E X E C U T I V E   O F F I C E   O F   T H E   P R E S I D E N T

25-Sep-1993 12:59pm

TO: (See Below)

FROM: Francis S. Redburn
Office of Mgmt and Budget, EGSS

SUBJECT: Flood Task Force Chairpersons Meeting

Oleta Fitzgerald chaired a meeting of the chairs of the several flood task forces at USDA yesterday afternoon. Kathi Way and Dick Krimm of FEMA participated.

A primary purpose of the meeting was to identify issues/problems that cut across task forces/agencies and any communication gaps that may be delaying solution or causing confusion.

Kathi Way suggested the development of a problem tracking report in a matrix format. This could be updated regularly by the task forces and maintained by USDA. Perhaps the format could be developed by Kevin, working with others at OMB and with Kathi and Oleta. For each problem/issue, I think it would be useful to show: the current status - nature/scale of problem, critical dates/milestones, new developments/progress, response to date ($s obligated or to be obligated this FY, other resources, service measures), barriers to be addressed (regulatory, statutory, resource, communications), task force lead, agencies/programs involved, key contact(s). [If, per Edley suggestion, the disaster funds are tracked by function as well as agency/major program, then the two tracking process might be linked -- but that may be too ambitious and complicated.]

Issues requiring cross-agency or cross-task force resolution. The following cross-cutting problems were described:

Environmental health: 7 anthrax cases, well recontamination (and hint of possible acquifer contamination), need to develop long-term monitoring system and data analysis capability, mental health problems (PHS, EPA, USGS) [NOTE: Frank Young of PHS repeated his pitch for release of the HHS contingency; Dick Krimm tactfully noted that the documentation is not yet there for this request.]

Water treatment plant repairs: whether repairs should include upgrade to new, higher standards, who pays? (EPA, FEMA, EDA, USDA, HUD)

Housing relocation/buyouts/repairs: differing agency policies (espec. re. buyouts) (HUD, SBA, USDA, et al.)

Railroad reconstruction/economic development: one case cited (DOT, EDA)

Indirect economic impacts on small businesses outside the flood area (EDA, SBA).

Town hall meetings. Oleta announced that 9 town hall meetings are being planned in the 9 states in late Oct./early Nov. Espy wants to go to as many as possible; other cabinet secretaries will be invited. Purposes are to maintain Federal visibility in Midwest, not as windshield tourists but talking to people about their problems, and to allow people to vent and get a response ("mental health"). These are to be repeated periodically.

USDA also reported that it is shifting its public affairs strategy to emphasize more hard programmatic information. Noted that regional coverage was becoming less favorable. Planning a series of PSAs in the flood region, now developing messages to include health and winter weather advisories, program information. USDA Information Center in HQ opening next week; will invite other agency public affairs offices to participate.

EDA flood coordinators. Wilbur Hawkins and Sec. Espy have discussed using 27 of the 70 EDA coordinators to collect and analyze information on needs, especially housing needs other than relocation. Some confusion about whether this can be done under EDA funding terms, because States received the funds and are hiring the coordinators.

College Work-study. DoEd is reallocating $8 million + of college work-study program funds to flood States, to pay kids helping with cleanup or at hospitals. This is a national service (Americorps?) pilot. There is a 25 percent matching requirement that could be paid from some Federal sources.

Distribution:

TO: Kevin F. Neyland
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MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES AND OTHER REPAIRS AND RESTORATIONS

Department: Interior

Agency: U.S. Fish and Wildife Service

Program name: Partners for Wildlife

Program description: The U.S. Fish and Wildlife Service, under the authorities of the Fish and Wildlife Act of 1956 (16 U.S.C. 742A-742J), administers the Partners for Wildlife program which provides financial and technical assistance to private landowners willing to restore wetlands and riparian habitat. The program uses a non-acquisition approach to voluntary habitat restoration on private lands that complements the Service's land acquistion program. The program has been well received. In the disaster area alone, almost 2,000 landowners have been assisted in restoring over 65,000 acres of small wetlands. Demand for the program exceeds our financial capacity to respond. In FY93 and FY94 an additional 9,000-10,000 acres of restoration will occur each year with normal funding. With over 21,000,000 acres of drained wetlands in the watershed a larger scale restoration program is needed for the rapid rate of runoff to be reduced.

Program Implementation guidance:

Our goal should be for every landowner in the watershed to be able to receive, on a voluntary request basis, technical and financial assistance to restore as many of the 21,000,000 acres of drained wetlands in the watershed as possible.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.
$3.3 million (Regions 3 & 6)	0	0	$3.3 million

Comments on resources:

With additional funding (i.e., $6,000,000) the annual restoration target could be increased from 10,000 to 25,000 acres under this cooperative program. Extensive implementation of this program will restore wetland functions such as: flood water retention, flood flow attenuation, groundwater recharge, water quality improvements (sediment and contaminant filter), fish and wildlife habitat.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES
AND OTHER REPAIRS AND RESTORATIONS

Department: Interior

Agency: U.S. Fish and Wildlife Service

Program name: Land Acquisition Program

Program description: The U.S. Fish and Wildlife Service has the authority to purchase lands and easements for inclusion in the National Wildlife Refuge System. Landowner interest in selling land has been quite high since the flood. The sale of wetlands to the Federal government is perceived by landowners as an alternative to cropping flooded fields and swales. Levee Districts have also expressed an interest in selling large tracts within the floodplain. The acquisition program complements the Wetland Reserve Program because unlike WRP, existing habitats and lands without cropping history may be eligible. Landowner motivations include the obvious interest in reducing expenditures associated with floodprone croplands as well as a desire to restore the natural heritage of the area. The Service has procedures for acquiring lands and relocating landowners.

Program Implementation guidance:

The Fish and Wildlife Service proposed six FY94 refuge acquisition projects in the floodplain totaling 26,000 acres at a cost of $12 million. When completed these six projects would protect 331,149 acres and cost approximately $178,000,000 (FY94 land values). The acquisition process will span many years based on funding limitations. With added funding the process could be expedited. Outside the project areas, significant opportunities exist to provide relief to landowners. With additional funding and the cooperation of non-government organizations the Service could protect important fish and wildlife habitats, provide relief to devastated landowners, facilitate the conversion of flooded cropland to a more natural condition, and provide a non-structural alternative to levee repair.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.
$4.2 million	0	0	$6.5 - 7 million

Comments on resources:

The Service should explore the possibility of acquiring valuable fish and wildlife habitat from willing sellers. The purchase of such lands and easements could also reduce future flood risk. Such risk reduction could be via acquisition of flood-prone lands or lands that have potential for wetland restoration. Additional acquisition funds of about $100 million could be expended in the next 3 years on flood ravaged lands.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES AND OTHER REPAIRS AND RESTORATIONS

Department: Interior

Agency: U.S. Geological Survey

Program Name: Upper Mississippi River Watershed

Program Description: The U.S. Geological Survey has proposed work because of the 1993 upper Mississippi River flood impacts that would: (1) through a Clearing House, catalog the available data, connect data users with data providers, and assist in providing Geographic Information System (GIS) products; (2) through a Pilot Study, hydrological model selected mainstream reaches of the Mississippi and Missouri Rivers; and (3) through Multipurpose Data Acquisition, produce cartographic data for the inundated area of the upper Mississippi basin. Clearing House activities would link data users to existing information on hydrologic impacts of the flood (peak state, discharge, recurrence interval, etc.), cartographic data and geologic data, and to GIS products. The Pilot Study would produce a hydrologic model, for example for Keokuk, Iowa, to St. Louis on the Mississippi, and from Boonsville to St. Louis on the Missouri (about 200 river miles each). Model results would: (1) depict flow conditions on the system prior to the 1993 flood, (2) simulate the 1993 flood, and (3) evaluate the impact of different management scenarios for levee construction and water access to the flood plain. Topographic data presently available are not adequate for identifying inundation areas and determining where future inundation might occur, because elevation intervals are too large. Multipurpose Data Acquisition would produce standard digital elevation models and digital orthophotoquadrangles, and revise digital line graphs of the area affected by the flood. These new data which would resolve present data inadequacies, could be used for river basin surveys, watershed planning and flood prevention, wetlands mapping, and planning for repair or improvements of transportation infrastructure.

Program Implementation Guidance: The goal for implementing the proposed work is to provide data and information on the impacts of the 1993 flood, and provide data and insights needed for future flood mitigation.

Budgetary resources needed:

CLEARING HOUSE	PILOT STUDY	DATA ACQUISITION
$2 Million	$15 Million	$17 Million

Comments on resources: Funding all three activities would total $34 Million. The timeframe for products from each activity are: Clearing House from 1 to 2 years, Pilot Study from 1 to 4 years, and Multipurpose Data Acquisition from 1 to 5 years.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO THE REPAIR AND RESTORATION OF LEVEES
AND OTHER REPAIRS AND RESTORATIONS

Department: Interior

Agency: National Park Service

Program name: Rivers, Trails and Conservation Assistance Program

Program description: Program provides technical assistance to communities for river and trail corridor planning and open space preservation efforts. Program personnel are acknowledged experts in facilitating cooperative planning efforts; projects are all based on substantial involvement of varied community interests.

Program implementation guidance: Program should immediately initiate consulting relationship with interested communities to help them identify non-structural options and set goals. Targeted NPS assistance with grassroots planning can help communities make informed choices, based upon consensus, about future growth and development that will help avoid future flood losses.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Direct	Emergency Supplemental Contingency	FY94 Likely Approp.

Comments on resources:
FY 1994 likely appropriation: An additional $750,000 above anticipated '94 appropriation of $6.85 million would be needed for staff augmentation, expanded travel, and costs for inter-regional staff exchanges.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO THE REPAIR AND RESTORATION OF LEVEES AND OTHER REPAIRS AND RESTORATIONS

Department: Interior

Agency: National Park Service

Program names: Federal Land Transfer; Federal Lands-to-Parks Program

Program description: The National Park Service (NPS) has the authority under the Outdoor Recreation Act of 1962 to encourage the establishment of public park and recreation opportunities. The NPS Federal Lands-to-Parks program has the authority to identify, assess, and transfer available surplus Federal real property for acquisition for State and local parks and recreation, such as open space, and to advise disposing agencies of local resource conservation interests. Also, NPS has transferred lands within the flood-impacted area, for State and local parks and recreation; NPS maintains oversight on these lands to ensure continued public safety, access, and use for parks and recreation.

Program Implementation guidance: Currently, NPS should provide expanded and focused technical assistance in assessing damage, and planning, designing and implementing corrective measures to ensure public safety and access to State and local park and recreation properties established through the Federal lands-to-Parks program, within the flood-affected areas.

Our goal should be to use our expertise in Federal land inventories and disposal processes to identify real properties potentially available to willing and interested individuals, farmers, business and government enterprises interested in potentially relocating from flood-impacted areas. NPS would survey existing or potential mechanisms for exchanging private lands for available government land, and establishing conservation/recreation lands in flood-impact areas.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Direct	Emergency Supplemental Contingency	FY94 Likely Approp.

Comments on resources: An additional $600,000 above anticipated appropriation of $498,000 would be needed for staff augmentation, expanded travel, and costs for inter-regional staff exchanges, and the re-establishment of the Mid-west Regional field office.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVE TO REPAIR AND RESTORATION OF LEVEES
AND OTHER REPAIRS AND RESTORATIONS

Department: Interior

Agency: National Park Service

Program name: Land and Water Conservation Fund Grants (Contingency Fund Grants)

Program description: Land and Water Conservation Fund (L&WCF) grants are administered by recreation grant offices of the National Park Service under authority of Section 8 of 16 U.S.C. 460*l*, the L&WCF Act of 1965. The program makes matching grants (50 percent) to state and local governments for parkland acquisition and for development of outdoor recreation facilities, including facility rehabilitation or redevelopment. There have been over 36,000 L&WCF grants totalling some $3.1 billion since 1965. However, priorities for where money will be spent are set first through a state-by-state apportionment formula in the Act and then by states, based on their own plans and priorities, so that it is usually not possible for the federal government to direct funds for specific emergency needs. The exception to this in the past has been the Secretary's Contingency Fund, a set aside of a small percent of the annual funding total which can be used for competitive funding of projects on a nationwide basis without regard to the usual state allocation formula. Contingency Fund grants have been used successfully for emergency relief in the past, as for rehabilitation of recreation facilities damaged by Hurricane Agnes in the 1970s. Since 1981, simultaneous with overall cutbacks, there have been no Contingency grants. (Congress discontinued the grants during the Reagan administration.) It would be possible, though, to ask Congress for special authority, as a supplement to the 1994 budget, to provide a modest amount for Contingency L&WCF grants specifically for flood or disaster relief in the Mississippi flood states as well as in Florida or other areas still suffering from earlier flood or wind damage.

Program implementation guidance: Grants would be available for park acquisition or renovation to any state or locality that suffered damage from the floods (or other natural disasters). Criteria could be established for a FY 1994 grant competition to support a variety of national objectives, including environmental, social and economic recovery from flood damage, encouragement of only appropriate development or other public uses of floodplains, and linkage to other recovery or environmental goals.

Budgetary resources that could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Direct	Contingency	FY94 Likely Approp.
24.9 (national)	0	0	24.8

Comments on resources: It would be problematic to **subtract** an emergency fund from the now scheduled regular apportionments to the states. With additional funding (e.g., $5 million) a special Contingency amount could be established by waiving the regular formulas. Program managers estimate that funds to restore local or state park facilities making appropriate uses of the Mississippi or Missouri river floodplains, or to establish new parks for this purpose, could be obligated in the first six to nine months of FY 1994. The program's capability to put money on the ground rapidly was demonstrated by dissemination of $40 million in grants as part of the FY83 Jobs Bill supplemental appropriation. Timing of grants would, of course, be affected by the timeliness of the national appropriation, the degree of advance project identification by localities and states, and the availability of state or local matching monies.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORE LEVEES
AND OTHER REPAIR AND RESTORATION ACTIONS

Department: Agriculture

Agency: Farmers Home Administration

Program name: Farm Debt Restructure Conservation Easements

Program description: Through provisions of the Consolidated Farm and Rural Development Act (Con Act) (7 U.S.C 1921 *et seq.*) the Farmers Home Administration (FmHA) makes and services a variety of loans to rural communities including loans for farm ownership and operation. FmHA typically provides loans to farmers and ranchers who are unable to obtain credit elsewhere. Section 349 of the Con Act authorizes FmHA to reduce the debt of delinquent and nondelinquent borrowers in exchange for conservation easements placed on environmentally-sensitive real property that secures FmHA loans. This program has been available since 1985; however, few borrowers have requested consideration for conservation easements in favor of other loan servicing options (e.g., loan write-down and deferral).

Program Implementation guidance: Currently, FmHA is not utilizing this program in the flood area. FmHA should encourage all borrowers located in the flood damage vicinity and the associated watershed to consider exchanging conservation easements for debt reduction. This debt restructure program could provide an economical mechanism to establishing floodplain and watershed protection measures that will reduce damage and damage payments caused by similar flood events in the future. Establishment of conservation easements may be viewed by the landowners as economically and environmentally preferable to repairing flood-damaged farm lands. Therefore, before disaster assistance funds are expended on repair of damaged farmland that secures FmHA loans. the landowner should be apprised of the opportunity to exhange debt for conservation easements.

Since the funding required to establish debt reducture conservation easements already exists in FmHA's loan portfolio, no additional funds are needed. Establishing easements while reducing borrower debt load will assist borrowers to remain current on FmHA payments in the long run. maximizing loan repayment capability.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.

Comments on resources: Extensive use of this provision may result in reducing the amount of disaster assistance funds needed in some areas.

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORE LEVEES
AND OTHER REPAIR AND RESTORATION ACTIONS

Department: Agriculture

Agency: Farmers Home Administration

Program Name: Transfer of Inventory Real Property

Program description: The Farmers Home Administration (FmHA) makes and services farm ownership and operating loans to farmers and ranchers under provisions of the Consolidated Farm and Rural Development Act (Con Act) (7 U.S.C 1921 *et seq.*). FmHA typically provides loans to farmers and ranchers who are unable to obtain credit elsewhere. FmHA acquires real property through foreclosure and borrower voluntary conveyance actions on defaulted real estate loans. In many instances, FmHA provides financing to farmers who purchase inventory properties. Section 354 of the Con Act authorizes FmHA to transfer, without reimbursement, these inventoried properties to state and Federal agencies for conservation purposes.

Program Implementation guidance: To date, FmHA has approved the transfer of nearly 300 properties to state and Federal agencies for conservation purposes, encompassing over 95,000 acres of environmentally sensitive lands. These properties are not suited for continued agricultural use; wetlands and other natural resources on these properties have been restored or are in the process of being restored. FmHA should consider transferring all eligible inventory farm properties in the flood region to state and Federal conservation agencies for the purpose of restoring/establishing wetlands and other natural floodplain habitats. This would provide a very cost-effective means of establishing floodplain and watershed protection measures necessary to reduce damage caused by similar events in the future. In addition, transferring these properties and dedicating them to permanent conservation use is more economically and environmentally sensitive than selling these properties for continued farming, subject to future flood-related problems. Furthermore, before disaster assistance funds are expended to repair damaged inventory properties, transfer for conservation purposes should be considered.

Since FmHA already owns all interest in its inventory property, no additional funds are necessary to effect fee transfers for conservation purposes. By transferring these properties for conservation purposes, FmHA will not need to make additional loans on many properties that are not suited for continued agricultural use.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.

Comments on resources:

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORE LEVEES
AND OTHER REPAIR AND RESTORATION ACTIONS

Department: Agriculture

Agency: Farmers Home Administration

Program Name: Inventory Property Acquisition

Program description: The Farmers Home Administration (FmHA) makes and services farm ownership and operating loans to farmers and ranchers under provisions of the Consolidated Farm and Rural Development Act (Con Act) (7 U.S.C 1921 *et seq.*). These loans are typically provided to farmers and ranchers who are unable to obtain credit elsewhere. FmHA periodically acquires real property through foreclosure and borrower voluntary conveyance actions on defaulted real estate loans. These properties are typically sold back to farmers and ranchers subject to perpetual conservation easements placed on wetlands and floodplains in accordance with statutory and other affirmative requirements. The Con Act requires FmHA to reduce the sale price of inventory properties due to the establishment of wetland conservation easements. The amount reduced essentially reflects FmHA's estimate of the value of lost land use options on the anticipated easement areas. As a consequence of this Con Act requirement, FmHA is likewise reducing their bids for properties at foreclosure sales. As a result, fewer properties are obtained, fewer easements established and the government is able to retain fewer assets in failed loans.

Program Implementation guidance: In recognition of the public trust resource value of conservation easements reserved by the government on inventory properties, FmHA should appraise properties prior to acquisition such that the potential for easements does not reduce the property value. Under this scenario, the government is able to retain asset value in failed loans and protect and restore wetlands and floodplain values in the flood area through the inventory disposal process.

Budgetary resources that are or could be made available:
(BA in millions of dollars)

No additional funds are necessary; implementation of this action maximizes use of funds already existing in FmHA's loan portfolio.

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.

September 21, 1993

NOTE TO: SEE DISTRIBUTION LIST

FROM: T.J. Glauthier and Katie McGinty

SUBJECT: Environmental Flood Recovery, Interagency Working Group

The next meeting of our interagency working group has been scheduled for **Wednesday, September 22nd, 10:00 a.m., room 248** of the Old Executive Office Building (17th and Pennsylvania).

We intend to discuss three major items of ongoing interest to the task force:

1. OEP will discuss progress since the last meeting in developing a strategy paper for long-term recovery policy and program development.

2. There are several issues that have arisen over the past week or two that bear discussion by the task force. These include:

   - Cost-share waiver policy.
   - SCS Wetland Reserve Policy -- Status of distribution and implementation.
   - Multiple agency review of levees -- Should SCS repair levees that the Corps has denied assistance? Are there other levee reconstruction issues?
   - Problems/comments identified during OMB trip to the Midwest flood area.
   - Explanation of OMB/Interagency 1:00 p.m. meeting (9-22) on Floodplain Relocation Issues.
   - Tracking of flood recovery funds - start up.

3. The attached menu of programs that can, either separately or in combination, provide funding or other assistance for implementation of alternatives to levee reconstruction. Please be prepared to discuss whether your respective programs have been correctly categorized and any issues associated with this menu that need to be addressed prior to distributing it to the field. (Program summaries received to date will be distributed at the meeting. There are too many to fax.)

The next meeting, scheduled for September 29th in room 248 OEOB, will focus exclusively on the long-term strategy.

September 20, 1993

DRAFT

ALTERNATIVE FLOOD CONTROL PROGRAMS

What follows is a list of activities that could form the basis for an integrated, alternative Federal response to the Midwest flood. These activities have been selected for priority identification in this way because they have the following characteristics: available funding, administratively easy to access, timely, flexible, and effective.

Each activity could be selected by a local cooperator. Once selected, the activity would be carried out through a combination of programs administered by one or more agencies. Implementation of these activities in a coordinated way through a plan developed by the local cooperator would reduce flood losses, the mental, physical, and economic toll on towns and farms that have suffered repeated damage, long-term costs to society, and help restore lost or impaired environmental resources.

Activities

1. Restore wetlands that previously provided fish and wildlife habitat and flood storage.

2. Buy flood easements for frequently flooded cropland, making payment for crop losses when flooded. This will negate the need for levees and increase the natural storage capacity of the flood plain.

3. Elevate or relocate all or parts of communities. This will reduce damages, reduce the need for levee construction and maintenance, and also increase natural storage.

4. In Ag lands, relocate or elevate sparse farm structures and continue farming land. This will permit continued use of the land with its attendant economic benefits, but eliminate the repeated disruption and costs of flood damage to structures.

The attached matrix illustrates how various Federal programs can be combined to support these activities. Following the matrix is a summary of the programs that gives information on their objectives, cost-sharing requirements, available funding, and other important characteristics.

DRAFT

21-Sep-93

ALTERNATIVE FLOOD CONTROL PROGRAMS

Specific Programs	Alternative to Levees: Restore Wetlands	Ag Flood Easements	Relocate Farm Houses	Urban Relocations
Agriculture				
Wetland Reserve	X			
Emer Wtshd Prot	X	X		
Commerce - EDA				
Flood Relief Pro				X
Corps of Engineers				
1135 (Env Restor)	X	X	X	X
EPA				
State Revolving Fnds	X		X	X
Sec 319 Grants	X	X	X	X
Wtr Pol Cntr (Sec 106) (Tech Asst.)	X		X	X
Wetlands Prot	X	X	X	X
FEMA				
Hazard Mit. Grants			X	X
Property Purchase (Sec 1362)			X	X
HUD				
CDBG			X	X
SBA				
Disaster Loans			X	X

Midwest Flood Recovery Program
Department and Agency
Alternatives to Repair and Restoration of Levees
And Other Repairs and Restorations

Department: The Department of Agriculture

Agency: Agricultural Stabilization and Conservation Service (ASCS)

Program Name: Emergency Conservation Program (ECP)

Program Description: The Emergency Conservation Program (ECP) is administered by the Agricultural Stabilization and Conservation Service (ASCS) through State and County Agricultural Stabilization and Conservation (ASC) committees with technical assistance by the Soil Conservation Service (SCS). SCS assistance under ECP must be requested by the county ASC committee.

The program objectives are to: Rehabilitate farmland damaged by wind and water erosion, floods, hurricanes, or other natural disasters; provide cost-sharing assistance; and to share the cost of rehabilitating and restoring damaged farmlands.

Program implementation Guidance: Technical assistance and cost sharing are provided for the restoration of farmland and existing conservation practices damaged by natural disasters such as floods, drought, or tornadoes. SCS provides needed technical assistance for restoring conservation practices.

Budgetary Resources

FY 93	FY 93 Emergency Supplemental		FY 94
Direct	Direct	Contingency	Likely
9.6	30	0	0

Comments:

Midwest Flood Recovery Program
Department and Agency
Alternatives to Repair and Restoration of Levees
And Other Repairs and Restorations

Department: The Department of Agriculture

Agency: Agricultural Stabilization and Conservation Service (ASCS)

Program Name: Water Bank Program (WBP)

Program Description: The WBP objectives are to preserve, restore, and improve wetlands of the Nation. The WBP is administered by ASCS through state and county Agricultural Stabilization and Conservation (ASC) committees with technical assistance by SCS and other cooperating agencies.

Program Implementation Guidance: SCS provides technical assistance to protect, improve, or restore eligible wetlands. Assistance involves identifying eligible wetlands, assisting wetland owners to develop the necessary conservation plan, and assisting participants in applying contracted conservation treatment. The assistance is provided to ASCS on a reimbursable basis.

Budgetary Resources

FY 93	FY 93 Emergency Supplemental		FY 94
Direct	Direct	Contingency	Likely
0	None	None	0

Midwest Flood Recovery Program
Department and Agency
Alternatives to Repair and Restoration of Levees
And Other Repairs and Restorations

Department: The Department of Agriculture

Agency: Agricultural Stabilization and Conservation Service

Program Name: Conservation Reserve Program (CRP)

Program Description: The CRP offers long-term rental payments and cost-share assistance to establish permanent vegetative cover on cropland that is highly erodible or contributing to a serious water quality problem.

Program Implementation Guidance: SCS provides technical assistance to make land eligibility determinations, develop conservation plans on accepted acres, assist with implementation and vegetation establishment and maintenance.

Budgetary Resources

FY 93	FY 93 Emergency Supplemental		FY 94
Direct	Direct	Contingency	Likely
0	0	0	0

Comments:

Midwest Flood Recovery Program
Department and Agency
Alternatives to Repair and Restoration of Levees
And Other Repairs and Restorations

Department: The Department of Agriculture

Agency: Agricultural Stabilization and Conservation Service

Program Name: Wetlands Reserve Program (WRP)

Program Description: The WRP provides owners of eligible land an opportunity to offer an easement for purchase by the Secretary of Agriculture and to receive cost-share assistance to restore wetlands.

Program Implementation Guidance: To participate in WRP, the land owner must submit an intention to enter into the program. SCS in consultation with the FWS will determine land eligibility and develop a wetland reserve plan of operation for the acres that are eligible.

Budgetary Resources

FY 93	FY 93 Emergency Supplemental		FY 94
Direct	Direct	Contingency	Likely
$50 million	0	0	$67 million

Comment on Resources

Program administration is under the authority of ASCS. SCS provides technical assistance on wetland designs. In FY 94 the program is authorized to be offered in 20 states. To effectively use the program, opportunities for landowners to signup must be offered at least 2 months before spring planting.

USDA - SCS

9-8-93 ✓

KARL OTTE 720-9574

Midwest Flood Recovery Program
Department and Agency
Alternatives to Repair and Restoration of Levees
And Other Repairs and Restorations

Department: The Department of Agriculture

Agency: Soil Conservation Service

Program Name: Emergency Watershed Protection

Program Description: Emergency Watershed Protection (EWP) assistance is provided to reduce hazards to life and property in watersheds damaged by severe natural events. An emergency is considered to exist when a watershed is suddenly impaired by flood, fire, drought, or other natural causes which result in life and property being endangered by flooding, erosion, or sediment discharge.

There are two broad types or degrees of emergency situations with different federal cost-share rates and time constraints for obligating funds and completing work:

1. Exigency - an imminent situation of unusual emergency
2. Nonexigency - an emergency requiring action but of less urgency than an imminent situation

Program implementation Guidance: Eligible applicants must have insufficient funds or other resources available to provide relief from the hazards. Applicants must be represented by a project sponsor. Sponsors must have legal authority, and agree to obtain land rights, water rights, and permits, and agree to provide for the operation and maintenance of completed emergency measures.

SCS provides technical and financial assistance for emergency runoff retardation and soil erosion prevention as may be needed to safeguard life and property from floods and the products of erosion on any watershed whenever flood, fire, drought, or any other natural element has caused or is causing a sudden impairment of the watershed.

Federal funds may cover 75 to 100 percent of the construction costs of eligible emergency measures.

Budgetary Resources

FY 93	FY 93 Emergency Supplemental		FY 94
Direct	Direct	Contingency	Likely
$3.0 million	$32 million	$25 million	$60 million

United States
Department of
Agriculture

Soil
Conservation
Service

Columbia,
Missouri

Emergency Watershed Protection

The Program

The USDA Soil Conservation Service is authorized in emergency situations (under Section 216 of Public Law 81-516) to direct money and technical assistance to landowners to help them treat land within watersheds. This is the Emergency Watershed Protection Program, sometimes referred to as the "216" program.

Purpose

The funds administered by SCS are to relieve any imminent hazards to life and property caused by floods, erosion or other natural disasters.

Type of Assistance

Emergency watershed protection consists of installing or repairing conservation measures - that control flooding and prevent soil erosion - as needed to protect life and property from floods, drought and erosion. The program is applicable in any watershed impaired by a natural occurrence.

Eligible Conservation Measures

Any conservation measure is eligible that, by controlling runoff, prevents flooding and soil erosion, thereby reducing the threat to life and property. Typical work includes the rehabilitation or repair of levees and the removal of debris and sediment from stream channels. Generally, more than one individual should benefit from its construction or repair.

Cost Sharing

Federal funds may cover 75 to 100 percent of the construction costs of eligible emergency measures.

Eligibility

Public or private landowners, land managers, land users or others who have a legal interest in, or responsibility for, the values threatened by a watershed emergency are eligible to receive assistance under the Emergency Watershed Protection Program.

Eligible applicants must have insufficient funds or other resources available to provide relief from the hazards. Applicants must be represented by a project sponsor.

Sponsors

Federal agencies could be sponsors. Other sponsors could be any legal subdivision of state or local government. The sponsors must have legal authority, and agree to obtain land rights, water rights and permits. The sponsors must agree to provide for the operation and maintenance of completed emergency measures.

Sponsors may provide their share of construction costs in the form of cash, in-kind services such as labor or equipment, etc., or a combination of cash and in-kind services.

Where To Get Help

If you think you may qualify for assistance under the Emergency Watershed Protection Program, contact the Soil Conservation Service office serving your county. These offices are listed in telephone directories under:
U.S. Government;
Department of Agriculture.

July 1993

Midwest Flood Recovery Program
Department and Agency
Alternatives to Repair and Restoration of Levees
And Other Repairs and Restorations

Department: The Department of Agriculture

Agency: Soil Conservation Service (SCS)

Program Name: Small Watershed Program

Program Description: The objectives of the Small Watershed Program by authority of Public Law 83-566 is to provide technical and financial assistance in planning and carrying out works of improvement to protect, develop, and utilize the land and water resources in small watersheds.

Program Implementation Guidance: The Watershed Protection and Flood Prevention Act authorizes the Secretary of Agriculture to provide technical and financial assistance to local organizations for planning and carrying out watershed projects.

The Act defines its purposes to be watershed protection, flood prevention, and agricultural and nonagricultural water management. Conservation land treatment, structural and nonstructural measures are used to address these purposes. Application of conservation land treatment measures to upstream watersheds is the main feature that separates this program from others. The program emphasizes planning through interdisciplinary teams which include the sponsors, other agencies and environmental groups in all stages of plan development.

Budgetary Resources

FY 93	FY 93 Emergency Supplemental		FY 94
Direct	Direct	Contingency	Likely
None	None	None	None

make money available for the extra cost of developing water-supply storage for future municipal or industrial use. No interest is charged and no repayment of the principal is required until the water is first used; that interest, however, can be deferred for only 10 years after completion of the storage facilities.

Operations

Land treatment

The sponsoring local organization is responsible for applying needed soil and water conservation treatments. Conservation treatments must be applied before or during construction of the works of improvement. SCS technicians and others can provide additional technical assistance to accomplish this during the time specified in the watershed plan.

ngineering work

ngineers make field surveys and prepare designs and pecifications for construction. The sponsoring local rganization has the option to employ its own engineers or vork with SCS engineers with the understanding that the vork meets with Federal quality standards.

roject agreements

CS and the sponsoring local organization enter into an greement covering each potential contract for the onstruction of works of improvement. This agreement is e basis for obligating Federal funds.

onstruction

he sponsoring local organization is responsible for issuing ids and letting contracts for construction unless, at the quest of the organization, SCS has agreed to administer e contracts. Contractors build the structures and other orks of improvement.

Operation and maintenance

Once the works of improvement are installed, the sponsoring local organization is responsible for operation and maintenance. The organization must sign a written operation and maintenance agreement before Federal funds are made available for any construction.

For more information about small watershed projects, contact your local Soil Conservation Service office.

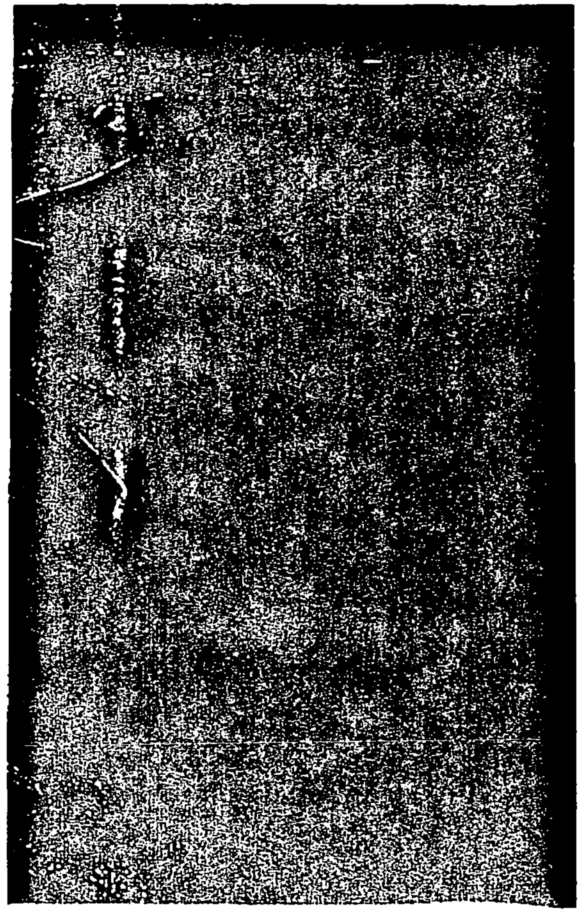
All programs and services of the Soil Conservation Service are offered on a nondiscriminatory basis, without regard to race, color, national origin, religion, sex, age, marital status, or handicap.

Revised April 1992

Soil Conservation Service

Program Aid Number 1354

Small Watershed Projects



he Watershed Protection and Flood Prevention Act, ublic Law 566, authorizes the Secretary of Agriculture to ive technical and financial aid to local organizations for lanning and carrying out watershed projects. The vatershed program administered by the U.S. Department of griculture's (USDA) Soil Conservation Service (SCS) versees:

- Flood prevention;
- Water quality improvement;
- Agricultural water management;
- Water-based recreation;
- Municipal and industrial water supplies; and
- Fish and wildlife development.

he application

ny legally qualified local organization may apply for aid. he application must include the following information:

- Size of the watershed;
- Location of the watershed;
- Descriptions of problems;
- Extent of any damages;
- Details about the work needed; and
- Source of local funds.

CS field offices can help local organizations prepare their plications. Local organizations should send their plications to the State agency designated by the Gover- or as the State clearinghouse.

eld examination

epending on the problems identified in the application, chnical specialists from SCS, USDA's Forest Service (FS), e Department of the Interior's Fish and Wildlife Service WS), and other interested Federal and State agencies may asked to examine the watershed site.

ate action

he application is approved, the State agency forwards it the SCS State conservationist, who notifies the SCS Chief Washington, D.C. The State agency notifies the plicant if the application is disapproved.

Planning authorization

Based on planning priorities recommended by the State agency, the State conservationist makes preliminary investigations, confirms the local organization's desire to proceed with preparing a watershed plan, and recommends to the SCS Chief that assistance in planning be authorized. The State conservationist notifies the local organization when assistance has been authorized.

Watershed Plan-Environmental Impact Statement

Detailed field studies

SCS, FS, FWS, and other interested Federal and State agencies assist the local organization by conducting detailed field studies. These studies define the task and specify its costs and benefits; the benefits must exceed the costs.

Watershed plan preparation

With assistance from SCS, the local organization prepares a watershed plan-environmental impact statement (plan-EIS). The plan describes:

- Problems;
- How, when, and by whom the proposed measures will be installed;
- The environmental effects; and
- The methods of financing.

After thorough review, the local organization and SCS sign the watershed agreement.

Plan-environmental impact statement approval

The SCS Chief can authorize operations to begin at once if funds are available, the estimated Federal contribution to construction costs does not exceed $5 million, and the plan does not contain any single structure that has a total capacity of more than 2,500 acre-feet.

If the estimated Federal contribution to construction costs exceeds $5 million or if the plan contains a single structure that has a total capacity of more than 2,5 feet, USDA sends the plan to the Office of Manage and Budget for review and transmittal to Congress. Federal assistance is given, the plan must be appro the U.S. Senate and House of Representatives Com

Financing

The SCS Chief allocates funds for watershed projec money appropriated each year by Congress.

Cost sharing

For flood prevention, the Federal Government pays engineering and construction costs. Needed land tr ment can be cost-shared up to 50 percent for water purposes and up to 65 percent for erosion control. Federal Government provides all engineering servic up to 50 percent of the construction costs for irrigati drainage, public recreation, and fish and wildlife de ment.

In certain circumstances, the Federal Governmen up to 50 percent of the cost for the landrights and o cost for the minimum basic facilities for public recre or for public fish and wildlife development. All oth including all costs for municipal and industrial wate supply and energy, must be paid by the sponsoring l organization.

Landrights

The sponsoring local organization must obtain all rig and permits needed for a watershed project.

Loans and advances

To help a local organization pay its share of the proj costs, the Federal Government can provide loans thr USDA's Farmers Home Administration. The lending can extend up to 50 years at the Federal long-term borrowing rate; there is a limit of $10 million per pro

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tershed Projects

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SCS, FS, FWS, and other interested Federal and State agencies assist the local organization by conducting detailed field studies. These studies define the task and specify its costs and benefits; the benefits must exceed the costs.

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- Problems;
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- The environmental effects; and
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After thorough review, the local organization and SCS sign the watershed agreement.

Plan-environmental impact statement approval

The SCS Chief can authorize operations to begin at once if funds are available, the estimated Federal contribution to construction costs does not exceed $5 million, and the plan does not contain any single structure that has a total capacity of more than 2,500 acre-feet.

If the estimated Federal contribution to construction costs exceeds $5 million or if the plan contains a single structure that has a total capacity of more than 2,500 acre-feet, USDA sends the plan to the Office of Management and Budget for review and transmittal to Congress. Before Federal assistance is given, the plan must be approved by the U.S. Senate and House of Representatives Committees.

Financing

The SCS Chief allocates funds for watershed projects from money appropriated each year by Congress.

Cost sharing

For flood prevention, the Federal Government pays all engineering and construction costs. Needed land treatment can be cost-shared up to 50 percent for water-quality purposes and up to 65 percent for erosion control. The Federal Government provides all engineering services and up to 50 percent of the construction costs for irrigation, drainage, public recreation, and fish and wildlife development.

In certain circumstances, the Federal Government pays up to 50 percent of the cost for the landrights and of the cost for the minimum basic facilities for public recreation or for public fish and wildlife development. All other costs, including all costs for municipal and industrial water supply and energy, must be paid by the sponsoring local organization.

Landrights

The sponsoring local organization must obtain all rights and permits needed for a watershed project.

Loans and advances

To help a local organization pay its share of the project costs, the Federal Government can provide loans through USDA's Farmers Home Administration. The lending period can extend up to 50 years at the Federal long-term borrowing rate; there is a limit of $10 million per project.

Once the work plan has been approved, the Federal Government can advance money to preserve sites for future construction. This money must be repaid with interest before construction. The Federal Government can also

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES
AND OTHER REPAIRS AND RESTORATIONS

Department: U.S. Department of Commerce

Agency: Economic Development Administration (EDA)

Program name: Flood Relief Program

Program Description:

EDA has the primary responsibility for disaster assistance within the Department. The FY 93 Emergency Supplemental Appropriation for Flood Relief permits use of the funds for EDA's flood relief program under existing authorities (the Public Works and Economic Development Act of 1965, as amended) for Title I (Public Works), Title III (Planning and Technical Assistance) and Title IX (Special Economic Adjustment Assistance).

EDA will make grant awards to assist communities, industries and firms adversely impacted by the Midwest floods and other disasters to assist in the long term economic recovery of the affected area. States, units of local government, and certain non-profit organizations (i.e., community organizations) are eligible recipients; private for-profit entities are not eligible for EDA grants. Special economic adjustment grant funds may be redistributed as subgrants to other entities; they may not be redistributed (except as loans) to for-profit entities.

Program implementation guidance:

Program delivery - In general, EDA will use its existing procedures for processing proposals and applications for disaster recovery assistance as outlined in EDA's annual Availability of Funds Notice published in the Federal Register of January 11, 1993, Volume 58 Number 6.

Program strategy - EDA's recovery strategy is directed toward (1) initially providing disaster flood coordinator grants to help organize and mobilize the local response capabilities and to assist in the preparation of recovery strategies, (2) awarding economic recovery strategy grants to help local communities develop a comprehensive recovery plan and follow-on implementation projects, and (3) awarding implementation project grants. EDA will also consider grant awards to respond to emergency infrastructure needs in advance of a final economic recovery strategy for the area; these grant awards would respond to unmet needs for public infrastructure improvements or alternative projects that are not adequately addressed by FEMA or other Federal agencies.

Program coordination - Through the mechanism of the Inter-agency Task Force for Flood Disaster Assistance, EDA will coordinate with other agencies at the program level and at headquarters to expedite efforts to eliminate program duplication. EDA will continue to coordinate program activity with other agencies within Commerce through existing mechanisms already in place.

The EDA Regional and Field staff will work in cooperation and other agencies at the local level and with FEMA disaster field offices, where possible, to facilitate the recovery efforts. EDA recommends maximum use of SF-424 to share information with other Federal agencies to prevent duplication of funding.

Budgetary resources that are or could be made available:

(BA in millions of dollars)

FY 93 Direct Approp.	FY 93 Emergency Supplemental Direct	FY 93 Emergency Supplemental Contingency	FY 94 Likely Approp.
$-0-	$100.0	$100.0	$-0-

Comments on resources:

Resource constraint - EDA support of on-site staff to assist with the identification of needs, development of applications and expedited field processing of those applications are severely restricted as no additional salary and expense authority accompanied the emergency supplemental program appropriation. Without the additional administrative resources, EDA will still be able to execute its mission; however, on-site contact will be more limited and the operation will depend on heavier involvement of remote regional office staff which may result in a longer program time line.

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St. Louis, MO 63103

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September 14, 1993

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES
AND OTHER REPAIRS AND RESTORATIONS

Department: Defense

Agency: U. S. Army Corps of Engineers

Program name: Section 1135 of WRDA 86, as amended

Program description: Section 1135 provides for modifications in the structures and operations of water resource projects constructed by the Corps for the restoration of fish and wildlife habitat. The modifications must be consistent with the authorized purposes of the project being modified, the non-Federal share of the costs shall be 25 percent, and specific Congressional authorization is required if the estimated costs of a proposed modification exceed $5 million. Annual appropriations for the program are limited to $25 million.

While the modifications are to be constructed, to the extent possible, on existing project lands, and are not to be land intensive, any additional lands, easements, rights-of-way, relocations, and/or disposal areas (LERRDs) which are required are to be provided by the non-Federal sponsor. The value of provided LERRDs will count towards the non-Federal sponsor's 25 percent share. However, work-in-kind is not credited. The non-Federal sponsor is responsible for the incremental costs of the operation, maintenance, repair, restoration, and replacement (OMRR&R) of the project modification.

Program Implementation Guidance: To date numerous memoranda have been issued providing implementation guidance and a draft regulation has been distributed for comment and interim use.

A memorandum is being prepared with specific guidance regarding the potential of implementing some modifications using this authority during the repair of Federal levees.

Budgetary resources that are or could be made available:

(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Direct	Supplemental Contingency	FY94 Likely Approp.
$5 mill.			$7.5 mill.

Comments on Resources:

emc/30 Aug. 93

Cory Giacobbe
260-5927

MIDWEST FLOOD RECOVERY PROGRAM

Agency: Environmental Protection Agency

Program Name: Capitalization Grants for State Revolving Funds (State Revolving Fund)

Program Description: Capitalization grants are available to each State for the purpose of establishing a water pollution control revolving fund for providing assistance: (1) for construction of publicly owned wastewater treatment works, (2) for implementing a nonpoint source management program under Section 319 of the Clean Water Act, and (3) for developing and implementing an estuary conservation and management plan under Section 320. The capitalization grant is deposited in the SRF, which is used to provide loans and other types of financial assistance, but not grants, to local communities and intermunicipal and interstate agencies.

Program Implementation Guidance: A grant application for EPA nonconstruction grant assistance (EPA From 5700-33) is submitted to the appropriate EPA Regional office no later than July 3 of the year following the year of appropriation to allow sufficient time for review and processing prior to the September 30 reallotment deadline. The State must certify in its application that it has the legal, managerial, technical and operational capabilities to administer the SRF program competently and that it will comply with Federal antidiscrimination laws and other applicable Federal statutes. Establishment of the SRF is a prerequisite for a grant award. The allotment of Title II and Title VI appropriations to the States is determined by a table of decimal fractions ('formula') in Section 205(c)(3) of the Clean Water Act. The required State match in 20 percent of the amount of each grant payment.

Contact: For information on the contact person in the appropriate EPA Region, contact the EPA Wetlands Hotline at 1-800-832-7828.

Budgetary Resources: FY93 @ $1.9 billion
FY94 @ $1.2 billion requested

Agency: Environmental Protection Agency

Program Name: Section 319 Grants

Program Description: Funds are provided to States to implement nonpoint source programs pursuant to Section 319 (h) of the Clean Water Act. Under this provision, funds are awarded for implementing approved State nonpoint source management programs. These grants can be used for funding watershed resource restoration activities which include wetlands and other aquatic habitat.

Program Implementation Guidance: Grants are awarded to the State agency designated by the Governor as the lead agency for nonpoint source pollution control. The lead agency may distribute grant funds to state and local governments, interstate and intrastate agencies, public and private nonprofit organizations and institutions.

Contact: For information on the contact person in the appropriate Region, contact the EPA Wetlands Hotline at 1-800-832-7828.

Budgetary Resources: FY93 $50 million
FY94 $80 million requested

Agency: Environmental Protection Agency

Program Name: Water Pollution Control - State and Interstate Program Support (Section 106, CWA)

Program Description: The objective of this grant program is to assist States, Indian Tribes, and interstate agencies in establishing and maintaining adequate measures for prevention and control of surface and ground water pollution. These grants provide broad support for the prevention and abatement of surface and ground water pollution from point and nonpoint sources including permitting, monitoring, pollution control studies, planning, surveillance and enforcement; advice and assistance to local agencies; training; and public information. Funds cannot be used for construction, operation, or maintenance of waste treatment plants, nor can they be used for costs financed by other Federal grants.

Program Implementation Guidance: Grants are awarded to State, interstate, territory and Indian tribal water pollution control agencies in accordance with overall water quality management needs, the requirements of programs covered by these agreements, and annual EPA Programs guidance. Application must be submitted to the appropriate EPA Regional Office, Grants Administration Branch. Funds are allotted among the State and Interstate Water Pollution Control agencies on the basis of the extent of the water pollution problems in the respective states. State allotment ratios are based on a count of pollution sources for each state compared to a count of pollution sources in the Nation.

Contact: For information on the contact person in the appropriate Region, contact the EPA Wetlands Hotline at 1-800-832-7828.

Budgetary Resources: FY93 $81.7 million
FY94 $81.7 million requested

Agency: Environmental Protection Agency

Program Name: Wetlands Protection - State Development Grants

Program Description: This grant program provides financial support through EPA's Regional offices, to States and Federally recognized Indian Tribes to support development and enhancement of wetland protection programs. Projects funded by this program must clearly demonstrate a direct link to increasing a State's ability to protect wetland resources.

Program Implementation Guidance: Appropriate application forms can be requested from and should be submitted to the appropriate EPA Regional office. Grants are usually approved within 4 months of receipt of a complete application. States are required to provide at least a 25% match of the Federal funds awarded through this grant program. Each application will be reviewed by EPA according to the following criteria: success of previous projects; likelihood of success; transferability to other States; potential environmental results; and investment and commitment of the State. For FY 93, one priority project area designated to receive preference in funding decisions is watershed protection approach demonstration projects with a substantial wetlands component. It is very likely that this project area will again be identified as a priority in FY 94. Funds are allotted to states by the EPA Regional offices on a competitive basis.

Contact: For information on the contact person in the appropriate Region, contact the EPA Wetlands Hotline at 1-800-832-7828.

Budgetary Resources: $10 million FY93
$10 million FY94 requested

Jim Wolke
646-2751

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES AND OTHER REPAIRS AND RESTORATIONS

Department: ______________________

Agency: Federal Emergency Management Agency

Program name: Hazard Mitigation Grant Program (HMGP)

Program description: The HMGP provides 50/50 matching funds to States, and through them, to local communities, for projects that will reduce the potential for future losses and damages. The overall goal of the program is to effectively reduce a State or community's vulnerability to natural hazards. The HMGP can be used to fund projects to protect either public or private property. Examples of projects include: acquisition and relocation of structures from hazard-prone areas; structural hazard control, such as debris basins or floodwalls, and retrofitting to protect structures from future damage. Total Federal funding under the HMGP is limited to 10% of the federal funds committed to the Public Assistance Program in repairing or replacing public facilities.

Program implementation guidance: FEMA's regulations for the HMGP can be found at 44 CFR Part 206, Subpart N. Additional guidance for State and local applicants has been developed and is available from FEMA Headquarters Regional offices. Several policy memorandum regarding issues raised during the recent series of disasters in the midwest have been sent to our field staff, and will be incorporated into the HMGP guidance material. In general eligible projects must be cost-effective, must meet federal environmental requirements, and must be consistent with the overall State Hazard Mitigation Plan.

Budgetary resources that are or could be made available:

(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.

Funds are from President's Disaster Relief Fund, ~~the~~ Limited to 10% of ~~the~~ Permanent Repairs. See attached initial estimate

Comments on resources:

Status of Hazard Mitigation Programs

Hazard Mitigation Staff are working with each affected State in the Midwest, developing strategies for reducing future impacts from floods. Other Federal agencies have been involved in this process, coordinating program implementation to reduce confusion on funding restrictions and interpretation of agency guidelines. Funds available for the Hazard Mitigation Grant Program are:

STATE	REG	DIS #	HMGP ESTIMATE AS OF 8/26/93
MINNESOTA	5	993	$1,170,000
WISCONSIN	5	994	$1,030,000
ILLINOIS	5	997	$19,000,000
MIMSSOURI	7	995	$8,500,000
IOWA	7	996	$6,300,000
NEBRASKA	7	998	$3,742,500
KANSAS	7	1000	$1,445,000
SOUTH DAKOTA	8	999	$1,150,000
NORTH DAKOTA	8	1001	$1,150,000
TOTAL			$43,487,500

MIDWEST FLOOD RECOVERY PROGRAM
DEPARTMENT AND AGENCY
ALTERNATIVES TO REPAIR AND RESTORATION OF LEVEES AND OTHER REPAIRS AND RESTORATIONS

Department: ______

Agency: Federal Emergency Management Agency

Program name: Section 1362 Flooded Property Purchase Program

Program description: The Section 1362 program is designed to purchase previously flood-damaged insured improved real property located in flood risk areas and provide property owners the opportunity to relocate to nonflood-prone areas. The objectives of the program are to protect property owners against potential losses; reduce future costs due to flood damages and provide incentive to flood prone communities. Therefore, the building, while covered by flood insurance under the National Flood Insurance program, must have been damaged substantially beyond repair (50% or more) or must have been damaged not less than three previous times during a five year period with an average of 25% or must have been damaged so that a statute, ordinance or regulation prohibits repair. Further, the community in which the property is located must agree to accept title to the property and agree to maintain it as open space for public use. Acquisition costs include pre-flood fair market value less flood insurance claims payments.

Program implementation guidance: FEMA's regulations for the Section 1362 program can be found at 44 CFR Part 77. Additional guidance for local applicants can been found at 45 FR 50282, July 28, 1980. FEMA regional offices will provide forms and technical assistance to the local communities upon request. The communities must be compliant with the National Flood Insurance Program requirements. Moreover, all property acquisitions must be cost effective and must meet federal environmental requirements.

Budgetary resources that are or could be made available:

(BA in millions of dollars)

FY93 Direct Approp.	FY93 Emergency Supplemental Direct	FY93 Emergency Supplemental Contingency	FY94 Likely Approp.
$4.7 million			$4.7 million

Comments on resources:
FEMA has an annual appropriation of approximately $4.7 million to be spent nationwide within two fiscal years. The funding for the Section 1362 program is provided through a reimbursement to the Emergency Management Planning and Assistance from the National Flood Insurance Fund. As authorized by the Omnibus Budget Reconciliation Act of 1990, all costs for the Section 1362 program activities will be borne by flood insurance policyholders.

QUESTIONS AND ANSWERS ON USE OF HUD MIDWEST FLOOD DISASTER RELIEF FUNDS

A. COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME FUNDS

Pre-Agreement Costs

QUESTION: How far back from the date of the grant agreement can a grantee incur pre-agreement costs for CDBG or HOME disaster funds?

ANSWER: A State or State recipient under CDBG can incur costs for activities starting with the date the jurisdiction was declared a Federal disaster area by FEMA due to damages from flooding, high winds, hail and other disasters during the spring and summer of 1993. All such activities must be eligible and undertaken in accordance with the requirements of 24 CFR Parts 58 and 570 Subpart I.

For CDBG Entitlement Communities, because disaster recovery funding is occurring in two stages, HUD has already waived pre-agreement cost limitations to permit grantees to reimburse local funds for costs incurred in excess of the initial grant amounts, but only if such costs were incurred on or after the date of the grant agreement. The waiver will, however, be extended to cover costs incurred on or after the date the jurisdiction was declared a Federal disaster area by FEMA. All activities must be eligible and undertaken in accordance with the requirements of 24 CFR Parts 58 and 570.

For either State or local participating jurisdictions under HOME, the approved grant agreements do not authorize pre-agreement costs, but the agreements will be modified to authorize costs to be incurred as of the date the jurisdiction was declared a Federal disaster area by FEMA. All activities must be eligible and undertaken in accordance with the requirements of 24 CFR Parts 58 and 92.

B. COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

Buy-Outs

QUESTION: The statute requires that CDBG funds be used for repair, replacement, or restoration of facilities damaged by the disasters. May a grantee use CDBG disaster funds to "buy out" damaged properties from affected families and would the cash payments to these families for the cost of the acquired properties qualify as "replacement" of "facilities" under the statute?

ANSWER: Yes, provided the grantee requires each recipient to sign a certification, subject to verification by HUD, stating that the funds will be used expressly for the purpose of replacement housing.

Linkage between Affected Families and Units

QUESTION: Can a grantee use CDBG disaster funds to construct or rehabilitate homeowner or rental housing units in an area with large numbers of structures damaged or destroyed by the disasters, without linking each unit to a specific disaster-affected family?

ANSWER: A grantee may provide such housing without a direct "one-for-one" link between each unit and a disaster-affected family. As a matter of policy, however, a grantee would be expected to try to ensure that affected families find suitable replacement housing. Moreover, while each disaster-affected family need not be provided with its own replacement housing, the statutory limitation on "replacing" housing does mean there can only be unit-for-unit replacement. The number of new units to be provided is limited to the number affected by the disaster and to be replaced. As with the regular CDBG program, any such housing activity funded with CDBG disaster funds must also meet a national objective.

Other Eligible Homeownership Assistance

QUESTION: In addition to acquiring damaged properties and constructing new owner-assisted housing, what other types of homeownership assistance activities can be undertaken with CDBG disaster funds?

ANSWER: Section 105(a)(20) of the Act allows CDBG funds to be used to provide direct assistance to **low- and moderate-income persons** to facilitate and expand homeownership. This provision allows CDBG funds to be used to subsidize interest rates and mortgage principal amounts, finance the acquisition of housing, acquire guarantees for mortgage financing from private lenders, pay any reasonable closing costs associated with the purchase of a home, and provide downpayment assistance.

Although the statute caps the amount of downpayment assistance at 50 percent of the downpayment amount, a waiver of this provision for the CDBG disaster funds allows grantees to exceed the 50 percent limit for flood victims where 50 percent of a downpayment is insufficient.

C. HOME FUNDS

Eligible Activities

QUESTION: How can HOME funds be used to assist families affected by the disaster?

ANSWER: HOME funds may be used to rehabilitate, reconstruct, or newly construct housing for families whose properties were damaged or destroyed by the disaster. Funds may also be used to acquire another home by funding a downpayment, closing costs, or a mortgage. HOME funds may be used for rental assistance, helping families to pay security deposits and a portion of the rent. All families must be income eligible, i.e., at or below 80 percent of median income.

Buy-Outs

QUESTION: May HOME funds be used to "buy out" a damaged property to enable the homeowner to buy another house?

ANSWER: While HOME funds may not be used to directly buy a property that will not be used for affordable housing, they may be used as a component of a "buy-out" program. First, HOME funds may be used to move a damaged unit (whether manufactured or stick-built housing) to another site and to improve the new site and/or rehabilitate the unit. Secondly, HOME funds may be used to acquire replacement property and/or rehabilitate an existing unit on the property or construct a new home. Finally, HOME funds may be used to finance the purchase of a replacement unit for the family whose damaged property was bought out with other funds, including downpayment assistance, closing costs, interest subsidies, purchase price reductions, mortgage financing (e.g., "soft" second mortgages), etc.

Of course, where a buy-out strategy is not pursued, HOME funds may also be used to rehabilitate a flood-damaged unit on the original site (provided environmental and flood insurance requirements are met) or demolish an unsalvageable flood-damaged unit and reconstruct a new unit on the same lot.

Housing Quality Standards

QUESTION: Section 8 Housing Quality Standards (HQS) were waived with regard to the disaster funds, and, under certain circumstances, with regard to regular HOME funds. What does this mean?

ANSWER: The Department wanted State and local government officials to have the flexibility to make emergency repairs, correcting conditions endangering health and safety, in storm or water damaged property without having to do a complete rehabilitation. This waiver would allow damaged properties to be made habitable for families anxious to move back into their homes. PJs may, at their discretion, apply HQS or a higher standard to the repair of damaged property. However, to the extent that HOME funds are being used to rehabilitate existing, undamaged stock or construct new housing, the property standards at Section 92.251 apply.

The HQS waiver for **regular** HOME funds applies only to the extent such funds are used to repair flood- or storm-damaged properties in areas covered by the disaster declaration.

Matching Requirements

QUESTION: Must HOME disaster funds be matched? To the extent that regular HOME funds are spent in disaster areas must they be matched?

ANSWER: The requirement to match disaster HOME funds has been waived unconditionally. This waiver applies until the disaster funds are expended. The HOME Investment Partnership Agreement for Disaster Areas limited this waiver to apply only to expenditures during FY 1993 and FY 1994. The Agreement is being modified to reflect that no match is required in any fiscal year.

However, to the extent that **regular** HOME funds are being spent in disaster areas, the match liability is reduced to zero for only FY 1993 and FY 1994.

D. RELOCATION, REAL PROPERTY ACQUISITION AND ONE-FOR-ONE REPLACEMENT HOUSING

Section 414 of Stafford Act

QUESTION: What is Section 414 of the Disaster Relief Act?

ANSWER: Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act makes additional persons eligible for a Uniform Relocation Act (URA) replacement housing payment by waiving URA occupancy requirements that the person cannot meet. Ordinarily, to be eligible for a URA replacement housing payment, a person must have occupied the property for a specified period of time (e.g., 90 or 180 days) immediately before the date that triggers eligibility.

When a person is displaced from his or her home by a Presidentially Declared Disaster or other cause that precedes the federally assisted project (and cannot return), the person does not meet the occupancy requirements for a URA replacement housing payment. By waiving the URA occupancy requirements, Section 414 makes a non-occupant eligible for a URA replacement housing payment if the person's property is acquired, renovated or demolished for a federally assisted project (even though the person was displaced by the earlier disaster, not the federally assisted project).

QUESTION: When does Section 414 of the Disaster Relief Act apply?

ANSWER: Section 414 applies to the expenditure of any Federal funds in a Presidentially Recognized Disaster Area, except those special appropriations that permit HUD to waive Section 414. HUD has waived Section 414 in connection with the $200 million in CDBG funds and $50 million in HOME funds provided by the Emergency Supplemental Appropriations Act of 1993 (P.L. 103-75) for the recent Midwest flooding areas.

QUESTION: What happens when Section 414 of the Disaster Relief Act is waived?

ANSWER: The usual URA (and Antidisplacement Plan, if applicable) rules apply. Homeowners and tenants displaced by the disaster (e.g., flood) and not occupying the property when the federally assisted project is carried out do not qualify for a replacement housing payment or a URA moving expense and dislocation allowance. Such persons would, however, be eligible for payment of actual, reasonable moving and related expenses incurred in moving any personalty from the real property if the property was acquired, demolished

CHAS Requirements

QUESTION: What are the implications for a jurisdiction's CHAS in receiving disaster funds?

ANSWER: Among the certifications that were waived for HOME disaster funds is the certification of consistency with an approved CHAS. While this eliminates the need to do an immediate amendment to the CHAS, when PJs prepare their FY 1994 CHAS submission they must update the needs data and condition of housing stock data to support either new or expanded priorities in disaster-damaged or surrounding areas.

or rehabilitated for an assisted project. While these persons would not be eligible for a URA or Antidisplacement Plan replacement housing payment, however, the grantee could adopt and provide payments under a CDBG Optional Relocation Assistance Program.

QUESTION: What happens if funds not subject to Section 414 are mixed with regular CDBG, HOME or FEMA funds that are subject to Section 414?

ANSWER: As described above, the waiver of Section 414 applies to only certain HUD disaster relief appropriations. Whenever regular CDBG, HOME or FEMA funds are expended in a project carried out in a Presidentially Recognized Disaster Area, the project is subject to Section 414 of the Disaster Relief Act. Accordingly, if the waiver of Section 414 is important to the project, the grantee must avoid using in the project any Federal funds (e.g., regular CDBG or HOME funds) that are subject to Section 414. Otherwise, the acquisition, renovation or demolition of homes rendered unoccupiable by the flood would trigger URA replacement housing payments for the former occupants.

QUESTION: If Section 414 applies, how do you determine a URA replacement housing payment?

ANSWER: When Section 414 is triggered, URA replacement housing payments are computed in the same manner as they would be if the property was occupied. For example, suppose a flood-damaged home has a market value of $10,000, and a "comparable replacement home" costs $60,000. Under the open-ended URA replacement housing payment provisions in 49 CFR Part 24, a displaced homeowner could qualify for a replacement housing payment equal to $50,000 ($60,000 minus $10,000), plus incidental expenses, and any increased mortgage interest costs.

Optional Relocation Assistance Programs

QUESTION: What is a CDBG Optional Relocation Assistance Program?

ANSWER: Under section 105(a)(11) of the HCD Act of 1974, a grantee may provide relocation payments and other relocation assistance to persons displaced by activities that are not covered by the URA or section 104(d) (Residential Antidisplacement and Relocation Assistance Plan). The grantee may also provide assistance to persons covered by the URA or the Antidisplacement Plan at levels in excess of those required by such provisions. Unless such assistance is provided under State or local law, the grantee must make a written determination that the assistance is appropriate and adopt a written policy (Optional Relocation Assistance Program), available to the public, that describes the relocation assistance to be provided and provides for equal relocation assistance within each class of displaced persons. See 24 CFR 570.488(d) (State Program) and 24 CFR 570.606(d) (Entitlement Program).

QUESTION: How can a CDBG Optional Relocation Assistance Program help flood victims?

ANSWER: A CDBG Optional Relocation Assistance Program can be tailored by a grantee to provide the best possible balance between needs and available resources. The grantee can design a program that meets its special circumstances. It could, for example, limit grants to persons who are buying or renting housing (new construction or existing housing) in areas outside the floodplain. Also, the grantee need not acquire a person's old home in the floodplain to make such a relocation payment. It could elect to provide every person the same amount of money, or it could base payments on a person's income or the size of the replacement home needed. The Optional Relocation Assistance Program provides the most flexible tool in the Federal arsenal for addressing the impact of a flood or other disaster.

QUESTION: What is the HOME Optional Relocation Assistance Program?

ANSWER: The HOME Optional Relocation Assistance Program is much more limited than the CDBG Program. It covers only persons displaced by a project assisted with HOME funds. The other HOME Optional Relocation Assistance Program provisions are similar to CDBG.

Voluntary Acquisitions

QUESTION: Can the acquisition of property in a floodplain qualify as an arm's-length "voluntary transaction" that is exempt from most URA requirements?

ANSWER: Generally not. An arm's-length "voluntary transaction" under the URA regulations at 49 CFR 24.101(a)(1) must comply with a requirement that the property not be part of a "designated project area where all, or substantially all, of the property in the area is to be acquired within specific time limits."

Although the acquisition of floodplain property generally does not qualify for the "voluntary transaction" exemption under 49 CFR 24.101(a)(1), the grantee is free to carry out an acquisition program that it limits to amicable agreements. If the property is not occupied and the funding is not subject to Section 414 of the Disaster Relief Act, such an acquisition program should not present any significant cost differences. If the property is occupied, the grantee could condition its purchase on the owner's waiver of all or part of the relocation payments otherwise payable.

Acquisition Prices

QUESTION: How do you determine the acquisition price of property damaged by a flood?

ANSWER: Under the URA and most state eminent domain laws, the grantee must offer the current "as is" market value of the property, determined on the basis of an appraisal.

NOTE: In an unusual case, a state eminent domain law (e.g., Pennsylvania) may require the grantee to offer the greater of (1) the "as is" market value at the time of the acquisition, or (2) the "pre-flood" market value. HUD recognizes this method only when mandated by State law for all public acquisitions. Where State law is discriminatory (e.g., applies only to federally assisted projects), or the policy is adopted unilaterally by the grantee but is not required by State law, HUD does not recognize as eligible those costs in excess of the "as is" market value.

Impact of Flood Insurance on Relocation Payments

QUESTION: How do flood insurance payments affect relocation payments?

ANSWER: Duplicate compensation is prohibited. The amount of any insurance proceeds which the person receives to cover damages to the realty caused by the flood is added to the acquisition payment to determine the "acquisition cost" for purposes of computing a URA replacement housing payment for a 180-day homeowner. (The "acquisition cost" is subtracted from the cost of a replacement dwelling to determine the price differential component of a replacement housing payment.)

Illegal Occupancy

QUESTION: What happens if a person displaced by the flood returns to occupy the property in violation of local ordinance prohibiting such occupancy?

ANSWER: The Uniform Relocation Act regulations provide that certain "unlawful occupants" do not qualify for relocation assistance even when displaced as a result of acquisition, demolition or rehabilitation for a federally assisted project. Questions about "unlawful occupancy" must be addressed on a case-by-case basis. Contact the HUD CPD relocation specialist responsible for your area.

One-for-One Replacement Housing Requirements

QUESTION: What are the one-for-one replacement housing requirements?

ANSWER: Projects subject to the Residential Antidisplacement and Relocation Assistance Plan (see 24 CFR 570.488(c)(1) for the State CDBG Program and 24 CFR 570.606(c)(1) for the CDBG Entitlement Program) must not diminish the supply of "lower income housing." Consequently, all occupied and vacant occupiable lower income housing that is demolished or converted to a use other than lower income housing for an assisted project must be replaced with lower income housing.

The current CDBG regulation requires that all lower income housing that has been occupied at any time within the 1-year period before the demolition or conversion must be replaced whether or not it is suitable for rehabilitation. Accordingly, unoccupied flood damaged units that are demolished for an assisted project may require replacement unless the project is funded solely by appropriations that are not subject to the housing replacement requirements of the Antidisplacement Plan.

QUESTION: Has HUD waived the one-for-one replacement requirements for any CDBG or HOME funds?

ANSWER: HUD has waived the one-for-one housing replacement requirements for the special CDBG ($200 million) and HOME ($50 million) funds contained in the Emergency Supplemental Appropriations Act of 1993 (P.L. 103-75) for Midwest Flooding. HUD has not, however, waived the Antidisplacement Plan relocation assistance requirements.

Of course, if regular CDBG or HOME* funds are expended in a project, the project is subject to all of the Antidisplacement Plan requirements, including the one-for-one replacement of lower income housing. Accordingly, if the project depends on the waiver of the one-for-one replacement requirement, the grantee must avoid spending any regular CDBG or HOME funds in the project.

* Antidisplacement Plan requirements, including one-for-one replacement, apply to all expenditures of regular HOME funds occurring after the participating jurisdiction submits its FY 1994 CHAS.

Alfred Judd
205-6734

Agency: U. S. Small Business Administration

Program Name: Physical Disaster Loans and Economic Injury Disaster Loans

Program Description: Some levees are privately owned by businesses or nonprofit organizations. Governmental entities are not eligible for SBA assistance; private entities established by governmental units may be eligible. Potentially, some private owners of levees may seek SBA disaster loan assistance.

Private owners of levees damaged in the flooding are eligible for Small Business Administration (SBA) physical disaster loans for uninsured property damage. Businesses and homeowners damaged by flooding are also eligible for SBA physical disaster loans. Unlike other SBA programs, the physical disaster loan program is available to all businesses and non profit organizations without size limitation. SBA disaster business loans are available up to $1.5 million, and SBA has authority to waive that statutory maximum for businesses which are major sources of employment. Most disaster loans have an interest rate of 4% and may have terms up to 30 years, helping make the payments affordable. For businesses not needing Federal financial assistance to recover without hardship, the interest rate is 8% and the maximum term is 3 years. As this assistance is in the form of loans, borrowers must have repayment ability (ability to make loan payments from cash flow from operations). Generally, businesses and homeowners may elect to relocate; the loan eligibility for a relocation is usually limited to the amount of uninsured damage incurred. However, if a property owner is denied a permit to rebuild at the damaged site, the damage is considered a total loss and the property owner may borrow the full replacement value to purchase a substitute property at another site.

Additionally, any owners of flood-damaged levees located within the declared flood area which qualify as small businesses are eligible for SBA economic injury disaster loans. All other small businesses located in the declared area which have suffered adverse effects of the flood are also eligible for SBA economic injury disaster assistance. Economic injury disaster loans are working capital loans to help a small business meet necessary obligations during the period adversely affected by a disaster. A business need not have sustained property damage to qualify for economic injury assistance; decreased revenues caused by a disaster and resulting in insufficient cash flow to meet all ongoing obligations is a common form of eligible economic injury. These loans are at 4 percent with terms up to 30 years.

Program Implementation Guidance: Owners of disaster damaged property or of small businesses suffering economic injury must apply to SBA. SBA uses standard loan application forms which are supplied upon inquiry of any SBA disaster office. SBA disaster staff are located throughout the flood area and are represented at all FEMA Disaster Field Offices (DFO's). SBA processes most disaster business loan applications in 1 to 3 weeks from receipt by SBA, and most disaster home loan applications within about 1 week. Timing of loan closing is determined by each borrower. Disbursement of loan funds is similar to a construction loan and is in increments as the borrower completes repairs. Duration of reconstruction projects varies widely as a function of the complexity of each project.

Budgetary Resources Available: Including additional funds provided by the Midwest flood supplemental appropriation, as of September 1, 1993, SBA had about $774 million in disaster loan funds available. After obligations for additional loan funds during the month of September, and after adjustment in the program credit subsidy rate with the start of the next fiscal year, SBA estimates that as of October 1, 1993, about $465 million in disaster loan funds will be available. Additional appropriations for FY 1994 are unknown at this time.

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4 pages

September 21, 1993

NOTE TO: SEE DISTRIBUTION LIST

FROM: T.J. Glauthier and Katie McGinty

SUBJECT: Environmental Flood Recovery, Interagency Working Group

The next meeting of our interagency working group has been scheduled for **Wednesday, September 22nd, 10:00 a.m., room 248** of the Old Executive Office Building (17th and Pennsylvania).

We intend to discuss three major items of ongoing interest to the task force:

1. OEP will discuss progress since the last meeting in developing a strategy paper for long-term recovery policy and program development.

2. There are several issues that have arisen over the past week or two that bear discussion by the task force. These include:

   - Cost-share waiver policy.

   - SCS Wetland Reserve Policy -- Status of distribution and implementation.

   - Multiple agency review of levees -- Should SCS repair levees that the Corps has denied assistance? Are there other levee reconstruction issues?

   - Problems/comments identified during OMB trip to the Midwest flood area.

   - Explanation of OMB/Interagency 1:00 p.m. meeting (9-22) on Floodplain Relocation Issues.

   - Tracking of flood recovery funds - start up.

3. The attached menu of programs that can, either separately or in combination, provide funding or other assistance for implementation of alternatives to levee reconstruction. Please be prepared to discuss whether your respective programs have been correctly categorized and any issues associated with this menu that need to be addressed prior to distributing it to the field. (Program summaries received to date will be distributed at the meeting. There are too many to fax.)

The next meeting, scheduled for September 29th in room 248 OEOB, will focus exclusively on the long-term strategy.

September 20, 1993

DRAFT

ALTERNATIVE FLOOD CONTROL PROGRAMS

What follows is a list of activities that could form the basis for an integrated, alternative Federal response to the Midwest flood. These activities have been selected for priority identification in this way because they have the following characteristics: available funding, administratively easy to access, timely, flexible, and effective.

Each activity could be selected by a local cooperator. Once selected, the activity would be carried out through a combination of programs administered by one or more agencies. Implementation of these activities in a coordinated way through a plan developed by the local cooperator would reduce flood losses, the mental, physical, and economic toll on towns and farms that have suffered repeated damage, long-term costs to society, and help restore lost or impaired environmental resources.

<u>Activities</u>

1. Restore wetlands that previously provided fish and wildlife habitat and flood storage.

2. Buy flood easements for frequently flooded cropland, making payment for crop losses when flooded. This will negate the need for levees and increase the natural storage capacity of the flood plain.

3. Elevate or relocate all or parts of communities. This will reduce damages, reduce the need for levee construction and maintenance, and also increase natural storage.

4. In Ag lands, relocate or elevate sparse farm structures and continue farming land. This will permit continued use of the land with its attendant economic benefits, but eliminate the repeated disruption and costs of flood damage to structures.

The attached matrix illustrates how various Federal programs can be combined to support these activities. Following the matrix is a summary of the programs that gives information on their objectives, cost-sharing requirements, available funding, and other important characteristics.

DRAFT

21-Sep-93

ALTERNATIVE FLOOD CONTROL PROGRAMS

	Alternative to Levees			
Specific Programs	Restore Wetlands	Ag Flood Easements	Relocate Farm Houses	Urban Relocations
Agriculture				
Wetland Reserve	X			
Emer Wtshd Prot	X	X		
Commerce - EDA				
Flood Relief Pro				X
Corps of Engineers				
1135 (Env Restor)	X	X	X	X
EPA				
State Revolving Fnds	X		X	X
Sec 319 Grants	X	X	X	X
Wtr Pol Cntr (Sec 106) (Tech Asst.)	X		X	X
Wetlands Prot	X	X	X	X
FEMA				
Hazard Mit. Grants			X	X
Property Purchase (Sec 1362)			X	X
HUD				
CDBG			X	X
SBA				
Disaster Loans			X	X

SEP-14-93 TUE 15:25 USFWS FIO 7620034 FAX NO. 3 P.01

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL | # of pages ▶ 2

To R. Earnest	From E. Crozier
Dept./Agency	Phone #
Fax # 202-208-6916	Fax #

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

More to follow.

TO: Ed Crozier, ARW, Region 3

FROM: Rick Nelson, Rock Island

SUBJECT: "Worst Dressed Levees"

Per your request, we have developed some examples of levees destroyed by the 1993 flood that should be considered for alternatives other than rebuilding. However, they are in fact being rebuilt.

Most of the mainstem Mississippi River levees will be rebuilt because they meet federal eligibility requirements. These levees also constitute most of the 100-year floodplain in the Iowa, Illinois and Missouri portion of the Upper Mississippi River. In other words, most of the flood storage and conveyance capacity is located landward of the levee. Therefore, to increase the floodway of the Mississippi River, all of the mainstem levees should not be repaired and the lands behind them should be bought as a floodway. In a sense, then, all the mainstem levees are "worst dressed" levees.

The examples below are typical of levees "in the mill" for reconstruction. Two of them are Iowa River levees; two are mainstem Mississippi levees.

- PROJECTS: Louisa County Levee District No. 8 and Louisa County Levee District No. 11; Green Bay Drainage District No. 2 and Hunt and Lima Lake Drainage District.

- LOCATION: Louisa County Drainage Districts Nos. 8 & 11 are located on the Iowa River between Wapello and Oakville, Iowa. Green Bay Drainage District No. 2 and Hunt and Lima Lake Drainage District are mainstem Mississippi River levees located in Lee County, Iowa and Adams/Hancock Counties, Illinois, respectively.

- PROTECTION: Louisa County Drainage Nos. 8 & 11 protect 2,550 and 3,200 acres of agricultural land, respectively. Both systems are gravity outlets to the Iowa River with a 10-year level of protection plus 2-3 feet of freeboard. The Green Bay Drainage District No. 2 protects 14,400 acres of agricultural land. The Hunt and Lima Lake Drainage District protects 28,500 acres of agricultural land. Both provide a 50-year level of protection, but must be actively pumped since portions are below the normal river pool elevation.

- REPAIR IMPACTS AND COSTS: The Louisa County Drainage Districts will involve dredging the Iowa River (205,000 cubic yards) at a total cost of $1,280,000. Green Bay repairs will require dredging 413,000 cubic yards of Pool 19 of the UMR which provides critical migratory habitat for diving ducks and contains important mussel resources. Total costs amount to $3,732,000, including pump repairs. Hunt and Lima repairs will require dredging 680,000 cubic yards of Pool 20 at a cost of $2,720,000. Total repair costs for Hunt and Lima will be about $5,200,000.

- REPAIRS:

No. 8	No. 11	Green Bay	Hunt/Lima
1929	1929		
1933	1933		1935
1938	1938		1939
1945		1943	1944
1946		1946	1948
1947			1950
1960	1960	1960	1951
1965		1965	1952
1969			1953
1973		1973	1960
1974			1965
1976			1973
1985			
1991	1991		
1993	1993	1993	1993

- ALTERNATIVES: Nonstructural alternatives exist for damaged drainage district levees. However, drainage districts may opt for the structural solution since the Corps does not have the authority to offer nonstructural solutions under PL-84-99 and the districts may not be aware or fully understand the array of nonstructural solutions available by other federal programs (i.e. Emergency Wetland Reserve program, FWS conservation easements etc.) These four projects offer excellent examples where the levees have been rebuilt at the taxpayers expense over and over again. In addition the crops produced within the districts are subsidized by USDA. The areas are near FWS/IDNR refuge complexes and would provide excellent fish and wildlife benefits to the refuges.

We can provide more information on these levees if you need it. A map is attached which shows the locations of mainstem levees in the Corps of Engineers Rock Island District. Again, the levee districts outlines correspond roughly to the 100 year floodplain of the Mississippi River..

F A X F O R M

To: R. Earnest

From: Ed Crozier

Subject: Additional "Worst Dressed Levee" Projects

Three additional projects are described below:

1) Little Tarkio Levee (117H), Holt County, Missouri
T60N R40 & 39W, Sections 12, 13 in T60N R40W, Sections 7, 8, 17, 18 and 20 in T60N R39W

Previously repaired; repairs now will protect severely impacted farmland. Estimate 2,000 acres impacted by break in Little Tarkio River Levee and Missouri River flooding. Sand deposits from 18" to 10 feet (est.), scour areas 30' deep along Little Tarkio River and numerous scours 5 - 15 feet throughout the area. Levee broke in 1984 and 1993 floods.

2) Mud Lake Levee, Buchanan County, Missouri
T55N R32W, Sections 19, 20, 21 and 15

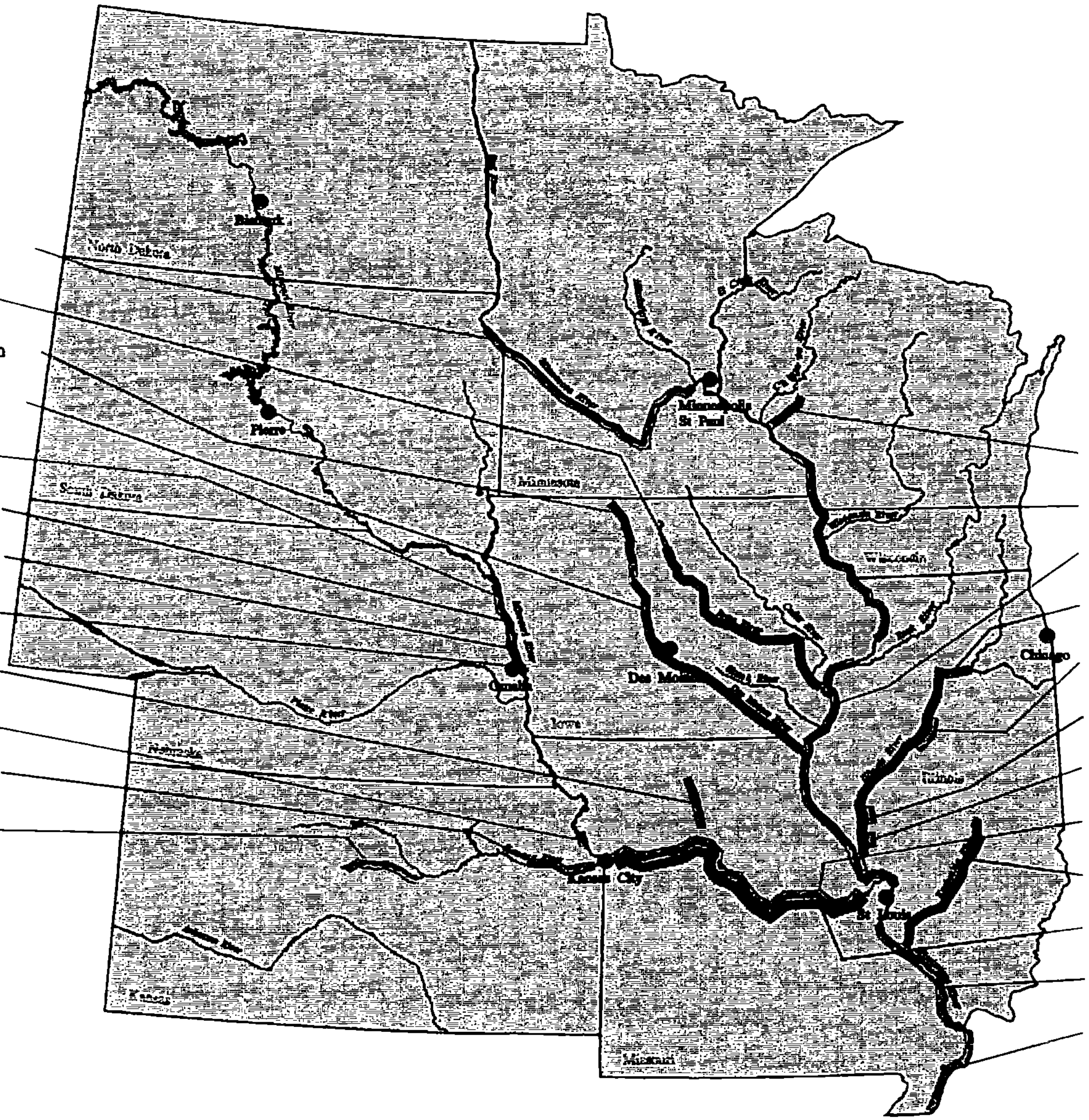
Previously repaired; protects cropland, apparent railroad spurline. McQueen Bend - Set back levee along Burlington Northern Railroad and Highway 59. Several thousand acres in area. Levee has broken in 1984 flood and in 1993.

3) Levee Unit L-536, Holt & Fitchison Counties, Missouri

Repaired five times in past 33 years. Repairs in 1960, 1965, 1973, and 1984 completed under Public Law 84-99. Appears to protect only farmland and perhaps a railroad with is bermed up for flood protection already.

Floodplain Opportunities

September 1993



Legend

Floodplain Acquisition Opportunities are in RED

Riparian Greenbelt Opportunities are in GREEN

1 Minnesota River Floodplain Acquisition 125,000 Acres
2 Iowa River Floodplain Treatment Riparian Greenbelt
3 Union Slough NWR Expansion Floodplain Acquisition 21,500 Acres
4 Des Moines River Floodplain Treatment Riparian Greenbelt
5 Missouri River (Nebraska Side) Floodplain Acquisition 25,000 Acres
6 Missouri Chutes NWR Establishment Floodplain Acquisition 20,000 Acres
7 DeSoto NWR Expansion Floodplain Acquisition 1,000 Acres
8 Boyer Chute NWR Establishment Floodplain Acquisition
9 Swan Lake NWR Expansion Floodplain Acquisition 4,500 Acres
10 Bear Lake Buyout Floodplain Acquisition 5,000 Acres
11 Kansas River Floodplain Acquisition 13,500 Acres
12 Smokey Hill River Floodplain Acquisition 3,900 Acres

13 Buffalo River Floodplain Acquisition 4,800 Acres
14 Upper Mississippi NWR Expansion Floodplain Acquisition 140,000 Acres
15 Mark Twain NWR Expansion Floodplain Acquisition 60,000 Acres
16 Illinois River Floodplain Treatment Riparian Greenbelt
17 Emiquon River NWR Establishment Floodplain Acquisition 8,300 Acres
18 Kikunnessal NWR Establishment Floodplain Acquisition 20,500 Acres
19 Hartwell-Eldred Drainage District Floodplain Acquisition 16,500 Acres
20 Lewis and Clark NWR Establishment Floodplain Acquisition 60,000 Acres
21 Kaskaskia River Floodplain Treatment Riparian Greenbelt
22 Lower Missouri Floodplain Treatment Riparian Greenbelt
23 Mid-Mississippi NWR Establishment Floodplain Acquisition 77,000 Acres
24 New Madrid NWR Establishment Floodplain Acquisition 16,000 Acres

Watershed Opportunities

September 1993

1 Sheyenne River Watershed Treatment
200,000 Acres

2 James River Watershed Treatment
250,000 Acres

3 Minnesota River Watershed Treatment
500,000 Acres

4 Big Sioux River Watershed Treatment
25,000 Acres

5 Vermillion River Watershed Treatment
25,000 Acres

6 Heron Lake Watershed Treatment
7,500 Acres

7 Iowa Great Lakes Watershed Treatment
6,200 Acres

8 Iowa River Watershed Treatment
100,000 Acres

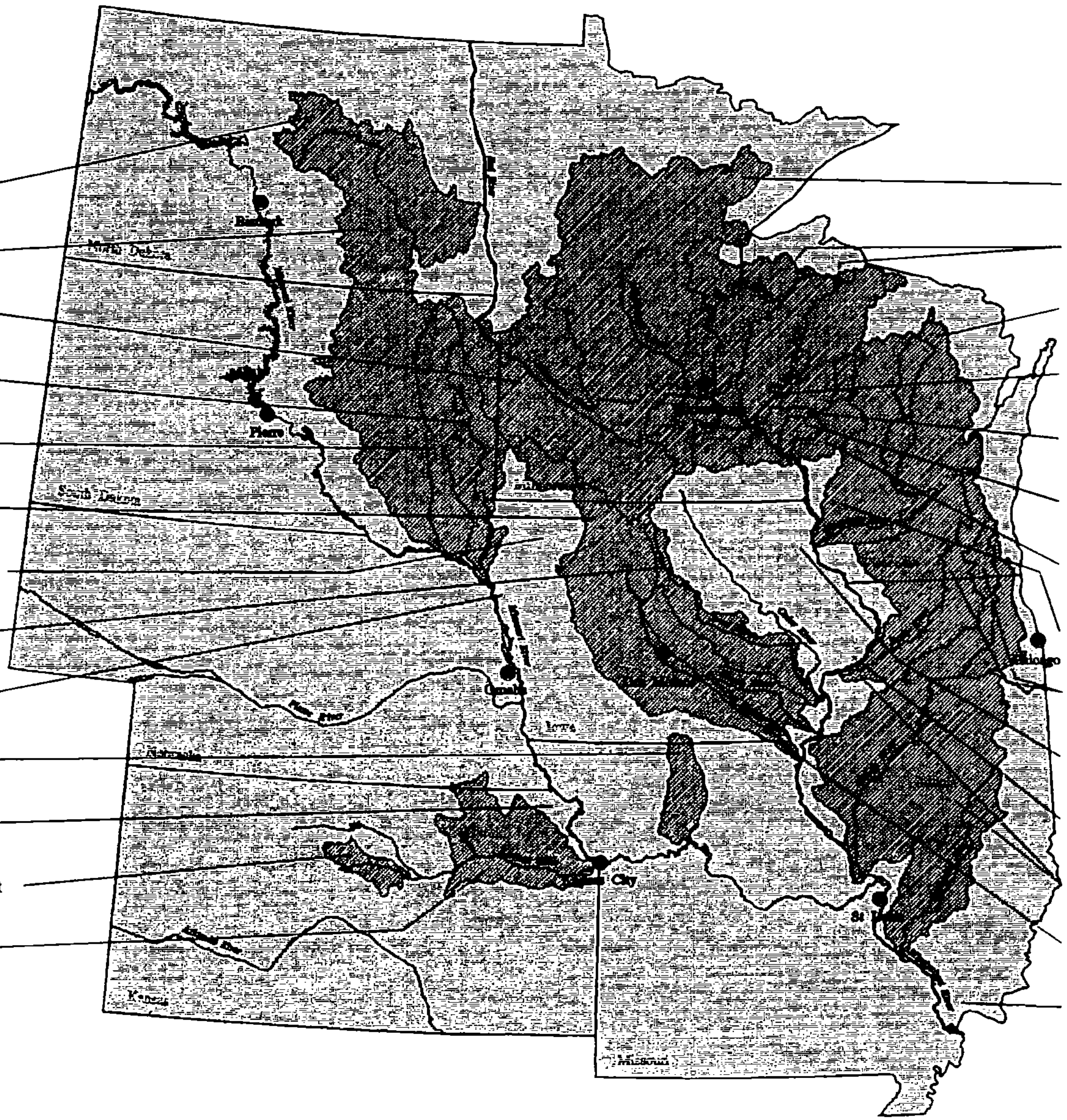
9 Squaw Creek Watershed Treatment
55,000 Acres

10 Swan Lake Watershed Treatment

11 Missouri River (in Kansas) Treatment
8,000 Acres

12 Smokey Hills River Watershed Treatment
4,000 Acres

13 Kansas River Watershed Treatment
14,000 Acres



Watershed treatments include wetland and upland restoration and acquisition, placing wetlands in wetland reserves, placing erodable croplands in Conservation Reserves, and no-till and minimum tillage farming methods

14 Upper Mississippi Watershed Treatment
112,000 Acres

15 St Croix/Chippewa Watershed Treatment
58,000 Acres

16 Wisconsin River Watershed Treatment
250,000 Acres

17 Whitewater River Watershed Treatment
15,000 Acres

18 Buffalo River Watershed Treatment
8,000 Acres

19 Trempealeau River Watershed Treatment
5,000 Acres

20 Black River Watershed Treatment
205,000 Acres

21 Kickapoo River Watershed Treatment
4,000 Acres

22 Rock/Illinois (in Wisconsin) Treatment
64,000 Acres

23 Sny Magill Watershed Treatment
5,000 Acres

24 Smith Creek Watershed Treatment
2,000 Acres

25 Rock/Illinois (in Illinois) Treatment
277,000 Acres

26 Des Moines River Watershed Treatment
100,000 Acres

27 Cache Creek Watershed Treatment
3,000 Acres