



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701

Public Works Department Engineering Services Division

300 Sixth Street

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MEMORANDUM

TO: Public Works Committee, Mayor Hanks, City Council

FROM: Dale Tech PE/LS, City Engineer *Dale Tech*

SUBJECT: Funding Sources to Purchase Flood Prone Properties

DATE: March 29, 2011

At the January 11, 2011 Public Works Committee meeting City Staff was directed to research funding sources for the City to purchase flood prone properties.

There are two primary funding sources that the City has available to purchase flood prone properties.

1. The City of Rapid City may choose to fund the purchase of flood prone properties through the Capital Improvement Fund or General Fund.
2. The Federal Emergency Management Agency (FEMA) distributes Hazard Mitigation and Pre Disaster Mitigation funds to State Emergency Management Agencies. These funds can be used to purchase flood prone properties.

The balance of this memorandum will discuss the procedures necessary to qualify and apply for FEMA grand funds for the purchase of properties.

For Rapid City to qualify for FEMA funds for the purchase of property, the State and County must have adopted Hazard Mitigation Plans that identify the purchase of property as a mitigation action. The State Hazard Mitigation Plan does identify the purchase of property as mitigation but Pennington County's Hazard Mitigation Plan does not. Pennington County's Plan must be updated this year and I have asked Anthony Carbajal to include property purchase in the plan.

Once the State and County Hazard Mitigation Plans are in place, the City of Rapid City can apply for the funds that were passed to the State from FEMA. Rapid City would have to provide a local funding match of 25%.



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Discussions with the State Office of Emergency Management revealed that the application process alone would take nearly 2 years to complete before funds could be available to the City for the purchase of property.

Acquisition of property utilizing Federal Funds requires compliance with 44CFR Part 80. This Federal Regulation specifies the process in which property is acquired. It appears that following 44CFR Part 80 when acquiring property would take a considerable amount of time and money as appraisals would be required.

Although the process is time consuming, purchasing property utilizing 75% FEMA funds is the best option the City has for acquiring flood prone properties.



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