if the Property has Changed Hands?

After a flood, property may change hands for several reasons: an owner may have already had the home on the market, they may decide they
can’t wait for a buyout, or a speculator has heard a buyout is pending and thinks he can buy low and sell high.

When the word gets out that “the government is buying floodplain houses” some people may try to profit from the program. This is more likely to happen shortly after a flood, because that’s when some damaged property owners are most likely to want to sell quickly and cheaply — they just want out. So, along comes a speculator with ready cash in-hand. Such a deal may appeal to the property owner who doesn’t want to stay in the same place and get flooded again.

How you prepare the buyout offer is covered in Section 10.2. You might not be able to know definitively if someone who buys a home after a flood is trying to profit. It’s a good idea to have a policy in-place to handle this situation. Mitigation projects are not intended to enrich property owners, they are intended to offer fair compensation.

New owners are offered what the previous owner would have received, or their actual purchase price, whichever is lower. As an example, suppose the original owner would have been offered Fair Market Value minus Duplication of Benefits. If FMV is $100,000, and DOB for the original owner totaled $60,000 (includes insurance payment), the original owner would have received $40,000. A speculator may buy at $50,000, thinking the FMV of $100,000 will net a windfall of $50,000. Not true! The original owner would have received $40,000, and because that’s less than what the speculator paid, that’s the maximum amount that can be offered to the new owner.

Obviously, if your project purpose includes having public open space as the end result, speculators can seriously undermine your project because of the requirement that all property owners be voluntary and willing sellers.

9.8.2 Lot Swaps

If a community owns buildable lots, lot swaps can be part of acquisition or relocation projects. For acquisition, the negotiations would proceed to
buy the building and swap the lots. The owner then uses the buyout money from the building to help pay for a new home on the new lot. One possible drawback to this approach is that the market value of the floodplain building may not be enough to build a new home of the same size on the new lot. Grant funds can cover the differential in land values, the purchase price of the building, removal of the foundation and other site improvements, and site stabilization. However, the owner would not be further compensated in order to pay for construction of a new home.

FEMA’s experience indicates that one of the more costly components of relocation projects is buying and preparing new lots. Rather than purchase the land on which the flood-prone home is located, in a lot swap you can work out an agreement with the owner to swap his land for one of the lots the community already owns. The agreement would also cover the details of moving the building. Grant funds can cover the cost of a differential in land values, the new foundation and site preparation, physically detaching and moving the building, attachment to the foundation, utility hookups, removal of the old foundation and other site improvements on the original lot, and site stabilization.

**9.8.3 One Title Deed for Multiple Lots**

If an owner purchased multiple lots at the same time, all of the lots may be shown on a single title deed. This means you either have to purchase all the lots or divide them under separate title deeds. If possible, try to identify these situations when you collect property owner data early in the process. If you discover multiple-lot ownership after the grant is approved, you may have insufficient funds to cover all of the costs.

If an owner holds multiple titles to multiple lots, you need only negotiate for those properties in the project area. For example, if someone bought a house on a small lot and subsequently purchased the empty lot next door, you have the option of buying only the improved lot. Of course, you may want the vacant lot in order to own a contiguous area and to prevent future construction.
9.8.4 Multiple Owners of One Parcel

Some properties have multiple owners, especially if a property was transferred to heirs as part of an estate. Any project receiving FEMA funds is limited to “willing” participants. This means that all owners of a parcel must be willing. If that is not the case, then how you handle it may depend on whether the success of the project depends on acquiring all the lots, for example for recreational open space. You might want to take on the role of mediator if you need contiguous open space. Otherwise, you may be better off simply by making sure all owners receive information about the project and offer, and let them work out the details. Be sure to remind the owners that there are other property owners in line, and they may be moved to the bottom of the list if they can’t come to agreement within a reasonable period of time.

If all owners of a parcel are willing, then they all have to sign all the paperwork or they can select one person who has “power of attorney” to act on behalf of the group. Make sure you understand how they’re handling it, and request documentation of the power of attorney, because it does make a difference in terms of how you prepare the paperwork.

9.8.5 Avoid “Rent-Back” Situations

Many complications arise with acquiring a property and then renting it back to the owner. Rather than get into a rental situation, you are much better off if you delay the closing until the owner/occupant is ready to move. This is easy. In the Voluntary Transaction Agreement you specify the period of time during which the owner can move and then activate the sale. If financing is the problem prompting the owner’s request for rent-back, the owner may be able to get a bridge loan or temporary financing using the signed Agreement as collateral.

There are so many potential problems with short term rent-back that you should consider options before settling on this approach. Keep in mind the following drawbacks:
If you rent back the property, you become a landlord;
If the occupant decides not to move or takes longer than anticipated, you may have to initiate eviction proceedings;
If damage of any type occurs, you may be liable;
You need to buy flood insurance, just in case it floods again;
If you receive rent payments, FEMA expects to share in the income when you settle the books; and
If you are charging rent below market rates you may have to re-compute the Duplication of Benefits to credit the owner with that benefit.

If, after considering all of the problems and alternatives, your community decides that allowing the owner to rent-back is the only option, contact the Department to work out the details. You will have to consider requiring the following as conditions of the contract to buy:

- Set a specific date by which the owner-turned-renter has to vacate;
- Require the owner-turned-renter to indemnify and hold harmless the community;
- Require the owner-turned-renter to obtain liability insurance naming the community as an additional insured, and require evidence that such insurance is in place and paid;
- Charge a reasonable rent for the area; and
- Require the owner-turned-renter to pay all expenses of occupancy, including utilities, repairs, taxes, and assessments.

9.8.6 Unusual Agreements Between Landowner and Others

Occasionally one property owner allows another to use a portion of his land, for example a dock, driveway for access, seasonal fishing or hunting rights. If the agreement is non-binding, you may not have to address it when you acquire the property. Of course, the person losing an accustomed use may not feel fairly treated.

If there is a legal instrument conveying a specific use, then an acquisition project can still go forward in one of two forms:
As long as the continued use conveyed does not violate the terms of FEMA’s funding, then the new title to the property can continue the agreement. You should modify the agreement for that use to explicitly state that it terminates on a specific future date or upon a specific event, such as the death or relocation of the user. In addition, if the use involves any sort of improvement, the agreement should clearly state that the user is responsible for maintenance and is liable for any and all damage.

If the use is conveyed in a binding agreement, but if that use is not acceptable to FEMA or to your community, you may have to compensate the person who will lose the accustomed use. Because this could change the purchase price, you should find out about special use agreements as early as possible.

9.8.7 What if a Building Burns After the Flood?
This situation isn’t any different to handle than a building that is damaged by flood. If you will be compensating owners for pre-flood Fair Market Value, then nothing changes. You will determine the value by appraisal, deduct disaster assistance and flood insurance payments, account for documented repairs during the DOB determination, and then deduct whatever fire damage was covered by the homeowner’s policy.

9.8.8 What if Another Flood Occurs?
As in Section 9.8.7, how you handle this situation will depend on whether the owner has invested in repairs between the two events. If this is the case, then repairs that were paid using flood insurance payments or disaster assistance (if documented with receipts) will not be deducted during the DOB determination. If no repairs were made and the building was still covered by flood insurance, then the insurance payment gets added in and will further reduce the cost of the project.
What comes next:

- This is when things start coming together and property owners will begin to see some progress. This doesn’t mean things will move quickly, there are still quite a few details to iron out.

- It is important to continually encourage property owners to participate, especially if there have been long delays they may have gotten discouraged. Or worse, they may no longer believe another damaging flood is likely.

- Make sure property owners know who they should call if they have questions. Having someone knowledgeable to help will go a long way towards minimizing problems.
10. Working with Owners & Tenants
What you need to know:

- This guidance cannot cover all possible situations that may come up when working with property owners and tenants.
- You will meet with each one, individually or in small groups, to explain the project and gather information.
- The second one-on-one meeting with each owner is to explain the buyout offer, which is the appraised Fair Market Value less deductions for Duplication of Benefits.

Figure 10-1 outlines the entire buyout process, from the occurrence of a flood through each step of working with property owners and tenants. Every sample form included in Appendix E is noted. This flow chart is useful to show others how the entire project will take place.

10.1 One-on-One Meeting with Property Owners

When you initially defined the project you may have distributed a questionnaire to affected property owners to determine their interest. Those who indicated interest are now given a packet of forms, Forms G-1 through G-9. You need to decide whether to send the packets by certified or registered mail, or to distributed them during small group meetings. Due to the complexity of the issues, many owners may wait until they meet with you to sign the required forms. Next, you need to meet with each owner, typically done one-on-one, although if your project includes many properties you may want to meet in small groups. Use the letter in Form N to schedule the meeting.

Use Form P as a checklist to record the meeting. The purpose of this meeting is to go over the details to make sure the owners:

- Understand the proposed project and how it affects them;
- Have an overview of the process ahead;
Figure 10-1. Typical Buyout Process.

- Flood!
- Handout owner information (Form A)
- Prepare damage assessments
- Update LMS
- Hold public meeting

- Define project
- Decide to pursue grant funds
- Prioritize properties for buyout

- Set up Project File Master File
  Owners (Form B)
  Tenants (Form D)

- Set up Case Files for each property
  Owners (Form C)
  Tenants (Form E)

- Hand out or mail introductory letter & Questionnaire #1 to property owners
  (Form F)

- Property owners return expression of interest

- Send Property Owner Packets
  (Form G, including attachments G-1 through G-9)

- Meet with owners to complete forms, encourage participation. Property Owner returns Questionnaire #2
  (Form G-4)

- Begin grant application
- Request technical assistance

- Meet with owners (Form H) to review and complete forms (Forms G), and collect housing and income data

If “definitely not interested” move to bottom of list.
If “undecided,” contact owner by phone to better understand concerns.
If “somewhat interested,” contact owner by phone to answer question and encourage shift to “very interested.”
Figure 10-1. Typical Buyout Process (continued).

A

Submit DOB information request (Form J)

Notify tenants to get information (Form L)
Meet with tenants (Form M)

Obtain survey and appraisal

Receive DOB information

Prepare Determination of Compensation (Form N-1)
Prepare Voluntary Transaction Agreement (Form N-2)

Hand out or mail offer packet to owners (Form O)
Meet with owners to explain offer (Owner’s checklist, Form P)

Owner indicates acceptance, appeal, or refusal

Owner accepts

B

Prepare for closing (deed restrictions, title work, title insurance, etc.)
(Forms T-1 (or T-2), U, and V)

Inspect property to determine it is vacant (Form W)

Close on property

Demolish & clear
Certify each site (Form X)
Project Completion (Forms Y-1 and Y-2)
Prepare for State closeout (Form Z)

30-Day Notice to tenant (Form S)

Owner refuses, end negotiations

Owner appeals, obtains second appraisal; offer confirmed or revised, as appropriate

Notify tenant of relocation eligibility (Form Q)
90-Day Notice (Form R)
Completed and understand Forms G-1 through G-9 – be prepared to review each form to explain the details;

Understand DOB – expect to go over this in detail because this concept tends to be one of the most difficult for many owners to understand;

Provide information to make the ORAP determination; and

Agree to reinvest in a home outside of the mapped floodplain.

More than likely you will need to pay particular attention to:

- Helping the owner complete Form G-6, the Property Description and Damage Report, and
- Gathering income and housing data (obtain current form from local housing agency).

10.2 Prepare Buyout Offers

This section describes what you need to do to bring all those pieces together to arrive at the bottom line – the buyout offer. At this point you now have all the information needed to prepare the buyout offer:

- The DOB information from the Department;
- The appraisals of Fair Market Value; and
- Data about each building and each owner.

10.2.1 Determine ORAP Assistance

As outlined in Section 5.5.10, the Optional Rehousing Assistance Policy allows an assistance payment if non-floodplain housing that is comparable to the home to be purchased is not available at a comparable price. There are specific required elements of the policy. To determine the amount of the ORAP assistance payment, the property owner selects a new, comparable home and provides you documentation of the Fair Market Value of the new home. You must review the specifications of the new home to assure that it is comparable in type, size, and quality, and you may need to conduct an inspection to determine that it is decent, safe and sanitary.
If the property owner chooses a non-comparable home, additional research must be done to determine a reasonable differential between the floodplain home and non-floodplain, comparable homes. The owner does not automatically receive the difference regardless of the new home chosen.

Occasionally the owner is not prepared to purchase a new home when you’re ready to close the buyout. In this case, you can specify a time period, such as 6 months, within which the ORAP will still be available. The ORAP payment is not made until the closing on the new home.

10.2.2 Prepare the Determination of Compensation

The Determination of Compensation summarizes how you arrived at the price you intend to offer the property owner and summarizes the DOB adjustments. The Department does not review the determinations before you meet with owners.

Before you prepare the Determination of Compensation you should receive written concurrence from the Department that the property appraisals are acceptable.

The Determination of Compensation (Form N-1) includes:

- Identity of the owner of record;
- Description of property and associated improvements;
- The method used to determine the purchase price;
- The amount of compensation and the basis for that amount, including the appraised Fair Market Value and the details of the Duplication of Benefits determination;
- The appraisal report;
- A statement that outstanding liens against the property will be satisfied out of the proceeds; and
A specific period of time (such as 14 days), during which the property owner is to ask for clarifications, decide on the offer, and advise the community of that decision.

10.2.3 Property Taxes

You should decide in advance how to handle property taxes so that you can properly advise the title company, which handles the details as part of the closing. Two approaches are reasonable, depending primarily on when the last flood occurred and whether homes have been occupied in the meantime:

- Reduce or waive taxes after the date of the damaging event. In areas known to flood frequently, especially if an acquisition project is already planned, you should be prepared to reduce taxable values immediately after the next flood. This may be important to owners, especially if the homes are damaged to the point they aren’t livable. Owners are understandably distressed if they have to pay full tax rate on property that is not useable. Note however, this approach may set a precedent that other flood-prone owners will feel entitled to, even if their properties are not targeted for mitigation.

- Pro-rate based on closing date or date offer is accepted. Most of the time property taxes are handled as they normally are handled during any real estate transaction, that is, they are the responsibility of the seller. Many communities decide to be responsible for (or waive) the taxes from the date a buyout offer is accepted, rather than the actual date of closing.

Some taxes may be levied by authorities other than the community, such as an improvement district, school district, stormwater utility, or others. Obviously, a community can only offer to reduce or waive the taxes that it controls.
10.2.4 Prepare the Voluntary Transaction Agreement

The Voluntary Transaction Agreement (Form N-2) identifies the owner as “Seller” and includes a legal description of the property. Attached to the Agreement is the Statement of Determination of Compensation (Form N-1) and all of its attachments.

Remember to read each form before you use them, and make changes that are appropriate to your community and your project.

10.2.5 Dealing with Someone Who Bought Damaged Property

If the current owner bought the property after the last damaging flood, then that owner is offered the lesser of:

- The amount the original owner would have received; or
- The post-event Fair Market Value (i.e., the amount he paid for it or the current appraised Fair Market Value, whichever is less).

Occasionally, especially when it is widely known that a government buyout is planned, “speculators” may take advantage of property owners who simply want out—fast. They buy soon after the flood, and expect to get pre-flood value from the government. FEMA’s policies address this situation.
10.3 Dealing with Tenants

If some of the homes in your project area are occupied by tenants, then you need to include another step in your process once the owners agree to sell. Review Section 5.5.6 for an overview of the requirements of the Uniform Relocation Act (URA), and be sure to involve your local housing agency. This guide is not intended to provide complete details on dealing with tenants because this process is governed by another program. If you need assistance, contact the Department.

Encourage owners to keep tenants informed of the project so that the buyout won’t come as a big surprise.

Dealing with tenants involves:

- Sending Form L to notify tenants of the project and to request that they complete a questionnaire intended to gather information to help you determine eligibility for mandatory relocation assistance under URA;
- Meeting with tenants to help them understand how the project impacts them, to review eligibility for URA assistance, and to gather information (Form M);
- Notifying tenants after determining if they are eligible for relocation assistance and reimbursement of reasonable moving expenses (Form Q);
- Helping tenants find acceptable, comparable housing; and
- Notifying them when they are required to vacate (Form R and Form S).

10.3.1 Determine Tenant Relocation Assistance

Background information on URA assistance for eligible displaced tenants is summarized in Sections 5.5.8 and 5.5.9. The maximum amount of assistance is $5,250 (as of early 2000) for both relocation assistance and reimbursement of moving costs.
**Relocation Assistance:** You should encourage tenants to find their own new rentals. This is easiest for you and makes computing the relocation assistance easier. The tenant finds alternate housing, shows you a copy of a new lease, you determine comparability, then compute the differential. To determine the actual amount of assistance that each eligible tenant may receive:

- Determine the “base monthly rent” for the current dwelling, which is the lesser of the average monthly cost for utilities plus the rent, or 30% of the tenant’s average gross household income,
- Determine average monthly cost of utilities plus rent at the new dwelling,
- Subtract the “base monthly rent” from the average monthly cost of the new dwelling, and then
- Multiply the difference by 42.

If the tenant cannot find housing or needs additional assistance due to mobility or other limitations, then you have more work to do. Check with your local housing agency.

**Moving Expenses:** URA assistance can reimburse reasonable out-of-pocket moving expenses, including:

- Packing and unpacking;
- Temporary storage;
- Transportation of personal property;
- Insurance during the move;
- Transfer fees for telephone and other utility service;
- Other expenses considered eligible.

**Check with the Department if computation of tenant relocation assistance suggests that the limit of $5,250 is inadequate. The limit may be exceeded in extraordinary circumstances, if approved by the Department and FEMA.**
10.3.2 Offer Tenant Relocation Assistance

After reviewing the information collected during the meeting with tenants you will determine if they are eligible for URA assistance. Use Form Q to advise them if they are eligible. If they are not eligible, you should also send a written notification to that effect.

URA guidance suggests the community can either pay the assistance in monthly increments or lump sum. Unless your housing agency already handles monthly payments, it is easier to make lump sum payments.

10.4 Make Buyout Offers

10.4.1 Provide the Offer to the Property Owner

If possible, arrange to give the paperwork to the owners during small group or one-on-one meetings. You might want to send it to them in advance to allow them time for review, especially if there are any joint owners who do not live close by. Do not expect most owners to sign without talking to someone. Questions will come up, and most people will appreciate having someone to talk to rather than have to wade through a lengthy letter. Be certain to provide the name and telephone number of the person designated to handle the implementation tasks, the project manager, or other person who can answer questions.
Communities that have done buyouts recommend one-on-one meetings with owners to present and explain the Voluntary Transaction Agreement, and especially to review the details of the Determination of Compensation, which shows the deductions for DOB.

If you send the offer by mail, be sure to send it by registered or certified letter. The letter should clearly explain that the purchase is voluntary and there is no obligation on the owner’s part to sell. The letter should also explain that the offer can be appealed, and it must clearly describe the specific things that have to be done to submit an appeal. With all this “legalese” and bureaucratic language, many owners get upset and fare better when they can have a quiet session with someone who can explain the details clearly.

Whether you give the offer to them during a meeting or by mail, you should provide a reasonable period, such as 14 days, for them to make their decision and return the signed papers. Many anxious owners will sign during the meeting. Be sure to have a witness or notary available. Some sample forms are included in Appendix E:

- **Form N** is a cover letter to explain the offer and to transmit the legal documents;
- **Form N-1** is the Statement of Determination of Compensation;
- **Form N-2** is the Voluntary Transaction Agreement;

To help make your meetings go smoother:

- **Form O** is a sample letter, including a checklist for the owner, to schedule the meeting with each property owner; and
- **Form P** is a checklist to make sure you cover all necessary topics and to document the meeting.
Some property owners are skeptical about government’s reasons for wanting to buy. Often, people are more comfortable dealing with someone who is not “inside” government, even though that person may have been hired to represent the community.

10.4.2 Owner Returns Offer

If not signed during the meeting, allow the owner at least fourteen (14) days to return a notice of intent to appeal or to make a decision regarding the sale. If the owner accepts, ask that they notify you as soon as possible. If you sent the package by mail, you may request that they return the signed and witnessed documents, but even willing owners may be reluctant to sign until they have it explained to their satisfaction.

10.4.3 Appeals from Property Owners – Property Value

The valuation of the property usually is determined by a pre-flood Fair Market Value appraisal. There is a process to appeal if owners disagree with this value. At their own expense, they may obtain a second appraisal. The appraiser selected by the owner must be acceptable to the community, must be licensed, and must make the determination on the same basis and parameters as the original appraisal. The owner’s appraisal will be reviewed against the standards used by the community.

If the owner’s appraisal is higher, you should have a review appraiser compare the two. If you decide to use the higher value, that appraisal is to be sent to the Department for review and recommendation. If the owner’s appraisal is lower, you may use the higher value of the original appraisal.
If the owner’s appraisal is approved, a revised Voluntary Transaction Agreement will be prepared. If the community rejects the owner’s estimate of value, or it is rejected by the Department, a written explanation of the rejection should be sent to the owner. The owner may then choose to sign the original Voluntary Transaction Agreement and accept the amount originally offered.

If an owner provides a valid appraisal that is considerably higher than the one you had prepared, with the Department’s advanced approval, you may be able to compromise by offering the average of the two.

10.4.4 Appeals from Property Owners – DOB

Owners may disagree with the Duplication of Benefits amounts. To contest the determination, they must submit documentation supporting their claim. Perhaps they have additional receipts or other evidence that the funds were used for the intended purposes. If acceptable, then the Determination of DOB and the Voluntary Transaction Agreement will be revised.

10.4.5 Counter-Offers

Owners should understand that the buyout process is not a negotiation. The purpose is to provide them a fair price, not to enrich them above the Fair Market Value of the property. Guidelines for determining the Fair Market Value of properties have been carefully developed. Only under very rare and unusual circumstances might you have a case where a counter-offer might make sense. You should check with the Department well before you even consider an offer other than one developed using these guidelines.
Agreements for amounts in excess of the approved budget amount should not be fully executed by the community without review and approval by the Department. If you accept them before approval, then your community may be fully responsible for any amount in excess of what was approved in the application. Most projects have more properties than money, so unless a particular property is vital to the overall project, you may want to advise the owner who is seeking a “better deal” that you’ll move his property to the end of the list and go on to make an offer to next person.

10.5 Owner Accepts Offer
To accept the offer, the property owner executes the Voluntary Transaction Agreement. You should have a notary or witness available when you meet with owners because many will sign at that time. If the owner signs it before the one-on-one meeting, the offer is to be witnessed and returned within the specified time period. By signing the Agreement, the owner agrees to convey free and clear title and further agrees not to remove any fixtures or components of the property without prior approval (see Section 11.3.5 on salvage).

You will provide the Voluntary Transaction Agreement to the title company to prepare the settlement statement. The settlement statement should reflect all aspects of the transaction, including the ORAP payment, if applicable.

10.6 Department Approval and Request for Funds
To get to the next step, you will send some paperwork to the Department for approval:

- The Voluntary Transaction Agreement (signed by the owner, but not signed by the community);
- The Determination of Compensation (including attachments);
- The estimated settlement statement (HUD-1); and
- Request for funds.
The Department will:
- Review the documentation;
- Review whether demolition will be paid by the Public Assistance program (Section 406); and
- Advise you of concurrence and release funds for the closing.

10.7 Tenants
If your project includes properties with tenants who are eligible for URA relocation assistance, you should watch your calendar carefully to time the notices to vacate in advance of the estimated closing dates:
- 90-day notice to vacate (Form R); and
- 30-day notice to vacate (Form S).

10.8 Close the Acquisition
10.8.1 Prepare the Deed
When the title commitment is prepared by the title company, you will prepare a Warranty Deed to be signed by the owner and the community at closing. This deed identifies the property owner as Grantor, includes the legal description of the property to be conveyed, and specifies the actual purchase price of the property. The deed must include the restrictions on future use of the land, as required by FEMA (see Section 11.2.3):
- Form T-1 is a sample deed attachment for the land use restrictions that conform to those required by FEMA; or
- Form T-2 is a sample Conservation Easement, with restrictions, to use if the land is not being acquired, or if the acquired land will be owned by another entity approved by the Department (see Section 11.2.4).

10.8.2 Schedule the Closing
When you receive funds from the Department you will:
- Deposit the funds;
- Notify the title company to complete the title work; and
- Notify the owner that the closing can be scheduled. If the owner is not yet ready to move, you can offer to delay closing, but don’t put it off too long.
10.8.3 Moving from Agreement to Closing

After you receive the Department’s approval, the appropriate community official executes the Voluntary Transaction Agreement. Now the closing can be scheduled. Advise the owner (or tenant) that the home must be vacated at least 24 hours prior to closing. You have to inspect the property to determine that it is vacant. Form W is a sample Certificate of Inspection and Possession and must be part of the property case file.

10.8.4 Closing and Settlement

The closing will be conducted by the title company, most likely using the standard HUD-1 Closing Statement form even if HUD funding is not involved. The following documents must be executed:

- The owner (at this point called the seller) executes the Warranty Deed which conveys fee simple title to the community;
- The seller executes the Duplication of Benefits Certification (Form V) to confirm the accuracy of the DOB deductions; and
- The seller executes a Certificate of Removal of Personal Property and Debris (Form V). Because the property will be demolished, you want to make absolutely certain that the seller has no further claim on any portion of the real or personal property.

In most buyout projects, the seller is responsible for any costs of obtaining and recording releases from liens or mortgages. The community pays all other closing costs, except delinquent taxes and stamps on the deed which have to be paid by the seller.

If your community is taking title to the property, then an official who has the authority to make commitments on behalf of the community must sign the Warranty Deed to formally accept the land use restrictions. If a third party has been approved by the Department and FEMA to take title, then
that party must provide evidence that the person or officer who will sign the Warranty Deed has the authority to make commitments.

\[
\text{It may take a special act of the community’s governing body to formally designate an official with the authority to make these commitments. Check this out in advance to avoid delay at closing.}
\]

The title company will disburse the proceeds of the sale as follows:

- First, all mortgages, liens, judgments, taxes, assessments and other encumbrances will be paid from the seller’s proceeds, and
- Second, the balance of the proceeds will be paid to the seller.

The title company will prepare and provide a complete title package, including:

- Final title insurance policy that insures the community as having free and clear title to the property;
- Recorded Warranty Deed;
- The signed closing statement; and
- Copies of disbursement checks.

### 10.8.5 Payment of ORAP

If your community adopted an ORAP plan, and if the seller is eligible for an ORAP payment, it is not disbursed at the closing on the buyout property. It is to be disbursed at the owner’s closing on a new home. While that closing may occur at the same time as the closing on the buyout property, often it does not, in which case the seller will have to let you know when his closing on the new property takes place.
What comes next:

- Whether you’re demolishing buildings, moving them to another location, or elevating them in place, the next phase is when it will really look like you’re making progress.

- Make sure you can handle regular inspections to keep contractors on schedule.

- Neighbors may be unhappy if the sites are messy or not secured.
11. Clearing Acquired Properties
Chapter 11
Clearing Acquired Properties

What you need to know:
- Don’t wait until the end of your project to read this chapter. It has important information to be considered when you are defining your project because it will affect the budget.

11.1 Be a “Good Neighbor”

Once you start demolishing or moving buildings, you take on the responsibility maintaining the vacated lots. Fulfilling this responsibility may be more important if you have a large project that will take a long time to complete. Keep in mind that people in the neighborhood will be sensitive to many things, and they will need someone to call if something goes wrong: when the weeds get tall, when trash is dumped, or when kids build a dirtbike ramp.

As part of the Johnson Creek Buyout in Portland, OR, the City signs a “Good Neighbor Agreement” with people who haven’t been moved yet or who are not part of the project. The neighbors agree to report crime and suspicious activity to police, to participate in an active “watch” program, and to contact the City with other concerns. The City agrees to conduct occasional inspections, to respond to specific request within 24 hours if there is an immediate threat, or within 5 days otherwise. The City agrees to maintain the lots in a manner determined to be acceptable, which depends on where the lot is and the common type of vegetation.

11.2 Uses of Acquired Land

Land acquired using FEMA’s mitigation funds is subject to some restrictions that are set forth in both statute and regulation. The primary objective of floodplain buyout projects is to permanently reduce flood
damage by returning floodplain land to a more natural condition to fulfill its natural and beneficial functions.

In some urban settings, isolated lots from which homes were removed have been re-used as neighborhood gardens or for tot lot playgrounds. The lots are leased to neighborhood groups for nominal rents, such as $1 per year. Leases must specify acceptable uses and long-term maintenance, so the lots don’t turn into dumping grounds.

11.2.1 Allowable Uses of Vacated Land

The laws and regulations for FEMA’s HMGP and FMA programs have specific language about acquired land. For HMGP, Sec. 404(b)(2)(B)(i) states: “any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for use that is compatible with open space, recreational, or wetlands management practices.”

Although ownership may be transferred to a land trust or another agency (see Section 11.2.4), Congress clearly anticipated that vacated land would, in large measure, be allowed to serve its natural and beneficial floodplain functions. The most important floodplain function is to store and convey floodwaters downstream. This function is restored when the homes are removed and the land is graded and stabilized.

FEMA’s list of allowable uses includes, but is not limited to:

- Passive recreation, including greenways, hiker-biker trails, nature observation areas, hunting and fishing;
- Public water access and boat ramps;
- Limited other recreational uses, such as playgrounds, exercise areas, and others (but keep in mind that future disaster assistance will not be available, so it is probably unwise to invest in high quality ball fields or golf courses);
- Structures that are open on all sides and functionally related to open space uses, such as picnic shelters, kiosks, and refreshment stands;
- Limited camp facilities, provided the area is not subject to flash floods and a mechanism is in place to issue warning and evacuation orders;
- Permeable parking areas, such as graveled or dirt lots;
- Wet floodproofed restrooms to serve public use of the open space;
- Wetland mitigation, creation or restoration;
- Wildlife refuge or bird sanctuary;
- Reforestation;
- Livestock grazing;
- Limited agricultural use;
- Community gardens; or
- Stormwater management.

In your grant application, be sure to identify how acquired the land will be used. Not only is this part of the overall purpose or benefit of the project, but if you neglect to describe it in the application, then you may be restricted from using it as you had expected.

11.2.2 Uses Not Allowed on Vacated Lands

Sometimes flood-prone homes are acquired and removed from land that will be used in a phase of another project, such as a structural hazard control project (stormwater pond, levee or floodwall). FEMA is very clear that the use of the land must be specified in the application. If the application indicates that it will be preserved for open space, FEMA may
not approve a change in use, for example to allow for stormwater detention. Changes must be negotiated as early as possible. Because projects should be planned prior to application, FEMA is understandably cautious about modifying something as important as re-use of acquired land.

If your goal is dual purpose, such as to remove homes from the floodplain and then to re-use the land for a stormwater detention facility, be very careful how you define the project in the application. It makes a difference not only in whether you can use the land as intended, but in the consideration of costs and benefits. Contact the Department early in your project planning phase.

Even though the list of allowable uses in Section 11.2.1 is detailed, questions may come up about other uses. Call the Department if you need clarification. The following is a list of uses that have not been approved:

- Re-sell to private owner to build new home, even if compliant with the NFIP;
- Build any structure that is not explicitly allowed, or that is not approved by FEMA before construction is started;
- Flow-impeding fences (stockade, chain link);
- Paved areas that reduce flood storage and infiltration;
- Commercial storage of vehicles or materials; and
- Cemeteries, even if owned by the community.
11.2.3 Deed Restrictions and Monitoring

In both the grant application and the Subgrantee Agreement your community committed to certain deed restrictions to be imposed on any property acquired with federal funds. Unless otherwise specifically approved, the following must be included in the deed:

- The property will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;
- No new structure will be erected on the property other than an facility that is open on all sides and functionally related to the open space use or a restroom for public use;
- After the date of acquisition, no application for disaster assistance for any purpose will be submitted to any Federal entity, and no disaster assistance will be provided for damage on the property; and
- Violation of these restrictions, whether by the owner or another party with the knowledge of the owner, will prompt conveyance of the fee simple title to the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida without further notice to the owner, its successors and assigns. The owner will forfeit all right, title and interest in and to the property.

If your community is not taking title to the land, a Conservation Easement (Form U) must be executed and attached to the deed.

FEMA-funded acquisition projects represent a significant taxpayer investment. FEMA and the Department have the right to monitor and enforce deed restrictions that are agreed upon as part of the project. Properties may be inspected periodically to determine that inappropriate uses are not taking place. If non-compliance is discovered, the Department will notify the community and require compliance with 60-days of notification. If necessary, FEMA reserves the right to require the community to comply or to convey title or easement to a qualified third party.
11.2.4 Land Ownership

Some communities are reluctant to take title to buy-out properties. FEMA has identified options for ownership when HMGP or FMA funds are used to remove buildings:

- Full title is acquired by fee simple purchase or donation, and title is retained by the community.
- Full title is acquired by fee simple purchase or donation, and title is retained by another public entity. “Public entity” is defined to include a land trust, conservation organization, or a State agency. Some communities buy the land (take title to it) and then transfer to another public entity. It is easier to include the other entity in the initial transaction to avoid having to conduct another property transfer. If you can’t, then be sure to get clearance from the Department (which may need FEMA approval) before making the transfer, and remember that the restrictions on use of the land must be detailed and conveyed in the deed.
- All development rights are acquired by the community or land trust, but the land remains in private ownership. The owner retains only the right to make use of the property for farming or “quiet enjoyment.” The restrictions on use of the land must be detailed in a restrictive conservation easement recorded on the deed.

When the development rights are acquired, there are at least two alternatives for ownership of the land. Sometimes the original owner’s home has been relocated to high ground on the same property, and only the floodplain portion is deed restricted. Sometimes another person, for example a neighbor, wants to own the land and agrees to the deed restrictions.
11.3 Demolition Issues

To satisfy the National Emissions Standards for Hazardous Air Pollutants, the demolition contractor must notify the Florida Department of Environmental Protection at least 10 days, but no earlier than 45 days, before demolition starts.

Notice requirements are satisfied by submitting the “Notice of Asbestos Renovation or Demolition” to DEP (Appendix D).

11.3.1 Demolish Within 90 Days . . . What if Not Feasible?

By signing the Subgrantee Agreement for a buyout project, your community agreed that acquired buildings will be demolished within 90 days of closing (unless other options such as relocation or resell are proposed). There are a number of good reasons to demolish (or move) buildings soon after they are vacated:

- Remaining neighbors get nervous about vacant, boarded-up buildings;
- In some areas, they can become attractive nuisances to children, drug users, or the homeless;
- If left vacant for long, rats and other vermin may become a problem; and
- They could flood again! This is especially problematic if you will be relocating the buildings.

Look carefully at your overall project schedule and see when you need to have the demolition contractor on-board. Be sure to realistically estimate the time to procure, otherwise you could have a number of vacant buildings before you have the ability to demolish. If you’re planning to physically move the buildings, this same caution applies.
If the project includes several homes, you will most likely have described the demolition work as a group of buildings to be handled at the same time, rather than individual homes spread over a longer period. Typically, you’ll get the best cost for demolition if the contractor can mobilize and get them all done at the same time. One way to do this is to try to schedule the closings in groups, that way groups of homes will be vacated about the same time and demolition can move smoothly by groups.

One important factor is to make sure the homes are secure and taken care of regularly, including mowing lawns and cleaning up accumulated trash. Develop a way to regularly check on vacant buildings. If illegal use is a potential problem, have the police can drive by occasionally and ask remaining neighbors to keep watch and report concerns. Be prepared to agree to investigate problems promptly.

**Rather than have empty homes,**
even if posted with no-trespassing signs to limit liability, a good option is to delay the closings until you have a group to process at the same time, then demolish in a group.

### 11.3.2 Shutting Off, Removing/Capping Utilities

One goal of acquisition is open space. An important part of achieving that goal is proper handling of underground utilities, which must be performed by State-licensed contractors. Each utility company, whether public or private, is likely to have its own preferred approach to permanent removal or capping. Fees to cover the termination, if any, should have been included in the project budget.

**Check that the demolition contractor has the appropriate State licenses to handle removing/capping of utilities.**
Typical approaches for handling underground utilities include:

- **Capping utility service.** Physical capping of water service and sewer lines typically is done as part of the demolition. If it is, make sure the demolition contract specifically includes this work element.

- **Electrical service.** Turning off the electricity is handled as part of the closing. Coordination with the local utility and physical removal of the service lines to the property is handled by the contractor as part of demolition.

- **Natural gas.** Turning off natural gas service is handled as part of the closing. Coordination with the local utility and physical removal of the service lines to the property is handled by the contractor as part of demolition.

- **On-site private water wells.** Check with the local Health Department and the water management district for proper procedures that are designed to protect groundwater supplies from contamination. [Florida Administrative Code Chapter 40A-3]

- **On-site septic tanks.** Septic tanks must be properly closed and filled to prevent settlement of the overlying soil, or they may be removed and the excavation filled. [Florida Administrative Code Chapter 64E-6]

- **Underground oil tanks.** Oil tanks usually are removed, along with a small quantity of soil around the fill pipe if there is any contamination.

- **Above-ground oil tanks.** Soil in the area that may have been contaminated during tank filling will be removed, and the tank must be removed and property disposed.

- **Above-ground propane tanks.** Removal should be easy, without any concern for contamination.

- **Settling utility bills.** As with any property transfer, the seller pays the bills up to date of closing. There is no reason for the community to continue utility service after that date, otherwise inappropriate use by vagrants or children may be encouraged.

### 11.3.3 Demolition vs. Other Ways to “Remove”

It is important to decide well in advance how buildings will be removed from acquired lots. More than likely the grant application included an
estimate based on the assumption that the work would be done by a demolition or house moving contractor. There are options:

- Demolition by contractor. Make sure the scope of work specifies everything needed to return the land to open space: debris removal; removal of outbuildings and fences, sidewalks and driveways; capping utilities; collapsing septic systems; removal of underground or above-ground fuel tanks; removal of identified asbestos materials. Basements and pools have to be filled in (see Section 11.5.2).

  Landfill fees can mount up quickly. If the landfill is publicly owned, see if you can negotiate a reduction or waiver of the tipping fees. If not, make sure you include the costs in the estimate of demolition costs and make sure the contractor specifications include it as well.

- Transfer to another entity, to move elsewhere at its cost. If the homes are in good condition and if low-income housing is tight in the area, this may be an attractive option. Check with the housing agency or local non-profit organizations that support housing issues. As far as FEMA is concerned, the only stipulation is that the receiving site must not be in a mapped flood hazard area.

- Detach the building from the foundation and sell or auction it. The buyer can be required, as a condition of sale, to be responsible for the cost of relocating the building. You may find that the cost of moving the home more or less cancels out the value of the building. In some communities, the final sales price has been $1. Remember that income from the project has to be accounted for along the lines of the cost-sharing for the project (see Section 6.11.1) and returned as salvage income.

- Allow the local fire department to use it for burn practice. This option takes careful planning, which the fire department will handle if they decide that one or more of the homes can be used this way. This option does not get the entire job done because arrangements
must be made to clear debris, remove the foundation and other items from the lot, and stabilize it.

- Use in-house forces. If your community has the right kind of staff capability and equipment, demolition could be handled as an in-kind contribution. Remember to keep track of staff and equipment costs as part of the local share.

Disposal of solid waste resulting from demolition must be handled in accordance with Florida Statute 403.

11.3.4 Covering Demolition with Section 406 Assistance

When the President declares a major disaster, different forms of assistance become available. Public Assistance (Section 406) helps communities deal with debris removal, emergency works, and repair of damaged public buildings and utilities.

When privately-owned buildings are destroyed or have been determined to be substantially damaged they may be deemed health and safety hazards and the remains are then considered to be debris. Your community may be able to write a Project Worksheet to cover the work required to demolish and remove the debris. This approach may not save you money in the long run because Section 406 also requires a non-federal match (usually 75-25), but it is one way to stretch FEMA’s mitigation grant funds.
The Public Assistance decisions usually are made within a short period after an event. Using Section 406 to help with a mitigation grant will only work if your planning is in place and you know that the project will include acquisition. Another reason you can’t wait too long to decide about using Section 406 funds is because FEMA is under pressure to “close-out” disasters. You may miss the window of opportunity if the 406 close-out has begun.

The Section 406 Project Worksheet covers only the demolition and debris removal. Allowable Public Assistance work does not include the costs to deal with utilities, removal of slabs, sidewalks, and driveways, filling in basements, final grading and stabilization of the lots. This means you’ll still have to complete the job, either through in-house services or by contractor.

To make effective use of Section 406, the following things have to fall into place:

- The flood has to be a declared disaster;
- The buildings have to be substantially damaged;
- A determination of health and safety hazards must be made;
- The mitigation project has to be defined quickly; and
- Owners have to agree.

11.3.5 Develop a Salvage Policy

 Communities and property owners often disagree on what affects the Fair Market Value of a property. This may become an issue when owners
want to remove items from their homes. The principle at work is that the owner should not both keep something (salvaged items or materials) and be paid for it.

To make it easier to enforce as property owners ask specific questions about specific items, decide your salvage policy in advance. During the inspection prior to closing, be sure to double check that only approved items were removed (see Section 10.8.2).

Most communities allow owners to take some items, but removal of many items or building elements may actually reduce the value of the building. Officially, FEMA requires deduction of the value of salvaged materials from the purchase price since items attached to the structure are considered part of the structure. Alternatively, if the owner wants to remove significant items, the market value appraisal can be adjusted or revised (at the owner’s cost) after salvage, so that it reflects the reduced value. Items that often are removed include ceiling fans, light fixtures, lightly used carpeting, and appliances. In more extreme cases, people have been known to remove doors, windows, fireplace mantels, and moldings. This may be more of a problem when your project includes newer homes, although some older homes have valuable wood doors, windows, floors, and trim.

Owners sometimes want to remove trees and other landscaping, or readily moveable accessory structures. As with building elements, these things contribute to the market value of the property. If they were removed by the owner, then the offer price should be adjusted to reflect the reduced value.
There are a number of political and financial implications that need to be considered as you develop a salvage policy. Owners who remove items but don’t receive a reduced offer are gaining an unfair advantage. When negotiations are sensitive and citizens are already cautious about a project, this sort of unfairness can cause further distress.

11.3.6 Salvage by the Demolition Contractor

You also need to decide how to handle salvage in the demolition contract. The best time to do this is when you prepare the contract specifications so that it is clear to bidders. Otherwise, one bidder may plan to salvage, and thus submit a lower bid than those who did not include salvage. There are two options:

- You can allow the contractor to salvage, in which case you should expect the bid cost to be lower; or
- You can specify that the bid must assume total demolition and removal, since it will be difficult to assume salvage value without entering each building. After award, you will negotiate salvageable items and values, which will then be deducted from the bid cost.

11.4 Houses: Re-Use, Relocate, Recycle

When you use federal funds to acquire flood-prone homes, you have to certify that the land will be vacated and used for compatible purposes. But there are a few exceptions involving on-site re-use of buildings. Think carefully about how you want to handle the buildings because once you commit to one approach in your application, it will be difficult to change.

11.4.1 Keep Buildings for Re-Use On-Site

If you plan to use the land to create a new open space park, or to add to an existing recreational facility, think very carefully about the buildings. If there is a possibility that it is reasonable to keep a building for re-use, you must fully understand the limitations. And, most importantly, you have to specify compatible re-use in your application. Ideally, the best time to do this is during development of your Local Mitigation Strategy.
If very carefully planned, you may re-use a building for a purpose that is compatible with open space, recreational, or wetlands management practices. Examples might be natural resources exhibit space, day camp work rooms, and park rest rooms. Be aware that you will not be able to buy an NFIP flood insurance policy for it, nor will future flood damage be eligible for federal disaster assistance. This means that your community needs to understand that it will have to be prepared to pay 100% of the cost of repair of flood damage.

Re-use involves retrofitting according to NFIP rules to minimize future damage. In this case, “retrofit” means installing flood openings to allow inflow and outflow of water, elevation of utilities, and removal of floor and wall finishing materials and replacement with materials that are resistant to water damage. Basements must be filled in. And remember, it may be difficult to retrofit an older building for compliance with the Americans with Disabilities Act.

11.4.2 Relocate or Use for In-Fill Development

Many flood-prone homes are in good structural condition. Especially if built over a basement or on a crawlspace, they may be good candidates for moving to a location outside of the floodplain. One alternative to your community performing the relocation is to sell the building. This has been done a number of ways. One way is to “sell” the building to a local housing cooperative or association in return for them removing it from the lot. Another is to auction the building or advertise and accept bids, with the condition that removal must be performed by the selected bidder or buyer. Keep in mind that income from the project must be shared with FEMA.

One option for a receiving site may be if your community owns houses or vacant lots in existing neighborhoods where landowners have failed to pay property taxes. If those locations are not in the floodplain, and if the travel path is not constrained, combining your buy out project with initiative to improve housing may meet multiple community goals.
11.4.3 Recycling Materials
A community in North Carolina is doing what it calls “deconstruction.” The area has a shortage of housing, limited landfill space, and high construction costs. With over 400 homes in its buy out project, they needed an approach that didn’t drive citizens out of the community. Although damaged and unsuitable for relocation, many homes contained reusable building materials. Easily removed architectural components such as doors, windows, hardwood flooring, and fireplace mantles are being salvaged along with other materials, including structural members, framing, sheathing, and bricks. On average, the materials from four homes can be used to build one new home. This form of recycling is labor intensive. It is working in this community because a non-profit organization was formed to train workers and to facilitate the process.

11.5 Site Stabilization & Inspection
11.5.1 Site Stabilization
The term “site stabilization” generally covers the work required to remove residual building elements and debris, and to prepare the land to minimize erosion and so that good vegetative cover will establish quickly. Typically, it includes smooth grading, seeding, and mulching. The intent is to allow the area to return to its natural function as floodplain.

*FEMA pays for minimal stabilization. HMGP and FMA funds cannot pay to replace trees and shrubs, even if the land is proposed as a public recreational area or a wetlands mitigation site.*

11.5.2 Basements (and Pools)
Site stabilization involves more work if the acquired buildings have below-grade areas (basements) or in-ground pools. These work elements must be included in the scope of work for the demolition contractor:
- Remove the basement walls or pool sides to least 1 foot below the ground surface;
- Make one or more openings of at least one-foot in diameter in the bottom to allow for drainage; and
- Backfill with several feet of sand and gravel, topped off with clean fill to be level with the surrounding ground.

11.6 Inspections

You will conduct site inspections throughout the demolition and site stabilization phases. Each lot must be left in good condition to foster vegetative cover in order to minimize erosion. Be sure to take photographs of each parcel as it is cleared.

As each parcel is completed, including smooth grading and stabilization, you will complete the Certificate of Site Inspection (Form X).

Your final inspection of all lots should be conducted before you submit the request for final reimbursement. If necessary, take some additional photographs to show that vegetation is growing well. You will also submit a Project Completion Certification (see Form Y-1 and Section 13.2) and the Subgrantee Checklist for Final Inspection and Close-Out (Form Y-2). When the Department receives this certification it will contact you to schedule the final closeout of the project.

What comes next:

- *For an acquisition project, the next steps involve payments and closeout, covered in Chapter 13.*
- *Chapter 12 is an overview of elevation projects.*
12. Elevation Projects
Chapter 12
Elevation Projects

What you need to know:

- Elevation projects share many aspects with acquisition projects. Don’t read only this chapter. Because some applicable text is not repeated here, you should read the entire handbook to see the similarities and the differences.
- Make sure you understand how the money is handled. The owner pays the contractor and submits a request for reimbursement to the community. The community requests funds from the Department and THEN the owner is paid.

12.1 Overview

Most of this handbook covers acquisition projects. This chapter focuses on elevation projects. Elevation is touched on in a few other places:

- Section 4.2 gives an overview of elevation projects, including an outline of the typical process.
- Section 4.5.8 helps answer questions about how an elevation project may affect local property taxes and property values.
- Section 4.5.9 discusses giving owners options and how doing so may or may not mesh with your overall project.
- Section 5.4.2 outlines how the property owner provides the non-federal cost share.
- Section 5.5.12 cautions you about changing your project from acquisition to elevation (and vice versa).
- Section 6.7.3 lists allowable and unallowable costs for elevation projects.
- Section 6.11.3 lists permits that may be required.
- Section 9.5 covers Duplication of Benefits.
You must conduct a thorough structural inspection before a decision can be made to elevate each home. Be sure the inspector goes inside and under each home to look at all structural elements.

### 12.1.1 Preliminary Benefit:Cost

Elevation projects can be very expensive. Before you commit to elevation, and before you get deep into preparing the grant application, you may want to prepare a preliminary Benefit:Cost analysis. In most cases, the Department and FEMA will fund only projects for which the long-term benefits out-weigh the construction costs. Review the rest of this chapter to see what information is needed or can be estimated, and do your best to estimate costs. Use FEMA B:C software, or contact the Department for help.

If you are considering elevation of buildings that were substantially damaged, check with the Department. A B:C analysis may not be required.

### 12.2 Property Owner Involvement

Property owners will be very involved, from project design through to final inspection. Some of the differences between an elevation project and a buyout include:

- The owner holds the contract (or it may be a three-way contract, with the community as one of the parties). The owner pays the contractor and then submits invoices for reimbursement.
The owner contributes all of the costs of the project that are not covered by federal and state grant funds.

The owner may have to vacate the home during construction, including removal and storage of fragile items, and all costs associated with living elsewhere may not be reimbursable.

Homeowners may want to check out Project Impact Prevention Loans available from Fannie Mae. Get details by calling 800-7FANNIE or online at www.fema.gov/impact/homeloan.

You need to understand all the details and decisions owners will be faced with so that you can help them understand each step:

- Owners are to “apply” to be part of the project. Form FF is set up to collect some information and to make some commitments;
- While there are code requirements that may influence the foundation design, owners have a stake in how the results look;
- A big commitment is the non-federal cost share and any unallowable costs, which must be covered by the owner;
- The owner will hold the contract with the elevation contractor, but is unlikely to have sufficient expertise to watch all the details;
- Reimbursement requests need to be prepared in a timely manner, although the owner doesn’t get paid until the Department provides funds to the community, which can take longer than many owners realize.

12.2.1 Property Owner Applies

Soon after you decide to pursue an elevation project you should hold a meeting will all property owners who are in the project area. You should be very up-front with the length of time these projects take, both in terms of getting a grant approved as well as actually getting the construction completed.
Property owners who are interested are to complete Form FF (an application to be part of the project) and Form G-6 (Property Description and Damage Report). Plan to meet one-on-one with them to explain the forms and complete the data on the homes.

This application is not binding – the owner can withdraw at any time. However, the commitments and understandings outlined in the application are important to have on the record before you move forward:

- All owners whose names appear on the title or deed must sign the agreement;
- Information about work that is eligible (can be paid by the grant) and work that is ineligible (cannot be paid by the grant);
- Commitment to pay all costs not eligible for reimbursement by the grant, including the non-federal share of allowable cost items and all costs that are deemed to be unallowable;
- Permission to enter the home for inspections and to perform the work; and
- Agreement to hold the Subgrantee, the State, and FEMA harmless from any legal or financial claim arising from the work.

12.2.2 Property Owner Requests for “Upgrades” and Special Treatment

An elevation project is intended to provide property protection. It is not intended to improve property other than by avoiding future flood damage. This means that the grant cannot be used to pay for improvements that are not required for compliance with the flood provisions of the community’s codes and ordinances. The grant cannot pay for upgrades desired by the owner but that are not required by the building code.

Examples of “upgrades” and special treatment that people may request include:

- Increased square footage (addition);
- New or larger porch or deck;
- Decorative railing design;
Replacement of wood deck with brick porch;
- Enclosure of a previously open deck or porch;
- Partial enclosure of the space under a building that is on pilings or piers for parking or storage;
- New or replacement air conditioning; and
- A wheelchair ramp, even though the present owner doesn’t need it.

While it will add some complications in defining the scope of work and keeping the costs separated, you may decide to allow property owners who want upgrades to negotiate with the contractor to perform the additional work. Clearly, if allowed, the contractor must provide a detailed cost estimate to show the costs to provide the minimum work allowable under the grant and to separate out the costs to meet the owner’s request. The owner is then responsible for paying the difference. Watch the paperwork carefully! The contractor’s invoices can be handled by submission of a detailed work list with separate costs for each item or by submitting separate bills so that the community’s paperwork shows only the work that is covered by the grant.

12.2.3 Owner’s Expenses During Elevation or Relocation

When you prepare the grant application, you complete a Cost Worksheet. It has space to estimate reasonable temporary housing expenses that will be incurred while the owner is out of the house during the actual elevation or relocation. Costs for temporary storage of fragile items are also reimbursable. The period the owner has to be out of the home often isn’t more than a couple of weeks, but it needs to be specified in the contract documents. If temporary housing and storage were not included in the application as a project cost, then either the grant will run out of money sooner, the community will have to use other funds, or the owners will have to pay the full cost.

Property owners must retain and submit receipts to document their housing and storage costs incurred only during the period they are required to be out of the house. Reasonable amounts will be reimbursed.
for allowable costs, but owners will not be reimbursed for unallowable costs (see Section 6.7.3).

12.2.4 Elevation-in-Place: Appearance of Homes

Whether something looks good is definitely “in the eye of the beholder.” People who are accustomed to homes close to the ground may not like the look of the same buildings elevated several feet above the ground. While physical safety and economic considerations may be driving your project design, other factors come into play for property owners. Some communities find it helpful to develop before and after sketches of a typical home, or get photographs from another project, so that owners have a clearer understanding of how their homes will look.

The primary objective of an elevation project is to raise the base building to minimize future flood damage. Property owners understandably are concerned about porches and decks that may have to be removed during the elevation if they are unsound. Owners will question how the new foundations will look, especially if siding has to be removed during the project. The grant will pay to replace in-kind, but not to “upgrade.” Be sure to include a detailed list of what the grant will and will not pay for in the written materials that explain the elevation project to owners.

12.3 Details to Define the Project

12.3.1 Foundation Types and Design

The type of foundation to be built under elevated homes is determined by a number of variables, including the type of existing foundation, local soil types, and the nature of the flood hazard. There are a number of site-specific and engineering factors that may affect the decision (Form GG). An engineer or architect who is familiar with the area and flood-resistant designs can inspect homes to determine soundness and recommend appropriate foundation types. Some background on selecting foundations is summarized in Engineering Principles and Practices of Retrofitting Flood-Prone Residential Structures (FEMA 259). Additional examples of elevation techniques are outlined in Retrofitting and Flood Mitigation in Florida (DCA, 1995). Pictures and diagrams showing different
techniques and how elevation is accomplished are included in *Above the Flood: Elevating Your Flood Prone Home* (FEMA 347).

Re-use and retrofit of existing ground levels as elevated platforms has been done successfully in several communities. Proper retrofitting includes vacating the ground level, using flood-resistant materials, and either installing code-compliant flood openings (vents) or removing the walls for open space. The ground level is then used only for parking, building access, and limited storage.

Below-grade areas (basements) must be filled in order for the project to comply with NFIP floodplain regulations (see Section 11.5.2). Make sure specifications for the new foundations address the basement. Keep in mind that in order to install a drainage hole or to remove the basement walls, heavy equipment will need to access under the building. This could complicate the process and increase the cost of lifting the building because additional head-room is required.

*New foundations are to be designed by a registered professional. Designs must meet the flood resistant provisions of local code, as well as all other code requirements. Use Form GG to collect required site-specific information.*

### 12.3.2 Code-Required Upgrades

Check with your building permit department early in the process – elevating a building is likely to trigger several code requirements. More than likely, any aspects of a building that do not meet current code will have to be brought into compliance. You need to have these code requirements outlined in detail so that you can get a good cost estimate. However, it is important to note that FEMA’s mitigation grant funds will
only pay for upgrade to the foundation and floor system, not for all code-required upgrades.

Check with the Department to find out whether specific upgrades can be considered allowable costs. If not, they may be covered by CDBG funds, provided the project and owner are determined to be eligible. Otherwise, these costs are covered by the owner. Examples of code-required upgrades include:

- Replace substandard wiring;
- Replace substandard plumbing;
- Retrofit wind resistant elements (hurricane clips, hurricane shutters, roofing, etc.);
- Augment beams and floor joists; and
- Similar elements.

12.3.3 Accessibility – What is Eligible?

The mitigation grant will cover the cost of typical access to an elevated home. The typical access is by open stairs, often leading to a deck, landing, or porch. If the building will be elevated on solid perimeter walls, there may also be an interior or enclosed stairway.

The cost of a ramp for access is eligible in the grant if the current owner requires it for access. Occasionally, an owner may argue that not having handicap access will adversely impact future sales. This argument is not sufficient for the grant to pay for this upgrade, but you can offer the owner the opportunity to pay for upgrades during the construction.

Buildings and facilities to be elevated, except privately-owned residential buildings, are required to comply with the “Uniform Federal Accessibility Standards” and the costs are allowable project costs. Contact the Department if this requirement applies to your project.
12.3.4 Appearance of Elevated Homes

Whether something looks good is definitely “in the eye of the beholder.” People who are accustomed to homes close to the ground may not like the look of the same buildings elevated several feet above the ground. While physical, safety, and economic considerations may be driving your project design, property owners have other factors that come into play. Some communities find it helpful to develop sketches or show pictures of a typical elevated home so that owners have a clearer understanding of what their homes may look like.

If your community has a limit on the height of buildings, consider asking the zoning board for a blanket variance. Height limits usually are based on aesthetics – elevating to minimize flood damage is based on public safety.

The primary objective of an elevation project is to raise the base building to minimize future flood damage. Property owners understandably are concerned about porches and decks that are removed during the elevation. They will question how the new foundations will look, especially if siding has to be removed during the project. The grant will pay to replace in-kind, but not to “upgrade.” Be sure to include in handouts that explain the elevation project, a description of what the grant will pay for, and elements that it will not cover.

12.4 Prepare the Elevation Project Budget

In order to prepare a reasonable project budget that will give you enough funding to implement an elevation project without significant shortfalls or overruns, several allowable cost elements need to be estimated. Before you estimate costs for these elements, you will need to make some decisions about several of them:
How the project will be managed, in-house staff or hire an implementation manager?

Can in-house building code inspection staff handle the additional workload during construction, or will you hire construction inspection services?

What foundation types are expected to be used, or will the existing ground level be converted to a platform?

What are reasonable estimates for specific cost items listed on Cost Worksheet?

What temporary living expenses and storage costs will be reimbursed if the owner has to vacate during construction?

12.4.1 Specific Elevation Cost Elements

The Elevation Cost Worksheet is designed to help capture all allowable costs of a project so that the project budget will be sufficient to pay for the required work. Not all lines on the sheet will be completed for each proposed elevated building. For example, if a block foundation will be constructed under the raised house, then the line for “Drilling & Installation of Piers, Columns, or Piles” will be blank.

Decisions about the type of foundation have to be made before the Cost Worksheet can be completed with reasonable accuracy. Before construction, foundations will have to be designed for the specific site to address soils, anticipated flood conditions, and anticipated wind loads in accordance with the building code. The actual costs will depend on the final design for the site. However, for the purpose of the grant application, there are a number of ways to estimate the costs:

- The best way to get a complete cost estimate is to have the design prepared in advance, along with a detailed cost estimate. If the project is approved, the design costs can be counted towards the non-federal match. However, if for some reason it is not approved, those costs will not be reimbursed by the State or FEMA.

- Develop a description of the “average” house and ask one or more local contractors to provide a non-binding cost estimate. Without a specific foundation design, a contractor can only give you estimates. The key elements to include in the description are building footprint area (dimensions), number of stories, type of existing foundation...
(and whether there is a basement), proposed foundation type, approximate final height above ground, and site clean-up and stabilization.

- Order a copy of *Engineering Principles and Practices for Retrofitting Flood Prone Residential Buildings* (FEMA 259), and adjust nationwide average cost estimates. This approach is likely to yield the least reasonable estimates.

### 12.4.2 Non-Building Elements of Elevation Projects

Certain other costs are considered allowable project costs:

- The occupant has to vacate the home during elevation, which shouldn’t take more than several days to a couple of weeks. Reasonable temporary living expenses and storage of items that must be removed can be included in the budget. The contractor should specify what items are to be removed.

- The land around elevated homes will continue to flood. If existing septic tanks or drain fields are impaired due to flooding, then floodproofing or replacement costs may be included in the project budget. Contact local contractors to get non-binding estimates of these costs.

### 12.4.3 Sample Cost Worksheet

The Joint Application includes a worksheet designed specifically to develop a cost estimate for elevation projects. Look it over carefully to make sure you include estimates of all parts of your project. If you have questions about a cost item, first check Section 6.7 to see if it is an allowable cost, then call the Department if you still have questions. Section 6.12 covers estimating management and implementation costs.

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*Call the Department if you’d like additional guidance for estimating costs and an example of a completed Cost Worksheet for a typical elevation project.*
12.5 Prepare and Make Elevation Offers

12.5.1 Duplication of Benefits

The philosophy behind Duplication of Benefits, as explained in Section 9.6, applies to elevation projects: owners do not get paid twice for the same thing. What this means is the same DOB information has to be requested and a determination made. If the owner received an NFIP insurance claim payment or disaster assistance (EMR, IFG, SBA loan), then the determination must account for amounts that are not documented as paid for repairs (unless those repairs will be done by the same contractor and tracked as non-allowable costs). Typically, this is done by considering those amounts as part of the owner’s contribution toward the non-federal share of the project.

12.5.2 Determining the Owner’s Financial Contribution

For most elevation projects, the cost share that is required to match federal funds is provided by the property owner. Elevation projects result in improved property that generally increases in value, which makes it reasonable for the owner to cover the non-federal share.

Grants are reimbursable – owners must pay the contractor and work must be satisfactory – then requests for reimbursement are processed.

The owner’s financial contribution may include:

- The non-federal share of allowable costs. The grant will provide up to 75% of the allowable costs of the project, the remainder must come from acceptable sources, which may be a combination of Increased Cost of Compliance (NFIP flood insurance payment if building was substantially damaged), CDBG funds, homeowner loans, homeowner cash, contributions from charitable organizations, and others.
12.5.3 Prepare the Agreement with the Owner

The Agreement with the owner outlines the specific conditions of the project, including commitments the owner must make to fulfill conditions of the grant as well as the details of the negotiations. You may not be able to complete the Agreement until bids are received and accepted (see Section 12.6.3). Form II is a sample agreement that covers these key points:

- Commitment to provide complete information necessary for the Duplication of Benefits determination;
- Commitment to perform the work in accordance with the approved scope of work;
- Commitment to obtain and keep flood insurance;
- Restriction on modification and use of the area below the elevated building;
- Commitment to provide funds from approved sources as the non-federal match, in a estimated amount that is based on the cost estimate and estimate of other project costs (including specific work items that are not allowable under the grant);
Acknowledgement that funds may be recaptured under certain circumstances of non-performance;

Agreement to be fully responsible and indemnify the community and State from all liability;

Permission for designated persons to enter onto the property to conduct inspections; and

Commitment to vacate the home (if required by the contractor) in a timely manner to facilitate the start of work and for the duration of the actual work.

12.6 Contracting for Services

For most elevation projects the community does not hire the contractor. Because the work is being done on private property, the individual property owners hire the construction contractor. However, most communities are involved in this process, because they are responsible to the State and FEMA for proper administration and use of the grant funds.

Communities that are going to work with a large number of elevations should consider the workload and the effectiveness of contracting for project management services. Review all of the functions that have to be accomplished to decide how best to go about it. See Section 5.3 for more about hiring an outside project manager.

12.6.1 The Community’s Role

In most elevation projects, each property owner will have his or her own contract for the actual raising of the house and construction of the new foundation. However, it is in the community’s best interest to be involved in the selection and contracting process. The community may be involved in a number of ways:
- Provide the property owner with a standard contract and specifications for the contractor (Form GG).
- Provide the property owner with a detailed foundation design and specifications.
- Develop a list of qualified contractors, perhaps through the local solicitation process. This will not only result in a list of contractors, it should improve the quality of the cost estimates provided to each property owner because it gives the community an oversight role.
- Review the cost estimate provided to the property owner by bidders for reasonableness and to identify items that may not be reimbursed under the grant and therefore should be listed separately.
- Review the contract between the owner and the contractor prior to signing.

Another approach is for the communities to hire the elevation/foundation contractor and treat each house as a separate task order. While this approach has some benefits, one complication that needs to be considered is how the property owner’s funds (if required as all or part of the non-federal match) will be handled.

12.6.2 The Details of the Scope of Work
Sometimes one contractor can handle both foundation design and the construction. Alternatively, you may decide to separate the functions, in which case the design contractor could also perform construction inspection.
Check on-line at www.buildingmovers.com for a list of some contractors who specialize in relocating structures. Elevation is a form of relocation, so these contractors may be interested in bidding on your project. Some projects involve a house mover to raise the building and a foundation contractor to build the new foundation. Always check the qualifications of contractors who submit bids.

There are two parts to the work: The foundation design (if not done by the community), and the actual construction. Key points to be covered in the scope of work that the owner uses to obtain a bid need to address each part, as follows:

**Foundation Design.** New foundations are to meet appropriate building code and floodplain management requirements. The scope of work for the foundation design contractor must include:

- Inspection of the existing building to determine soundness with respect to the proposed elevation-in-place or conversion to an elevated platform (Form GG);
- Existing below-grade areas (basements) must be filled in;
- Foundations are to be designed based on site-specific conditions, including such factors as soils, wind loads required by the building code, and flood loads;
- Foundations are to provide for the lowest floor, including basement, to be elevated to the height specified in the community’s floodplain management ordinance or building code;
- Foundations that include enclosures below the elevated lowest floor are to meet the flood openings requirement and are to be unfinished or flood-damage resistant materials are to be specified;
- Enclosures below elevated buildings are to be designed for use only for parking, building access, or limited storage;
- Electric service to enclosures is to be at or above the minimum base flood elevation;
- Ground levels that are converted to elevated platforms are to be retrofit as an open foundation or treated as an enclosure (flood openings, flood resistant materials, limitations on use);
- Construction specifications are to be provided;
- Cost estimates are to be prepared based on reasonable costs for the area, with allowance for construction to take place at least 6 months from the date of the estimate, to allow time for the grant process and negotiations with the property owner; and
- If the design contractor is to conduct inspections, include details as to anticipated frequency of construction inspections, including collection of the Elevation Certificate from the construction contractor.

Foundation designers may want to obtain a copy of *Flood Resistant Design and Construction (ASCE 24-98)*. This standard, developed with FEMA, outline basic design requirements for foundations, as well as criteria for flood hazard areas with waves, high velocities, erosion risk, and debris impacts.

**Construction.** Some key responsibilities of the construction contractor include:

- Obtain the demolition permit to remove the existing foundation. The Florida Department of Environmental Protection’s “Notice of Asbestos Renovation or Demolition” is required and must be completed by the contractor. [Florida Statute 403]
- Obtain the building permit (which should be expedited by the community).
- Coordinate with the appropriate utility companies and the community to turn off and disconnect all utilities (electricity, gas, water, sewer).
- Pay all fees associated with debris removal.
- Proper handling of septic tanks and water wells, in accordance with applicable regulations. [Florida Administrative Code Chapters 40A-3 and 64E-6]
- Advise the owner and community of any changes that may increase costs or reduce costs.
- Provide an estimate of the period of time the owner must be out of the home.
- Detail furnishings and personal goods that are recommended for removal during the actual elevation work.
- Provide an as-built Elevation Certificate to verify that the home was property elevated as specified in the contract.

### 12.6.3 Obtain Bids and Complete the Agreement

After obtaining and reviewing bids, you and the owner will select the best contractor for the job. While price is a significant factor, make sure the selected contractor is fully qualified. Once the details of the cost are worked out, the cost estimate is to be sent to the Department for concurrence before you execute the Agreement with the owner.

After the Department concurs with the cost estimate, finish preparing the Agreement with the cost elements and the appropriate cost share arrangement with the owner. Remember, unless you have obtained other funds, such as CDBG for eligible property owners, the owner is responsible for the non-federal share of allowable costs, as well as all unallowable cost. Unallowable costs include certain upgrades that may be requested. Section 12.5.2 outlines determining the owner’s contribution.

### 12.7 Constructing the Elevation Project

#### 12.7.1 Inspections

A local building permit is required to elevate a building, whether on a new foundation, an extension of the existing foundation, or by converting the ground level to an elevated platform. The local building official
should schedule and conduct regular inspections, and evidence of inspections is required as part of the backup information in the project file.

Communities that are considering elevation projects involving many homes may want to consider whether current inspection staff can handle their existing workload in addition to the demands of the project. Some communities combine the construction inspection functions as part of the foundation design contract, or procure it as a separate service. Both options make the costs allowable under the grant. Form HH outlines specifications for hiring construction inspection services.

12.7.2 Elevation Certification
The objective of an elevation project is to raise houses to the minimum elevation required in the local floodplain management ordinance. Evidence that this objective was met must be submitted. It is also required for sign-off of the local building permit. As specified in the contract, the contractor is to provide a completed and sealed Elevation Certificate. The best time to shoot the elevations is as soon as the floor elevation is set. This way, errors may be corrected quickly and without extraordinary expense.

The “as-built” Elevation Certificate must be submitted to the Department with the request for final inspection and reimbursement.

12.7.3 Site Stabilization
The ground around buildings that are elevated-in-place will be disturbed by the equipment needed to do the work, and in some cases, trees and plantings may have been relocated during construction. The purposes of site stabilization are to minimize erosion and to return the area to a useable condition, similar to what it was like before the project. The
work can include removal of excess earth, smooth grading of disturbed areas, and placement of topsoil, seeding and mulching.

Check with the Department to determine the eligibility of the costs to replace or restore landscaping that was disturbed for construction during elevation. A case-by-case review will be made when you submit the application.

**12.8 Requesting Funds and Closeout**

All grants are reimbursable. The contractor invoices the property owner and the owner pays the contractor. The property owner then submits a reimbursement request to the community, which either has already inspected the work or must do so before payment. When the work is deemed acceptable, the community requests payment from the Department and then reimburses the owner. The whole process may take 4+ weeks. Check with the Department to make sure you understand the most efficient way to request release of funds.

**12.8.1 Requesting Funds from the Department**

You will process requests for reimbursement by the Department in accordance with the provisions of the Subgrantee Agreement. You must get copies of receipts, invoices, and payments from the owner. As with all grants, you must:

- Provide receipts; and
- Certify satisfactory completion of the work.

**12.8.2 Disbursing Funds to Owner/Contractor**

As the subgrantee, the community is responsible for the financial management of the grant. There are at least two approaches to handling payments:

- **Owner fronts payment.** This is the most common approach. When work has been completed (whether in whole or in part), the owner will pay the contractor and submit the paid invoice and receipts to the community. The invoice, Elevation Certificate, and inspection reports indicating the work is acceptable are submitted to the
Department for reimbursement. When the community receives funds, it reimburses the owner.

- **Contractor accepts delayed payment.** When the work is completed (in whole or in part) and inspected, the contractor submits a joint invoice to the owner and community. The invoice and Elevation Certificate are submitted to the Department for reimbursement, and when the funds are available to the community, the community writes a check to be co-signed by the owner and the contractor.

### 12.8.3 Closeout the Elevation Project

There are two parts to closeout of an elevation project:

- **Each property.** One part takes place as each individual home is completed. The contractor must leave the work site clean and stabilized, provide an as-built Elevation Certificate, signoff on completion, and submit a detailed invoice (especially if the owner requested work items that are not covered by the grant). The inspector must signoff that the work at each house is completed.

- **Whole project.** The final closeout occurs when all homes covered by the grant are completed. This closeout follows the process described for acquisition projects (Chapter 13). The Department will conduct a final inspection and work with the community to closeout the financial books, including dealing with overruns or underruns.

More details on closing out projects and handling overruns and underruns are covered in Chapter 13.
13. Closeout & File Inspection
13.1 Overview

There are several basic things that the Department and FEMA do to close out a project:
- They come to agreement that the project is ready to be closed out;
- A reconcilement or adjustment of project costs is prepared;
- The site is visited and a final inspection report prepared;
- The final progress report is submitted; and
- The project is closed out in the programmatic and financial systems.

13.2 Project Closeout

Upon project completion, after the last house is acquired or elevated, you will notify the Department by submitting a final quarterly report to certify completion and to request a final inspection. The Subgrantee Checklist for Final Inspection/Close-Out (Form Y-2) and the Department’s Project Closeout Checklist (Form Z) outline all the paperwork you need to have prepared and available for the final inspection.

During the final field inspection (see Section 11.6):
- For acquisition projects, the Department will check all acquired lots to make sure all improvements are removed and the lots are stabilized.
- For elevation projects, the Department will review Elevation Certificates to verify the proper elevation, and visit sites to determine that work was completed.

During the final closeout office visit, the Department may check your project files and individual Property Case Files for the following documentation:
- Copies of procurements and contracts;
- Copies of public notices and advertisements;
- Account balance sheets, reimbursement documentation, front/back copies of all checks, and closing statement;
- Voluntary Transaction Agreement appraisals, Determination of Compensation (including DOB);
- Property deeds, with restrictions;
- Maintenance agreements;
- Demolition permits and photographs of cleared sites;
- Project Completion Certificate (Form Y-1); and
- Subgrantee Checklist for Final Inspection/Close-Out (Form Y-2).

The Department’s “Interim/Final Inspection Report” will be completed during the inspection visit. You may get a list of corrections or inadequacies that must be addressed before closeout.

The second step in closeout is the final financial accounting. As part of the final reimbursement request, you will summarize any overrun or underruns. Before the Department can approve the final payment, you must respond to all inquiries and requests for follow-up information or action.

### 13.3 Cost Overruns

A cost overrun is an unanticipated increase in the cost of performing the approved project. Grants are awarded based on cost estimates, and actual costs are likely to deviate from estimates. Throughout project implementation you and the Department will monitor funds with respect to adequacy to cover the approved project. Because grant funds are limited, there is a good chance that additional funds may not be available to cover overruns. This makes it all the more important that the project budget submitted as part of the grant application includes realistic estimates of all project costs.

Cost overruns are determined for the project as a whole, not for each component. You may have estimated low on one component, but high on another. For example, the estimate to acquire one home may have been low, but the higher actual costs may be offset by savings elsewhere in the project budget.
A change that expands the scope, for example elevating 6 rather than 5 homes, is not justification for a cost overrun. However, with the Department’s approval, if you originally proposed acquiring 5 homes and only 4 decided to sell, the funds for the 5th house can be used to cover overruns. Scope changes must be approved by the Department and FEMA.

13.4 Cost Underruns

A cost underrun is an unanticipated decrease in the cost of performing the approved project. Occasionally, the project cost estimates may have been high, resulting in “extra” grant funds. This may happen, for example, if the costs to acquire were estimated without considering deductions for Duplication of Benefits or insurance claims that ended up lowering the cash required to close the sales. Another example would be if a contractor’s bid comes in lower than anticipated because the estimate was based on unit price and the contractor achieves savings, for example by scheduling demolitions in groups rather than one at a time.

The Department has an interest in tracking cost underruns because unused funds may be reallocated to other projects.

13.5 Recapture of Funds

Communities that have had funds recaptured due to non-performance or other problems will be ineligible for future grant funding for a 5-year period. FEMA may move to recapture funds if it determines that:

- The appropriate matching funds have not been provided;
- The project has not been completed as approved or within the timeframe allowed; or
Funds have been used for purposes that were not allowed or approved.

13.6 Single Audit Act

Communities that receive over $300,000 in total funding from Federal programs within their own fiscal year, may be asked to provide a copy of the independent, outside audit performed under OMB Circular A-133, revised (Single Audit Act of 1984, as amended).

Among the assurances that your community agrees to when it executes the Subgrantee Agreement is to maintain an audit trail. You are required to retain all backup documentation, including invoices, canceled checks, records for each property included in the project, and engineering certificates, if applicable. Backup documentation is not submitted with any progress report or the final report, but it is retained and must be accessible to the Department or FEMA in the event of an audit.
Appendix A: Frequently Asked Questions (FAQs)

1. FAQ for Communities
2. FAQ for Property Owners
3. FAQ for Elected Officials
4. FAQ for Tenants
5. More FAQ for Property Owners (Duplication of Benefits)
More Answers to Questions
Communities may have about Floodplain Buyout Projects

Is our community eligible to receive a mitigation grant for a floodplain buyout project?
There are two key criteria for communities to be eligible to receive funding. One is to be willing and able to make certain assurances about the project, including managing implementation, coordinating with property owners, and accounting for all funds. The other is that you must be participating in, and in good standing with, the National Flood Insurance Program. Check with your planning or permit office to find out. Certain non-governmental organizations may apply for mitigation funds – check with the Department to find out more.

What grant money is available to help?
There are two primary sources of federal financial support. One, called the Hazard Mitigation Grant Program (HMGP), is available only after major disasters that are declared by the President. The other is the Flood Mitigation Assistance Program (FMA), which provides a steady source of funding for projects that mitigation buildings that are insured by the National Flood Insurance Program. There are other sources, such as CDBG, that often are used as the non-federal match.

What do we do to plan a project?
First, projects must be supported by the Local Mitigation Strategy developed by your county and the participating towns and cities. Second, there are many aspects of buyout projects that should be carefully considered before you get very far into preparing a grant application. The way you manage the project, how you use the land that is acquired, and several other elements, can affect the overall cost of the project.

How will a floodplain buyout help our community?
A buyout permanently removes people and property from harm’s way - you’ll have fewer people at risk, fewer evacuations to make, fewer people in temporary housing, and fewer cleanup headaches after the next flood.

How can the purchased land be used when the project is finished?
Purchased land is kept as open space to carry and store flood water. If a large enough area is bought out, it can be used for public recreation, open space, wetlands management, greenways, or natural habitat enhancement. Even small parcels can be used, for example as neighborhood playgrounds.

When do we apply? How long does it take to get the grant?

What can be done to speed things up?
The State will notify you when funds become available, usually within 30 days of a disaster (HMGP), or each January (FMA). Although there are differences for each funding source, typically it takes 6-9 months to get an application prepared and approved by the State and FEMA. The best way to help things move quickly and smoothly is to prepare a complete application. The State has developed a Handbook for Floodplain Acquisition and Elevation Projects that covers the whole process. You can also call the State to talk to someone who is familiar with projects and who can answer your questions.

Who makes the decisions on the grant application?
The final approval, including obligation of funds, comes from FEMA. However, the State handles the detailed review of the application, and will work with you to complete missing information. The State looks at whether the project will be feasible, cost effective, and whether it has any adverse environmental impacts, including impacts on historic buildings. When the State has finished the review, it prepares a summary and recommendation for approval by FEMA.

What are the most important things to tell people right after a flood?
Without a doubt, if your community is considering a buyout or elevation project then the single most important thing to tell damaged homeowners is to save all paperwork! They need to save copies of all disaster assistance grants or loans they received. And most important, they need to save all receipts for repairs. If you’re not sure whether you’ll pursue a project, then don’t make any promises. In any case, be realistic that applying for and getting mitigation grants takes time.

Contact DCA for more information:
(850) 413-9884
Right after the flood I was told to keep all of my paperwork, including receipts for materials and repairs. Why?

If your community has decided to apply for a grant for a Floodplain Buyout Project, then there are several rules that must be followed. One of those rules, a federal law, says that people can't get paid twice for the same thing. So, if you received a loan or grant to make repairs to your home but used the money for something else, then that has to be taken into consideration when determining what you will get if your home is purchased. The best rule of thumb is to keep copies of everything!

Why was my house selected for buyout?

Communities use different factors when they decide to buyout floodplain homes. You can check with your local project contact person (see below) to find out the details. Usually, factors that are considered include whether homes have been flooded more than once, how bad the damage was, how deep water is predicted to be inside homes, whether the acquired land may be used for recreational or other purposes, and other factors. Most floodplain buyout projects don't have enough money to buy all properties in the floodplain. So, keep in mind that if you decide not to sell, the money will be used for other homes.

How do I apply to be bought out?

After your community decides on the homes it would like to buy the owners will be contacted. You might be asked to come to a public meeting, or you may be able to meet one-on-one with someone to help answer your questions. There really isn't an “application” form, but you will be given several forms that must be completed, including a statement that you are participating voluntarily. If you are interested, fill them out and return them quickly. You will never be forced to sell, and you can decline at any time. But remember, you flooded before and more than likely you will flood again.

Does the buyout offer depend on how much I make?

No. The government programs that provide grant funds for the Floodplain Buyout Project require that you be offered Fair Market Value (see below for an explanation of how the purchase price will be determined). It doesn’t matter how much you make. What matters is that the project be ‘cost effective,’ which means the cost of buying floodplain homes is less than anticipated future damage if the homes are not bought.

I'm not sure I want to sell. How will this help my family? How will it help my community?

If you've had to repair and clean up after one flood, then you know it is hard work and expensive. And even if you have flood insurance, it didn't cover all of your costs. Plus, money can't replace damaged personal property, especially things that have special meaning. Selling your home and moving out of the floodplain will help your family because you won't be exposed to flood risks. It will help your community because there will be fewer people to evacuate, fewer people to put in temporary shelters, fewer people who need emergency services. Plus, if the land is going to be used for open space, a greenway, or compatible recreational uses, then everyone benefits!

Who will pay the closing costs?

Check with your community’s project manager, but more than likely most of the closing costs will be paid by the community out of the grant. There are some costs that, by law, you must pay, but they are fairly small compared to the overall cost of closing.

How will the purchase price be determined?

The Floodplain Buyout Project is intended to give property owners fair prices. To determine what is fair, a certified Real Estate Appraiser will be hired (at no cost to you) to prepare a Fair Market Value appraisal. The value will be based on the size and condition of the property and home. Most communities decide to value property “pre-flood,” which means the value that the property had the day before the last flood, assuming it didn’t flood.

What do I do if I disagree with the purchase price?

First, keep in mind that the rules for the Floodplain Buyout Project are very clear – you will be offered a fair purchase price based on a certified Real Estate appraisal. You will get a copy of the appraisal and you should look at it very carefully to make sure that it accurately shows your home and land. Obvious errors – such as the wrong number of rooms or wrong size lot – will be corrected. If you simply disagree with the appraised Fair Market Value, then you may pay to have another appraisal prepared. Check with your community first, because the Real Estate Appraiser you hire must use the same guidelines. If there is a difference between the two appraisals, your community may adjust the purchase price.
How long will it take before my house is bought?
Unfortunately, most Floodplain Buyout Projects take longer than most of us would like. Every project will be different and several factors influence how long each project will take. The typical project takes 10 to 12 months to get approved by the State and the Federal Emergency Management Agency. And after that, it can take anywhere from 12 to 18 months to get land surveys done, appraisals prepared, paperwork completed, and buyout offers made. Check with your community contact to find out how you can keep track of the status of the project.

Why should I buy flood insurance if I'm going to sell?
If more than a year could pass before you actually get a buyout offer – much less accept it and move – then there is a reasonable chance that another flood could happen. Plus, if another flood causes damage then the claim payment will reduce the overall cost of the Floodplain Buyout Project. You will still get the same pre-flood purchase price, but less of your community’s money will be needed.

After FEMA approves the project, can the money be taken back?
No, once a project is approved the money is ‘obligated,’ which means it is committed to the project, it will not be taken back. The only ways that money could be taken back would be if homeowners decide not to sell, if the community decides to abandon the project, or if the project is not handled according to the rules.

Who do I call if I have other questions?
Community contact:

Community contact:
Answers to Questions Frequently Asked by Elected Officials about Floodplain Buyouts

How is a floodplain buyout good for my community?
A buyout permanently removes people and property from harm's way - you'll have fewer people at risk, fewer evacuations to make, fewer people in temporary housing, and fewer cleanup headaches after the next flood. Purchased land is kept as open space to carry and store flood water. If a large enough area is bought out, it can be used for public recreation, open space, wetlands management, greenways, or natural habitat enhancement.

How will a floodplain buyout affect our tax base?
Some properties will be taken off the tax roles, but homes that flood often don't increase in value as much as other homes, especially as more buyers become aware of the likelihood of future flooding. Plus, owners who sell will receive pre-flood fair market value, and under some circumstances they may get additional help to buy comparable homes. Most sellers try to stay in the same community.

What factors can be considered to prioritize homes to be bought out?
The two most common factors are frequency and severity of flooding. Some home flood every few years, and even though they don't suffer major damage each time, they are costly to everyone - the owners as well as local, state, and federal governments. Homes that have been severely damaged (the "50% rule") usually are high on the priority list.

There are other factors that can be considered as your community plans a project, including re-use of open space, likelihood of outside funding for the non-federal match, primary versus secondary homes, length of time it takes for floodwaters to recede, and others.

What commitments do I need to be prepared to support?
Floodplain buy-out projects need political support, financial support, and the support of citizens. Plus, someone on your staff will be the Point of Contact and will have quite a bit of contact with property owners. Depending on the size of your project and whether you decide to hire a specialist to help manage implementation, this person may be involved in the project for a year or more.

What should I say when our citizens ask if we'll buy them out?
Number One on this list is what you should not say. Do not commit to a buyout too early in the process. Several factors have to fall into place, including whether federal funds will be available, whether your community will have the required non-federal match, how your project is ranked by the Local Mitigation Strategy, and - importantly, whether the property owners are willing to sell.

The best thing to say early on is that your community is going to work on defining a project and, if funding is available and if there is enough interest from property owners, then you will apply for a grant. Even though people are anxious, they need to know that it may take 6 to 9 months or more to get solid answers. And lastly, it is always a good idea to encourage people to get flood insurance, even while waiting for a grant, because another flood can happen in the meantime.

What is DOB and what do I tell our citizens? Give me the short answer.
The most important thing to tell flood victims is to keep receipts for all materials and repairs. And because projects can take a long time to develop, urge that they keep receipts for at least three years.

DOB is "duplication of benefits" and it means that people don't get paid twice for the same thing. The purpose of a buyout is to make a fair purchase offer to the owner. So, if the owner gets a disaster grant for repairs, or a flood insurance payment, then any money not actually spent on repairs will be deducted from the pre-flood fair market value (buyout price). Think about it. If someone got disaster assistance to repair and then spent it on something else while leaving the home unrepaired, then the pre-flood fair market value of the home should be reduced by the amount of money that was supposed to have been used for repairs but wasn't. So, the most important thing is - keep receipts!

Right after a flood, what are the most important things for me to keep in mind?
In the aftermath of a big event it's easy to over-commit. Remember that many things have to fall into place before you can tell homeowners with certainty that a buyout project will become a reality. First, remind people that while you will pursue funding, both the State and FEMA have to approve projects. Next, a successful project depends on voluntary participation by owners and there may not be enough money to buy everyone who was damaged. Also keep in mind that a buyout project takes time and work, but the end result is very satisfying the next time the water rises and fewer people are impacted.

Resources:
Handbook for Floodplain Acquisition and Elevation Projects, Florida DCA.
Answers to Questions Tenants may have about the Floodplain Buyout Project

Why is my landlord selling?

If you were renting the home when the last flood occurred, then you know that it is hard to recover. After recent floods which damaged several homes, our community decided to look at ways to reduce future flooding. We decided to apply for a grant to help buy certain properties. If the home you are renting is on the buyout list, then your landlord (property owner) may agree to the purchase. The home will only be purchased if your landlord voluntarily participates – no one will be forced to sell.

What types of assistance are available?

There are three types of assistance available for eligible tenants if their landlords decide to be part of the floodplain buyout project:

- Reasonable out-of-pocket moving expenses.
- Payment for reasonable increases in rent and utility costs.
- Relocation advisory services to help you find another home.

How do I find out if I’m eligible?

If the home you are renting is your primary residence, and if it is part of the floodplain buyout project, then you might be eligible for assistance if you –

- Lived in the home for at least 90 days before we began negotiations with the landlord.
- Rent or buy a decent, safe, and sanitary replacement home within one year after moving out of this rental home.

If I’m eligible, how much assistance will I get?

The amount you get will depend on your expenses, but it will not exceed $5,250. For each type of assistance there is a different way to figure out how much you’ll get:

- For moving expenses, you will either have to show receipts for actual costs paid to move (packing, transportation, etc.), or you can choose to move yourself be paid a fixed amount established for Florida.
- For increases in rent and utility costs, you will have to show use a copy of your current lease and receipts for utilities. Then, when you find a new rental home you will have to show us how much the new rent will be, and an estimate of your new utility bills. We will determine the difference, and you may be paid up to 42 times the difference.
- Relocation advisory services may be available to help you find a new rental home. You do not get paid anything for this assistance. Housing counselors can help find available rental units, arrange for transportation for you to see the units, and help you find other assistance if necessary.

Remember! The total of moving expenses and rent increases cannot exceed more than $5,250, and in some cases, the total will be less than that.

I rented after the flood. Will I still qualify for assistance?

If you are eligible as described above, then you may get assistance. The key is whether you have lived in the unit for at least 90 days before we began negotiations with the property owner. If you rented after we began talking about the buyout, then more than likely you will not qualify.

How much notice will I get before I have to move?

As soon as the property owner indicates a definite interest in the buyout we will send you a notice giving you at least 90-days to relocate. We will order an appraisal of the property, so someone will contact you if the appraiser needs to get inside the unit for that purpose. Remember to contact us at the number below to find out if you are eligible for relocation assistance, and don’t wait until the last minute to move. We will send another notice at least 30-days before the date that you will have to move.

Who do I call if I have other questions?

For general questions, call __________.
For questions about relocation assistance, call _____.

For increases in rent and utility costs, you will have to show use a copy of your current lease and receipts for utilities. Then, when you find a new rental home you will have to show us how much the new rent will be, and an estimate of your new utility bills. We will determine the difference, and you may be paid up to 42 times the difference.
More Answers to Questions
Homeowners may have about the Floodplain Buyout Project

What is Duplication of Benefits?

The simplest way to explain it is that you will not be paid twice for the same thing. This is a federal law. To make sure that you get a fair buyout price, and to safeguard taxpayers money that is being used for the Floodplain Buyout Project, we have to check to make sure that the total assistance you receive (including the buyout price and all disaster assistance and insurance payments made for repairs) does not exceed the Fair Market Value of your property. You won’t be paid more than your property is worth. Please keep in mind that we will value your property as pre-flood— we will assume that it was not damaged.

OK, that sounds reasonable. But suppose I have spent the disaster assistance and/or flood insurance payments?

- Some disaster assistance is specifically to help you perform repairs. If you spent the money on repairs and if you kept receipts, then we will not make a deduction because you reinvested the money into the home in line with the reason you got it in the first place. BUT, if you spent the repair money for something else (or if you didn’t keep receipts to prove you did repairs), then we will have to deduct the amounts from your buyout price. Note that the amount deducted will be the amount to repair “in-kind.” This means if you paid extra to replace something with a higher cost item, you may be credited only with an amount equal to what it would have cost to repair “in-kind.”
- Insurance claim payments often come in two parts— one part is to pay for loss of your personal property (clothes, furniture, etc.), the other part is to pay for the damage to the home (walls, floors, major appliances, etc.). The part for personal property will not be deducted from your buyout price. If you spent the part for damage to the home on in-kind repairs and if you kept receipts, then we will not make a deduction because you reinvested the money into the home.

I understand that the buyout offer for my property will be based on an appraisal of its pre-flood Fair Market Value. So how will you decide how much will be subtracted because of “Duplication of Benefits?”

We will prepare a statement that shows you all the details, and we will meet with you to explain it to make sure you understand how it all adds up. These are the steps we will take:

- We need your permission to let FEMA and the State give us data about disaster assistance and flood insurance payments paid to you. Without this permission we cannot include your home in the project.
- We will talk with you to learn more about your property, the type of damage you had, and the disaster assistance and insurance payments you received. You will be asked to certify the information, so be sure to keep good records.
- We will get a certified appraiser to determine the pre-flood Fair Market Value of your property. You can review this appraisal, and if you don’t agree with the value then you can pay to have another appraisal done, which we will consider when deciding the buyout price.
- We will ask you to provide us copies of all your receipts for repair work that you did using the money from disaster assistance and insurance payments. If you have receipts, we will not subtract those amounts from the Fair Market Value. If you used the money for something else, or if you do not have receipts, we will subtract that amount from the Fair Market Value.

I know what you mean when you say “insurance payments,” which I get if my home was covered by insurance. But you keep saying “disaster assistance payments.” How do I know if I got any of those payments?

First, keep all of your paperwork. Keep records of any assistance you get, and keep receipts for repairs and for your temporary rental housing. We know you have a lot to deal with right after a flood, but this is one of the most important things you can do to protect your investment, especially if we decide to do a Floodplain Buyout Project.

Disaster assistance comes in three forms, and you may gotten any of these:

- FEMA Disaster Housing Program. Some Disaster Housing Program grants are for home repairs, and some are to give you rental...
assistance while you’re out of your home. Grants for home repairs will be considered when we look at the Duplication of Benefits.

- Individual & Family Grants (IFG). These grants are made by the State to help cover housing needs and home repairs. Only the part of the grant that is specifically for repairs will be considered.
- Hazard Minimization Funds. In addition to the Housing grants and the IFG funds, these grants may be given to help implement measures to reduce future flood damage.

I received a disaster loan from the Small Business Administration (SBA). How will I pay it off if my house is part of the Floodplain Buyout Project?

SBA loans must be paid off, but they are handled differently than disaster grants and insurance payments. There are different ways SBA loans are handled, in part depending on the type of loan:

- If you have not yet spent the money from an SBA loan given to make repairs, then you must use it to pay off the loan.
- If you have used it, then the SBA loan will be treated just like any other lien against your home. It will be paid off from the proceeds of the sale of your home. At settlement, your mortgage loan will be paid and so will the SBA loan. You will get a check for what is left, but you will no longer have an SBA loan to pay.
- In some rare cases, especially if you have spent the money to repair the home (and have receipts) an SBA loan may be “rolled” over to your new home if the proceeds from the sale aren’t enough to pay it off. This could happen, for example, if what you owe on your mortgage plus the SBA loan add up to more than the Fair Market Value (buyout price) of your home. This is a very unusual situation.
- If you got an SBA disaster loan to purchase a new home, then SBA will take the flood-damaged home as additional collateral. Then, when we buy your damaged home, SBA will release it from the mortgage, even if the sales price doesn’t cover the entire balance.
Appendix B: Statutes & Regulations and Definitions

1. Statutory Authority: 404 Hazard Mitigation Grant Program
2. Federal Regulations: 404 Hazard Mitigation Grant Program
3. Statutory Authority: Flood Mitigation Assistance Program
4. Federal Regulations: Flood Mitigation Assistance Program
5. Definitions
Appendix B. Statutes & Regulations and Definitions

Statutory Authority: 404 Hazard Mitigation Grant Program

From: Robert T. Stafford Disaster Assistance and Emergency Relief Act (as amended) 42 U.S.C. 5121, et seq.

(Sec 404) 5170c. Hazard Mitigation

(a) In General.

The President may contribute up to 75 percent of the cost of hazard mitigation measures which the President has determined are cost-effective and which substantially reduce the risk of future damage, hardship, loss, or suffering in any area affected by a major disaster. Such measures shall be identified following the evaluation of natural hazards under section 5176 of this title and shall be subject to approval by the President. The total of contributions under this section for a major disaster shall not exceed 15 percent of the estimated aggregate amount of grants to be made (less any associated administrative costs) under this chapter with respect to the major disaster.

(b) Property acquisition and relocation assistance.--

(1) General authority.

In providing hazard mitigation assistance under this section in connection with flooding, the Director of the Federal Emergency Management Agency may provide property acquisition and relocation assistance for projects that meet the requirements of paragraph (2).

(2) Terms and conditions.

An acquisition or relocation project shall be eligible to receive assistance pursuant to paragraph (1) only if--

(A) the applicant for the assistance is otherwise eligible to receive assistance under the hazard mitigation grant program established under subsection (a) of this section; and

(B) on or after December 3, 1993, the applicant for the assistance enters into an agreement with the Director that provides assurances that--

(i) any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;

(ii) no new structure will be erected on property acquired, accepted or from which a structure was removed under the acquisition or relocation program other than--

(I) a public facility that is open on all sides and functionally related to a designated open space;

(II) a rest room; or

(III) a structure that the Director approves in writing before the commencement of the construction of the structure; and

(iii) after receipt of the assistance, with respect to any property acquired, accepted or from which a structure was removed under the acquisition or relocation program--

(I) no subsequent application for additional disaster assistance for any purpose will be made by the recipient to any Federal entity; and
(II) no assistance referred to in subclause (I) will be provided to the applicant by any Federal source.

(3) Statutory construction

Nothing in this subsection is intended to alter or otherwise affect an agreement for an acquisition or relocation project carried out pursuant to this section that was in effect on December 3, 1993.
Sec. 206.430 General.

This subpart provides guidance on the administration of hazard mitigation grants made under the provisions of section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5170c, hereafter Stafford Act, or the Act.

Sec. 206.431 Definitions.

(a) Applicant means a State agency, local government, or eligible private nonprofit organization, as defined in subpart H of this part, submitting an application to the Governor’s Authorized Representative for assistance under the Hazard Mitigation Grant Program.

(b) Application means the initial request for section 404 funding, as outlined in Sec. 206.436.

(c) Grant means an award of financial assistance. The total grant award shall not exceed ten percent of the estimated Federal assistance provided under section 406 of the Stafford Act for major disasters declared before June 10, 1993. For major disasters declared on or after June 10, 1993, the total grant award shall not exceed 15 percent of the total estimated Federal assistance (excluding any associated administrative costs) provided under sections 403, 406, 407, 408, 410, 411, 416, and 601 of the Stafford Act.

(d) Grantee means the government to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award document. For purposes of this part, except as noted in Sec. 206.436(g)(1), the State is the grantee.

(e) Measure means any mitigation measure, project, or action proposed to reduce risk of future damage, hardship, loss or suffering from
disasters. The term measure is used interchangeably with the term project in this part.

(f) Project means any mitigation measure, project, or action proposed to reduce risk of future damage, hardship, loss or suffering from disasters. The term project is used interchangeably with the term measure in this part.

(g) Section 409 Hazard Mitigation Plan is the hazard mitigation plan required under section 409 of the Act as a condition of receiving Federal disaster assistance under Public Law 93-288, as amended. This hazard mitigation plan is the basis for the identification of measures to be funded under the Hazard Mitigation Grant Program.

(h) State Administrative Plan for the Hazard Mitigation Grant Program means the plan developed by the State to describe the procedures for administration of the Hazard Mitigation Grant Program.

(i) Subgrant means an award of financial assistance under a grant by a grantee to an eligible subgrantee.

(j) Subgrantee means the government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided. Subgrantees can be a State agency, local government, private non-profit organization, or Indian tribe as outlined in Sec. 206.434.

(k) Supplement means an amendment to the hazard mitigation application to add or modify one or more mitigation measures.

Sec. 206.432 Federal grant assistance.

(a) General. This section describes the extent of Federal funding available under the State’s grant, as well as limitations and special procedures applicable to each.

(b) Limitations on Federal expenditures. The total of Federal assistance under section 404 shall not exceed 15 percent of the total estimated Federal assistance (excluding any associated administrative costs) provided under sections 403, 406, 407, 408, 410, 411, 416, and 601 of the Stafford Act. The estimate of Federal assistance under these sections shall be based on the Regional Director’s estimate of all Damage Survey Reports, actual grants, mission assignments, and associated expenses.

(c) Cost sharing. All mitigation measures approved under the State’s grant will be subject to the cost sharing provisions established in the FEMA-State Agreement. FEMA may contribute up to 75 percent of the cost of measures approved for funding under the Hazard Mitigation Grant Program for major disasters declared on or after June 10, 1993. FEMA may contribute up to 50 percent of the cost of measures approved for funding under the Hazard Mitigation Grant Program for major disasters declared before June 10, 1993. The nonfederal share may exceed the Federal share. FEMA will not contribute to costs above the Federally approved estimate.
Sec. 206.433 State responsibilities.

(a) Grantee. The State will be the Grantee to which funds are awarded and will be accountable for the use of those funds. There may be subgrantees within the State government.

(b) Priorities. The State will determine priorities for funding. This determination must be made in conformance with Sec. 206.435.

(c) Hazard Mitigation Officer. The State must appoint a Hazard Mitigation Officer, as required under 44 CFR part 206 subpart M, who serves as the responsible individual for all matters related to the Hazard Mitigation Grant Program.

(d) Administrative plan. The State must have an approved administrative plan for the Hazard Mitigation Grant Program in conformance with Sec. 206.437.

Sec. 206.434 Eligibility.

(a) Applicants. The following are eligible to apply for the Hazard Mitigation Program Grant:

(1) State and local governments;
(2) Private non-profit organizations or institutions that own or operate a private non-profit facility as defined in Sec. 206.221(e);
(3) Indian tribes or authorized tribal organizations and Alaska Native villages or organizations, but not Alaska native corporations with ownership vested in private individuals.

(b) Minimum project criteria. To be eligible for the Hazard Mitigation Grant Program, a project must:

(1) Be in conformance with the hazard mitigation plan developed as a requirement of section 409;
(2) Have a beneficial impact upon the designated disaster area, whether or not located in the designated area;
(3) Be in conformance with 44 CFR part 9, Floodplain Management and Protection of Wetlands, and 44 CFR part 10, Environmental Considerations;
(4) Solve a problem independently or constitute a functional portion of a solution where there is assurance that the project as a whole will be completed. Projects that merely identify or analyze hazards or problems are not eligible;
(5) Be cost-effective and substantially reduce the risk of future damage, hardship, loss, or suffering resulting from a major disaster. The grantee must demonstrate this by documenting that the project;
   (i) Addresses a problem that has been repetitive, or a problem that poses a significant risk to public health and safety if left unsolved,
   (ii) Will not cost more than the anticipated value of the reduction in both direct damages and subsequent negative impacts to the area if future disasters were to occur. Both costs and benefits will be computed on a net present value basis,
(iii) Has been determined to be the most practical, effective, and environmentally sound alternative after consideration of a range of options,
(iv) Contributes, to the extent practicable, to a long-term solution to the problem it is intended to address,
(v) Considers long-term changes to the areas and entities it protects, and has manageable future maintenance and modification requirements.

(c) Types of projects. Projects may be of any nature that will result in protection to public or private property. Eligible projects include, but are not limited to:

1. Structural hazard control or protection projects;
2. Construction activities that will result in protection from hazards;
3. Retrofitting of facilities;
4. Property acquisition or relocation, as defined in Sec. 206.434(d);
5. Development of State or local mitigation standards;
6. Development of comprehensive hazard mitigation programs with implementation as an essential component;
7. Development or improvement of warning systems.

(d) Property acquisition and relocation requirements. A project involving property acquisition or the relocation of structures and individuals is eligible for assistance only if the applicant enters an agreement with the FEMA Regional Director that provides assurances that:

1. The following restrictive covenants shall be conveyed in the deed to any property acquired, accepted, or from which structures are removed (hereafter called in section (d) the property):
   (i) The property shall be dedicated and maintained in perpetuity for uses compatible with open space, recreational, or wetlands management practices; and
   (ii) No new structure(s) will be built on the property except as indicated below:
      (A) A public facility that is open on all sides and functionally related to a designated open space or recreational use;
      (B) A rest room; or
      (C) A structure that is compatible with open space, recreational, or wetlands management usage and proper floodplain management policies and practices, which the Director approves in writing before the construction of the structure begins.
   (iii) After completion of the project, no application for additional disaster assistance will be made for any purpose with respect to the property to any Federal entity or source, and no Federal entity or source will provide such assistance.

2. In general, allowable open space, recreational, and wetland management uses include parks for outdoor recreational activities, nature reserves, cultivation, grazing, camping (except where adequate warning time is not available to allow evacuation), temporary storage in the open of wheeled vehicles which are easily movable (except mobile homes), unimproved, previous parking lots, and buffer zones.
(3) Any structures built on the property according to paragraph (d)(1) of this section, shall be floodproofed or elevated to the Base Flood Elevation plus one foot of freeboard.

(e) **Inapplicability of the Uniform Relocation Act.** The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 does not apply to real property acquisition projects which meet the criteria identified below:

1. The project provides for the purchase of property damaged by the major, widespread flooding in the States of Illinois, Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, and Wisconsin during 1993;
2. It provides for such purchase solely as a result of such flooding;
3. It is carried out by or through a State or unit of general local government;
4. The purchasing agency (grantee or subgrantee) notifies all potential property owners in writing that it will not use its power of eminent domain to acquire the properties if a voluntary agreement is not reached;
5. The project is being assisted with amounts made available for:
   i. Disaster relief by the Federal Emergency Management Agency; or
   ii. By other Federal financial assistance programs.

(f) **Duplication of programs.** Section 404 funds cannot be used as a substitute or replacement to fund projects or programs that are available under other Federal authorities, except under limited circumstances in which there are extraordinary threats to lives, public health or safety or improved property.

(g) **Packaging of programs.** Section 404 funds may be packaged or used in combination with other Federal, State, local, or private funding sources when appropriate to develop a comprehensive mitigation solution, though section 404 funds cannot be used as a match for other Federal funds.

**Sec. 206.435  Project identification and selection criteria.**

(a) **Identification.** It is the State’s responsibility to identify and select hazard mitigation projects. All funded projects must be consistent with the State’s section 409 hazard mitigation plan. Hazard mitigation projects may be identified through the section 409 planning process, or through any other appropriate means. Procedures for the identification, funding, and management of mitigation projects shall be included in the State’s administrative plan.

(b) **Selection.** The State will establish procedures and priorities for the selection of mitigation measures. At a minimum the criteria must be consistent with the criteria stated in Sec. 206.434(b) and include:

1. Measures that best fit within an overall plan for development and/or hazard mitigation in the community, disaster area, or State;
2. Measures that, if not taken, will have a severe detrimental impact on the applicant, such as potential loss of life, loss of essential services, damage to critical facilities, or economic hardship on the community;
(3) Measures that have the greatest potential impact on reducing future disaster losses;

(c) **Other considerations.** In addition to the selection criteria noted above, consideration should be given to measures that are designed to accomplish multiple objectives including damage reduction, environmental enhancement, and economic recovery, when appropriate.

**Sec. 206.436 Application procedures.**

(a) **General.** This section describes the procedures to be used by the State in submitting an application for funding for hazard mitigation grants. Under the Hazard Mitigation Grant Program the State is the grantee and is responsible for processing subgrants to applicants in accordance with 44 CFR parts 13 and 206.

(b) **Governor’s Authorized Representative.** The Governor’s Authorized Representative serves as the grant administrator for all funds provided under the Hazard Mitigation Grant Program. The Governor’s Authorized Representative’s responsibilities as they pertain to procedures outlined in this section include providing technical advice and assistance to eligible subgrantees, and ensuring that all potential applicants are aware of assistance available and submission of those documents necessary for grant award.

(c) **Letter of intent to participate.** Within 60 days of the disaster declaration, the State (Governor’s Authorized Representative) will notify FEMA in writing of its intent to participate or not participate in the Hazard Mitigation Grant Program. States are also encouraged to submit a hazard mitigation application within this timeframe so that immediate post-disaster opportunities for hazard mitigation are not lost.

(d) **Hazard mitigation application.** Upon identification of mitigation measures, the State (Governor’s Authorized Representative) will submit its section 404 Hazard Mitigation Application to the FEMA Regional Director. The Application will identify one or more mitigation measures for which funding is requested. The Application must include a Standard Form (SF) 424, Application for Federal Assistance, SF 424D, Assurances for Construction Programs if appropriate, and a narrative statement. The narrative statement will contain any pertinent project management information not included in the State’s administrative plan for Hazard Mitigation. The narrative statement will also serve to identify the specific mitigation measures for which funding is requested. Information required for each mitigation measure shall include the following:

1. Name of the subgrantee, if any;
2. State or local contact for the measure;
3. Location of the project;
4. Description of the measure;
5. Cost estimate for the measure;
6. Analysis of the measure’s cost-effectiveness and substantial risk reduction, consistent with Sec. 206.434(b);
7. Work schedule;
8. Justification for selection;
9. Alternatives considered;
(10) Environmental information consistent with 44 CFR part 9, Floodplain Management and Protection of Wetlands, and 44 CFR part 10, Environmental Considerations;

(e) Supplements. The application may be amended as the State and subgrantees develop the section 409 hazard mitigation plan and continue to identify measures to be funded. Amendments to add or modify measures are made by submitting supplements to the application. All supplements to the application for the purpose of identifying new mitigation measures must be submitted to FEMA within 90 days of FEMA approval of the section 409 plan. The Regional Director may grant up to a 90 day extension to this deadline upon receipt of written justification from the State that the extension is warranted. The supplements shall contain all necessary information on the measure as described in paragraph (d) of this section.

(f) FEMA approval. The application and supplement(s) will be submitted to the FEMA Regional Director for approval. FEMA has final approval authority for funding of all projects.

(g) Exceptions. The following are exceptions to the above outlined procedures and time limitations.

(1) Grant applications. An Indian tribe or authorized tribal organization may submit a SF 424 directly to the Regional Director when assistance is authorized under the Act and a State is unable to assume the responsibilities prescribed in these regulations.

(2) Time limitations. The time limitation shown in paragraph (c) of this section may be extended by the Regional Director when justified and requested in writing by the Governor’s Authorized Representative.

Sec. 206.437 State administrative plan.

(a) General. The State shall develop a plan for the administration of the Hazard Mitigation Grant Program.

(b) Minimum criteria. At a minimum, the State administrative plan must include the items listed below:

(1) Designation of the State agency will have responsibility for program administration;

(2) Identification of the State Hazard Mitigation Officer responsible for all matters related to the Hazard Mitigation Grant Program.

(3) Determination of staffing requirements and sources of staff necessary for administration of the program;

(4) Establishment of procedures to:

(i) Identify and notify potential applicants (subgrantees) of the availability of the program;

(ii) Ensure that potential applicants are provided information on the application process, program eligibility and key deadlines;

(iii) Determine applicant eligibility;

(iv) Conduct environmental and floodplain management reviews;

(v) Establish priorities for selection of mitigation projects;

(vi) Process requests for advances of funds and reimbursement;

(vii) Monitor and evaluate the progress and completion of the selected projects;
(viii) Review and approve cost overruns;
(ix) Process appeals;
(x) Provide technical assistance as required to subgrantee(s);
(xi) Comply with the administrative requirements of 44 CFR parts 13 and 206;
(xii) Comply with audit requirements of 44 CFR part 14;
(xiii) Provide quarterly progress reports to the Regional Director on approved projects.

(c) Format. The administrative plan is intended to be a brief but substantive plan documenting the State’s process for the administration of the Hazard Mitigation Grant Program and management of the section 404 funds. This administrative plan should become a part of the State’s overall emergency response or operations plan as a separate annex or chapter.

(d) Approval. The State must submit the administrative plan to the Regional Director for approval. Following each major disaster declaration, the State shall prepare any updates, amendments, or plan revisions required to meet current policy guidance or changes in the administration of the Hazard Mitigation Grant Program. Funds shall not be awarded until the State administrative plan is approved by the FEMA Regional Director.

Sec. 206.438 Project management.

(a) General. The State serving as grantee has primary responsibility for project management and accountability of funds as indicated in 44 CFR part 13. The State is responsible for ensuring that subgrantees meet all program and administrative requirements.

(b) Cost overruns. During the execution of work on an approved mitigation measure the Governor’s Authorized Representative may find that actual project costs are exceeding the approved estimates. Cost overruns which can be met without additional Federal funds, or which can be met by offsetting cost underruns on other projects, need not be submitted to the Regional Director for approval, so long as the full scope of work on all affected projects can still be met. For cost overruns which exceed Federal obligated funds and which require additional Federal funds, the Governor’s Authorized Representative shall evaluate each cost overrun and shall submit a request with a recommendation to the Regional Director for a determination. The applicant’s justification for additional costs and other pertinent material shall accompany the request. The Regional Director shall notify the Governor’s Authorized Representative in writing of the determination and process a supplement, if necessary. All requests that are not justified shall be denied by the Governor’s Authorized Representative. In no case will the total amount obligated to the State exceed the funding limits set forth in Sec. 206.432(b). Any such problems or circumstances affecting project costs shall be identified through the quarterly progress reports required in paragraph (c) of this section.

(c) Progress reports. The grantee shall submit a quarterly progress report to FEMA indicating the status and completion date for each measure funded. Any problems or circumstances affecting completion dates, scope of work, or project costs which are expected to result in noncompliance with the approved grant conditions shall be described in the report.
(d) Payment of claims. The Governor’s Authorized Representative shall make a claim to the Regional Director for reimbursement of allowable costs for each approved measure. In submitting such claims the Governor’s Authorized Representative shall certify that reported costs were incurred in the performance of eligible work, that the approved work was completed and that the mitigation measure is in compliance with the provisions of the FEMA-State Agreement. The Regional Director shall determine the eligible amount of reimbursement for each claim and approve payment. If a mitigation measure is not completed, and there is not adequate justification for noncompletion, no Federal funding will be provided for that measure.

(e) Audit requirements. Uniform audit requirements as set forth in 44 CFR part 14 apply to all grant assistance provided under this subpart. FEMA may elect to conduct a Federal audit on the disaster assistance grant or on any of the subgrants.

Sec. 206.439 Allowable costs.

(a) General. General policies for determining allowable costs are established in 44 CFR 13.22. Exceptions to those policies as allowed in 44 CFR 13.4 and 13.6 are explained below.

(b) Eligible direct costs. The eligible direct costs for administration and management of the program are divided into the following two categories.

(1) Statutory administrative costs—
   (i) Grantee. Pursuant to 406(f)(2) of the Stafford Act, an allowance will be provided to the State to cover the extraordinary costs incurred by the State for preparation of applications, quarterly reports, final audits, and related field inspections by State employees, including overtime pay and per diem and travel expenses, but not including regular time for such employees. The allowance will be based on the following percentages of the total amount of assistance provided (Federal share) for all subgrantees in the State under section 404 of the Stafford Act:
      (A) For the first $100,000 of total assistance provided (Federal share), three percent of such assistance.
      (B) For the next $900,000, two percent of such assistance.
      (C) For the next $4,000,000, one percent of such assistance.
      (D) For assistance over $5,000,000, one-half percent of such assistance.
   (ii) Subgrantee. Pursuant to section 406(f)(1) of the Stafford Act, necessary costs of requesting, obtaining, and administering Federal disaster assistance subgrants will be covered by an allowance which is based on the following percentages of total net eligible costs under section 404 of the Stafford Act, for an individual applicant (applicants in this context include State agencies):
      (A) For the first $100,000 of net eligible costs, three percent of such costs.
      (B) For the next $900,000, two percent of such costs.
      (C) For the next $4,000,000, one percent of such costs.
      (D) For those costs over $5,000,000, one-half percent of such costs.

(2) State management costs--(i) Grantee. Except for the items listed in paragraph (b)(1)(i) of this section, other administration costs shall be paid in accordance with 44 CFR 13.22. Costs of State
personnel (regular time salaries only) assigned to administer the Hazard Mitigation Grant Program may be eligible when approved by the Regional Director. Such costs shall be shared in accordance with the cost share provisions of section 404 of the Act. For grantee administrative costs in the Disaster Field Office, the State shall submit a plan for the staffing of the Disaster Field Office within 5 days of the opening of the office. This staffing plan shall be in accordance with the administrative plan requirements of Sec. 206.437. After the close of the Disaster Field Office, costs of State personnel (regular time salaries only) for continuing management of the hazard mitigation grants may be eligible when approved in advance by the Regional Director. The State shall submit a plan for such staffing in advance of the requirement.

(c) Eligible indirect costs.

(1) Grantee. Indirect costs of administering the disaster program are eligible in accordance with the provisions of 44 CFR part 13 and OMB Circular A-87.

(2) Subgrantee. No indirect costs of a subgrantee are separately eligible because the percentage allowance in paragraph (b)(1)(ii) of this section necessary costs of requesting, obtaining and administering Federal assistance.

Sec. 206.440 Appeals.

(a) Subgrantee. The subgrantee may appeal any determination previously made related to Federal assistance for a subgrantee. The subgrantee’s appeal shall be made in writing and submitted to the grantee within 60 days after receipt of a notice of the action which is being appealed. The appeal shall contain documented justification supporting the subgrantee’s position.

(b) Grantee. Upon receipt of an appeal from a subgrantee, the grantee shall review the material submitted, make such additional investigations as necessary, and shall forward the appeal with a written recommendation to the Regional Director within 60 days.

(c) Regional Director. Upon receipt of an appeal, the Regional Director shall review the material submitted and make such additional investigations as deemed appropriate. Within 90 days following receipt of an appeal, the Regional Director shall notify the grantee, in writing, as to the disposition of the appeal or of the need for additional information. Within 90 days following the receipt of such additional information, the Regional Director shall notify the grantee, in writing, of the disposition of the appeal. If the decision is to grant the appeal, the Regional Director will take appropriate implementing action.

(d) Associate Director.

(1) If the Regional Director denies the appeal, the subgrantee may submit a second appeal to the Associate Director. Such appeals shall be made in writing, through the grantee and the Regional Director, and shall be submitted not later than 60 days after receipt of notice of the Regional Director’s denial of the first appeal. The Associate Director shall render a determination on the
subgrantee’s appeal within 90 days following receipt of the appeal or shall make a request for additional information. Within 90 days following the receipt of such additional information, the Associate Director shall notify the grantee, in writing, of the disposition of the appeal. If the decision is to grant the appeal, the Regional Director will be instructed to take appropriate implementing action.

(2) In appeals involving highly technical issues, the Associate Director, at his/her discretion, may ask an independent scientific or technical group or person with expertise in the subject matter of the appeal to review the appeal in order to obtain the best possible evaluation. In such cases, the 90 day time limit will run from the submission of the technical report.

(e) **Director.**

(1) If the Associate Director denies the appeal, the subgrantee may submit an appeal to the Director of FEMA. Such appeals shall be made in writing, through the grantee and the Regional Director, and shall be submitted not later than 60 days after receipt of notice of the Associate Director’s denial of the second appeal.

(2) The Director shall render a determination on the subgrantee’s appeal within 90 days following receipt of the appeal or shall make a request for additional information if such is necessary. Within 90 days following the receipt of such additional information, the Director shall render a determination and notify the grantee, in writing, of the disposition of the appeal. If the decision is to grant the appeal, the Regional Director will be instructed to take appropriate implementing action.

(3) In appeals involving highly technical issues, the Director may, at his/her discretion, submit the appeal to an independent scientific or technical person or group having expertise in the subject matter of the appeal for advice and recommendation. Before making the selection of this person or group, the Director may consult with the grantee and/or the subgrantee.

(4) The Director may also submit appeals which he/she receives to persons who are not associated with FEMA’s Disaster Assistance Programs office for recommendations on the resolution of appeals.

(5) Within 60 days after the submission of a recommendation made pursuant to paragraph (d) (3) and (4) of this section, the Director shall render a determination and notify the grantee of the disposition of the appeal.
Statutory Authority: Flood Mitigation Assistance Program

Sec. 4104c. Mitigation assistance

(a) Authority - The Director shall carry out a program to provide financial assistance to States and communities, using amounts made available from the National Flood Mitigation Fund under section 4104d of this title, for planning and carrying out activities designed to reduce the risk of flood damage to structures covered under contracts for flood insurance under this chapter. Such financial assistance shall be made available to States and communities in the form of grants under subsection (b) of this section for planning assistance and in the form of grants under this section for carrying out mitigation activities.

(b) Planning assistance grants

(1) In general. - The Director may make grants under this subsection to States and communities to assist in developing mitigation plans under subsection (c) of this section.

(2) Funding - Of any amounts made available from the National Flood Mitigation Fund for use under this section in any fiscal year, the Director may use not more than $1,500,000 to provide planning assistance grants under this subsection.

(3) Limitations

(A) Timing - A grant under this subsection may be awarded to a State or community not more than once every 5 years and each grant may cover a period of 1 to 3 years.

(B) Single grantee amount - A grant for planning assistance may not exceed -

(i) $150,000, to any State; or

(ii) $50,000, to any community.

C) Cumulative State grant amount - The sum of the amounts of grants made under this subsection in any fiscal year to any one State and all communities located in such State may not exceed $300,000.

(c) Eligibility for mitigation assistance. - To be eligible to receive financial assistance under this section for mitigation activities, a State or community shall develop, and have approved by the Director, a flood risk mitigation plan (in this section referred to as a “mitigation plan”), that describes the mitigation activities to be carried out with assistance provided under this section, is consistent with the criteria established by the Director under section 4102 of this title, and provides protection against flood losses to structures for which contracts for flood insurance are available under this chapter. The mitigation plan shall be consistent with a comprehensive strategy for mitigation activities for the area affected by the mitigation plan, that has been adopted by the State or community following a public hearing.
(d) Notification of approval and grant award –

(1) In general – The Director shall notify a State or community submitting a mitigation plan of the approval or disapproval of the plan not later than 120 days after submission of the plan.

(2) Notification of disapproval – If the Director does not approve a mitigation plan submitted under this subsection, the Director shall notify, in writing, the State or community submitting the plan of the reasons for such disapproval.

(e) Eligible mitigation activities –

(1) Use of amounts – Amounts provided under this section (other than under subsection (b) of this section) may be used only for mitigation activities specified in a mitigation plan approved by the Director under subsection (d) of this section. The Director shall provide assistance under this section to the extent amounts are available in the National Flood Mitigation Fund pursuant to appropriation Acts, subject only to the absence of approvable mitigation plans.

(2) Determination of eligible plans – The Director may approve only mitigation plans that specify mitigation activities that the Director determines are technically feasible and cost-effective and only such plans that propose activities that are cost-beneficial to the National Flood Mitigation Fund.

(3) Standard for approval – The Director shall approve mitigation plans meeting the requirements for approval under paragraph (1) that will be most cost-beneficial to the National Flood Mitigation Fund.

(4) Priority – The Director shall make every effort to provide mitigation assistance under this section for mitigation plans proposing activities for repetitive loss structures and structures that have incurred substantial damage.

(5) Eligible activities – The Director shall determine whether mitigation activities described in a mitigation plan submitted under subsection (d) of this section comply with the requirements under paragraph (1). Such activities may include –

(A) demolition or relocation of any structure located on land that is along the shore of a lake or other body of water and is certified by an appropriate State or local land use authority to be subject to imminent collapse or subsidence as a result of erosion or flooding;

(B) elevation, relocation, demolition, or floodproofing of structures (including public structures) located in areas having special flood hazards or other areas of flood risk;

(C) acquisition by States and communities of properties (including public properties) located in areas having special flood hazards or other areas of flood risk and properties substantially damaged by flood, for public use, as the Director determines is consistent with sound land management and use in such area;
(D) minor physical mitigation efforts that do not duplicate the flood prevention activities of other Federal agencies and that lessen the frequency or severity of flooding and decrease predicted flood damages, which shall not include major flood control projects such as dikes, levees, seawalls, groins, and jetties unless the Director specifically determines in approving a mitigation plan that such activities are the most cost-effective mitigation activities for the National Flood Mitigation Fund;

(E) beach nourishment activities;

(F) the provision of technical assistance by States to communities and individuals to conduct eligible mitigation activities;

(G) other activities that the Director considers appropriate and specifies in regulation; and

(H) other mitigation activities not described in subparagraphs (A) through (F) or the regulations issued under subparagraph (G), that are described in the mitigation plan of a State or community.

(f) Limitations on amount of assistance -

(1) Amount - The sum of the amounts of mitigation assistance provided under this section during any 5-year period may not exceed -

(A) $10,000,000, to any State; or

(B) $3,300,000, to any community.

(2) Geographic - The sum of the amounts of mitigation assistance provided under this section during any 5-year period to any one State and all communities located in such State may not exceed $20,000,000.

(3) Waiver - The Director may waive the dollar amount limitations under paragraphs (1) and (2) for any State or community for any 5-year period during which a major disaster or emergency declared by the President (pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)) as a result of flood conditions is in effect with respect to areas in the State or community.

(g) Matching requirement -

(1) In general - The Director may not provide mitigation assistance under this section to a State or community in an amount exceeding 3 times the amount that the State or community certifies, as the Director shall require, that the State or community will contribute from non-Federal funds to develop a mitigation plan under subsection (c) of this section and to carry out mitigation activities under the approved mitigation plan. In no case shall any in-kind contribution by any State or community exceed one-half of the amount of non-Federal funds contributed by the State or community.
(2) Non-Federal funds – For purposes of this subsection, the term “non-Federal funds” includes State or local agency funds, in-kind contributions, any salary paid to staff to carry out the mitigation activities of the recipient, the value of the time and services contributed by volunteers to carry out such activities (at a rate determined by the Director), and the value of any donated material or building and the value of any lease on a building.

(h) Oversight of mitigation plans – The Director shall conduct oversight of recipients of mitigation assistance under this section to ensure that the assistance is used in compliance with the approved mitigation plans of the recipients and that matching funds certified under subsection (g) of this section are used in accordance with such certification.

(i) Recapture –

(1) Noncompliance with plan – If the Director determines that a State or community that has received mitigation assistance under this section has not carried out the mitigation activities as set forth in the mitigation plan, the Director shall recapture any unexpended amounts and deposit the amounts in the National Flood Mitigation Fund under section 4104d of this title.

(2) Failure to provide matching funds – If the Director determines that a State or community that has received mitigation assistance under this section has not provided matching funds in the amount certified under subsection (g) of this section, the Director shall recapture any unexpended amounts of mitigation assistance exceeding 3 times the amount of such matching funds actually provided and deposit the amounts in the National Flood Mitigation Fund under section 4104d of this title.

(j) Reports – Not later than 1 year after September 23, 1994, and biennially thereafter, the Director shall submit a report to the Congress describing the status of mitigation activities carried out with assistance provided under this section.

(k) “Community” defined – For purposes of this section, the term “community” means –

(1) a political subdivision that (A) has zoning and building code jurisdiction over a particular area having special flood hazards, and (B) is participating in the national flood insurance program; or

(2) a political subdivision of a State, or other authority, that is designated to develop and administer a mitigation plan by political subdivisions, all of which meet the requirements of paragraph (1).
Federal Regulations: Flood Mitigation Assistance Program

TITLE 44--EMERGENCY MANAGEMENT AND ASSISTANCE
CHAPTER I--FEDERAL EMERGENCY MANAGEMENT AGENCY

PART 78--FLOOD MITIGATION ASSISTANCE

Sec. 78.1 Purpose.
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78.3 Responsibilities.
78.4 Applicant eligibility.
78.5 Flood Mitigation Plan development.
78.6 Flood Mitigation Plan approval process.
78.7 Grant application procedures.
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78.14 Alternative procedures.


Source: 62 FR 13347, Mar. 20, 1997, unless otherwise noted.

Sec. 78.1 Purpose.

(a) The purpose of this part is to prescribe actions, procedures, and requirements for administration of the Flood Mitigation Assistance (FMA) program, authorized by Sections 1366 and 1367 of the National Flood Insurance Act of 1968, 42 U.S.C. 4104c and 4104d.

(b) The purpose of FMA is to assist State and local governments in funding cost-effective actions that reduce or eliminate the long-term risk of flood damage to buildings, manufactured homes, and other insurable structures. The long-term goal of FMA is to reduce or eliminate claims under the National Flood Insurance Program (NFIP) through mitigation activities. The program provides cost-shared grants for three purposes: Planning Grants to States and communities to assess the flood risk and identify actions to reduce that risk; Project Grants to execute measures to reduce flood losses; and Technical Assistance Grants that States may use to assist communities to develop viable FMA applications and implement FMA projects. FMA also outlines a process for development and approval of Flood Mitigation Plans.

Sec. 78.2 Definitions.

(a) Except as otherwise provided in this part, the definitions set forth in part 59 of this subchapter are applicable to this part.

(b) Community means:

(1) A political subdivision, including any Indian tribe or authorized tribal organization or Alaskan native village or authorized
native organization, that has zoning and building code jurisdiction over a particular area having special flood hazards, and is participating in the NFIP; or

(2) A political subdivision of a State, or other authority, that is designated to develop and administer a mitigation plan by political subdivisions, all of which meet the requirements of paragraph (b)(1) of this section.

Sec. 78.3 Responsibilities.

(a) Federal. The Director will allocate available funds to each FEMA Region. The FEMA Regional Director will:
   (1) Allocate Technical Assistance and Planning Grants to each State through the annual Cooperative Agreements;
   (2) Approve Flood Mitigation Plans in accordance with Sec. 78.6; and
   (3) Award all FMA project grants, after evaluating applications for minimum eligibility criteria and ensuring compliance with applicable Federal laws.

(b) State. The State will serve as grantee through the State Point of Contact (POC) designated by the Governor. The POC must have working knowledge of NFIP goals and processes and will ensure that FMA is coordinated with other mitigation activities at the State level. If a Governor chooses not to identify a POC to coordinate the FMA, communities may follow alternative procedures as described in Sec. 78.14. States will:
   (1) Provide technical assistance to communities to assist them in developing applications and implementing approved applications;
   (2) Award planning grants;
   (3) Submit plans to the FEMA Regional Director for approval;
   (4) Evaluate project applications, selecting projects to forward to the FEMA Regional Director for final approval; and

(c) Community. The community will:
   (1) Complete and submit applications to the State POC for the Planning and Projects Grants;
   (2) Prepare and submit the Flood Mitigation Plan;
   (3) Implement all approved projects;
   (4) Comply with FMA requirements, 44 CFR parts 13 and 14, the grant agreement, applicable Federal, State and local laws and regulations (as applicable); and
   (5) Account for the appropriate use of grant funds to the State POC.

Sec. 78.4 Applicant eligibility.

(a) The State is eligible to apply for grants for Technical Assistance.

(b) State agencies and communities are eligible to apply for Planning and Project Grants and to act as subgrantee. Communities on probation or suspended under 44 CFR part 60 of the NFIP are not eligible. To be eligible for Project Grants, an eligible applicant will develop, and have approved by the FEMA Regional Director, a Flood Mitigation Plan in accordance with Sec. 78.5.
Sec. 78.5 Flood Mitigation Plan development.

A Flood Mitigation Plan will articulate a comprehensive strategy for implementing technically feasible flood mitigation activities for the area affected by the plan. At a minimum, plans will include the following elements:
(a) Description of the planning process and public involvement. Public involvement may include workshops, public meetings, or public hearings.
(b) Description of the existing flood hazard and identification of the flood risk, including estimates of the number and type of structures at risk, repetitive loss properties, and the extent of flood depth and damage potential.
(c) The applicant’s floodplain management goals for the area covered by the plan.
(d) Identification and evaluation of cost-effective and technically feasible mitigation actions considered.
(e) Presentation of the strategy for reducing flood risks and continued compliance with the NFIP, and procedures for ensuring implementation, reviewing progress, and recommending revisions to the plan.
(f) Documentation of formal plan adoption by the legal entity submitting the plan (e.g., Governor, Mayor, County Executive).

Sec. 78.6 Flood Mitigation Plan approval process.

The State POC will forward all Flood Mitigation Plans to the FEMA Regional Director for approval. The Regional Director will notify the State POC of the approval or disapproval of the plan within 120 days after submission. If the Regional Director does not approve a mitigation plan, the Regional Director will notify the State POC of the reasons for non-approval and offer suggestions for improvement.

Sec. 78.7 Grant application procedures.

States will apply for Technical Assistance and Planning Grants through the annual Cooperative Agreement between FEMA and the State. The State POC will be notified regarding their available funds for project grants each fiscal year. The State may forward project applications to FEMA for review at any time.

Sec. 78.8 Grant funding limitations.

(a) The Director will allocate the available funds for FEMA each fiscal year. Each State will receive a base amount of $10,000 for Planning Grants and $100,000 for Project Grants, with the remaining funds distributed based on the number of NFIP policies, repetitive loss structures, and other such criteria as the Director may determine in furtherance of the disaster resistant community concept.
(b) A maximum of $1,500,000 may be allocated for Planning Grants nationally each fiscal year. A Planning Grant will not be awarded to a State or community more than once every 5 years, and an individual Planning Grant will not exceed $150,000 to any State agency applicant, or $50,000 to any community applicant. The total Planning Grant made in any fiscal year to any State, including all communities located in the State, will not exceed $300,000.
(c) A maximum of ten percent of the funds available for Project Grants will be allocated to Technical Assistance grants each fiscal year.

(d) The total amount of FMA Project Grant funds provided during any 5-year period will not exceed $10,000,000 to any State or $3,300,000 to any community. The total amount of Project Grant funds provided to any State, including all communities located in the State will not exceed $20,000,000 during any 5-year period.

Sec. 78.9 Planning grant approval process.

The State POC will evaluate and approve applications for Planning Grants. Funds will be provided only for the flood portion of any mitigation plan, and Planning Grants will not be awarded to develop new or improved floodplain maps. The performance period for each Planning Grant will not exceed 3 years.

Sec. 78.10 Project grant approval process.

The State POC will solicit applications from eligible applicants, review projects for eligibility, and select applications for funding. Those project applications will then be forwarded to FEMA for final approval. FEMA will provide funding on a project by project basis through a supplement to the annual Cooperative Agreement. The FEMA Regional Director will notify States regarding the program schedule at the beginning of each fiscal year.

Sec. 78.11 Minimum project eligibility criteria.

The identification of a project or activity in an approved Flood Mitigation Plan does not mean it meets FMA eligibility criteria. Projects must:

(a) Be cost-effective, not costing more than the anticipated value of the reduction in both direct damages and subsequent negative impacts to the area if future floods were to occur. Both costs and benefits are computed on a net present value basis.

(b) Be in conformance with 44 CFR part 9, Floodplain Management and Protection of Wetlands; Executive Order 12699, Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction; 44 CFR part 10, Environmental Considerations; and any applicable environmental laws and regulations.

(c) Be technically feasible.

(d) Be in conformance with the minimum standards of the NFIP Floodplain Management Regulations at 44 CFR part 60.

(e) Be in conformance with the Flood Mitigation Plan; the type of project being proposed must be identified in the plan.

(f) Be located physically in a participating NFIP community that is not on probation or must benefit such community directly by reducing future flood damages.

Sec. 78.12 Eligible types of projects.

The following types of projects are eligible for funding through FMA, providing they meet all other eligibility criteria.

(a) Acquisition of insured structures and underlying real property in fee simple and easements restricting real property to open space uses.
(b) Relocation of insured structures from acquired or restricted real property to non hazard-prone sites.

(c) Demolition and removal of insured structures on acquired or restricted real property.

(d) Elevation of insured residential structures in accordance with 44 CFR 60.3.

(e) Elevation or dry floodproofing of insured non-residential structures in accordance with 44 CFR 60.3.

(f) Other activities that bring an insured structure into compliance with the floodplain management requirements at 44 CFR 60.3.

(g) Minor physical flood mitigation projects that reduce localized flooding problems and do not duplicate the flood prevention activities of other Federal agencies.

(h) Beach nourishment activities.

Sec. 78.13 Grant administration.

(a) FEMA may contribute up to 75 percent of the total eligible costs of each grant. At least 25 percent of the total eligible costs will be provided from a nonFederal source. Of this amount, not more than one half will be provided from in-kind contributions. Allowable costs will be governed by OMB Circular A-87 and 44 CFR part 13.

(b) The grantee must submit performance and financial reports to FEMA and must ensure that all subgrantees are aware of their responsibilities under 44 CFR parts 13 and 14.

(c) FEMA will recapture any funds provided to a State or a community under FMA and deposit the amounts in the National Flood Mitigation Fund if the applicant has not provided the appropriate matching funds, the approved project has not been completed within the timeframes specified in the grant agreement, or the completed project does not meet the criteria specified in the regulations in this part.

Sec. 78.14 Alternative procedures.

For the purposes of this part, alternative procedures are available which allow the community to coordinate directly with FEMA in implementing the program. These alternative procedures are available in the following circumstances. Native American tribes or authorized tribal organizations may submit plans and applications to the State POC or directly to the FEMA Regional Director. If a Governor chooses not to identify a POC to coordinate the FMA, communities may also submit plans and applications to the FEMA Regional Director.
Definitions

**Administrative Costs**, authorized under the Stafford Act, are costs for preparation of applications, progress reports, audits, etc. These costs are reimbursable based on a percentage of financial assistance received.

**Benefit:cost analysis** means a quantitative procedure that assesses the desirability of a hazard mitigation measure by taking a long-term view of avoided future damages as compared to the cost of a project. The outcome of the analysis is a benefit:cost ratio, which demonstrates whether the net present value of benefits exceeds the net present value of costs.

**Cost-effectiveness** is determined by a systematic quantitative method for comparing the costs of alternative means of achieving the same stream of benefits or a given objective. The benefits in the context of hazard mitigation are avoided future damages and losses. Cost-effectiveness is generally determined by performing a benefit-cost analysis.

**Environmental Assessment** is the document that is prepared when a project does not qualify as a categorical exclusion and serves to determine whether an Environmental Impact Statement is needed.

**Environmental Justice** means that Federal agencies are required to protect the environment by conducting reviews that include evaluation of the human environment (e.g., historic or archeological resources, land use, demographics, religion, politics, justice, economics, housing, infrastructure, social services, recreation, and aesthetics), the physical environment (e.g., geology, soils, climate, and hydrology), and the biological environment (e.g., plants, microbes, fish, and wildlife).

**Executive Orders 11988 and 11990** are the requirements to avoid direct or indirect support of floodplain development and to minimize harm to floodplains and wetlands. Federal decisionmakers are obligated to comply with these orders, accomplished through an eight-step decision-making process.

**Flood Mitigation Assistance Program (FMA)** is a Federal grant program through which FEMA provides financial assistance to States and communities for flood mitigation planning and activities that reduce the risk of flood damage to structures insurable under the National Flood Insurance Program (NFIP).

**Hazard Mitigation Grant Program (HMGP)**, as authorized under Section 404 of the Stafford Act, provides funding for hazard mitigation measures that are cost-effective and complement existing post-disaster mitigation programs and activities by providing funding for beneficial mitigation measures that are not funded through other programs.

**Increased Cost of Compliance (ICC)**. Under the National Flood Insurance Program (NFIP), ICC provides for a claim that may be used for elevation, relocation, demolition, or flood proofing (nonresidential only) of insured buildings. The coverage is included under all regular NFIP policies issued or renewed after June 1, 1997. As of 2000, the additional payment may be up to $20,000.

**Individual Assistance** means the supplementary Federal assistance provided under the Stafford Act to individuals and families adversely affected by a major disaster or emergency, including Individual and Family Grants, Temporary Housing, and Emergency Minimization Repair Grants.

**National Flood Insurance Program** provides the availability of flood insurance in exchange for the adoption of a minimum local floodplain management ordinance that regulates new and substantially improved development in identified flood hazard areas.

**Non-Federal Funds** means financial resources provided by sources other than the Federal Government. The term does not include funds provided to a State or local government through a Federal grant unless the authorizing statute for that grant explicitly allows the funds to be used as a match for other Federal grants.

**Project** means any mitigation measure, project, or action proposed to reduce risk of future damage, hardship, loss, or suffering from disasters. The term "project" is used interchangeably with the term "measure."
Public Assistance is Federal financial assistance provided to State and local governments or to eligible private nonprofit organizations for work that must be done, through repairs or replacement, to restore an eligible facility on the basis of its pre-disaster design and in conformity with current applicable codes, specification, and standards.

Section 404 of the Stafford Act authorizes the Hazard Mitigation Grant Program, which provides funding for cost-effective hazard mitigation measures.

Section 406 of the Stafford Act authorizes Public Assistance grants to repair, restore, or replace damaged facilities belonging to public and private nonprofit entities, and other associated expenses.

Stafford Act means the Robert T. Stafford Disaster Assistance and Emergency Relief Act (as amended) 42 U.S.C. 5121, et seq.

Subgrantee means the recipient of an award of financial assistance.

Substantial Damage is defined as damage from any cause, for which the cost to repair is at least 50 percent of the Fair Market Value of the building (less land), based on the value of the building before the damage occurred.
Appendix C: References and Online Resources
FEMA publications and forms may be obtained at no cost. Some of these documents and other materials may also be available online at www.fema.gov/library/lib06.htm

Hardcopy publications may be ordered from:
Federal Emergency Management Agency
P.O. Box 2012
Jessup, MD 20794-2012
Toll free: (800) 480-2520


44 CFR Part 14. *Administration of Grants: Audits of State and Local Governments* are requirements for non-Federal audits of recipients of financial assistance from FEMA.


Fannie Mae *Project Impact* Prevention Loan Program. Information online at www.fema.gov/impact/homeloan.


Florida Department of Community Affairs. *Joint Hazard Mitigation Grant Program/Flood Mitigation Assistance Application (and Completeness Checklist)*. Tallahassee: (undated). Available online at www.dca.state.fl.us/brm.


Appendix D: State Forms

1. Joint Hazard Mitigation Grant Program/FMA Application* …………………… 22 pages
2. Joint HMGP/FMA Application Completeness Checklist* …………………… 6 pages
3. FEMA Form 90-49 (FEMA Request for Public Assistance) (cover sheet to Application Completeness Checklist)* ……… 1 page
4. Sample Public Notice ………………………………………… 1 page
5. HMGP/FMA Subgrantee Agreement … 28 pages
6. Notice of Asbestos Renovation or Demolition …………………………………………… 2 pages

*Also available online at: www.dca.state.fl.us/brm.
STATE OF FLORIDA – JOINT HAZARD MITIGATION GRANT PROGRAM & FLOOD MITIGATION ASSISTANCE APPLICATION (December 2000)

<table>
<thead>
<tr>
<th>THIS SECTION FOR STATE USE ONLY</th>
<th>FMA-______-DR-FL</th>
<th>Standard HMGP</th>
<th>5% Initiative Application</th>
<th>Standard FMA</th>
<th>Application Complete</th>
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</tr>
<tr>
<td></td>
<td>FEMA-______-DR-FL</td>
<td>Standard HMGP</td>
<td>5% Initiative Application</td>
<td>Standard FMA</td>
<td>Application Complete</td>
</tr>
<tr>
<td>Support Documents</td>
<td>FEMA-______-DR-FL</td>
<td>Standard HMGP</td>
<td>5% Initiative Application</td>
<td>Standard FMA</td>
<td>Application Complete</td>
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</tbody>
</table>

| Eligible Applicant               | State or Local Government |
|                                  | Wind                     |
|                                  | Private Non-Profit (Tax ID Received) |
| Project Type(s)                  | Flood                    |
|                                  | Recognized Indian Tribe or Tribal Org |
|                                  | Other__________           |

Community NFIP Status: (check all that apply)
- Participating Community ID#
- In Good Standing
- Non-Participating
- CRS Reviewer Fax#

State Application ID______________________________ Reviewer Email_____________________________
State Reviewer___________________________________ Date Application Received_____________________}

This application is for all Federal Emergency Management Agency (FEMA Region IV) Hazard Mitigation Grant Program (HMGP) and Flood Mitigation Assistance (FMA) proposals. Please complete ALL sections and provide the documents requested. If you require technical assistance with this application, please contact your State Emergency Management Division at (850) 922-5269.

A. To Fill Out This Application: complete all sections which correspond with the type of proposed project.

General Application Sections: pp.1-6: All Applicants must complete these sections
Environmental Review: pp. 7-10: All Applicants must complete these sections
Maintenance Agreement: pp. 11: Any applications involving public property, public ownership, or management of property

Acquisition Worksheet: pp. 12-14: Acquisition Projects only—one worksheet per structure
Elevation Worksheet: pp. 15-19: Elevation Projects only—one worksheet per structure
Drainage Worksheet: pp. 20: Drainage Projects Only
Wind Retrofit Worksheet: pp. 21-22: Wind retrofit projects only (HMGP only) – one worksheet per structure

Attachment A: FEMA Form 90-49 (Request for Public Assistance): All Applicants must complete if applicable.
Attachment B: HMGP/FMA Application Completeness Checklist: All applicants are recommended to complete This checklist

B. Applicant Information

FEMA-______-Dr-FL Disaster name___________________________ Ex.FEMA-1300-DR-FL: Hurricane Floyd

Title / Brief Descriptive Project Summary

1. Applicant (organization)__________________________________________________________
2. Applicant Type
   - State or Local Government
   - Recognized Native American Tribe
   - Private Non-Profit
3. County__________________________________________________________
4. State Legislative districts(s)__________________________________________ Congressional Districts(s)___________________________
5. Federal Tax I.D. Number________________________________________________________
6. FIPS Code*__________________________________________________________ (*if your FIPS code is not known, please fill out FEMA Form 90-94 (Attachment A) so that the Department may obtain a FIPS code for you)
7. National Flood Insurance Program (NFIP) Community Identification Number (this number can be obtained from the FIRM map for your area)___________________________
8. NFIP Community Rating System Class Number__________________________
9. Attach proof of current Flood Insurance Policy (FMA only). Flood Insurance Policy Number__________________________

Attach any continuations or additional items to this page
10. **Point of Contact**

Ms.  Mr.  Mrs.  First Name____________________  Last Name________________________________

Title____________________________________________

Street Address____________________________________

City__________________________________________  State_______________  Zip Code____________________

Telephone________________________  Fax #________________________________________

Email Address (if available)________________________________________________________

11. **Application Prepared by:**

Ms.  Mr.  Mrs.  First Name____________________  Last name__________________

Title______________________________  Telephone_______________________Fax #____________________

12. **Authorized Applicant Agent (proof of authorization authority required)**

Ms.  Mr.  Mrs.  First Name____________________  Last Name__________________

Title______________________________  Telephone_______________________Fax #____________________

13. All proposed projects should be included in the county’s Local Mitigation Strategy (LMS), please attach a letter of endorsement for the project from the county’s Local Mitigation Strategy Coordinator.

### Section I. History of Hazards / Damages in the Area to be Protected

#### A. Overview of Past Damages

Describe all past damages from hazardous events in the **project area** (include name of storm, if applicable), including direct and indirect costs. Include Presidentially declared disasters as well as events that did not result in a Presidential declaration. Attach any supporting documents. Direct costs should include damages to structures and infrastructure in the project area as a result of the hazard. Indirect costs should include the cost to the local government to respond to victims of the hazard in the project area, any interruption to local businesses, and losses of public services (3 examples are provided for your reference).

<table>
<thead>
<tr>
<th>Date</th>
<th>Frequency of Event</th>
<th>Damages ($)</th>
<th>Indirect Costs (describe)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ex.1-4/7/89</td>
<td>Spring floods of 1989</td>
<td>Total of $95,000 damages to 16 homes</td>
<td>$7,600 for evacuations; $22,000 for comfort station for flood victim</td>
</tr>
<tr>
<td>Ex.2-10/5/95</td>
<td>Hurricane Opal (est 12-year event)</td>
<td>Lift Station flooded; $7,200 in pump and control damage</td>
<td>Sewage backup in 14 houses; clean-up costs $2,000/hous; Total $28,000</td>
</tr>
<tr>
<td>Ex.3-3/21/98</td>
<td>El Nino event (10 year event)</td>
<td>Derry Road closed to traffic due to flooding; $18,500 damage to culvert and road</td>
<td>Road closed for 20 days; 1200 one-way vehicle trips per day; delay/detour time 10 minutes</td>
</tr>
</tbody>
</table>

Attach any continuations or additional items to this page
Section II. Project Description

A. Hazards to be Mitigated / Level of Protection
1. Select the type of hazards the proposed project will mitigate:
   - Flood
   - Wind
   - Storm surge
   - Other (list)___________________

2. Identify the type of proposed project;
   - Elevation and retrofitting of residential or non-residential structure
   - Acquisition and relocation
   - Wind retrofit
   - Minor drainage project that reduces localized flooding
   - Other (please explain)___________________

3. List total number of persons that will be protected by the proposed project:__________________

4. Fill in the level of protection and the magnitude of event the proposed project will mitigate.
   (e.g. 23 structures protected against the 100-year (1%) flood)
   ________structures protected against the _____________-year Flood (10, 25, 50, 100, or 500 year)
   ________structures protected against ______________mile per hour (mph) winds

5. Engineered projects only (e.g. Drainage Improvements), include (attach to this page) ALL engineering calculations
   And design plans used to determine the above level of protection.

6. Project will provide protection against the hazard(s) above for ______years (i.e. what is the useful life of the project?)

B. Project Description, Scope of Work, and Protection Provided
Describe, in detail, the existing problem, the proposed project, and the scope of work. Explain how the proposed project will solve the problem(s) and provide the level(s) of protection described in Part A. Also, if available, attach a vendor’s estimate and/or a contractor’s bid for the scope of work.
Section III. Project Location (fully describe the location of the proposed project.)

A. Site

1. Describe the physical location of this project, including street numbers (or neighborhoods) and zip codes; and if available, please provide precise longitude and latitude coordinates for the site utilizing a hand-held global positioning system (GPS) unit or the equivalent.

2. Is the project site seaward of the Coastal Construction Control Line (CCCL)?
   Yes  No

3. Provide the number of each structure type (listed below) in the project area that will be affected by the project. That is, all structures in project area.
   ________residential property   ________ businesses / commercial property
   ________public buildings       ________ schools / hospitals / houses of worship
   ________other

B. Flood Insurance Rate Map (FIRM) showing Project Site

Attach a copy of the FIRM map, a copy of the panel information from the FIRM, and, if available, the Floodway Map. FIRM maps are required for this application (if published for your area). Also, all attached maps must have the project site and structures clearly marked on the map. FIRMs are typically available from your local floodplain administrator who may be located in a planning, zoning, or engineering office. Maps can also be ordered from the Map service Center at 1-800-358-9616. For more information about FIRMs, contact your local agencies or visit the FIRM site on the FEMA Web-page at [http://www.fema.gov/home/MSC/hardcopy.htm](http://www.fema.gov/home/MSC/hardcopy.htm)

Using the FIRM, determine the flood zone(s) of the project site (Check all zones in the project area).

(see FIRM legend for flood zone explanations)

- VE or V 1-30
- AO or AH
- B or X (shaded)
- Floodway
- Coastal Barrier Resource Act (CBRA) Zone (Federal regulations strictly limit Federal funding for projects in this Zone; please coordinate with your state agency before submitting an application for a CBRA Zone project)

If the FIRM Map for your area is not published, please attach a copy of the Flood Hazard Boundary Map (FMBM) for your area, with the project site and structures clearly marked on the map.

C. City or County Map with Project Site and Photographs

Attach a copy of a city or county scale map (large enough to show the entire project area) with the project site and structures marked on the map.

Attach a USGS 1:24,000 topo map with project site clearly marked on the map.

For acquisition or elevation projects, include copy of Parcel Map (Tax Map, Property Identification Map, etc.) showing each property to be acquired. The map should include the Tax ID numbers for each parcel, if possible.

Attach photographs (2 copies) for each project site. The photographs should be representative of the project area, including any relevant streams, creeks, rivers, etc. and drainage areas which affect the project site or will be affected by the project.
Section IV. Budget/Costs

In this section, provide details of all the estimated costs of the project. As this information is used for the Benefit-Cost Analysis, reasonable cost estimates are essential. Since project administrative costs are calculated on a sliding scale, do not include them in the budget. Also, do not include contingency costs in the budget.

A. Materials

<table>
<thead>
<tr>
<th>Item</th>
<th>Dimension</th>
<th>Quantity</th>
<th>Cost per Unit</th>
<th>Cost</th>
</tr>
</thead>
</table>

B. Labor (Include equipment costs – please indicate all “soft” or in-kind matches)

<table>
<thead>
<tr>
<th>Description</th>
<th>Hours</th>
<th>Rate</th>
<th>Cost</th>
</tr>
</thead>
</table>

C. Fees Paid (Include any other costs associated with the project)

<table>
<thead>
<tr>
<th>Description of Task</th>
<th>Hours</th>
<th>Rate</th>
<th>Cost</th>
</tr>
</thead>
</table>

Total Estimated Project Cost $_____________________________
D. Funding Sources (round figures to the nearest dollar)

The maximum FEMA share for HMGP/FMA projects is 75%. The other 25% can be made up of State and Local funds as well as in-kind services. Moreover, the FMA program requires that the maximum in-kind match be no more than 12.5% of the total project costs. HMGP/FMA funds may be packaged with other Federal funds, but other Federal funds (except for Federal funds which lose their Federal identity at the State level such as CDBG, ARS, HOME) may not be used for the State or Local match.

Estimated FEMA Share
$_______________________  _______% of Total (maximum of 75%)

Non-Federal Share

Estimated Local Share
$_______________________  _______% of Total (Cash)
$_______________________  _______% of Total (In-Kind)

Estimated State Share
$_______________________  _______% of Total (Cash)
$_______________________  _______% of Total (In-Kind)

Other Agency Share
$_______________________  _______% of Total

(Identify Other Non-Federal Agency__________________________)

Total Funding sources from above  $_________________________  _______Total % (should equal 100%)

Other Non-FEMA Federal Funds  $_________________________(Do not include in total)

(Identify other Non-Federal Agency__________________________)

E. Project Milestones
List the major milestones in this project by providing an estimated time-line for the critical activities.

Milestone  Number of Days to Complete
[e.g. Demolition of 6 structures and removal of debris  14 days]
Section V. Environmental Review

(Note: This application cannot be processed if this section is not completed.)

Because the HMGP/FMA are federally funded programs, all projects are required to undergo an environmental review as part of the grant application process. Moreover, all projects must comply with the National Environmental Policy Act (NEPA) and associated Federal, State, Tribal, and Local statutes to obtain funding. **NO WORK can be done prior to the NEPA review process. If work is done on your proposed project before the NEPA review is completed, it will NOT be eligible for Federal funding.**

A. National Environmental Policy Act (NEPA) Documents

All projects must have adequate NEPA documentation that enables the FEMA Regional Environmental Officer to determine if the proposed Project complies with NEPA and associated statues. The FEMA Mitigation Division Environmental Specialists provide comprehensive NEPA technical assistance for States and Applicants, with their consent, to complete the NEPA review. The type and quantity of NEPA Documents required to make this determination varies depending upon the project’s size, location, and complexity. However, at a Minimum, please provide the applicable documentation from this section to facilitate the NEPA compliance process.

*If your project fits into one of the descriptions listed below:*
  - Development of mitigation plans;
  - Inspection and monitoring activities;
  - Studies involving only staff time and funding;
  - Training activities using existing facilities;

*Please include the following required NEPA documentation:*
  - Detailed project description, scope of work, and budget/costs (Section II (p. 3) and Section IV (p.4))

*For all other projects, attach/include the following NEPA documents/information:*
  - Detailed project description, scope of work, and budget/costs (Section II (p.3) and Section IV (p. 5) of this application)
  - Project area maps (Section III, part A & B of this application (p.4))
  - Project area/structure photographs (Section III, part C of this application (p. 4))
  - Project alternatives description and impacts (part B of this section of the application (pp. 7-9))
  - A letter from the State Historic Preservation Officer (SHPO) regarding cultural resources (archeological and historic) in the project area (Note: Please inform the SHPO if a structure to be altered is over 50 years old.)
  - Provide any applicable information or documentation referenced on the “Information and Documentation Needs by Project Type” chart (page 10 or this application)

B. Alternative Actions

The NEPA process requires that at least two alternative actions be considered that address the same problem/issue as the proposed project. In this section, list two feasible alternative projects to mitigate the hazards faced in the project area. One alternative is the “No Action Alternative.”

1. No Action Alternative
   Discuss the impacts on the project area if no action is taken.
Section V.   Environmental Review;  B. Alternative Actions, continued

2. Other Feasible Alternative
Discuss a feasible alternative to the proposed project. This could be an entirely different mitigation method or a significant modification to the design of the current proposed project. Complete all of parts a-e (below) and include engineering details (if applicable).

   a. Project Description for the Alternative
   Describe, in detail, the alternative project. Also, explain how the alternative project will solve the problem(s) and/or provide protection from the hazard(s).

   b. Project Location of the Alternative (describe briefly)
   Attach a map or diagram showing the alternative site in relation to the proposed project site
   Photographs (2 copies) of alternative site

   c. Scope of Work for Alternative Project
Section V. Environmental Review; B. Alternative Actions, continued

d. Impacts of Alternative Project

Below, discuss the impact of this alternative on the project area. Include comments on these issues as appropriate: Environmental Justice, Endangered Species, Wetlands, Hydrology (Upstream and Downstream surface water Impacts), Floodplain/ Floodway, Historic Preservation and Hazardous Materials.

e. Estimated Budget/Costs for Alternative Project

In this section, provide details of all the estimated costs of the alternative project (round figures to the nearest dollar).

1. Materials

   Item          | Dimension | Quantity | Costs per Unit | Cost
   --------------|-----------|----------|----------------|------

2. Labor (Include equipment costs – please indicate all “soft” or in-kind matches)

   Description          | Hours | Rate | Cost
   ---------------------|------|------|------

3. Fees Paid (Include any other costs associated with the project).

   Description of Task  | Hours | Rate | Cost
   ----------------------|------|------|------

Total Estimated Project Cost $__________________________
Attach any continuations or additional items to this page

Page 10 of 22


Section VI. Maintenance Agreement

All applicants whose proposed project involves the retrofit or modification of existing public property or Whose proposed project would result in the public ownership or management of property, structures, or facilities, must first sign the following agreement prior to submitting their application to FEMA.

(Note: Those applicants whose project only involves the retrofitting, elevation, or other modification to private property where the ownership will remain private after project completion DO NOT have to complete this form.)

The_____________________of____________________________________State of Florida, hereby agrees that (City, Town, County)
if it receives any Federal aid as a result of the attached project application, it will accept responsibility, at its own expense if necessary, for the routine maintenance of any real property, structures, of facilities acquired or constructed as a result of such Federal aid. Routine maintenance shall include, but not be limited to, such responsibilities as keeping vacant land clear of debris, garbage, and vermin; and keeping stream channels, culverts, and storm drains clear of obstructions and debris; and keeping detention ponds free of debris, trees, and woody growth.

The purpose of this agreement is to make clear the Subgrantee’s maintenance responsibilities following project award and to show the Subgrantee’s acceptance of these responsibilities. It does not replace, supercede, or add to any other maintenance responsibilities imposed by Federal law or regulation and which are in force on the date of project award.

Signed by__________________________________________________________the duly authorized representative (printed or typed name of signing official)
____________________________________________________.
(title)
this_____________(day) of______________(month)_____________(year)

Signature*______________________________________________

*Please note: The above signature must be by an individual with legal signing authority for the respective local government or county (e.g., the Chairperson, Board of County Commissioners or the County Manager, etc.)
Property Acquisition Worksheet

A. Prepare a separate worksheet for each individual property to be acquired. Please note: Participation in an acquisition project must be voluntary on the part of the property owner.

Include three or more color photographs (2 copies of each photo) showing a front view, a side view, and a back view of each structure to be acquired. Attach photographs to the worksheet for that property.

B. Site Information

1. Owner’s name______________________________________
   Social Security Number_______________________________(needed for duplication of benefits (DOB) determination)
   Spouse’s name (if applicable) ________________________________________
   Spouse’s Social Security Number ___________________________(needed for duplication of benefits (DOB) determination)

2. Street Address (including city, state and zip code) or Physical/Legal Location:

   __________________________________________________________
   __________________________________________________________

3. If the structure is located in a Special Flood Hazard Area (SFHA) and was substantially damaged (i.e., greater than 50%) you must obtain a Substantial Damage Certificate signed by the Local Building Official (preferably using FEMA’s residential Substantial Damage Estimator (RSDE) software).

   Please Note: The data for numbers 4, 5, and 6 of this part and all of Section D are not required if the structure is located in the SFHA and a Substantial Damage Certificate is attached.

4. Base Flood Elevation of Property: __________________________

5. Lowest (Finished) Floor Elevation of Principal Structure: __________________________

6. Depth of water in the structure __________ inches for __________ day(s) and level of event causing flooding __________ year flood.

   (10, 25, 50, 100, 500)

C. Structure Information

1. Attach a copy of the local government Tax Assessor’s record for the subject property; and, if available, a tax map.

2. Building Type: (check one)
   1-story w/o basement   2-story w/o basement   Split-level w/o basement   Split level with basement
   1-story with basement 2-story with basement Mobile Home Other__________________________

3. Building Use: (check all that apply)
   Primary Residence Rental Property Secondary Residence Commercial Property
   Public Building House of Worship Multi-Family Other__________________________

4. Construction Type:
   Wood Frame Concrete Block Brick Other__________________________

5. Date of Construction for the structure: (if structure is older than 50 years, attach letter from State Historic Preservation Officer)

6. Total Square Footage of Principal Structure (heated and cooled areas only): __________________________

7. Estimated Cost to Replace Principal Structure (if known): $________/square foot.
8. Are there accessory or out buildings on the property? Yes   No  
   If yes, Attached   Detached  
   Please describe (location, type of structure, age, value):

9. If the project involves the acquisition of a commercial property you must complete a Hazardous Materials Questionnaire for that Property. If applicable, please contact the HMGP/FMA Environmental Section at (850) 922-5779 for a copy of the questionnaire.

D. History of Hazards / Damages (to the Property being acquired)
List all current and past damages to the property (including damages to the structure, its contents, and any displacement costs). Include damage from declared disaster events AND other hazard events that did not result in a presidential declaration. NOTE: These data are Not required if the property is located in the Flood way or if a Substantial Damage Certificate (for most recent disaster) is attached.

<table>
<thead>
<tr>
<th>Date (e.g., 10, 20, 50, yr flood)</th>
<th>Level of Event</th>
<th>Description of Damages</th>
<th>Cost of Repairs/Replacement/Displacement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note regarding damage estimates: the date, level of event, description of damages, cost of repairs/replacement must be specific to ONLY the building under consideration. Countywide damage estimates (e.g., Hurricane Irene, 1999 caused 2 million dollars damage) cannot be used. Additionally, vague information is not useful or acceptable in lieu of specific building damage estimates. The property damages can be a homeowner’s estimate; however please include a contractor’s itemized repair estimate, if possible.
### E. Acquisition Cost Worksheet

Please fill out a separate Acquisition Cost worksheet for each property to be acquired. If your project involves the acquisition of several properties, you may wish to develop a single spreadsheet that lists each property. The spreadsheet should contain all of the information fields in the Acquisition Cost Worksheet below.

<table>
<thead>
<tr>
<th>Project Cost Information</th>
<th>Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner’s full name:</td>
<td>NA</td>
</tr>
<tr>
<td>Spouse’s full name (if applicable):</td>
<td>NA</td>
</tr>
<tr>
<td>Mailing Address:</td>
<td>NA</td>
</tr>
<tr>
<td>City, State, Zip:</td>
<td>NA</td>
</tr>
<tr>
<td>Property Address:</td>
<td>NA</td>
</tr>
<tr>
<td>Tax Parcel Identification number:</td>
<td>NA</td>
</tr>
<tr>
<td>Year built:</td>
<td>NA</td>
</tr>
<tr>
<td>Square footage of the building (heated and cooled areas only):</td>
<td>NA</td>
</tr>
<tr>
<td>Pre-Disaster Fair Market Value**(Identify Source_____________________________________________)</td>
<td>$</td>
</tr>
<tr>
<td>Estimated Cost of Demolition</td>
<td>$</td>
</tr>
<tr>
<td>Estimated Appraisal Costs</td>
<td>$</td>
</tr>
<tr>
<td>Property Survey Costs</td>
<td>$</td>
</tr>
<tr>
<td>Closing Costs (usually handled by a title company)</td>
<td>$</td>
</tr>
<tr>
<td>Relocation Assistance</td>
<td>$</td>
</tr>
<tr>
<td>Other</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total Cost to Acquire Property</strong></td>
<td><strong>$</strong></td>
</tr>
</tbody>
</table>

**Please note:** The community may determine the pre-disaster fair market value by using either the local tax assessed value (plus a percentage to approximate market value) or a State Certified Property Appraiser’s estimate. In either case, the market value must be based on pre-disaster conditions. Also, if a local tax assessed value is used, a letter from the Local Property Appraiser must accompany the application.
Elevation Worksheet

Note: Recommended elevation for Coastal Areas is at least one foot above the Base Flood Elevation. Recommended elevation for Riverine Areas is at least two feet above the Base Flood Elevation. Please provide damage history for the structure under consideration only. Also, and entire HMGP/FMA application must be completed for each Structure to be elevated.

Include three or more color photographs (2 copies of each) showing a front view, a side view, and a back view of the structure to be elevated. Attach photographs to the property worksheet.

A. Site Information

1. Owner’s Name______________________________________
   Social Security Number________________________________(needed for duplication of benefits (DOB) determination)
   Spouse’s Name (if applicable)________________________________
   Spouse’s Social Security Number________________________(needed for duplication of benefits (DOB) determination)

2. Street Address (including city, state and zip code) or Physical/Legal Location:

____________________________________________________________________
____________________________________________________________________

B. Structure Information:

1. Building Type: (check one)
   - 1-story w/o basement
   - 2-story w/o basement
   - Split-level w/o basement
   - Split level with basement
   - 1-story with basement
   - 2-story with basement
   - Mobile Home
   - Other_________________

2. Building Use: (check all that apply)
   - Primary Residence
   - Rental Property
   - Secondary Residence
   - Commercial Property
   - Public Building
   - House of Worship
   - Multi-Family
   - Other_________________

3. Construction Type:
   - Wood Frame
   - Concrete Block
   - Other_________________

4. Foundation Type:
   - Slab on Grade
   - Crawl Space
   - Block Foundation
   - Other_________________

5. Date of original Construction for the structure (if structure is older than 50 years, attach letter from State Historic Preservation Officer):

____________________________________________________________________

7. Date of modification/upgrade to the structure (if applicable):

____________________________________________________________________

8. What is the total value of the contents of the building?_________________(If uncertain a value of $10.00/sq. ft. may be used)

9. What was the depth of flooding in the building?_________________inches

10. How long was the building flooded?________________________days

11. Provide the level of the flooding event________________________(e.g., 10-year event, 25-year flood, etc.)
Elevation Worksheet Continued

12. Elevation Information

Total Square Footage of Principal Structure (*heated and cooled areas only*): ________________________________

Lowest (Finished) Floor Elevation of Principal Structure (above sea level): ________________________________

Proposed Elevation Height (above sea level)_________________ Feet ___________ Inches

Proposed Foundation Type for Elevated Structure: Columns Pilings Other______________________

C. Required information for elevation projects located in a V-zone or numbered A-zone:

1. What is the elevation of the lowest livable floor of the building? _________________ (A copy of the surveyor or engineer’s Elevation Certificate for the building is required)

2. What is the Base Flood Elevation (BFE) at the building site? ______________

3. What is the local code requirement regarding elevation? _________________(e.g., BFE + 1.0’, etc. provide a copy of the applicable local code language/section)

4. From the FEMA Flood Insurance Study (FIS), which includes the project site, fill out the appropriate table below:

   *Please note:* FISs can be ordered from the Map Service Center at 1-800-358-9616. For more information about FISs, contact your local agencies or visit the FIS site on the FEMA Web-page at [http://www.fema.gov/MSC/fis.htm](http://www.fema.gov/MSC/fis.htm)

<table>
<thead>
<tr>
<th>Flood Frequency</th>
<th>Peak Discharge</th>
<th>Flood Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>100-year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>500-year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

If located in a Riverine Flood Zone (numbered A-zone or AE zone) fill in the following table:

<table>
<thead>
<tr>
<th>Flood Frequency</th>
<th>Flood Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-year</td>
<td></td>
</tr>
<tr>
<td>50-year</td>
<td></td>
</tr>
<tr>
<td>100-year</td>
<td></td>
</tr>
<tr>
<td>500-year</td>
<td></td>
</tr>
</tbody>
</table>

If located in a Coastal Flood Zone (V-zone or A-zone subject to storm surge) fill in the following table:

<table>
<thead>
<tr>
<th>Flood Frequency</th>
<th>Flood Depth</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-year</td>
<td></td>
</tr>
<tr>
<td>50-year</td>
<td></td>
</tr>
<tr>
<td>100-year</td>
<td></td>
</tr>
<tr>
<td>500-year</td>
<td></td>
</tr>
</tbody>
</table>
D. History of Hazards/ Damages (to the structure being elevated)

List all current and past damages to the structure (including its contents). Damages must be fully documented (i.e., you may be asked to produce supporting evidence for any claimed damages). Include damage from declared disaster events AND other hazard events which did not result in a presidential declaration.

**Note regarding damage estimates:** the date, type of event, and description of damages must be specific to ONLY the building under consideration. County wide damage estimates (e.g., Hurricane Irene, 1999 caused 2 million dollars damage) cannot be used. Additionally, vague information is not useful or acceptable in lieu of specific building damage estimates.

<table>
<thead>
<tr>
<th>Date</th>
<th>Type of Event (e.g., storm surge, closed basin flooding, etc.)</th>
<th>Description of Damages (Structure and contents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>[e.g., 1999] Hurricane Irene; storm surge</td>
<td>Structure $36,000; Content $15,000</td>
<td></td>
</tr>
</tbody>
</table>
E. **Elevation Cost Information**

Use the Elevation Cost Worksheet below to develop a detailed cost estimate, which must include all project costs. Any project costs that do not clearly fall under the specified categories should be submitted to the Department for review and determination of funding eligibility under the HMGP and FMA program.

**Elevation Cost Worksheet**

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate costs for all applicable items</th>
<th>Explanation of Costs (e.g., 12 items @ $40 each)</th>
<th>Total Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permitting/Recording/Legal Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demolition Permit</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Building Permit(s)</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Plumbing, Electrical, Mechanical Permits</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Recording Fees</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Legal Fees</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Planning and Design</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surveying and Site Layout</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Elevation Certificate(s)</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Engineering Design for Elevated Structure</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Site Preparation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Structural Demolition</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Lot Clearing</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Debris Removal and Disposal</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Excavation/Fill for Grading</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Retrofitting/Elevation of an Existing Structure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concrete &amp; Block Work; Masonry Work</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Drilling &amp; Installation of Piers, Columns, or Piles</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Beams and Columns</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Embedment and Sealant</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Foundation Walls</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Structural Steel Work</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Bracing and Anchoring</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Lifting/ Jacking/ Elevating</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Backfilling</td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Detachment and Reattachment (of elements affixed to Structure)</td>
<td></td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

**Subtotal for Page** $
<table>
<thead>
<tr>
<th>Description</th>
<th>Sub-Total from previous page</th>
<th>$</th>
<th>Explanation of costs (e.g., 12 items @ $40 each)</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>New Construction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-flooring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wall and Roof Framing and Shell Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exterior Doors and Windows, Insulation</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Hurricane Clips/Ties</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Porches/Decks (if Pre-existing)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stairs and Railings</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Plumbing Rough-in (for supply and drain, waste and vent)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electrical Rough-in (main circuit panel, junction boxes and outlets)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Installation of ductwork for, ventilation, and air conditioning</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Final Clean-up</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Systems Extensions (for elevated buildings only-not for new construction)</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Electrical Service</td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Plumbing/Water Service</td>
<td></td>
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</tr>
<tr>
<td>Sewer/ Septic System</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>HVAC and Ductwork; Elevating Mechanical Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additional Insulation</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Roof and Foundation Drainage Systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soil Stabilization/ Retaining Walls</td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Landscape Replacement/ restoration (for landscaping disturbed by construction)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluated on a case by case basis</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Displacement Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moving Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Storage Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Temporary Living Facilities Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other Eligible Costs</strong> (list additional costs to be determined for eligibility under the HMGIP/FMA)**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other(s)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Eligible Project Costs</strong></td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>
A. **Site Plan (required)**

A site plan, with alignment drawings, that includes the location, plan view and cross-section of cuts, fills and structures is required. Include the type, and measurements of all pipes, culverts, ditches, swales and detention/retention basins and ponds.

Send the following engineering calculations as appropriate:
- Calculations used to determine the sizes of any culverts in the project area (drainage area, amount of flow, slope of culvert, invert elevations).
- Calculations used to determine the sizes of any ditches and swales in the project area (drainage area, amount of flow, slope and depth of the ditch).
- Calculations used to determine the size of any detention/retention basins and ponds (drainage area, amount of flow, state-storage, and stage-discharge curves.)

B. **Environmental Impacts** (please attach the following, as appropriate)

*Both upstream and downstream impacts need to be considered and discussed in the NEPA documents and coordination Letters.*

- Letter from State Historic Preservation Office addressing impacts on cultural resources.
- Letter from the Army Corp of Engineers indicating whether a permit is required for the project.
- Letter from the State Water Management District indicating whether a permit is required for the project.
- Letter from the Department of Environmental Protection indicating whether a permit is required for the project.
- Letter from the US Fish and Wildlife Service addressing impacts to wildlife.
- If project is in coastal area, attach a letter from the National Marine Fisheries Service addressing impacts to marine resources.
- If the project is located outside the city limits, attach a letter from the Natural Resources Conservation Service addressing impacts to prime and unique farmlands.

C. **Letter of Map Revision (LOMR)**

A Letter of Map Revision (LOMR) may be needed for this project. Any changes to the Flood Insurance Rate Maps (FIRM) need to be reflected on the flood maps, which is accomplished through the LOMR process. The construction of this project may lower the 100-year flood elevation and thus, possibly lower the flood insurance rates for structures in the project area. If the LOMR process is applicable to the proposed project, please contact the Department for assistance at (850) 922-5269.

D. **Project Scheduling**

Note below (or attach to this page) any special circumstances regarding project scheduling.
Wind Retrofit Worksheet-HMGP only

Please fill out this worksheet completely. A separate worksheet is required for each structure to be wind retrofitted.

Attach photographs (two copies) of each side of the building to be retrofitted.

Provide evidence that the shutter system complies with the Dade County specifications. The best evidence of this is a certificate issued by the Dade County building Department stating that the proposed shutter products have been tested, approved, and comply with the Dade County Specifications. Non-certified shutters or products cannot be used.

Fill out the table below. *(NOTE: All shaded line items are required to process the application)*

<table>
<thead>
<tr>
<th>A. Project Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Building Name</td>
</tr>
<tr>
<td>(2) Address</td>
</tr>
<tr>
<td>(3) City State and Zip</td>
</tr>
<tr>
<td>(4) Owner/Applicant</td>
</tr>
<tr>
<td>(5) Contact Person</td>
</tr>
<tr>
<td>(6) Disaster Number</td>
</tr>
<tr>
<td>(7) Project Number</td>
</tr>
<tr>
<td>(8) Application Date</td>
</tr>
<tr>
<td>(9) Analyst</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Building DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Select Building Type</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
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<tr>
<td></td>
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<td>(2) Building Site (Miles Inland)</td>
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<td>(3) Number of Stories Above Grade</td>
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<td>(4) Construction Date</td>
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<td>(5) Historic Building Controls</td>
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<td>(6) Disaster Number</td>
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<th>C. Building Size and Use</th>
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<td>(1) Total Floor Area (SF)</td>
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<tr>
<td>(2) Area Occupied by Owner or Public/Non-Profit Agencies (SF)</td>
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</table>
## D. Building Value

1. Building Replacement Value
2. Demolition Threshold

## E. Building Contents

1. Description of contents
2. Total Value of Contents

## F. Displacement of Costs Due to Wind

1. Rental Cost of Temporary Building Space ($/sf/month)
2. Other Displacement Costs ($/month)

## G. Value of Public Non-Profit Service

1. Description of Services Provided
2. Annual Budget of Public Non-Profit Agencies
3. Post Disaster Continuity Premium ($/day)

## H. Rent and Business Income

1. Total Monthly Rent from all Tenants ($/month)
2. Est Net income of Commercial Businesses ($/mo)

## I. Mitigation Project Data

1. Project Description
2. Project Useful Life (Years)
3. Mitigation Project Costs
4. Base Year of Costs
5. Annual Maintenance Costs ($/year)

## J. Temporary Relocation Costs

1. Relocation Time Due to Project (months)
2. Rental Cost During Occupant Relocation ($/month)
3. Other Relocation Costs ($/month)
Joint HMGP/FMA Application
Completeness Checklist (December 2000)

This checklist is the same form that will be used during the application sufficiency review performed by the Department of Community Affairs (DCA). The applicant will be contacted and asked to provide additional information for any deficiencies. Please complete this checklist to evaluate the application for completeness before submitting it to the Department.

Project Title_______________________________   Project Number (DCA use only)______________

Notes

Part B. Applicant Information (pp. 1-2)
ê FEMA disaster number (e.g., FEMA-1259-DR-FL) & Disaster (common) name stated
ê Title/Brief Descriptive Project Summary
ê 1. Applicant (Organization)
ê 2. Applicant type
ê 3. County/Counties
ê 4. State Legislative district(s) & Congressional District(s) stated
ê 5. Tax I.D. Number
ê 6. FIPS Code provided or FEMA Request for Public Assistance form (Attachment A) completed
ê 7. NFIP Community Identification Number provided
ê 8. NFIP Community Rating System (CRS) number provided
ê 9. Proof of Flood Insurance provided (including policy number)
ê 10. Point of Contact (section completely filled out)
ê 11. Application Prepared by
ê 12. Authorized Applicant Agent (Agent stated and proof of authorization authority provided)
ê 13. A letter of endorsement from the county’s Local Mitigation Strategy Coordinator for the proposed project is included.

Section I. History of Hazards / Damages in the Area to be Protected (p. 2)
ê A. Overview of Past Damages stated (*Note: For acquisition and elevation projects omit this section, instead complete page 13 (part D) for acquisitions and page 17 (part D) for elevations).

Section II. Project Description (p. 3)
A. Hazards to be Mitigated / Level of protection
ê 1. Mitigated hazard stated
ê 2. The type of proposed project is identified
ê 3. The total number of persons protected by the project is stated
ê 4. The level of protection the project will mitigate is stated
ê 5. Engineering calculations included (if applicable)
ê 6. Useful life of project is stated

B. Project Description, Scope of work, and Protection Provided
ê Project described in detail
ê Scope of work included
ê Explanation of how the proposed project will solve the problem*
(*NOTE: This section is important. To receive HMGP/FMA monies a proposed project must prove that it will solve a problem.)
ê Level(s) of protection described
Section III. Project Location (p. 4)
A. Site
ène 1. Physical location adequately described
ène 2. Project site seaward of the Coastal Construction Control Line? (answered Yes or No)
ène 3. The number of every structure type in the project area is listed

B. Flood Insurance Rate Map (FIRM) showing Project Site (required)
ène A copy of the FIRM map with the project site and structures clearly marked on the map
ène A copy of the panel(s) from the FIRM with the project site and structures clearly marked on the map (NOTE: Both the FIRM map and the applicable panels from the FIRM are required)
ène Provide Floodway Map (if available)
ène Flood zone(s) of the project site determined (see checklist on page 4 of the application)
ène If the FIRM is not published for the project area, a copy of the Flood Hazard Boundary Map (FHBM) with the project site and structures clearly marked on the map is attached

C. City or County Map with Project Site and Photographs
ène Copy of city or county scale map (large enough to show the entire project area) with the project site and structures clearly marked on the map attached
ène USGS 1:24,000 topo map with the project site and structures clearly marked on the map attached
ène For acquisition and elevation projects only: Parcel Map showing each property to be acquired attached (include the Tax ID numbers for each parcel, if possible)
ène Photographs (2 copies each) attached for each project site (photographs should adequately represent the project area, including any relevant streams, creeks, rivers, etc. and drainage areas which affect the project site or will be affected by the project)

Section IV. Budget/Costs (pp. 5-6)
ène A. Materials (costs adequately estimated)
ène B. Labor (costs adequately estimated)
ène C. Fees Paid (costs adequately estimated)
ène D. Funding Sources (100% of funding is identified with at least a 25% Non-Federal match)
ène E. Project Milestones (major milestones provided)

Section V. Environmental Review * (pp. 7-10)
(*NOTE: The application cannot be processed if this section is not completed.)

A. National Environmental Policy Act (NEPA) Documents
ène The applicant has NOT begun any work before the NEPA review process has been completed (required).
ène All applicable NEPA documentation is provided from the checklist on page 7 of the application
ène All applicable NEPA documentation is provided from the chart on page 10 of the application

B. Alternative Actions
ène 1. No Action Alternative (adequate discussion of the impacts of taking “no action”)
ène 2. Other Feasible Alternative
ène a. Alternative project adequately described (including how the problem will be solved)
ène b. Map or diagram attached showing the alternative site in relation to the proposed project site
ène c. Adequate scope of work for the alternative site
ène d. Impacts of Alternative Project (Adequate discussion of the impact of the alternative project on the project area (including comments on appropriate environmental issues)
ène e. Adequate estimated budget/costs of the alternative project

Section VI. Maintenance Agreement (p. 11)
NOTE: This section is only applicable to certain projects (see page 12 for details).
ène Signature from a duly authorized representative (if applicable)

The checklists on the following pages are designed for specific project types
Property Acquisition Worksheet (pp. 12-14)  
(Acquisition projects only)

Notes

A.  
ê An Acquisition Project Worksheet is provided for each individual property to be acquired  
ê Three or more color photographs (2 copies of each photo) showing the front, side, and back of each structure to be acquired are provided

B. Site Information  
ê 1. Owner’s name and SSN  
ê 2. Spouse’s name and SSN (if applicable)  
ê 3. Street address provided  
Is the structure in a Special Flood Hazard Area (SFHA)?  
ê YES  
ê NO  
Was the structure substantially damaged during the most recent disaster?  
ê YES  
ê NO  
If the applicant answered “YES” to the above questions, a Substantial Damage Certificate must be included  
ê A Substantial Damage Certificate signed by the Local Building Official provided  
Please Note: The data for numbers 4, 5, and 6 of this part and all of Section E are not required if the structure is located in the SFHA and a Substantial Damage Certificate is attached.
ê 4. Base Flood Elevation (BFE) of Property provided  
ê 5. Lowest (Finished) Floor Elevation of Principal Structure provided  
ê 6. Depth of water in the structure and level of event causing flooding stated.

C. Structure Information  
ê 1. A copy of the local government Tax Assessor’s record for the subject property attached  
ê 2. A tax map (if available)  
ê 3. All appropriate building uses that apply are checked  
ê 4. Construction type checked  
ê 5. Date of (original) construction stated for the structure  
ê 6. Total square footage of principal structure stated (heated and cooled areas only)  
ê 7. Estimated cost to replace principal structure (if known) in dollars per square foot ($/ft.)  
ê 8. Accessory or out buildings on the property adequately described (if applicable)  
ê 9. Does the project involve the acquisition of a commercial property?  
ê YES  
ê NO  
ê A letter from State Historic Preservation Officer is attached (If the structure is older than 50 years)  
ê If yes, a Hazardous Materials Questionnaire must be attached.

D. History of Hazards / Damages (to the Property being acquired)  
ê The history of hazards/damages are adequately assessed and specific only to the building under consideration (i.e., no county wide damage estimates).  
NOTE: This section is not required is a Substantial Damage Certificate was provided.

E. Acquisition Cost Worksheet  
ê An Acquisition Cost Worksheet is completely filled out for each property to be acquired (or the applicant has developed a single spreadsheet (for a multi-property project) with all necessary information fields included)  
ê Pre-disaster Fair Market Value must be estimated by one of the following:  
ê A State Certified Property Appraiser’s estimate provided  
ê Local tax assessed value with a letter from the Local Property Appraiser provided
Notes

- Three or more color photographs (2 copies of each photo) showing the front, side, and back of the structure to be elevated are provided

A. Site Information
- Owner’s name and SSN
- Spouse’s name and SSN (if applicable)
- Street address provided

B. Structure Information
- 1. Appropriate building type is checked (only one type should be checked)
- 2. All appropriate building uses that apply are checked
- 3. Construction type checked
- 4. Foundation type checked
- 5. Date of (original) construction stated for the structure
- A letter from State Historic Preservation Officer is attached (If the structure is older than 50 years)
- 6. Date of modification/upgrade to the structure stated (if applicable)
- 7. Pre-disaster Fair Market Value estimated by one of the following:
  - A State Certified Property Appraiser’s estimate provided
  - or
  - local tax assessed value with a letter from the Local Property Appraiser provided
- 8. Total value of the contents of the building estimated
- 9. Depth of flooding in the building stated in inches
- 10. The number of days the building was flooded is stated
- 11. The level of the flooding event is provided
- 12. Elevation Information (all four questions below should be answered)
  - Total square footage of principal structure stated (heated and cooled areas only)
  - Lowest (finished) floor elevation of principal structure (above sea level) stated
  - Proposed elevation height (above sea level) stated in feet and inches
  - Proposed foundation type for elevated structure stated

C. Required information for elevation projects located in a V-zone or numbered A-zone
- Is the proposed project in a V-zone or a numbered A-zone?  
  - YES  
  - NO
  
  NOTE: If NO, skip to the next section.
- 1. The elevation of the lowest livable floor of the building is stated
  - A copy of the surveyor or engineer’s Elevation Certificate for the building is provided (required)
- 2. The Base Flood Elevation (BFE) is stated
- 3. The local code requirement regarding elevation is stated (and a copy of the applicable local code language/section is provided, if available)
- 4. The appropriate table is completely filled out using the FEMA Flood Insurance Study (FIS) (see application (p. 16)).

D. History of Hazards / Damages (to the Property being elevated)
- The history of hazards/damages are adequately assessed and specific only to the building under consideration (i.e., no county wide damage estimates).

E. Elevation Cost Information
- The Elevation Cost Worksheet (pp. 18-19) of the application is completely filled out and all cost estimates seem reasonable.
  - DCA use only - List any non-eligible or questionable cost estimates below:

______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
______________________________________________________________________________
Drainage Worksheet (p. 20)  (Drainage projects only)

Notes

A. Site Plan (required)
   ê A site plan, with alignment drawings, that includes the location, plan view and cross-section of cuts, fills, and structures is included (required).
   ê The type, and measurements of all pipes, culverts, ditches, swales and detention/retention basins and ponds is stated.

The following engineering calculations should be included (if applicable):
   ê Calculations used to determine the sizes of any culverts in the project area (drainage area, amount of flow, slope of culvert, invert elevations).
   ê Calculations used to determine the sizes of any ditches and swales in the project area (drainage area, amount of flow, slope and depth of the ditch).
   ê Calculations used to determine the size of any detention/retention basins and ponds (drainage area, amount of flow, stage-storage, and stage-discharge curves).

B. Environmental Impacts
   ê Upstream impacts are considered and discussed
   ê Downstream impacts are considered and discussed
   ê All applicable supporting NEPA environmental documentation from application checklist is included (See the checklist on page 20 of the application)

List any applicable environmental documentation and/or coordination letters that were not included below:

_____________________________________________________________________________________
_____________________________________________________________________________________
_____________________________________________________________________________________

C. Letter of Map Revision (LOMR)*
*Contact the Department at (850) 922-5269, if this section applies to the proposed project.

D. Project Scheduling
   ê Any special scheduling circumstances are addressed (if applicable)
Notes

NOTE: Wind Retrofit projects are only eligible under the HMGP
é A separate worksheet is provided for each structure to be wind retrofitted.
é Attach photographs (two copies of each photo) of each side of the building to be retrofitted.
é Evidence that the shutter system complies with the Dade County Specifications provided.
é All the information for every shaded line item on the Wind Retrofit Worksheet is provided.*

*NOTE: The application cannot be processed if any shaded line items are left blank.
Please refer to the application worksheet to assess completeness.
### PAPERWORK BURDEN DISCLOSURE NOTICE

Public reporting burden for this form is estimated to average 10 minutes. The burden estimate includes the time for reviewing instructions, searching existing data sources, gathering and maintaining the needed data, and completing and submitting the forms. You are not required to respond to this collection of information unless a valid OMB control number is displayed in the upper right corner of the forms. Send comments regarding the accuracy of the burden estimate and any suggestions for reducing the burden to: Information Collections Management, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC 20472, Paperwork Reduction Project (3067-0151). **NOTE:** Do not send your completed form to this address.

### APPLICANT

(Political subdivision or eligible recipient.)

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### COUNTY

(Location of Damages. If located in multiple counties, please indicate.)

### APPLICANT PHYSICAL LOCATION

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### Primary Contact/Applicant’s Authorized Agent

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Did you participate in the Federal/State Preliminary Damage Assessment (PDA)?

- [ ] Yes
- [ ] No

Private Non-Profit Organization?

- [ ] Yes
- [ ] No

**If yes, which of the facilities below best describe your organization?**

Title 44 CFR, part 206.221(e) defines an eligible private non-profit facility as: “… any private non-profit educational, utility, emergency, medical or custodial care facility, including a facility for the aged or disabled, and other facility providing essential governmental type services to the general public, and such facilities on Indian reservations.” “Other essential governmental service facility” means museums, zoos, community centers, libraries, homeless shelters, senior citizen centers, rehabilitation facilities, shelter workshops and facilities which provide health and safety services of a governmental nature. All such facilities must be open to the general public.

Private Non-Profit Organizations must attach copies of their Tax Exemption Certificate and Organization Charter or By-Laws. If your organization is a school or educational facility, please attach information on accreditation or certification.
Sample Public Notice
(to be published in at least one newspaper of general circulation within the proposed project area)

Joint Federal, State and Local Public Notice

The (name of community) has submitted an application for Federal funding for a floodplain acquisition project. The application was submitted to the Florida Department of Community Affairs.

Applicant:
(name of community, including responsible department)
Street Address
City, State, Zip

Project Title:
__________ Floodplain Buyout Project (FEMA Disaster No. XXXX)

Location of Proposed Work:

Description of Proposed Work and Purpose:

Comment Period:
Comments are due within 15 days of this notice.
Comments are solicited from the public; local, State, and federal agencies; and other interested parties in order to consider and evaluate the impacts of the proposed project. The comments are to be submitted in writing to:
   Bureau of Recovery and Mitigation
   Florida Department of Community Affairs
   2555 Shumard Oak Blvd
   Tallahassee, FL  32399-2100

The State will forward comments to appropriate regulatory agencies, as needed. If you have questions about the project or wish to view the paperwork, including maps of the area, contact the (name of community).

Community Point of Contact (name)
Telephone number
AGREEMENT

THIS AGREEMENT is entered into by and between the State of Florida, Department of Community Affairs, with headquarters in Tallahassee, Florida (hereinafter referred to as the "Department"), and , (hereinafter referred to as the "Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING FACTS:

A. WHEREAS, produced disastrous weather conditions which had a devastating impact upon the State of Florida; and

B. WHEREAS, the severity of the damage loss resulted in the declaration of an emergency by the Governor; and

C. WHEREAS, The President of the United States has concurred and has declared a major disaster designated FEMA-DR--FL; and

D. WHEREAS, the Federal Emergency Management Agency (FEMA), as a result of the Presidential Declaration, has made available federal funds for hazard mitigation grants; and

E. WHEREAS, the Florida Legislature has made funds available through the Department in order to provide the Recipient funds required to meet the local match requirement; and

F. WHEREAS, the Recipient represents that it is fully qualified, possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein, and does offer to perform such services, and

G. WHEREAS, the Department has a need for such services and does hereby accept the offer of the Recipient upon the terms and conditions hereinafter set forth, and

H. WHEREAS, the Department has authority pursuant to Sections 252.35, 252.36, 252.37, 252.38 and 163.03, Florida Statutes (Fla. Stat.) and other pertinent Florida law to disburse the funds under this Agreement.

NOW, THEREFORE, the Department and the Recipient do mutually agree as follows:

(1) **SCOPE OF WORK**

The Recipient shall fully perform the obligations in accordance with the Budget and Scope of Work, Attachment A of this Agreement. Within thirty (30) days of execution of this Agreement, Recipient shall submit to the Department, for its approval, a detailed Scope of Work and a detailed line item Budget which shall govern the performance of the Recipient hereunder, and which shall be incorporated by reference in this Agreement through a modification signed by both parties. The Scope of Work must include specific interim due dates for each task or activity which is necessary to accomplish the project for which this grant
is awarded. Failure to complete any task or activity by the due date set forth in the Scope of Work will be an Event of Default under Paragraph 9 herein. The Application of the Recipient for this grant, as approved by the Department, is hereby incorporated by reference, and the terms of that approved Application are binding upon the Recipient.

(2) INCORPORATION OF LAWS, RULES, REGULATIONS AND POLICIES

Both the Recipient and the Department shall be governed by applicable State and Federal laws, rules and regulations, including but not limited to those identified in Attachment B.

(3) PERIOD OF AGREEMENT

This Agreement shall begin upon execution by both parties, and shall end twenty-four (24) months from the date of execution, unless terminated earlier in accordance with the provisions of paragraph (9) of this Agreement.

(4) MODIFICATION OF CONTRACT; REPAYMENTS

Either party may request modification of the provisions of this Agreement. Changes which are mutually agreed upon shall be valid only when reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement. Notwithstanding the foregoing, any budget changes which do not increase the overall cost of the project or change the scope of work do NOT require a written modification to this Agreement.

All refunds or repayments to be made to the Department under this Agreement are to be made payable to the order of Department of Community Affairs and mailed directly to the Department at the following address:

Department of Community Affairs
Cashier
Finance and Accounting
2555 Shumard Oak Boulevard
Tallahassee FL 32399-2100

(5) RECORD KEEPING

(a) Recipient's performance under this Agreement shall be subject to 44 CFR Part 13 "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments" and OMB Circular No. A-87.

(b) In the event that more than one project is funded under this Agreement, the funds received by the Recipient for each project may not be commingled, and the funds obligated or expended for each project must be accounted for separately, with separate record keeping for each project.

(c) All original records pertinent to this Agreement shall be retained by the Recipient for three years following the date of termination of this Agreement or of submission of the
final close-out report, whichever is later. However, if any litigation, claim or audit is started before the expiration of the three year period and extends beyond the three year period, the records will be maintained until all litigation, claims or audit findings involving the records have been resolved.

(d) All records, including supporting documentation of all program costs, shall be sufficient to determine compliance with the requirements and objectives of the Budget and Scope of Work - Attachment A - and all other applicable laws and regulations.

(e) The Recipient, its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to the Department, its employees, and agents. "Reasonable" shall be construed according to the circumstances but ordinarily shall mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday. "Agents" shall include, but not be limited to, auditors retained by the Department.

(6) REPORTS

(a) The Recipient shall provide quarterly progress reports to the Department, using the attached Quarterly Report Form, Attachment F. The first report is due on the first day of the federal quarter, after the date of execution of this Agreement and quarterly thereafter until the work has been completed and approved through final inspection. Therefore, reports shall be due on January 1, April 1, July 1, and October 1. Reports shall indicate the status and completion date for each project funded, any problems or circumstances affecting completion dates, or the scope of work, or the project costs, and any other factors reasonably anticipated to result in noncompliance with the terms of the grant award. Interim inspections shall be scheduled by the Recipient prior to the final inspection and may be requested by the Department based on information supplied in the quarterly reports. The Department may require additional reports as needed. The Recipient shall, as soon as possible, provide any additional reports requested by the Department. The Department contact will be the state hazard mitigation officer for all reports and requests for reimbursement.

(b) Recipient shall provide the Department with a close-out report on forms provided by the Department. The close-out report is due no later than sixty (60) days after termination of this Agreement or upon completion of the activities contained in this Agreement.

(c) If all required reports and copies, prescribed above, are not sent to the Department or are not completed in a manner acceptable to the Department, the Department may withhold further payments until they are completed or may take such other action as set forth in paragraph (9). The Department may terminate the Agreement with a Recipient if reports are not received within 30 days after written notice by the Department. "Acceptable to the Department" means that the work product was completed in accordance with generally accepted principles and is consistent with the Budget and Scope of Work.

(d) Upon reasonable notice, the Recipient shall provide such additional program updates or information as may be required by the Department.
(7) **MONITORING.**

The Recipient shall constantly monitor its performance under this Agreement to ensure that time schedules are being met, the Budget and Scope of Work is being accomplished within specified time periods, Recipient is complying with all terms and conditions of this Agreement, and other performance goals are being achieved. Such review shall be made for each function or activity set forth in Attachment A to this Agreement and each term and condition established herein.

(8) **LIABILITY.**

(a) Unless Recipient is a State agency or subdivision, the Recipient shall be solely responsible to parties with whom it shall deal in carrying out the terms of this agreement, and shall save the Department harmless against all claims of whatever nature by third parties arising out of the performance of work under this agreement. For purposes of this agreement, Recipient agrees that it is not an employee or agent of the Department, but is an independent contractor.

(b) Any Recipient who is a state agency or subdivision, as defined in Section 768.28, Fla. Stat., agrees to be fully responsible for its negligent acts or omissions or tortious acts which result in claims or suits against the Department, and agrees to be liable for any damages proximately caused by said acts or omissions. Nothing herein is intended to serve as a waiver of sovereign immunity by any Recipient to which sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

(9) **DEFAULT; REMEDIES; TERMINATION**

(a) If the necessary funds are not available to fund this agreement as a result of action by Congress, the state Legislature, the Office of the Comptroller or the Office of Management and Budgeting, or if any of the following events occur ("Events of Default"), all obligations on the part of the Department to make any further payment of funds hereunder shall, if the Department so elects, terminate and the Department may, at its option, exercise any of its remedies set forth herein, but the Department may make any payments or parts of payments after the happening of any Events of Default without thereby waiving the right to exercise such remedies, and without becoming liable to make any further payment:

1. If any warranty or representation made by the Recipient in this Agreement or any previous Agreement with the Department shall at any time be false or misleading in any respect, or if the Recipient shall fail to keep, observe or perform any of the terms or covenants contained in this Agreement or any previous agreement with the Department and has not cured such in timely fashion, or is unable or unwilling to meet its obligations thereunder;
2. If any material adverse change shall occur in the financial condition of the Recipient at any time during the term of this Agreement from the financial condition revealed in any reports filed or to be filed with the Department, and the Recipient fails to cure said material adverse change within thirty (30) days from the time the date written notice is sent by the Department.

3. If any reports required by this Agreement have not been submitted to the Department or have been submitted with incorrect, incomplete or insufficient information;

4. If the Recipient has failed to perform and complete in timely fashion any of the services required under the Budget and Scope of Work attached hereto as Attachment A.

(b) Upon the happening of an Event of Default, then the Department may, at its option, upon written notice to the Recipient and upon the Recipient's failure to timely cure, exercise any one or more of the following remedies, either concurrently or consecutively, and the pursuit of any one of the following remedies shall not preclude the Department from pursuing any other remedies contained herein or otherwise provided at law or in equity:

1. Terminate this Agreement, provided that the Recipient is given at least thirty (30) days prior written notice of such termination. The notice shall be effective when placed in the United States mail, first class mail, postage prepaid, by registered or certified mail-return receipt requested, to the address set forth in paragraph (10) herein;

2. Commence an appropriate legal or equitable action to enforce performance of this Agreement;

3. Withhold or suspend payment of all or any part of a request for payment;

4. Exercise any corrective or remedial actions, to include but not be limited to, requesting additional information from the Recipient to determine the reasons for or the extent of non-compliance or lack of performance, issuing a written warning to advise that more serious measures may be taken if the situation is not corrected, advising the Recipient to suspend, discontinue or refrain from incurring costs for any activities in question or requiring the Recipient to reimburse the Department for the amount of costs incurred for any items determined to be ineligible;

5. Exercise any other rights or remedies which may be otherwise available under law;

(c) The Department may terminate this Agreement for cause upon such written notice as is reasonable under the circumstances. Cause shall include, but not be limited to, misuse of funds; fraud; lack of compliance with applicable rules, laws and regulations; failure to
perform in a timely manner; and refusal by the Recipient to permit public access to any document, paper, letter, or other material subject to disclosure under Chapter 119, Fla. Stat., as amended.

(d) Suspension or termination constitutes final agency action under Chapter 120, Fla. Stat., as amended. Notification of suspension or termination shall include notice of administrative hearing rights and time frames.

(e) The Recipient shall return funds to the Department if found in non-compliance with laws, rules, regulations governing the use of the funds or this Agreement.

(f) This Agreement may be terminated by the written mutual consent of the parties.

(g) Notwithstanding the above, the Recipient shall not be relieved of liability to the Department by virtue of any breach of Agreement by the Recipient. The Department may, to the extent authorized by law, withhold any payments to the Recipient for purpose of set-off until such time as the exact amount of damages due the Department from the Recipient is determined. In the event that the Federal Emergency Management Agency (FEMA) de-obligates funds previously authorized under this Agreement, or under any other FEMA funded agreement administered by the Division of Emergency Management within the Department, then the Recipient shall immediately repay said funds to the Department. If Recipient fails to repay said funds, then Recipient authorizes the Department to recoup said funds from funding otherwise available under this Agreement or under any other grant agreement with Recipient administered by the Department.

(10) NOTICE AND CONTACT

(a) All Notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below at the address set forth below and said notification attached to the original of this Agreement. "Notices" shall mean communications regarding the addition of funding or projects, and the implementation of any action under paragraph (9) of this Agreement.

(b) The name and address of the Department contract manager for this Agreement is:

Ms. Kathleen Marshall, Planning Manager
Bureau of Recovery and Mitigation
Department of Community Affairs
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100
Telephone: (850) 922-5944
Fax: (850) 922-1259
(c) The name and address of the Representative of the Recipient responsible for the administration of this Agreement is:

Telephone:
Fax:

(d) In the event that different representatives or addresses are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be rendered as provided in (10)(a) above.

(11) OTHER PROVISIONS

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the Recipient in its Application, this Agreement, in any subsequent submission or response to Department request, or in any submission or response to fulfill the requirements of this Agreement, and such information, representations, and materials are incorporated by reference. The lack of accuracy thereof or any material changes shall, at the option of the Department and with thirty (30) days written notice to the Recipient, cause the termination of this Agreement and the release of the Department from all its obligations to the Recipient.

(b) This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County. If any provision hereof is in conflict with any applicable statute or rule, or is otherwise unenforceable, then such provision shall be deemed null and void to the extent of such conflict, and shall be deemed severable, but shall not invalidate any other provision of this Agreement.

(c) No waiver by the Department of any right or remedy granted hereunder or failure to insist on strict performance by the Recipient shall affect or extend or act as a waiver of any other right or remedy of the Department hereunder, or affect the subsequent exercise of the same right or remedy by the Department for any further or subsequent default by the Recipient. Any power of approval or disapproval granted to the Department under the terms of this Agreement shall survive the terms and life of this Agreement as a whole.

(d) The Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(e) The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.), if applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment,
public accommodations, transportation, State and local government services, and in telecommunications.

(f) A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of Category Two for a period of 36 months from the date of being placed on the convicted vendor list.

(g) With respect to any Recipient which is not a local government or state agency, and which receives funds under this agreement from the federal government, the Recipient certifies, to the best of its knowledge and belief, that it and its principals:

1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a federal department or agency;

2. have not, within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

3. are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any offenses enumerated in paragraph 11(g)2. of this certification; and

4. have not within a three-year period preceding this agreement had one or more public transactions (federal, state or local) terminated for cause or default.

Where the Recipient is unable to certify to any of the statements in this certification, such Recipient shall attach an explanation to this agreement.

(12) **AUDIT REQUIREMENTS**

(a) Recipients shall submit an Audit of Agreement Compliance to the Department as provided herein. If the Recipient expends $300,000 or more in Federal awards in its fiscal year, then the Recipient shall have an audit conducted. This audit will be performed by an independent Certified Public Accountant or other entity independent of the Recipient in accordance with the standards of the Comptroller General as specified in the General Accounting Office Standards for Audit of Governmental
Organizations, Programs, Activities and Functions, and generally accepted auditing standards established by the American Institute of Certified Public Accountants. The agreement number of this grant must be identified with the audit submitted. Such audit shall also comply with the requirements of Sections 11.45, 216.349, and 216.3491, Florida Statutes and Chapter 10.550 and 10.600, Rules of the Auditor General, and, to the extent applicable, the Single Audit Act of 1984, as amended, 31 USC 7501 through 7507, and OMB Circular A-133, as revised June 24, 1997, or thereafter. If the Recipient is a private non-profit organization, it shall submit an organization-wide audit. All audits are due not later than seven (7) months after the termination of the entity's fiscal year. If the Recipient expends less than $300,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133 is not required, but an audit may otherwise be required under Section 216.3491, Florida Statutes, and rules adopted pursuant thereto.

(b) The Grantee may require the Recipient to undertake such further or additional audits as determined necessary or appropriate including, but not limited to, past and current organization-wide audits. Such audits may be necessary to determine the adequacy, accuracy, and reliability of the Recipient's internal controls, fiscal data, and management systems established to safeguard the Recipient's assets and to ensure compliance with this Agreement.

(c) If this Agreement is closed out without an audit, the Grantee reserves the right to recover any disallowed costs identified in an audit after such close-out.

(d) The Recipient agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement. These records shall be available at all reasonable times for inspection, review, or audit by state personnel and other personnel duly authorized by the Department. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday. The Recipient shall also provide the Department with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement.

(e) The complete financial audit report shall be sent directly to:

   Department of Community Affairs
   Office of Audit Services
   2555 Shumard Oak Boulevard
   Tallahassee, Florida  32399-2100

(f) In the event the audit shows that the entire funds disbursed hereunder, or any portion thereof, were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to the Department of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty (30) days after the Department has notified the Recipient of such non-compliance.
(13) **SUBCONTRACTS**

(a) If the Recipient subcontracts any or all of the work required under this Agreement, the Recipient agrees to include in the subcontract that the subcontractor is bound by the terms and conditions of this Agreement with the Department.

(b) The Recipient agrees to include in the subcontract that the subcontractor shall hold the Department and Recipient harmless against all claims of whatever nature arising out of the subcontractor's performance of work under this Agreement, to the extent allowed by law.

(c) If the Recipient subcontracts, a copy of the executed subcontract must be forwarded to the Department within five (5) days of execution.

(d) Contractual arrangements shall in no way relieve the Recipient of its responsibilities to ensure that all funds issued pursuant to this grant be administered in accordance with all state and federal requirements.

(14) **TERMS AND CONDITIONS.**

The Agreement contains all the terms and conditions agreed upon by the parties.

(15) **ATTACHMENTS.**

(a) All attachments to this Agreement are incorporated as if set out fully herein.

(b) In the event of any inconsistencies or conflict between the language of this Agreement and the attachments hereto, the language of such attachments shall be controlling, but only to the extent of such conflict or inconsistency.

(c) This Agreement has the following attachments:

- Attachment A: Award Letter(s) and Obligations Report(s)
- Attachment B: Program Statutes and Regulations
- Attachment C: Lobbying Prohibition/Certification
- Attachment D: Statement of Assurances
- Attachment E: Request for Advance or Reimbursement
- Attachment F: Quarterly Report Form

(16) **FUNDING/CONSIDERATION**

(a) This is a cost-reimbursement Agreement. The Recipient shall be reimbursed quarterly for costs incurred in the satisfactory performance of work hereunder in an amount not to exceed the amounts listed in Attachment A (Award Letter(s) and Obligation Report(s)), subject to the availability of funds.
(b) Any advance payment under this Agreement is subject to Section 216.181(15), Fla. Stat. The amount which may be advanced may not exceed the expected cash needs of the Recipient within the first three (3) months, based upon the funds being equally disbursed throughout the contract term. For a federally funded contract, any advance payment is also subject to 44 CFR Part 13, Federal OMB Circulars, A-87 and the Cash Management Improvement Act of 1990. If an advance payment is requested, the budget data on which the request is based and a justification statement shall be submitted to the Department contract manager using Attachment E. Recipient shall specify the amount of advance payment needed and provide an explanation of the necessity for and proposed use of these funds. All funds shall be deposited in an interest bearing account. Any interest earned must be promptly, but at least quarterly, remitted to the Department.

(c) All funds shall be requested on forms provided by the Department for that purpose which accompany this Agreement.

(17) **STANDARD CONDITIONS.**

The Recipient agrees to be bound by the following standard conditions:

(a) The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature, and subject to any modification in accordance with Chapter 216 and Section 252.37, Fla. Stat. or the Florida Constitution.

(b) If otherwise allowed under this Agreement, extension of an Agreement for contractual services shall be in writing for a period not to exceed six (6) months and shall be subject to the same terms and conditions set forth in the initial Agreement. There shall be only one extension of the Agreement unless the failure to meet the criteria set forth in the Agreement for completion of the Agreement is due to events beyond the control of the Recipient.

(c) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof.

(d) If otherwise allowed under this Agreement, all bills for any travel expenses shall be submitted in accordance with Section 112.061, Fla. Stat.

(e) The Department of Community Affairs reserves the right to unilaterally cancel this Agreement for refusal by the Recipient to allow public access to all documents, papers, letters or other material subject to the provisions of Chapter 119, Fla. Stat., and made or received by the Recipient in conjunction with this Agreement.

(f) If the Recipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to the Department or be applied against the Department’s obligation to pay the contract amount.
(g) The State of Florida will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e) [Section 274A(e) of the Immigration and Nationality Act (INA)]. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the INA. Such violation by the Recipient of the employment provisions contained in Section 274A(e) of the INA shall be grounds for unilateral cancellation of this Agreement by the Department.

(18) **STATE LOBBYING PROHIBITION**

No funds or other resources received from the Department in connection with this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

Refer to Attachment C for additional terms and provisions relating to lobbying.

(19) **LEGAL AUTHORIZATION**

The Recipient certifies with respect to this Agreement that it possesses the legal authority to receive the funds to be provided under this Agreement and that, if applicable, its governing body has authorized, by resolution or otherwise, the execution and acceptance of this Agreement with all covenants and assurances contained herein. The Recipient also certifies that the undersigned possesses the authority to legally execute and bind Recipient to the terms of this Agreement.

(20) **ASSURANCES**

The Recipient shall comply with any Statement of Assurances incorporated as Attachment D.

(21) **SPECIAL CONDITIONS**

Failure of the Recipient to comply with the program statutes and regulations in Attachments B and D of this Agreement shall be cause for the immediate suspension of payments or the immediate termination of this Agreement.

(22) **FUNDING and INSURANCE**

The Department shall provide Hazard Mitigation Grant Program (HMGP) funds as described in Attachment A (Award Letter(s) and Obligation Report(s)) for eligible and allowable costs incurred in performing the project(s) identified in Attachment A. Eligible and allowable costs shall be determined in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 44 Code of Federal Regulations (CFR) Part 206, 44 CFR Part 13, and other applicable HMGP guidance. Administrative costs shall be compensated in accordance with 44 CFR 206.439(b)(1)(ii).
The Department may make an award of additional funds, and authorize funding for additional HMGP projects approved by FEMA, by subsequent Award Letter and Obligation Report delivered to the Recipient’s Representative identified in paragraph 10. Should Recipient determine it does not wish to proceed based upon the award of additional funds and additional projects, then Recipient shall provide notice to the Department contact within thirty (30) days of receipt of the Award Letter and Obligation Report. Otherwise, Recipient shall provide its notice of acceptance and intent to proceed within forty-five (45) days of receipt of the Award Letter and Obligation Report. The terms of this Agreement shall be considered to have been modified to include the additional funds and project(s) upon receipt of the notice of acceptance and intent to proceed.

The Recipient shall utilize the attached form entitled "Request for Advance or reimbursement of Hazard Mitigation Grant Program Funds," Attachment E, to obtain funds under this Agreement. This form is hereby incorporated into this Agreement by reference. The final payment of funds will be made only after project completion, submission of all required documentation, final inspection, and a request for final reimbursement. Recipient agrees to promptly commence and to expeditiously complete the scope of work identified herein. All work shall be completed within two years of the execution of this Agreement, or prior to such deadline as established by the Federal Emergency Management Agency or the Scope of Work as approved by the Department, whichever is sooner.

Recipient agrees, as a condition of receipt of funding pursuant to this Agreement, to obtain reasonably available, adequate, and necessary insurance for the type or types of hazard for which the major disaster was declared, accordance with the requirements of 44 CFR 206 subpart I. Recipient agrees to obtain and maintain comprehensive liability and workers compensation insurance, as well as pertinent performance and bids bonds, for the construction period of the project.

(23) DUPLICATION OF BENEFITS PROHIBITION

In accordance with the provisions of Section 312 of the Stafford Act, duplication of benefits is prohibited. The Recipient shall notify the Department, as soon as practicable, of the existence of any insurance coverage for the costs identified in the application, and of any entitlement to or recovery of funds from any other source for the project costs, including Small Business Administration funding, Minimum Home Repair funds, and other Federal, State and private funding. Allowable costs shall be reduced by the amount of duplicate sources available. The Recipient shall be liable to the Department to the extent that the Recipient or ultimate beneficiary receives duplicate benefits from any other source for the same purposes for which the Recipient or ultimate beneficiary has received payment from the Department. The Recipient shall immediately remit to the Department any duplication of benefits payment received by the Recipient. In the event the Department determines a duplication of benefits has occurred, Recipient hereby authorizes the Department or the Comptroller of the State of Florida to take offset action against any other available funding due the Recipient. The Comptroller is authorized to pay such offset to the Department upon written notice from the Department. In addition, Recipient shall ensure, as a condition of funding under this Agreement, that all required Privacy Act releases and Duplication of Benefit paperwork is completed.
IN WITNESS WHEREOF, the parties hereto have caused this contract to be executed by their undersigned officials as duly authorized.

**RECIPIENT:**

BY:____________________________________

Name and Title: _________________________________________

Date:_______________________

FEID# _________________________

**STATE OF FLORIDA**

**DEPARTMENT OF COMMUNITY AFFAIRS**

BY:____________________________________

Name and Title: Joseph F. Myers, Director, Division of Emergency Management

Date:_______________________
Attachment A

Budget and Scope of Work

The Recipient shall fully perform the approved hazard mitigation project, as described in Attachment A (Award Letter(s) and Obligation Report(s) attached to this Agreement, in accordance with the approved scope of work indicated therein, the estimate of costs indicated therein, the allocation of funds indicated therein, and the terms and conditions of this Agreement. Recipient shall not deviate from the approved project and the terms and conditions of this Agreement. Recipient shall comply with any and all applicable codes and standards in performing work funded under this Agreement, and shall provide any appropriate maintenance and security for the project.

Any development permit issued by, or development activity undertaken by, the Recipient and any land use permitted by or engaged in by the Recipient, shall be consistent with the local comprehensive plan and land development regulations prepared and adopted pursuant to Chapter 163, Part II, Florida Statutes. Funds shall be expended for, and development activities and land uses authorized for, only those uses which are permitted under the comprehensive plan and land development regulations. The Recipient shall be responsible for ensuring that any development permit issued and any development activity or land use undertaken is, where applicable, also authorized by the Water Management District, the Florida Department of Environmental Protection, the Florida Department of Health, the Florida Game and Fish Commission, and any federal, state, or local environmental or land use permitting authority, where required. Recipient agrees that any repair or construction shall be in accordance with applicable standards of safety, decency, and sanitation, and in conformity with applicable codes, specifications and standards.

Recipient will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or state.

If the hazard mitigation project described in Attachment A includes an acquisition or relocation project, then Recipient shall ensure that, as a condition of funding under this Agreement, the owner of the affected real property establishes the following deed covenants and restrictions, which shall run with and apply to any property acquired, accepted, or from which a structure will be removed pursuant to the project:

1. the property will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;

2. no new structure will be erected on property other than:
   a. a public facility that is open on all sides and functionally related to a designated open space;
   b. a restroom; or
(c) a structure that the Director of the Federal Emergency Management Agency approves in writing before the commencement of the construction of the structure;

(3) after the date of the acquisition or relocation no application for disaster assistance for any purpose will be made to any Federal entity and no disaster assistance will be provided for the property by any Federal source; and

(4) if any of these covenants and restrictions is violated by the owner or by some third party with the knowledge of the owner, fee simple title to the Property described herein shall be conveyed to the Board of Trustees of the Internal Improvement Trust Fund of the State of Florida without further notice to the owner, its successors and assigns, and the owner, its successors and assigns shall forfeit all right, title and interest in and to the property.
Attachment B

Program Statutes and Regulations

The parties to this Agreement and the Hazard Mitigation Grant Program (HMGP) are generally governed by the following statutes and regulations:

(1) The Robert T. Stafford Disaster Relief and Emergency Assistance Act;

(2) 44 CFR Parts 7, 9, 10, 13, 14, 17, 18, 25, 206, 220, and 221, and any other applicable FEMA policy memoranda and guidance documents;

(3) State of Florida Administrative Plan for the Hazard Mitigation Grant Program;

(4) Hazard Mitigation Long-term Recovery Guidance; and

(5) All applicable laws and regulations delineated in Attachment D of this Agreement
Attachment C

Federal Lobbying Prohibitions

The Recipient certifies, by its signature to this Agreement, that to the best of his or her knowledge and belief:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representative of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

RECIPIENT

BY: __________________________________________

Signature

______________________________________________

Type Name and Title
Attachment D

Statement of Assurances

To the extent the following provisions apply to the award of assistance in this Agreement, as determined by the awarding agency, the Recipient hereby assures and certifies that:

(a) It possesses legal authority to enter into this agreement, and to execute the proposed program;

(b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the execution of the hazard mitigation grant agreement with the Department, including all understandings and assurances contained therein, and directing and authorizing the Recipient's chief ADMINISTRATIVE officer or designee to act in connection with the application and to provide such additional information as may be required;

(c) No member of or delegate to the Congress of the United States, and no Resident Commissioner, shall be admitted to any share or part of this agreement or to any benefit to arise from the same. No member, officer, or employee of the Recipient or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under this agreement. The Recipient shall incorporate or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purpose state above;

(d) All Recipient contracts for which the State Legislature is in any part a funding source, shall contain language to provide for termination with reasonable costs to be paid by the Recipient for eligible contract work completed prior to the date the notice of suspension of funding was received by the Recipient. Any cost incurred after a notice of suspension or termination is received by the Recipient may not be funded with funds provided under this Agreement unless previously approved in writing by the Department. All Recipient contracts shall contain provisions for termination for cause or convenience and shall provide for the method of payment in such event;

(e) It will comply with:

(1) Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. 327 et seq., requiring that mechanics and laborers (including watchmen and guards) employed on federally assisted contracts be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty hours in a work week; and

(2) Federal Fair Labor Standards Act, 29 U.S.C. Section 201 et seq., requiring that covered employees be paid at least the minimum prescribed wage, and also that they be paid one and one-half times their basic wage rates for all hours worked in excess of the prescribed work-week.
(f) It will comply with:

(1) Title VI of the Civil Rights Act of 1964 (P.L. 88-352), and the regulations issued pursuant thereto, which provides that no person in the United States shall on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the Recipient receives Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Recipient, this assurance shall obligate the Recipient, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits;

(2) Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975, as amended (42 U.S.C.: 6101-6107) which prohibits discrimination on the basis of age or with respect to otherwise qualified handicapped individuals as provided in Section 504 of the Rehabilitation Act of 1973;

(3) Executive Order 11246 as amended by Executive Orders 11375 and 12086, and the regulations issued pursuant thereto, which provide that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in all phases of employment during the performance of federal or federally assisted construction contracts; affirmative action to insure fair treatment in employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff/termination, rates of pay or other forms of compensation; and election for training and apprenticeship;

(g) The Recipient agrees to comply with the Americans With Disabilities Act (Public aw 101-336, 42 U.S.C. Section 12101 et seq.), where applicable, which prohibits discrimination by public and private entities on the basis of disability in the areas of employment, public accommodations, transportation, State and local government services, and in telecommunications;

(h) It will establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties pursuant to Section 112.313 and Section 112.3135, FS;

(i) It will comply with the Anti-Kickback Act of 1986, 41 U.S.C. Section 51 which outlaws and prescribes penalties for "kickbacks" of wages in federally financed or assisted construction activities;

(j) It will comply with the provisions of 18 USC 594, 598, 600-605 (further known as the Hatch Act) which limits the political activities of employees;
(k) It will comply with the flood insurance purchase and other requirements of the Flood Disaster Protection Act of 1973 as amended, 42 USC 4002-4107, including requirements regarding the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any Federal financial assistance for construction or acquisition purposes for use in any area having special flood hazards. The phrase "Federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance;

(l) It will require every building or facility (other than a privately owned residential structure) designed, constructed, or altered with funds provided under this Agreement to comply with the "Uniform Federal Accessability Standards," (AS) which is Appendix A to 41 CFR Section 101-19.6 for general type buildings and Appendix A to 24 CFR Part 40 for residential structures. The Subgrantee will be responsible for conducting inspections to ensure compliance with these specifications by the contractor;


(1) Consulting with the State Historic Preservation Office to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects (see 36 CFR Section 800.8) by the proposed activity; and

(2) Complying with all requirements established by the State to avoid or mitigate adverse effects upon such properties.

(3) Abiding by the terms and conditions of the "Programmatic Agreement Among the Federal Emergency Management Agency, the Florida State Historic Preservation Office, the Florida Department of Community Affairs and the Advisory Council on Historic Preservation, (PA)" which addresses roles and responsibilities of Federal and State entities in implementing Section 106 of the National Historic Preservation Act (NHPA), 16 U.S.C. 470f, and implementing regulations in 36 CFR part 800.

(4) When any of Recipient's projects funded under this Agreement may affect a historic property, as defined in 36 CFR 800. (2)(e), the Federal Emergency Management Agency (FEMA) may require Recipient to review the eligible scope of work in consultation with the State Historic Preservation Office (SHPO) and suggest methods of repair or construction that will conform with the recommended approaches set out in the Secretary of Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings 1992 (Standards), the Secretary of the Interior's Guidelines for Archeological Documentation (Guidelines) (48 Federal Register 44734-37), or any other applicable Secretary of Interior standards. If FEMA determines that the eligible scope of work will not conform with the Standards, Recipient agrees to participate in consultations to develop, and, after execution by all parties, to abide by, a written agreement that establishes mitigation and recondition measures, including but
not limited to, impacts to archeological sites, and the salvage, storage, and reuse of any significant architectural features that may otherwise be demolished.

(5) Recipient agrees to notify FEMA and the Department if any project funded under this Agreement will involve ground disturbing activities, including, but not limited to: subsurface disturbance; removal of trees; excavation for footings and foundations; and installation of utilities (such as water, sewer, storm drains, electrical, gas, leach lines and septic tanks) except where these activities are restricted solely to areas previously disturbed by the installation, replacement or maintenance of such utilities. FEMA will request the SHPO's opinion on the potential that archeological properties may be present and be affected by such activities. The SHPO will advise Recipient on any feasible steps to be accomplished to avoid any National Register eligible archeological property or will make recommendations for the development of a treatment plan for the recovery of archeological data from the property.

If Recipient is unable to avoid the archeological property, develop, in consultation with the SHPO, a treatment plan consistent with the Guidelines and take into account the Advisory Council on Historic Preservation (Council) publication "Treatment of Archeological Properties". Recipient shall forward information regarding the treatment plan to FEMA, the SHPO and the Council for review. If the SHPO and the Council do not object within 15 calendar days of receipt of the treatment plan, FEMA may direct Recipient to implement the treatment plan. If either the Council or the SHPO object, Recipient shall not proceed with the project until the objection is resolved.

(6) Recipient shall notify the Department and FEMA as soon as practicable: (a) of any changes in the approved scope of work for a National Register eligible or listed property; (b) of all changes to a project that may result in a supplemental DSR or modify an HMGP project for a National Register eligible or listed property; (c) if it appears that a project funded under this Agreement will affect a previously unidentified property that may be eligible for inclusion in the National Register or affect a known historic property in an unanticipated manner. Recipient acknowledges that FEMA may require Recipient to stop construction in the vicinity of the discovery of a previously unidentified property that may be eligible for inclusion in the National Register or upon learning that construction may affect a known historic property in an unanticipated manner. Recipient further acknowledges that FEMA may require Recipient to take all reasonable measures to avoid or minimize harm to such property until FEMA concludes consultation with the SHPO. Recipient also acknowledges that FEMA will require, and Recipient shall comply with, modifications to the project scope of work necessary to implement recommendations to address the project and the property.

(7) Recipient acknowledges that, unless FEMA specifically stipulates otherwise, it shall not receive funding for projects when, with intent to avoid the requirements of the PA or the NHPA, Recipient intentionally and significantly adversely affects a historic property, or having the legal power to prevent it, allowed such significant adverse affect to occur.

(n) It will comply with Title IX of the Education Amendments of 1972, as amended (20 U.S.C.: 1681-1683 and 1685 - 1686) which prohibits discrimination on the basis of sex;
(o) It will comply with the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970, (42 U.S.C. 4521-45-94) relating to nondiscrimination on the basis of alcohol abuse or alcoholism;

(p) It will comply with 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records;

(q) It will comply with Lead-Based Paint Poison Prevention Act (42 U.S.C.: 4821 et seq.) which prohibits the use of lead based paint in construction of rehabilitation or residential structures;

(r) It will comply with the Energy Policy and Conservation Act (P.L. 94-163; 42 U.S.C. 6201-6422), and the provisions of the state Energy Conservation Plan adopted pursuant thereto;

(s) It will comply with the Laboratory Animal Welfare Act of 1966, 7 U.S.C. 2131-2159, pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by an award of assistance under this agreement;

(t) It will comply with Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 2000c and 42 3601-3619, as amended, relating to non-discrimination in the sale, rental, or financing of housing, and Title VI of the Civil Rights Act of 1964 (P.L. 88-352), which prohibits discrimination on the basis of race, color or nation origin;

(u) It will comply with the Clean Air Act of 1955, as amended, 42 U.S.C. 7401-7642;

(v) It will comply with the Clean Water Act of 1977, as amended, 42 U.S.C. 7419-7626;

(w) It will comply with the Endangered Species Act of 1973, 16 U.S.C. 1531-1544;

(x) It will comply with the Intergovernmental Personnel Act of 1970, 42 U.S.C. 4728-4763;

(y) It will assist the awarding agency in assuring compliance with the National Historic Preservation Act of 1966, as amended, 16 U.S.C. 270;

(z) It will comply with environmental standards which may be prescribed pursuant to the National Environmental Policy Act of 1969, 42 U.S.C. 4321-4347;

(aa) It will assist the awarding agency in assuring compliance with the Preservation of Archeological and Historical Preservation Act of 1966, 16 U.S.C. 469a, et seq;

(bb) It will comply with the Rehabilitation Act of 1973, Section 504, 29 U.S.C. 794, regarding non-discrimination;

(cc) It will comply with the environmental standards which may be prescribed pursuant to the Safe Drinking Water Act of 1974, 42 U.S.C. 300f-300j, regarding the protection of underground water sources;
(dd) It will comply with the requirements of Titles II and III of the Uniform Relocation Assistance and Property Acquisition Policies Act of 1970, 42 U.S.C. 4621-4638, which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs;

(ee) It will comply with the Wild and Scenic Rivers Act of 1968, 16 U.S.C. 1271-1287, related to protecting components or potential components of the national wild and scenic rivers system;

(ff) It will comply with the following Executive Orders: EO 11514 (NEPA); EO 11738 (violating facilities); EO 11988 (Floodplain Management); EO 11990 (Wetlands); and EO 12898 (Environmental Justice);

(gg) It will comply with the Coastal Barrier Resources Act of 1977, 16 U.S.C. 3510;

(hh) It will assure project consistency with the approved State program developed under the Coastal Zone Management Act of 1972, 16 U.S.C. 1451-1464; and

(ii) It will comply with the Fish and Wildlife Coordination Act of 1958; 16 U.S.C. 661-666.

(jj) With respect to demolition activities, it will:

1. Create and make available documentation sufficient to demonstrate that the Recipient and its demolition contractor have sufficient manpower and equipment to comply with the obligations as outlined in this Agreement.

2. Return the property to its natural state as though no improvements had ever been contained thereon.

3. Furnish documentation of all qualified personnel, licenses and all equipment necessary to inspect buildings located in Recipient's jurisdiction to detect the presence of asbestos and lead in accordance with requirements of the U.S. Environmental Protection Agency, the Florida Department of Environmental Protection and the County Health Department.

4. Provide documentation of the inspection results for each structure to indicate:
   a. Safety Hazards Present
   b. Health Hazards Present
   c. Hazardous Materials Present

5. Provide supervision over contractors or employees employed by Recipient to remove asbestos and lead from demolished or otherwise applicable structures.

6. Leave the demolished site clean, level and free of debris.

7. Notify the Department promptly of any unusual existing condition which hampers the contractors work.
8. Obtain all required permits.

9. Provide addresses and marked maps for each site where water wells and septic tanks are to be closed along with the number of wells and septic tanks located on each site. Provide documentation of closures.

10. Comply with mandatory standards and policies relating to energy efficiency which are contained in the State energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Public Law 94-163).

11. Comply with all applicable standards, orders, or requirements issued under Section 112 and 306 of the Clean Air Act (42 U.S.C. 1857 (h), Section 508 of the Clean Water Act (33 U.S. 1368), Executive Order 11738, and the U.S. Environmental Protection Agency regulations (40 CFR Part 15 and 61). This clause shall be added to any subcontracts.

12. Provide documentation of public notices for demolition activities.
Attachment E

FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS
DIVISION OF EMERGENCY MANAGEMENT

Request for Advance or Reimbursement of
Hazard Mitigation Grant Program Funds

SUBGRANTEE NAME: ___________________ DECLARATION NO: FEMA--DR-FL

ADDRESS: ____________________________________________________________

CITY, STATE, ZIP CODE ______________________________________________

PAYMENT No: _______ DCA Agreement No: _______ FEMA Tracking No: _______

<table>
<thead>
<tr>
<th>Eligible Amount</th>
<th>Obligated FEMA 75%</th>
<th>Obligated Local Match 12.5%</th>
<th>Obligated State Match 12.5%</th>
<th>Previous Payments</th>
<th>Current Request</th>
<th>DCA Use Only</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Approved</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>Comments</td>
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</tbody>
</table>

TOTAL CURRENT REQUEST $ _________

I certify that to the best of my knowledge and belief the above accounts are correct, and that all disbursements were made in accordance with all conditions of the DCA agreement and payment is due and has not been previously requested for these amounts.

SUBGRANTEE SIGNATURE ________________________________________________

NAME AND TITLE ________________________ DATE: __________

TO BE COMPLETED BY DEPARTMENT OF COMMUNITY AFFAIRS

APPROVED PROJECT TOTAL $ __________

ADMINISTRATIVE COST $ _________ GOVERNOR'S AUTHORIZED REPRESENTATIVE

APPROVED FOR PAYMENT $ _________ DATE __________
## SUMMARY OF DOCUMENTATION IN SUPPORT OF AMOUNT CLAIMED FOR ELIGIBLE DISASTER WORK UNDER THE HAZARD MITIGATION GRANT PROGRAM

<table>
<thead>
<tr>
<th>Applicant</th>
<th>Disaster No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DCA Agreement No.</th>
<th>FEMA Tracking No.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Applicant's Reference No. (Warrant, Voucher, Claim Check, or Schedule No.)</th>
<th>Date of delivery of articles, completion of work or performance services.</th>
<th>DOCUMENTATION</th>
<th>Applicant's Eligible Costs 100%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>List Documentation (Applicant's payroll, material out of applicant's stock, applicant owned equipment and name of vendor or contractor) by category and line item in the approved project application and give a brief description of the articles or services.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>TOTAL</th>
<th></th>
</tr>
</thead>
</table>

Attachment F
| **FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS** | **DIVISION OF EMERGENCY MANAGEMENT** |
| **QUARTERLY REPORT FORM** | |
| **SUBGRANTEE:** ______________________ | **Project Number No:** ______________________ |
| **PROJECT LOCATION:** __________________ | **DCA ID No:** ______________________ |
| **DISASTER NUMBER:** FEMA-DR--FL | **QUARTER ENDING:** ______________________ |

Percentage of Work Completed (may be confirmed by state inspectors): _________ %

Project Proceeding on Schedule: [ ] Yes [ ] No

Describe milestones achieved during this quarter:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Provide a schedule for the remainder of work to project completion:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Describe problems or circumstances affecting completion date, milestones, scope of work, and cost:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

Cost Status: [ ] Cost Unchanged [ ] Under Budget [ ] Over Budget

Additional Comments/Elaboration:

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

NOTE: Department of Community Affairs (DCA) staff may perform interim inspections and/or audits at any time. Events may occur between quarterly reports which have significant impact upon your project(s), such as anticipated overruns, changes in scope of work, etc. Please contact DCA as soon as these conditions become known, otherwise you may be found non-compliant with your subgrant award.

Name and Phone Number of Person Completing This Form________________________

---

HMGP/FMA Subgrantee Agreement
NOTICE OF ASBESTOS RENOVATION OR DEMOLITION

TYPE OF NOTICE (CHECK ONE ONLY):
- ORIGINAL
- REVISED
- CANCELLATION
- COURTESY

TYPE OF PROJECT (CHECK ONE ONLY):
- DEMOLITION
- RENOVATION

IF DEMOLITION, IS IT AN ORDERED DEMOLITION?
- YES
- NO

IF RENOVATION:
- IS IT AN EMERGENCY RENOVATION OPERATION?
  - YES
  - NO
- IS IT A PLANNED RENOVATION OPERATION?
  - YES
  - NO

I. Facility Name _________________________________________________________________________________________________________
Address ________________________________________________________________________________________________________________
City _________________________________ State __________ Zip _________________ County _____________________________________
Site _______________________________________________ Consultant Inspecting Site ___________________________________________
Building Size _________________ (Square Feet)      # of Floors _________      Age in Years _________
Prior Use:
- School/College/University
- Residence
- Small Business
- Other _____________________________________________
Present Use:
- School/College/University
- Residence
- Small Business
- Other _____________________________________________
Facility Owner _________________________________________________________Phone (______) __________________________________

II. Contractor's Name ______________________________________________________ Phone (______) _________________________________
Address  _____________________________________________________________________________________________________________
City __________________________________ State ______________________ Zip ________________________________________________
Florida License No. __________________________Is the contractor exempt from licensure under section 469.004(7), F.S.?
- YES
- NO

IV. Scheduled Dates: (Notice must be postmarked 10 working days before the project start date)
  Asbestos Removal  (mm/dd/yy)   Start:_______________________  Finish:_________________________
  Demo/Renovation (mm/dd/yy)     Start: _______________________  Finish: ________________________

V. Procedures to be Used (Check All That Apply):

<table>
<thead>
<tr>
<th>Procedure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strip and Removal</td>
</tr>
<tr>
<td>Glove Bag</td>
</tr>
<tr>
<td>Bulldozer</td>
</tr>
<tr>
<td>Wrecking Ball</td>
</tr>
<tr>
<td>Wet Method</td>
</tr>
<tr>
<td>&quot;Dry Method&quot;</td>
</tr>
<tr>
<td>Explode</td>
</tr>
<tr>
<td>Burn Down</td>
</tr>
</tbody>
</table>

*MUST OBTAIN PRIOR DEP APPROVAL BEFORE USING A DRY METHOD

VI. Procedures for Unexpected RACM:

VII. Asbestos Waste Transporter: Name _____________________________________________ Phone (______) __________________
Address ________________________________________________________________________________________________________________
City _________________________________ State __________ Zip _________________

VIII. Waste Disposal Site: Name __________________________________________________________ Class _____________________________
Address ________________________________________________________________________________________________________________
City _________________________________ State __________ Zip _________________

IX. Amount of RACM or ACM
- ________ square feet surfacing material
- ________ linear feet pipe
- ________ cubic feet of RACM off facility components
- ________ square feet cementitious material
- ________ square feet resilient flooring
- ________ square feet asbesto asphalt roofing

X. Fee Invoice Will Be Sent to Address in Block Below: (Print or Type)

I certify that the above information is correct and that an individual trained in the provisions of this regulation (40 CFR Part 61, Subpart M) will be on-site during the demolition or renovation and evidence that the required training has been accomplished by this person will be available for inspection during normal business hours.

______________________________  ____________________________________________
(Signature of Owner/Operator)  (Date)

DEP USE ONLY  Postmark/Date Received  ID#
Instructions

The state asbestos removal program requirements of s. 376.60, F.S., and the renovation or demolition notice requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP), 40 CFR Part 61, Subpart M, as embodied in Rule 62-257, F.A.C., are included on this form.

Check to indicate whether this notice is an original, a revision, a cancellation, or a courtesy notice (i.e., not required by law). If the notice is a revision, please indicate which entries have been changed or added.

Check to indicate whether the project is a demolition or a renovation.

If you checked demolition, was it ordered by the State or a local government agency? If so, in addition to the information required on the form, the owner/operator must provide the name of the agency ordering the demolition, the title of the person acting on behalf of the agency, the authority for the agency to order the demolition, the date of the order, and the date ordered to begin. A copy of the order must also be attached to the notification.

If you checked renovation, is it an emergency renovation operation? If so, in addition to the information required on the form, the owner/operator must provide the date and hour the emergency occurred, the description of the sudden, unexpected event, and an explanation of how the event caused unsafe conditions or would cause equipment damage or an unreasonable financial burden. If you checked renovation and it is a planned renovation operation, please note that the notice is effective for a period not to exceed a calendar year of January 1 through December 31.

I. Complete the facility information. This section describes the facility where the renovation or demolition is scheduled. This address will be used by the Department inspector to locate the project site. Provide the name of the consultant or firm that conducted the asbestos site survey/inspection. For “prior use” check the appropriate box to indicate whether the prior use of the facility is that of a school, college, or university; residence, as “residential dwelling” is defined in Rule 62-257.200, F.A.C.; small business, as defined in s. 288.703(1), F.S.; or other. If “other” is checked, identify the use. Please follow the same instructions for “present use.”

II. Complete the facility owner information.

III. Complete the contractor information; however, a Florida license number or disclosure of that number is not required to comply with the notice requirements.

IV. List separately the scheduled start and finish dates (month/day/year) for both the asbestos removal portion of the project and the renovation or demolition portion of the project.

V. Check the methods and procedures to be used. (Note: The NESHAP for asbestos, which is adopted and incorporated by reference in Rule 62-204.800, F.A.C., requires obtaining Department approval prior to using a dry removal method.)

VI. Describe the procedures to be used in the event unexpected RACM is found or previously nonfriable asbestos material becomes crumbled, pulverized, or reduced to powder after start of the project.

VII. Complete the asbestos waste transporter information.

VIII. Complete the waste disposal site information.

IX. List the amount of RACM or ACM of each type of asbestos to be removed. (Note: A volume measurement of RACM off facility components is only permissible if the length or area could not be measured previously.)

X. Provide the address where the Department is to send the invoice for any fee due. Do not send a fee with the notification. The fee will be calculated by the Department pursuant to Rule 62-257.400, F.A.C.

Sign the form and mail the original to the district or local air program having jurisdiction in the county where the project is scheduled (DO NOT FAX). The correct address can be obtained by contacting the State Asbestos Coordinator at: Department of Environmental Protection, Division of Air Resources Management, 2600 Blair Stone Road, Tallahassee, FL 32399-2400.
Appendix E: Sample Forms

The following three pages are an index to the forms included in this appendix.
These sample forms are organized in the order they are likely to be used during a typical project (see Flow Chart in Chapter 10).

<table>
<thead>
<tr>
<th>Form</th>
<th>Name</th>
<th>Purpose – Floodplain Buyout</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Post-Damage Handout</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A</td>
<td>Information for Damaged Property Owners</td>
<td>For use immediately post-event, even if a project has not yet been defined. Urge retain receipts.</td>
</tr>
<tr>
<td><strong>Project Tracking Tools</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Project Status Chart – Key Steps (Property Owner)</td>
<td>Used by communities to track overall progress by key steps, not to record each piece of paper (see Case File Checklist).</td>
</tr>
<tr>
<td>C</td>
<td>Property Owner Case File Checklist (acquisition)</td>
<td>Used by communities in each property case file, to make sure they have sent/received all paperwork from each property owner.</td>
</tr>
<tr>
<td>D</td>
<td>Project Status Charts – Key Steps (Tenant)</td>
<td>Used by communities to track overall progress by key steps, not each piece of paper (see Case File Checklist).</td>
</tr>
<tr>
<td>E</td>
<td>Tenant Case File Checklist (acquisition)</td>
<td>Used by communities in each property case file, to make sure they have sent/received all paperwork from each tenant.</td>
</tr>
<tr>
<td><strong>Property Owner Introduction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Introductory Letter to Property Owners (includes Questionnaire #1)</td>
<td>For community to notify owners of possible project and to transmit Property Owner Questionnaire #1 for expression of interest. Questionnaire: To indicate initial expression of interest in buyout.</td>
</tr>
<tr>
<td><strong>Packet for Interested Property Owners &amp; Paperwork needed for First Meeting</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Letter Transmitting Packet and Setting Date of First Property Owner Meeting</td>
<td>The purpose of this meeting is to answer review the packet, help owners to complete forms, answer questions, explain details (especially DOB), to complete the Property Description and Damage Report, and to gather data which is needed if HUD funds and/or ORAP are included.</td>
</tr>
<tr>
<td>G-1</td>
<td>Information for Interested Property Owners</td>
<td>Explanation of packet sent to interested owners who return Property Owner Questionnaire #1, includes checklist for owners to use and certifications to be returned; stresses the importance of keeping receipts.</td>
</tr>
<tr>
<td>G-2</td>
<td>Property Owner Checklist</td>
<td>To help owners keep track of paperwork.</td>
</tr>
<tr>
<td>G-3</td>
<td>Statement of Voluntary Participation</td>
<td>Required by FEMA.</td>
</tr>
<tr>
<td>G-4</td>
<td>Property Owner Questionnaire #2</td>
<td>To gather information for Duplication of Benefits; to document owners who decline to participate.</td>
</tr>
<tr>
<td>G-5</td>
<td>Privacy Act Release</td>
<td>Required by FEMA; allows release of DOB information.</td>
</tr>
<tr>
<td>G-6</td>
<td>Property Description and Damage Report</td>
<td>Owners are asked to fill this out in pencil as best they can; it is usually completed in the one-on-one meeting with the community.</td>
</tr>
<tr>
<td>G-7</td>
<td>Permission to Enter, Appraise, Survey, Inspect</td>
<td>Owners permission to allow community to undertake certain actions required for the project.</td>
</tr>
<tr>
<td>G-8</td>
<td>Certification to Use Proceeds for Replacement Housing and Relocation Outside of Floodplain</td>
<td>Owners should know up-front about these restrictions, which will influence where they look for new homes.</td>
</tr>
<tr>
<td>G-9</td>
<td>Property Owner Change of Address</td>
<td>To get temporary addresses for owners who are not living in the damaged home.</td>
</tr>
<tr>
<td><strong>First Property Owner Meeting (may be done at public meeting or one-on-one)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Checklist for Meeting with Property Owners</td>
<td>Used by communities in meeting with owners, to go over all paperwork from Packet (Forms G) and to make sure all topics are addressed.</td>
</tr>
<tr>
<td>I</td>
<td>Housing Survey Form</td>
<td>[Not included – see assistance from local housing agency, or obtain materials from DCA for CDBG program.]</td>
</tr>
</tbody>
</table>
## Duplication of Benefits Data Request

**J**  
Request for DOB Benefits Information from DCA and FEMA  
As the list of properties likely to be included in the project gets firmer, data on DOB is requested from the State, which coordinates with FEMA.

## Tenant Notification & Meeting Materials

**L**  
Sample Letter to Notify Tenants & transmit Questionnaire  
To advise of possible project, potential for eligibility for relocation assistance, and collect data.

**M**  
Checklist for Meeting with Tenants  
Used by communities in meeting with tenants, to make sure all topics are addressed.

## Second Meeting with Property Owner (one-on-one)

**N**  
Letter to Property Owner to Schedule Meeting (includes checklist)  
Sent after community has prepared Determination of Compensation and Voluntary Transaction Agreement, to set up meeting to review offer, answer questions, adjust offer if necessary. The checklist is to help the owner bring all necessary paperwork.

**N-1**  
Statement of Determination of Compensation  
Summary of appraisal and DOB, explains basis of appraisal.

**N-2**  
Voluntary Transaction Agreement  
Buyouts are voluntary: this document is the owner’s Agreement to Sell and the Community’s Offer to Buy.

**O**  
Letter to Property Owner to Schedule Meeting  
Mailed in advanced or given to owner at meeting, attached is the Determination of Compensation; outlines owner’s options. Some communities also provide a copy of the appraisal.

**P**  
Checklist for Meeting with Property Owner  
Used by community to make sure all topics are addressed.

## Tenant Assistance

**Q**  
Letter to Tenant for Relocation Eligibility

**R**  
90-Day Notice to Vacate

**S**  
30-day Notice to Vacate

## Closing Paperwork

**T-1**  
Land Restrictions for Deed  
Used for fee simple purchase, with FEMA-required restrictions.

**T-2**  
Conditions of Conservation Easement  
Used when property not purchased, with FEMA-required restrictions.

**U**  
Duplication of Benefits Certification  
Final statement by owner that DOB is accurate; to be signed at closing.

**V**  
Certificate of Removal of Personal Property and Debris  
Statement by owner that all personal effects are removed, so that demolition can proceed without intervention; to be signed at closing.

**W**  
Certificate of Inspection and Possession  
Houses have to be vacant prior to closing.

## Property Inspection & Closeout

**X**  
Certificate of Site Inspection  
Prepared for each property, to be submitted with reimbursement request.

**Y-1**  
Project Completion Certificate  
Prepared when all acquisitions are complete and sites are cleared and stabilized, to be submitted with final request.

**Y-2**  
Subgrantee Checklist for Final Inspection/Closed-Out  
Attach to Y-1, to help organize files for close-out.

**Z**  
State’s Project Closeout Checklist  
To advise community what will be required when the state conducts the closeout.
### SAMPLE SCOPES OF WORK FOR BUYOUT SERVICES

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA</td>
<td>Project Management &amp; Implementation Tasks Menu listing of tasks. Can be used as position description if hiring an employee for this position or for scope of services for contracted services.</td>
</tr>
<tr>
<td>BB</td>
<td>Appraisals Includes instructions for “pre-flood” value.</td>
</tr>
<tr>
<td>CC</td>
<td>Property Surveys Requests location of water well, tanks on sketch.</td>
</tr>
<tr>
<td>DD</td>
<td>Title Services Includes instructions regarding how fees and closing costs will be handled.</td>
</tr>
<tr>
<td>EE</td>
<td>Demolition Contractor Samples requested from DCA; include asbestos, lead, underground tanks, etc.</td>
</tr>
</tbody>
</table>

### ADDITIONAL FORMS FOR ELEVATION

<table>
<thead>
<tr>
<th></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FF</td>
<td>Homeowner Application (attach Form G-6 to collect data on the building) Contact the Department.</td>
</tr>
<tr>
<td>GG</td>
<td>Field Investigation Worksheet (Elevation) To gather site and building data.</td>
</tr>
<tr>
<td>HH</td>
<td>Elevation/Foundation Contractor (specifications) Under development.</td>
</tr>
<tr>
<td>II</td>
<td>Construction Inspection Contact the Department.</td>
</tr>
<tr>
<td>JJ</td>
<td>Agreement between Community, Property Owner, and Foundation Contractor Contact the Department.</td>
</tr>
</tbody>
</table>
If your home has been damaged by a disaster, you may get a lot of requests for information from people and organizations who are trying to help. You may also have many questions that you’d like to ask those people. Please read this and let us know if you have questions.

YOU MIGHT NEED A BUILDING PERMIT TO REPAIR: Depending on what was damaged and how bad the damage is, you may need an inspection and a building permit or other permit for health and safety. You can start cleaning up, but do not start your repairs until after you find out.

IT IS IMPORTANT THAT YOU KEEP COPIES OF THE FOLLOWING PAPERWORK:
If you find that you are missing or have lost some of the paperwork listed, ask for help or directions from the authorities.
- Valuable documents,
- Homeowners insurance
- Flood insurance information and payments
- Receipts for all repair work, materials you buy to make repairs, and bills from contractors,
- Letters and other paperwork, and
- Records of ALL disaster assistance payments from Federal, State, local, and private agencies, including Individual & Family Grants (IFG) and Emergency Maintenance & Repair grants (EMR).

POSSIBLE USES FOR THIS INFORMATION:
- Some of the paperwork listed above may be required by your insurance company, bank, mortgage company, taxing authority, or home equity lender.
- These documents may also be helpful as you work with government agencies such as the Federal Emergency Management Agency (FEMA), Florida Department of Community Affairs, Florida Department of Human Services, the Small Business Administration (SBA), and your local emergency management agency.
- Your community may be considering the possibility of a floodplain buyout project or a project to help homeowners raise homes on higher foundations to protect them from future flooding. If your home might be part of a project, then it is very important that you keep all the paperwork for at least three years, especially receipts for materials and repairs.

(name of community)
(contact information)
# PROJECT STATUS CHART – KEY STEPS (Keep track of coordination with Property Owners)

<table>
<thead>
<tr>
<th>Property Owner (Last Name, First Name)</th>
<th>Property Address</th>
<th>Property Owner Questionnaire/Expression of Interest Received</th>
<th>Meet and Collect Paperwork (Voluntary participation, Privacy Act, Appraisal, etc.)</th>
<th>DOB Information Received from State</th>
<th>Initial Package Sent/Presented to Property Owner</th>
<th>Response from Owner Received (note if Accept, Decline, Appeal)</th>
<th>Meet to Review Buyout Offer (appraisal, DOB)</th>
<th>Closing Date Scheduled</th>
<th>Inspection &amp; Possession</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
## PROJECT STATUS CHART – KEY STEPS (Keep track of contact/coordination with tenants)

<table>
<thead>
<tr>
<th>Tenant (Last Name, First Name)</th>
<th>Property Address</th>
<th>Tenant Questionnaire Received</th>
<th>Notice of Relocation Eligibility</th>
<th>90-Day Notice to Vacate</th>
<th>30-Day Notice to Vacate</th>
<th>Relocation Assistance Worksheet Completed</th>
<th>Receipts &amp; Documentation</th>
<th>Payment Disbursed</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>
# PROPERTY OWNER CASE FILE CHECKLIST (acquisition)

*Put a copy in each property case file.*

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Tax Parcel or Building ID#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Name(s)</td>
<td>SS#</td>
</tr>
<tr>
<td>Telephone</td>
<td>Day</td>
</tr>
<tr>
<td></td>
<td>Evening</td>
</tr>
<tr>
<td>Property Address</td>
<td></td>
</tr>
<tr>
<td>Current Mailing Address</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FORM</th>
<th>DESCRIPTION of FORM, DOCUMENTATION</th>
<th>Staff Initials</th>
<th>Date of Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>F</td>
<td>Questionnaire #1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G-3</td>
<td>Statement of Voluntary Participation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G-4</td>
<td>Questionnaire #2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G-5</td>
<td>Privacy Act Release</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G-6</td>
<td>Property Description and Damage Report</td>
<td></td>
<td></td>
</tr>
<tr>
<td>G-7</td>
<td>Permission to Enter, Appraise, Survey, Inspect</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Appraisal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Property Survey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N-1</td>
<td>Statement of Determination of Compensation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N-2</td>
<td>Voluntary Transaction Agreement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Deed, with restrictions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>U</td>
<td>Duplication of Benefits Certification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Closing documentation, copies of checks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Well Closure permit, if applicable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Septic Tank Closure permit, if applicable</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Asbestos Notification to DEP</td>
<td></td>
<td></td>
</tr>
<tr>
<td>W</td>
<td>Certificate of Inspection and Possession</td>
<td></td>
<td></td>
</tr>
<tr>
<td>X</td>
<td>Certificate of Site Inspection and Photographs</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Instructions:** When the action is completed, initial and date appropriate line.
### TENANT CASE FILE CHECKLIST (acquisition)

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Tax Parcel or Building ID#</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner Name(s)</td>
<td>SS#</td>
</tr>
<tr>
<td>Telephone</td>
<td>Day</td>
</tr>
<tr>
<td>Property Address</td>
<td></td>
</tr>
<tr>
<td>Mailing Address</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FORM</th>
<th>DESCRIPTION of FORM, DOCUMENTATION</th>
<th>Staff Initials</th>
<th>Date of Action</th>
</tr>
</thead>
<tbody>
<tr>
<td>L</td>
<td>Initial Letter to Notify Tenant – SENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>L</td>
<td>Tenant Questionnaire – RETURNED</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Standard HUD Income Status Worksheet – COMPLETED</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R</td>
<td>90-Day Notice to Vacate – SENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>S</td>
<td>30-Day Notice to Vacate – SENT</td>
<td></td>
<td></td>
</tr>
<tr>
<td>W</td>
<td>Inspection to Ensure Vacated – COMPLETED</td>
<td></td>
<td></td>
</tr>
<tr>
<td>–</td>
<td>Payment of Assistance – SENT</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Instructions:** When the action is completed, initial and date appropriate line.

*Note that a hardcopy of form letters A, D and E do not need to be kept in this file as long as the master record or address merge file shows that the form letters were sent.*
On __________ the President declared a major disaster due to _______ in this area. The (name of community) has been notified that we are eligible to apply for grant money from the Federal Emergency Management Agency (FEMA) under the Hazard Mitigation Grant Program (HMGP). The State of Florida has determined that a high priority project is the acquisition (“buyout”) of certain homes that were damaged.

As part of our Local Mitigation Strategy, we are considering a buyout project that may help protect some homes in your neighborhood from future flooding. If the project is approved, property owners who decide to sell will be offered pre-flood Fair Market Value. The (name of community/other approved entity) will take title to the land and the homes will be removed. The land will be converted to open space and we have plans to (insert brief description of post-project use of vacated land).

The (name of community) will only buy property from owners who voluntarily choose to sell. The (name of community) will not use its power of eminent domain to buy property.

According to our records, your property may be considered as part of the project. If your property is rented, you might want to let tenants know, but please tell them that they do not need to move at this time. Tenants may be eligible for relocation assistance. Some owners may also be eligible for additional rehousing assistance. All of these details will be explained to you before you have to make a decision about selling.

Please complete and return the enclosed Property Owner Questionnaire. Then come join us for an informational meeting so we can talk more about the possible project and share with you more detail about how a buyout project might help you and your family.

Date and Time of Informational Meeting:
Location:

Enclosure: Property Owner Questionnaire #1
[name of community]

PROPERTY OWNER QUESTIONNAIRE #1
Please fill out and return to the address at the bottom

<table>
<thead>
<tr>
<th>List Names of all Owner(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone Day Evening</td>
</tr>
<tr>
<td>Property Address</td>
</tr>
<tr>
<td>Mailing Address (if different from above)</td>
</tr>
</tbody>
</table>

**Background:** A buyout project may give you the chance to move out of the floodplain. If your home is included, the purchase price will be based on a pre-flood real estate appraisal, assuming the last flood didn’t damage your home. No one will be forced to sell. But as you make your decision, remember past floods and please understand that more floods are likely.

**Important:** KEEP ALL COPIES of all paperwork, including disaster assistance, disaster loans, insurance claim payments, and receipts for repair work you decide you have to do while waiting for a decision on the buyout.

**Informational Meeting:** We hope you will join us for the informational meeting to explain the project. Please use the space below to tell us what questions you have.

___________________________________________________________________
___________________________________________________________________
___________________________________________________________________
___________________________________________________________________

Please tell us how interested you are in being part of a floodplain buyout project. This is NOT a commitment. We know you need to learn more before you make that decision, but we would like to know if you and your neighbors are interested enough for us to continue considering this project.

☐ Very interested ☐ Somewhat interested ☐ Undecided ☐ Definitely not interested

RETURN TO:
Community Contact Information
Thank you for returning Property Owner Questionnaire #1. Whether you are interested or undecided, please take the time to look through this information.

This is a lot of paper and you probably will have many questions. We are scheduling meetings with every property owner to make sure your questions are answered and to help explain the buyout project. If you can, please fill out the forms that are marked RETURN NOW so that we can begin some preliminary work. This does not commit you to a buyout, it just lets us get a head start.

Meeting Date(s): ________________.
Location: ________________ (close to project site).
Times: From ______ in the morning until ______ in the evening.

Please call ________________ to select a time.

Included in this packet is a Property Owner Checklist for you to use to make sure you bring all the necessary paperwork with you.

**NOTE:** if you have changed your mind and no longer are interested, please check Questionnaire #2, and sign and return it as soon as possible.
Information for Interested Property Owners
Floodplain Buyout Project

This package is provided to all property owners who have indicated an interest in being part of the floodplain buyout project. This is a voluntary program funded primarily through FEMA’s Hazard Mitigation Grant Program (HMGP) and/or Flood Mitigation Assistance Program.

If you are still uncertain, please call _______________ to ask questions and to understand what happens if you decide not to sell at this time.

Please complete the forms marked RETURN NOW to allow us to start the process of determining a buyout offer. Keep copies for your records and return the originals to the address below. The forms that are to be notarized can be filled out and signed during your meeting.

NOTE: Filling out these forms does not commit you to selling. You will not have to make that decision until an appraisal is done, your disaster assistance and insurance payments are considered, and a Determination of Compensation is made. All of these things will be explained.

NOTE: if you have changed your mind, please check Questionnaire #2, and sign and return it as soon as possible.

THIS PACKAGE INCLUDES:

- PROPERTY OWNER PAPERWORK CHECKLIST
- STATEMENT OF VOLUNTARY PARTICIPATION – RETURN NOW
- PROPERTY OWNER QUESTIONNAIRE #2 – RETURN NOW
- PRIVACY ACT RELEASE – RETURN NOW
- PROPERTY DESCRIPTION AND DAMAGE REPORT
- PERMISSION TO ENTER, APPRISE, SURVEY, SAMPLE, AND INSPECT
- CERTIFICATION TO USE PROCEEDS FOR REPLACEMENT HOUSING AND RELOCATION OUTSIDE OF THE FLOODPLAIN
- PROPERTY OWNER CHANGE OF ADDRESS FORM

Please fill out the forms as best you can. We will meet with you to review the paperwork, answer your questions, and complete the information that is not filled in.

Please return to:

(community contact information)
Use this checklist to help you locate important information.
This checklist will help you keep track of what you have sent back to us.
Make sure you keep copies for your personal records.

<table>
<thead>
<tr>
<th>Document or Type of Information</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>You may be asked for the following:</strong></td>
<td></td>
</tr>
<tr>
<td>Pictures or insurance inventories of personal property</td>
<td></td>
</tr>
<tr>
<td>Insurance claims filed and payments received</td>
<td></td>
</tr>
<tr>
<td>Emergency grant or assistance payments</td>
<td></td>
</tr>
<tr>
<td>SBA loan documents</td>
<td></td>
</tr>
<tr>
<td>Receipts for post-disaster temporary lodging you paid</td>
<td></td>
</tr>
<tr>
<td>Receipts for post-disaster home repairs you paid</td>
<td></td>
</tr>
<tr>
<td>Recent property appraisal (if you already have)</td>
<td></td>
</tr>
<tr>
<td><strong>Return these when you get them:</strong></td>
<td></td>
</tr>
<tr>
<td>Privacy Act Release</td>
<td></td>
</tr>
<tr>
<td>Statement of Voluntary Participation</td>
<td></td>
</tr>
<tr>
<td>Property Description and Damage Report</td>
<td></td>
</tr>
<tr>
<td>Questionnaire #2</td>
<td></td>
</tr>
<tr>
<td>Permission to Enter, Appraise, Survey, Sample and Inspect</td>
<td></td>
</tr>
<tr>
<td>Statement of Duplication of Benefits</td>
<td></td>
</tr>
<tr>
<td>Determination of Compensation</td>
<td></td>
</tr>
<tr>
<td>Agreement to Sell/Offer to Buy</td>
<td></td>
</tr>
</tbody>
</table>
I/we the undersigned, as owners of the property described below, am/are voluntary participant(s) in the (name of community) project to acquire floodplain homes.

I/we understand that this Statement of Voluntary Participation does not bind me/us to sell my/our property, and that I/we may withdraw from participation at any time by notifying the (name of community) or its Agent. The (name of community) will not use its power of eminent domain to purchase my/our property.

I/we understand that there is no guarantee that funds will be available in the future to buy my/our property.

Date

_______________________________     _______________________________
Print Owner’s Name                      Print Owner’s Name

Signed                                     Signed

PROPERTY DESCRIPTION:

____________________________________________________________________
Address of Property

____________________________________________________________________
Subdivision and Lot Number

____________________________________________________________________
City, State, ZIP
** This information is confidential **

<table>
<thead>
<tr>
<th>List all Owner Name(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telephone</td>
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<tr>
<td>Day</td>
</tr>
<tr>
<td>Evening</td>
</tr>
<tr>
<td>Property Address</td>
</tr>
<tr>
<td>Mailing Address</td>
</tr>
<tr>
<td>(if different from above)</td>
</tr>
</tbody>
</table>

**NOTE:** If you have changed your mind and no longer want to be considered for a buyout, please skip to the bottom, check the appropriate box and return this form to (name of community). Please understand that there is no guarantee that funds will be available in the future for a floodplain buyout project.

**INFORMATION ABOUT THE PROPERTY:**

Number of bedrooms: ____________ Number of people who live there: ______

Do you have a mortgage? □ yes □ no  If yes, the monthly payment is $ ____

How long have you owned this property? ____________ (years, months)

Is this a rental property? □ yes □ no  If yes, please list the tenant(s):

______________________________  _____________________
Tenant Name(s)  Phone

**INFORMATION ABOUT INSURANCE:**

Do you have flood insurance? □ yes □ no

If yes, have you submitted a claim for damage to the building? □ yes □ no

If yes, have you received the claim payment? □ yes □ no

If yes, how much was the claim payment amount? $ ______________.

Did your homeowner’s insurance cover any of the damage? □ yes □ no
INFORMATION ABOUT REPAIRS    IMPORTANT: keep all receipts for repairs!

Describe any repairs you have made:

INFORMATION ABOUT OTHER DISASTER ASSISTANCE    Important: keep copies!

Please indicate any other assistance that you have applied for or that you have received. If you have received assistance, please indicate the amount:

<table>
<thead>
<tr>
<th>Assistance</th>
<th>Applied</th>
<th>Received</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster Housing Program Grant</td>
<td></td>
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<td>$________.</td>
</tr>
<tr>
<td>Individual &amp; Family Grant (IFG)</td>
<td></td>
<td></td>
<td>$________.</td>
</tr>
<tr>
<td>Emergency Minimization/Repair Grant</td>
<td></td>
<td></td>
<td>$________.</td>
</tr>
<tr>
<td>Small Business Admin (SBA) Loan</td>
<td></td>
<td></td>
<td>$________.</td>
</tr>
<tr>
<td>Other:</td>
<td></td>
<td></td>
<td>$________.</td>
</tr>
</tbody>
</table>

☐ I/we are interested in being considered for a voluntary buyout.
☐ I/we are no longer interested in being considered for a buyout.

________________________________________  __________________________
Date                                      Print Owner’s Name

__________________________  __________________________
Print Owner’s Name                  Print Owner’s Name

Signed                                  Signed

Please return to:  
(community contact information)
I/We, the undersigned, hereby grant my/our permission for the (name of Community) to publish, through public notice, the location of my real property which is being considered for a mitigation project (acquisition or elevation) by (name of Community).

This information will be used to notify the public that FEMA, HUD, and the State are considering a mitigation action that may include my property under Section 404 of the Stafford Act, as amended, the Flood Mitigation Assistance Program, and/or HUD programs.

Further, I/we hereby grant FEMA and the State of Florida permission to disclose flood insurance coverage and claim information, and information about disaster assistance payments received by me/us, to officials of (name of Community) for the purpose of aiding in their planning and decision-making regarding mitigation or assistance actions affecting my property. This information will be used for this purpose only and will not be made public.

____________________________________
Date

__________________________  __________________________
Print Owner’s Name  Print Owner’s Name

__________________________  __________________________
Signed  Signed

__________________________  __________________________
Social Security Number  Social Security Number

____________________________________
Address of Property

__________________________
City, State, ZIP

If applicable:

Flood Insurance Policy Number: ____________________________.

Insurance Agent’s Phone Number: ____________________________.

Insurance Provider/Company: ____________________________

Insurance Company’s 5-digit Company Code: ___________
# Property Description and Damage Report

**PLEASE USE A PENCIL TO FILL OUT WHAT YOU CAN. THE REST WILL BE DONE DURING A MEETING.**

<table>
<thead>
<tr>
<th>Name of Property Owner(s):</th>
<th>Property owner(s) mailing address:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property Owner Social Security Number(s):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Phone Number (Home):</th>
<th>Phone Number (Office):</th>
<th>Address of Property:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Subdivision Name:</th>
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**Deed (Attach Copy)**

<table>
<thead>
<tr>
<th>Deed Volume</th>
<th>Deed Page Number:</th>
<th>Approximate Lot Size:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax Map Number:</td>
<td>Tax Map Book Number:</td>
<td>Tax Map Page #:</td>
</tr>
<tr>
<td>Plat Book Number:</td>
<td>Lot Number:</td>
<td></td>
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<table>
<thead>
<tr>
<th>Date Property Was Purchased (Month &amp; Year):</th>
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<thead>
<tr>
<th>Flood Insurance Company (Agent’s Name):</th>
<th>Description of Repairs Made Since Last Flood:</th>
</tr>
</thead>
<tbody>
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<table>
<thead>
<tr>
<th>Policy Number:</th>
<th></th>
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</tbody>
</table>

**Use of Structure:**

(Choose one)

- Single Family
- Multi Family
- Commercial (Specify Type)
- Industrial (Specify Type)
- No structure, lot vacant

**Type of Residence:**

(Choose one)

- Primary Residence
- Secondary Residence
- Rental
- Vacant Lot
- Other (Specify)

**Type of Home:**

(Choose one)

- One Story
- Two Story
- Duplex
- Apartment Complex
- Manufactured Home
- Other (Specify)

<table>
<thead>
<tr>
<th>Structure Design:</th>
<th>Foundation Construction: (Check One)</th>
<th>Exterior/Wall Framing (Check One)</th>
</tr>
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<tbody>
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<tr>
<th># of Finished Levels</th>
<th>Slab-On-Grade</th>
<th>Block</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Block/Brick Walls or Piers</td>
<td>Brick</td>
</tr>
<tr>
<td></td>
<td>Concrete Walls/Piers</td>
<td>Wood</td>
</tr>
<tr>
<td></td>
<td>Wood Piles</td>
<td>Other (Specify)</td>
</tr>
<tr>
<td></td>
<td>Other (Specify)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Basement</th>
<th>Concrete Walls/Piers</th>
<th>Other (Specify)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Living Area:</th>
<th>Concrete Walls/Piers</th>
<th>Other (Specify)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Sq. Ft.</th>
<th>Concrete Walls/Piers</th>
<th>Other (Specify)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Age Of Structure</th>
<th>Concrete Walls/Piers</th>
<th>Other (Specify)</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Exterior/Wall Framing (Check One):</th>
<th></th>
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<tr>
<th>Block</th>
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<tr>
<th>Brick</th>
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<table>
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<tr>
<th>Wood</th>
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<table>
<thead>
<tr>
<th>Other (Specify)</th>
<th></th>
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<table>
<thead>
<tr>
<th>Other (Specify)</th>
<th></th>
<th></th>
</tr>
</thead>
</table>
**Estimated Market Value**  

**Actual Market Value**  

**Location of Property:** (Check One)  
- Not in SFHA  
- Floodway  
- Floodplain  

**Source for Actual Market Value:** (Check One)  
- Appraisal  
- Home Owner Estimate  
- Market Survey  

**Level of Damage:** (Check One) Made by  
- More than 50% Damaged  
- Less than 50% Damage  

**Damage Data**  

**Month & Year**  

**Month and Year of Damage (Last 4 floods)**  

**Depth of Flooding Above Lowest Floor (inches, feet)**  

**Duration of Flood Limiting Access to Home (days, hours):**  

**Did You Have Flood Insurance?**  

**What Were the Estimated Dollar Damage:**  

**Structure Damage:**  

**Content Damage:**  

**What Were the Actual Claim Payments:**  

**Structure Payments:**  

**Content Payments:**  

For the most recent flood, please check all that apply:  

<table>
<thead>
<tr>
<th>Grant Type</th>
<th>Applied</th>
<th>Received</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disaster Housing Program Grant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Individual &amp; Family Grant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Minimal Repair Grant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Small Business Admin Loan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pictures Of Property:</td>
<td></td>
<td></td>
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</tbody>
</table>
I/We, the undersigned, as owners of the property known as

(Address of Property under Consideration) hereby grant my/our permission for the (name of Community) to enter upon and conduct such appraisals, investigations, inspections and inventories of the property as the (name of Community) deems reasonable or necessary prior to closing. This permission does not bind me/us to sell the property.

The (name of Community) or its agents, contractors, and employees shall make reasonable attempts to contact me/us in advance at the telephone number(s) provided below if entry into building(s) on the property is required. This permission shall include:

1. Authorization to conduct an appraisal of the real property described below to determine the pre-disaster Fair Market Value.

2. Authorization to enter onto the property to prepare a boundary survey, and to install marks and location stakes, if deemed appropriate.

3. Authorization to enter onto the property and into the building(s) to conduct a property inventory for the purpose of specifying the real property which the (name of Community) will acquire and the personal property which must be removed by me/us prior to the closing date. I/We agree to be present during this inspection and inventory, at a time to be scheduled by contacting me/us at the telephone number(s) below.

_____________________________________________________
Print Owner Name(s)

______________________________  _______________________
Signed                        Date

______________________________  _______________________ 
Signed                        Date

[To be witnessed and notarized in accordance with State and/or local law.]
I/We, the undersigned, as owners of the property known as __________________________________________, am/are voluntary participant in the (name of community) project to acquire floodplain homes. I/We understand and agree that the proceeds from the sale of the property must be used expressly for the purpose of Replacement Housing and further that I/we are required to relocate to housing that is outside of the floodplain boundaries shown on the Flood Insurance Rate Map prepared by the Federal Emergency Management Agency for the (name of community).

I/We hereby represent and warrant that all purchase price proceeds will be used expressly for the purpose of Replacement Housing and that I/we will relocate outside of the mapped floodplain boundaries.

_____________________________________________________
Print Owner Name(s)

_____________________________________________________
Signed \ Date

_____________________________________________________
Signed \ Date

[To be witnessed and notarized in accordance with State and/or local law.]
We need to be able to get in touch with you. If you have moved or move before the buyout, please use this form to let us know and to give us your mailing address.

The undersigned requests that (name of community), the Federal Emergency Management Agency (FEMA), and the Florida Department of Community Affairs change the address below as indicated.

This request for change of address is only for records maintained by FEMA, the State, and the local jurisdiction.

_______________________________________________________________________
Address of Property under Consideration
_______________________________________________________________________
Lot, Subdivision
_______________________________________________________________________
Community, State, ZIP

Temporary Mailing Address:
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________
_______________________________________________________________________

Phone (day) Phone (evening)
_______________________________________________________________________
Print Owner(s) Name(s)
_______________________________________________________________________
Signed Date
CHECKLIST FOR FIRST MEETING
WITH PROPERTY OWNERS

The purpose of first meeting with Property Owners is to go over all the paperwork, answer their questions, and help them to complete the forms. This form can be used as a general guide, or you can make a copy to document each meeting.

As you review the forms for completeness, be sure to explain the following:

☐ Briefly review what a buyout project is all about, and how the vacated land will be used.

☐ STATEMENT OF VOLUNTARY PARTICIPATION. Confirm that the owner understands the voluntary nature of the project and that they may withdraw at any time. Be sure to explain what this means in terms of where they will be on the priority list and that funds for another buyout may not be available in the future.

☐ PROPERTY OWNER QUESTIONNAIRE #2. This form asked about insurance and disaster assistance, so it is a good time to explain Duplication of Benefits. It is very important to find out if the property is rented and to get the name of the tenants so that they can be offered relocation assistance if they qualify.

☐ PRIVACY ACT RELEASE. Emphasize that all personal information is confidential, except the address of the property, which may be specified in a public notice. Explain what types of information may be provided.

☐ PROPERTY DESCRIPTION AND DAMAGE REPORT. Most owners need some help filling out this form.

☐ PERMISSION TO ENTER, APPRISE, SURVEY, SAMPLE, AND INSPECT. The various times that someone may need to be on the property are described in this form. Explain why each step is necessary.

☐ CERTIFICATION TO USE PROCEEDS FOR REPLACEMENT HOUSING AND RELOCATION OUTSIDE OF THE FLOODPLAIN. Owners should understand these restrictions early in the process so that they know to look outside of the floodplain for new housing.

☐ PROPERTY OWNER CHANGE OF ADDRESS FORM. Emphasize that if they change address during the project, even temporarily, the community needs to know how to get in touch with them so that the project is not slowed down.

Other things to cover:

☐ That the purchase price will be based on pre-flood Fair Market Value, but that the owner will have the opportunity to pay for a second appraisal; instructions for doing this will be mailed later.

☐ The Optional Rehousing Assistance Policy, if adopted.

☐ Any other questions the owner has. SUGGESTION: write down the questions and be sure to follow-up in writing. Do not guess!
Contact your local housing agency for this form, and request assistance to learn more about completing it. You may also contact the Department for more information and assistance on using HUD’s Community Development Block Grant funds, which are available in areas where the results of the housing survey indicate incomes are low to moderate.
Department of Community Affairs
2555 Shumard Oak Blvd
Tallahassee, FL 32399-2100

The [name of community] requests official Duplication of Benefits determinations for the following owners of these properties:

<table>
<thead>
<tr>
<th>Property Owner Name(s)</th>
<th>Social Security #(s)</th>
<th>Flood Ins. Pol. #</th>
<th>Property Address</th>
</tr>
</thead>
<tbody>
<tr>
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The disaster assistance and/or flood insurance claim payment information provided in response to this request will be used for the sole purpose of determining Duplication of Benefits for property owners participating in the [name of community’s] property acquisition project. The information will be retained for three years, during which time it will be considered to be confidential information and safeguarded as such.
The (name of community) is interested in buying the property you occupy at ______________ as part of the floodplain acquisition project. This notice is to inform you of your rights under Federal law.

**Do not move now. This is NOT a notice to vacate.**

If the (name of community) buys the property and you are displaced, you may be eligible for relocation assistance under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

You should continue to pay your monthly rent to your landlord because failure to pay and to meet your other obligations as a tenant may be cause for eviction and loss of relocation assistance. We suggest that you not move or sign any agreement to purchase or lease a new unit before you get a formal notice from us that the buyout will happen and that you are eligible for relocation assistance and reasonable out-of-pocket moving expenses. If you move or are evicted before receiving our notice, you may not get any assistance. Please contact us before you make any moving plans.

If we buy the property and you are eligible for assistance, you will be given referrals to replacement housing and at least 90-days advance written notice prior to the date you are required to move. You also might get a payment for moving expenses. This assistance will be explained in a letter or meeting with you at a later date.

**Please fill out and return the Tenant Questionnaire.**

Again, this is not a notice to vacate and does not establish your eligibility for relocation assistance. If we decide not to buy the property, we will notify you in writing.

Enclosures:
- Tenant Questionnaire
- Frequently Asked Questions for Tenants
TENANT QUESTIONNAIRE

Please fill out and return to the address below.

<table>
<thead>
<tr>
<th>List all Tenant Name(s)</th>
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<table>
<thead>
<tr>
<th>Social Security Number(s)</th>
</tr>
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<tr>
<td></td>
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<table>
<thead>
<tr>
<th>Telephone</th>
<th>Day</th>
<th>Evening</th>
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<table>
<thead>
<tr>
<th>Property Owner’s Name</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Property Address</th>
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<table>
<thead>
<tr>
<th>Current Mailing Address (if different from above)</th>
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</table>

How long have you lived at this address? ________________ (years, months)

If you no longer live at this address, when did you move? ________________.

How many people live there? ________________.

What is the total monthly rent? $______________.

Community contact information:
CHECKLIST for
(OPTIONAL) MEETING with TENANT

The purpose of meeting with tenants is to go over all the paperwork necessary to determine URA Relocation Assistance and to answer their questions. This form can be used as a general guide, or you can make a copy to document each meeting.

As you review the forms for completeness, be sure to explain the following:

☐ Explain what a floodplain acquisition projects is and how it will affect them.

☐ Explain the eligibility requirements for getting Relocation Assistance, and the types of assistance that may be offered, and that the maximum of all assistance is $5,250.
  ☐ Differential in rent and utilities
  ☐ Reasonable out-of-pocket moving expenses

☐ Go over the Frequently Asked Questions about URA Relocation Assistance for Tenants, which they received with the notification letter.

☐ TENANT QUESTIONNAIRE. This form asks only a few straight-forward questions.

☐ STANDARD HUD INCOME STATUS WORKSHEET

☐ Any other questions the tenant has. SUGGESTION: write down the questions and be sure to follow-up in writing. Do not guess!
Letter to Property Owner: to Send Documents and Schedule Meeting

Some communities skip this step and give documents to owners at the meeting, since most owners need to talk over the details before making a decision. However, many people like the opportunity to look over this much paperwork in advance.

As you know, the (name of community) is working to reduce future flood damage and risks by implementing a floodplain buyout project.

(Name of community) would like to meet with you to discuss the purchase of your property located at the above address. If purchased, the title will be transferred to the (name of community or other approved entity). The purchase can only be completed if you participate voluntarily.

(Name of Agent or Implementation Specialist) is authorized to represent the (name of community) and will handle all negotiations as the Agent for (name of community). The Agent will explain your rights and options under this program, and will explain the Statement of Determination of Compensation and the Voluntary Transaction Agreement. Because this is a voluntary program, you will make an offer to sell, and (name of community) will accept the offer.

I know that this is an important decision for you. Therefore, the Agent will meet with you personally to present this information and to answer any questions you may have. You may contact the Agent at (telephone number of Agent) at any time.

Your Decision

The Statement of Determination of Compensation for your property and the pre-flood Fair Market Value of your property are as of (date of appraisal). Please carefully review the enclosed Statement of Determination of Compensation and the Voluntary Transaction Agreement and decide what you want to do. You have the following options.
1. You can **Make an Offer to Sell Real Property** for the amount specified in the Statement of Determination of Compensation.

   If you wish to sell your property for the amount specified in the Determination of Compensation, please sign all three copies of the Voluntary Transaction Agreement and return them in the enclosed self-addressed stamped envelop no later than **two weeks** after you receive this letter. We will send you a complete signed copy to accept your offer to sell. Then we will start the title work and proceed to closing.

2. You can **Contest or Appeal** the amount specified in the Determination of Compensation.

   If you believe that the amount specified in the Determination of Compensation does not adequately reflect the pre-flood Fair Market Value of your property and you still would like to continue negotiations, then you may appeal the determination by:

   • Signing this letter in the space below (see #2) and return it to the Agent to notify us that you are appealing the determination;

   • Retaining a qualified appraiser **at your own expense**. The appraiser must be acceptable to the Agent, must use the same instructions for the basis of the appraisal, and must perform the second appraisal within a short period from the time you notify the Agent of your intent; and

   • Forwarding the second appraisal to the Agent.

   Upon receipt of the appraisal you obtain, the Agent will review and either reject it or accept it and use it to modify the estimate of pre-flood Fair Market Value. If it is used to modify the value, and if the modified amount is acceptable to FEMA and the State, the Agent will revise the Statement of Determination of Compensation and the Voluntary Transaction Agreement. The revised documents will be given to you, probably during a meeting.

3. You can **Reject** this invitation to make an Offer to Sell.

   If you wish to reject this invitation and you do not want to continue to discuss the sale of your property, then please sign this letter in the space below (see #3) and return it to the Agent **as soon as possible but no later than two weeks from the date of this letter** to notify us that you are rejecting this invitation. The acquisition of your property will be stopped. **Please understand that there is no guarantee that funds will be available in the future to buy your property.** This is a voluntary program intended to provide you a Fair Market Value for your property. The power of eminent domain will not be used to acquire this property should you choose not to participate voluntarily.
Repairs to the Home

If you have not already given us evidence that you paid for repairs, then you may be eligible for some reimbursement if you have made health and safety code repairs to your property using some of your insurance claim payment or disaster assistance payments that you received from FEMA or the State. When you meet with the Agent, please bring all paid receipts for repairs completed (invoices, canceled checks, etc.). If approved, the offer will be adjusted to reflect the repairs, and the purchase price will be higher than shown on the Determination of Compensation.

What Happens Next

We would like to proceed with buying out floodplain properties in the near future. Please return the paperwork as soon as possible, or call the Agent if you have questions. Remember, we must hear from you in the next two weeks or you may lose this opportunity to protect your family and move to a new home outside of the floodplain.

Enclosures:
Statement of Determination of Compensation
Voluntary Transaction Agreement
Self-Addressed Stamped Envelope

INSTRUCTIONS to PROPERTY OWNER
You must do one of the following within 14 days!

1. To Make an Offer to Sell (to accept a buyout), please sign all three copies of the enclosed Voluntary Transaction Agreement and return to the Agent in the enclosed envelop, OR call the Agent to schedule a meeting to review the documents.

2. To Reject a buyout, please sign here and return to the Agent at the address below:

   Signature: ________________________________________ Date: ______________

3. To Contest or Appeal the Determination of Compensation, please sign here and return to the Agent at the address below. Please call the Agent immediately for instructions to obtain an appraisal which should be prepared within the next two weeks:

   Signature: ________________________________________ Date: ______________
Statement of Determination of Compensation

Property Location: ____________________________  Tax Map/Lot/Parcel No.

Legal Description: Premises known as ____________________________ (Address)

Names of Owner(s) of Record: ________________________________

<table>
<thead>
<tr>
<th>Type of Residence:</th>
<th>Single family</th>
<th>Multiple family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Rooms:</td>
<td>__ Total</td>
<td>____ Bedrooms</td>
</tr>
<tr>
<td>Exterior (check one):</td>
<td>Brick</td>
<td>Wood</td>
</tr>
<tr>
<td>Size of Residence:</td>
<td>______________ square feet of conditioned space</td>
<td></td>
</tr>
<tr>
<td>Size of Lot:</td>
<td>______________ square feet or ______________ acres</td>
<td></td>
</tr>
<tr>
<td>Other Improvements:</td>
<td>Detached garage</td>
<td>Shed</td>
</tr>
</tbody>
</table>

Interest to be acquired: Fee Simple  Conservation Easement

Amount of Compensation: $ __________.00. This amount is based on an appraised pre-flood Fair Market Value of $ __________.00, from which a total adjustment (deduction) of $ __________ has been made to avoid Duplication of Benefits.

Duplication of Benefits: The adjustment for Duplication of Benefits accounts from the owner’s insurance and disaster assistance payments received for repairs. If receipts were not provided to document that repairs were made, a deduction is made. If repairs have been made and documented with receipts, a credit is made. The total adjustment is composed of:

(a) A deduction for an insurance payment of ($ __________.00),
(b) A deduction for an IFG Grant payment of ($ __________.00),
(c) A deduction for an EMR Grant payment of ($ __________.00), and
(d) A credit for documented repairs of $ __________.00.

Total Adjustment (Deduction): $ __________.00.

Description of Appraisal Technique: The amount of compensation does not include any increase in the Fair Market Value of the property caused by the floodplain buyout project. The amount of compensation is based upon an appraisal which utilized the Market Data approach for studying the property in the light of its own characteristics and location in relation to the sales of other
similar sites in the same general area, considering its highest and best use as a single family (multiple family) residential property.

The estimated Fair Market Value of this property was estimated as of the **(date of appraisal)**. This estimate is “pre-flood,” i.e., the estimate does not reflect any economic depreciation to the property that might have occurred as a result of flooding which took place on **(event date)**. The definition of Market Value is: "The amount of cash, or on terms reasonably equivalent to cash, for which in all probability the property would be sold by a knowledgeable owner willing but not obligated to sell to a knowledgeable purchaser who desired but is not obligated to buy."

**Rehousing Assistance Benefit: (use this only if community adopted ORAP)** The **(name of community)** has adopted a policy that allows payment of certain assistance if an evaluation of comparable housing in the area indicates that the purchase price is not sufficient to buy comparable housing. If you are eligible for this assistance, it will be computed based on the actual cost of comparable housing, and it will be paid separately when you close on the purchase of the new house.

__________________________  __________________________
Community Official/Agent          Date
VOLUNTARY TRANSACTION AGREEMENT
(Owner’s Agreement to Sell, Community’s Offer to Buy)

VOLUNTARY TRANSACTION AGREEMENT

THIS AGREEMENT is made and entered into this ____________ day of _______________, 20___
by and between the (name of Community), acting by and through the (name of governing body),
hereinafter referred to as the (name of Community), and (legal name of all owners) hereinafter
referred to as the SELLER.

WITNESSETH:

THAT, the (name of Community) is acting under a Hazard Mitigation Grant Program grant from the
Federal Emergency Management Agency, administered by the Florida Department of Community
Affairs to purchase certain property in Florida in which the SELLER owns an improved property
located at _____________________________________________ and further described in Exhibit A
which is attached hereto and made a part hereof.

The SELLER represents that the above-referenced property was damaged by flood, that the SELLER
qualifies for the assistance being granted, and that the SELLER understands that there is NO
OBLIGATION TO SELL the property, but the SELLER chooses to do so VOLUNTARILY, and that
power of eminent domain will not be used to acquire this property, if SELLER chooses to withdraw
from voluntary participation in this program.

The parties agree as follows:

1. (Name of Community) agrees to pay the SELLER for said property the sum of _______________ and
no/100 dollars ($ ___________.00) payable at settlement after the acceptance of this Agreement and
preliminary approval of the Seller’s title; provided the Seller can execute and deliver a good and
sufficient general warranty deed conveying marketable title to said property in fee simple, clear of all
liens and encumbrances.

2. SELLER acknowledges that the price to be paid for the property is the pre-flood Fair Market Value
of $ ____________________ with deductions for Duplication of Benefits in the amount of
$ __________________ as set forth in the Statement of Determination of Compensation, Exhibit
B which is attached hereto and made a part hereof.

3. It is understood by all parties that the proceeds from the sale shall first be applied to all liens on the
property, including real estate taxes which are due and payable to the date of settlement. It is
further understood that the Hazard Mitigation Grant Program funds being used for the purchase of
the property, cannot and will not duplicate benefits received for the same from any other funds.
The SELLER will return any disaster aid money received if such money results in a Duplication of Benefits.

4. SELLER agrees that it will execute all necessary documents to transfer fee simple title to the property to the (name of Community) and also agrees to execute now and in the future, any and all documents required by the (name of Community) to complete this transaction and to comply with local, State or federal regulations.

5. SELLER shall not remove any property considered a portion of the real estate without prior written notice to the (name of Community) and providing appraisals of such properties. The value of the property so removed, as finally determined, will be deducted from the purchase price, if the purchase price has not as yet been paid in full or will be repaid by the SELLER within ten (10) days after removal if the purchase price has been paid to the SELLER. The value of the property removed will be determined solely by the (name of Community) and must be negotiated prior to removal.

6. SELLER understands that no fixtures, materials or improvements to the real estate may be removed from the premises, and, because of legal liability reasons, the (name of Community) will not permit any materials to be salvaged at this time or at the time of demolition. Any violation of this agreement may result in changing the Fair Market Value of the structure.

7. SELLER understands this is a voluntary transaction and that SELLER is not entitled to relocation benefits provided by the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), and will not claim any such benefits.

8. SELLER acknowledges that it has had an opportunity to review this Agreement and that it has had an opportunity, if it so chooses, to contact an attorney of its choice to review this Agreement, and the SELLER enters into this Agreement fully understanding the nature thereof and saves and holds harmless the (name of Community) as a result of this Agreement or anything incident to the sale of the referenced real property.

This agreement is binding upon the heirs, executors, successors and assigns of all parties.

DATED this _________________ day of ______________, 20___.

__________________________________________________________
Witness SELLER

__________________________________________________________
Witness SELLER

__________________________________________________________
(Name of Community) Authorized Agent

Exhibit A (legal description of property)
Exhibit B (Duplication of Benefits)
LETTER TO PROPERTY OWNER
TO SCHEDULE MEETING TO EXPLAIN OFFER

(Community Letterhead)

We have received your Voluntary Transaction Agreement [or notice that you will obtain another appraisal for] the property known as ________________________________.

We would like to meet with you to review the Voluntary Transaction Agreement, the Determination of Compensation, and the Duplication of Benefits summary, and to explain how the project will move forward. You will be contacted by the (name of community)’s Agent [or Please call _____________] to schedule a meeting.

Please see the enclosed checklist showing what you should bring to the meeting, and call us at the number below if you have questions.

Enclosure:
   What Should I Bring to the Meeting?

Community or Agent Contact Information:
CHECKLIST FOR PROPERTY OWNER
WHAT SHOULD I BRING TO THE MEETING?

You will meet with (name of community or Agent) to answer your questions and to review the Statement of Determination of Compensation and the Voluntary Transaction Agreement.

Please bring the following to the meeting. Also, be sure to write down any questions you have so that we can do our best to answer them.

☐ The property deed.
☐ Power of attorney if you are representing other people who have an interest/ownership in the property.
☐ Paperwork from your flood insurance claim payment, if you had one.
☐ Paperwork from other disaster assistance or loans you received.
☐ Receipts for all repairs made to the home.
☐ A second appraisal, if you decided to pay for one. Be sure you contact the Agent before you get this appraisal. It must be done in a way that satisfies certain criteria in order for it to be considered for an adjustment to the purchase price.

Community or Agent Contact Information:
CHECKLIST for SECOND MEETING
with PROPERTY OWNER

The purpose of the second meeting with property owners is to go over all the paperwork, the Determination of Compensation, the Duplication of Benefits deduction, and the Voluntary Transaction Agreement. This is the time to make sure they understand the rest of the process. This form can be used as a general guide, or you can make a copy to document each meeting.

As you review for completeness, be sure to explain the following:

☐ If the Owner(s) have not returned Questionnaire #2, go over it and make sure they note their decision and sign it.

☐ Be certain to verify that ALL owners listed on the deed have signed the paperwork. If heirs or other owners are found during the title work things will be delayed.

☐ Go over every part of the Determination of Compensation.

☐ Is the description of the home accurate?
☐ Does the owner have any receipts that should prompt an adjustment in the DOB?
☐ Explain how the appraisal was done, considering pre-flood value.

☐ Review the Voluntary Transaction Agreement. Explain that because this is a voluntary program, they first make an “offer to sell” which the community then accepts. Signing the Voluntary Transaction Agreement only gives the community permission to proceed with the title work and preparing to actually buy the property.

☐ Make sure the owner understands that the property must be vacant 24 hours before closing.

☐ Review what the owner can and cannot remove from the property, unless specifically negotiated with you. Removing some items may affect value. Remember, owners can’t both keep and item and be paid for it, so technically, removing significant items should result in a reduce purchase price.

☐ Any other questions the Owner has. SUGGESTION: write down the questions and be sure to follow-up in writing. Do not guess!
On (date of initiation of negotiations with owner) the (name of community) initiated negotiations with the owner of the property known as ________________________________. A Voluntary Transaction Agreement was received on (date). This property will be purchased as part of the floodplain acquisition project.

Our records indicate that you are a tenant of this property. If the owner accepts the final purchase offer, you will have to vacate the building. You do not need to move now. We will send you a notice no less than 90-days before the date that you must move.

You may be entitled to a relocation payment and other assistance in accordance with Federal regulations implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. If you are eligible, you may choose:

1. A payment for the actual difference in rent and utilities (if any) and reimbursement of your actual reasonable moving (with receipts), or
2. A fixed payment.

Please notify us immediately to tell us how long you have lived in this rental unit.

Contact Information
INSTRUCTIONS: if tenant occupied home for at least the 90-day period prior to “initiation of negotiations” with the owner, send this, or comparable letter.

(Community Letterhead)

You have notified us that you have rented the property known as ___________________________ since ______________________. On (date of initiation of negotiations with owner) the (name of community) initiated negotiations with the owner of this property, which is expected to be purchased as part of the floodplain acquisition project.

You are eligible for a replacement housing payment to help you rent or buy a “comparable replacement home.” To determine a “comparable replacement home,” we have determined that the following are available, which you may want to consider renting. If you have no transportation, we can provide you with transportation to inspect these units:

<table>
<thead>
<tr>
<th>Address</th>
<th>Rent and Applicable Utility Costs</th>
<th>Name and Telephone Number of Contact Person</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. _______________</td>
<td>$ _______.00</td>
<td></td>
</tr>
<tr>
<td>2. _______________</td>
<td>$ _______.00</td>
<td></td>
</tr>
<tr>
<td>3. _______________</td>
<td>$ _______.00</td>
<td></td>
</tr>
</tbody>
</table>

SUGGESTION TO COMMUNITY: You may want to include some narrative descriptions of the properties, for example: “Preliminary inspections have been made for 822 Fairview Road and 9810 Fields Avenue. 822 Fairview Road will install a smoke detector and be re-inspected prior to being rented. 9810 Fields Avenue will clean out the basement and be re-inspected prior to being rented. The apartment at Tierra Linda Apartments will be inspected August 2, 1998. This complex has a good record with the City for inspections.

After you find comparable housing we will determine your replacement housing payment. To do this, we will determine the difference between what you are now paying for rent and utilities and what you expect
to pay for rent and utilities for the new rental unit, up to a maximum of $100 per month. For example, if we determine that you will have to pay $100 more per month, then the maximum amount of your replacement housing payment will be $4,200 ($100 x 42 months). This is only an example. The amount you receive will be determined based on the actual difference.

Contact us immediately if you do not agree that the units listed above are comparable to your home. We will explain the basis for our selecting these units. And, if necessary, we will help you find other units. We will not base your payment on any unit that is not a “comparable replacement home.” Should you wish to buy rather than rent a decent, safe, and sanitary replacement home, you would be eligible for a down payment up to $4,200. Let us know if you would prefer to buy a replacement home, and we may be able to help you find one.

While you are eligible for assistance to help you relocate, you must do certain things to remain eligible. (For example, you must move to a decent, safe, and sanitary home within one year after you vacate your present home.) Therefore, do not commit yourself to rent or buy a home until we inspect it. Throughout this process, you also are entitled to housing referrals, counseling, and other services.

A representative of this office will contact you soon to determine your needs and preferences. He or she will explain your rights, help you find replacement housing, and obtain the relocation payments and other assistance for which you are eligible.

In the meantime, if you have any questions, please call ______________ at ______________.

Remember! Do not move before we have a chance to discuss your eligibility for assistance! Moving to another location may jeopardize your eligibility to participate in this tenant relocation assistance program.

Please keep a copy of this letter for your records.
As you know, the (name of community) is buying the property known as ________________ that you are renting. We have contacted you about relocation assistance and finding comparable replacement housing.

This letter is to notify you that you must vacate the rental home at this address within 90 days, by ________________.

Any personal property left behind at the end of this 90-day period shall become the property of the (name of community) and may be disposed. We will send you a second notice 30 days before the date you have to move.

You are required to continue to pay rent and utilities for as long as you live in this unit. You are also responsible for general upkeep to preserve the unit in its current condition for as long as you live there. The (name of community) shall not be liable for any accidents or damages caused by the negligence of tenants or their guests.

Your continued tenancy at this address is conditioned on good and proper conduct during this 90-day period. Any violations of these conditions are grounds for immediate eviction.

Please call us if you have any questions.

Community Contact Information:
This letter is to remind you that the (name of community) is buying the property you rent at _______________________________. Please remove all of your possessions and vacate by ________________.

You now have 30 days to vacate this property.

If you have questions or need additional assistance, please call us.

*************** OR **************

This letter is to remind you that the (name of community) is buying the property you rent at _______________________________. Please remove all of your possessions and vacate by ________________.

You now have 30 days to vacate this property.

Your relocation assistance funds should be available by _____. We will call you as soon as the check is ready. Please let us know if you would like help with utility deposits.

If you have questions or need additional assistance, please call us.

Community Contact Information:
LAND USE RESTRICTIONS:
RECORD with DEED

REFERENCE this as an Exhibit in the deed, and record it with the deed. For FMA-funded projects, replace references to the Stafford Act with the National Flood Insurance Reform Act; and replace references to HMGP regulations with FMA regulations.

EXHIBIT

In reference to the Deed between [full name(s) of all property owner(s)] ("Grantor") participating in the Floodplain Acquisition Project funded in part by the Federal Emergency Management Agency (“FEMA”) and [the community]:

WHEREAS, The Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended ("the Stafford Act"), identifies the use of disaster relief funds under Section 404 (Hazard Mitigation Grant Program), ("HMGP"), including the acquisition and demolition/relocation of flood damaged property; and

WHEREAS, Section 404 of the Stafford Act provides a process for subgrantees, through the State of Florida, to make application for funding to be used to acquire interests in property, including the purchase of structures in the floodplain, to demolish and/or remove the buildings, and to convert the land use into perpetual and compatible open space;

WHEREAS, the (name of community), acting by and through the (Insert name of governing body), hereinafter referred to as the [Council/Commissioners], has entered into a cooperative grant agreement with the Florida Department of Community Affairs, hereinafter referred to as “DCA,” dated _________, ("Grant Agreement") in which the [Council/Commissioners] is authorized to acquire certain flood damaged, real property; and

WHEREAS, the terms of the Stafford Act and regulations promulgated thereunder (44 C.F.R. §206.434) require that the (name of community) agree to conditions which are intended to restrict the use of the land to open space in perpetuity in order to protect and preserve natural and beneficial floodplain functions, and
WHEREAS, the [Council/Commissioners], hereinafter referred to as the “Grantee,” has determined that it is necessary in order to promote the public interest for the purposes provided in the Act to acquire fee simple title to this certain real property owned by the Grantor;

NOW, THEREFORE, the Grantor, for and in consideration of the sum of ______________ ________________ ($_______________.00), in hand paid, does voluntarily convey and warrant unto the said Grantee the real estate ("land") described in ________ which is attached hereto and made a part hereof.

The Grantor releases and quitclaims unto the Grantee all right, title and interest which Grantor may have in the banks, bed and waters opposite to or fronting upon said land, and in any way abutting or adjoining said lands, and in any means of ingress and egress appurtenant thereto.

This conveyance is expressly subject to rights outstanding in third parties for existing easements for public roads and highways, public utilities, railroads and pipelines.

The said Grantee covenants that the Grantor has the right to convey the said land; that the Grantor has done no act to encumber the same; that the said Grantee shall have quiet and peaceful possession of the same, free and clear from any and all encumbrances; that Grantor will warrant generally the property hereby conveyed; and that he, the said Grantor, will execute such further assurances of the said land as may be requisite and Grantor hereby releases and waives all rights under and by virtue of the Laws of the State of Florida.

The Grantee accepts this conveyance and, by causing its duly authorized representative to sign this instrument on its behalf, agrees to hold the herein described real estate subject to the terms of the Stafford Act and regulations promulgated thereunder (44 C.F.R. §206.434), as they read now or may be amended in the future, which documents include, among other provisions, the following conditions and restrictions:

1. **Use of Land.** The Grantee agrees that the land shall be used only for purposes compatible with open space, recreational, wetlands management purposes, or other compatible purposes expressly approved by the DCA;

2. **Conditions on Structures.** The Grantee agrees that no new structures or improvements shall be erected on the premises other than a restroom or a public facility that is open on all sides, designed and constructed in conformance with codes and ordinances adopted for participation in the National Flood Insurance Program, and functionally related to the open space use;

3. **Limitation on Disaster Assistance.** The Grantee acknowledges that no future disaster assistance from any Federal source for any purpose related to the property may be sought, nor will such assistance be provided;
4. **Conveyance of Ownership.** The Grantee agrees that it shall convey the property or any interest therein, only to another public entity, or a qualified non-profit entity, and only with prior approval from the DCA and the Regional Director of FEMA. Such conveyance shall be made expressly subject to the above-referenced conditions and restrictions which shall run with the property in perpetuity.

5. **Inspection.** FEMA, its representatives, and assigns, including the State, shall have the right to enter upon the property, at reasonable times and with reasonable notice, for the purpose of inspecting the property to ensure compliance with the terms and conditions of these conditions and restrictions.

6. **Enforcement.** If the subject property is not maintained according to the terms and conditions of the conditions and restrictions set forth herein, the Grantee, the DCA, and FEMA, its representatives and assigns, are responsible for taking measures to bring the property back into compliance.

7. **Severability.** Should any provision of these conditions and restrictions and application thereof to any person or circumstance be found to be invalid or unenforceable, the rest and remainder of the provisions and their application shall not be affected and shall remain valid and enforceable.

WITNESS the following signature and seal on this day and year first above written.

---

**Grantors’ Signature(s)**

**Date**

---

**Grantor Name(s) (printed or typed)**

---

**Subgrantee Representative’s Signature**

**Date**

---

**Subgrantee Representative’s Name and Title (printed or typed)**

[To be witnessed and notarized in accordance with State and/or local law.]
CONDITIONS of CONSERVATION EASEMENT: RECORD WITH DEED

REFERENCE this as an Exhibit in the deed, and record it with the deed.

EXHIBIT

In reference to the Deed between [full name(s) of all property owner(s)] (“Grantor”) participating in the Floodplain Acquisition Project funded in part by the Federal Emergency Management Agency (“FEMA”) and [the community]:

WHEREAS, The Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended ("the Stafford Act"), identifies the use of disaster relief funds under Section 404 (Hazard Mitigation Grant Program), ("HMGP"), including the acquisition and/demolition relocation of flood damaged property; and

WHEREAS, Section 404 of the Stafford Act provides a process for subgrantees, through the State of Florida, to make application for funding to be used to acquire interests in property, including the purchase of structures in the floodplain, to demolish and/or remove the buildings, and to convert the land use into perpetual and compatible open space;

WHEREAS, the (name of community), acting by and through the (Insert name of governing body), hereinafter referred to as the [Council/Commissioners], has entered into a cooperative grant agreement with the Florida Department of Community Affairs, hereinafter referred to as “DCA,” dated __________. ("Grant Agreement") in which the [Council/Commissioners] is authorized to acquire a perpetual conservation easement over certain flood-prone real property; and

WHEREAS, the terms of the Stafford Act and regulations promulgated thereunder (44 C.F.R. §206.434) require that the (name of community) agree to conditions which are intended to restrict the use of the land to open space in perpetuity in order to protect and preserve natural and beneficial floodplain functions, and WHEREAS, the [Council/Commissioners], hereinafter referred to as the “Grantee,” has determined that it is necessary in order to promote the public interest for the purposes provided in the Act to acquire a perpetual conservation easement over certain real property owned by the Grantor;
NOW, THEREFORE, the Grantor, for and in consideration of the sum of ________________
 __________________________ ($______________ .00), in hand paid, does voluntarily convey and
 warrant unto the said Grantee the real estate ("land") described in __________ which is attached hereto
 and made a part hereof.

The Grantor releases and quitclaims unto the Grantee all right and interest which Grantor may have in
 that portion of the property described herein, except as expressly agreed and described herein, to
 include such compatible uses as __________________________________________________
______________________________________________________________________.

This perpetual conservation easement is expressly subject to rights outstanding in third parties for
 existing easements for public roads and highways, public utilities, railroads and pipelines [unless
 otherwise negotiated with the holders of those easements).

The said Grantor covenants that the Grantor has the right to convey the said perpetual conservation
 easement; that the Grantor has done no act to encumber the same; that the said Grantee shall have
 quiet and peaceful use of the same; and that he, the said Grantor, will execute such further assurances
 of the said land as may be requisite and Grantor hereby releases and waives all rights under and by
 virtue of the Laws of the State of Florida.

The Grantee accepts the conveyance of this perpetual conservation easement and, by causing its duly
 authorized representative to sign this instrument on its behalf, agrees to hold the herein described real
 estate subject to the terms of the Stafford Act and regulations promulgated thereunder (44 C.F.R.
 §206.434), as they read now or may be amended in the future, which documents include, among other
 provisions, the following conditions and restrictions:

1. **Purpose.** This perpetual conservation easement is made for conservation purposes in order to
 restrict the use of the land to open space and compatible uses in perpetuity to protect and
 preserve natural floodplain functions and to prevent any future use of the property that would
 significantly impair or interfere with those functions.

2. **Terms and Conditions.** In order to accomplish the purposes of this easement and, pursuant to
 the terms of the Stafford Act, regulations promulgated thereunder (44 C.F.R. 206.434), as they
 read now and may be amended in the future, the following conditions and restrictions shall
 apply in perpetuity and shall run with the land as an incorporeal interest in the property:

   a. **Compatible uses.** The land shall be used only for purposes that are compatible with
      open space, recreational, or wetlands management practices; in general, such uses
      include parks, outdoor recreational activities, nature reserves, unimproved pervious
      parking lots, grazing, agricultural uses, and other uses described in 44 C.F.R. § 206.434,
      as it reads now and may be amended in the future.
b. **Use of Land.** The Grantee agrees that the land shall be used only for purposes compatible with open space, recreational, wetlands management purposes, or other compatible purposes expressly approved by the DCA;

c. **Conditions on Structures.** The Grantee agrees that no new structures or improvements shall be erected on the premises other than a restroom or a public facility that is open on all sides, designed and constructed in conformance with codes and ordinances adopted for participation in the National Flood Insurance Program, and functionally related to the open space use;

d. **Limitation on Disaster Assistance.** The Grantee acknowledges that no future disaster assistance from any Federal source for any purpose related to the property may be sought, nor will such assistance be provided;

e. **Conveyance of Ownership.** The Grantee agrees that it shall convey the property or any interest therein, only to another public entity, or a qualified non-profit entity, and only with prior approval from the DCA and the Regional Director of FEMA. Such conveyance shall be made expressly subject to the above-referenced conditions and restrictions which shall run with the property in perpetuity.

3. **Inspection.** FEMA, its representatives, and assigns, including the State, shall have the right to enter upon the property, at reasonable times and with reasonable notice, for the purpose of inspecting the property to ensure compliance with the terms and conditions of these conditions and restrictions.

4. **Enforcement.** If the subject property is not maintained according to the terms and conditions of the conditions and restrictions set forth herein, the Grantee, the DCA, and FEMA, its representatives and assigns, are responsible for taking measures to bring the property back into compliance.

5. **Severability.** Should any provision of these conditions and restrictions and application thereof to any person or circumstance be found to be invalid or unenforceable, the rest and remainder of the provisions and their application shall not be affected and shall remain valid and enforceable.

WITNESS the following signature and seal on this day and year first above written.

Grantors’ Signature(s) .......................................................... Date __________________________

Grantor Name(s) (printed or typed) ........................................

Subgrantee Representative’s Signature .................................. Date __________________________

Subgrantee Representative’s Name and Title (printed or typed)

[To be witnessed and notarized in accordance with State and/or local law.]
The Duplication of Benefits under the floodplain acquisition program is prohibited. This policy was developed in response to Federal regulations that dictate the use of the funds to acquire property. The Federal Emergency Management Agency (FEMA) provides the following specific instructions in the Hazard Mitigation Grant Program Guidelines for Acquisition and Relocation Projects, dated January 6, 1995.

In the administration of HMGP grants for property acquisition, FEMA and the State should avoid providing any duplication of benefits with other forms of assistance. FEMA’s policy on duplication of benefits for individuals and families is mandated by Section 312 of the Stafford Act and is set forth in 44 CFR 206.191. This regulation outlines a delivery sequence establishing the order in which the disaster relief agencies and organizations provide assistance to individuals and families. Programs listed later in the sequence are responsible for ensuring that they do not duplicate assistance which should be provided by a program listed earlier on the list (the program with primary responsibility).

**Certification of Funds Used**

“Receipt of” and “pending receipt of” the following benefit amounts must be disclosed to your local official responsible for administering the program.

1. **SMALL BUSINESS ADMINISTRATION (SBA) LOANS**: A property owner who has an SBA loan on a property being acquired will either be required to repay the loan to SBA, or roll it over to a loan against a new property at closing.

2. **FLOOD INSURANCE for STRUCTURAL REPAIRS**: That portion of a flood insurance payment that a property owner has received or is eligible to receive intended to cover structural repairs to the property being acquired will be deducted from the purchase price of the property. If flood insurance funds were reinvested into repairs, then this amount will not be deducted if proof of reinvestment can be supplied through receipts for materials and/or labor, or through on-site verification.

3. **FEMA DISASTER HOUSING**: FEMA Disaster Housing money received by the property owner will not be deducted if the property owner has used the grant for housing-related expenses. Housing-related expenses can include: transient accommodations while an existing home is being elevated or relocated; combining it with other funds to make more substantial home repairs; minor home
repairs made to make a home more livable prior to a buyout offer; down payment toward the purchase of a new home; moving expenses; closing costs; insurance; and deposits for a new home.

4. **FEMA INDIVIDUAL FAMILY GRANT (IFG):** That portion of an IFG grant that a property owner has received or is eligible to receive that is intended to cover structural repairs to the property being acquired will be deducted from the purchase price of the property. If the funds were reinvested into repairs, then this amount will not be deducted if proof of reinvestment can be supplied through receipts for materials and/or labor, or through on-site verification.

5. **EMERGENCY MINIMAL REPAIR GRANT (EMR):** Property owners may receive grants from FEMA as part of the Temporary Housing Assistance Program to quickly repair or restore owner-occupied, primary residences to a habitable and safe condition.

**CERTIFICATION:**

I/We, _____________________________, affirm the following:

1. I/We own the real property at ________________________________________, and make this affidavit in connection with the purchase of that property by (name of community) in conjunction with a property acquisition project funded by the Federal Emergency Management Agency.

2. I/We have received the following structural repair assistance funds as a result of flooding:

   - Disaster Housing Program Grant $ ______________
   - State Individual & Family Grant (IFG) $ ______________
   - Hazard Minimization Grant (EMR) $ ______________
   - Small Business Admin (SBA) Loan $ ______________
   - Other: ___________________________ $ ______________

3. I/We have received no other Federal assistance funds for structural repair other than those which are set forth above.

4. I/We have provided receipts for structural repair in the total amount of $ __________.

______________________________  ____________________
Signature of Seller             Date

______________________________  ____________________
Signature of Seller             Date

______________________________  ____________________
Community/Agent                 Date
I/We, the undersigned, as SELLERS of the property locally known as _______________________, am/are voluntary participant in the (name of Community) project to acquire floodplain homes. I/we hereby state that I/we have removed all personal property, equipment and debris including but not limited to all vehicles, vehicle parts, appliances, storage containers, household cleaners and solvents, construction materials, firewood, etc., from the property. I/we further declare that all personal property remaining on the premises as of this date is hereby abandoned and I/we relinquish any further claim thereto. I/we understand that the property will be cleared of all buildings and improvements, debris will be removed, and the site will be vegetatively stabilized.

______________________________________          ____________________
Signature of Seller Date

______________________________________         ____________________
Signature of Seller Date

______________________________________         ____________________
Community/Agent Date
CERTIFICATE OF INSPECTION
AND POSSESSION

INSTRUCTIONS: inspect the property at least 24 hours before closing.

<table>
<thead>
<tr>
<th>Property Address</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Assessment or Building ID#</td>
<td></td>
</tr>
<tr>
<td>Owner Name(s)</td>
<td></td>
</tr>
</tbody>
</table>

THIS IS TO CERTIFY THAT THE PROPERTY IDENTIFIED ABOVE HAS BEEN INSPECTED AND FOUND TO BE VACANT AND READY FOR POSSESSION UPON COMPLETION OF THE PROPERTY TRANSFER.

Dated ___________________________  Inspected by ___________________________
(NAME OF COMMUNITY)

THIS IS TO CERTIFY THAT THE PROPERTY IDENTIFIED BELOW HAS BEEN INSPECTED TO DETERMINE COMPLIANCE WITH THE TERMS AND PROVISIONS OF THE STAFFORD ACT, SECTION 404, PROPERTY ACQUISITION AND DEMOLITION POLICIES AS ADMINISTERED BY THE STATE OF FLORIDA AND IT'S REPRESENTATIVES.

THE STRUCTURE(S) ON THIS PROPERTY, AND OTHER SITE IMPROVEMENTS, HAVE BEEN REMOVED AND THE SITE IS SMOOTH GRADED AND STABILIZED TO MINIMIZE EROSION.

PHOTOGRAPH ID # __________________________

PROPERTY LOCATED AT

________________________________________
Street Address

LAT: _______________ LONG: _______________

______________________________
Dated Local Certifying Official
Disaster Declaration No. ________________________________________.

Subgrantee (Community) ________________________________________.

SUBGRANTEE CERTIFICATION

I hereby certify that, to the best of my knowledge and belief, all work and costs claimed are eligible in accordance with the Section 404 Hazard Mitigation Grant Program Subgrantee Agreement, all work claimed has been completed, and all costs claimed have been paid in full.

Signed: ___________________________________________ ________________
Subgrantee Authorized Representative Date

I certify that all funds were expended in accordance with the State-Subgrantee Agreement, and I request a final payment of $ _______________________.

Signed: ___________________________________________ ________________
Subgrantee Authorized Representative Date

Attachment: Subgrantee Checklist for Final Inspection/Close-Out
Subgrantee Checklist for Final Inspection/Close-out

This Hazard Mitigation Grant Program (HMGP) and Flood Mitigation Assistance (FMA) checklist is designed to provide guidance to the Subgrantee, outlining the documentation needed in preparation for final inspection/close-out. State staff, i.e. Planners, Engineers, and Environmental Specialists, will conduct a final site visit to verify that all documentation submitted supports the approved project scope completed and the request for final inspection/close-out. The following list of items should be forwarded to the State HMGP or FMA office, or be provided to the State HMGP or FMA representative at the time of the final site visit for review.

Section One:

Subgrantee’s letter requesting a Final Inspection is to include the following:

- The project is 100 percent complete.
- The scope of work has been completed in compliance with the State/Subgrantee agreement.
- The relevant building codes & standards were satisfied; and as applicable, the shutter system complies with Dade County specifications and Standards.
- The Summary of Documentation is provided to the State HMGP or FMA office to support the total project cost claimed for reimbursement.
- Any Overrun/underrun amounts are specifically noted acknowledging the balance remaining of (a) non-spent funds, or (b) spent funds that exceed the project’s obligated amount.
Section Two:
Subgrantee’s Summary of Documentation for total project reimbursement claimed:

Complete this attachment outlining in detail by line item expenses incurred in the project.
Note: This form is an attachment to the State/Subgrantee agreement and is entitled, Summary of Documentation in Support of Amount Claimed for Eligible Disaster Work.

Section Three:
Subgrantee’s approved Scope of Work vs. actual Scope of Work performed:

The Subgrantee is to provide a copy of the initial Scope of Work that was approved, and a copy of the actual Scope of Work performed. The Scope of Works will be compared to examine for any change orders that may have occurred in the project.

Section Four:
Subgrantee’s Feasibility Report

The Subgrantee’s Feasibility Report should note the structural integrity of the building(s) that have been mitigated, i.e. shuttered or elevated. The local building inspector/official should provide this correspondence to the Subgrantee for transmittal to the State HMGP or FMA office. The inspector’s report should be authenticated with the seal of the county or the inspector’s authorized personal seal.

Section Five:
Subgrantee’s Reimbursement Request Documentation:

The Subgrantee should ensure that all necessary supporting documentation, i.e. Contractor’s Invoices, canceled checks for reimbursement is clear, and reflective of the detailed line items submitted on the Summary of Documentation.

Section Six:
Subgrantee’s Contracts:

The Subgrantee is to provide:
Bid Tabulation and listing;
Executed contracts with contractors and Procurement methods;
Contractor’s billings and Change orders;
Letter from Subgrantee stating contractor’s eligibility was verified.

Note: Debarred contractors are not eligible vendors.
Section Seven:
Subgrantee’s Acknowledgement of Overrun/ Underrun:
The Subgrantee is to provide:

- The total dollar amount expended on the completed project;
- The total dollar amount remaining as a balance, if all money that is obligated is not utilized (Underrun).
- The total dollar amount expended as an overage, if the money spent surpasses the obligated Amount (Overrun).

Section Eight:
Subgrantee’s Request for Time Extension:

- Was a time extension required for the project?
- Was a time extension granted for the project?

Section Nine:
Subgrantee’s Proof of Payment Documentation:

- For each reimbursement payment requested the subgrantee is to provide proof of payment, i.e. copy of front & back of canceled payment checks and the respective invoice(s). The submittal of this documentation is for the purpose of state and federal auditing of the program’s grant money.

Section Ten:
Certified letter from Subgrantee’s Engineer/ Inspector:

- The Subgrantee’s Engineer of Record/ Project Inspector is to provide the Subgrantee a formal certificate/ or letter affirming that the project has been completed in conformance with the approved project drawings and specifications; as applicable, the shutters are in compliance with the Dade County Standards.

Section Eleven:
Certificate of Completion from School District/Board:

- The Subgrantee is to provide a Certificate of Completion by the respective School District/ Board confirming the building code; as applicable, i.e. shutters.

Section Twelve:
Certificate of Occupancy:

- The Subgrantee is to provide a Certificate of Occupancy from the respective Permitting Agency(ies); as Applicable, i.e. and elevation certificate.

If you need assistance or have questions, please call the Hazard Mitigation Grant Program at (850) 922-5269, or the Flood Mitigation Assistance office at (850) 922-4182.
STATE’S PROJECT CLOSEOUT CHECKLIST

This list is included so that you can keep and prepare your project and property case files to facilitate the closeout process. The Department will visit the acquired properties and review your files.

ACQUISITION PROJECT CLOSEOUT CHECKLIST

- Map showing individual properties with precise longitudinal and latitudinal locations.
- Residential Substantial Damage Estimate signed by a local building official or Benefit Cost Analysis with a ratio of greater than 1.0.
- Copy of appraisals.
- Copy of property surveys, if applicable.
- Copy of open space agreements or leases, if applicable.
- Copy of recorded deeds with restrictions and any recorded attachments.
- Copy of closing statements with a copy of checks.
- Copy of summary of bids for all contracts.
- Copy of executed contracts between subgrantee and vendors/contractors.
- Copy of Well Closure permits, if applicable.
- Copy of Septic Tank Closure permits, if applicable.
- Copy of Asbestos Notification to Department of Environmental Protection.
- Affidavit or tipping receipts documenting disposal of debris.
- Pictures of each cleared and stabilized site.
- Reconciled “as built” project budget.
  - Copies of requests for reimbursements.
  - Copies of front/back of cancelled checks.
PROJECT MANAGEMENT: The following general tasks can be used to select or hire an employee to serve as the Project Manager, or to procure management services.

The Floodplain Buyout Project Manager will be responsible for:
A. General oversight of the project.
B. Coordination with the Florida Department of Community Affairs.
C. Periodic reporting to the Commission/Council.
D. Preparing and implementing an outreach plan, including public meetings, telephone messaging, newsletter, and coordination with the media.
E. Identifying and coordinating with non-governmental partners.
F. Coordinating with other local agencies that may be performing selected services.
G. Procurement and oversight of contractors to perform selected services, which may include real property appraisals, boundary surveys, title services, and demolition work.
H. Conducting or overseeing one-on-one meetings with property owners to explain the project, encourage participation, and to complete required paperwork.
I. Maintaining complete and accurate project records as required by the State and necessary to prepare periodic reports.
J. Coordinating with the Budget Department to monitor project accounting.

IMPLEMENTATION MANAGEMENT: Implementation tasks can be performed by the community's Project Manager or contracted out. The following is written in the form of a Scope of Work which can be used to procure specialty services.

TASK 1 - Procure Title Company Services
The Contractor will procure the services of a Title Company that is licensed to do business in the State of Florida and is properly qualified to provide a Commitment to Insure, to provide Escrow and Closing Agent Services, and to issue a Title Insurance Policy from a nationally recognized insurer to insure the purchaser as having a good and marketable title to the property to be acquired. The services of the Title Company will be paid by the Community.

TASK 2 - Procure Contract for Appraisal Services
The Contractor will procure the services of a Certified Residential Real Estate Appraiser who is properly qualified and registered in the State of Florida to provide an estimate of the Fair Market Value of each property to be acquired. The Contractor will consult with the Community to prepare instructions for the appraisals, including the date of valuation.
(e.g., immediately preceding the flood that triggered eligibility for each property). The services of the Certified Residential Real Estate Appraiser will be paid by the Community.

**TASK 3 - Review and Oversight of Title Company Activities**
The Contractor will ensure that the Title Company activities are performed in a timely manner and in accordance with the terms of the contract. The Contractor will review Title Search and Title Insurance Commitments to ensure that they meet the requirements of the contract. If problems are encountered, the Contractor will seek resolution from the Title Company.

**TASK 4 - Review of Appraisal**
The Contractor will review the appraisals for compliance with the Uniform Standards for Professional Appraisal Practices (USPAP) and Grant agency requirements. The Appraiser’s estimate of value should be well-documented and supported by the best comparable sale data available. The Contractor will prepare an appraisal review form for each appraisal. Errors, omissions and unsupported conclusions will be brought to the attention of the Appraiser and the report will be revised as needed to meet the Contractor’s requirements. An approved estimate of value will be prepared. Should a property owner later challenge the Determination of Compensation and provide his or her own appraisal, the Contractor will review the owner’s appraisal and a revised Offer to Sell will be prepared, as appropriate. The review of owner appraisals and the preparation of revised offers will be billed as a separate service under this Task.

**TASK 5 - Development of Data to Determine Compensation**
The Contractor will review information obtained by the Community from appropriate federal and State agencies and a Duplication of Benefits assessment will be prepared for each property owner to recommend of the amount of compensation for each property. The Contractor will analyze the appraisal and/or community information to extract the needed information for the preparation of the Statement of Determination of Compensation and Offer to Sell Real Property. Duplication of Benefits information will be reviewed and proper deductions from value will be made in accordance with standard policies and procedures of the Grant agency.

**TASK 6 - Preparation of Determination of Compensation and Offer to Sell Real Property**
Using the data developed or obtained in Task 5, the Contractor will prepare the following documents: (1) Letter to each property owner explaining the acquisition process and their rights and options, to be signed by the Community official; (2) a Statement of Determination of Compensation for each property to be signed by the Community official, and; (3) an Offer to Sell Real Property agreement for each property.

**TASK 7 - Negotiation**
The Contractor will scheduled a personal meeting with each property owner, at which time the letter explaining the acquisition process and the owner's rights and options will be reviewed and the Statement of Determination of Compensation and Offer to Sell Real Property will be presented and explained. If Duplication of Benefits deductions are made
and the property owner has documentation to support a revision to the deductions or to support a reimbursement, appropriate adjustments to the appropriate documents will be made. The meetings will be conducted in facilities provided by the Community.

**TASK 8 - Preparation of Deeds**
The Contractor will prepare a Deed for each property in a form that meets the requirements of the FEMA Section 404 program (and additional requirements if specified by the Community) and that will be suitable for recording with the Recorder of Deeds in the appropriate County. This Deed will recite the true consideration to be paid, will identify the interest in the land to be acquired, and will include the appropriate deed restrictions.

**TASK 9 - Oversight and Coordination of Settlements**
The Title Company will be responsible for scheduling a closing session with each property owner and for the preparation of all documents necessary for closing. The Contractor will monitor these activities to ensure that they are performed in a timely manner and that all matters are properly coordinated. A list will be prepared and provided to the Community prior to each closing to identify the amount needed for disbursement by the Title Company at the closing. The list will identify each property by parcel number, owner name, address of property, and amount of compensation. The Community will be advised to deposit the needed funds in the Title Company escrow prior to closing.

**TASK 10 - Preparation and Maintenance of Hard Copy Case Files**
A hard copy case file for each property purchased will be prepared and submitted to the Community upon completion of the acquisition project. This file will contain, at a minimum, copies of: the application package from the property owner; the appraisal; all correspondence to the property owner and from the property owner; the Determination of Compensation; the Offer to Sell and any revisions thereto; the final title insurance policy; and the recorded Deed. Notes regarding property owner meetings and various discussions will be included, as appropriate.

**TASK 11 - Determine Relocation Benefits for Eligible Tenants**
The Contractor will review eligibility of tenants for relocation benefits under the Uniform Property Acquisition and Relocation Assistance Act (URA) and FEMA Guidelines. The Contractor will obtain information from each tenant and recommend benefit amounts to be paid. These benefits may include rental differential, moving costs and miscellaneous cost payments. The Contractor will prepare an Agreement to be executed by each eligible tenant, explain the benefits, and oversee the payment of benefits.

**TASK 12 – Provide Progress Reports as Required by Community/State Programs**
The Contractor will provide status reports to the Community in a timely manner for inclusion in the Community’s quarterly reports to the State. In addition to the status of each property to be acquired, any problems that have been encountered and that may affect the completion as scheduled will be identified.
The [community name] is procuring the services of a Certified Residential Real Estate Appraiser certified in the State of Florida to provide appraisal services in support of the Floodplain Acquisition Project in the area of ________. A total of ___ properties may be appraised as part of this project. A map showing the area(s) where the properties are located is attached. The actual number of appraisals to be performed will be determined as property owners express interest in being bought out as part of the project, but is estimated to be no more than ___ and no fewer than ___ properties.

Services to be provided include preparation of an estimate of the Fair Market Value of each parcel, prepared in accordance with the Uniform Standards for Professional Appraisal Practice (USPAP). The estimate is to reflect the Fair Market Value immediately prior to the date of the flood which occurred on ______.

You will be required to submit two copies of a complete report using the Uniform Residential Appraiser Report Form 1004, including:
- Photographs,
- Comparables,
- Location map,
- Building sketch,
- Notation indicating presence of observed water well, septic tank, and above or below ground fuel tanks, and
- Other appropriate addenda.

If you are interested in being considered for this work, please submit a written, unit cost bid no later than _________________. Please indicate any assumptions or conditions associated with your bid. You may FAX it to ________________ or send by mail to:
While a boundary survey is part of the normal real estate transaction, you may decide you do not need to survey all properties, especially those that are surrounded by lots that are being purchased.

The [community name] is procuring property boundary survey services in support of the Floodplain Acquisition Project in the area of ________. A total of ___ properties may be surveyed as part of this project. A map showing the area(s) where the properties are located is attached. The actual number of surveys to be performed will be determined as property owners express interest in being bought out as part of the project, but is estimated to be no more than ___ and no fewer than ___ properties.

Services to be provided include preparation of the property boundary survey. The plat for each property shall also show:

- The footprint of the building(s);
- The location of the water well (if any);
- The location of underground tanks (if any); and
- Any visible or known encroachments, easements, or private/public rights-of-way.

If you are interested in being considered for this work, please submit a written, unit cost bid no later than ________________. Please indicate any assumptions or conditions associated with your bid. You may FAX it to ________________ or send by mail to:
The [community name] is procuring title services in support of the Floodplain Acquisition Project in the area of ________. A total of ___ properties may be acquired as part of this project.

Services to be provided include title search and commitment; escrow and closing; and issuance of title insurance policies. Closings will be held in the offices of the selected provider, and closings for the initial group of properties are anticipated to take place on or about __________.

Please note the following:
1. The title insurance policy shall be on the ALTA Owner’s Policy Form;
2. The [community name] will be the named insured;
3. A detailed breakdown of tax information is required;
4. The [community name] will pay the costs of closing;
5. The seller will pay only those costs necessary to clear the title;
6. A copy of each referenced plat, easement and out conveyance is required;
7. The amount of the final policy will vary and will be based on your quoted rates;
8. The [community name] will prepare the conveyance deeds and your company shall review them to ensure that the proposed deeds meet all statutory requirements;
9. The [community name] will provide you copies of the Agreements for Sale, executed by the sellers; and
10. You will provide the binder within twenty (20) days from your receipt of a signed Agreement for Sale.

If you are interested in being considered for this work, please submit a written, unit cost bid, including all costs, fees, and rates, no later than __________________. Your bid is to include and detail all costs. You may FAX it to __________________ or send by mail to:
SAMPLE SCOPE of WORK  
to procure  
DEMOLITION CONTRACTOR

Communities are to use their established procurement process to obtain the demolition contractor. The following offers sample language to be included in the bid package. This example is NOT a complete bid package.

CONTRACTOR SERVICES AND SCOPE OF WORK

1. Professional Services Required
   Contractor services to be provided by a State-Certified or Registered Contractor, licensed by the State of Florida. Services will be procured by Competitive Bids consistent with the (name of community) bidding policy and subject to 24 CFR 85.36, as it pertains to procurement of services. All contractors wishing to bid on the advertised project are required to meet minimum qualifications, as established by the (name of community) Board of Commissioners, to be considered eligible for consideration of their competitive bid.

2. Project Summary
   Contractors will provide their competitive bid to demolish and/or remove all improvements, close septic systems, close water wells, remove hazardous materials (if any), and return the sites to smooth graded, stabilized condition, in accordance with applicable federal, state, and local statutes, regulations, plans and policies. A consideration of salvage should be reflected in the final bid. The project consists of ___ properties, and will not be awarded in pieces. The specifications on each property are included in the Bid Package, which is available at _________.

3. Contractual Responsibilities
   The selected contractor will work for the (name of community) Board of Commissioners and will be responsible to the County and the Florida Department of Community Affairs for satisfactory completion of the project.

4. Pre-Bid Conference
   A Pre-Bid Conference will be held at _________________. Contractors not in attendance will not be eligible to bid.
5. **Bidder’s Qualifications**

   All contractors responding to the Request for Sealed Competitive Bids must demonstrate the following qualifications to be considered eligible:
   
   a. Provide a copy of the Certification or Registration as a General, Residential, or building contractor issued by the State of Florida.
   
   b. Provide contact information for three recent and unduplicated clients for similar projects, including name, contact person, date of work, address, and phone number.
   
   c. Provide a sworn statement regarding public entity crimes (form included in Bid Package).
   
   d. Provide documentation of technical capability, education, or expertise with regard to the skills and knowledge required to perform residential demolition projects.
   
   e. Provide proof of insurance including Commercial General Liability and Workmen’s Compensation.
   
   f. If the selected bidder, provide a 100% Performance Bond.
   
   g. Provide staff, availability information, and indicate the ability to complete the proposed demolition with _____ days of award, which is anticipated approximately ___ days after bids are submitted.

**PROJECT SPECIFICATIONS**

1. This project consists of demolition of the following properties:

   Include numbered list by address and parcel number.

2. The locations and other particulars are identified in an attachment for each property.

   The Project Specifications package should include an attachment for each property including a photograph of the building, a copy of the tax parcel map with the subject property marked, a sketch of the boundary survey (with improvements noted), and the legal description of the property.

**INSTRUCTIONS TO CONTRACTORS**

The _____ above-referenced properties comprise the total properties to be demolished. The bid is to provide a cost for each property, provided on the attached BID FORM. The final bid is the Net Dollar Amount including all properties. No bid on a single property or on any limited portion of this project will be accepted.
Salvage or portions of buildings, selected materials, or entire structures, is the choice of the Contractor. Any salvage considered must be identified and a given value specified on the BID FORM as a negative number. The “actual” resale value of the salvage is not pertinent, but the allocation of Salvage Value will affect the final Net Dollar Amount of the bid. The Net Dollar Amount, along with the qualifications of the contractor, will determine the selected bid. A positive Net Dollar Amount will indicate a payment to the Contractor by the community; a negative Net Dollar Amount will indicate a payment to the community by the Contractor.

**BID CONSIDERATIONS**

All properties must be cleared and the land smooth-graded and stabilized to a natural state. The bidder is to acknowledge the following:

1. All permits are to be obtained by the Contractor and must be posted appropriately, including Building Permits, Septic Tank Closure Permits, Well Closure Permits, and any other permits required by the community, State, and/or federal governments.
2. The Contractor is responsible for notification of the presence of Regulated Asbestos-Containing Materials by submission of the “Notice of Asbestos Renovation or Demolition” to the Florida Department of Environmental Protection in accordance with new procedures effective April 1, 1999.
3. All structures must be razed or completely removed from the property, including all site improvements such as sidewalks, driveways, accessory structures, and other such improvements.
4. The Contractor is responsible for proper and legal disposal of all materials removed from the property. Burying or burning of any materials is not allowed.
5. Septic tanks must be pumped and demolished according to the requirements of the community Health Department as stipulated in Florida Administrative Code, Chapter 64E-6. Septic tank closures must be performed by a Florida Licensed Plumbing contractor or a Licensed Septic Tank Contractor. Proof of a final inspection must be provided with the Contractor’s invoice.
6. Water wells must be closed using the “Full Grout” system as required by the Water Management District and stipulated in Florida Status 40A-3. Well closures are to be performed by a Florida Licensed Water Well Contractor. Proof of a final inspection must be provided with the Contractor’s invoice.
7. Below grade areas such as basements and swimming pools are to be prepared and filled such that drainage is provided.
8. If demolition results in excavation, holes, or unusual contours, finish grading and/or fill may be required to return the site to a “natural” state, including appropriate vegetation. Seeding of the graded site is included.
9. All work on the project as a whole must be completed within ninety (90) days of the Notice to Proceed. If additional time is required for any reason, including weather delays, delays caused by the community, the State, or FEMA, the Contractor must provide a written request for extension, which must be approved by the community.
BID FORM FORMAT

BIDDER AGREES TO PERFORM ALL WORK DESCRIBED IN THE CONTRACT DOCUMENTS for the following unit prices:

NOTE: Bids shall include sales tax and other applicable taxes and fees.

| Property #1: | Parcel Number: __________________________ |
| Address: ________________________________ |
| Site Preparation/Mobilization Costs: | $ ______________ |
| Cost to Raze Primary Structure: | $ ______________ |
| Cost to Raze Foundations/Slabs: | $ ______________ |
| Cost to Raze Other Site Improvements: | $ ______________ |
| (accessory structures, fences, driveways, etc.) | |
| Cost to Close Septic System: | $ ______________ |
| Cost to Close Water Well: | $ ______________ |
| Other (describe below) | $ ______________ |

**Subtotal** $ ______________

**Salvage (describe below)** ($ ______________)

**BID PRICE** $ ______________

Contractor’s notes for “Other” Costs:

Contractor’s Description of Proposed Salvage:
Contact the Department.
## FIELD INVESTIGATION WORKSHEET (ELEVATION)

**Owner Name:**

**Property Location/Address:**

### Elevation Field Investigation Worksheet

- [ ] Topography prepared by Registered Land Surveyor is required. Is it available?
  - [ ] Yes
  - [ ] No

- [ ] Site and building utilities (water, wastewater, electric, phone, CATV) identified?
  - [ ] Yes
  - [ ] No

Potential utility conflicts identified?  
- [ ] Yes
- [ ] No

Describe:

- [ ] Confirm type and condition of existing framing:
  - Member sizes: ______________
  - Spans: _______________
  - Connections: ______________
  - Supports: ______________

- [ ] Confirm types and condition of existing foundation:
  - Type: ______________
  - Depth: ______________
  - Size: ______________
  - Condition: ______________

- [ ] Confirm types and condition of existing construction materials:
  - Roof: ______________
  - Floor: ______________
  - Walls: ______________
  - Foundation: ______________

- [ ] Soils/geologic investigation conducted?  
  - [ ] Yes
  - [ ] No

  Soil profile description: ______________
  - depth to rock: ______________
  - depth to water table: ______________
  - bearing capacity: ______________
  - susceptibility to scour: ______________

- [ ] Flood hazards: identify site on FIRM; indicate map panel number and date.
  - BFE: ______________
  - velocity: ______________
  - duration: ______________
  - debris potential: ______________

- [ ] Wind zone per applicable local/state building code: ______________

- [ ] Accessibility considerations:
  - [ ] Stairs (open/enclosed) ______________
  - [ ] Existing owner special needs ______________

- [ ] Clearance available to install lifting beams and jacking equipment?  
  - [ ] Yes
  - [ ] No

- [ ] Site access problems for heavy equipment?: ______________

- [ ] Check local codes/covenants for height or appearance; variance required?  
  - [ ] Yes
  - [ ] No

- [ ] Prepare “as built” dimensioned layout/footprint plan of existing building. Show all attachments (deck, porch, additions) with dimensions and materials noted.

### ADDITIONAL DESIGN CONSIDERATIONS:

- At least two elevation options must be considered (beam/column, piers, pilings, fill).
- Must be fully compliant with local floodplain provisions.
CONTRACTOR QUALIFICATIONS CHECKLIST

1. Experience:
   Recent successful elevation/relocation projects?
   Good references?
   Met time schedules?
   Recent/local projects visited?

2. Financial stability:
   Bonded?
   Licensed?
   Insured?

3. Professionalism and Reputation (reported problems):
   State Licensing Agency:
   Better Business Bureau:
   Local officials/local projects:
   International Association of Structural Movers:

4. Summary of References:
Contact the Department.
Contact the Department.