



TO: John McDonough, City Manager
FROM: Eden Freeman, Assistant City Manager
DATE: August 8, 2013 for Submission on August 20, 2013 City Council Agenda
ITEM: Authorization to Acquire Property Under Grant HMGP 1858-0006

Background:

At the November 16, 2010 City Council meeting, Council voted to accept the award of funding from the Federal Emergency Management Agency (FEMA) and Georgia Emergency Management Agency (GEMA) Hazard Mitigation Grant Program (HMGP) to acquire six properties classified as *substantially damaged* from the October 2009 flooding. FEMA and GEMA approved an award of \$2,749,364, with a federal share (75%) of \$2,062,023, state share (10%) of \$274,936 and local share (15%) of \$412,405. The City purchased six (6) properties under the initial award.

During the March 6, 2012 City Council meeting, Council approved the acceptance of funding for the purchase of five (5) additional properties determined to be *substantially damaged*. FEMA approved an additional award of \$1,759,096 with a federal share (75%) of \$1,319,322, a state share (10%) of \$175,909.60 and a local share (15%) of \$263,864.40. The City has purchased four of the five properties included in the additional award.

The owner of the remaining property approved for purchase has voluntarily agreed to participate and understands that they are responsible for providing 15% of the cost of demolition and purchase. The City will not provide the 15% 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.

The City has previously acquired the following properties:

145 North Mill Road	835 Windsor Parkway	510 Pine Forest Road	4685 Hitching Post Trail
5201 Powers Ferry Road	845 Windsor Parkway	520 Pine Forest Road	6285 River Shore Parkway
	505 Pine Forest Road	550 Pine Forest Road	

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The final property to accept the City's purchase offer is 825 Windsor Parkway, Sandy Springs, GA 30342, owned by Mrs. Doris I. Huff. The property has been appraised and the owner has agreed to sale said property for the appraised value of \$400,000 to the City as part of the acquisition program. The owner has voluntarily agreed to participate and commits to providing 15% of the cost of demolition and purchase as the required match which would be due from the City under the terms of the grant.

The City has already purchased the two neighboring properties on Windsor Parkway (835 and 845 Windsor Parkway), and the cognizant state and federal agencies have completed the required historic preservation review. Should Council authorize the acquisition of 825 Windsor Parkway, staff anticipates demolishing all three structures at the same time.

Alternatives:

Council could choose not to accept the award, 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.