



MAPPING TODAY'S FLOOD RISK: WHAT INSURANCE PROFESSIONALS SHOULD KNOW

Important changes continue with Sarasota County's flood hazard maps. As floodplain boundaries and regulatory flood elevations change, so may how property owners design and construct buildings and develop their property, now and in the future.

The Federal Emergency Management Agency (FEMA) released revised effective flood hazard maps, known as Flood Insurance Rate Maps (FIRMs), for all of Sarasota County on November 4, 2016. These revised FIRMs show the extent to which areas of the county, known as the Special Flood Hazard Area (SFHA), are currently at risk for flooding from the 1% flood. Over the last 30 years, drainage patterns changed and land development occurred, while new mapping and modeling technology significantly improved.

Additional updates are currently underway by FEMA as part of their Risk Mapping, Assessment, and Planning (Risk MAP) Program and by Sarasota County as part of the watershed program. See more scheduled updates including the Risk MAP coastal study at www.scgov.net/government/public-works/flood-maps

KNOW THE EFFECTS AND FLOOD INSURANCE OPTIONS

It is important for insurance professionals to understand the effects that map changes have on flood insurance requirements and what options are available for their clients.

Properties may be mapped into higher risk zones, have changes in their Base Flood Elevation (BFE), be mapped into lower risk zones, or remain in the same zone.

Insurance professionals need to properly educate property owners about these map changes, how they affect the flood insurance requirements and the insurance options available. For an insurance agent or company to learn more about flood insurance, visit <https://Agents.FloodSmart.gov>.

RATING OPTIONS COULD SAVE YOUR CLIENTS MONEY

If a building is mapped into a high-risk zone (noted on the

flood maps with the letter beginning with the letter "A" or "V") and there is a mortgage on the property through a federally regulated or insured lender, flood insurance will be federally required. If a property is already in a high-risk area, its base flood elevation may change. Either of these changes could result in higher flood insurance premiums.

The National Flood Insurance Program (NFIP) provides lower-cost flood insurance rating options. For buildings that qualify and are newly mapped into a high-risk area (e.g., mapped from Zone X to Zone AE), the NFIP provides the option to purchase a Preferred Risk Policy (PRP) before the maps become effective and then renew it with the lower risk rates, even though the building is in a higher risk zone.

For buildings that don't qualify for a PRP, or are in a high-risk zone and are either being mapped into a higher risk zone (i.e., Zone AE to Zone VE) or there is an increase in the Base Flood Elevation (BFE), FEMA allows for the lower risk zone or BFE to be used for rating. This is known as "grandfathering." Because these "grandfathered" insurance rates may be less than the rates for the zone shown on the new FIRM, it is important to compare both when discussing insurance options.

CONVERSION KEEPS CLIENTS PROTECTED

Some properties may be mapped into a moderate- or low-risk zone (shown on the new FIRM as an "X" or shaded "X" zone). For these zones, Federal requirements for the mandatory purchase of insurance are removed, though some lenders may continue to require coverage. Property owners should be reminded that the risk has only been reduced. They can maintain coverage by converting their current policy to the lower-cost PRP. This conversion is backdated to the current policy's effective date and then the cost of the PRP is deducted from the original premium paid. No additional funding is required from the insured and it typically results in a refund of premium. With premiums being so low, a PRP offers significant cost savings while still providing coverage and the benefit of protection.





MAPPING TODAY'S FLOOD RISK: WHAT INSURANCE PROFESSIONALS SHOULD KNOW

NAVD88 VERTICAL DATUM IS BEING USED

Sarasota County FIRMs use NAVD88 vertical datum as the base for all elevations. This datum is much more accurate than the NGVD29 datum used for previous flood maps. Before grandfathering a property where elevation is involved, make sure the elevation on the elevation certificate and the base flood elevation (BFE) on the FIRM both use the same vertical datum. If you must use two different datums, you may obtain conversion factors from the respective county or community; they are also reflected on the revised FIRMs and in the Flood Insurance Study (FIS).

WHERE TO VIEW THE MAPS

View current effective FIRMs and Flood Insurance Study (FIS) reports online on the FEMA Map Service Center web site <http://msc.fema.gov/>. Preliminary maps will be shown once available.

See Sarasota County's FEMA Flood Zone Locator at <https://ags3.scgov.net/sarcoflood/> to identify your flood risk on the current FIRM. Preliminary maps will be shown once available.

Please be advised the files are best viewed with a high-speed internet connection. View various flood map fact sheets at <https://scginternet.scgov.net/FloodMaps/>.

MAPPING MILESTONES

November 3, 2016 – FEMA Digital Flood Maps became effective.

PENDING:

2018 - County local studies for Phillippi Creek, Little Sarasota Bay, and the Lemon Bay watersheds were submitted to FEMA to include in the revised FIRM.

Late 2019* - Preliminary maps planned for FEMA Risk MAP coastal study and the local studies for Phillippi Creek, Little Sarasota Bay, and the Lemon Bay watersheds.

* *Date subject to change.*

FOR MORE INFORMATION:

For general information, call the Sarasota County Contact Center at 941-861-5000, Monday through Friday (except holidays) from 8 am. to 5 p.m.

IF MAPS SHOW...	THESE REQUIREMENTS, OPTIONS AND SAVINGS APPLY
Change from moderate- or low flood risk to high risk (flood Zone B, C, or X to Zone A, AE, AH, AO, V or VE)	<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>Rating options can offer savings. The NFIP has rating rules which may offer lower rates than from using the new maps (e.g., Newly Mapped Properties).</p>
Change from high flood risk to moderate or low risk (e.g., flood Zone V, VE, A, AE, AH, AO to Zone 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. Nearly 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 existing high-risk area (e.g., Base Flood Elevation (BFE) increasing or going from Zone AE to Zone VE)	<p>An increase in BFE or going from a high to higher-risk zone can result in higher premiums; however, "grandfathering" can offer savings. The NFIP 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 or flood zone to calculate their insurance rate. This could result in significant savings. Always compare this premium with using the new maps, as sometimes using the new map's zone/BFE may be better.</p>
No change in risk level	<p>No change in insurance rates. However, this is a good time to review coverages and ensure that building and contents are adequately protected.</p>