

Navigating The National Flood Insurance Program

WHAT IS A FLOODPLAIN?

To find out your flood risk, visit www.floodsmart.gov

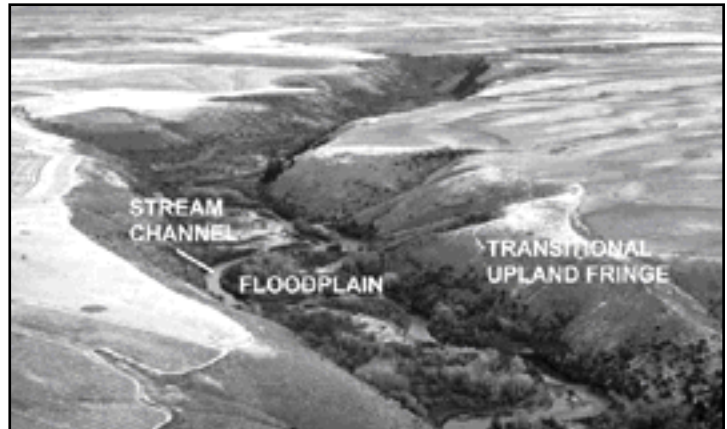
Everyone lives in a flood zone. Any piece of land, no matter how far it is from a waterway, is at risk for flooding.

A stream, creek, or river usually consists of three elements: a stream channel, a floodplain, and upland fringe.

The *channel* is the area of the stream where water flows under normal conditions.

The *floodplain* is an area of land adjacent to the stream and lower than the adjacent upland fringe. It is frequently covered with water when a stream overflows its banks due to heavy rains, storm-water runoff, snow melt, or other occurrences.

The *upland fringe* area is a transitional zone between the floodplain and the sur-



Source: STREAM CORRIDOR RESTORATION: PRINCIPLES, PROCESSES, AND PRACTICES; THE FEDERAL INTERAGENCY STREAM RESTORATION WORKING GROUP

The three major components of a stream corridor.

rounding land.

All three of these areas vary in size from stream to stream, depending on many factors, including the size of the waterbody. For example, the Mississippi River has a much larger floodplain than Fly Creek in Baldwin County,

Alabama. Also, these zones depend on where the stream is geographically.

A mountain stream has a narrower channel than a delta.

The most important thing to remember is that a structure built in a floodplain has a high likelihood of being flooded.

The Federal Emergency Management Agency (FEMA) offers an online tool to determine the general level of flood risk (low, moderate, or high) of a property.

Visit <http://www.floodsmart.gov>, click on "What's Your Flood Risk?"

MASGP-07-005

This publication was supported by the National Sea Grant College Program of the U.S. Department of Commerce's National Oceanic and Atmospheric Administration under NOAA Grant NA06OAR4170078, the Mississippi-Alabama Sea Grant Consortium and Auburn University Marine Extension and Research Center. Some information in this document has been provided by the South Alabama Regional Planning Commission. The views expressed herein do not necessarily reflect the views of any of the above organizations.



You should determine whether you need flood insurance coverage regardless of the proximity of your home or business to a flood-prone area. Flood insurance policies are inexpensive and can save you thousands of dollars in the event of Katrina-like storms.

www.masgc.org

National Flood Insurance Program Zones

Zones B, C, and X. (Low to Moderate risk)

Areas with less than a 1% chance of flooding each year; areas that have less than a 1% chance of sheet flow flooding with an average depth of less than 1 foot; areas that have less than a 1% chance of stream flooding where the contributing drainage area is less than 1 square mile; or areas protected from floods by levees.

Zones A, AE and A1-A30. (High risk)

Areas with a 1% annual chance of flooding and a 26% chance of flooding over the life of a 30-year mortgage.

Zone AH. (High risk)

Areas with a 1% annual chance of shallow flooding, usually in the form of a pond, with an average depth ranging from 1 to 3 feet. These areas have a 26% chance of flooding over the life of a 30-year mortgage.

Zone AO. (High risk)

River or stream flood hazard areas, and areas with a 1% or greater chance of shallow flooding each year, usually in the form of sheet flow, with an average depth ranging from 1 to 3 feet. These areas have a 26% chance of flooding over the life of a 30-year mortgage.

Zone AR. (High risk)

Areas with a temporarily increased flood risk due to the building or restoration of a flood control system (such as a levee or dam).

Zone A99. (High risk)

Areas with a 1% annual chance of flooding that will be protected by a Federal flood control system where construction has reached specified legal requirements.

Zones V, VE, & V 1-30. (High risk)

Coastal areas with a 1% or greater chance of flooding and an additional hazard associated with storm waves. These areas have a 26% chance of flooding over the life of a 30-year mortgage.

(Source: <http://www.floodsmart.gov>)

NATIONAL FLOOD INSURANCE PROGRAM

Created in 1968, the National Flood Insurance Program provides flood insurance to U.S. taxpayers and reduces future flood damage through floodplain management. Floodplain management can include floodplain ordinances, building and zoning requirements, and other corrective and preventative measures that reduce the risk of future flood damage in a community.

The program is funded through insurance premiums. After a natural disaster, the NFIP may borrow funds from the U.S. Treasury, and the debt is repaid within three to five years.

Areas that lie within the floodplain are at particularly high risk for flooding and are designated as Special Flood Hazard Areas. Homeowners in a Special Flood Hazard Area or a high risk area may be required by their mortgage lender to have flood insurance. The purchase of flood insurance is also mandatory for properties located in coastal areas designated as Zone V, Zone VE, and Zone V1-30. You can find out your zone by looking at the Flood Insurance Rate Map (FIRM) for your area.

A community's participation in the NFIP is voluntary. If your community does not participate, you are not eligible to purchase federal flood insurance. You can check participating communities by visiting <http://www.fema.gov/fema/csb.shtm>.

In order to remain in good standing in the NFIP, a community must adopt and enforce a flood damage prevention ordinance.

Generally, emphasis of an ordinance is limited to activities in Special Flood Hazard Areas, considered the regulatory floodplain.

Contact your local Floodplain Manager or Building Official for more information on the requirements for and before any construction in a Special Flood Hazard Area.

Special Hazard Flood Area: An area within the floodplain that is at a high risk for flooding.

FLOOD INSURANCE COVERAGE

Flood insurance through NFIP covers loss of property caused by flood damage. NFIP also covers flood debris cleanup costs and floor surfaces (replacement of carpeting, etc.).

It does not cover water damage resulting from wind damage, such as water damage caused after roof damage from winds (see “Items Covered by Flood Insurance”).

Supplemental coverage is also available that covers loss of personal property/contents to a specified limit.

Residential 1- to 4-family unit dwellings and residential buildings containing more than four units are eligible for up to \$250,000 in

building coverage and \$100,000 in personal property insurance coverage.

Non-residential buildings (schools, churches, businesses, etc.) are eligible for up to \$500,000 in building coverage and \$500,000 in personal property coverage.

Building coverage and personal property coverage policies have separate deductibles.

For structures located in low to moderate flood risk zones, the Preferred Risk Policy is also available, but some exclusions apply. Coverage for the Preferred Risk Policy is as follows:

Homeowners: a minimum of \$20,000

| Items Covered by Flood Insurance | |
|---|------------------|
| Covered | Not covered |
| The insured building | Vehicles |
| Built-in appliances and central air | Decks and plants |
| Permanently installed paneling, wallpaper, cabinets and carpets | Land and fences |
| Limited coverage for basements | Animals |
| Debris removal | Currency |
| Contents, if contents coverage has been purchased | Boats |
| Garage | Swimming pools |

building and \$8,000 contents coverage for \$112 per year (\$25 more if there is a basement).

Renters: \$8,000 contents coverage for as little as \$39 per year.

Business owners: \$50,000 building and \$50,000 contents cover-

age (per building) for \$500 per year.

Business owners who lease their space: \$50,000 contents coverage for \$112 per year.

About 25 percent of paid NFIP claims are for policies in the low or moderate risk zones.

COASTAL BARRIER RESOURCES ACT

The Coastal Barrier Resources Act (CRBA) of 1982 restricted development in important coastal barriers which protect inland areas from flooding and provide coastal habitat.

These areas included ocean-front land, the Great Lakes, barrier islands, and other coastal habitats.

Developments within a CRBA area are only eligible to participate in the NFIP if structures were built prior to 1982; otherwise, private flood insurance may be obtained.

PURCHASING FLOOD INSURANCE

To purchase flood insurance, contact your homeowners insurance agent. If he or she is unfamiliar with the program, you may find agents in your area at <http://www.floodsmart.gov/floodsmart/pages/agentsearch/searchform.jsp>.

Depending on the location and age of the structure, a Certificate of Elevation may be required to purchase flood

insurance.

A Certificate of Elevation is required if the structure was built after Dec. 31, 1974, or is in high risk flood zones (zones starting with the letters A or V).

Contact a licensed land surveyor to have a certificate completed.

Renters are eligible to purchase coverage to cover the contents of their residence in the event of a flood.

FLOOD INSURANCE RATE MAPS (FIRMS)

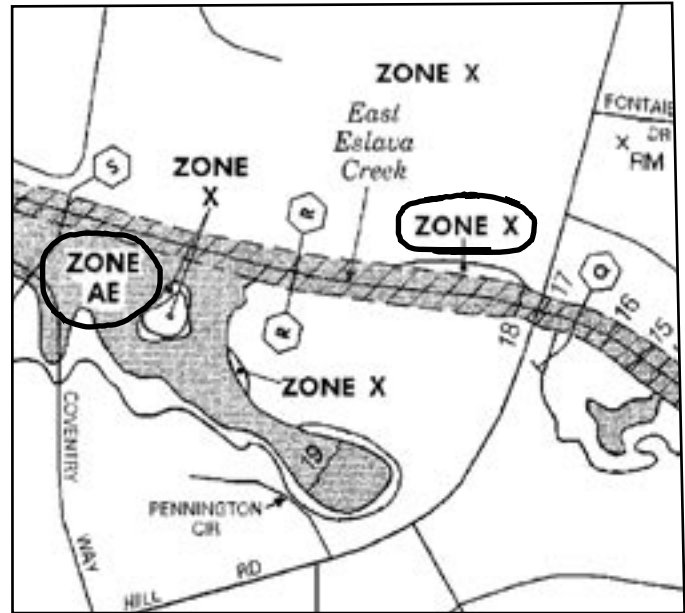
To determine an area's flood risk, FEMA conducts a Flood Insurance Study (FIS) of the area. Data collected includes river flow, storm tides, rainfall, topography (land elevations), and hydrologic and hydraulic analysis.

This data is analyzed for flood risk and flood zones are delineated on maps, known as Flood Insurance Rate Maps (FIRM).

FIRMs are used for floodplain management and insurance purposes.

A FIRM shows a community's base flood elevations, flood zones, and floodplain boundaries. Due to changes in the community or the watershed, FIRMs are periodically updated (see "Why Flood Maps Change"). Only the most recently updated map for a community is in effect.

Anyone can view and/



A sample Flood Insurance Rate Map illustrates Zones X and AE (circled).

or purchase FIRMs on the FEMA Map Services Center Web page (<http://www.fema.gov/business/nfip/mscjumpage.shtm>).

When reading a FIRM, keep in mind that Special Flood Hazard Areas and high risk zones (zones starting with the letters A or V) are darkly shaded on the map, while low to mod-

erate risk zones (starting with the letters B, C, and X) are lightly shaded or not shaded at all.

The above FIRM illustrates this shading.

Zone AE is shaded and labeled while Zone X has both light shading and no shading. Zone X also is labeled.

These labels have been circled on the FIRM for illustration.

A FIRM shows a community's base elevations, flood zones and floodplain boundaries.

Flood maps can change because of development.

WHY FLOOD MAPS CHANGE

People discussing flood insurance frequently say, "This area has never flooded before. Why should I worry now?"

However, changes in a watershed can influence flooding potential and flood zone designations.

Increased amounts of impervious surfaces (such as parking lots, roads, and buildings) allow less water to be absorbed into the soil. The surfaces help create more stormwater runoff that can cause more downstream flooding.

Because of development, flood zones can change.