

Minimum Programmatic Subapplication Requirements for Acquisition-Demolition Projects

Scope of Work:

The project Scope of Work (SOW) in the subapplication must include the following:

- Detailed description of work to be performed:

Example:

The proposed activity is to acquire the structure and land located at (property address), demolish the structure within 90 days of closing, remove the debris, abandon the well and septic tank, disconnect all utilities, then conduct site work to turn the land into open space.

- Include value of each property in the scope of work and provide documentation demonstrating how the market value was determined. (See para A.6.9.1 – Valuation Methodology pages 23-24 Addendum to HMA Guidance)
- Explain why this project is the best alternative. What alternatives were considered to address the risk and why was the proposed activity considered the best alternative?
- Additionally, per FEMA Addendum to HMA Guidance, include appeal or reconsideration process for property owners who dispute the purchase offer property valuation.

Example:

The homeowner ordered a property appraisal from a State certified appraiser of their choice. The appraisal is dated April 7, 2015, and notes an appraised value of \$195,000. The homeowner submitted this appraised value of \$195,000 with the understanding that this will be the maximum purchase price allowed should a grant be awarded. The homeowner also fully understands that this is a voluntary program.

Budget:

See attached eligible and ineligible acquisition/demolition costs (pages 5-6 of Addendum to HMA Guidance)

- Provide supporting documentation for the project budget. Each property must have its own individual line item budget. See Addendum to HMA Guidance Table 1 – Generally Allowable Costs for Property Acquisition and Structure Demolition or Relocation for Open Space.
 - Appraisal conducted by an appraiser in accordance with the Uniform Standards of Professional Appraisal Practice. (See para A.6.9.1 Valuation Methodology pages 23-24 Addendum to HMA Guidance)
 - Demolition –documentation from a qualified professional (i.e., contractor, engineer or architect).

Sample Line Item Budget:

Eligible Costs	Total Project Cost	Federal Share 90%	Local Share 10%
Pre-Award (Subapplication Development)	\$5,000.00	\$4,500.00	\$500.00
Property Acquisition	\$325,000.00	\$292,500.00	\$32,500.00

Demolition, Site Restoration and Site Stabilization	\$10,000.00	\$9,000.00	\$1,000.00
Asbestos Survey, Abatement of asbestos and or lead-based paint – see Table 1 - page 6 of Addendum to HMA Guidance)	\$10,000.00	\$9,000.00	\$1,000.00
Survey, Appraisal, Closing and Legal Costs, Title Search, Insurance, etc. - see Table 1 - page 6 of Addendum to HMA Guidance)	\$5,000.00	\$4,000.00	\$1,000.00
Subapplicant Management Costs	\$5,000.00	\$4,000.50	\$1,000.00
Total Project Costs	\$360,000.00	\$324,000.00	\$36,000.00

FEMA Required Documents:

- Proof of Active Flood Insurance (Policy Declarations Page). NFIP insurance policy must be in effect on the opening date of the application period (**September 30, 2021**) and must be maintained through completion of the mitigation activity and for the life of the structure.
- Statement of Assurances.
- Sample Deed Restriction Language.
- Property Owner Declaration and Release.
- Property Owner Statement of Voluntary Participation.
- Property owner Duplication of Benefits Disclosure.
- Application for Federal Assistance SF-424.