

**To the Mayor and Members of the City Council****August 13, 2019**

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**SUBJECT: ARLINGTON HEIGHTS VOLUNTARY ACQUISITION PROJECT
BENEFITS**

This Informal Report is submitted in response to a request at the June 18, 2019, Council work session for information on the benefits of the Arlington Heights voluntary acquisition flood mitigation project. Full background information on this project can be found in the June 26, 2018, Informal Report No. 10168.

The primary benefits of this project are flood damages avoided and the removal of safety concerns associated with residences existing on highly flood prone properties. The ten properties in the 2200 - 2300 blocks of Western and Carleton avenues identified for participation in the voluntary acquisition process are in an area of chronic flood risk. Many reports of home flooding in this area have been received over the years. The estimated flood depths in homes included in the voluntary acquisition process, based on detailed engineering evaluation, are between 1 and 2.5 feet in a 100 year flood event. Additionally, the velocity of flows during flood events can create hazardous conditions. Two of the ten flood prone homes are classified by the Federal Emergency Management Agency (FEMA) as Repetitive Loss or Severe Repetitive Loss structures due to the number, value, and frequency of flood insurance claims made. These two homes are identified by FEMA as high priority structures for acquisition and removal due to their flood insurance claim history.

Structure acquisition and removal would completely eliminate future flood damages and safety concerns for each of the ten properties. FEMA methodology was used to calculate the benefit for acquisition and demolition of the homes undergoing voluntary acquisition. The methodology estimates the cost of future flood damages based on the annual probability of flooding over a 50-year timeframe and the general level of flood damage that could be expected from that degree and frequency of flooding. The analysis estimated the cost of future flood damages for these 10 structures over the next 50 years at over \$6.5 million.

Many of the flood damages experienced on these ten properties do not qualify for flood insurance payouts and those costs are not captured in the standard benefit/cost calculations. In addition to home flooding, vehicle flooding and significant property damage such as washed-out driveways, garage flooding, destroyed fences, and landscape damages have also been documented in this area.

City Council approval for four of the ten properties identified for participation in the voluntary acquisition process was granted on June 18, 2019. The total cost for acquisition plus closing on those four properties was \$1,660,500.00. Each property is also eligible for relocation assistance and moving expenses up to an average of \$45,000 per property. Mayor and Council Communications recommending acquisition of two additional properties, for a total acquisition plus closing cost of \$756,000.00, are on the August 27, 2019 City Council agenda. Recommendations for further acquisition actions involving the remaining 4 properties could be coming in future months.

Questions about this report can be directed to Jennifer Dyke, Sr. Planner, TPW Stormwater Management at 817-392-2714.

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City Manager