

City of Wichita Falls Floodplain Management Program

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Floodplain Management Program

- National Flood Insurance Program (NFIP)
 - Created with the passage of National Flood Insurance Act of 1968
 - Texas has 1,260 communities that have participation in NFIP
- Community Rating System (CRS)
 - Voluntary incentive program that recognizes and encourages community floodplain management practices that exceed the minimum requirements of the National Flood Insurance Program (NFIP)
 - Flood Insurance Premium Rates are discounted to reflect the reduced flood risk resulting from the community's efforts that address the three goals of the program:
 - Reduce and avoid flood damage to insurable property
 - Strengthen and support the insurance aspects of the National Flood Insurance Program
 - Foster comprehensive floodplain management



Community Rating System (CRS)

CRS Credit Points, Classes and Premium Discounts

Credit Points	Class	Premium Reduction SFHA*	Premium Reduction Non-SFHA**
4,500+	1	45%	10%
4,000 - 4,499	2	40%	10%
3,500 - 3,999	3	35%	10%
3,000 - 3,499	4	30%	10%
2,500 - 2,999	5	25%	10%
2,000 - 2,499	6	20%	10%
1,500 - 1,999	7	15%	5%
1,000 - 1,499	8	10%	5%
500 - 999	9	5%	5%
0 - 499	10	0	0

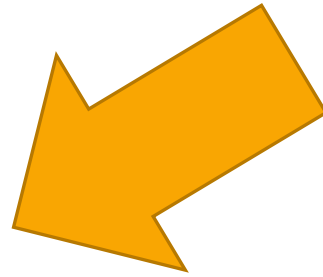
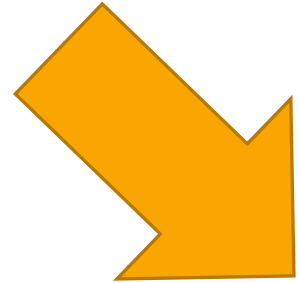
- City of Wichita Falls
 - Class 8
 - 1,036 credit points
 - 525 current policyholders



Class 8 Rating Requirements

- 2021 Coordinator's Manual Class 8 Pre-requisites
 - Maintain 90% accuracy for Floodplain Development Permits and Elevation Certificate requirements
 - Maintain flood insurance policies for insurable buildings owned by the community and located in the SFHA shown on the community's Flood Insurance Rate Map (FIRM)
 - Require at least a 1-foot freeboard requirement (including machinery or equipment) for all residential buildings constructed, substantially improved, and/or reconstructed due to substantial damage throughout its SFHA where BFEs have been determined by the FIRM or in its Flood Insurance Study (FIS)
 - Require at least an additional 1-foot freeboard requirement above the 2-foot minimum requirement for flood zones that do not have an established BFE





CRS



Risk Rating 2.0 – What’s Changed

- FEMA updated risk rating methodology for flood insurance to Risk Rating 2.0
 - Where – distance from flooding source, ground elevation, CRS
 - How – occupancy, foundation type, first floor height, number of floors, construction type, flood openings, machinery and equipment
 - What – replacement costs for the building and contents, level of deductible coverage selected
- Risk Rating 2.0 enables FEMA to set rates that are fairer and ensures rate increases and decreases are both equitable.
- FEMA is building on years of investment in flood hazard information by incorporating private sector data sets, catastrophe models and evolving actuarial science.
- Risk Rating 2.0 considers rebuilding costs
 - Premiums based on home value and a property’s unique flood risk.



Risk Rating 2.0 – What’s the Same

- **Limiting Annual Premium Increases**
 - Existing statutory limits on rate increases require that most rates not increase more than 18% per year.
- **Using Flood Insurance Rate Maps (FIRMs) for Mandatory Purchase and Floodplain Management**
 - Federally backed mortgage is still required to have flood insurance if within the SFHA.
 - CRS required to maintain floodplain building requirements.
 - Elevation Certificates (ECs) still required for development in the Floodplain
- **Maintaining Features**
 - Offering premium discounts to eligible policyholders.
 - Pre-FIRM subsidized and newly mapped properties.
 - Policyholders are still able to transfer their discount to a new owner by assigning their flood insurance policy when their property changes ownership.
 - Discounts to policyholders in communities who participate in the Community Rating System
- **NEW!!** CRS discount will be uniformly applied to all policies throughout the participating community, regardless of whether the structure is inside or outside of the Special Flood Hazard Area.



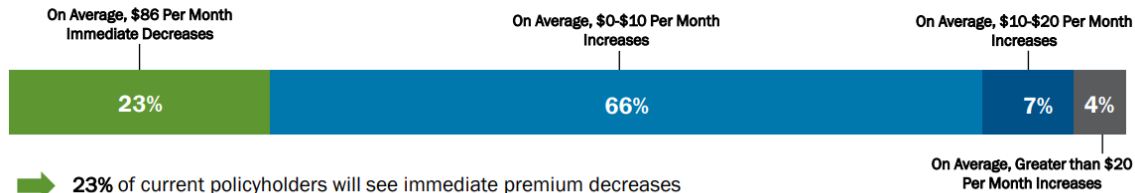
Risk Rating 2.0



Risk Rating 2.0 – National / Texas

Risk Rating 2.0 – National Rate Analysis

Under the **current rating methodology**, every year at renewal, policyholders on average see premium increases of **\$8 per month**.

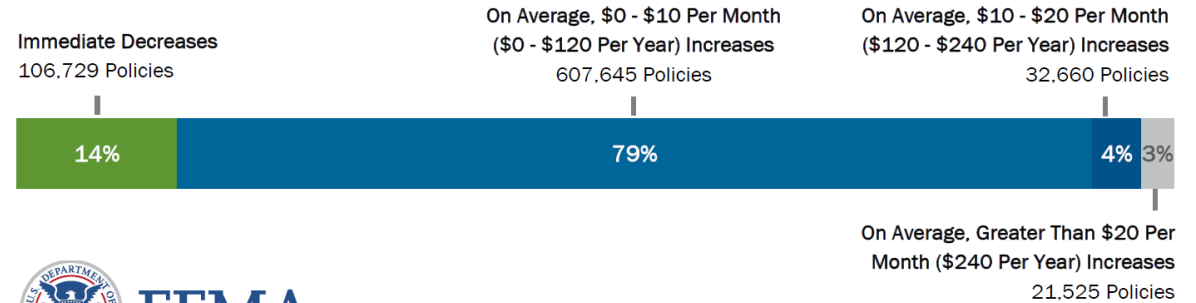


- ➔ 23% of current policyholders will see immediate premium decreases
- ➔ An additional 66% of current policyholders will see, on average, **\$0 - \$10 per month** increases
- ➔ 7% of current policyholders under Risk Rating 2.0 will see, on average, **\$10 - \$20 per month** increases
- ➔ And 4% of current policyholders under Risk Rating 2.0 will see, on average a **\$20 or more per month** increase



Federal Emergency Management Agency

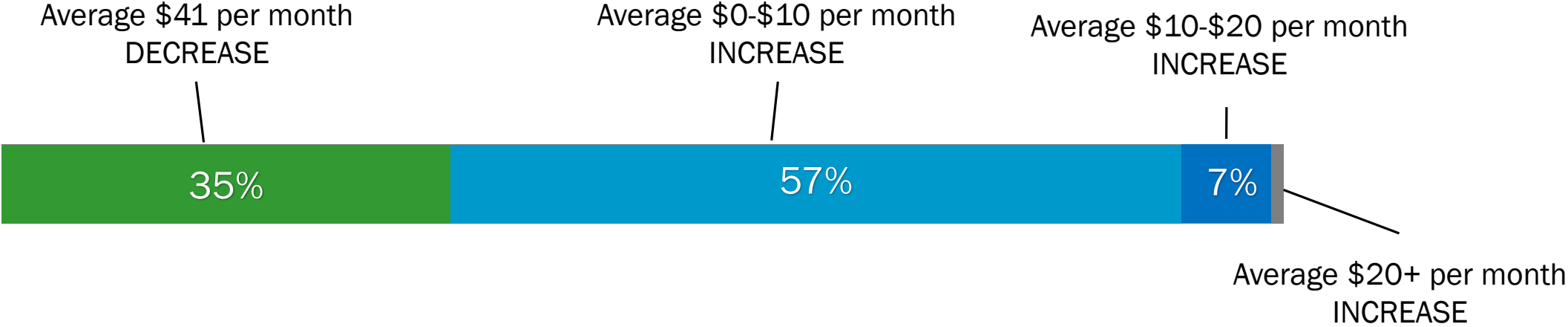
Risk Rating 2.0 in Texas



March 2021 1



Risk Rating 2.0 – City of Wichita Falls



- ➔ 35% of WF policyholders will see immediate premium decreases
- ➔ 57% of WF policyholders will see an average \$0-\$10 per month increase
- ➔ 7% of WF policyholders will have an average \$10-\$20 per month increase
- ➔ Only 1% of WF policyholders to experience increases greater than \$20 per month



Flood Insurance Resources

Property Owner:

<https://www.floodsmart.gov/>

- Buying a policy
- Why buy flood insurance
- Am I required to have flood insurance?
- What's covered
- Types of flood insurance
- How to buy flood insurance
- Find an insurance

Insurance Agents:

<https://agents.floodsmart.gov/agents-guide/risk-rating>

Public Works

- Call 940-761-7477
- <http://www.wichitafallstx.gov/1035/Floodplain-Management>
- Email - teresa.rose@wichitafallstx.gov

Comments / Questions

