MECKLENBURG BOARD OF COUNTY COMMISSIONERS RESOLUTION

ADOPTING GUIDELINES FOR A VOLUNTARY BUYOUT AND RETROFIT GRANT FLOOD RECOVERY PROGRAM FOR FLOODPLAIN STRUCTURES THAT SUSTAINED DAMAGE DURING FLOODING ALONG THE CATAWBA RIVER ON JUNE 9 AND 10, 2019

WHEREAS, on December 3, 1997 the Mecklenburg County Board of Commissioners adopted the Mecklenburg County Floodplain Management Guidance Document aiming to achieve two objectives: 1) to prevent or reduce the loss of life, disruption of services and damage caused by floods and 2) to preserve and restore the natural and beneficial functions of the floodplain; and

WHEREAS, since adoption of the Floodplain Management Guidance Document, Mecklenburg County Storm Water Services has removed over 460 buildings from floodplains using a combination of State, Federal and Local funding, and provided over 15 retroFIT grants to homeowners to implement floodproofing projects; and

WHEREAS, on June 9 and 10, 2019, approximately 100 structures located in the Catawba River floodplain were impacted by floodwater; and

WHEREAS, some of these flooded properties are non-compliant and located within the FEMA Floodplain and are at continued risk of loss of life, disruption of services and damage caused by potential future flooding; and

WHEREAS, the following Program Guidelines and Process, which are similar to processes adopted after floods by Mecklenburg Board of County Commissioners in 2003, 2008, and 2011, are necessary to establish and offer guidance for the Buyout and retrofit Grant Recovery Program for properties flooded on June 9 and 10, 2019:

PROGRAM GUIDELINES

Staff will use the following guidelines to offer voluntary acquisitions and retroFIT grants to owners of properties that were flooded on June 9 and 10, 2019, under this Buyout and retroFIT Grant Flood Recovery Program. Priority under this program will be given to homes that are deemed Substantially Damaged by the Floodplain Administrator. Criteria to be used to guide decisions on property specific mitigation include:

BUYOUTS

- Owner interest.
- Amount of damage from flooding on June 9 and 10, 2019
- Height of finished living space above ground to achieve compliance with Floodplain Regulations
- Location within the FEMA Floodway or Community Encroachment Area
- Difficulty/expense of elevating compared to value/condition of existing house
- Location/grouping of land for future maintenance/public benefit

RETROFIT GRANTS

- Owner interest
- Substantial Damage requiring compliance with Floodplain Regulations as determined by the Floodplain Administrator
- Amount of damage from flooding on June 9 and 10, 2019
- Location outside the FEMA Floodway or Community Encroachment Area

- Difficulty/expense of elevating home compared to existing value/condition of existing house or utilities
- Eligibility of proposed project per the retroFIT Program Policy Document

BUYOUT PROCESS

Mecklenburg County will use the following criteria to determine an amount to offer an eligible homeowner:

- (a) for properties <u>without</u> flood insurance, the 2019 tax value (if not under review as part of an appeal), or fair market value as of June 8, 2019 determined by a licensed appraiser (pre-flood values); minus damages caused by the flood as determined by either; 1) a full repair estimate provided by a licensed contractor hired by the property owner, or 2) the Actual Cash Value Loss (i.e. depreciated damages) as determined by an independent adjuster retained by the County.
- (b) for properties <u>with</u> flood insurance, the 2019 tax value (if not under review as part of an appeal) or fair market value as of June 8, 2019 determined by a licensed appraiser (pre-flood value); minus the Actual Cash Value Loss (i.e. depreciated damages) as listed on the Flood Insurance Claim.

(c) for all properties:

- a credit will be added to the offer amount for reasonable, allowable, and documented flood clean-up expenditures that were required to restore safe use of the flooded property, including costs to restore "temporary" power for cleanup. For properties with flood insurance, this credit to the offer amount shall not exceed the clean-up costs listed in the flood insurance settlement.
- ii) there will be no credit added to the offer amount for any post-flood repairs to the structure. However, all property owners retain the right to remove improvements made to the property after the date of the flood (i.e. HVAC equipment, ductwork, cabinets, flooring, etc), which will not result in any deduction from the purchase price.
- iii) owners meeting Low to Moderate Income standards (LMI), are entitled to a "replacement dwelling payment" if they purchase another property outside the floodplain in Mecklenburg County within 6 months of the buyout. Incidental expenses (i.e. closing costs, lender fees, inspections, transfer taxes, etc.), will be reimbursed and must be documented. Legal occupants are entitled to a "moving payment" to cover costs associated with relocating to a new dwelling. Moving expenses will be reimbursed from receipts or based on the fixed moving payment schedule referenced in the Uniform Relocation Act. The total amount of these two payments is <u>not</u> to exceed 3% of the pre-flood value. Any expenditure greater than the maximum payment amount will be the property owners' responsibility.

The funding sources will be from Storm Water Special Revenue Fund (Available Fund Balance), or Storm Water Capital Improvement funds.

NOW THEREFORE, BE IT RESOLVED by the Mecklenburg Board of County Commissioners that the **PROGRAM GUIDELINES AND BUYOUT PROCESS** are approved to establish guidelines and offer guidance for the voluntary Buyout and retroFIT Grant Flood Recovery Program for floodplain structures that sustained damage during flooding along the Catawba River on June 9 and 10, 2019, and that this BUYOUT PROCESS will be used to present offers to eligible homeowners.

ADOPTED the 2 nd day of July, 2019.	
Approved as to form:	
County Attorney	
<u>C</u>	ERTIFICATION
	eard of Commissioners of Mecklenburg County, DO HEREBY CERTIF opy of a resolution adopted by the Board of Commissioners, in regul ly, 2019.
WITNESS my hand and the seal of, 2019.	of the County of Mecklenburg, North Carolina, this the d
	Janice S. Paige, Clerk to the Board