

Stormwater Utility Flood Mitigation Program

Background

Historically, the City of Roanoke (City) has purchased floodprone properties by leveraging Federal Emergency Management Agency (FEMA) Pre-Disaster Mitigation (PDM) grants and Flood Mitigation Assistance (FMA) grants as administered by the Virginia Department of Emergency Management (VDEM). Since 1985, these grants have facilitated removal of 118 floodprone structures including those classified as Severe Repetitive Loss (SRL) or Repetitive Loss (RL) based on National Flood Insurance Program claims.

The FEMA PDM grant guidelines result in 75% federal funding and 25% City funding of the total project costs including, but not limited to: fee simple purchase of the parcel, environmental assessment of the parcel and structure(s), remediation of any identified environmental hazards, demolition of the structure(s), grading and restoration of the parcel to become vegetated open space, and placement of a restrictive covenant on the parcel such that no future development would be allowed unless approved by City Council at the recommendation of the City Manager.

The most recent FEMA list of SRL/RL properties indicates, however, that 77 commercial and residential structures remain within City limits. Over the past decade, the FEMA grant process has become more competitive and complicated as a result of:

- Two to three year timeline including grant application, review, and award as well as project acquisition, demolition, and completion
- Limited FEMA funding available despite increases in annual storm damages nationwide
- Required repetitive and significant flood insurance claims history to achieve SRL/RL status and be competitive against flood damages nationwide
- Required Regional Hazard Mitigation Plan be enforce and in effect for a locality to submit an application.

Creation of a new Stormwater Utility Flood Mitigation Program would provide an additional option beyond leveraging FEMA grants to acquire developed parcels within City limits that are subject to repetitive property damage due to high-water (flood) events. Similar to a FEMA grant, the Stormwater Utility Flood Mitigation Program would use Stormwater Utility Funds to provide 25% of the total project costs associated with the acquisition and demolition of flooded structures within the floodplain and floodway. The remaining 75% of the total cost under this new Stormwater Utility Flood Mitigation Program would be funded by the parcel owner from flood insurance proceeds after a high water event or from some other source. The primary goal of this new program would be to facilitate timely acquisition and demolition of recently flooded structures without the need to rely solely upon FEMA's lengthy, complicated, and nationally competitive PDM and FMA grant programs.

This program supplements the City's current process of acquiring vacant parcels using 100% utility funds. Under City ownership, debris removal from the stream channel could be performed on a routine basis without need for a maintenance easement or right-of-entry permit from a private parcel owner. Further under City ownership, the riparian buffer area along the stream channel of these vacant parcels could be enhanced to not only reduce downstream flooding but also improve water quality downstream as required by the City's Municipal Separate Storm Sewer System (MS4) permit's sediment Total Maximum Daily Load (TMDL) action plan. Finally, open space parcels having deeded restrictive covenants in proximity to river and tributary floodplains add points towards the City's progressive floodplain management activities resulting in City residents being eligible for a 15% discount on flood insurance premiums as part of the National Flood Insurance Program's Community Rating System (CRS).

Stormwater Utility Flood Mitigation Program Prerequisites:

- Parcel owner shall have held title for a minimum of three (3) consecutive years to be eligible.
- Parcel shall be in the floodplain to be eligible, however, priority order is given to parcels with structures as follows: Severe Repetitive Loss; Repetitive Loss; entirely in the floodway; partially in the floodway; entirely in the 100-year floodplain; partially in the 100-year floodplain, and entirely in the 500-year floodplain.

Program Eligibility for 75/25 Match:

- Proceeds from flood insurance (including Increased Cost of Compliance proceeds) or other non-Stormwater Utility source shall cover 75% of the total project cost including, but not limited to: fee simple purchase of the parcel, environmental assessment of the parcel and structure(s), remediation of any identified environmental hazards, demolition of the structure(s), grading and restoration of the parcel to become vegetated open space, and placement of a restrictive covenant on the parcel to prevent future development.
- Valuation for fee simple purchase of the property shall be the most recent total assessed parcel value used for real estate tax purposes.
- Stormwater Utility funds are limited for this program and must be available to cover the City's 25% cost share. Maximum Stormwater Utility funds that may be available for this program's 25% match will be \$100,000 per parcel and an aggregate of \$250,000 per year.

Program Acquisition and Mitigation Example for 75/25 Match:

- Owner has held title for 3 years of parcel within the floodway where the structure has recently suffered flood damage from a high water event.
- \$100,000 Total project expenditures for acquisition and mitigation including:
 - \$75,000 = City's fee simple acquisition offer based upon the total Real Estate assessed parcel tax value.
 - \$25,000 = Total additional project costs for title closing, restrictive covenant, environmental assessment and remediation, demolition, grading, and restoration.
- \$100,000 Total project expenditures paid for as follows:
 - \$75,000 = Parcel owner contribution from Flood Insurance Payout (including Increased Cost of Compliance flood policy proceeds).
 - \$25,000 = City Stormwater Utility contribution to cover remaining project costs.
- If parcel owner Deed of Trust payoff is less than \$75,000, the remaining Flood Insurance Payout is returned to parcel owner at title closing as net equity.
- If parcel owner Deed of Trust payoff is more than \$75,000, the parcel would not be eligible to participate in this program, but would still be eligible to participate in upcoming FEMA flood mitigation grant award application.
- If parcel is not encumbered by a Deed of Trust, owner equity may be used to achieve the 75% program match requirement.

Program Application and Approval Process:

- Application for participation in the program is available on the Stormwater Utility's [website](#).
- Application may be submitted online or delivered to Stormwater Utility staff for review.
- Upon review of application and recommendation to proceed by Stormwater Utility staff, the City Manager's Office will review staff recommendation.
- Upon concurrence from the City Manager's Office to proceed, authorization will be requested from City Council to pursue fee simple acquisition and mitigation.
- Upon City Council authorization, the City Attorney's Office will assist Stormwater Utility staff with both parcel acquisition and restrictive covenant establishment.
- Stormwater Utility staff will coordinate other project details including environmental assessment of the parcel and structure(s), remediation of any identified environmental hazards, demolition of the structure(s), and grading and restoration of the parcel to become vegetated open space.



Stormwater Utility Flood Mitigation Program Application

Please note: This Program is applicable to residential structures in the FEMA designated floodway or floodplain, where other mitigation strategies are not a viable option. The information requested in this form can be found on the City's Real Estate GIS, from a property's elevation certificate or surveyor, the NFIP flood insurance policy/insurance agent, and the mortgage lender. The City of Roanoke Stormwater Utility's webpage includes further program and policy information.

Parcel Information

Property Tax Map Number:

Parcel Address:

Date of Property Purchase:

Tax Assessment:

Land Value: Improvement Value:

Total Value: Date of Assessment:

Owner Information

Owner Name:

Owner Address:

Owner Email: Owner phone number:

Floodplain Information:

Is the property in the floodplain? Yes No

Is the property in the floodway? Yes No

Is there an elevation certificate on file? Yes No

What is the Base Flood Elevation?

What is the elevation of the top of the bottom floor?

Has this property been improved in the last 5 years? Yes No

If so, what was the improvement value?

Does the property have a specific flood insurance policy beyond homeowners insurance? Yes No

Is Increased Cost of Compliance part of the policy? Yes No

Insurance Claim Information

Date of Insurance Claim #1: Total Amount of Claim:

Date of Insurance Claim #2: Total Amount of Claim:

Date of Insurance Claim #3: Total Amount of Claim:

Date of Insurance Claim #4: Total Amount of Claim:

Mortgage Information

Do you have a mortgage? Yes No

If yes, what is the payoff amount?

Date payoff amount was obtained?

Floodplain Management Section (to be completed by City Staff)

SFHA Zone: Watershed:

What mitigation options are available on this property?

Is this property considered to be in a SRL/RL/SDF area? Yes No

Total number of losses:

Total Payout Amount:

Average Payout Amount:

Date: Loss #1 Payout Amount: Storm Recurrence Interval:

Date: Loss #2 Payout Amount: Storm Recurrence Interval:

Date: Loss #3 Payout Amount: Storm Recurrence Interval:

Date: Loss #4 Payout Amount: Storm Recurrence Interval:
