



Mallard Lakes Discussion with Mr. Hudson, Mr. Lawson, Ms. Hicks

May 20, 2025

Sussex County Loss of NFIP

"Of all the flood damage that I'm aware of from Hurricane Sandy to buildings, these buildings were the most heavily damaged," said Michael S. Powell of the Department of Natural Resources and Environmental Control's Shoreline & Waterway Management Section. *The News Journal, June 2014*

This time, though, FEMA revoked the buildings' grandfathered status – demanding that buildings be raised an additional four feet, or the county as a whole could lose the chance to participate in the National Flood Insurance Program. That would put thousands of homes' flood insurance policies on the chopping block. *The News Journal, October 2014*

"In order for Sussex County to remain eligible under the NFIP, the county is required to have the buildings brought into compliance," county Housing Director Brad Whaley wrote in a memo to County Council. *The News Journal, June 2014*

**This Affects
More than 1
Community**

Sussex County Post-Sandy Support

In June, County Council voted to seek a federal grant administered by FEMA that can help “repetitive loss” properties with up to 90 percent of construction costs. *The News Journal, October 2014*

State and county officials made the case Tuesday that Mallard Lakes was battered especially hard by Sandy. *The News Journal, June 2014*

In 2016, a Federal Interest Determination conducted by the US Army Corps of Engineers (USACE) determined that ML was eligible to receive a 50% federal cost-share grant to perform an engineering feasibility study under their Continuation Authority Program #205. Sussex County initially agreed to contribute the remaining 50%, but subsequently declined to participate, making ML ineligible for this program. (Source: Jason Miller, USACE)

Unincorporated Land Areas such as **Mallard Lakes**, an unincorporated area of the county, have expressed a concern via public comment regarding the repair of the flooding of 4 units within the development boundaries.

There is evidence of flooding and substantial impact from events such as Hurricane Sandy. However, efforts to secure Hazard mitigation assistance previously have not been successful. It is recommended that the County work with the Homeowners Association in securing funding to conduct a study of the repetitive flooding concerns and what measures can be taken by the homeowner's association to mitigate potential harm. This potential mitigation action is included within the Sussex County Mitigation Strategy section of the plan update.

Sussex County HMP Jurisdictional Mitigation Assessment, Unincorporated Land, July, 2022

Project Description	Hazard(s) Addressed	Adopted	Priority	Timeline	Status	Estimated Cost	Potential Funding Source
Potential / New Mitigation Actions for Consideration							
Support additional Flood Management Study and/or Potential Elevations in the Mallard Lakes area.	Flooding (Riverine and Coastal)	No	High	Short term	Pending grant funding	\$2M	FMA, HMGP, PDM

Sussex County HMP Jurisdictional Mitigation Assessment, July, 2022

- There was flooding in an area of the property in 2016, we visited the property, and we did an assessment of the damages. FEMA has also assessed it, and there were building damage assessments done. The county has looked at it, and we even met with the residents there and had a public meeting. The comments were addressed both at the

Sussex County HMP Public Meeting #1 Documentation, May 2022

What Has Changed & Why?

Federal Funding Options

Civilian Federal Grants have been eliminated or are on-pause. However, existing USACE appropriated funding is still available and the scope is most compatible with Mallard Lakes' needs.

Continuing Authority Program (CAP)

#205 Program

- Flood Damage Reduction (Continuing Authority Program #205) included a review of flooding around Little Assawoman Bay.
- Mallard Lakes has already been proven eligible & Federal appropriated funding authorized; USACE will explore specific dollar availability when the Non-Federal partner signs their letter of intent.
- Cost of a feasibility study and mitigations is difficult to estimate without an actual site assessment; non-federal partner's share is \$250 to \$500K.
- Non-federal government partners must match 50 percent cost share for feasibility study; 35 percent cost share for construction projects (two different agreements)
- DNREC drainage has set aside ~\$200K for Mallard Lakes Drainage Improvements; which could supplement study costs
- Full funding not required upfront; would be phased over time; feasibility study alone could take a couple of years.

Delaware Inland Bay Study

- Partnership between Delaware & USACE. Study area will encompass much of Sussex County around the Delaware Bay.
- It began prior to 2023, but was paused in 2024 due to lack of funding. Began again in May 2024, and scoping is in its infancy.
- Scoping, assessments, approvals, and project appropriations will take several years and, there is uncertainty whether this type of funding will remain a priority of the current presidential administration.
- Cost share would be 90 percent federal and 10 percent non-federal.

Recommendation

Pursue CAP #205 Funding for Mallard Lakes to mitigate the potential loss of NFIP for the entire county, and pursue the Inland Bay Study for broader Sussex County flooding issues

Summary:

- Mallard Lakes flooding issues are complex; a civil engineering feasibility study will identify **specific** actions needed to reduce flood risk
- Sussex County has acknowledged that Mallard Lakes is a high priority flood risk
- FEMA has threatened NFIP loss on at least one occasion
- Losing the County's NFIP program would be severely damaging to its property tax revenue and tourism.
- There is no guarantee that the Inland Bay study will materialize. If it does, it would be a good option to fund broader Sussex County flooding concerns.
- Private entities cannot be non-Federal partners with USACE
- DNREC Drainage has indicated they would be amenable to supplement a study with the RC&D funding projected to improve Mallard Lakes drainage.
- CAP #205 funding contains two parts – feasibility study and projects
 - The non-federal study partner does not have to be the construction project non-federal partner (just have to express “commitment” to find non-federal project partner).
 - After the study, more funding options may be available.