Differences Between the Insurance and Floodplain Management

Everyone lives in a flood zone.

If you build perfectly to the minimum NFIP Standards, would you be surprised to find a foot or more of water in your home or business?

Freeboard

An additional level of elevation above the base flood elevation as a safety factor to protect structures from:

- Effects of future development in the Watershed; and,
- Events greater than the one percent chance flood.

Freeboard

Insurance premium credits freeboard of 1-4 feet above BFE.

Your home has a 26% chance of being damaged by a flood during the course of a 30-year mortgage, compared to a 9% chance of fire.

Over 5 million people currently hold flood insurance policies in more than 20,200 communities across the U.S.

Last year, one-third of all claims paid by the NFIP were for policies in low-risk communities.

Openings in Foundation Walls and Walls of Enclosures

Below Elevated Buildings in Special Flood Hazard Areas in accordance with the National Flood Insurance Program

Technical Bulletin 1 / August 2008

FEMA

How Openings Affect Flood Insurance Rates

- If openings are not compliant, the floor of the crawlspace or the floor of the enclosure becomes the “lowest floor.” In those cases, the result may be significantly higher flood insurance premiums, especially if the floor of the crawlspace or enclosure is more than a foot or two below the BFE.

Openings Requirements

- Openings that extend above the BFE. Only those portions of openings that are below the BFE can be counted towards the required net open area.
- Final interior grade. The trench that is excavated to construct footings and foundation walls must be backfilled completely, otherwise a basement is created. If the interior grade is higher than the exterior grade, the openings are to be no higher than 1-foot above the interior grade.

Openings Requirements

- Each enclosed area is required to have a minimum of two openings on exterior walls to allow floodwaters to enter directly. In order to meet the requirement, the openings must be located so that the portion of the opening intended to allow for inflow and outflow is below the BFE. Openings that are entirely above the BFE (or any portion of an opening that is above the BFE) will not serve the intended purpose during base flood conditions and thus are not counted towards the compliance with the flood opening requirements.
- The openings should be installed on at least two sides of each enclosed area to decrease the chances that all openings could be blocked with floating debris and to allow for more even filling by floodwater and draining of the enclosed area. It is recommended that openings be reasonably distributed around the perimeter of the enclosed area unless there is clear justification for putting all openings on just one or two sides (such as in townhouses or buildings set into sloping sites).

Free-of-Obstruction Requirements

for Buildings Located in Coastal High Hazard Areas
in accordance with the National Flood Insurance Program

Technical Bulletin 5 / August 2008

FEMA

Free of Obstruction

- The NFIP floodplain management regulations in 44 CFR Section 60.3 allow open wood lattice, insect screening, and non-load-bearing solid breakaway walls below an elevated building in the Coastal High Hazard Area. These features have been judged not to be obstructions to flood flow or waves, but building designers and owners should be aware that solid breakaway walls and garage doors – <u>even though permitted by floodplain management regulations – can result in significantly higher flood insurance premiums.</u>

Breakaway Wall

Thus, use of breakaway construction below the BFE will not allow a structure to be classified as “free of obstructions” for flood insurance rating purposes (a free-of-obstruction classification makes the building eligible for the lowest V zone flood insurance premium rate).

Free of Obstruction

- NFIP floodplain management regulations restrict uses of space below the BFE to parking of vehicles, building access, and storage.
- Stairs, ramps, and elevators are permitted. However, depending on how they are constructed, stairs, ramps, and elevators may be considered obstructions for flood insurance rating purposes, and could result in significantly higher flood insurance premiums.

Free of Obstruction

- For *flood insurance rating purposes, an area beneath a structure elevated on an open foundation is considered to be free of obstructions only if the following criteria are satisfied:*
- There are no solid walls of any kind – including breakaway walls – below the BFE (insect screening, open lattice, and open slats are not considered obstructions).
- Any stairs below the BFE are open (any stairs enclosed by or containing solid walls are considered obstructions).

Free of Obstruction

- There is no machinery or equipment below the BFE. Machinery and equipment include any items permanently affixed to the structure and that provide utility services to the building (e.g., furnaces, hot water heaters, heat pumps, air conditioners, elevators, etc.).

Design and Construction Guidance for Breakaway Walls

Below Elevated Buildings Located in Coastal High Hazard Areas in accordance with the National Flood Insurance Program

Technical Bulletin 9 / August 2008

FEMA

Breakaway Walls

Some considerations affecting the rates and costs of NFIP flood insurance for elevated buildings in V zones include:

- The use of an enclosure with breakaway walls increases the premium for the entire building.
- An increase in the flood insurance premium resulting from the presence of an enclosure depends upon the area of the enclosure; substantially higher premiums are charged for enclosures that are 300 square feet or greater in area.

Breakaway Walls

- The presence of garage doors below an elevated building, even if designed in accordance with this Technical Bulletin, may increase the flood insurance premium for the building.

Breakaway Walls

- An increase in the flood insurance premium resulting from the presence of an enclosure depends upon the area of the enclosure; substantially higher premiums are charged for enclosures that are 300 square feet or greater in area.

Breakaway Walls

- The presence of garage doors below an elevated building, even if designed in accordance with this Technical Bulletin, may increase the flood insurance premium for the building.

Breakaway Walls

- NFIP flood insurance policies have limits on coverage of contents in enclosures under elevated buildings. Designers, contractors, and owners may wish to contact a qualified insurance agent or the NFIP for more information about policy coverage, coverage limits, and costs.

How Flood Damage-Resistant Materials Affect Flood Insurance Rates

- Careful attention to compliance with the NFIP regulations for flood damage-resistant materials is important during design, plan review, construction, and inspection. Compliance influences both the building's vulnerability to flood damage and the cost of NFIP flood insurance.

How Flood Damage-Resistant Materials Affect Flood Insurance Rates

- Flood insurance will not pay a claim for finish materials located in basements or in enclosed areas below the lowest floor of elevated buildings, even if such materials are considered to be flood damage-resistant.

How Flood Damage-Resistant Materials Affect Flood Insurance Rates

- NFIP claims for damage below the BFE are limited to utilities and equipment, such as furnaces and water heaters.

Repairs, Remodeling, Additions, and Retrofitting

- Designers and owners should know that the work described above may have insurance consequences.

Repairs, Remodeling, Additions, and Retrofitting

- In general, most changes to an existing building that result from less-than-substantial damage, or that do not constitute substantial improvement, will not change the status from pre-FIRM to post-FIRM and thus would not affect the insurance rate.

Repairs, Remodeling, Additions, and Retrofitting

- However, failure to comply with the substantial damage or substantial improvement requirements of the NFIP will result in a building's status being changed and may result in higher flood insurance premiums.

Decks, Pools, and Accessory Structures

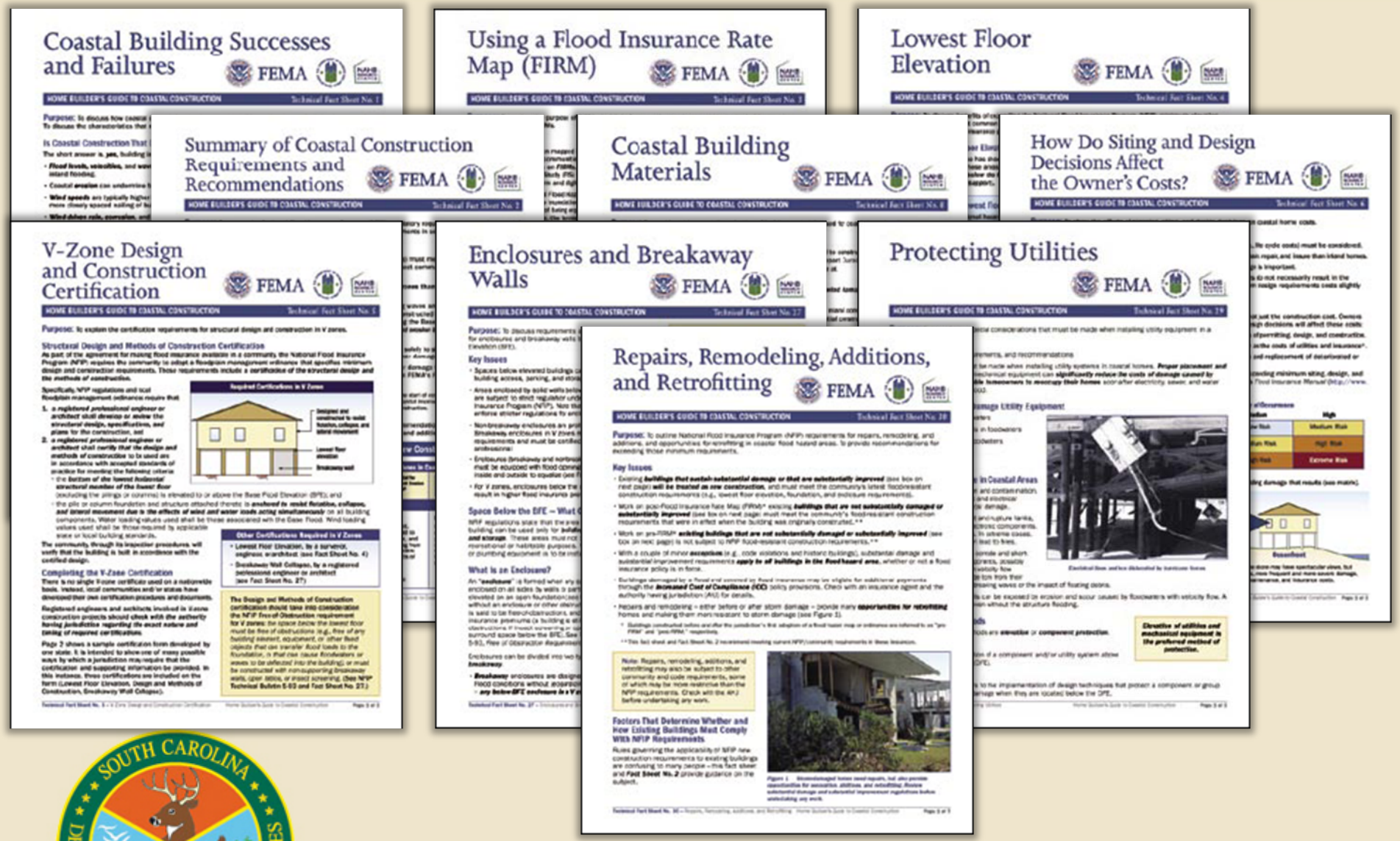
- If prohibited elements are attached to a building that is otherwise compliant with NFIP requirements, a higher flood insurance premium may be assessed against the entire building.

Home Builder's Guide to Coastal Construction

Technical Fact Sheet Series

FEMA 499 / August 2005

FEMA



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