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EXECUTIVE SUMMARY

TO: Jim Scholl, City Manager

THROUGH: Greg Veliz, Asst. City Manager

FROM: Scott Fraser, FEMA/CRS Coordinator

DATE: July 19, 2017

SUBJECT: Floodplain Ordinance Revisions

ACTION ITEM: Amend the existing floodplain ordinance [Sections 34-125 & 34-132] to clarify how the costs of improvements are calculated when Substantial Improvement determinations are being made, along with other minor housekeeping revisions.

<u>PURPOSE AND JUSTIFICATION:</u> Sections of FEMA publication Substantial Improvement/Substantial Damage Desk Reference [FEMA P-758 / May 2010] offer detailed guidance when it comes to how the costs of improvements is derived. However, this isn't codified in any controlling legislation, leading to a lack of clarity. This action serves to incorporate these relevant sections into the City's floodplain ordinance for added clarity.

These amendments apply only to buildings within the Special Flood Hazard Areas.

Other Housekeeping Revisions:

- Amending Section 34-125(4,a) as follows: "Estimate the market value, or require the applicant to submit appraisals not older than one year of the market value prepared by a qualified independent appraisers, of the building or structure before the start of construction of the proposed work; in the case of repair, the market value of the building or structure shall be the market value before the damage occurred and before any repairs are made;"
 - In some instances more than one property appraisal may be necessary, yet the wording "... by a qualified independent appraiser ..." is singular. This change would make it plural: "... by qualified independent appraisers ...".
- Adding to the definition of "Substantial Improvement" [Sec. 34-132, Definitions, specific]: "Structures that have been moved or with new, replaced or substantially modified foundations are considered to be Substantially Improved."
 - Within the current Building Code [Sec. 1302.6], it's clear that existing buildings moved
 laterally are required to be elevated to the minimum required flood level. While the same
 is true for building moved vertically, people don't usually consider that lifting a building
 is moving it. This change clarifies the requirement.

- Modifying the Definition of "Substantial Improvement" [Sec. 34-132(1), Definitions, specific] as follows: "Any project for improvement of a building required to correct existing health, sanitary, or safety code violations identified and cited by the building a duly authorized city official and that are the minimum necessary to assure safe living conditions, if cited prior to a Building Permit application."
 - The state model floodplain ordinance qualifies this exemption, but doesn't detail what constitutes how the building official "identifies" such a building. FEMA advises that to have been "identified" means to have been formally cited as having unsafe or hazardous conditions. This change clarifies how a building is so identified.
- Modifying the Definition of "Substantial Improvement" [Sec. 34-132(2), Definitions, specific] as follows: "Any alteration of a historic structure provided the alteration will not preclude the structure's continued designation as a historic structure and the alteration is approved by variance issued pursuant to section 34-129 of this ordinance, unless the building has been moved or foundation replaced."
 - Under the current Building Code [Sec.1302.6], contributing historic structures are exempt from elevation requirements (but not exempt from extremely high flood insurance rates). However, this elevation exemption ceases to apply when such buildings have been moved or its foundation has been substantially replaced. Adding this language keeps this paragraph in harmony with the preceding change.
- Modifying the Definition of "Special Flood Hazard Area (SFHA)" [Sec. 34-132, Definitions, specific] by adding: "Coastal A" to the list of flood zone types.
 - This is a new type of flood zone that will appear on all future flood maps, which will ultimately require such an ordinance change, so it's being addressed now.

Options/Advantages/Disadvantages:

Advantages:

- Provides greater detail and clarity to existing floodplain requirements.
- Limits potential litigation brought on by a lack of clarity or differences of interpretation.

Disadvantages:

None

Financial Impact:

None

Conclusion: These recommended changes to the ordinance offer improved clarity to existing requirements where interpretations might otherwise differ.

Recommendation: Accept ordinance amendments presented.