

PLANNING & DEVELOPMENT

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Timothy Huey
Director

To: Mahesh Sharma, County Administrator

From: Timothy Huey, Planning Director

Date: October 6, 2020

Re: Approval of Administrative Plan and required deed restriction for flood buyout property at 31379 Scott Park Road.

In October, 2017 property owners Sam and Mary Yarham submitted a request for Scott County to apply for a Hazard Mitigation Grant for the acquisition of their property located at 31379 Scott Park Road which is located in the Wapsipinicon River 100 year floodplain. The property had suffered repetitive losses from numerous flooding events since 2004 and before. The original application required a 25% local match for the buyout and the property owners agreed to provide the local match by effectively reducing the amount of their compensation to 75% the value of the residential structures.

Under the requirements of the grant the County was the applicable local government to submit the application. Scott County closed on the property in February of this year. Scott County is required to keep title to the property in perpetuity. The regulations would allow the County to have passive uses on the property such as native prairie or row crops, as the surrounding property is currently farmed. The attached deed restrictions are required to be filed on the property and will run with the land.

The house and outbuildings were demolished and the property has been planted with native prairie and will be maintained as part of Scott County's Integrated Roadside Vegetation Management Program. The property is directly adjacent to Scott Park Road with 200 feet of frontage and is only 0.6 acres in size.

The attached Administrative Plan is the procedures that were followed in acquiring this property under the Hazard Mitigation Grant Program. In order to close out the grant Scott County is required to submit these documents, along with numerous additional documentation, to the Iowa Department of Homeland Security Emergency Management Division.

Staff would recommend that the Board approve a resolution authorizing the Chairman to sign these two documents.

ADMINISTRATIVE PLAN

Voluntary Property Acquisition Funded Under the Hazard Mitigation Grant Program



COUNTY OF SCOTT

**ADOPTED BY SCOTT COUNTY BOARD OF SUPERVISOR
ON OCTOBER 15TH, 2020**

**Prepared by
SCOTT COUNTY PLANNING AND DEVELOPMENT**

Program Summary

On the 18TH day of October, 2018, the Scott County Board of Supervisors authorized the submission of a Hazard Mitigation Grant Program application to the Iowa Homeland Security and Emergency Management (HSEMD) for the purpose of obtaining federal/state financial assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (PL93-288, as amended) and the Code of Iowa, Chapter 29C.

This outline of procedures was created to explain how the program would operate. Scott County is committed to making this program work as quickly as possible so that the affected property owners may promptly make their property decisions with as much information as is available.

Voluntary Acquisition Program

Funding for this program requires that certain conditions are met in order for it to be on a voluntary basis. Since this is a voluntary acquisition that is funded under the Hazard Mitigation Program, Scott County is exempt from following the processes and notices to owners required for acquisition by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (hereinafter referred to as URA). However, tenants will be provided assistance in compliance with the URA since relocation is involuntary to them.

A voluntary acquisition program, in order to be exempt from the Uniform Act, must make offers to purchase on a willing buyer/willing seller basis. That is, if the seller rejects the offer, Scott County will not pursue acquisition of the property by using its eminent domain powers. In addition, Scott County must not be purchasing the property for a known project. Scott County will use the same criteria for purchases in all cases for this program.

All property owners must sign a voluntary participation statement submitted with the HMGP application.

Purchase Price

The County is using FEMA's *Property Acquisition and Relocation for Open Space* (44 CFR, Part 80) guidance by utilizing the *fair market value of the property* for this voluntary acquisition program. Appraisals have been completed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP) to determine the market value offered.

Property owners who purchased the property after the flood event or property owners who are not a US National or qualified alien will be offered current fair market value (post flood – as of the date of the purchase offer) in accordance with Part 80. This value will be determined by a USPAP appraisal procured and approved by the community and grantee.

Situations where large variations in appraised vs. assessed value are noted must be handled on a case by case basis, as Sub-grantees must seek to prevent participation in the project for the sole purpose of profit.

In a situation where a property owner is purchasing a property from the deed holder on contract, the contract purchaser is considered to be the owner. If the contract purchaser abandons the property and “defaults” on the contract after a flood event, ownership reverts to the deed holder.

This is considered a change in ownership, and only current market value may be offered. Similarly, in a foreclosure situation that took place after a flooding event, the foreclosing bank may only be offered current market value.

Property owners are not under any obligation to sell their property to the County and, an appeal process is in place to permit other information, including independent appraisals and updated information from the assessor to be submitted for the County's consideration. HSEMD must be made aware of and approve the resolution to any appeal.

Definition of Owner-Occupant

The County will make its initial offers to purchase to owner-occupants of flood-damaged residential property. An owner-occupant is defined as follows:

1. Holds title to the property with valid deed or valid real estate contract that pre-dates the flood event.
2. Continues to hold title to the property to the date of the County's offer to purchase,
3. Will certify to having lived in the house as his/her/their primary* residence as of the date of the flood event.

* - Primary is defined as the owner's principal place of residence. The owner must have resided at the site at least six months plus one day out of the previous twelve months to be considered primary*. This will be verified in order of preference by 1) Homestead Exemption on the property; 2) Income tax returns; or 3) Owner-signed certification stating that the property is their primary residence.

For situations involving a contract purchaser and deed holder, the contract purchaser must be in a position to have the deed transferred to the community upon closing. For this reason, the deed holder's participation will be necessary at some point in the acquisition process.

Definition of Investor-Owner

If applicable, the County will make offers to purchase to investors-owners of the selected flood-damaged residential property. An investor-owner is defined as follows:

1. Holds title to the property with valid deed or valid real estate contract that pre-dates the flood event,
2. Continues to hold title to the property to the date of the County's offer to purchase and did not occupy the unit as of the date of the flood event,
3. The investor-owner shall provide the County with additional information as may be required by the County, including available information on any tenants.

What is to be Acquired

The County will acquire all land and improvements associated with the properties subject to this program. For any commercial property acquired under this program, the County will complete an environmental review (beginning with a Phase 1 Environmental Site Assessment) to certify that the property is clean. This documentation must be provided to HSEMD and FEMA for approval prior to the County's acquisition. This requirement will also apply to any residential property for which suspicion of contamination from hazardous materials exists.

Pre-Acquisition Activities

The County shall undertake a number of activities relating to each property prior to making an offer to purchase. Briefly, these activities are:

1. Determine fair market value as described above in "Purchase Price". Ensure homeowner is either a National of the United States or qualified alien before offering pre-flood market value for the property, per 44 CFR part 80.17.
2. Identify the owners who want their property to be considered for acquisition.
3. After the property owner indicates their interest in participating in the voluntary acquisition program, the County will:
 - a. Prepare a schedule of property values for all properties in the project.
 - b. Order an abstract update and title opinion.
 - c. Order a "mortgage" property survey.
 - d. Work with FEMA through HSEMD as well as the Small Business Administration (SBA) to obtain information on the proceeds received through those agencies' programs for each property.
4. Complete all pre-acquisition items on the Pre-Acquisition / Demolition Checklist.
 - a. Obtain a "notice to proceed" with acquisition & demolition from HSEMD
 - b. These items must be complete prior to acquisition to ensure compliance with 44 CFR part 80.17(d) which states that incompatible facilities (improvements to property) must be removed within 90 days of acquisition.

Timing of Offers

The County will make offers to purchase to willing and eligible property owners after completion of the aforementioned pre-acquisition activities. It is anticipated that offers will be delivered to eligible owners as quickly as possible.

Offer

The County will make its purchase offers in substantially the same form as used with other County purchases of property, and including appropriate terms as provided by or required by the participating State and Federal agencies. Important policy elements of the offer are:

1. *Purchase Price*: The pre-flood or current USPAP appraised value of the real estate, or as defined in "Purchase Price". Ensure homeowner is either a National of the United States or qualified alien before offering pre-flood market value for the property, per

44 CFR part 80.17. Refer to previous section to address properties that will be offered an amount other than pre-flood value.

2. *Deduction from Purchase Price:* As applicable, insurance proceeds for real estate damage, other public payments as determined by FEMA that represent a duplication of payment for the real estate, property taxes due and owing, and other payments required to clear special assessments, liens or judgments, will be paid prior to closing or deducted from the HUD-1 settlement statement at the time of closing. The purchase offer **should not be reduced by these amounts**; instead the HUD “proceeds to the seller” column will be adjusted. The County will receive individual determinations by FEMA and SBA of the deductions or credits on FEMA and/or SBA funds already disbursed.
3. *Closing and Possession:* The County will not close and take possession of a property until the house is uninhabited by the seller(s) and all personal property has been removed from the property.

In order to accomplish this transfer of ownership and possession in a manner that does not place the sellers or the County in a position of financial risk or other liability, a process was designed to use a closing agent to manage the acquisition by the County together with the move to a replacement housing location.

After the County and the seller have executed the Offer to Purchase, the property has been inspected as needed, notices and meetings with tenants conducted and the deed to the property has been drafted, the documents will be delivered to the closing agent to retain until the buyer and seller have agreed on a closing date. It is optimal (but not necessary) for the seller to have purchased a replacement dwelling or have found other accommodations so that closings may be concurrent. The closing can occur when the title and close-related issues are satisfied.

Offer Form

The County will provide a written purchase price at the time an offer to purchase is presented. An example of the form that will be used is attached - Purchase Offer Form. Essential factors in the form include:

Closing Date – A mutually agreed upon date by the County and the seller to close on the property.

Clear Title – The seller must provide clear title to the County’s satisfaction before the closing can occur. The seller must convey by warranty deed. Title insurance in the form of a title guaranty certificate must be obtained through Iowa Title Guaranty prior to closing. Although this certificate is not required by Iowa law, it is required by the HMGP Acquisition program.

Eligibility – The County must certify the property owner is either a National of the United States or qualified alien before offering pre-flood market value for the property.

Expiration Date – The County will allow two weeks from the date the offer is made for the seller to decide whether to accept. The County will permit an extension of the expiration date, if requested in writing by the owner, up to an additional two weeks. It is the intention of the County to make as many offers as quickly as possible. Sellers will be reminded that if they do not want to accept the offer, they must let the County know as soon as possible.

Property Inspection – The seller will grant access to the County to inspect the flood damaged property for personal property, hazardous materials, etc. that must be removed prior to closing.

Removal of Debris – The seller agrees to remove, at their expense, prior to closing, all vehicles and vehicle parts, firewood, construction material debris, and other personal property located on the site.

Relocation Outside the Floodplain – To be eligible for Replacement Housing Benefits, the seller is required to purchase or rent a comparable decent, safe and sanitary housing unit within 6 months of acceptance of the County's Offer that is located outside of the regulatory SFHA / Zone A or AE, NFIP Flood Hazard map boundaries. Only one replacement housing benefit per replacement housing unit is allowed. (i.e. – if two displaced individuals move into one replacement housing unit, they are only eligible for one replacement housing benefit). Compliance with the requirements set forth in 49 CFR part 24 is required.

Subject to Approval of the County Board of Supervisors – The offer is subject to the County Council approval of the form of offer and the specific offer terms for each property.

Appeal of Offer Price

If, after the presentation of the offer, the seller believes the offer price is incorrect due to factual errors and/or can present additional information directly relating to the fair market value, the County will have an appeal process as described below:

The seller may appeal the estimate of fair market value after presentation of the County's offer to purchase and before the expiration date of the offer to purchase. Within two weeks of the County's offer to purchase, the seller shall present a written statement which includes the reason for the appeal such as factual information and any data that support the reason for the appeal to increase the offer price. HSEMD must be made aware of and approve the resolution to any appeal that will cause a deviation from the approved scope of work or budget.

The seller or community must assume the responsibility of securing an appraisal (at *pre-flood* value if applicable) from a USPAP certified appraiser approved by the County. The cost of the appraisal will be the responsibility of the seller. The seller will understand that the pre-flood appraised value will be taken under consideration after the total project budget expenses are known and any revision in the acquisition offer will be subject to County Council approval. The seller is NOT guaranteed that the appraisal price will be

used to determine the offer price, and should anticipate that the County will not exceed its total project budget.

Within 30 days of filing the written appeal statement, the seller must provide the appraisal report to the County for review. The seller may submit a written request to the County for a 14-day extension to allow the additional time necessary to secure the appraisal. In the case that the seller exceeds the 30-day period to obtain and submit the appraisal, and does not provide a written request for an extension, the original offer to purchase price will prevail.

NOTES: (1) The federal program only allows the “as is” purchase price if purchased within a year of the Sub-applicant’s offer. If the property was purchased post-flood, an appraisal reflective of current market value must be used to determine market value. Appeals to the current market value may be considered, however any costs above the current market value will be the responsibility of the community. The only exception may be if a property has been improved since its purchase. HSEMD must be made aware of and approve any appeals that will deviate from the approved scope of work or budget. (2) If the County chooses to offer more than what the program funds will pay, the portion over the allowed amount will be the responsibility of the County.

Process After Offer is Accepted

If the property owner accepts the County’s offer, the following will be undertaken:

1. The seller will provide the County with the property abstract.
2. The County will forward the abstract or request for a new abstract to an escrow agent that will function as the program’s closing agent.
3. The escrow agent will be responsible for ordering the abstract work, issuing a title opinion, transmitting the title opinion to the property owner and providing sample forms of affidavits and releases. Upon receipt of the necessary title-clearing documents from the seller, the escrow agent will prepare a closing statement utilizing the HUD-1 Settlement Statement Form, and set up the closing. The County will notify the Grant Administrator of the pending closing in order to undertake the required property inspections and prepare appropriate requisitions.
4. The escrow agent will not close the transaction and the County will not take title to the subject property until the buyer and seller have come to an agreement on the date of the closing. Optimally the displaced property owner will locate a replacement property, obtain an accepted offer on that property, and have prepared to move into the replacement property so that closings on the displacement and replacement dwellings can be concurrent. The intention for this process is that the County wishes to arrange to take title to the flood damaged properties when the owner is ready to vacate and take possession of their chosen replacement property.
5. The warranty deed and deed restrictions will be recorded with the County Recorder.

Acquisition Staff

The Acquisition staff, supplied by the Grant Administrator, will present the offer in person and be available to answer questions. After the offer is made, the Notice of Relocation Eligibility will be presented and the Grant Administrator will inspect the property.

If the offer is rejected and the property owner chooses not to sell the property, the acquisition staff will close the property's file and 'de-obligate' the funds reserved for the property's acquisition and relocation payments.

Contract Services

The County shall hire a number of services to be performed on a contractual basis to assist in the acquisition program. The services contracted for, or to be contracted for are:

1. Title certificate and abstracts
2. Mortgage property surveys
3. Title opinions
4. Escrow agent / Closing agent
5. Historical intensive level surveys, if required
6. Demolition work
 - Asbestos Testing/Survey and Monitoring
 - Asbestos Abatement (if necessary)
 - Structure Removal
7. Appraisals
8. Phase I ESAs
9. Decent, Safe and Sanitary Inspection Services

Property Management

Summary

The County will undertake certain property management activities upon the acquisition of those voluntary-participating, flood-damaged properties that the owners choose to sell. It is the intention of the County to minimize its costs and risks in managing the properties when acquired.

Inspections

The form of the Offer to Purchase provides that the County will have the right to inspect the premises once the seller accepts the offer. The purposes of the inspection are to determine if there are any hazardous materials on site, serious safety risks or unique fixtures to the property that the County would need to deal with upon its acquisition.

A further requirement of the Offer to Purchase provides that the seller agrees to remove from the property, at their expense and prior to closing, all vehicles, wood, construction materials, debris and personal property. The purpose of this provision is to ensure that the County is not burdened with the cost and risk of injury or expense of removal of the abandoned personal property.

Salvage

Salvage by the County will not occur without a compelling reason, as this is considered to be program income and reduces the Federal cost share of the project. Salvage rights will be

awarded to the demolition contractor in an effort to reduce demolition costs. The County retains the right to sell part or all of the structure following transfer of title from the owner and prior to demolition. Revenue from salvage will be considered program income and treated accordingly.

Demolition

The County will comply with the “Public Assistance Demolition Guide” that was provided by HSEMD for demolition completion. All acquired property will be returned and maintained as open space in accordance with 44 CFR part 80 and the FEMA Hazard Mitigation Assistance Unified Guidance.

Program Close-Out

Once the owners of all eligible properties have been contacted and acquisitions / demolitions have either been completed or declined, a review of the files will be completed by staff following the clearing of all fixtures from the subject properties. Any program revisions that may have occurred will be noted in the Administrative Plan and all files will be kept in accordance with the Community’s standard file policies and procedures. A final project and grant closeout meeting between the community and HSEMD will be coordinated. At completion of the grant activities, the community shall provide the following to FEMA through the State:

- A photograph of the property site after project implementation
- A copy of the recorded deed and attached deed restrictions
- Latitude and Longitude coordinates for each property

Relocation

Overview

The Relocation portion of this document will describe the County’s provision of relocation assistance for the residential properties that are purchased. Benefits will be made available as described below. Compliance with the provisions of 49 CFR part 24 is required.

Funding Sources

The County will be utilizing federal, state, and local funding in order to provide relocation benefits for properties that are actually acquired.

Relocation Assistance Program for Owner-Occupants

The voluntary nature of this program does not obligate the County to provide relocation benefits. However, the County has opted to provide relocation benefits to pre-flood primary owner-occupants who accept the County’s offer to purchase their flood damaged residential property. These benefits will help the owner-occupants secure replacement housing. It is anticipated that almost all owner-occupants will be able to use the relocation assistance as a major source of funds to purchase decent, safe and sanitary replacement housing of comparable size and capacity *outside of a 100-year special flood hazard area.*

1. *Eligibility – Subgrantee:* The County will demonstrate that all of the following circumstances exist:

- a. Decent, safe and sanitary housing of comparable size and capacity is not available in non-hazard prone sites within the community at the anticipated acquisition price of the property being vacated; *and/or*
- b. The project would otherwise have a disproportionately high adverse effect on low income or minority populations because project participants within those populations would not be able to secure comparable decent, safe and sanitary housing; *and*
- c. Funds cannot be secured from other more appropriate sources, such as housing agencies or voluntary groups.

To comply with requirements of the Hazard Mitigation Assistance Unified Guidance, an analysis of the market value of a sampling of homes comparable to those included in the project but located outside of the SFHA will be completed (“market analysis”). The differential in market value between these comparable homes and the fair market value of homes included in the project will be used to establish a ceiling for the replacement housing supplemental payment for owner occupants.

2. *Eligibility – Owner-Occupants:* In order to be eligible for the owner-occupant supplemental payment, the owner-occupant must:
 - a. Accept the County’s offer to purchase.
 - b. Meet the definition of owner-occupant.
 - c. Purchase or rent a decent, safe and sanitary housing unit within 6 months of acceptance of the County’s Offer that is located outside of Zone A, NFIP Flood Hazard map boundaries.
3. *Determination of Benefits:* The County will provide relocation benefits for owner-occupants in the form of a Replacement Housing Benefit Payment. The Replacement Housing Benefit is for the purchase or rental of a comparable unit. A Notice of Relocation Eligibility explaining the specific benefits to the owner-occupant will be made in person by the Relocation staff after the County’s offer to purchase the flood damaged property is presented. The seller will be asked to sign a receipt for the Notice. The Notice will contain a “180 Day Eligibility Provision” notifying the owner of the expiration date of the Replacement Housing Benefit.
4. *Replacement Housing Payment/Purchase:* The County will make a Replacement Housing Benefit Payment based on the owner-occupants purchasing replacement housing which is decent, safe, sanitary and comparable in size and capacity within 6 months from the owner-occupant’s acceptance of the County’s offer to purchase the flood damaged property. The payment amount of the Replacement Housing Benefit cannot exceed the lesser of what is allowed by the County market analysis, or \$31,000. The amount is based on need, and is limited to one benefit per replacement property. In situations where a property owner is interested in renting, replacement housing benefits may be used towards a rental instead of a purchase.

5. *Timing of Release of Replacement Housing Benefit Payment:* The payment will be released only after the closing on the property the County is purchasing from the owner-occupant and at the closing on the replacement house. If a replacement unit is not purchased within 6 months of the owner-occupant's acceptance of the County's offer to purchase the flood damaged structure, the relocation money will be made available for additional acquisitions. The owner-occupant may request an extension of the six-month period, to the Relocation staff, if he/she can show good reason as to why the replacement has not been purchased.
6. *Purchase of Replacement Housing Unit Before the County makes Offer to Purchase:* If an owner-occupant wants to purchase another house before the County makes its offer, the purchase is at the owner's risk. If the County then makes its offer to purchase the flood damaged property and the owner accepts, the replacement unit previously purchased must be outside of a 100-year special flood hazard area and pass a decent, safe and sanitary inspection to qualify for the Replacement Housing Benefit. Adjustments to the Replacement Housing Benefit, as described below, will be made as required.

The Replacement Housing Benefit Payment will be made at the closing of the County's purchase and upon submission of a deed or other evidence acceptable to the County of the amount paid for the replacement housing unit.

7. *Adjustments to the Replacement Housing supplemental payment:* If the replacement housing unit costs less than the combined total of the County's purchase price and the maximum Replacement Housing supplemental payment, the County will reduce the Replacement Housing supplemental payment as necessary so that the sum total of displacement property purchase price and replacement housing benefit equals the cost of the replacement housing unit. As a result, the total of the County's purchase price and the Replacement Housing Benefit equals the cost of the replacement housing unit. If the cost of that unit is less than the County's purchase price of the flood damaged structure, a Replacement Housing supplemental payment cannot be paid.

For instance, the owner-occupant receives \$30,000 as the purchase price of the flood damaged property and qualifies for up to \$15,000 Relocation Housing supplemental payment per the market analysis. The owner-occupant then purchases a replacement housing unit for \$38,000; the County will provide \$8,000 as the Replacement Housing supplemental payment. If the replacement housing unit cost was less than \$30,000 (the County's purchase price for the flood damaged property), the owner-occupant would not receive a Replacement Housing supplemental payment.

If the replacement housing unit costs less than the total County payment for acquisition and the Replacement Housing supplemental payment, but requires repairs to make it decent, safe and sanitary, the County will let the owner-occupant use the balance of the supplement to have those specific repairs completed. In addition, when the replacement housing unit costs less than the total of the County's acquisition and total potential replacement housing amount, the County will permit the replacement housing payment, as needed, to be used to pay eligible closing costs

on the replacement housing unit that represent costs normally paid by the buyer. It will not include items such as pre-paid interest points or mortgage insurance.

If the maximum relocation assistance payment is not required to purchase the replacement dwelling selected by the displaced person, certain costs can be considered as part of the replacement unit's purchase price, for the purposes of this program only, when calculating the Replacement Housing Benefit Payment. Eligible costs are those costs necessary to *correct* decent, safe and sanitary deficiencies. If the comparable replacement dwelling lacks a major exterior attribute of the displacement site (such as a swimming pool / garage / handicap accessibility or the site is significantly smaller) the value of the attribute may be subtracted from the acquisition cost of the displacement dwelling for the purposes of computing the payment.

Excluded are the costs of a cosmetic nature, including general remodeling, carpeting, "updating", siding, window treatments and other items. The displaced person must provide satisfactory evidence of the construction costs of the functionally similar item(s) and a construction schedule which must be approved before the funds can be authorized for release.

8. *Mobile Homes:* The owner-occupant may purchase a mobile home and qualify for the Replacement Housing Benefit provided that the unit is decent, safe and sanitary. If the purchase price is less than the combined total of the County's acquisition price for the flood damaged structure and maximum Relocation supplemental payment, the Replacement Housing supplemental payment will be adjusted to reflect the actual purchase price of the mobile home and lot.

If the mobile home lot is rented, the County will make a payment based upon the lesser cost of the actual lot rent for 42 months or \$7,200 and the cost of the mobile home in determining the Replacement Housing supplemental payment. The total Replacement Housing supplemental payment paid for a mobile home and lot, whether purchased or rented, will not exceed the maximum appropriate Replacement Housing supplemental payment.

9. *Payment After Death:* The County will pay the approved Relocation Housing supplemental payment to the heirs and assigns, if the other family members were living in the flood damaged unit when the offer was made and if they will occupy the replacement housing unit which is being purchased. The purchase agreement on the replacement housing unit must have been accepted if the closing has not yet occurred.
10. *Decent, Safe and Sanitary Standard:* All owner-occupants receiving the Replacement Housing supplement must relocate to housing units that are decent, safe and sanitary. The decent, safe and sanitary standard is modeled after HUD Housing Quality Standards. The decent, safe and sanitary inspection is *not* a certification or guarantee of the house's condition or of its major systems (such as heating, plumbing and electrical). A qualified individual will inspect the items that are specifically listed in federal regulations 49 CFR, Part 24.

After the owner-occupant has an accepted purchase agreement for the housing replacement unit and has received the County's offer to purchase the flood damaged property, he/she is to contact the Grant Administrator staff to schedule the decent, safe and sanitary inspection. The owner-occupant will also provide the name and phone number of the person who can provide access to the property.

It may take several days for the actual inspection to take place. If the house is located outside the area, it will be necessary for the County to work with the nearest local public agency to schedule an inspection.

When the decent, safe and sanitary inspection is made of the replacement housing unit, the inspector will provide a list of items that are violations. Many of the violations can be solved quickly and inexpensively and should not cause the sale to be lost. Common problems are missing hand rails, improperly vented water heaters, missing light switch cover plates and water heater drip legs, copper gas lines and exposed wiring. It is the responsibility of the buyer and seller to reach an agreement as to who pays for the required repairs.

Tenant Relocation Benefits Program

The County will provide relocation assistance in conformance with the Uniform Act in concert with the Robert T. Stafford Disaster Relief Act of 1974 provisions for tenants of the flood damaged property. The tenants of the flood damaged property are considered to be involuntarily displaced when the County accepts an offer to purchase the flood damaged property. Accordingly, the County will award Tenant Relocation Benefit standards for eligible tenants in accordance with the URA regulations.

1. *Eligibility:* To be eligible for the Tenant Residential Relocation Benefits, the tenant must:
 - a. Have been, as of the date of initiation of negotiations, a legal residential occupant of the flood damaged property for which the County Council has approved acceptance of the purchase offer.
 - b. The tenant can prove evidence of the tenancy for a minimum of 90 days prior to the initiation of negotiations.
 - c. Purchase or rent a decent, safe and sanitary replacement housing unit that is located outside of Zone A on NFIP Flood Hazard maps.
2. *Determination of Benefits:* The relocation staff will determine benefits in accordance with the Uniform Relocation Act and funding source requirements, which will not exceed \$7,200 (unless housing of last resort provisions are utilized if approved by HSEMD and FEMA Region VII).
3. *Replacement Housing Requirements:* All tenants receiving the Replacement Housing Benefit must relocate to housing units that are decent, safe and sanitary and are located outside of Zone A on NFIP Flood Hazard maps.

The decent, safe and sanitary inspection is not a certification or guarantee of the housing unit's condition or of its major systems (such as heating, plumbing and electrical). A qualified individual will inspect, at minimum, the items that are specifically listed in federal regulations (49 CFR, Part 24).

4. *Moving Expense Payment:* In addition, the County will reimburse moving expenses once the tenant relocates into a replacement dwelling. Actual expenses may be reimbursed, or an advance / reimbursement may be based on the Federal Highway Administration's Fixed Residential Moving Cost Schedule.

Post-Settlement Transfer of Property Interest

The community understands that transfer of property interest will only be considered if the transferee meets the requirements stated in 44 CFR §80.19(b). After acquiring the property interest, the community (including successors in interest) shall convey any interest in the property only if the FEMA Region VII Regional Administrator, through the State of Iowa, gives prior written approval of the transfer and the transferee.

The transferee must be another public entity or a qualified conservation organization. A qualified conservation organization means an organization with a conservation purpose where the organization maintained that status for at least 2 years prior to the opening of the grant application period that resulted in the transfer of the property interest to the community, pursuant to §170(h) (3) and (4) of the Internal Revenue Code of 1954, as amended, and the applicable implementing regulations. The transferee must document its status as a qualified conservation organization, where applicable. Any request to convey any interest in the property must include a signed statement from the proposed transferee that it acknowledges and agrees to be bound by the terms of the original mitigation grant conveyance, 44 CFR Part 80 and Hazard Mitigation Grant Program programmatic guidance, and must reference and incorporate the original deed restrictions providing the notice of conditions. The statement must also incorporate a provision for the property interest to revert to the community or State in the event that the transferee ceases to exist or loses its eligible status as defined in 44 CFR §80.19.

Monitoring Reporting and Inspection

HSEMD and the community will work together to ensure that the property is maintained in accordance with land use regulations. Every 3 years, the community must submit documentation to the FEMA Region VII Regional Administrator, through the State of Iowa, certifying that the community has inspected the property with the month preceding the report and that the property continues to be maintained consistent with the provisions of the grant. The State, FEMA and the community have the right to enter the parcel, with notice, in order to inspect the property to ensure compliance with land use regulations.

Relocation Staff

For the owner-occupants participating in the voluntary acquisition program, the Relocation staff, provided by the Grant Administrator, will present the Notice of Relocation Eligibility in person after the County's offer to purchase is made. They will be available to answer questions at that time and on a phone basis, as needed.

Relocation staff will work with identified tenants if and when investors-owners of residential properties accept Offers to Purchase made by the County.

Records Retention and Audit Requirements

Records will be maintained for a minimum of three years from the date that HSEMD provides written notification to the County that the grant has been closed. Records retention must comply with the 44 Code of Federal Regulations (CFR), Section 13.26. Audit requirements will be in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133 (provisions of June 1997).

HAZARD MITIGATION GRANT DEED RESTRICTION

In reference to the property at 31379 Scott Park Road conveyed by the Deed between Samuel and Mary Yarham participating in the federally-assisted acquisition project (the Grantor) and Scott County, (the Grantee), its successors and assigns:

WHEREAS, The Flood Mitigation Assistance (FMA) program is authorized by Section 1366 of the National Flood Insurance Act of 1968, as amended (NFIA), 42 U.S.C. 4104c, Flood Mitigation Assistance Program ("FMA"), including the acquisition and relocation of structures in the floodplain;

WHEREAS, the mitigation grant program provides a process for a local government, through the State, to apply for federal funds mitigation assistance to acquire interests in property, including the purchase of structures in the floodplain, to demolish and/or remove the structures, and to maintain the use of the Property as open space in perpetuity;

WHEREAS, the State of Iowa has applied for and been awarded such funding from the Department of Homeland Security, Federal Emergency Management Agency ("FEMA"), and has entered into a mitigation grant program Grant Agreement, dated November 13, 2019 and herein incorporated by reference; making it a mitigation grant program grantee.

WHEREAS, the Property is located in Scott County which participates in the National Flood Insurance Program ("NFIP") and Scott County is in good standing with NFIP as of the date of the Deed;

WHEREAS, Scott County, acting by and through the Scott County Board of Supervisors has applied for and been awarded federal funds pursuant to an agreement with Iowa dated November 13, 2019 and herein incorporated by reference, making it a mitigation grant program subgrantee;

WHEREAS, the terms of the mitigation grant program statutory authorities, Federal program requirements consistent with 44 C.F.R. Part 80, the Grant Agreement, and the State-local Agreement require that the Grantee agree to conditions that restrict the use of the land to open space in perpetuity in order to protect and preserve natural floodplain values;

NOW, therefore, the grant is made subject to the following terms and conditions:

1. Terms. Pursuant to the terms of FMA program statutory authorities, Federal program requirements consistent with 44 C.F.R. Part 80, the Grant agreement, and the State-local agreement, the following conditions and restrictions shall apply in perpetuity to the Property described in the attached deed and acquired by the Grantee pursuant to FEMA program requirements concerning the acquisition of property for open space:
 - a. Compatible uses. The property shall be dedicated and maintained in perpetuity as open space for the conservation of natural floodplain functions. Such uses may

include: parks for outdoor recreational activities; wetlands management; nature reserves; cultivation; grazing; camping (except where adequate warning time is not available to allow evacuation); unimproved, unpaved parking lots; buffer zones; and other uses consistent with FEMA guidance for open space acquisition, Hazard Mitigation Assistance, Requirements for Property Acquisition and Relocation for Open Space.

b. Structures. No new structures or improvements shall be erected on the property other than:

- (1) A public facility that is open on all sides and functionally related to a designated open space or recreational use;
- (2) A public restroom; or
- (3) A structure that is compatible with open space and conserves the natural function of the floodplain, including the uses describe din Paragraph 1.a, above, and approved by the FEMA Administrator in writing before the construction of the structure begins.

Any improvements on the Property shall be in accordance with proper floodplain management policies and practices. Structures built on the Property according to paragraph b. of this section shall be floodproofed or elevated to at least the base flood level plus 1 foot of freeboard, or greater, if required by FEMA, or if required by any State, Tribal, or local ordinance, and in accordance with criteria established by the FEMA Administrator.

c. Disaster Assistance and Flood Insurance. No Federal entity or source may provide disaster assistance for any purpose with respect to the Property, nor may any application for such assistance be made to any federal entity or source. The Property is not eligible for coverage under the NFIP for damage to structures on the property occurring after the date of the property settlement, except for pre-existing structures being relocated off the property as a result of the project.

d. Transfer. The Grantee, including successors in interest, shall convey any interest in the Property only if the FEMA Regional Administrator, through the State, gives prior written approval of the transfer in accordance with this paragraph.

- i. The request by the Grantee, through the State of Iowa, to the FEMA Regional Administrator must include a signed statement from the proposed transferee that it acknowledges and agrees to be bound by the terms of this section, and documentation of its status as a qualified conservation organization if applicable.
- ii. The Grantee may convey a property interest only to a public entity or to a qualified conservation organization. However, the Grantee may convey an easement or lease to a private individual or entity for purposes compatible with the uses described in paragraph (a), of this section, with the prior approval of the FEMA Regional Administrator, and so long as they conveyance does not include authority to control and enforce the terms and conditions of this section.
- iii. If title to the Property is transferred to a public entity other than one with a conservation mission, it must be conveyed subject to a conservation easement that shall be recorded with the deed and shall incorporate all terms and conditions set forth in this section, including the easement holder's responsibility to enforce the easement. This shall be accomplished by one of the following means:

- a) The Grantee shall convey, in accordance with this paragraph, a conservation easement to an entity other than the title holder, which shall be recorded with the deed, or
 - b) At the time of title transfer, the Grantee shall retain such conservation easement, and record it with the deed.
- iv. Conveyance of any property interest must reference and incorporate the original deed restrictions providing notice of the conditions in this section and must incorporate a provision for the property interest to revert to the State, Tribe, or local government in the event that the transferee ceases to exist or loses its eligible status under this section.
2. Inspection. FEMA, its representatives and assigns including the State or Tribe shall have the right to enter upon the Property, at reasonable times and with reasonable notice, for the purpose of inspecting the Property to ensure compliance with the terms of this part, the Property conveyance and of the grant award.
3. Monitoring and Reporting. Every three years on July 1st, the Grantee (mitigation grant program subgrantee), in coordination with any current successors in interest, shall submit through the State to the FEMA Regional Administrator a report certifying that the Grantee has inspected the Property within the month preceding the report, and that the Property continues to be maintained consistent with the provisions of 44 C.F.R. Part 80, the property conveyance, and the grant award.
4. Enforcement. The Grantee (mitigation grant program subgrantee), the State, FEMA, and their respective representatives, successors and assigns, are responsible for taking measures to bring the Property back into compliance if the Property is not maintained according to the terms of 44 C.F.R. Part 80, the property conveyance, and the grant award. The relative rights and responsibilities of FEMA, the State, the Grantee and subsequent holders of the property interest at the time of enforcement, shall include the following:
 - a. The State will notify the Grantee and any current holder of the property interest in writing and advise them that they have 60 days to correct the violation.
 - i. If the Grantee or any current holder of the property interest fails to demonstrate a good faith effort to come into compliance with the terms of the grant within the 60-day period, the State shall enforce the terms of the grant by taking any measures it deems appropriate, including but not limited to bringing an action at law or in equity in a court of competent jurisdiction.
 - ii. FEMA, its representatives, and assignees may enforce the terms of the grant by taking any measures it deems appropriate, including but not limited to 1 or more of the following:
 - a) Withholding FEMA mitigation awards or assistance from the State or Tribe, and Grantee; and current holder of the property interest.
 - b) Requiring the transfer of title. The Grantee or the current holder of the property interest shall bear the costs of bringing the Property back into compliance with the terms of the grant; or
 - c) Bringing an action at law or in equity in a court of competent jurisdiction against any or all of the following parties: the State, the Tribe, the local community, and their respective successors.
5. Amendment. This agreement may be amended upon signatures of FEMA, the State, and the Grantee only to the extent that such amendment does not affect the fundamental and statutory purposes underlying the agreement.

6. Severability. Should any provision of this grant or the application thereof to any person or circumstance be found to be invalid or unenforceable, the rest and remainder of the provisions of this grant and their application shall not be affected and shall remain valid and enforceable.

Scott County Board of Supervisors

Grantee's Signature _____

Date _____

Tony Knobbe, Chairman
Scott County Board of Supervisors

State of Iowa
County of Scott

(seal)

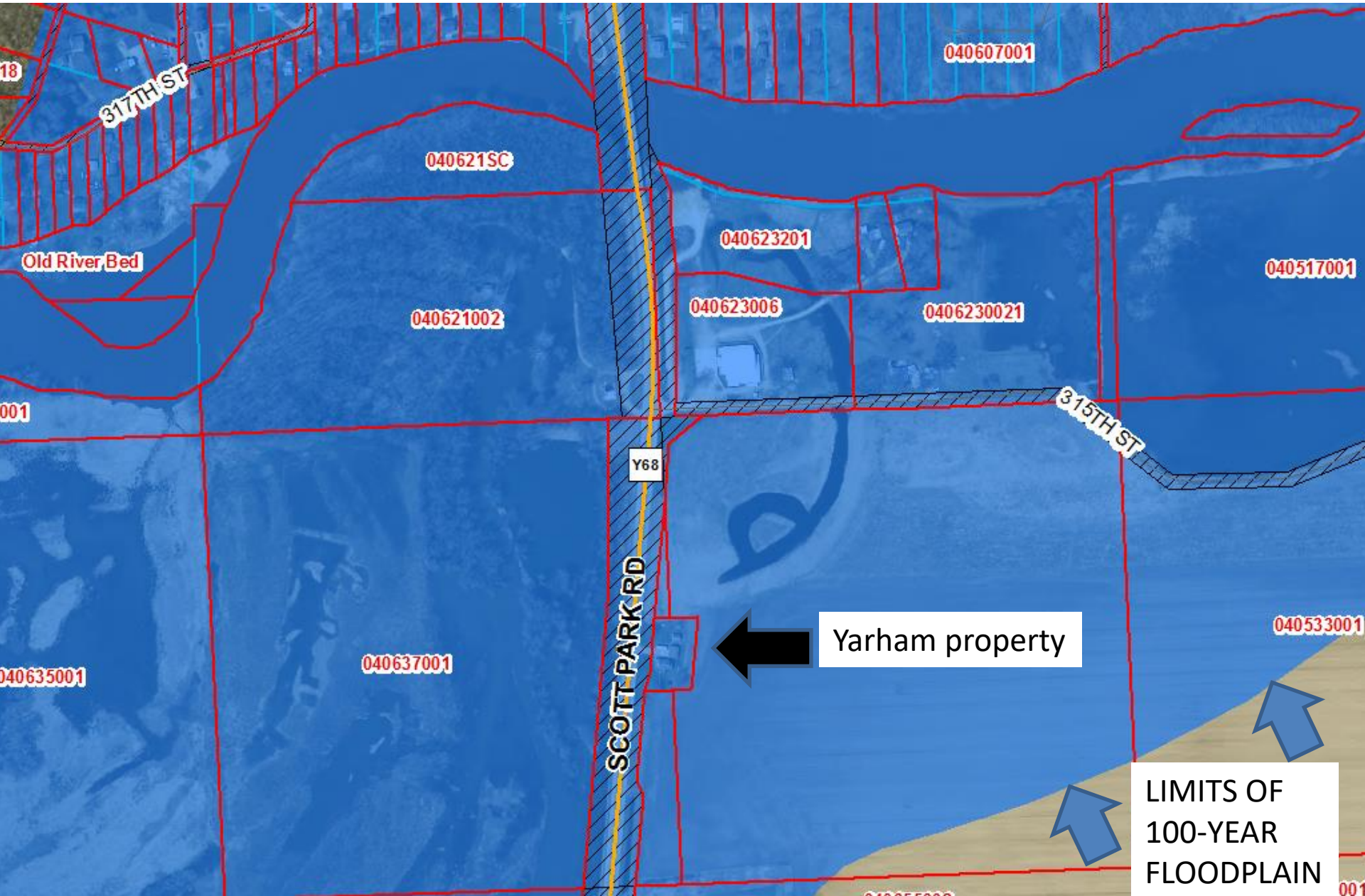
Signed and sworn to (or affirmed) before me on _____

Attester's signature _____
Roxanna Moritz
Scott County Auditor

Vicinity Map 31379 Scott Park Road



100-year Floodplain Limits



31379 Scott Park Road



040637001

040637002

040639001

040637001

SCOTT PARK RD

Y68

31379

THE COUNTY AUDITOR'S SIGNATURE CERTIFIES THAT THIS RESOLUTION HAS BEEN FORMALLY APPROVED BY THE BOARD OF SUPERVISORS ON _____ DATE _____ _____ SCOTT COUNTY AUDITOR
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R E S O L U T I O N
SCOTT COUNTY BOARD OF SUPERVISORS

October 15, 2020

**APPROVAL OF AUTHORIZATION FOR BOARD CHAIR TO SIGN THE
ADMINISTRATIVE PLAN AND DEED RESTRICTIONS UNDER THE
REQUIREMENTS OF THE FEDERAL EMERGENCY MANAGEMENT AGENCY'S
HAZARD MITIGATION GRANT PROGRAM**

BE IT RESOLVED by the Scott County Board of Supervisors as follows:

Section 1. WHEREAS, Scott County was approved through the Iowa Homeland Security and Emergency Management Division (HSEMD) and the Federal Emergency Management Agency (FEMA) for funding from the Hazard Mitigation Grant Program, in the amount of \$138,868 for the total project cost of the acquisition and demolition of the property located at 31379 Scott Park Road

Section 2. WHEREAS, a requirement of that grant program is that the County Board approve both the Administrative Plan that was followed for the acquisition of such property and the deed restrictions that will be recorded on the property, and

Section 3. NOW THEREFORE, the Board of Supervisors approves and authorizes the Chairman to sign these documents in accordance with the requirements of the Hazard Mitigation Grant Program.

Section 4. This Resolution shall take effect immediately.