How NOT to Do Repetitive Loss Buyouts

IAFSM 2011 Annual Conference
Karen Kosky - Kane County
Why Buyouts?
Kane County Stormwater Planning

Comprehensive Stormwater Mgmt Plan
Countywide Stormwater Ordinance
Natural Hazards Mitigation Plan
July 1996 Flooding – Aurora, IL
- 17” of rain in 24 hours
- $1.67M in claims
- $20.7M in temporary housing
“Repetitive Loss” Properties

1-2% of FEMA NFIP policy base
33% of claim payments
One More Plan...
Kane County Rep Loss Areas Plan
Funding & Goals

- 2004 IEMA/FEMA PDM grant
- Goal to assess all official Repetitive Loss Structures & surrounding areas

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Kane County Rep Loss Areas Plan

1. Analyze the Problem

21 Repetitive Loss Properties

18 Repetitive Loss Areas

Includes homes with similar flood status
Kane County Rep Loss Areas Plan
1. Analyze the Problem

120 Properties!!

21 Repetitive Loss Properties

Includes homes with similar flood status
Kane County Rep Loss Areas Plan

2. Collect Data

- Letters to homeowners
- Property Surveys
- Potential Projects ~ 90 properties
Kane County Rep Loss Areas Plan
3. ID Feasible Measures & Share w/ Homeowners

- Neighborhood Meetings
- Draft Area Assessments to Homeowners
- (Finalize Area Assessments)
November 4, 2005

RE: Kane County Repetitive Flooding Project Meeting

MEETING NOTICE
November 16, 2005
7:00 pm
East Dundee Village Hall

Dear Richardson Subdivision Property Owner:

As you know, earlier this year the Kane County Division of Environmental Management began work to review ways to reduce repetitive flooding problems in Kane County. You were mailed a letter dated April 22 of this year with information about the property survey which was conducted as part of this project in the Richardson Subdivision.

The survey team collected data on properties in the Richardson Subdivision in April and May. The survey data was used to carry out analyses to determine if any properties would be eligible for federal assistance for flood mitigation activities.

These analyses were compiled into a report ("Repetitive Loss Area Analysis" for the Richardson Subdivision), a draft of which you may have already read. Enclosed with this letter is also a property portfolio which offers findings specific to your personal home and property. This property portfolio and the information it contains is private and has not been shared with anyone else.

Mr. George Schwartz has helped to arrange a meeting for Wednesday November 16 to discuss the survey results, the report, your property portfolio, and next steps to pursuing any potential flood mitigation activities.

If you have any questions about this work, please free to call or email me at the Kane County Division of Environmental Management at 630/208-3665 or koskykaren@co.kane.il.us. Otherwise, I will look forward to meeting you next week and having a chance to explore any potential interest in flood mitigation activities in the Richardson Subdivision.

Sincerely,

Karen Kosky
November 4, 2005

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Sincerely,

Karen Kosky
Kane County Rep Loss Areas Plan
3. ID Feasible Measures & Share w/ Homeowners

- Followup from neighborhood meetings
- Interested responses: 11
Kane County Rep Loss Areas Plan
3. ID Feasible Measures & Share w/ Homeowners

- Followup from neighborhood meetings
- Interested responses: 11 (???)

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Next Phase: Get the Money
2007 FMA Grant

- B/C Analysis of remaining properties
- Further conversations with Homeowners
- Application (Feb 2007): 5 elevations & 1 buyout
2007 FMA Grant

- B/C Analysis of remaining properties
- Further conversations with Homeowners
- Application (Feb 2007): 5 elevations & 1 buyout

Better than Nothing…
Waiting, Waiting, then...
Lesson #1: Initiate Public Interest Survey AFTER Major Flood Event
2007 FMA Grant
Obstacle #1

August 2007:
FEMA ruling: no elevations in the floodway
2007 FMA Grant
Obstacle #1

FEMA ruling: no elevations in the floodway
2007 FMA Grant
Obstacle #1

FEMA ruling: no elevations in the floodway
Lesson #2: Avoid Applications during Major Game Changing FEMA Rulings
November 4, 2005

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November 16, 2005
7:00 pm
East Dundee Village Hall

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If you have any questions about this week, please free to call or email me at the Kane County Division of Environmental Management at 630-208-8685 or karokroko@co.kane.il.us. Otherwise, I will look forward to meeting you next week and having a chance to explore any potential interest in flood mitigation activities in the Richardson Subdivision.

Sincerely,

Karen Krody
2007 FMA Grant
Back to drawing board...
2007 FMA Grant
Resubmittal – 12/2007

- B/C Re-Analysis of remaining properties
- Further conversations with Homeowners
- Application Resubmittal (Dec 2007): 3 buyouts
2007 FMA Grant Award

- Award – August 2008
- 3 years after initial contact with homeowners
- 18 mos after initial grant application
Lesson #3: Avoid Making Any Commitments or Predictions of Any Sort, for Any Reason, At All, with/to Homeowners
2007 FMA Grant
Project Progress

- Property Appraisals
- Finding Willing Takers
- 25% Match
- Homeowner (and other) Agreements
2007 FMA Grant
Property Appraisals
Lesson #4: Your Grant Dollars Will Go Much Farther if Last Recorded Disaster is AFTER Major Housing Market Collapse
2007 FMA Grant
Finding Willing Takers – Richardson Property

- Kane County Forest Preserve District
- Dundee Township
- Max McGraw Wildlife Foundation
- Richardson Homeowners Association
- ...?
2007 FMA Grant
Finding Willing Takers – Richardson Property

Kane County

Homeowner
2007 FMA Grant
Finding Willing Takers – Richardson Property

Kane County

Dundee Township

Homeowner
2007 FMA Grant
Finding Willing Takers – Richardson Property

Kane County

Richardson Homeowners Association

Homeowner

Dundee Township
2007 FMA Grant
Finding Willing Takers – Richardson Property

- Kane County
- Purchase Agreement
- Special Service Area
- Richardson Homeowners Association
- Intergovernmental Agreement
- Long Term Use & Maintenance Agreement
- Dundee Township
- Homeowner
2007 FMA Grant
Finding Willing Takers – Richardson Property

Special Service Area
Richardson Homeowners Association
Long Term Use & Maintenance Agreement
Dundee Township
Kane County
Purchasing Agreement
Intergovernmental Agreement
Lesson #5: Finding a Home for Isolated Parcels is Really, Really Difficult
2007 FMA Grant

Closings

- First Closings – November 2009
- 4 ½ years after initial contact with homeowners
- ~3 years after initial grant application
2007 FMA Grant
Demolition

- Early-Mid 2010
- 3 ½ years (and one grant extension) after initial grant application
Properties

600 & 673 Riverside Avenue,
South Elgin
Properties
600 Riverside Avenue, South Elgin

April, 2010
Properties

600 Riverside Avenue, South Elgin

Final Grading, 2010
Properties

15N302 Camp Flint Drive,
Dundee Township (Richardson)
Properties

15N302 Camp Flint Drive,
Dundee Township (Richardson)

August, 2007
Properties

15N302 Camp Flint Drive,
Dundee Township (Richardson)

August, 2010
Properties

15N302 Camp Flint Drive, Dundee Township (Richardson)

Final Grading, 2010
Kane County – Future Buyouts?

- IF buyouts – Elevations get tech. assist.
- IF a group of properties (easier to give away)
- IF we’re given proof of positive B/C at outset
- IF someone has match
- ....?