

PROTECTING LIVES & PROPERTY THROUGH THE NFIP COMMUNITY RATING SYSTEM



What is the Community Rating System?

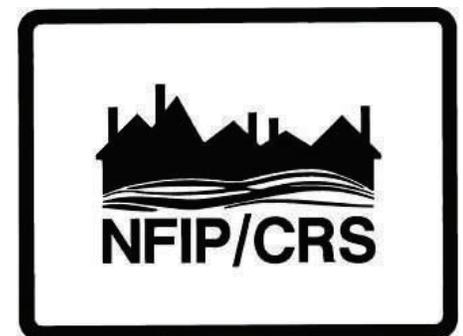
The Community Rating System (CRS) is a part of the National Flood Insurance Program. The CRS reduces flood insurance premiums to reflect what a community does above and beyond the NFIP's minimum standards for floodplain management. The objective of the CRS is to reward communities for what they are doing, as well as to provide an incentive for new flood protection activities. The reduction in flood insurance premium rates is provided according to a community's CRS classification.

There are 10 CRS classification levels for communities. All NFIP communities start at Class 10 and begin to receive reduced premium rates at Class 9. Each time a community goes to a lower class, premiums for properties in the special flood hazard area are reduced by 5%. The maximum benefits under the program are at Class 1 with a 45% reduction. In Vermont, Bennington, Brattleboro and Montpelier are currently the only CRS communities.

To earn CRS credit, your community can do things like:

- ◆ Preserve open space in the floodplain;
- ◆ Enforce higher standards for safer new development;
- ◆ Maintain drainage systems; and
- ◆ Inform people about flood hazards, flood insurance, and how to reduce flood damage.

Community participation in the CRS is FREE and VOLUNTARY.



Your community is probably already doing many of these things. To get credit, you simply prepare an application showing what's being done. Once the information is verified, FEMA provides the flood insurance premium discounts, putting money back into the pockets of your residents. Applications go to the Insurance Services Office Inc. (ISO). Vermont's current ISO contact is Jimmy Chin jchin@iso.com



What Are the Benefits of Participation?

When your community participates in the CRS, everyone benefits, including those who don't live or own property in a floodplain. Even when there is no flooding, your community's public information and floodplain management efforts can improve the quality of life, protect the environment, make people safer, and save everyone money. And when there is a flood, your CRS activities:

- ◆ Save lives;
- ◆ Prevent property damage;
- ◆ Avoid lost jobs and economic devastation caused by flooding of offices, factories, farms, stores, and other businesses; and,
- ◆ Prevent damage and disruption to roads, schools, public buildings, and other facilities.

Reduced flood insurance rates are only one of the rewards a community receives from participating in the CRS. There are several other benefits.

First, the CRS floodplain management activities improve public safety, reduce damage to property and public infrastructure, avoid economic disruption and losses, reduce human suffering, and protect the environment.

Second, your town can evaluate the effectiveness of its flood program against a nationally recognized benchmark.

Third, technical assistance in designing and implementing many activities is available at no charge.

Fourth, a CRS community's flood program benefits from having an added incentive to maintain its flood programs over the years.

The fact that the community's CRS status could be affected by the elimination of a flood-related activity or a weakening of the regulatory requirements for new development should be taken into account by the governing board when considering such actions. A similar system used in fire insurance rating has had a strong impact on the level of support local governments give to their fire protection programs.

Fifth, implementing some CRS activities, such as floodplain management planning, can help a community qualify for certain Federal assistance programs.

What's Wrong with FEMA/NFIP Minimum Standards?

The Federal Emergency Management Agency (FEMA) has long supported the adoption of higher regulatory standards through the Community Rating System and state or local programs to offer incentives for safer development practices. Communities that fall back on the minimum federal NFIP standards may allow diversion of floodwaters onto other properties, loss of channel conveyance and storage, and an increase in erosive velocities, ALL of which may make the community liable for resulting harm.

*It is important to remember that the National Flood Insurance Program was designed with insurance in mind, and was **never** intended to be the nation's land use program for floodplain management.*

Additional Benefits: Natural & Beneficial Floodplain Function

The CRS encourages State, local, and private programs and projects that preserve or restore the natural state of floodplains and protect the natural and beneficial floodplain functions. The CRS also encourages communities to coordinate their flood loss reduction programs with Habitat Conservation Plans and other public and private activities that preserve and protect natural and beneficial floodplain functions:

- ◆ Flood waters can spread over a large area in floodplains that have not been encroached upon. This reduces flood velocities and provides flood storage to reduce peak flows downstream;
- ◆ Water quality is improved in areas where natural cover acts as a filter for runoff and overbank flows; sediment loads and impurities are also minimized. Natural floodplains moderate water temperature, reducing the possibility of adverse impacts on aquatic plants and animals;
- ◆ Floodplains can act as recharge areas for groundwater and reduce the frequency and duration of low flows of surface water; and,
- ◆ They provide habitat for diverse species of flora and fauna, some of which cannot live anywhere else. They are particularly important as breeding and feeding areas.



Getting Credit with CRS Activities

At a minimum, your town must be in the NFIP and in full compliance. You must require and maintain FEMA's elevation certificates for all new and substantially improved construction in the floodplain. Lastly, if your town has properties that have received repeated flood insurance claim payments, then you must map the areas affected. Communities with 10 or more such properties must prepare, adopt, and implement a plan to reduce damage in repetitive loss areas. The FEMA Regional Office can tell whether this applies to your town.

Additional activities that generate credit points are grouped into four main categories: Public Information, Mapping and Regulatory Activities, Flood Damage Reduction, and Flood Preparedness. Examples of these activities are discussed below.

Public Information Activities

- ◆ Maintain FEMA elevation certificates for all new construction.
- ◆ Respond to inquiries to identify a property's FIRM zone and publicize this service.
- ◆ Send information about the flood hazard, flood insurance, and flood protection measures to floodprone residents or all residents of the community.
- ◆ The public library maintains references on flood insurance and flood protection.

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Getting Credit with CRS Activities (cont'd)

Mapping & Regulatory Activities

- ◆ Require that developers provide new flood elevations, floodway delineations, or other regulatory flood hazard data for an area that was not mapped in detail by the flood insurance study.
- ◆ Guarantee that a portion of currently vacant floodplain will be kept free from development.
- ◆ Implement higher standards
 - ◇ Require freeboard
 - ◇ Have regulations tailored to protect critical facilities or areas subject to special flood hazards (e.g., alluvial fans, ice jams, or subsidence).
- ◆ Keep flood and property data on computer records; obtain improved base maps through partnerships with neighboring communities; and maintain elevation reference marks.
- ◆ Regulate new development throughout the watershed to ensure that post-development runoff is no worse than pre-development runoff.

Flood Damage Reduction Activities

- ◆ Prepare, adopt, implement, and update a comprehensive plan using a standard planning process.
- ◆ Acquire or relocate floodprone buildings so that they are out of the floodplain.
- ◆ Document floodproofed or elevated pre-FIRM buildings.
- ◆ Conduct periodic inspections of all channels and retention basins and perform maintenance as needed.

Flood Preparedness Activities

- ◆ Provide early flood warnings to the public and have a detailed flood response plan keyed to flood crest predictions.
- ◆ Maintain levees that are not credited providing base flood protection.

Additional fact sheets include:

- #1 Floodplain Basics
- #2 Protecting Property Rights to Reduce Local Liability
- #3 Living with Inadequate Maps
- #4 Using Freeboard and Setbacks to Reduce Flood Damage
- #5 No Adverse Impact Floodplain Management

For more information, contact:

VTDEC River Management Program

www.vtwaterquality.org/rivers/htm/rv_floodhazard.htm

Vermont Law School's Land Use Institute

<http://www.vermontlaw.edu/elc/landuse/>

Two Rivers-Ottawaquechee Regional Commission

www.trorc.org

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