



## PLANNING AND DEVELOPMENT

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Floodplain Relief Program

### Consideration of Multi-Family Incentives

Given the Floodplain Advisory Committee’s interest in getting structures out of the special flood hazard area, the unlikely prospect of LOMA’s from levee reconstruction and the amount of high density (>4 unit) structures in the Special Flood Hazard Zones, the Committee could consider expanding its floodplain relief program to offer benefits to Multi-family owners.

Currently the program is set up to offer up to \$20K per parcel, with an average home value on the north side of \$80K +/- or 25% of the value of the structures. The committee could consider a 15% participation rate on multi-family improvements given the potential retention of value, resulting improvements and recovery of costs:

<i>Property Value</i>	<i>Potential Subsidy</i>
\$250K	\$37,500
\$500K	\$75,000
\$1,000,000	\$150,000

The rationale for a public offer considers the following:

1. Multi-family owners are also subject to significant insurance costs
2. The grant could catalyze re-investment in otherwise disinvested properties because of the flood insurance encumbrance
3. The total property value of multi-family structures in the flood hazard zone is significant and a downward trend will affect both rents and values (tax revenues) and may lead to blight
4. Multi-family structures often take up a greater land area and can therefore have more potential flexibility in storm water and site grading options

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