

A U S T I N C I T Y C O U N C I L

AGENDA



Thursday, July 27, 2006

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Watershed Protection and Development Review RECOMMENDATION FOR COUNCIL ACTION

ITEM No. 86

Subject: Approve an ordinance authorizing acceptance of \$6,255,823 in grant funds from the Division of Emergency Management, Office of the Governor; and amending the Fiscal Year 2005-2006 Watershed Protection and Development Review Department Operating Budget Special Revenue Fund of Ordinance No. 20050912-001, to appropriate \$6,255,823 for buyout and demolition of up to 118 single family houses in floodplain of Onion Creek.

Amount and Source of Funding: Funding in the amount up to \$6,255,823 is available in Federal Emergency Management Agency Hazard Mitigation Grant Program grant funding administered by the Texas Department of Public Safety Division of Emergency Management. Local matching funds are required and \$2,085,274 in local matching funds is available in the Fiscal Year 2005-2006 Amended Capital Budget of the Watershed Protection and Development Review Department.

Fiscal Note: A fiscal note is attached.

Additional Backup Material

(click to open)

- ☐ [fiscal note](#)
- ☐ [Award letter](#)
- ☐ [map](#)
- ☐ [Ordinance](#)

For More Information: George Oswald, 974-3369; Joyce Pulich, 974-9789; Joan Esquivel, 974-3371

In response to the advertisement of a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program (HMGP) opportunity, the City submitted a grant application to the Division of Emergency Management, Office of the Governor, on January 27, 2006. The Hazard Mitigation Grant Program provides cost-share funding for acquisition of flood damaged properties. The grant will support the buyout of up to 118 single-family residential structures. The buyout process is voluntary; the grant program does not allow the use of eminent domain acquisition. Interested property owners are offered appraised fair market value. The project targets buyout of homes adjacent to Onion Creek upstream of the East William Cannon Drive at the Onion Creek crossing. The living space of several houses is up to 10 feet below the 100 year floodplain elevation. This area was impacted significantly during the floods of October 17, 1998 and November 15, 2001. Owners and occupants will be provided with relocation assistance from the City to secure housing outside of flood hazard areas. Residual lands will be returned to the natural state. The City has been buying out properties in the project area since 1999 at 100 percent City cost. To date, 67 properties have been purchased at full City cost. The grant buyout area is part of the Corps of Engineers buyout proposal; Federal funding for the Corps project implementation will not be available any earlier than FY2008 and depends on affirmative Congressional action. Acceptance of the HMPG grant funding allows the City to increase the rate of buyout activity. Many property owners in the project area have requested that the City accelerate buyout activity.

The total estimated project cost is \$8,341,097 beginning in June 2006 and ending in June 2008. FEMA funds administered by the Division of Emergency Management, Office of the Governor, will provide up to \$6,255,823 and the City of Austin will provide the required 25% matching funds of \$2,085,274. In addition to the City's grant matching funds, the Department has included funding in the Fiscal Year 2007 Proposed Capital Improvement Program Budget to provide relocation assistance.

**OPERATING BUDGET
FISCAL NOTE**

DATE OF COUNCIL CONSIDERATION:
WHERE ON AGENDA:
DEPARTMENT:

07/27/06
Ordinance
Watershed Protection & Development Review

Approve an ordinance authorizing acceptance of grant funds in the amount of \$6,255,823 from the Texas Division of Emergency Management, Office of the Governor; amending the 2005-2006 Watershed Protection and Development Review Department Operating Budget Special Revenue Fund of Ordinance No. 20050912-001, to appropriate \$6,255,823 for Buyout and Demolition of up to 118 Single Family houses in floodplain of Onion Creek near the intersection of South Pleasant Valley Road and East William Cannon Boulevard. The total grant amount of \$6,255,823 will be provided by the Texas Division of Emergency Management. The required \$2,085,274 local match is available in the Fiscal Year 2005-2006 Amended Capital Budget of the Watershed Protection and Development Review Department.

FINANCIAL INFORMATION:

	<u>Approved Budget 2005-2006</u>	<u>Impact of this Action</u>	<u>Amended Budget 2005-2006</u>
Special Revenue Fund	\$0	\$6,255,823	\$6,255,823
TOTAL	<u>\$0</u>	<u>\$6,255,823</u>	<u>\$6,255,823</u>
FTES	0.00	0.00	0.00



DIVISION OF EMERGENCY MANAGEMENT
Office of the Governor

RICK PERRY
Governor

Mailing Address:
PO Box 4087
Austin, Texas 78773-0220

Contact Numbers:
512-424-2138 Duty Hours
512-424-2277 Non-Duty Hours
512-424-2444 Fax

Physical Address:
5805 N. Lamar Blvd.
Austin, Texas 78752


STEVEN McCRAW
Director
Office of Homeland Security

JACK COLLEY
Chief

June 16, 2006

The Honorable Will Wynn
City of Austin
P. O. Box 1088
Austin, TX 78767-1008

RE: *Approval for City of Austin Project DR 1606-004*

Dear Mayor Wynn: 

Congratulations! Your project request for funding under the Hazard Mitigation Grant Program has been selected by the State of Texas and approved by the Federal Emergency Management Agency (FEMA). The Grant is for major disaster declaration FEMA-1606-DR. The project number is 1606-004. This number should be used as a reference on all documents and correspondence. Under the terms of your application and the below listed conditions, you are authorized to purchase the 118 properties identified in your application. You will be reimbursed for up to 75% of eligible project costs, and your cost share match requirement is at least 25% of total project cost. The federal share award for this grant is \$6,255,823.00.

The Jurisdiction, as Sub-grantee, must ensure that:

- 1.) The property owners must VOLUNTARILY elect to participate in the program, and the sub-grantee must inform the prospective participants in writing that the sub-grantee will not use its condemnation authority to acquire the property should negotiations fail. A Voluntary Transaction Agreement should be executed between the property owner and the sub-grantee;
- 2.) any eligible displaced tenants, as a direct result of this project, are provided appropriate benefits as defined in 49 CFR Part 24, "Uniform Relocation Assistance and real Property Acquisition For Federal and Federally Assisted Programs."
- 3.) all property acquired must carry a restriction that the land will be maintained as open space in perpetuity, and that no future Federal disaster assistance will be made available to it;

- 4.) only the specific properties approved in the official HMGP file submitted to the State and FEMA Region will be eligible for funding under this grant award (See Enclosure 1).
- 5.) any duplication of benefits with other forms of assistance is avoided as mandated by Section 312 of the Stafford Act as set forth in 44 CFR 209.191;
- 6.) the sub-grantee must follow all applicable local, State and Federal laws, regulations, and requirements for the abatement and disposal of lead, asbestos, and other routinely encountered hazardous substances. If any unusual substance or extraordinary amounts of the aforementioned substances are encountered, the sub-grantee will contact the State and the relevant agency with authority for regulation of the substance.
- 7.) any contracts for service associated with this project, must be issued in accordance with local, State, and Federal laws. Contract material and labor costs must be specific and considered reasonable, "cost plus" type contracts will not be acceptable.
- 8.) the NFIP Repetitive Loss Update Worksheet (AW-501) is completed for all repetitive-loss properties, as defined by the National Flood Insurance Program (NFIP), including supporting documentation, and returned to FEMA Region VI.
- 9.) the sub-grantee is required to keep complete records of all work, including but not limited to receipts, checks, job orders, contracts, equipment usage documentation, and payroll information. The sub-grantee is accountable to the State for all funds that are awarded.

The action identified in this phase of the project application has been Categorically Excluded (CATEX) from the need to prepare an Environmental Impact Statement in accordance with 44 CFR 10.8 (d).(2) (vii). No extraordinary circumstances were identified and a copy of the CATEX is enclosed (See Enclosure 2).

Since this project affects a floodplain, the sub-grantee must prepare a final Public Notice in accordance with Executive Order 11988 and 44 CFR 9.12(e). Please provide a copy of the Public Notice to the State before beginning the project.

This project must be completed within twenty-four months. This means your project must be completed by June 16, 2008 or sooner. If, due to extenuating circumstances, the project cannot be completed within this period, the sub-grantee must request an extension to the period of performance. This request must be in writing and received by the State 90 days prior to the project completion date of June 16, 2008. You are required to submit a Quarterly Progress Report to this office no later October 15th, January 15th, April 15th, and July 15th until the project is completed. A report with 2 consecutive quarters indicating no progress may result in your project being forfeited. A copy of the report format is enclosed for your use and may be reproduced as required. (See Enclosure 3).

Page 3
City of Austin Approval Letter
June 16, 2006

Requests for reimbursement for expenses may be submitted as needed during the grant performance period. Payments will be made within 21-30 days of receipt of complete and accurate documentation, and reimbursements must be disbursed by the sub-grantee within 10 working days. Failure to do so, per FEMA grants management regulations and the State Hazard Mitigation Team, will be considered poor grants management and could affect future grant applications.

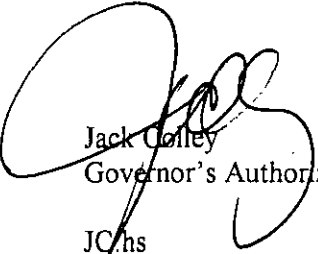
After the completion of the demolition, a Global Positioning System from the center of the Property must obtain the Latitude and Longitude (with decimal degrees to 6 decimal places, using the WGS-84 Datum). The geo-coordinates must be recorded on the Demolition Certificate. (See Enclosure 4.)

The Certificate of Completion must then be completed and returned to this office, with all required documentation, as notification that the project has concluded and is ready for the final program and financial audits. A copy of the form is attached (See Enclosure 5). A chief elected official or his/her designated representative must sign this document. Final project payments will be made based upon the certificate of completion, and the final inspection and audit by our staff.

If you have received over \$500,000.00 total funding from any Federal programs during the Federal fiscal year, you will be required to provide DEM with a copy of your current annual audit, performed per OMB Circular No. A-133. Please contact Drey Lord, our Disaster Program Auditor, at (512) 424-2426 for further information on audit requirements. All HMGP grants are subject to Federal audit; therefore, all records must be maintained for 3 years from the date of project close out or, upon receipt of the final payment, whichever is later.

If you have any questions or concerns please contact the Mitigation Specialist for acquisitions, Mildred Reno at 512-424-2428 or via email at Mildred.Reno@txdps.state.tx.us.

Sincerely,



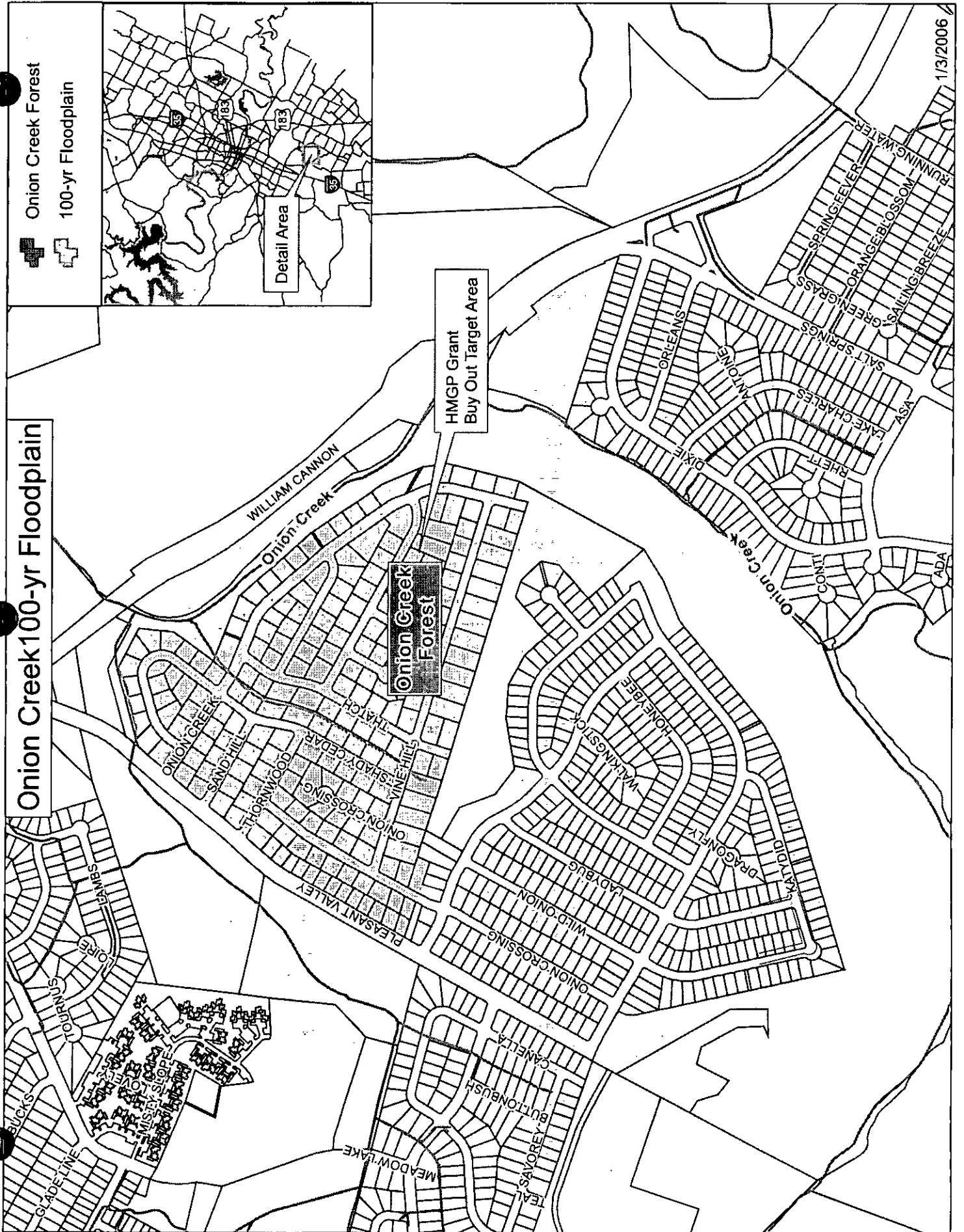
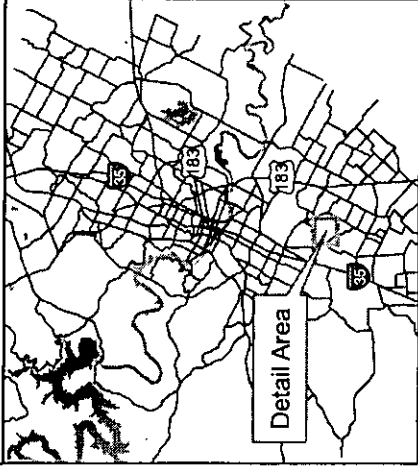
Jack Colley
Governor's Authorized Representative

JCH:s
Enclosures

CC: Mr. Joseph G. Pantalion, P.E.
Mr. George Oswald, P.E.
Ms. Mapi Vigil, P.E.

Onion Creek 100-yr Floodplain

- Onion Creek Forest
- 100-yr Floodplain



ORDINANCE NO.

**AN ORDINANCE AUTHORIZING THE ACCEPTANCE OF GRANT FUNDS
AND AMENDING THE FISCAL YEAR 2005-2006 WATERSHED PROTECTION
AND DEVELOPMENT REVIEW DEPARTMENT OPERATING BUDGET OF
ORDINANCE NO. 20050912-001 TO APPROPRIATE GRANT FUNDS.**

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

PART 1. The Council authorizes acceptance of \$6,255,823 in grant funds from the Office of the Governor, Division of Emergency Management.

PART 2. The Council amends the Fiscal Year 2005-2006 Watershed Protection and Development Review Department Operating Budget Special Revenue Fund of Ordinance No. 20050912-001 to appropriate \$6,255,823 for buyout and demolition of up to 118 single family houses in the Onion Creek floodplain near the intersection of South Pleasant Valley Road and East William Cannon Boulevard.

PART 3. This ordinance takes effect on _____, 2006.

PASSED AND APPROVED

_____, 2006

Will Wynn
Mayor

APPROVED: _____
David Allan Smith
City Attorney

ATTEST: _____
Shirley A. Gentry
City Clerk

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