

Building Community Support for Flood Mitigation

Austin, Minnesota



QUICK FACTS

Population¹. 24,933
 # of Flood-Related Disaster². 9
 % of City Properties at Risk³. 9%
 Avg. Cost of Flood Insurance Per Household⁴. . . . \$931
 FEMA Community Rating System Score (2019)⁵. . . . 5



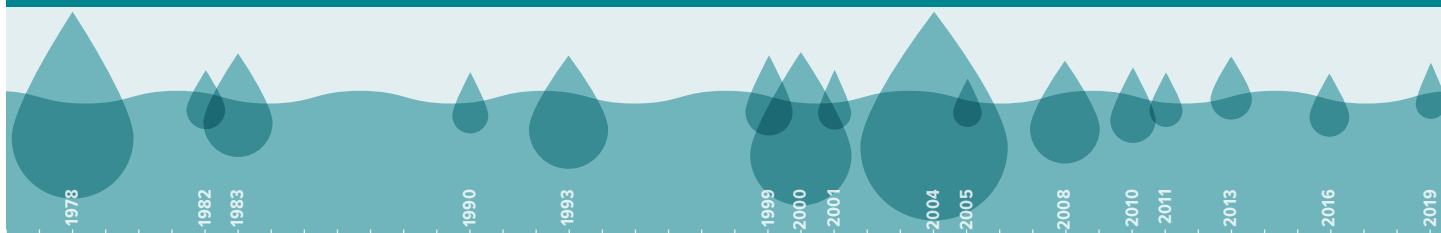
CHALLENGES

Flash flooding in Austin's watershed threatened the city's downtown district and the manufacturing plant of a major employer. Community members supported mitigation efforts, but they also wanted to retain their community's connection with the river.



YEARS WITH DAMAGING FLOODS, 1976-2019

Size proportional to National Flood Insurance payments.



LESSONS LEARNED

Proactive community engagement is key.

Community engagement works best when it is responsive to residents' input, goes beyond standard meetings, and includes networking with state and federal partners. Engineers and planners in Austin responded to community concerns about the proposed floodwall by redesigning the project to have removable flood panels to preserve downtown views of the river.

Community members and funders need to understand project benefits.

Austin officials pitched their project by focusing on its economic benefits, such as how it would protect the city's major employers from flooding. They also highlighted new recreational opportunities and trails that strengthen the community's quality of life.

Projects with local revenue sources are more predictable and self-sustaining.

Austin passed a ½-cent, 20-year local option sales tax that city officials use for property buy-outs and as local match funds for state and federal grants. The sales tax demonstrates the community's support for the project and allows the city to implement projects on its own timeline.

Community support is easier to catalyze immediately after a flood.

Austin began planning and implementing its large flood mitigation project following a record-breaking flood in 2004. Community engagement is maintained through ongoing flood education, such as the high-water marker signs that were put up following the 2004 flood.

OVERVIEW

Austin sits at the confluence of the Cedar River, Turtle Creek, and Dobbins Creek and has experienced repeated floodings over the last 50 years. Its most devastating impacts are due to flash flooding from the Cedar River, which runs through its downtown district. During the city’s 2004 record flood, the Cedar River rose 22 feet in 24 hours and crested 10 feet above flood stage.⁶ The flood led to two deaths and caused an estimated \$13.8 million in damages to 400 homes, 60 businesses, and public infrastructure. Austin’s flash flooding is rapid and dangerous, making preemptive mitigation efforts a priority.

In response to the 2004 flood, the city’s leadership and engineers recommended a large mitigation project with a floodwall and earthen berm to protect Austin’s major employers and downtown businesses from future flooding.

The city also wanted to continue its property acquisition program, which was established after significant flooding in 1978, to remove structures from the floodplain.⁷ To date, the city has acquired nearly 275 properties with approximately 50 properties still remaining in the floodplain.⁸

Funding Highlights: Austin North Main Flood Control Project		
Local	State	Federal
½-cent local option sales tax (20-year lifespan): ~\$1.4 million/yr	DNR flood mitigation grant assistance: \$7.5 million	FEMA Hazard Mitigation Grant Program (HMGP): \$5 million

RESPONDING TO COMMUNITY INPUT

To build support for flood mitigation, city leaders met with businesses, the chamber of commerce, the parks department, and other stakeholders to understand community needs and priorities. During the meetings, residents voiced concerns that the proposed floodwall would block views, destroying the city’s close association with its downtown river.

City officials and engineers listened to community members and, importantly, acted on their feedback. They modified their plans and proposed an innovative solution to raise the road and build a floodwall with removable panels. When the river floods, the panels are put into place. When the river drops, the panels are removed and the views of the river are preserved. Additionally, the city added amenities to the project, including a system of trails, to increase the city’s recreation opportunities and enhance aesthetics. These additional benefits helped strengthen community support for the project.

Building Support for Funding

As city leaders modified their plans in response to community feedback, they were also building support to pass a local options sales tax to fund the project. Some businesses opposed the tax, and city officials worked hard to emphasize the economic benefits of the mitigation project. They noted that when Austin floods, major employers are forced to temporarily stop operations, damaging the region’s economy. They also highlighted the money that homeowners would save due to lower flood insurance premiums.

In 2007, residents voted to pass a 20-year ½-cent local option sales tax.⁹ The tax generates approximately \$1.4 million annually for flood mitigation projects. This local source of funding has been critical in helping to secure additional grants from state and federal programs. The city has also used the sales tax revenues to acquire additional properties located within the flood plain. As former Austin City Council Representative Roger Boughton was quoted in the Austin Daily Herald, “Taxes do make a difference.”



Leveraging private philanthropy

Austin is home to the Hormel Foods Corporation headquarters, a Hormel factory, and the SPAM Museum that pays homage to Hormel’s most famous product. In addition to being the city’s largest employer, Hormel is an important source of capital for local organizations and community projects. To date, the Hormel Foundation has donated \$3.2 million to the Cedar River Watershed District’s flood mitigation efforts.

Philanthropic grants can be an important funding source, though they are often overlooked. Communities interested in leveraging local philanthropic grants can collaborate with economic development offices to identify major employers and other potential donors in their region.

Engaging with Regional Partners & Accessing Private Funding Sources

Austin's commitment to mitigation extends beyond the city to the Cedar River Watershed District, which Austin city officials were instrumental in creating. The goal of the watershed district is to reduce the peak flood flow from the Cedar River by 20% during heavy rain events by changing land use and agriculture practices upstream from Austin and building capital improvement projects. Although these projects have been completed largely independently from the city of Austin, the District has increased the region's flood mitigation capacity with positive benefits for the city.

The Cedar River Watershed District has benefited from a partnership with the Hormel Foundation. To date, the Watershed District has completed 14 projects with \$3.2 million in funding from The Hormel Foundation and another \$3.4 million from state grants and its own budget.¹⁰

City leaders have also extended their outreach to state and federal partners, leading to greater access to funding resources. When interviewed, state officials were familiar with Austin's successes and praised the city for its staff and public education.

Developing strong relationships with stakeholders—both with groups that are affected by mitigation and groups that can affect mitigation outcomes—is critical to project success. Project teams are strongest when led by local and regional organizers who are responsive to local needs and supported by state, regional, and federal networks.

Maintaining Community Support

Austin's lower insurance premiums, demonstrated successes, and risk awareness programs have secured long-term support from residents, who continue to have a positive relationship with flood control efforts.

Maintaining interest and support for mitigation projects is challenging. Immediately following a flood, community members are often catalyzed to implement projects. However, as time passes, interest can wane. This so-called "flood amnesia" can inhibit progress if residents begin prioritizing other community projects. One of the ways Austin



Austin installed flood markers throughout town that remind residents of the city's flood risk. Photo: Trey Myers

preserves risk awareness among its residents is with flood markers that illustrate how high the 2004 flood waters reached. These signs serve as constant reminders of the city's flood risk and the need for preemptive flood mitigation and management.

Lower flood insurance premiums can also serve as a tangible reminder to residents about the importance of mitigation. The National Flood Insurance Program (NFIP) offers communities reduced insurance rates in exchange for flood mitigation through the Community Rating System (the best score is a 1 and

the worst is a 10).¹¹ The mitigation projects Austin pursued reduced their NFIP Community Rating System score to a 5, which decreases insurance premiums by 25% for homes in special flood hazard areas and 10% for all other homes. Austin's rating is noteworthy. Only 7% of communities that participate in the NFIP also participate in the Community Rating System, and of these, less than 10% have scores of 5 or lower.

Austin's commitment to community engagement has resulted in a project that successfully mitigates flood risk and meets the community's needs for recreation, aesthetics, and a continuing relationship with the river.



Public Works employees install the removable panels to Austin's flood wall to prepare for high waters.

Invisible flood wall preserves river views

Austin constructed an innovative "invisible flood wall" that permanently protects the downtown area from flooding at the level of the 2004 flood. The floodwall's unique design has removable panels that can be attached during severe floods to provide an additional three feet of protection. After a flood, the panels are removed so residents can continue to enjoy views of the Cedar River from downtown.

LEARN MORE ABOUT AUSTIN'S FLOOD MITIGATION EFFORTS

City of Austin's Flood Mitigation Program

<http://www.ci.austin.mn.us/public-works/flood-mitigation-program>

FEMA Lost Avoidance Study for Austin, Minnesota, October 2013

<http://www.ci.austin.mn.us/Engineering/PDF/Final2013.pdf>

Austin, MN: Community uses local sales tax to help fund flood mitigation

<https://floodconomics.com/communities/austin-mn>

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THIS REPORT IS PART OF A SERIES

This case study is part of a series entitled *Building for the Future: Five Midwestern Communities Reduce Flood Risk*.

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Photo: Trey Myers

Local sources of revenues empower the community

A local option sales tax is one strategy communities can use to generate local funding for mitigation projects. Austin's local option sales tax has allowed them to pursue mitigation projects like property buy-outs on the city's own timeline. They've also used the tax's revenues to meet state and federal grant requirements for local funding matches.

Local option sales taxes are designed to finance specific projects in communities, including flood mitigation as well as transportation and community revitalization programs. In Minnesota, local governments are generally prohibited from adding local sales taxes to state sales tax, but the state legislature may approve local taxes like Austin's in special circumstances. States have different policies regulating local sales taxes. It is important for project managers to understand their state's fiscal policies and also network with state program officers.