

MAPPING TODAY'S FLOOD RISK WHAT LENDERS SHOULD KNOW

Important changes continue to happen with Sarasota County's flood hazard maps. As floodplain boundaries and regulatory flood elevations change, so may how you design and construct your buildings and develop your 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 are currently at risk for flooding, known as the Special Flood Hazard Area (SFHA) or the 1% flood. Over the last 30 years, drainage patterns have changed, and new land development occurred. New mapping and modeling technology have significantly improved.

Sarasota County, using local flood studies, has also identified additional areas of the 1% flood not shown on the FEMA FIRMs. This is the Community Flood Hazard Area (CFHA). The CFHA is determined using the same criteria FEMA uses to determine the SFHA. Both areas (SFHA & CFHA) are used for regulating land development and building permits.

Updates are currently underway by FEMA as part of the Risk Mapping, Assessment, and Planning (Risk MAP) Program, and by Sarasota County as part of our comprehensive watershed program. To learn more about the scheduled updates, including the Risk MAP coastal study - go to: scgov.net/government/public-works/flood-maps

UNDERSTANDING THE EFFECTS OF NEW MAPS

It is important for lenders 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. These changes may affect closings and existing loans for both residents and business owners throughout the area, so lenders need to be prepared.

NOTIFYING BORROWERS IN A HIGH-RISK FLOOD ZONE

When a real estate secured loan is applied for through a federally regulated or insured lender, the lender must use the effective FIRM to determine the property's flood risk¹. If the property is in a high-risk area (known as a Special Flood Hazard Area [SFHA] and shown on the flood maps with letters beginning with "A" or "V"), flood insurance is required prior to or at closing.

Originating lenders and borrowers should stay informed about any impending map changes. Lenders or borrowers must determine, prior to closing, what possible changes to the flood risk and Federal flood insurance requirement will occur and when the changes will take effect. This will help ensure that any changes in flood insurance requirements are known in advance and provide for a smoother closing. If flood insurance is required at closing and the insurance agent has determined that the property qualifies for one of the National Flood Insurance Program's (NFIP's) lower-cost rating options, the borrower can purchase a policy with a lower rating than an "A" or "V" zone.

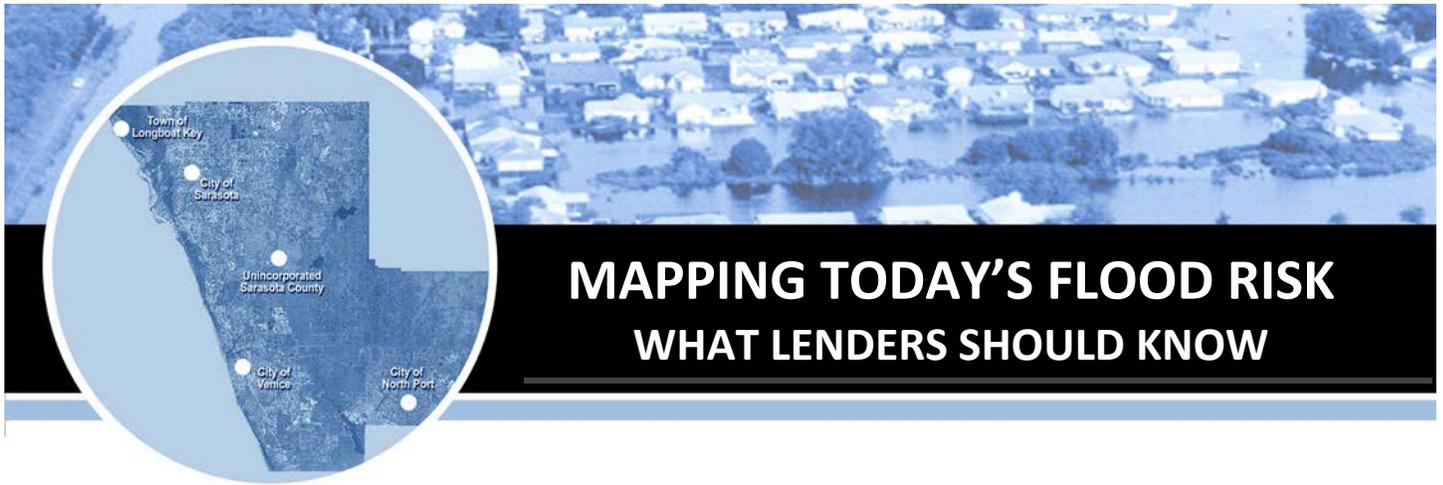
NOTIFYING BORROWERS MAPPED INTO A MODERATE- OR LOW- RISK ZONE

When the FIRMs become effective, some properties may be mapped into a lower risk flood zone where flood insurance is not required². While the requirement has been removed, the risk has not; it has only been reduced. When lenders notify the borrower of this change, they are encouraged to urge the borrower to consider maintaining coverage. Many borrowers, through their insurance agent, can easily convert their existing coverage to a lower-cost Preferred Risk Policy. Flood insurance is available to both property owners and renters.

¹ This requirement also applies when increasing, renewing, or extending a loan.

² Lenders have the right to continue to require flood insurance, even if it is not federally required.





MAPPING TODAY'S FLOOD RISK

WHAT LENDERS SHOULD KNOW

MAPPING MILESTONES

STAY INFORMED

Knowing when and where map changes are occurring allows the lender to be properly prepared to educate current and prospective borrowers on what the flood risk is (or what the changes may be), the related insurance requirements, and any insurance options (an insurance agent can always provide greater detail on coverages and costs). This information will allow both parties to be better prepared at closing and avoid delays.

To stay informed about local map changes, local lenders should stay in contact with community officials as Sarasota County goes through the remapping process.

WHERE TO VIEW THE MAPS

Effective FIRMs, and the Flood Insurance Study (FIS) reports are available to view online on the FEMA Map Service Center web site msc.fema.gov/. Any preliminary maps will be located here as well.

You can also identify your flood risk with the Sarasota County's FEMA Flood Zone Locator at: ags3.scgov.net/sarcoflood/. Please be advised the files are best viewed with a high-speed Internet connection.

For more information on Flood Maps and any upcoming updates, go to: scginternet.scgov.net/FloodMaps/.

November 4, 2016 - FEMA Digital Flood Maps became effective.

2018 - County local studies for Phillippi Creek, Little Sarasota Bay, and the Lemon Bay Watersheds were submitted to FEMA.

PENDING:

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 Watershed.

** Date subject to change by FEMA.*

FOR MORE INFORMATION

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

For technical flood map information, call the FEMA Map Information eXchange (FMIX) at 1-877-336-2627 or their website at floodmaps.fema.gov/fhm/fmx_main.html. The FMIX hours of operation are Monday through Friday, 8:00 am through 6:30 pm Eastern Standard Time.

For information on Flood Protection go to: sarasota.wateratlas.usf.edu/flood-protection#flood-protection