

FREQUENTLY ASKED QUESTIONS

What is the National Flood Insurance Program?

The National Flood Insurance Program (NFIP) is administered by the Federal Emergency Management Agency (FEMA), which works closely with nearly 90 private insurance companies to offer flood insurance to property owners and renters. In order to qualify for flood insurance, a community must join the NFIP and agree to enforce sound floodplain management standards. The NFIP, a federal program, offers flood insurance, which can be purchased through property and casualty insurance agents. Rates are set and do not differ from company to company or agent to agent. These rates depend on many factors, which include the date and type of construction of your home, along with your building's level of risk.

What is a Flood Insurance Rate Map (FIRM)?

To identify a community's flood risk, FEMA conducts a Flood Insurance Study. The study includes statistical data for river flow, storm tides, hydrologic/hydraulic analyses, and rainfall and topographic surveys. FEMA uses this data to create the flood hazard maps that outline your community's different flood risk areas. Floodplains and areas subject to coastal storm surge are shown as high-risk areas or Special Flood Hazard Areas (SFHAs). Some parts of floodplains may experience frequent flooding while others are only affected by severe storms. However, areas directly outside of these high-risk areas may also find themselves at considerable risk.

Why are the FIRMs being revised?

Flood risk can, and does, change over time. Flood risks change for many reasons: new development, changes in levee classification, and environmental changes, to name a few. As a result FEMA is updating flood hazard maps across the country. These new flood maps, also, known as Digital Flood Insurance Rate Maps (DFIRMs), show flood risk at a property-by-property level. When new maps are issued, your risk may have changed as well—along with your flood insurance requirements. If your property is mapped out of a high-risk area, your flood insurance costs will likely decrease. If you've been mapped into a high-risk area, you will be required to purchase flood insurance if your mortgage is through a federally regulated or insured lender. But you can save money through a process known as "grandfathering."

What are the significant changes on the new FIRMs for this Community?

On average, the Base Flood Elevation on the Missouri River has increased by two (2) feet. The Base Flood Elevation on the Mississippi River has decreased by one (1) foot. The Boschert Creek levee has been de-certified to the north and west of Boschertown Road. The preliminary FIRM indicates that there are properties in the adjacent area that are now located within the SFHA. In addition to these changes, the floodplains are now delineated on the FIRM over aerial photography and some new topographical data was utilized.

What if I have an effective Letter of Map Change for my property?

Most of the approved Letters of Map Change (LOMC) will be re-validated upon the effective date of the new FIRM. These LOMCs will be revalidated free of charge 1 day after the revised FIRM becomes effective through a single revalidation letter that reaffirms the validity of the previous LOMCs. A list of LOMCs to be revalidated will be available at the Open Houses.

How do Map Changes affect building and construction permits?

The City of St. Charles requires a Floodplain Development permit for any manmade change to improved or unimproved real estate within the SFHA, including but not limited to buildings or other structures, mining, dredging, filling, grading, paving, excavation or drilling operations. All new construction and substantial improvements (Any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50% of the market value of the structure before the "start of construction" of the improvement) for structures in the SFHA must be elevated or floodproofed to an elevation at least one (1) foot above the effective Base Flood Elevation (BFE).

For more information, please visit www.fema.gov or www.floodsmart.gov

How do Map Changes affect flood insurance?

When new flood maps are issued, your flood risk may become higher or lower—which can affect what you pay for flood insurance. However, there is usually a six — to twelve-month period between the time the new “preliminary” maps are issued and the time that they are implemented. This gives you adequate time to protect your property and, possibly, save on flood insurance.

If Maps Show...	These Requirements, Options and Savings Apply
Change from low or moderate flood risk to high risk (flood zone B, C, or X) to zone A, AE, AR, A99, AH or AO)	<p>Flood insurance is mandatory. Flood insurance will be federally required for most mortgage holders. Insurance costs may rise to reflect the true (high) risk.</p> <p>“Grandfathering” can offer savings. The National Flood Insurance Program has “grandfathering” rules to recognize policyholders who built in compliance with the flood map in effect at the time of construction or who maintain continuous coverage. Sometimes, though, using the new flood maps can actually result in a lower premium, especially if the home is high enough above the Base Flood Elevation (BFE).</p>
Change from high flood risk to low or moderate risk (flood zone A, AE, AR, A99, AH, AO to X or shaded X)	<p>Flood insurance is optional but recommended. The risk has only been reduced, not removed. Flood insurance can still be obtained, and at lower rates. About 25 percent of all flood insurance claims come from moderate-to-low-risk areas.</p> <p>Conversion offers savings. An existing policy can be easily converted to a lower-cost Preferred Risk Policy, if the building qualifies. Note that lenders always have the option to require flood insurance in these areas.</p>
Increase in the Base Flood Elevation (BFE)	<p>An increase in BFE can result in higher premiums; however, “grandfathering” can offer savings. The National Flood Insurance Program grandfathering rules allow policyholders who have built in compliance with the flood map in effect at the time of construction to keep the earlier base flood elevation to calculate their insurance rate. This could result in significant savings.</p>
No change in risk level	<p>No change in insurance rates. However, this is a good time to review your coverage and ensure that your building and contents are adequately protected.</p>

What is “Grandfathering”?

If your property changes from low-risk to high-risk, you will likely be required to protect your building and its contents with flood insurance—even if you don’t have a mortgage. Flood insurance rates for high-risk areas are higher, but there are ways to save money with the NFIP Grandfather Rule. You can take advantage of grandfathering by obtaining a policy at least 30 days before the new maps take effect (Early summer 2010). You’ll likely qualify for the NFIP Preferred Risk Policy (PRP), which covers buildings and their contents for as little as \$119 for the first year. On renewal, you will qualify for the standard rates associated with moderate-to-low risk zones, rather than high-risk zones, and this could add up to significant savings. To lock in the lower rate, you must purchase flood insurance before the new maps become effective—otherwise, the property will be rated using the high-risk flood zone on the new map.

Who can appeal the preliminary FIRM data?

Only the participating community can appeal the FIRM data. In this case, the City of St. Charles has 90 days beginning on July 20, 2009 to file any appeals with FEMA.

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