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Chairman Barrasso, Ranking Member Carper, Senator Ernst and members of the Committee, thank you for the opportunity to testify today.

In June 2008, the Cedar River in Cedar Rapids, Iowa crested more than 11 feet above any previous floods at 31 feet. The flood waters covered 10 square miles—14 percent of our city. 6865 residential properties, 754 commercial and industrial properties and 310 City facilities were damaged totaling more than \$5.4 Billion in losses. This flood devastated our residents, businesses and entire community.

The 2008 Flood was catastrophic, but our recovery has been impressive by any standard. We have rebuilt our city facilities, including our City Hall, Central Fire Station, Police Station, Library, and many others. We adopted a flood mitigation plan, raised two bridges, and have also not only rebuilt, but took measures to protect our damaged water system, pumps and waste water facilities. These services are critical to supporting industry in Cedar Rapids. In 2016 we began construction of a levee and pump station that will provide immediate protection for one of our low lying districts, eliminating the need for temporary protection up to a 20 foot crest. When the entire system is completed this levee will protect to the 2008 flood volume. A second pump station is underway and will be completed in 2018. These combined efforts represent a 20 million dollar investment in permanent flood control.

The rebuilding of many city facilities and our plan for permanent flood protection has increased confidence from the business sector. But any financial investment made in the flood impacted area carries a higher risk due to the lack of permanent flood control. This could discourage or limit the amount of future investment in our City. Continued success will depend on us maintaining our momentum and avoiding losses from future flood events. Federal funding for flood mitigation is critical to maintain and grow the economy of Cedar Rapids.

The current Benefit Cost Ratio used to appropriate funding puts Cedar Rapids—and mid-west cities like us— at an extreme disadvantage. The BCR Risk formula favors higher valued properties outside of the mid-west. We believe the BCR should consider adjusting for property values of similar structures to account for this discrepancy.

Just this past September, our community once again faced a record high flood event. During that flood fight, the City spent over \$10 million on temporary flood protection measures.

Our business community reported a loss of over \$27 million. This didn't include costs from some of our largest employers. We provided you with a copy of this report, which clearly outlines the enormous impact these flood events have on our business community.

If a flood happens in Cedar Rapids again, will our businesses be able to recover? The BCR formula should take into account a community's tolerance for such an event. Cedar Rapids is the second largest economic generator in Iowa, making our recovery critical not only for the City's survival but also for the State of Iowa. Quaker Oats, one of the largest food suppliers in our country is located in Cedar Rapids right near the river within our flood zone. If they flood again, we stand to lose this large industry, not just from the State of Iowa, but potentially from the country.

Despite experiencing the two largest recorded flood events in our City's history within just eight years, this recent flood did not increase our Benefit Cost Ratio by any meaningful amount. FEMA provided \$643 million in disaster recovery aid to our community for the 2008 flood, and will likely provide millions more for our 2016 flooding. How many more times will we have to receive millions in recovery aid before we finally receive funding for permanent protection that will eliminate the need for recovery funding?

Cedar Rapids has not been sitting back waiting for federal help. We have secured State and local funding, and have begun moving forward to protect our city. We are asking the Federal Government to step in and provide the remaining \$78 million needed to build a complete flood mitigation system to protect the City of Cedar Rapids.

Thank you.

# Cedar Rapids Industry Impact Fact Sheet

- Breakfast cereal manufacturers in Cedar Rapids, Iowa produce **13%** of total U.S. output.<sup>1</sup>
- Wet corn milling in Cedar Rapids, Iowa accounts for **8%** of U.S. domestic ethanol production.<sup>2</sup>
- Cedar Rapids based industry produces almost **6%** of U.S. manufactured search, detection, and navigation instruments.<sup>3</sup>
- The amount of packaging machinery manufactured in Cedar Rapids accounts for **1.5%** U.S. production totals annually.<sup>4</sup>
- Industry based in Cedar Rapids manufactures **1%** of US copper rolling, drawing, extruding and alloy related products in the United States.<sup>5</sup>
- The quantity of corn processed each year in Cedar Rapids exceeds the size of the domestic corn crop of Canada, the Republic of South Africa, or the Russian Federation.<sup>6</sup>
- In 2014, the amount of ethanol produced in Cedar Rapids, Iowa was greater than the total quantity manufactured in Canada or the People's Republic of China.<sup>7</sup>
- Worker productivity per employee in Cedar Rapids is **29%** higher than the United States national average.<sup>8</sup>
- Industry in Cedar Rapids, Iowa processes as much as **19%** of the global oat crop in value added manufacturing per year.<sup>9</sup>
- Cedar Rapids maintains the highest ranking in Human Capital and Knowledge Creation of any metropolitan area in Iowa.<sup>10</sup>
- Ethanol production in Cedar Rapids yields a quantity of Distillers Dry Grains (DDGs) equal to about 20% of annual U.S. exports.<sup>11</sup>

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<sup>1</sup> Cedar Rapids Economic Development Services (September, 2016). *Linn County, Iowa Industrial Output as Percent Share of Total United States Industrial Production*.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Cedar Rapids Economic Development Services. (December, 2016). *USDA Foreign Agricultural Service: Corn Production Statistics*. [Retrieved online](#).

<sup>7</sup> Cedar Rapids Economic Development Services. (December, 2016). *US Department of Energy, Alternative Fuels Data Center: World Fuel Ethanol Production by Country or Region 2015*. [Retrieved online](#).

<sup>8</sup> Cedar Rapids Economic Development Services. (July, 2016). *Workforce Productivity Analysis*.

<sup>9</sup> Cedar Rapids Economic Development Services, (December, 2016).

<sup>10</sup> Economic Development Administration. (December, 2016). *Innovation Index 2.0*. Retrieved online.

<sup>11</sup> Cedar Rapids Economic Development Services (December, 2016). *US Grains Council Website*. [Retrieved online](#).