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Changes to the National Flood Insurance Program

Agenda



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- Overview of Biggert-Waters 2012
- Impact of BW12 on Charlotte County
- Flood insurance in Florida
- What the County is doing
- What citizens can do
- Legislative Efforts
- Flood Insurance Community Meeting



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At risk of increases

2,882 that currently have flood insurance and are primary homes and condos are delayed until one of the following conditions exist:

- Change of ownership
- Significant Improvements are made
- Lapse in the flood policy
- Severe or Repetitive loss occurs

This is back dated to July 6 2012

696 currently grandfathered homes and condos at risk in 2014

Other Pre-Firm structures in the SFHA that do not have insurance will be impacted if insurance is required on that property



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Real Example in Charlotte County

Property was sold in October 2012

Owner paid first years premium of \$5,000

Renewed premium in October 2013

Premium rose to approximately \$35,000

House valued at \$450,000

Coverage \$250,000 structure and \$75,000 contents



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All other policy holders

5% increase on top of regular annual increase for catastrophic reserve fund

Grandfathering is going away

- In compliance at time of construction
- Were not in SFHA when built but had, and maintained a flood insurance policy
- Will see 20% increase per year until actuarial rate is reached



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Statistics

Written Premiums in Force as of 9-30-2013 (Dollar)

	Number	Percentage
Total	\$ 3,772,320,966.00	
Florida	\$ 1,062,493,946.00	28.17%
Unincorporated Charlotte County	\$ 21,190,186.00	0.56%
City of Punta Gorda	\$ 7,441,379.00	0.20%

Statistics



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Number of Policies in Force as of 9-30-2013

	Number	Percentage
Total	5,554,502.00	
Florida	2,052,161.00	36.95%
Unincorporated Charlotte County	30,147.00	0.54%
City of Punta Gorda	8,948.00	0.16%

Statistics



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Claims paid (Dollars) since 1978

	Dollar Amount	Percentage
Total Claims Paid	\$ 50,168,046,869.00	
Claims Paid in Florida	\$ 3,728,609,204.00	7.43%
Unincorporated Charlotte County	\$ 10,090,659.00	0.02%
City of Punta Gorda	\$ 2,134,244.00	0.004%

What can/does the County do?



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Charlotte County is very effective

21,000 NFIP Communities in the Country and 2,000 participate in CRS

Charlotte County ranked 8th in the Nation as a Class 5 Community = 25% discount

\$6.2million savings PER YEAR

One of 66 Class Five Communities in the nation



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What can owners do?

Talk to insurance agent

Get an elevation certificate (check with us first)

Change deductible levels

Consider mitigating themselves

Talk with County mitigation staff about grant opportunities



Mitigation Grant Programs



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Mitigation Activity/Grant %

- Insured properties 75/25
- Repetitive loss property 90/100
- ✓ 2 flood claims equal or exceeding 25% of market value and
- ✓ At second occurrence, policy must include increased cost of compliance coverage



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- Severe repetitive loss property 100/0
- ✓ Insured property with history of
 - ❖ 4 or more separate claims of \$5,000 each with total exceeding \$20,00 or
 - ❖ At least two claim payments where the cumulative amount of 2 claims exceeds the market value of the structure



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Eligible Activities

- Acquisition and Demolition
- Acquisition and Relocation
- Elevation, relocation, or flood proofing utilities
- Elevation (standard in place elevation)
- Dry Flood Proofing (Non-residential or historical)



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Criteria

- Cost effective
- Technically feasible
- Located in or benefits NFIP complaint community
- Conforms to the State Administrative Plan
- Complies with environmental laws and regs
- Conforms with minimum flood plain management regs of NFIP and CRS



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Legislative Efforts

- State – Opening up market to private insurance
- Federal – Delay the implementation of some of the increases



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Community Meeting

- Educate our citizens
- Inform them about mitigation options and grant opportunities
- Sponsored/hosted by one of our legislators if possible
- Representatives from the State DEM to talk about mitigation grants