COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: October 9, 2017
AGENDA NUMBER: 20
ITEM: Mississippi River Bluff

AGENDA: Policy

ACTION REQUESTED
Discussion and direction to staff

BACKGROUND
At the September 25 meeting, staff briefed the Board and provided an update on the issue on the river bluff of the Mississippi River in Fridley involving 2 to 4 homes and a slow moving but active landslide that is occurring and the opportunity for a Federal Grant.

The District:
1. Assessed and diagnosed the land slide (A.K.A. mass wasting),
2. Established and monitored the occurrence for approximately 8 months,
3. Assessed how prevalent occurrences such as this are within the immediate area and region
4. Assisted the geotechnical engineer hired by the home owners
5. Identified options for either stabilizing or resolving the problem
6. Gathered and assessed options for funding the solution and
7. Prepared the initial information for a grant application

It was found that there are unused/unclaimed Disaster Mitigation funds (Approx $900,000) available through the FEMA Hazard Mitigation Grant Program (HMGP) that were issued to the state of Minnesota for storm damage and the Disaster Declaration November, 2016. These funds, while readily available, would involve a 25% local match.

Staff informed the Board that any Federal grant will most likely involve purchase of the houses, tear down of those houses and placement of easements and restrictive covenants on the property for a total estimated cost and eligibility of $600,000.

Staff noted that discussions with Fridley City staff had concluded that the city is much better organized, capable and appropriate to receive the funds and administer the details of the grant. Staff noted that the Fridley City Council was meeting that night (September 25) to review and discuss the opportunity presented by this grant.

Fridley City Council: Also on September 25 the Fridley City Council discussed the issue of the Mississippi River at their pre-meeting conference/work session. The Council
expressed two issues/concerns that led to the City not immediately assuming responsibility for the grant:

1. The quick timing of the grant and the City’s ability to fully consider the benefits, costs and liabilities of administering the grant and assuming responsibility for the affected properties
2. The source of the 25% match and the impact on city finances and operations.

The Council’s action, subsequent discussion between City and District staff, the availability of approximately $900,000 in federal grant monies and FEMA’s interest and ability to act quickly are the primary reasons for coming back to the District Board.

**Homeowners:** On October 4, staff spoke with Rebecca Keenan one of the homeowners on the river bluff most affected by the landslide. The Keenan’s are the people who led the process of hiring their own geotechnical engineer to assess the problem and have contracted with Prairie Restoration to establish deep rooted plants and restore the bluff face in an attempt to stabilize the slope.

Ms. Keenan regularly contacts the City and the District for an update on findings and progress in addressing the landslide. During the October 4 conversation, Ms. Keenan indicated that immediate action on this site involving vacating the home would be hard and they would like to observe the result of their restoration.

Ms. Keenan, or one of the other property owners, will be present at our Board meeting.

**ISSUES/CONCERNS**

**Homeowner Need to Request Assistance from City:**

**Financing the Local 25% Match:** The local match of 25% is estimated to be approximately $150,000. Fridley City Council expressed concern about the impact or disruption to City Finances and operations of that much money.

**Restrictions on Property:** It was originally thought that under the PDM grant that the properties could be purchased, houses raised, easements and restrictions placed on the bluff and set back area and the lots resold and/or redeveloped.

Under the immediately available Disaster Mitigation funds, the properties cannot be resold or redeveloped thereby reducing the ability to defray some of the cost through sale and redevelopment, albeit with some fairly hefty restrictions and covenants within an easement. The property would remain public, presumably as a park or open space area.

**Timing:** Timing is now February, 2018 on the surplus Disaster Mitigation funds. This has left both the City Council and at least one home owner uncomfortable and feeling rushed.
**Future Availability of Pre-Disaster Mitigation Funds:**
- Applications for the PDM grants will not be available until approximately November, 2018 and not be available until 2020 at the earliest.
- These programs are not always funded and have been recently targeted for major funding reductions or program elimination.

**PRIOR DECISIONS**
1. Pursue a grant of sufficient size to address the public safety and welfare problem as well as the slope stabilization.
2. Pursue the Federal Pre-Disaster Mitigation (PDM) Grant.
3. Pursue the surplus disaster recovery funding currently available through FEMA.

**OPTIONS**
1. Do nothing. Drop the matter
2. Assume applicant status for applying for the Surplus Hazard Mitigation Grant Funds (Not recommended)
3. Continue to assist the Homeowners and the City of Fridley on pursuing Hazard Mitigation Grant.
4. Continue to assist in pursuing a Federal Pre-Disaster Mitigation Grant

**RECOMMENDATION**
Continue to assist in pursuing a Federal Pre-Disaster Mitigation Grant