

**THE CITY OF MEMPHIS, TENNESSEE**

**ACTION PLAN FOR DISASTER RECOVERY**

DRAFT FOR PUBLIC REVIEW

Proposed Uses of Supplemental CDBG Disaster Recovery  
Grant Funding Authorized by the Supplemental  
Appropriations Act 2010  
(Public Law 111-212)

Through the U.S. Department of Housing and Urban Development  
Docket No. FR-5452-N-01  
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**March 2011**

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- Appendix A: Map of Affected Area and Proposed Project
- Appendix B: Public Comments (Include in final if applicable)
- Appendix C: Certifications/SF-424 (Include in final)

## INTRODUCTION

In July 2010, Congress passed the Supplemental Appropriations Act, 2010 (Public Law 111-212), which provides Community Development Block Grant (CDBG) funding for necessary expenses related to disaster relief, long-term recovery, and restoration of infrastructure, housing, and economic revitalization in areas affected by severe storms and flooding that occurred from March 2010 through May 2010, for which the President declared a Disaster Area. The U.S. Department of Housing and Urban Development (HUD) published a Notice of allocations, waivers, and alternative requirements for the CDBG disaster recovery funds in the Federal Register, Volume 75, Number 217, Docket Number FR-5452-N-O1, effective November 15, 2010.

The City of Memphis received an initial allocation of \$2,031,831 of CDBG disaster recovery funds. On February 11, 2011, HUD announced that Memphis was to receive an additional allocation of \$4,232,594 of CDBG disaster recovery funds. The combined total of the Disaster Recovery Grant allocation provided to Memphis is \$6,264,239. As required by HUD, this Action Plan describes the proposed use of funds for addressing unmet housing, infrastructure, and economic revitalization needs in Memphis, Tennessee as a result of the May flood. This Proposed Action Plan describes:

- the effects of the flood and Memphis' recovery needs;
- activities for which funding may be used;
- the citizen participation process; and
- grant administration standards.

The Memphis Division of Housing and Community Development has been designated to act as the lead agency responsible for the development and administration of Memphis' Consolidated Plan and entitlement programs (CDBG, HOME, HOPW A, and ESG) and will serve as the lead agency as relates to the preparation and submission of this Proposed Action Plan.

## **THE EFFECT OF THE DISASTER & MEMPHIS' RECOVERY NEEDS**

On May 1 and 2, 2010, West Tennessee experienced unprecedented rainfall which caused extensive flooding and damage throughout Memphis, Shelby County. As a result, President Obama declared Shelby County a Federal Disaster Area on May 4, 2010 (FEMA Declaration Number: FEMA-1909-DR-TN). Damage to public buildings and infrastructure was estimated at \$644,690. Damages to private property was estimated at \$1,660,334.

Damage to public buildings and infrastructure was reported throughout Memphis, Shelby County. The City of Memphis Traffic Engineer Sign Shop sustained significant damage; the Police Services Indoor and Outdoor Firing Ranges sustained moderate damage and the Memphis Zoo Administration Building, North Frayser and Cunningham Community Centers sustained minimal equipment and facility damage.

### **Areas Affected by the Disaster**

- ♦ Over 300 reports of street flooding were received between May 1 and 2, 2011. Sections of several main thoroughfares had to be temporarily closed. In downtown Memphis, the City's Gayoso Pumping Station failed and flooding occurred in City Hall.
- ♦ About 104 residential properties were reported to have experienced significant flooding.
- ♦ Numerous lakes located in subdivisions over Memphis flooded causing dams and levees to overflow onto nearby streets and into some homes. FEMA has instituted its Phase I buy-out program which, as of early February 2011, has received 97 applications for assistance from homeowners reporting flood damages.

### **Greatest Unmet Recovery Needs**

The torrential rainfall from the May storms, exacerbated Memphis' problems with storm-water run-off. The City is currently working with Shelby County government to up-date the Hazard Mitigation Plan that list and establishes priorities for hazard mitigation projects over the next five-year period.

The Memphis City Council directed the commission of a study of the Lick Creek Basin to determine feasible alternatives to the location of water detention systems and other solutions for flooding problems that have plagued mid-town Memphis for close to 50 years. The May 2010 storms focused the need to develop projects that would provide short and long-term disaster occurrences.

In response to the disaster recovery grant allocation, the Mayor's office, City Council, Divisions of Housing & Community Development, Public Works and Engineering have directed energies toward determining where unmet needs exist. Consideration was given to requests for assistance from homeowner associations where subdivisions experienced overflow of lakes and breaks in dams/levees from the storms.

The reported damages to homes were not as widespread as damages to the City's infrastructure. In assessing unmet needs, it was concluded that the assistance from FEMA was sufficient based upon the applications for assistance received to date from eligible homeowners whose homes were damaged by flooding from the May 2010 storms.

### **Federal, State, and Other Disaster Responses**

The response of federal, state, and local agencies was immediate. The declaration of Shelby County as a Federal Disaster Area within days of the flood made Memphis, Shelby County eligible for federal assistance, and FEMA opened two disaster recovery centers in Memphis, Shelby County at the City of Memphis Ed Rice and Hollywood Community Centers. Memphis and Shelby County Emergency Management Agency (EMA) initiated the operation of its emergency command center immediately and coordinated efforts with the Divisions of Public Works, Engineering, Police, Fire, Memphis Light, Gas and Water, and the Red Cross, during the week following the disaster.

### **Ongoing Damage Assessment**

Staff from the Divisions of Public Works and Engineering assessed the condition of Memphis' infrastructure system, with particular emphasis on roadways, underpasses and bridges. The Drain Maintenance Department surveyed drainage and other waterway systems. Public Works and Engineering worked with the Division of Housing and Community Development to prepare a map that would show parcels, roads, and other facilities that were impacted by the flood.

As this Action Plan is being developed, the Mayor's Office, City Council, Divisions of Housing & Community Development, Public Works and Engineering are reviewing gaps in response to unmet needs resulting from the disaster. While the proposed Action Plan seeks to meet Memphis' most immediate and urgent needs, the full scope of infrastructure needs is an on-going task that may lead to future amendments to this plan.

## **PLAN FOR DISASTER RECOVERY**

The activities listed below illustrate Memphis' efforts to utilize short- and long-term recovery planning efforts:

### Short-Term Recovery Planning

- Create a central point for information regarding advice and support for person, businesses and others seeking assistance;
- Enhance Memphis' working relationship with FEMA and the Tennessee Department of Environment and Conservation to better coordinate disaster response plans;
- Examine the City's response to the immediate needs of those temporarily or permanently displaced, or relocated from disasters;
- Review the City's ability to expedite the building permit process; and
- Seek input from citizens and local government officials regarding the use and methods for distributing CDBG disaster recovery grant funds.

### Long -Term Recovery Planning

- Provide for the long-term stability of affected neighborhoods through efforts to repair infrastructure;
- Participate in regional planning efforts to address recovery and continue to work with other jurisdictions on current initiatives; and
- Develop and use engineering design approaches that will protect watersheds and are up to date in response to current flood conditions and storm-water management techniques.

### **Leveraging Other Funds**

Memphis will use other funding sources to leverage the CDBG disaster recovery funds such as Capital Improvement funds, tax increment financing and City Storm Water fees. The City is expending funds for the completion of a study on Flooding and Drainage in the Lick Creek Basin.

Homeowner associations who have requested assistance with repairs to dams/levees must use funds from private sources (personal loans, or money derived from fees) to assist with repairs.

## **Encouragement of High-Quality, Durable, Energy Efficient, Sustainable, and Mold Resistant Construction Methods**

Memphis and Shelby County governments have adopted the 2003 International Residential Building Code, and it is the responsibility of the Memphis and Shelby County Construction Code Enforcement Department to provide permitting, inspection, and enforcement services. A building permit is required before repairs can be made to flood-damaged homes and buildings. To assist homeowners and contractors with repairing flood damaged homes, the Memphis and Shelby County Construction Code Enforcement Department offers an expedited review and approval process for permit applications for homes and non-residential structures damaged by disaster.

## **Encouragement of Adequate, Flood-Resistant Housing for All Income Groups in the Disaster-Affected Areas**

The City of Memphis encourages the provision of adequate, flood resistant housing through its permitting process, codes enforcement, and land use policies. The City will promote the availability of FEMA and the disaster recovery grant funds to all eligible individuals and families impacted by the flood who have unmet housing needs. The City addresses the need of homeless families and individuals through its emergency and transitional housing programs funded in its Continuum of Care; and Memphis' Consolidated Plan. Memphis' Homeless Management Information System (HMIS), assesses the needs of individuals and families and link them to available services. In addition to providing housing and supportive services to members of the homeless population impacted by disasters such as the May 2010 floods, the Consolidated Plan also provides programs and services to meet a variety of low- and moderate-income housing needs as well as those of special needs populations.

## **MONITORING STANDARDS AND PROCEDURES**

The Memphis Division of Housing and Community Development (HCD) will provide oversight for all activities and expenditures of the Disaster Recovery Funds. To maintain a high level of transparency and accountability, HCD will apply its strategy for monitoring projects funded through this Action Plan consistent with its monitoring of projects funded in its Consolidated Plan. The primary purpose of HCD's monitoring strategy is to ensure that all projects comply with applicable federal regulations and are effectively meeting their stated goals. The monitoring process focuses on program and financial compliance and will include project reviews and onsite monitoring by HCD staff and independent auditors where required. The results of monitoring activities will be reported to the Director of HCD.

Section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 V.S.C. 5155), as amended, prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which that person has received financial assistance under any other program or from insurance or from any other source. CDBG disaster recovery funds will not be used for activities for which funds have been received (or will be received) from FEMA; the SBA; other local, state, or federal programs; insurance; or recovery support from private charity organizations. However, CDBG funds may be used to provide assistance to the extent that a disaster recovery need has not been met by other sources. Applicants for assistance will be required to disclose all sources of assistance received or to be received.

### **MITIGATING FRAUD, ABUSE, AND MISMANAGEMENT**

All activities must be conducted in compliance with applicable CDBG rules and regulations, as well as other applicable federal regulations such as OMB Circulars A-87, A-133, and 24 CFR Part 85 (Uniform Administrative Requirements). In the event that subrecipients are awarded \$500,000 or more in federal funding, the entity will be required to submit an audit in accordance with OMB Circular A-133.

Efforts to mitigate fraud, abuse, and mismanagement include regular monitoring of activities, as described. HCD's Accounting Department will assist the Compliance and Monitoring Department in reviewing expenditures, while independent auditors will audit activities for program and financial compliance. HCD reserves the right to take appropriate action in instances of non-compliance, fraud, and mismanagement including, but not limited to, disallowing ineligible costs, terminating contracts/agreements, and requiring repayment of funds.

As required under the Notice, HCD will submit quarterly reports to HUD through the Disaster Recovery Grant Reporting (DRGR) system no later than 30 days following each calendar quarter. Within three days of submission of each quarterly report to HUD, Memphis will post the report on its website for public review.

### **PROJECTED USES OF FUNDS**

#### **Methodology for Allocating Grant Resources and Relative Importance of the Project**

The following projects are being proposed for the use of Memphis' allocation of the initial and additional allocation of disaster recovery grant funds. Factors

considered in selecting the activities represent the City's desire to respond to the urgent and immediate need to respond to critical infrastructure problems facing a large areas of Memphis and homeowners needing assistance with the rehabilitation of privately-owned properties.

Activity 1 – Administration of Grant: As provided in the *Notice*, Memphis proposes to allocate 5% of the total grant award to cover all administrative costs associated with the implementation of all proposed activities funded through the Disaster Recovery Grant award.

*Threshold criteria:* Funds will be limited to the cost of administering the Disaster Recovery Grant.

*Grant Size Limits:* Five per cent (5%) of the total grant award (not to exceed \$313,212).

*Responsible Entities:* City of Memphis Engineering, City of Memphis Public Works, City of Memphis Housing and Community Development

*Geographic Areas:* The Lick Creek Basin, Sky Lake Dam, Scenic Hills Dam and Carrollwoods Lake Dam (see attached map)

Activity 2 – Planning: As provided for in the *Notice*, Memphis proposes to allocate \$500,000 for project specific planning activities. In addition to providing long-term community development efforts, these planning funds will be used exclusively for public infrastructure projects proposed in this Action Plan.

*Threshold criteria:* Planning funds will be used to assist with design and engineering studies and projects that will be proposed as additional site that will mitigate flooding potential within the Lick Creek Basin area of Memphis.

*Grant Size Limits:* The *Notice* allows for up to 15% of the total grant allocation for planning activities. Memphis proposes to allocated \$500,000 for the reimbursement of planning costs incurred since the date of the flood – May 1, 2010.

*Responsible Entities:* City of Memphis Engineering, City of Memphis Public Works, City of Memphis Housing and Community Development

*Geographic Areas:* Lick Creek Basin (see attached map)

Activity 3 – Repair of three (3) failed dams/levees/spillways located on lakes within three (3) private subdivisions:

As mentioned previously, the City of Memphis received numerous calls and complaints from residents regarding street flooding. In addition, the City received specific requests for assistance from three (3) homeowner associations for assistance with repairs to dams/levees that were damaged as a result of the May 2010 storms. A total of approximately 2,643 families reside within the three subdivisions impacted by the storm which resulted in the flooding of locales immediate to the broken dams.

- ♦ The City is proposing to assist the Sky Lake, Carrollwoods Lake and Scenic Lakes subdivisions with the costs of repairs of dams by allocating Disaster Recovery Grant funding for this activity. Grants to the homeowner associations will be provided for repairs to dams/levees that meet the permit and approval standards of the Tennessee Department of Environment Conservation (TDEC) which inspects dams and regulates the issuance of permits pertaining to certification of dam safety and approval.

*Threshold criteria:*

- ♦ Funds will be used only for the reimbursement of costs associated with the rehabilitation of privately owned property, that in this case is represented by damaged dams/levees on lakes within the City of Memphis that were impacted by the storms of May 2010.
- ♦ Application for assistance must be from an eligible applicant as provided under Section 105(a)(4) of the Housing and Community Development Act of 1974.
- ♦ Applicant must have an identified need that has not been met through FEMA, SBA, insurance, or private donation.

*Grant Size Limits:* The total allocation proposed for the provision of financial assistance with repairs/rehabilitation of private property is \$450,000. The amount of assistance is designed to provide a maximum 4 (federal)::1 (private) match (not to exceed \$150,000). As a basis for receiving the maximum level of assistance, consideration will be given to need and to those subdivisions where at least 50% of the area residents may be categorized as low-moderate income in accordance with the available U.S. Census data.

*Responsible Entities:* City of Memphis Engineering, City of Memphis Public Works, City of Memphis Housing and Community Development, Tennessee Department of Environment and Conservation

*Geographic Areas:* Sky Lake Dam, Scenic Hills Dam and Carrollwoods Lake Dam (see attached map)

#### Activity 4 - Infrastructure (Lick Creek Basin)

According to the 2000 Census, the population of the Lick Creek Basin at the start of the decade was 53,355 persons and 12,232 families. Comprising 5.5 square miles, the Lick Creek Basin has historically created severe problems with street flooding, damages to homes and storm-water run-off problems over the last 50 years. The May 2010 storms and the allocation of disaster recovery grant funding enabled the City to elevate its response to the problems brought by the growth in storm-water run-off and antiquated drainage systems.

#### Proposed Projects – Construction of Detention Ponds and Other Systems

1. Acquisition of land and construction of a major underground detention system that would mitigate storm water run-off problems resulting from flooding within the Lick Creek Basin
2. Construction of additional sites within the Lick Creek Basin that will further mitigate flooding potential within the Lick Creek Basin

*Threshold criteria:* The remaining \$5,001,027 in Disaster Recovery Grant funds will only be used for projects that are identified in the Lick Creek Flooding and Drainage Review as being candidates for stormwater management opportunities.

*Grant Size Limits:* The \$5,001,027 will be used for publicly owned, public infrastructure improvements.

*Responsible Entities:* City of Memphis Engineering, City of Memphis Public Works, City of Memphis Housing and Community Development

*Geographic Areas:* Lick Creek Basin (see attached map)

#### **Eligible Uses of Grant Funds as Related to Long-Term Recovery from Specific Effects of the Disaster, and the Restoration of Infrastructure**

The infrastructure activities proposed in the Action Plan will contribute to the long-term recovery of the restoration of infrastructure and economic revitalization by:

- Reducing the threat to the health and safety of residents in the event of future flood-related disasters;
- Enhancing the City's existing storm water management system;
- Leveraging private investment in a flood-impacted area suffering from disinvestment.

## **CITIZEN PARTICIPATION PROCESS**

The City of Memphis support and encourage citizen participation in the development of the Disaster Recovery Action Plan. Concerns and or comments expressed by citizens who choose to participate in the planning process will be incorporated into this Action Plan. The City will receive public comments on the Action Plan starting Thursday, March 17, 2011, through the end of business on Wednesday, March 23, 2011 at 5:00 P.M. central time.

Prior to its submission to the U.S. Department of Housing and Urban Development, members of the public are invited to view the draft Action Plan during normal business hours of 8:30 A.M. to 5:00 P.M., central time, Monday through Friday, at the Memphis Division of Housing and Community Development, 701 North Main Street, Memphis, Tennessee 38107. The draft Plan will also be available for review on the City of Memphis website at <http://www.memphistn.gov>. Notice that the draft was available on the City's website was published in the Commercial Appeal on March 17, 2011.

Written comments may be submitted electronically to [don.campbell@memphistn.gov](mailto:don.campbell@memphistn.gov) or mailed to the following address:

City of Memphis  
Division of Housing and Community Development  
701 North Main Street  
Memphis, Tennessee 38107.  
**Attention: Don Campbell**

Following the public comment period, the Action Plan will be updated and submitted to HUD on or before March 25, 2011. Comments received and HCD's responses will be included in the Appendix "C" Public Comments and Responses.

## **AMENDMENTS TO THE ACTION PLAN**

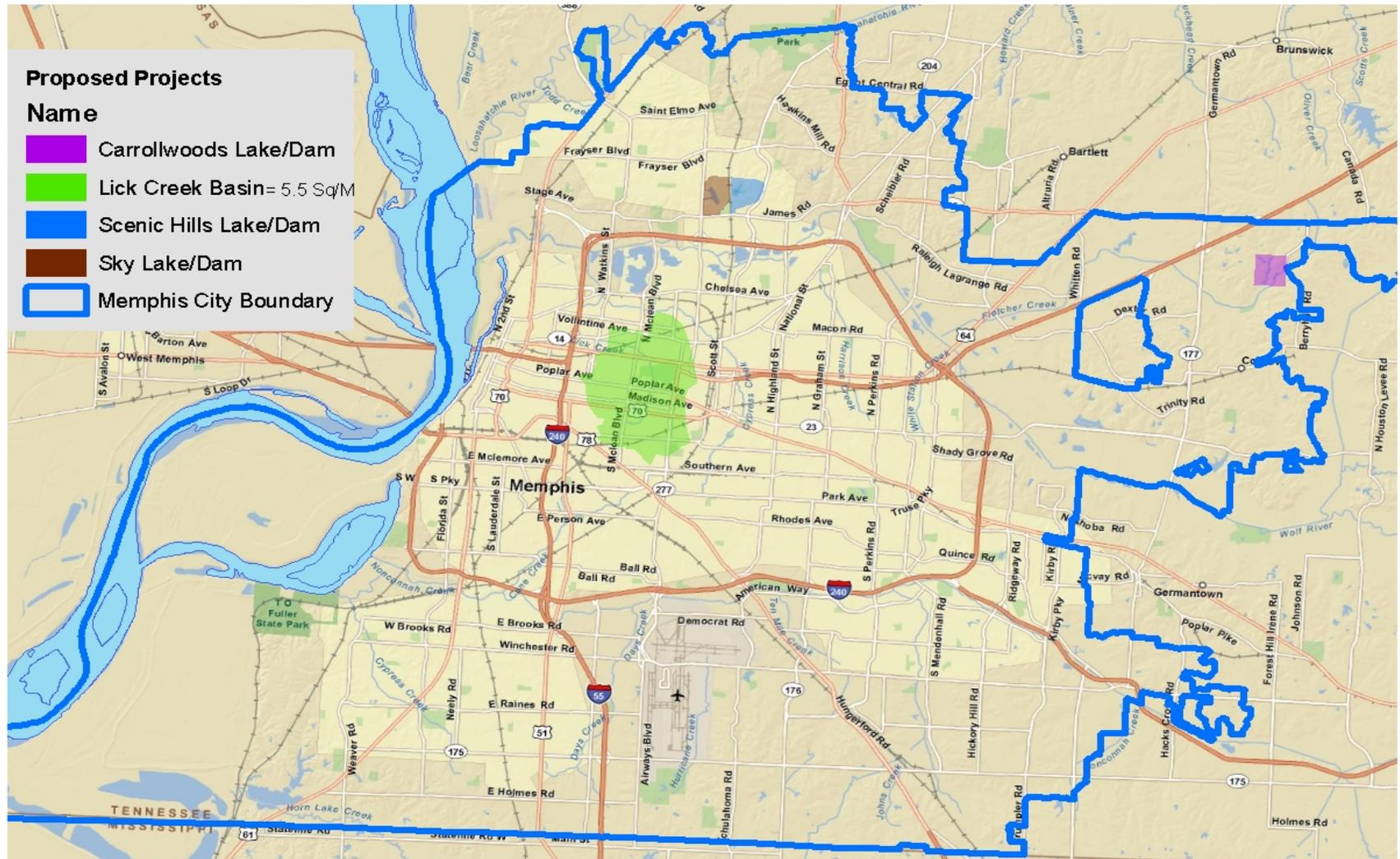
The following events will be considered substantial amendments to the Action Plan for Disaster Recovery:

- The addition or deletion of any activity presented in the Action Plan;
- A change in the plan beneficiary

- The implementation of an additional HUD-authorized "waiver" of any major programmatic rules or regulations; and
- Any action that HUD deems to be a significant amendment that needs public input prior to enacting.

For substantial amendments, the Division of Housing and Community Development (HCD) will follow the same procedures for public notice as described herein. Following the public notice period, proposed amendments will then be submitted to the HUD Knoxville Field Office for review. For minor amendments, HCD will notify the HUD Knoxville Field Office.

## Flood Recovery Grant Proposed Projects



0 1 2 4 Miles

This map was created by HCD February 25, 2011