National Flood Insurance Program
Community Rating System

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National Flood Insurance Program

• Standard Homeowner’s Insurance doesn’t cover flooding

• National Flood Insurance Program (NFIP) created in 1968 to help provide a means for property owners, renters, and business owners to financially protect themselves from flooding

• In return for flood insurance, local governments must agree to adopt and enforce a floodplain ordinance regulating development in areas prone to flooding
Community Rating System (CRS)

• Created in 1990 to provide certain flood insurance policy holders discounts on their premiums in exchange for local government policies and programs that reduce community flood risk

• Participation is voluntary on the part of the local government

• There are 18 activities in four broad categories of floodplain management:
  • Public Information
  • Mapping and Regulations
  • Flood Damage Reduction
  • Flood Warning and Response

• Communities earn points for undertaking activities in each of these categories
Virginia Beach

- Application submitted in October 2018
- Class 7 Community – 15% discount
  - High Risk Flood Zones (A, AE, VE)
  - Shaded X and X are eligible for a Preferred Risk Policy
- Discounts begin for new policies and renewals on or after May 1, 2019
- Cumulative savings of over $1 million annually

<table>
<thead>
<tr>
<th>CRS Class</th>
<th>Credit Points</th>
<th>Premium Reductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4,500-5,000</td>
<td>45%</td>
</tr>
<tr>
<td>2</td>
<td>4,000-4,499</td>
<td>40%</td>
</tr>
<tr>
<td>3</td>
<td>3,500-3,999</td>
<td>35%</td>
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<tr>
<td>4</td>
<td>3,000-3,499</td>
<td>30%</td>
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<tr>
<td>5</td>
<td>2,500-2,999</td>
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<tr>
<td>6</td>
<td>2,000-2,499</td>
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<td>15%</td>
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<tr>
<td>8</td>
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<td>10%</td>
</tr>
<tr>
<td>9</td>
<td>500-9,999</td>
<td>5%</td>
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</tbody>
</table>
• Maintenance of Class 7
  • Annual recertification
  • Verification every 5 years

• Moving to a Class 6 (20% discount)
  • Additional commitment
  • Several items submitted for points that need minor improvements
  • Increase Public Outreach
  • Stormwater Master Drainage Study and Dewberry Study
    • Resulting Code and Policy changes
Questions?

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