



CITY COUNCIL AGENDA ITEM

TO: Mayor & City Council

DATE: July 10, 2014

FROM: John McDonough, City Manager

AGENDA ITEM: Authorization to Acquire Property under Grant PDMC-PJ-04-GA-2012-002

MEETING DATE: For Submission onto the July 15, 2014, City Council Regular Meeting Agenda

BACKGROUND INFORMATION: (Attach additional pages if necessary)

See attached:

Memorandum

APPROVAL BY CITY MANAGER: AS for JM APPROVED

PLACED ON AGENDA FOR: 15 July 2014

CITY ATTORNEY APPROVAL REQUIRED: () YES () NO

CITY ATTORNEY APPROVAL: [Signature]

REMARKS:

TO: John McDonough, City Manager
FROM: Eden Freeman, Assistant City Manager
DATE: July 3, 2014 for Submission on July 15, 2014 City Council Agenda
ITEM: Authorization to Acquire Property under Grant PDMC-PJ-04-GA-2012-002

Background:

At the August 20, 2013 City Council meeting, Council voted to accept the award of funding from the Federal Emergency Management Agency (FEMA) and Georgia Emergency Management Agency (GEMA) under the Pre-Disaster Mitigation (PDM) Program to acquire eleven properties. The PDM program provides funds to states, territories, Indian tribal governments, communities, and universities for hazard mitigation planning and the implementation of mitigation projects prior to a disaster event. The PDM grant program is a highly competitive discretionary grant program. FEMA and GEMA have approved an award of \$3,809,200, with a federal share (75%) of \$2,856,900 and local share (25%) of \$952,300.

The owners of the properties approved for purchase have voluntarily agreed to participate and understand that they are responsible for providing 25% of the cost of demolition and purchase. The City will not provide the 25% local matching share, as it will be provided by the homeowner during the buyout process.

Discussion:

Because this grant results in the acquisition of property, under Georgia law, Council must vote to approve to purchase of each property, even though Council previously voted to accept the overall grant award.

Property owners Mr. Robert F. Harkavy and Ms. Susan M. Harkavy have accepted the City's offer to purchase 805 East Powderhorn Road, Sandy Springs, GA 30342. The property has been appraised and the owners have agreed to sale said property for the appraised value of \$417,550.00 to the City as part of the acquisition program. The owners have voluntarily agreed to participate and commit to providing 25% of the cost of demolition and purchase as the required match which would be due from the City under the terms of the grant.

Alternatives:

Council could choose not to purchase said parcel, leaving properties with frequent flood damage intact within the City's neighborhoods.

Financial Impact:

While there is no negative financial impact to the City in terms of providing match, there are other financial implications. As a reimbursement only grant, there is the potential for cash flow to be impacted during the time period that funds are expended to purchase a property, submit for, and receive reimbursement from GEMA. Staff has been assured by GEMA that every effort will be made to process reimbursements in as short of a timeframe as possible. For reference, reimbursements from GEMA for the previously purchased properties have been processed by GEMA in an expeditious manner.

Long term, some cost will be incurred to maintain the subject property in a manner consistent with other similarly situated properties that have been returned to their natural state.

Recommendation:

Staff recommends the approval of the purchase of the described property.

Attachment:

None.