

Flood Hazard Mitigation Working Group Meeting Minutes
August 6, 2014, 10:00am-12:00pm
Boiceville Inn

In attendance:

Dave Tobias, DEP
Brent Gotsch, CCE UC
Heather Eckardt, CCE UC
Beth Reichheld, DEP
Danyelle Davis, DEP
Tim Cox, CWC
Mike Reynolds, Woodstock Highway Superintendent
Ellen Casciaro, Woodstock Code Enforcement Officer
Sylvia Rozzelle, Olive Supervisor
Dom Covello, Olive Building Inspector
Rob Stanley, Shandaken Supervisor
Tim Malloy, Shandaken
Eric Hofmeister, Shandaken
Amanda LaValle, UC DoE
Aaron Bennett, UC DoE
Glenn Hoffstatter, Hurley
Robin Peruso, UC Emergency Management
Jim Fugel, Olive Highway Superintendent
Alfred Higley, Shandaken Council

Overview:

The topic of discussion at this meeting was the New York City (NYC)-Funded Flood Buyout Program. Dave Tobias from the DEP Land Acquisition Program gave a presentation on the program.

Presentation:

Like the FEMA Buyout Program, the NYC-funded program will only run in communities that are willing to accept it, and properties will only be acquired where both the community and the landowner have agreed. However, the NYC-Funded Flood Buyout Program is otherwise wholly distinct from the FEMA Buyout Program.

The NYC-funded program will operate principally when there is no FEMA flood buyout (FBO) operating. It is expected that the program will use certain elements of the FEMA FBO as a model, but as of 2014 most procedures remain in development pending community input, and DEP will refine the program accordingly.

Rigorous application standards and criteria will be developed. To incentivize land owners to sell, once a community has agreed to support the acquisition, the purchase prices offered on proposed

buyouts will be based on pre-flood Fair Market Value. Communities will be offered the opportunity to own properties.

Two opportunities for local municipalities to opt-in are recommended: one at an early ‘conceptual’ point where the community decides whether the program should spend resources to examine possible project areas, and a second where the community approves (or not) each proposed acquisition on an individual basis.

Once specific properties are chosen for consideration through the vetting process, the City will not proceed to appraise the property until the community has approved it (or not rejected it, depending on how the local consent process is established). Each buyout transaction will be undertaken by DEP, including the appraisal, purchase (offers and contracts), and closing. However, if a local community wants to own the property, payment will go from DEP to the landowner and the deed will go to the town at the closing.

Soon after a property is closed, demolition will begin. DEP does not envision managing demolition itself, but expects to contract with CWC or counties to get these done. Subsequent land management will be handled by whoever owns the property (DEP or town) and a conservation easement must be conveyed to the State as in all City-funded acquisitions in fee simple pursuant to the 1997 MOA.

Potential properties to be acquired will be derived from three sources:

1. LFA (science-based studies to identify flood mitigation projects) done in conjunction with communities.
2. Call-ins, such as landowner inquiries.
3. CWC’s Flood Hazard Mitigation Implementation Program (relocation assistance).

In order to ensure funds are spent wisely and fairly, criteria for eligibility of landowner call-ins need to be developed. So far, there are three sub-categories that these landowner call-in properties could fall into:

1. Erosion hazard: the home is near a high eroding bank or terrace, in the floodplain, or inside the meander belt, and topography indicates high risk of avulsion that could further damage home.
2. Inundation hazard: where there is a record of substantial or repeated damage to home.
3. Stream stabilization project area: eligibility evaluated and recommended by project engineer and/or team.

The CWC Flood Hazard Mitigation Implementation Program (“FHMIP”) provides limited funding to relocate certain structures out of risk-prone areas. The City-Funded Flood Buyout Program can offer a mechanism through which purchase of the at-risk property can be acquired, while CWC’s FHMIP can offer a mechanism to fund certain activities required to relocate the facility. Properties that might be assisted by this partnership between FHMIP and the City-Funded Flood Buyout Program must fall into the following categories:

1. Anchor business (such as grocery store, gas station, pharmacy, etc.);
2. Critical community facility; or
3. Residence or business (if recommended by LFA)

Anchor businesses and critical community facilities must meet a ‘substantial damage’ threshold, yet to be established.

To sum up the most significant remaining / pending NYC-funded FBO program issues, the following items must be resolved or developed:

- Consensus on how and when towns will opt-in or out of the program;
- Program rules;
- For landowner call-ins: developing a set of clear criteria through which properties will be vetted;
- If and how local agencies and support staff will be involved, and how NYC will cover those staff time and costs;
- How and when local municipalities will decide on ownership and management of properties;
- How to advertise the program and conduct publicity/outreach (NYC believes that outreach and solicitation for the program should be community run and driven); and
- How and by whom demolitions will be managed.

DEP and partners will solicit input from stakeholders throughout fall 2014 via presentations to municipalities and an expected stakeholder meeting in December 2014 or early 2015.

This is expected to be a \$15 million program that might result in a total of ~75 – 100 properties acquired, scattered throughout different villages and towns rather than concentrated in one or two. The City expects to pay property taxes on properties acquired under the FBO based on their vacant status, once acquired and owned by NYC.

Property taxes on the subject properties are expected to go down compared with prior ‘habitable’ status, since all improvements will be removed. Any difference in taxes will be redistributed throughout the town. Properties that would be eligible for any FBO program would otherwise be at risk of damage or destruction by future flood events, at which point the tax base would be affected in any case. The NYC-funded FBO is designed to provide for the removal of homes before future storm events, and to pay landowners the pre-flood fair market value that they would not likely obtain elsewhere in the marketplace. The program is expected to reduce future storm-related water quality problems in downstream reservoirs, improve health and safety for local communities, and remove people and structures from harm’s way. If sellers decide to use their proceeds to rebuild elsewhere within the community, the property tax base could be preserved without impact – in fact arguably increase – but if sellers move out of the area, the tax impacts would likely rise for other residents. In some cases a subdivision might be pursued so that the seller can relocate or build a new home on the retained land. A question was asked: would DEP consider swapping land it already owns for land it will acquire under FBO? The answer was that while this would not necessarily be impossible, it would be exceedingly difficult and unlikely.

The time required between initiating and concluding acquisitions under the City program is expected to take less time than under the FEMA program. The City-Funded Program will pause during periods when a FEMA Flood Buyout Program is operating, however, because the City does not want communities to walk away from external funds when they are available from FEMA.

Next Meeting

TBA