Status of FEMA funding for the Repair of City Hall

March 12, 2009
FEMA Standard Funding Definitions

• Repairs are to place facility at pre-disaster condition
• Damages must be caused directly by the disaster
• 406 Hazard Mitigation is on elements damaged by disaster
• A&E fees are matched against work performed.
Current Project Work Sheet

- Repairs $4,800,712.00
- 406 Hazard Mitigation $10,825,491.00
- A & E fees $356,753.00
- Total $15,982,956.00
Types of Projects

• Standard Project – repair facility to pre-disaster design (all reasonable cost).

• Improved Project – Change pre-disaster design with same function/services (funding is capped at PW estimate).

• Alternate Project – Change function (funding is capped at PW estimate with a 10% penalty).
Hazard Mitigation

- Benefit Cost Analysis (BCA) on possible Mitigation effort was performed by FEMA.
- Hazard Mitigation cost exceed repair cost by 2 to 1. (not normally accepted)
- 406 Mitigation is attached to elements directly damaged by the event.
Historic Preservation

- State Historic Preservation Office (SHPO) concurrence is needed
- FEMA PA funding is contingent on following all Federal regulations (including Historic Preservation Act)
- Historic Preservation Act gives guidance, not specific directions on how to repair
- Guidance allows for current codes and standards, the City’s need for upgrades
- Historic Preservation costs are in addition to the standard repair costs
Temporary Relocation

• Facility must provide essential services.
• Length of time is to bring facility back to pre-disaster design.
• Extensions are based on extenuating circumstances beyond applicant’s control.
• Applicant needs to submit timeline.
• Work must have started and is on-going.
Appeal Status

• 1\textsuperscript{st} appeal has been submitted and response received.
  – Some items were favorably reversed
  – Some items were non-responsive
  – Some items were denied
• The City has responded to the 1\textsuperscript{st} appeal response with a letter requesting clarification.
• The 1\textsuperscript{st} appeal is requesting Hazard Mitigation classification funding switched to Repair classification.
• The 2\textsuperscript{nd} appeal is requesting $6-8 million addition funding.
• Final ruling expected within 5-6 months
Repair vs. Replacement (50% rule)

- IF \( \frac{\text{Repair Cost}}{\text{Replacement Cost}} < 50\% \) THEN only the repair cost is eligible
- IF \( \frac{\text{Repair Cost}}{\text{Replacement Cost}} > 50\% \) THEN the replacement cost is eligible
Standard Project (1st Option)

- Accept Project Work Sheet as is
- Repair facility to its pre-disaster function and capacity
- Eligible damages are repaired at reasonable costs (no cap in funding)
- 406 Hazard Mitigation is maximized
- Temporary Facility is eligible for funding.
Improved Project (2nd Option)  
Increase City Hall’s Capacity

- Defined by facility’s change in capacity, with function remaining the same
- Funding is capped at PW estimate.
- Lose any 406 Hazard Mitigation funding.
- Temporary Facility funding is limited.
Alternate Project (3rd Option)
Museum vs. City Hall

- Defined by facility’s change in function (i.e. City Hall vs. Museum)
- Funding is capped at Project Worksheet estimate with 10% penalty.
- Lose any 406 Hazard Mitigation funding
- Must be Approved by FEMA
- Temporary Facility funding is not-eligible
Demolition (3rd Option B)

- Is an option as an Alternate Project
- Funding is limited under Alternate project rules
- FEMA must approve any use of Funds
- CA State Historic Preservation Office must sign off
Comparative Analysis

![Bar chart showing cost comparison between Standard, Improved, Alternate Projects, and Appeal Maximum.]

- **Standard Project**
  - Repair
  - 406 Hazard Mitigation
  - A&E Fees

- **Improved Project**
  - Repair
  - 406 Hazard Mitigation
  - A&E Fees

- **Alternate Project**
  - Repair
  - 406 Hazard Mitigation
  - A&E Fees

- **Appeal Maximum**
  - Repair
  - 406 Hazard Mitigation
  - A&E Fees