



## Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #558

### Town of Silver Cliff Public Safety Building (Military Affairs)

[LFB 2023-25 Budget Summary: Page 419, #16]

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#### CURRENT LAW

Under the state disaster assistance program, the Department of Military Affairs (DMA) may make payments from the state disaster assistance appropriation account to local governmental units for the damages and costs incurred as the result of a disaster if federal funding is not available because: (a) the Governor's request that the President declare the disaster a major disaster under the federal definition has been denied; or (b) the Department determines the disaster does not meet the statewide or countywide per capita impact indicators under the public assistance program issued by the federal emergency management agency (FEMA). The entity receiving the grant is required to pay for 30 percent of the amount of damages and costs resulting from the disaster. Base funding for the program is \$1,422,400.

#### DISCUSSION POINTS

1. In June, 2022, the Town of Silver Cliff in Marinette County experienced damage from a tornado, which destroyed its public safety building (among other property). According to a media account, the public safety building housed the fire department and rescue squad. The same account indicated, however, that the town faced a \$1 million to \$1.5 million deficit in funding for the rebuild, partly because the town was under-insured.

2. The Town of Silver Cliff hired an engineering firm to design the new public safety building, resulting in a \$3 million cost estimate for the rebuild. The town currently has \$1 million to support the rebuild from insurance and private donations and is in the process of applying for a federal Community Development Block Grant for public facilities (PF), which it will submit when the grant period opens in May, 2023. The town plans to seek \$1 million in grant funding, the maximum grant amount under the state's CDBG-PF program. According to the Administration, award announcements

will be made no later than July 21, 2023. If the town were awarded the grant, it would still face a funding gap of \$1 million to rebuild the public safety building.

3. According to DMA, the tornado event did not meet the statewide and countywide per capita impact indicators under the public assistance program issued by FEMA, and therefore did not meet the FEMA eligibility requirements to request a federal disaster declaration. The Town of Silver Cliff was eligible for consideration under the state disaster assistance program and received \$36,600 for eligible costs. However, among other items, administrative rules specify that the following do not qualify for reimbursement: (a) damage to buildings and equipment; (b) costs for which payment has been, or will be, received from any other funding source; and (c) disaster-related costs which should be covered and compensated by insurance. Allowable uses of state disaster assistance include: (a) debris removal; (b) emergency protective measures; and (c) public road and bridge repairs.

4. Assembly Bill 43/Senate Bill 70 would provide \$1,000,000 GPR in 2023-24 through DMA's state disaster assistance program, and exempt the town from meeting the program requirements. Given the Town of Silver Cliff's need for additional funding to rebuild its public safety building, the Committee could choose specify that the current law requirements to receive disaster assistance would not apply to the payment to the Town of Silver Cliff and provide one-time funding of \$1,000,000 GPR in 2023-24. [Alternative 1]

5. On the other hand, the Committee could take no action as the town does not qualify for state disaster assistance. [Alternative 2] As a result, the Town would be required to seek other funding options for the rebuild of its public safety building.

## ALTERNATIVES

1. Provide \$1,000,000 in 2023-24 to the Department's GPR appropriation for state disaster assistance for the Town of Silver Cliff. Exempt the Town from meeting program requirements in order to receive the grant.

ALT 1	Change to Base
GPR	\$1,000,000

2. Take no action.

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