



Flood Insurance Repetitive Loss Property

When our system of canals, ditches and culverts was built over 20 years ago, it could handle all but the largest tropical storms and hurricanes; since then, urban development within Miami-Dade County has increased, thus also increasing the amount of stormwater runoff. Now, heavy rains overload the system more often, resulting in more frequent floods in your area with an average heavy event every 3 to 4 years.

The Town of Cutler Bay is working diligently to improve the flood protection levels of service through our Capital Improvement Program funded by the Town's Stormwater Utility Fund. We are coordinating thru Miami-Dade County with other agencies such as the South Florida Water Management District and the United States Army Corps of Engineers to increase the storage and carrying capacity of floodwaters in the surrounding primary canal system.

What is the purpose of the NFIP and Floodplain Management?

The *National Flood Insurance Program (NFIP)* enables property owners in participating communities to purchase insurance against losses from flooding.

The NFIP is a federally supported program that assists communities and citizens who are devastated by disasters. The majority (76%) of federally declared disasters are flood related, as most Americans live within close proximity to sources of flooding (e.g., rivers, coasts, lakes, etc.).

The role of Floodplain Management is to:

- Assist communities in avoiding potential flood losses
- Plan a course of action for when flooding occurs
- Protect the integrity of floodplains from activities that compromise their natural functions



Where does flooding occur?

Flooding can occur anywhere. Flooding may exist because of poor drainage, or because of a particular location's proximity to an area referred to as a Special Flood Hazard Area (SFHA).

Special Flood Hazard Area (SFHA) are areas delineated through studies or experience that are known or thought to be risk for flooding. SFHAs are the areas delineated on FEMA Flood Maps referred to as Flood Hazard Base Maps (FHBM), and Flood Insurance Rate Maps (FIRMs).

These maps serve several purposes, primarily determining at what rate the premium for a subject property will be charged for Federally-backed-flood insurance. Other uses include helping community officials better provide for the safety of the residents.

SFHA (Special Flood Hazard Area)

An area that has a high risk of flood inundation during the base flood.

FHBMs (Flood Hazard Base Maps)

The FHBM indicates, in general, the SFHAs within a community.

FIRMs (Flood Insurance Rate Maps)

FIRMs allow insurers to determine what rate a property should be charged for flood damage premiums.

Flood Insurance: Property Owners Most Effective Protection

Myths & Facts About the NFIP

Who needs flood insurance? Everyone. And everyone in a participating community of the National Flood Insurance Program (NFIP) can buy flood insurance. Nationwide, almost 20,000 communities have joined the Program. In some instances, people have been told that they cannot buy flood insurance because of where they live. To clear up this and other misconceptions about National Flood Insurance, the NFIP has compiled the following list of common myths about the Program, and the real facts behind them, to give you the full story about this valuable protection.



You can buy National Flood Insurance no matter where you live if your community participates in the NFIP, except in Coastal Barrier Resources System (CBRS) area. The Program was created in 1968 to provide flood insurance to people who live in areas with the greatest risk of flooding, called Special Flood Hazard Areas (SFHAs). In fact, under the National Flood Insurance Act, lenders must require borrowers whose property is located within an SFHA to purchase flood insurance as a condition of receiving a federally regulated mortgage loan. There is an exemption for conventional loans on properties within CBRS areas. Lenders should notify borrowers that their property is located in an SFHA and National Flood Insurance is required. You can purchase flood coverage at any time. There is a 30-day waiting period after you've applied and paid the premium before the policy is effective, with the following exceptions:

- I. If the initial purchase of flood insurance is in connection with the making, increasing, extending or renewing of a loan, there is no waiting period. The coverage becomes effective at the time of the loan, provided application and payment of premium is made at or prior to loan closing.
- II. If the initial purchase of flood insurance is made during the 13-month period following the effective date of a revised flood map for a community, there is a one-day waiting period. This only applies where the Flood Insurance Rate Map (FIRM) is revised to show the building to be in an SFHA when it had not been in an SFHA.

The policy does not cover a "loss in progress." Defined by the NFIP as a loss occurring as of 12:01a.m. on the first day of the policy term. In addition, you cannot increase the amount of insurance coverage you have during a loss in progress.

Maintaining flood insurance policy is one of the most effective ways to protect yourself against the cost of flood damage. As many residents found out in the aftermath of Hurricane Floyd, homeowner policies do not cover damage from rising waters.



But those who do not have flood insurance can take steps now to protect themselves against future flood losses.

Flood insurance backed by federal government is available to any homeowner, renter or business owner whose property is in a community that participates in the National Flood Insurance Program (NFIP). In order to participate, the community must adopt and enforce local floodplain management ordinances designed to reduce the risk of future flood losses.

If you live in such a community, you can purchase flood insurance from any licensed insurance agent or company. Premiums vary according to the flood risk your property is exposed to, the amount of coverage you purchase, the deductible you select and the type of building you are insuring.

Nationwide, the average premium is about \$340 per year for approximately \$98,000 of coverage. On a single-family home, you may purchase flood insurance coverage up to a maximum of \$250,000 on the structure and up to \$100,000 on the contents. If you are a business owner, the maximum is \$500,000 on the building and another \$500,000 on contents. Renters can purchase up to \$100,000 coverage for personal belongings.

Federal disaster assistance is available only if a disaster is so large and widespread it warrants a major disaster declaration from the president. More than 90 percent of disasters are not presidentially declared.

In the majority of floods, victims are on their own – unless they have flood insurance. And even for floods that are declared major disasters, most assistance is in the form of loans that must be repaid, with interest.

Even if your neighborhood is not in floodplain, flood insurance is advisable. Flood occurs almost anywhere. Nearly 25 percent of NFIP claims come from properties considered to be in areas at low or moderate risk.

Here are a few facts about flooding in the U.S.

- There is a 26% chance of experiencing a flood during the life of a 30-year mortgage compared to a 4% chance of fire. (Ref: Federal Insurance Statistics)
- The average annual costs from flood damage in the USA have increased dramatically over the past half-century, from \$1.5 billion in



1950 to \$4 billion today. Between 1995 and 1999 alone, flood damages topped \$40 billion. Sound flood mitigation planning and watershed management are key to preventing loss of life and property caused flooding.

- Every year, flooding causes more than \$2 billion of property damage in the U.S.
- The NFIP awarded over \$601 million in flood claims in 2003.
- Since 1969, the NFIP has paid \$12.7 billion for flood insurance claims and related costs.
- About 4.5 million people currently hold flood insurance policies in more than 20,000 communities across the U.S.

Here are a few facts about flooding in the U.S.

- Since 1969 there have been 34 Presidential Disaster Declarations in Virginia out of these 26 (76%) have involved flooding.
- Since 1978, more than \$370 million has been paid out in Virginia under the National Flood Disclosure Program.

Contact Section

Town of Cutler Bay
Stormwater Utility Department
(305) 234-4262

For insurance questions: call local property insurance agents or brokers or call the NFIP toll-free at 1-800-427-4661. General information may be obtained as follows:

FEMA on the Web – www.fema.gov
NFIP on the Web – www.fema.gov/nfip
www.floodsmart.gov

To order Flood Insurance Rate Maps, Digital Data or other FEMA documents and resources on the web, go to www.msc.fema.gov or contact:

Federal Emergency Management Agency
Map Service Center
P.O. Box 1038
Jessup, Maryland 20794-1038
Phone: (800) 358-9616 Fax: (800) 358-9620



The Town is concerned about your repetitive flooding and would like to suggest some things you can do to help protect and reduce future flood damage(s) to your property:

1. Check with the Town's **Public Works Department – Stormwater Utility (305) 234-4262** or e-mail us at Publicworks@cutlerbay-fl.gov to obtain information on the extent of past flooding in your area. Town Staff can explain the causes of repetitive flooding, what the Town is doing to reduce flooding in your neighborhood, and what would be an appropriate flood protection level. Town staff is available to perform a "Site-Assessment" of your property to discuss flood protection alternatives.
2. Simply contact the **Town's Stormwater Utility Department at (305) 234-4262** to report flooding conditions and request personalized home flood "Site-Assessment" inspection. "Site-Assessment" inspections are conducted before, during, and after heavy rain events by Town's Staff to document flooding and drainage problems. These inspections are used to prioritize the various drainage projects being funded, designed, and constructed.
3. Prepare to handle future flood events by doing the following:
 - Learn about flood safety guidelines included in the attached flood protection brochure.
 - Know how to shut off the electricity & gas to your house when there is risk of flooding.
 - Make a list of emergency numbers & identify a safe place to evacuate.
 - Make a household inventory, including garage contents and take pictures of your personal property.
 - Store insurance policies, valuable papers, medicine, etc. in a safe place and in a waterproof container.
 - Store cameras, raincoats, waterproof boots, etc. in convenient place.
 - Develop a disaster plan - See the Red Cross' website for a copy of the brochure "Your Family Disaster Plan":
http://www.redcross.org/images/pdfs/code/family_disaster_plan.pdf



- Get a copy of *Repairing Your Flooded Home*. Copies of this publication are available at the Miami-Dade Public libraries or it can also be found on the American Red Cross' website, at: http://www.redcross.org/www-files/Documents/pdf/Preparedness/file_cont333_lang0_150.pdf
4. Consider some permanent flood protection measures:
- Mark your fuse or breaker box to show the circuits to the floodable areas. Turning off the power can reduce property damage and save lives.
 - Consider elevating your house above flood levels (where feasible).
 - Check your building for water entry points. These can be doors, windows, crawlspaces, garage doors, utility lines, and dryer vents. These can be protected with low walls, temporary shields, and sandbags.
 - Install a flood drain plug, standpipe, overhead sewer, or sewer backup valve to prevent sewer backup flooding.
 - More information can be found in *Homeowner's Guide to Retrofitting: Six Ways to Protect Your House from Flooding*. Copies are in Miami-Dade County Public Library or at <http://www.fema.gov/rebuild/mat/fema312.shtm> Note that some flood protection measures may need a building permit and others may not be safe for your type of building, so be sure to talk to the Building Department.
5. Get a flood insurance policy:
- Homeowner's insurance policies do not cover damage from floods. The Town of Cutler Bay participates in the National Flood Insurance Program (NFIP), you can purchase a separate flood insurance policy. This insurance is backed by the Federal government and is available to everyone, even properties that have been flooded. In addition, the Town also participates in the Community Rating System (CRS), you will receive a reduction in the insurance premium of **20%**.
 - A flood insurance policy will help pay for repairs after a flood and, in some cases, it will help pay the cost of elevating a substantially damaged building.
 - If your area is not mapped as a Special Flood Hazard Area, in other words you are in Flood Zone "X", you may qualify for a lower-cost Preferred Risk Policy.



- Some people have purchased flood insurance because it was required by the bank when they got a mortgage or home improvement loan. Usually these policies just cover the building's structure and not the contents. If flooding happens in your area, there is usually more damage to the furniture and contents than there is to the structure. Be sure you have contents coverage.
- Don't wait for the next flood to buy insurance protection. In most cases, there is a 30-day waiting period before National Flood Insurance Program Coverage takes effect.
- Contact your insurance agent for more information on rates and coverage.

If you have any questions, please feel free to call the **Town's Stormwater Utility Department** at **(305) 234-4262** or e-mail us at Publicworks@cutlerbay-fl.gov.