

CHAPTER 10 – ACQUISITION

10.1 Introduction

Acquiring and demolishing or simply demolishing a floodprone structure is the most successful means of ensuring that a structure will not accumulate additional losses from future flood events (Figure 10-1). There are two options for what to do with the site after the structure is gone:

1. The property site can be purchased by a government agency or appropriate organization that, after demolishing the structure, will keep the land in an open space use in perpetuity.
2. If the lot remains in private ownership after the building is demolished, a new structure can be built on the lot, provided it is constructed to meet all local building and flood protection code requirements.



Figure 10-1. The Aldridge Creek Greenway in Huntsville, AL, is expanded as floodprone homes are acquired and cleared.

(Source: FEMA 511)

Table 10-1 includes a summary of advantages and disadvantages for using acquisition as a mitigation measure.

Table 10-1. Considerations for Using Acquisition

Advantages	Disadvantages
<ul style="list-style-type: none"> • Permanently removes problem since the structure no longer exists. • Allows a substantially damaged or substantially improved structure to be brought into compliance with the community’s floodplain management ordinance or law. • Expands open space and enhances natural and beneficial uses. • May be fundable under FEMA mitigation grant programs. 	<ul style="list-style-type: none"> • Cost may be prohibitive. • Resistance may be encountered by local communities due to loss of tax base, maintenance of empty lots, and liability for injuries on empty, community-owned lots.

10.2 Technical Considerations

Property acquisition is a complex process. The procedures for property title transfer from a private owner to the government are detailed and extensive. Every precaution is made to protect the private property owner’s and renter’s rights and to ensure they are fully aware of all aspects of the transaction. The acquisition process involves the following: disconnect and cap utility lines, tear the structure down, remove debris, restore old site and building, or buying a new structure. First the utility company must turn off all services to the structure and the demolition contractor will then disconnect the utility lines. If another structure will not be built on the site, the contractor will cap the lines permanently or remove them according to the requirements of the utility company. The structure is then relocated, salvaged or demolished, and debris removed as required by Federal, State, and local regulations. Site restoration includes demolishing and removing any paved surfaces, grading the property, and stabilizing the site.

Eligibility Requirements. In order for a community to qualify for FEMA grants for acquisition projects, three basic requirements must first be met:

1. The local community must inform the property owners interested in the acquisition program that the community will not use its condemnation authority to purchase their property and that participation in the program is strictly voluntary.
2. The subsequent deed to the property to be acquired will be amended such that the landowner will be restricted from receiving any further Federal disaster assistance grants, the property shall remain in open space in perpetuity, and the property will be retained in ownership by a public entity.
3. Any replacement housing or relocated structures will be located outside of the 100-year floodplain.

10.3 Relative Costs

The relative cost ranking is based on the combination of the estimated costs for the acquisition project and a determination of cost-effectiveness.

10.3.1 Estimated Cost

Acquisition is a relatively expensive mitigation measure. The cost of tearing a structure down can vary widely, depending on the amount of debris, whether it must be hauled to a licensed disposal site, and if a dumping fee is required. The major costs associated with the acquisition method are for purchasing the structure and land. Examples of cost estimating items that may need to be considered include the following:

- Purchase of structure and land
- Demolition
- Debris removal, which includes any landfill processing fees
- Grading and stabilizing the property site
- Permits and plan review

10.3.2 Determination of Cost-Effectiveness

A component of the relative cost scoring is to include a determination of cost-effectiveness. Table D-1 in Appendix D, Determining Cost-Effectiveness, provides a quick screening for the cost-effectiveness of a project. The attributes included in the table are frequency of flood, level of damage, project cost, project benefits, and criticality (impact or loss of function). For example, if the frequency is the 10-year flood, the project will have a very high likelihood of cost-effectiveness. Conversely, if the frequency is the 50 to 100-year flood, the likelihood of cost-effectiveness is low.

Based on the combination of the estimated cost of the project and the likelihood of cost-effectiveness, a relative cost ranking will be assigned on Worksheet B, Appropriate Mitigation Measures. If the likelihood of cost-effectiveness is low, the ranking of relative cost will be either moderate or high, based on the estimated cost of the project. However, if the estimated cost is low and the likelihood of cost-effectiveness is very high or high, the relative cost ranking will be low.

10.4 Additional Considerations

10.4.1 Historic Preservation

A community may not acquire, relocate or floodproof any structure prior to FEMA satisfying its compliance review required by Section 106 of the National Historic Preservation Act. Typically, the community must submit photographs of each property under consideration along with a description of the anticipated flood mitigation project. If FEMA determines, in consultation with the State Historic Preservation Office (SHPO) or Tribal Historic Preservation Office (THPO), that the property is listed or eligible for listing on the National Register of Historic Places (historic properties), FEMA must determine the effect of the proposed mitigation project on the identified property or properties. Historic properties include buildings, sites, structures, objects, and districts. If FEMA, in consultation with the SHPO/THPO and any other consulting parties, determine that the proposed project will adversely affect the historic property and properties, FEMA, the SHPO/THPO, and other consulting parties must agree on measures to avoid,

alleviate, minimize, or otherwise compensate for the adverse effect(s). These treatment measures are outlined in either a Memorandum of Agreement or Programmatic Agreement.

Early coordination between the applicant and the SHPO/THPO is helpful in understanding the historic significance of a particular area and avoiding potential adverse effects. A list of SHPOs/THPOs can be found through the National Park Service’s web page and is included in Appendix G. Keep in mind though that FEMA is still required to formally identify and evaluate historic properties as part of the Section 106 review process. In many States, FEMA has negotiated programmatic agreements with the SHPO and state emergency management agency to exclude routine activities from further review, accelerate time periods for consultation between FEMA and the SHPO, and provide for other procedures to minimize delays during disaster recovery. These agreements often are extended to cover flood mitigation projects that occur during non-disaster periods, particularly for repetitive loss and substantially damaged structures. For example, most agreements allow for the administrative action of property acquisition to proceed before Section 106 review is initiated.

Properties identified as historic may be marked on the *Address and Updates* tab on the Limited View (Figure 10-2). An example of a historic structure is included in Figure 10-3.

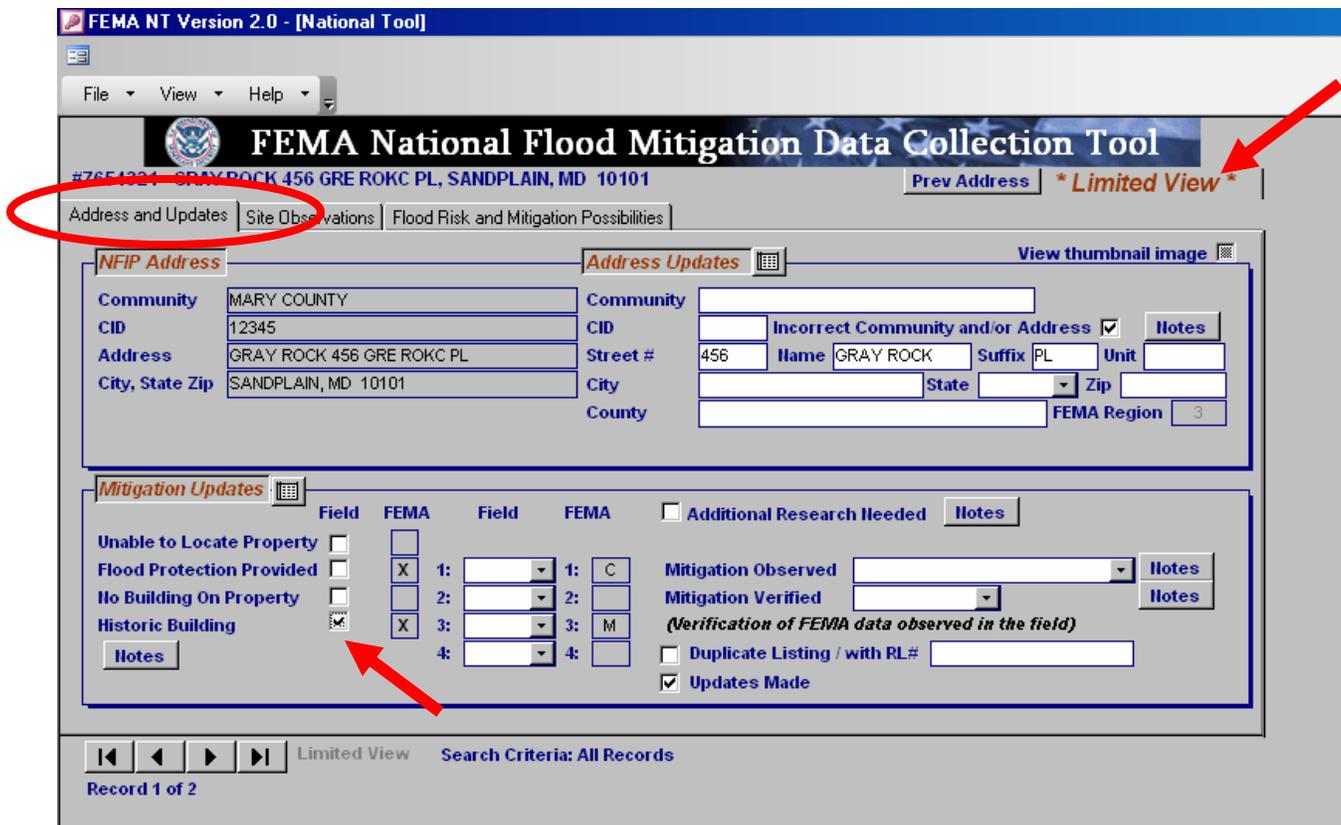


Figure 10-2. Address and Updates Tab - Historic Building Check



Figure 10-3. Historic Structure

10.4.2 Hazardous Materials

Existing owners must certify that the property is free of hazardous materials and contaminants or that the site has been cleaned to Federal standards. The sellers of any suspected agricultural/commercial properties must indemnify FEMA (if FEMA funding is involved), the State, and local governments from liability resulting from contamination of the site. If there is still suspicion regarding the acceptability of the site for the acquisition program, an environmental assessment may be required. Using FEMA funds to purchase contaminated properties is prohibited.

A review of a property’s past uses must ensure that no hazardous materials are likely to be encountered. Research may need to be done to identify previous uses of the site as well. For example, a commercial site that is currently used as an office or retail space may have been used as a dry cleaner or screen printer shop, both of which are known for hazardous materials issues, especially when located in a floodprone area.

The *Site Observations* tab indicates whether the structure is currently used for commercial or industrial purposes, where the presence of hazardous materials could be a concern (Figure 10-4, number 1). In addition, the *Site Observations* tab contains a checkbox to indicate if flooding at this site will have community-wide implications (Figure 10-4, numbers 2a and 2b), with “contains hazardous materials” as one of the choices if this is true.

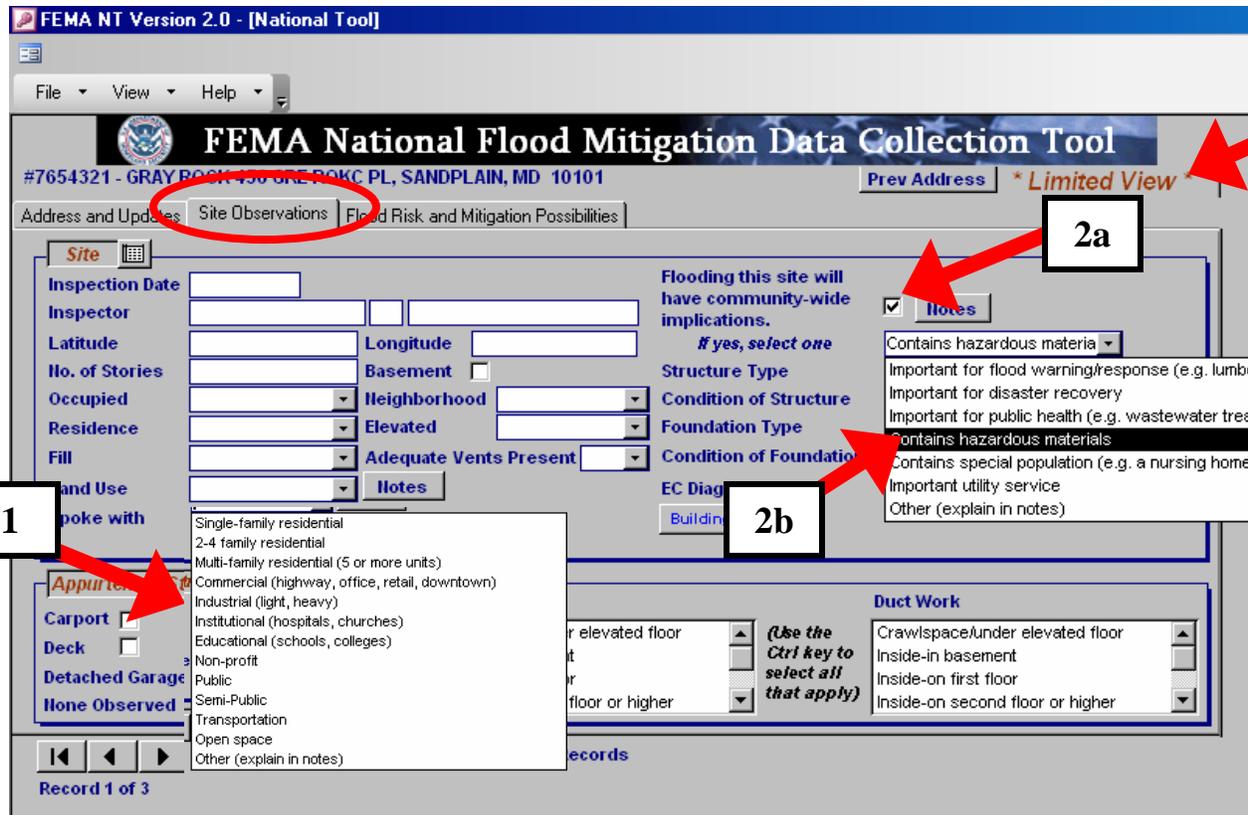


Figure 10-4. Site Observations tab - Hazardous materials site indicators

10.5 Available Resources

FEMA 312. *Homeowner’s Guide to Retrofitting: Six Ways to Protect Your House from Flooding*. See Chapter 3, An Overview of the Retrofitting Methods and Chapter 7, Other Methods - Demolition.

FEMA 317. *Property Acquisition Handbook for Local Communities*.

FEMA 511. *Reducing Damage from Localized Flooding*. See Chapter 9, Redevelopment.

The Louisiana State University (LSU) Extension Center website (<http://www.louisianafloods.org>) lists many retrofitting publications, provides advice on floodproofing methods and flood insurance, and links to online shopping for retrofitting products and contractors.