



Richland County Council

BLUE RIBBON AD HOC COMMITTEE

June 5, 2018 – 1:30 PM

4th Floor Conference Room

CALL TO ORDER – Mr. Pearce called the meeting to order at approximately 2:00 p.m.

Resources to Rebuild Richland County

- a. \$52.54M – CDBG-DR
- b. \$19.9M – IA
- c. \$11.1M – HMGP
- d. \$11M – VOADS
- e. \$4.4M – PA

Total =- \$99,070,608

HMGP 4241(2015 FLOOD) UPDATE

- All County submitted applications have been approved by State and submitted to FEMA.
- Federal money available has increased from \$39M to \$48M.
- SCEMD has awarded seven applications
 - #3/30 (Buyout twelve properties)
 - #2/33 (Buyout twenty-two properties)
 - #4/32 (Buyout eight properties)
 - #6/34 (Buyout twenty-one properties)
 - #63/48 (Reaching the Digitally Disconnected)
 - #73/276 (Buyout one property)
 - #74/31 (Buyout six properties)
- All appraisals have been completed. We have some appeals pending and the commercial properties are being re-appraised per HUD and FEMA request.
- Duplication of Benefit reviews are being completed.
- Closing Attorneys are conducting title searches.
- We are presenting the initial group of buyouts to the BRC for recommendation to the Council for approval.

Action: Recommend for Council approval of 20 properties for a not to exceed amount of \$1,900,000 grouped in the following projects:

- 5 Properties from Application S30 (scattered)
- 1 Property from Application S32 (Elmon/Peeples)
- 4 Properties from Application S33 (Glenhaven/Timberlane)
- 10 Properties from Application S34 (Tall Pines)

Action: Recommend for Council approval by resolution remaining 58 buyout properties as the property owners complete the following criteria:

- Clear Title
- Duplication of Benefits Reviewed
- Voluntary Participation Notice Signed
- Property owner does not have secondary appraisal appeal
- County is not conducting second appraisal review

Purpose of the Appraisal Review Process

- FEMA requires that an appeal process be put in place for homeowners so that they can appeal the value provided to them by the County.
- Appeal appraisals will be reviewed and held to the same standards as the County purchased appraisals.
- FEMA regulations do not specify what the appraisal process must be, just that there is an appraisal process in place.
- Selected an appraisal process used in another jurisdiction as our model.
- Model Appraisal Review process looks to be fair, repeatable.
- Reviewed by SCEMD and County Legal.
- Homeowners had until 5/28/2018 to submit appraisals, but we are being lenient so far with submission, as long as they tell us up front the date that they anticipate.
- County recommends a 10% threshold.

Appraisal Review Process

Action: Recommend to Council approval of using a 10% threshold and the average of two acceptable appraisals for the appeal process.

Uniform Relocation Act (URA) – Buyout Program

- The Uniform Relocation Act (URA) establishes a minimum assistance standard for federally funded projects that require the acquisition of real property or the displacement of property owners or tenants from their homes
- URA requirements apply to HUD provided grants, loans, or contributions, including HOME, CDBG, or Section 108 loan guarantees
- On February 13, 2018 HUD hosted a URA training for CDBG-DR recipients in South Carolina (Richland County, Lexington County, City of Columbia and the State).
- For the 2015 Flood only, HUD reps informed recipients that not only tenants who are being displaced from the Voluntary Buyout Program are eligible for URA assistance, but also tenants displaced by the storm.
 - FYI, since 2015 Flood, the program went back to only applying to those displaced by the buy-out program, not the event itself.
- Tenants (NOT home property owners) who are being displaced in Voluntary Buyout Programs are eligible for URA assistance. This includes:
 1. Moving cost assistance, and
 2. Rental assistance for 42 months from the relocation date
- Average costs per tenant is \$25,000, although each tenant assistance package is different, as it is based on current rent, replacement dwelling rent and moving costs specific to each property.

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- For Richland County....
 - The HMGP/CDBG-DR Buyout Program has 21 properties total that can be eligible for URA assistance.
 - 18 residential properties, 18 tenants total
 - 3 commercial properties, 15 tenants total
 - Total of 33 tenants in the Buyout Program
- Average cost per tenant is \$25,000. With 33 tenants, the total revised URA assistance budget the Buyout Program is \$825,000.
 - \$70,000 is currently in the budget.
 - Additional funding needed or URA assistance is \$755,000.
- There are three CDBG-DR programs with funds that can be transferred (Single Family Repair; Small Rental Rehab, and Public Infrastructure). Currently, the Small Rental Rehab Program is scheduled for sunset at the beginning of September. Only two small applications have been submitted to date and \$2,000,000 in the current budget.

Action: Recommend to Council to move required funds from the CDBG-DR Small Rental Rehab Program to the HMGP Buyout Program to cover URA assistance for HMGP buyouts.

Land Management Update

- Public Input
- Nearly complete
 - Vote by email?

HMGP 4286 (HURRICANE MATTHEW) UPDATE

- Two applications have been submitted to SCEMD.
 - Project #22 (1 residential property buyout)
 - Project #23 (11 residential buyouts)
- SCEMD has forwarded both to FEMA recommending approval.
- Project #22 has been approved by FEMA
- We expect Project #23 will be approved in July.

CDBG-DR UPDATE

CDBG-DR Rehab Status

- 18 MHUs have begun construction.
- 7 MHUs have been completed (2 more will be completed on Thursday).
- 12 more MHUs should start construction this month.
- 43 SFRs are in the bid process.

Small Rental Rehab Program Update

- To date, two applications have been submitted.
- One application is for four small rental units and one is for repair of a residential home that houses two tenants.
- Applications are in the verification process.
- On February 22, 2018 the BRC recommended Council sunset the Single Rental Rehab Program. On March 6, 2018 Council approved sunsetting the program in six months.
- \$2,000,000 has been allocated for the Small Rental Rehab Program.

Business Assistance Program (BAP)

- Contractor selected by Procurement
- Contractor and County continue to complete due diligence
- Contract initially reviewed by Legal
- HUD needs to supply additional federal guidance

Additional Funding Update

- County has been notified we will receive an additional \$21.9 million in CDBG-DR HUD funding for mitigation activities.
- The Federal Register has not been released to instruct the County on what it can and cannot do with the money.

Change Order Process

- Change orders in construction are frequent because of unforeseen issues once you pull back sheet rock, flooring or roofing.
- Often, items identified must be fixed quickly since the interior of a home could be exposed to the elements while awaiting approval of the change order.
- Current policy requires changes orders equal to or less than \$10,000 go to the County Administrator for approval and all change orders over \$10,000 go to Council
 - This requires a stop in work

Action: Recommend to the County Council the following change order approval parameters:

- County staff may approve Change Orders, especially those caused by unforeseen site conditions or emergency situations, for up to 10% of the cost of the Contract.
- Change Orders between 10.1 – 23.9% of the cost of the Contract require approval from County Administration.
- Change Orders at or exceeding 25% of the cost of the Contract require approval of Richland County Council.

TETRA TECH CHANGE ORDER

Change Oder #5 for Task Order 7

- Change Order #5 provides for reasonable expenses not previously included in the estimate for the proper execution of the CDBG-DR program.
- This change order is no direct cost to the County.
- This change order covers till the end of the project, December 31, 2019.

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Action: Recommend to Council for their approval Change Order #5 to Task Order #7 for the amount of \$96,495.

ADJOURNMENT – The meeting adjourned at approximately 2:25 p.m.