

PUBLIC ASSISTANCE BUILDING DEMOLITION¹

Source: The following information is excerpted from the Reference Manual of the Debris Management Course prepared by the Emergency Management Institute, National Emergency Training Center, FEMA, pp. 59-65.

Contents: Information relative to establishing a diversion program for building demolition is contained in Chapter 9, Building Demolition Program.

The information below describes the types of demolition work that are eligible for federal public assistance demolition funding under section 403, Essential Services, of the Stafford Act.

This section allows for the demolition of unsafe structures that pose an immediate threat to life, property, and public health and safety.

Four types: There are four basic types of work that may be eligible for Public Assistance demolition funding under section 403. They are:

SECTION	TOPIC
1	Health and Safety
2	Attractive nuisance
3	Health hazard
4	Buy-out Program

The eligible scope of work varies depending on which of these four types the Damage Survey Report (DSR) classifies the work as. Check the block under Category "A" Debris Clearance - Structural Demolition on the Notice of Interest form if the potential exists for demolition of structures for reasons of health and safety, attractive nuisance, or health hazard.

If the potential demolition is a result of a buy-out program, the buy-out funding agency notifies FEMA Public Assistance.

NOTE: The term "applicant" refers to the **jurisdiction** that is applying for the federal funding.

Process:

1. The applicant (jurisdiction) is contacted by a FEMA representative to schedule a site inspection.

(The DSR inspection team is normally comprised of a FEMA DSR inspector, a State representative, and a representative of the applicant.)
2. The applicant is asked to provide:
 - ◆ list of properties to be inspected (include owner's name, street address, and the Tax or Parcel identification number),
 - ◆ map identifying each property,
 - ◆ local representative to be part of the inspection team, and
 - ◆ insurance information, if available.
3. The DSR inspection team does not enter into any structure at the time of the inspection. All measurements are taken from the exterior of the structures.
4. The FEMA inspector, in agreement with the State inspector and local representative, determines if the structure is 50% or more damaged and makes notation of this determination on the DSR.
5. The DSR includes all the properties identified by the applicant within a specific geographical area, such as a subdivision.
6. If several different geographical areas are identified a separate DSR is written for each area. The DSRs are compiled to be closed out as one project.

NOTE: The costs shown on the DSR(s) are only an

estimate because there may be a number of variables included in a demolition project, such as:

- ◆ asbestos abatement,
- ◆ hazardous materials removal and disposal,
- ◆ hauling distances,
- ◆ landfill tipping fees,
- ◆ third party air monitoring,
- ◆ local code requirements pertaining to demolition practices, etc.

7. The eligible work identified on the DSR may be accomplished by force account with adequate documentation or by contract work.
8. When the DSR(s) contain more than one property, the applicant may choose to break up the demolition work into several demolition packages.

☐ **1: HEALTH AND SAFETY**

Responsibility: The primary responsibility for demolition of unsafe structures lies with the owner. Most insurance policies have a clause that provides payment for demolishing houses damaged beyond repair.

The applicant must certify that:

- ◆ no insurance exists that would pay for the demolition,
- ◆ the owner is not capable of paying for such work, and
- ◆ there is no opportunity to recoup the cost from the owner.

Condemnation: If permission for demolition is not provided, the applicant must follow legal condemnation. The applicant must obtain rights of entry and hold harmless agreements prior to start of the work. The ownership of the property remains in the hands of the original owner.

Checklist: All properties must be reviewed for historic significance, hazardous materials, endangered species, and other appropriate regulations prior to Federal funds being provided for the demolition.

The State emergency management division provides each applicant with a demolition checklist which the applicant must complete and return prior to any actual demolition of the property.

The checklist provides a partial list of items with which the applicant must comply prior to demolition. These items include:

- ◆ verification that the applicant has obtained rights of entry
- ◆ hold harmless agreements, and
- ◆ investigation of insurance coverages and liens.

The applicant will also be provided forms pertaining to requirements for SHPO, hazardous materials, and endangered species. The applicant must sign and return these forms indicating he has read them and understands that it is his responsibility to assure full compliance with all Federal, State and local rules and regulations regarding the information provided on the form.

The applicant must provide a copy of the bid specifications, final property list, and bid results prior to demolition.

Once FEMA approves the demolition of properties identified in the demolition bid, the State emergency management division provides the applicant with written authorization to proceed with the demolition project.

Eligible work is limited to the demolition and removal of structures and other improvements that may represent an immediate threat to public health and safety.

Structures that are in danger of collapse are documented on a DSR and recommended as eligible for demolition.

Other eligible scope of work may include cleaning septic tanks, backfilling basements, capping wells, cleaning up debris, and any other items that may represent an immediate threat to public health and safety.

Public Assistance Building Demolition

Items such as slabs on grade, driveways, fences, structurally sound buildings, etc., are not eligible under the public health and safety category.

At the completion of the project, the State notifies FEMA that the applicant's demolition has been completed. A joint FEMA/State team inspects the applicant's demolition sites to assure full compliance with the scope of work identified in the DSR.

Eligible costs may include any cost incurred by the applicant to complete the scope of work identified on the DSR.

Every property must be reviewed by the State Historic Preservation Office (SHPO) prior to any demolition. Costs associated with the applicant's obtaining SHPO clearance may be eligible for FEMA PA demolition funding.

Each structure must be inspected for hazardous materials prior to actual demolition of the structure. Costs associated with asbestos inspections, asbestos abatement, third party air monitoring, etc., may be eligible for FEMA PA demolition funding.

☐ **2: ATTRACTIVE NUISANCE**

Eligible work:

Eligible work under this category is limited to closing openings around the perimeter of the structure to prevent entrance into the structure and may include fencing where necessary. To secure the structures from access, the FEMA DSR inspector can provide funding for materials (plywood, fencing, etc.) and labor through the DSR process. This finding meets the required need to protect life and safety.

This type of work for securing structures does not apply to properties acquired through an eligible buy-out program. Eligible FEMA public assistance for these properties is for demolition of the structures and other improvements.

☐ **3: HEALTH HAZARD**

Cleaning:

If a building is structurally sound but has not been cleared of household debris, food, and other items that represent a

health hazard, the scope of work on the DSR may include the cost of cleaning and removing such items.

The primary responsibility for this cleanup lies with the owner. The applicant must certify that:

- ◆ no insurance exists that would pay for such work;
- ◆ the owner is not capable of paying for such work, and
- ◆ there is no opportunity to recoup the cost from the owner.

The applicant must obtain rights of entry and hold harmless agreements prior to start of the work.

☐ **4: BUY-OUT PROGRAM**

Purpose: The intent of an eligible buy-out program is to remove structures and other improvements on acquired properties from harm's way, thus eliminating the need for future Federal assistance.

Scope of work: The eligible scope of work for FEMA PA demolition funding under a buy-out program includes demolition and removal of all structures and other improvements on the property acquired.

Eligible properties: Properties that are abandoned as a result of an eligible hazard mitigation program may qualify as actual or potential sources of endangerment to the public.

All structures and other improvements are to be completely removed from the surface of the acquired property in order for the property to be returned to its natural state.

Source of funding: The buy-out funding source for an eligible hazard mitigation program would normally be through FEMA Hazard Mitigation Grant Program section 404 of the Stafford Act or through Community Development Block Grant funding.

Ineligible funding

Funding sources such as urban development funding, private funding, National Flood Insurance Program 1362

Public Assistance Building Demolition

funding, or any other funding used to acquire the properties are not eligible for FEMA PA demolition funding.

Costs:

Eligible costs may include any cost incurred by the applicant to complete the scope of work identified on the DSR(s). Necessary costs of requesting, obtaining, and administering the demolition program are covered by the Subgrantee Administrative Allowance.

Ineligible costs:

Title search costs, closing costs, etc. are not eligible for FEMA PA demolition funding. These are costs associated with the acquisition of the property and are the responsibility of the buy-out funding source. Any costs associated with obtaining SHPO clearance on the properties is not eligible.

Costs associated with removal of contaminated soil, large quantities of hazardous materials, etc., are not eligible costs. These costs are the responsibility of the original owner. Removal of public streets, curbs, gutters, etc., are not eligible.

Seeding is normally not an eligible cost unless seeding is required to prevent erosion on a sloped terrain or there is a local code or regulation that requires seeding of disturbed demolition sites.

Each structure must be inspected for hazardous materials prior to actual demolition of the structure. Costs associated with asbestos inspections, asbestos abatement, third party air monitoring etc., may be eligible for FEMA PA demolition funding.

ENDNOTES

1. Debris Management Course, Reference Manual, Emergency Management Institute, National Emergency Training Center, FEMA, pp.59-65.