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The Torrent

October 2005 Flooding

During the week of October 8-15, 2005, Connecticut was struck by two very heavy rainfall events with combined rainfall totaling 9-16 inches. This rainfall resulted in major flooding of several river basins in Hartford and Tolland counties. Widespread moderate flooding occurred across the rest of Connecticut. A total of 10 dams failed or partially failed in Hartford and Tolland counties. Several bridges failed and several dozen roads were washed out or undermined. Thousands of homes suffered flooded basements and evacuations were conducted in dozens of towns due to flooding of urban areas and small streams.

On the evening of Friday, October 7, 2005, heavy rainfall associated with the remnants of Hurricane Tammy and a low-pressure system that formed south of Tammy moved into Connecticut. Rainfall continued for the next 36 hours and ended on early Sunday morning. Rainfall totals during the first part of this storm ranged from 4 inches in southeastern Connecticut, up to 12 inches in the northwest hills. Flooding from this first rainfall event was minor across most areas, with flood frequencies of less than 5-years, due to very dry soil conditions and low river levels prior to the storm. However, this first event set the stage for the second event leaving saturated soils and river basins at ½ to ¾ bank full conditions.

Light to moderate rain continued

to fall during the next four days keeping soils saturated and rivers running high. On the evening of Friday, October 14, heavy rainfall spread across southern New England. Rain began falling at a rate of nearly an inch an hour in western Connecticut and continued for 2-3 hours, resulting in 2-4 inches of rain. As the rain moved east it intensified and rainfall rates exceeded one inch per hour in central and northeastern Connecticut late Friday night and early Saturday morning. This extremely heavy rain combined with the antecedent soil saturation resulted in a 100-year flood event in north central and northeastern Connecticut.

On December 16, 2005, President Bush declared Litchfield, New London, Tolland and Windham counties disaster areas. Statewide flooding resulted in an estimated \$42 million in damage. More than 5,200 homes and 355 businesses were affected by the flooding.

The U.S. Small Business Administration (SBA) will offer low interest loans to homeowners, renters and businesses across the entire state affected by the floods. The deadline to apply is February 21, 2006. Call SBA customer service at (800) 659-2955 between 6 a.m. and 11 p.m. or visit their website, www.sba.gov/disaster, to obtain a loan application. Loans of up to \$200,000 are available to repair damaged homes, up to \$40,000 to replace personal property, and up to \$1.5 million for repair to a business or non-profit.

The Disaster Assistance Process

The unprecedented 2005 hurricane season has made citizens, local governments and state officials acutely aware of the importance of disaster assistance. However, this process can be confusing for both municipalities and residents.

Following a **Major Disaster**, the governor requests a disaster declaration from the President. A **Major Disaster** can result from a tornado, earthquake, or flood that the President determines warrants supplemental federal aid. The event must be clearly more than State or local governments can handle alone. If declared, funding comes from the President's Disaster Relief Fund, which is managed by the Federal Emergency Management Agency (FEMA) and disaster aid programs of other federal agencies.

A Presidential Major Disaster Declaration puts into motion long-term federal recovery programs, some of which are matched by state programs, and designed to aid disaster victims, businesses and public entities. There are three major categories of disaster aid available following a Presidential disaster declaration. **Individual Assistance (IA)** provides funds for damage to residences, businesses, or personal property losses.

Public Assistance (PA) provides funds for repair of public infrastructure, facilities and debris removal. **Hazard mitigation grants** are made available to the state and municipalities for hazard mitigation projects to prevent future disaster damage.

Individual Assistance (IA)

Immediately after the declaration, disaster workers arrive and set up a central disaster field office (DFO) to coordinate the recovery effort. A toll-free telephone number is published for affected residents

and business owners in order to register for assistance. Disaster Recovery Centers (DRC) also are opened where disaster victims can meet with program representatives and obtain information about available aid and the recovery process. Disaster aid to individuals generally falls into the following categories:

Disaster Housing may be available for up to 18 months, using local resources, for displaced persons whose residences were heavily damaged or destroyed. Funding also can be provided for housing repairs and replacement of damaged items.

Disaster Grants are available to help in meeting other serious needs and expenses not covered by insurance and other programs. These may include replacement of personal property, and medical, dental and funeral expenses.

Low-Interest Disaster Loans are available after a disaster for homeowners and renters from the U.S. Small Business Administration (SBA) to cover uninsured property losses. Loans may be for repair or replacement of homes, automobiles, clothing or other damaged personal property. Loans are also available to businesses for property loss and economic injury.

Other Disaster Aid Programs include crisis counseling, disaster-related unemployment assistance, legal aid and assistance with income tax, Social Security and Veteran's benefits. Other state or local help may also be available.

After an application for IA is taken, the damaged property is inspected to verify the loss. If approved, an applicant will soon receive a check for rental assistance or a grant. Loan

applications require more information and approval may take several weeks after application. The deadline for most IA programs is 60 days following the disaster declaration.

Public Assistance (PA)

PA is aid to the state or local governments to pay part of the costs of rebuilding damaged infrastructure, such as roads and bridges. PA programs pay for 75 percent of the approved project costs. PA may include debris removal, emergency protective measures and public services, repair of damaged public property, loans needed by communities for essential government functions, and grants for public schools.

Hazard Mitigation Grants

Following a declared disaster, the Hazard Mitigation Grant Program (HMGP) provides grants to implement long-term hazard mitigation measures. The State receives 7.5% of the total disaster costs, which is then used to fund this grant program. Eligible applicants are only State, local and tribal governments. Any town within the declared disaster area can apply for these grant funds.

Proposed projects must be consistent with the State's Hazard Mitigation Plan. Types of projects include acquisitions, minor flood control projects, and elevations. FEMA funds 75% of the eligible costs of each project with a 25% match required from the recipient.

This is a simplified overview of the disaster assistance process. All of these funding sources may not be available for every disaster. For more detailed information on these programs, consult FEMA website: www.fema.gov/frr/qanda.shtml.

News Briefs

HR 1134 Excludes Mitigation Grants from Income Tax

On April 15, 2005, President Bush signed into law H.R. 1134 which amends the Internal Revenue Service (IRS) Tax Code of 1986 to exclude from gross income certain FEMA hazard mitigation grant payments, such as from the Pre-Disaster Mitigation (PDM) Program, the Flood Mitigation Assistance (FMA) Program, and the Hazard Mitigation Grant Program (HMGP).

The new law provides that FEMA hazard mitigation grant payments that benefit property owners through the mitigation of their structures are not subject to federal income taxation. Also, FEMA mitigation payments to acquire a property will be treated as an involuntary conversion for tax purposes. In addition, homeowners continue to have available to them the capital gains tax breaks on the sale of their properties. Taxpayers cannot increase the basis of their property by the amount of the grants and cannot take deductions or credits for expenditures made with the grants. These tax relief measures are effective for such payments made in all prior years as well as into the future.

NOAA Funds Stream Barrier Removal

The National Oceanic and Atmospheric Administration (NOAA) has announced the availability of up to \$6 million in financial assistance for the Open Rivers Initiative. The initiative provides technical expertise and

funds in the form of grants anticipated to range from \$50,000 to \$250,000 for communities to remove obsolete and derelict stream barriers, including dams.

Proposals must be submitted no later than January 13, 2006. More information can be found under "Funding Opportunities" at <http://www.nmfs.noaa.gov/habitat/restoration>. Full initiative details, including specifics on the criteria that will be used to evaluate proposals, are available by searching for Funding Opportunity #NMFS-HCPO-2006-2000405 at www.grants.gov.

Westbrook Joins CRS Program

In May 2005, the Town of Westbrook joined the CRS at a Class 9 rating, providing residents with a 5% discount on their flood insurance premiums. On November 16, 2005, the Federal Emergency Management Agency (FEMA) presented Westbrook with a plaque marking this achievement.

With a total of 532 flood insurance policies, Westbrook residents pay \$475,123 in yearly flood insurance premiums. The 5% CRS discount relates to an average yearly savings of about \$50 per policy. Westbrook policyholders will save over \$20,000 per year with the 5% CRS discount.

Participation in CRS is voluntary. For more information on the CRS program, go to the website: www.fema.gov/nfip/crs.shtml, or contact Diane Ifkovic at the CTDEP Flood Management program at (860) 424-3537 or diane.ifkovic@po.state.ct.us.

FEMA Publishes Recovery Advisories

After the 2005 hurricanes, FEMA issued two short Recovery Advisories to help people cope with the flood-related impacts their homes and businesses face. "*The ABCs of Returning to Flooded Buildings*" and "*Initial Restoration of Flooded Buildings*" are written for the layperson, include photographs, instructions, and sources of further information, and can be easily reproduced and used as handouts. These are concise summaries of the most important pieces of information for flood-damaged buildings. Soon to be on the FEMA website, the documents can be downloaded in pdf format from the ASFPM website at: www.floods.org/PDF/FEMA_ABCsReturnFloodBldg.pdf and www.floods.org/PDF/FEMA_InitialRestorationFloodBldg.pdf

Bush Signs Flood Insurance Act

On November 18, 2005, Congress passed H.R. 4133 that increased the National Flood Insurance Program's (NFIP) borrowing authority to \$18.5 billion (from \$3.5 billion). The President signed the measure (P.L. 109-106) on November 21, 2005.

This occurred just in time to avoid major post-hurricane problems since FEMA had already informed insurance companies that administer NFIP flood policies that they could not reimburse for adjuster expenses and could not pay flood insurance claims. This will allow the NFIP to now settle these flood claims during the unprecedented 2005 claims year.

“Grandfathering” Can Save Money on Flood Insurance

The term “Grandfathering” as related to the National Flood Insurance Program (NFIP) is an important term to understand if you live in an area with potential flood hazards. The term is used to define insurance rate applicability in communities that have their Flood Insurance Rate Maps (FIRM) revised. Such revisions can occur for any number of specific reasons, including changes in structures such as bridges, culverts, or dams and new developments that affect changes in the base flood elevations (BFE).

All Connecticut communities will have their maps revised over the next five to ten years by the Federal Emergency Management Agency (FEMA) Map Modernization initiative. The new maps will result in changes to flood zone boundaries that will cause some property flood zone classifications to change. Some properties may no longer be considered to be in a flood zone where flood insurance is required, while other properties will be added to the flood zone when they were not before.

It is this last scenario that “Grandfathering” pertains to, and taking advantage of the grandfathering option can save the property owner money. The Preferred Risk Policy (PRP) program can also come into play. Here is how it works:

For Pre-FIRM structures (constructed prior to the date of the community’s initial FIRM):

1. If a policy was obtained prior to the effective date of a flood map change, the policyholder is eligible to maintain the prior zone and base flood elevation (BFE) as a basis for the

insurance rating. This is the case as long as continuous coverage is maintained. Such a policy can be assigned and continued to a new property owner at the option of the current policyholder.

2. If a building is Pre-FIRM, and a policy was not obtained prior to the effective date of a map change, the applicant is eligible to receive the Pre-FIRM (subsidized) rates based on the new zone, rather than the actuarial (elevation based) rates.

For Post-FIRM structures (constructed on or after the date of the community’s initial FIRM):

1. If a flood insurance policy was obtained prior to the effective date of a map change, the policyholder is eligible to maintain the prior zone and base flood elevation (BFE) for insurance rating purposes, as long as continuous coverage is maintained. Such a policy can be assigned and continued to a new property owner at the option of the current policyholder.
2. If a building has been constructed in compliance with a specific FIRM, and that FIRM gets revised, the owner is always eligible to obtain a flood policy using the flood zone and base flood elevation (BFE) information from the last FIRM, provided that proof is submitted to the insurance company.

Acceptable documentation for proof is discussed in the NFIP Flood Insurance Manual, Rating Section, which can be found at: http://www.fema.gov/nfip/manual10_05.shtm. Continuous coverage is not required.

Preferred Risk Policies (PRP)

An in-depth discussion of Preferred Risk Policies can be found on page 5 of this newsletter.

1. Buildings written under the Preferred Risk Policy program are required to be located in flood zones B, C or X on the FIRM in effect on the date of application and on the date of each subsequent renewal.
2. A building, which becomes ineligible for a preferred risk policy due to a map change to a special flood hazard area, can be rewritten on a standard rated flood policy using flood zones B, C or X.

The bottom line is - if you are not in a flood zone and there is a chance that a future revision to the current FIRM will show your parcel to be in a flood zone, homeowners can save money on flood insurance premiums by buying and maintaining a PRP for the low risk flood area before the new map goes into effect. If you do that and maintain such a policy, you will be able to keep the lower premium rates.

If you believe any of the above discussions may fit your situation, then contact your insurance agent for details. To find an agent in your area, call 1-888-FLOOD29.

Floodplain Focus: Flood Insurance Outside the Floodplain

Flooding is the most common and costly natural disaster, but flood damage is usually not covered under most homeowner's policies. Only flood insurance covers flood damage. But if your home or business is not located in a 100-year floodplain, do you really need flood insurance? There is often a misconception by homeowners, community officials and even insurance agents that flood insurance can only be purchased by those who live in the 100-year floodplain.

THE FACT IS ANYONE CAN PURCHASE FLOOD INSURANCE!

By federal law, flood insurance is required when a person obtains a mortgage on a structure that is located in the 1 percent annual chance flood area (100-year floodplain). However, floods can happen anywhere, even in areas no one believes to be high risk. Approximately 25% to 30% of all flood insurance claims are paid to people in low to moderate-risk flood zones. Heavy rains, a blocked creek, or inadequate drainage can all lead to floods. And you are left with damaged walls and floors, ruined stock and equipment, drenched carpets and furniture, mud, and debris. An estimated 25% of all businesses never re-open after a local disaster.

The National Flood Insurance Program's (NFIP) Preferred Risk Policy (PRP) protects residential and commercial property in areas of low to moderate flood risk at a substantially lower premium rate than a standard flood insurance policy. These low to moderate flood risk areas are shown as B, C, or X zones on a Flood Insurance Rate Map (FIRM). The PRP provides coverage up to \$250,000 for structures and \$100,000 for contents for 1 to 4 family residential structures and commercial properties, even if the building is leased or rented. Most apartments, single-family homes, and townhouses are eligible for the lower PRP rates, as long as the building does not have a significant history of flooding. Most multi-unit condominium buildings do not qualify under this policy, but do have flood insurance available at standard NFIP rates. Here are some examples of PRP coverage and premium costs:

- Homeowners can purchase a minimum of \$20,000 building and \$8,000 contents coverage for just \$112 per year for a home without a basement, \$137 if there is a basement.
- Renters can pay as little as \$39 per year for \$8,000 of contents coverage (does not cover contents located in a basement).
- Business owners can buy \$50,000 building and \$50,000 contents coverage (per building) for only \$500 per year.



The PRP is not available for structures located in the designated 100-year floodplain. Contents located entirely in a basement are not eligible for contents-only coverage. Condominium associations, condo unit owners, and their tenants are not eligible for the PRP (there are some exceptions). Also, should any of the following conditions exist, based on the building's flood loss history regardless of ownership, a PRP cannot be issued:

- 2 loss payments each more than \$1,000;
- 3 or more loss payments regardless of the amount;
- 2 Federal Disaster Relief payments each more than \$1,000;
- 3 Federal Disaster Relief payments regardless of amount; or
- 1 flood insurance claim payment and 1 Federal Disaster Relief payment (including loans and grants) each more than \$1,000.

For more information on the NFIP Preferred Risk Policy, visit www.FloodSmart.gov or www.fema.gov.

UPCOMING CONFERENCES & WORKSHOPS

February 9-12, 2006: 27th Annual International Disaster Management Conference, Orlando, Florida. Contact: (800) 766-6335, <http://www.emlrg.org>.

February 11-16, 2006: Mid-Year Conference of the National Emergency Management Association, Washington, D.C. Contact: Karen Cobuluis at (859) 244-8143 or kcobuluis@csq.org, <http://nemaweb.org>.

February 20-24, 2006: Environmental Connection '06, Long Beach, California. Sponsor: International Erosion Control Association. Phone: (970) 879-3010, email: ecinfo@ieca.org

April 10-14, 2006: National Hurricane Conference, Orlando, Florida.
<http://www.hurricanemeeting.com/2006%20NHC%20Call%20for%20Papers.pdf>.

May 7-10, 2006: National Flood Conference, Philadelphia, Pennsylvania. Contact: Catherine King at CatherineR.King@associates.dhs.gov or see <http://www.fema.gov/nfip/2005conf.shtm>.

June 11-16, 2006: 30th Annual Conference of the Association of State Floodplain Managers, Albuquerque, New Mexico. Contact: ASFPM Executive Office, 2809 Fish Hatchery Road, Suite 204, Madison, WI 53713-3120. Phone: (608) 274-0123, Fax: (608) 274-0696, Email: asfpm@floods.org, internet: <http://www.floods.org>.

September 10-14, 2006: Association of State Dam Safety Officers (ASDSO) Dam Safety '06, Boston, Massachusetts. Sponsor: ASDSO. Contact: Susan Sorrell at (859) 257-5140, Internet: <http://www.asdso.org>.

UPCOMING EMERGENCY MANAGEMENT INSTITUTE COURSES

The Emergency Management Institute (EMI) is located at the Federal Emergency Management Agency (FEMA) National Emergency Training Center (NETC) in Emmitsburg, Maryland. EMI serves as the national center for emergency management training of federal, state, and local government officials. Tuition, housing, and all books and materials are provided at no cost. Participants are responsible for the cost of a meal pass (\$100). The following is a list of upcoming EMI courses through September 2006. To apply, call Diane Ifkovic, CT DEP, (860) 424-3537. For more information on the courses listed, visit the EMI website:

<http://training.fema.gov/emiweb/>

- E170 Advanced HAZUS MH for Hurricane – January 9-12.
- E172 Advanced HAZUS MH for Flood – May 1-4.
- E179 Application of HAZUS MH for Disaster Operations – April 3-6, July 10-13.
- E190 Introduction to ArcGIS for HAZUS MH Users – February 6-8.
- E194 Advanced Floodplain Management Concepts – June 26-29, August 28-31.
- E202 Debris Management – September 18-21.
- E210 Recovery from Disaster: The Local Government Role – August 21-24.
- E234 Digital Hazards Data – January 30 – February 2.
- E273 Managing Floodplain Development Through NFIP – July 31- August 3.
- E276 Benefit Cost Analysis: Entry Level Training – July 24-26.
- E278 NFIP/Community Rating System (CRS) – August 14-17, September 18-21.
- E279 Retrofitting Floodprone Residential Buildings – August 21-25.
- E296 HAZUS MH/DMA2000 Risk Assessment – August 28-30.
- E313 Basic HAZUS Multi-Hazards (MH) – June 12-15.
- E317 Comprehensive Data Management for HAZUS MH – September 11-14.
- E331 Multi-Building Design Summer Institute (MBDSI): Wind Design – July 18-21.
- E335 Multi-Building Design Summer Institute (MBDSI): Dam Safety Design – July 18-21.
- E386 Residential Coastal Construction – March 27-31.