



Office of Program Policy Analysis And Government Accountability



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Follow-Up Report on Post-Disaster Relocation and Reconstruction

Abstract

- **The Department of Community Affairs has not modified its rules to specify criteria and submission dates for local government post-disaster redevelopment plans.**
- **However, the Department is providing federal funds to local governments to develop Local Mitigation Strategies. These strategies must adhere to specified criteria and should achieve the results the post-disaster redevelopment plans were intended to achieve.**
- **Local Mitigation Strategies should allow local governments to be proactive in obtaining federal disaster assistance funds and provide greater control over how these funds are spent.**
- **The Legislature has stated its intent to have local governments pay their 12.5% share of federal disaster assistance, as we recommended.**

Purpose

In accordance with s. 11.45(7)(f), F.S., this follow-up report informs the Legislature of actions taken by the Department of Community Affairs in response to our Report No. 95-35, which we issued February, 1996. This report presents our assessment of the extent to which the Department has addressed the findings and recommendations included in our report.

Background

Hurricanes can inflict property damage with high winds, torrential rains, or storm surge. Hurricane Andrew, which struck south Florida in 1992, caused an estimated \$20 billion in damages across 1,100 square miles due to its high winds. Hurricane Opal, which struck northwest Florida in October of 1995, caused an estimated \$2.7 billion in damage due mostly to storm surge. As a result of these hurricanes and other severe storms in the last five years, the state has spent approximately \$622 million in local disaster assistance to restore damaged infrastructure and remove debris.

Both the Department of Environmental Protection (DEP) and the Department of Community Affairs administer programs that address hurricane risk. DEP administers the Coastal Construction Control Line (CCCL) which delineates that part of the beach-dune system predicted to be subject to the most severe storm surge. Structures built seaward of the CCCL must adhere to a DEP building code designed to protect coastal structures from both storm surge and wind damage.

Prior Findings

State and federal governments bear financial responsibility for local government land use decisions. When a Presidential Disaster Declaration is made after a storm, the Federal Emergency Management Agency will pay for at least 75% of the disaster recovery. State and local governments are required to pay the remaining 25%; each has typically paid 12.5%. For Hurricanes Andrew and Opal, the Florida Legislature chose to have the state assume the entire non-federal share. Since fiscal year 1992-93, the state has spent approximately \$622 million in disaster assistance.

Seaward of the Coastal Construction Control Line, building standards set by the Department of Environmental Protection are working to prevent storm damage to structures. Only 2 of the 576 structures permitted by the CCCL Program were significantly damaged by Hurricane Opal. By comparison, 768 of 1,610 structures built before the program were damaged or destroyed. We recommended that this program be continued.

The state has little control over local government decisions that affect coastal property risk landward of the CCCL. Local governments are responsible for implementing land use plans and making zoning decisions that determine the amount and type of property development, and therefore the potential losses that could occur from a hurricane. The state is also severely limited in its ability to influence post-disaster reconstruction in coastal areas. Coastal local governments are required by Ch. 9J-5, F.A.C., to develop post-disaster redevelopment plans as a component of the coastal management element of their comprehensive plans. However, few of these plans were in place.

We recommended that the Department amend Ch. 9J-5, F.A.C. to specify criteria and submission dates for local government post-disaster redevelopment plans. We also recommended that the Legislature make adoption of these plans a prerequisite when the state elects to assume local government's share of costs associated with federal disaster assistance.

In a similar vein, the Department was considering the use of incentives or conditions to link federal funds to local governments' use of hazard mitigation measures in recovery redevelopment. We recommended that the Department pursue this strategy.

Current Status

Instead of modifying Rule 9J-5, F.A.C., to specify appropriate criteria and submission dates for local

government post-disaster redevelopment plans, as we recommended, the Department is providing funding to local governments to develop Local Mitigation Strategies. As part of the funding contract, local governments agree to adhere to criteria developed by the Department. Department staff believe that the Local Mitigation Strategies will result in better post-disaster redevelopment plans than were developed under the comprehensive planning process, which did not define criteria.

The Local Mitigation Strategies are used to link federal funds to local government post-disaster redevelopment plans in two ways. First, federal funds are being used to fund the Strategies development. Secondly, post-disaster funding priorities and projects are defined in the Strategies. This will allow local governments to be proactive in asking for federal disaster assistance funds and provide them greater control over how these federal funds are spent.

Thirteen local governments are in the process of developing Local Mitigation Strategies. The Department has devised a schedule to provide Local Mitigation Strategies funding to all local governments within the next 12 months, with completion expected by the year 2000. The weakness of the Strategies process is that it is voluntary, not mandatory as are the local government comprehensive plans. However, given the defined criteria, the economic incentives of federal funds, and the positive response of local governments to this non-mandate approach, we believe these Strategies can substitute for the post-disaster redevelopment plans.

In keeping with the intent of our recommendation, the Legislature has taken action to reduce the state's costs associated with federal disaster assistance. The 1997-98 General Appropriations Act states that local governments will be required to pay their 12.5% matching share of federal disaster assistance. These funds could initially be provided by the state and repaid from the local governments' state revenue sharing allocations.

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