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FEMA Denies Public Assistance Benefits for Lakewood, Lake Delhi

DES MOINES – Iowa Homeland Security and Emergency Management was notified today by the Federal Emergency Management Agency (FEMA) that the appeals filed last October by the Combined Lake Delhi Recreational Facility and Water Quality District in Delaware County and the Lakewood Benefited Recreational Lake District in Warren County have both been denied. Lakewood applied for Public Assistance funding from the federal government for damages sustained in the floods of 2008; Lake Delhi applied for Public Assistance after both the floods of 2008 and also after the earthen dam at the lake broke in July 2010.

Lakewood submitted its initial request in July 2008. FEMA had initially approved this request, and had already promised to pay or “obligated” \$9.2 million in federal funding to the district and its residents. In August of last year, however, FEMA reversed this decision and declared the district ineligible, saying Lakewood was not a critical private non-profit association, and did not qualify as an eligible private non-profit applicant under the Robert T. Stafford Disaster Relief and Emergency Assistance Act because the association did not provide any “essential governmental type services to the general public.” At that same time, FEMA also requested reimbursement for the monies it had already paid to Lakewood – or \$290,716.37.

Lakewood filed an appeal to the reversal decision by FEMA on Oct. 4, 2010.

On July 24, 2010, the Lake Delhi earthen dam failed and sent water surging downstream, just two years after the area suffered major damage from the same 2008 disaster that affected Lakewood. In August, Lake Delhi submitted its request for Public Assistance funding. That initial request was denied; FEMA cited the same reason for the denial as it had for Lakewood. At that time it also said that the nearly \$7.8 million funds that had been applied for and obligated in 2008 to the Combined Lake Delhi Recreational Facility and Water District had been obligated in error, and that Lake Delhi needed to reimburse FEMA for monies it had dispersed for that disaster – a total of nearly \$3.6 million.

Lake Delhi filed its appeal on Oct. 28, 2010.

“It is regrettable that FEMA has denied the appeals for these two districts,” said J. Derek Hill, administrator of the Iowa Homeland Security and Emergency Management Division. “We will assist the districts in their efforts as they now appeal the decision to FEMA headquarters in Washington, D.C.”

Both Lakewood and Lake Delhi now have 60 days to appeal the decision to FEMA headquarters.

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