



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

Executive Summary

EXECUTIVE SUMMARY

TO: Greg Veliz, City Manager

THROUGH: Patti McLaughlin, Asst. City Manager

FROM: Scott Fraser, FEMA/CRS Coordinator & Floodplain Administrator & Flood Map Task Force

DATE: March 22, 2021

SUBJECT: Appeal of FEMA's New Flood Maps

ACTION ITEM: City Commission approval to file an appeal with FEMA contesting its Preliminary Flood Insurance Rate Maps and provide funding in support of the appeal.

BACKGROUND: An early 2018 staff assessment of FEMA's ongoing efforts to remap the floodplain – upon which flood insurance policies are rated – disclosed major increases to the current flood levels (Base Flood Elevations) and expansion of the Special Flood Hazard Area (SFHA).

Under FEMA's remapping, 2,000 buildings would be administratively moved out of the X-zone and into the SFHA where flood insurance coverage would be required for mortgaged buildings and enhanced construction requirements made applicable. Flood risk levels would increase across the community upwards of one to four feet, resulting in still higher flood insurance premiums.

Recognizing the successful history local non-profit organization Fair Insurance Rates in Monroe (FIRM) had with contesting wind insurance premiums and analyzing storm modeling, City staff requested FIRM's assistance. FIRM formed a countywide Flood Map Task Force to help the City and other Monroe County communities seeking assistance.

The Task Force engaged Ransom Engineering to perform a preliminary analysis of FEMA's proposed new flood maps for the City. During the coming months, Monroe County would engage Woods Hole Group (WHG) to perform much the same services. Soon, the more global storm surge analysis between the two agencies began to partially overlap, with the City's topographical differences necessitated a differing level of added analysis. The two consulting companies purposely chose different analysis techniques, with the value of both becoming immediately apparent. This prompted the City to suggest – and the County agreed – that Ransom and Woods Hole Group create a hybrid of services under WHG's umbrella; the two consulting companies reached such an accord. FIRM then engaged the hybrid WHG in the larger study along with the City-specific review.

In the meantime, a pandemic ensued, delaying FEMA’s remapping process along with the Consultants’ access to modeling supercomputers now redirected toward tracking and analyzing the exponential spread of the deadly COVID-19 virus.

During early 2021, the Consultants identified additional data outside their scope of work which would enhance their analysis beyond what FEMA had conducted. Timing being critical, FIRM unilaterally backed the added cost; later seeking and obtaining buy-in from all the participating communities making the shared additional costs to each negligible. The non-profit organization’s ability to move swiftly – rather than at the speed-of-government – was a key asset to this successful NGO/Governmental relationship; and remains so as the appeal process begins.

PURPOSE AND JUSTIFICATION: The alternative flood maps developed by the Task Force determined:

- 7,138 buildings should have FEMA’s new flood level increases reduced by one foot.
- 303 buildings reduced two feet.
- 1 building by four feet
- 1 building by five feet
- 248 buildings should remain in the X-zone
- Resulting annual savings to policy holders of \$5.7 million

... making funding of the appeal a very worthwhile investment.

City-FIRM Appeal Savings	Buildings	Savings	
Remain in X-zone	248	\$500	\$124,000
Minus 1-ft.	7,138	\$660	\$4,711,080
Minus 2-ft.	303	\$2,750	\$833,250
Minus 3-ft.	0	\$4,730	\$0
Minus 4-ft.	1	\$6,380	\$6,380
Minus 5-ft.	1	\$8,360	\$8,360
			\$5,683,070

While the potential savings from this appeal is significant, so too will be the unavoidably increased flood levels. It’s but small solace to inform owners facing a three-foot increase that it should only be two feet; yet it helps. So too does the cumulative impact of the CRS discount of 25% off most policies

There are other ways City-FIRM can help property owners. Already being identified, are owners who’d qualify for individual no-cost appeals through FEMA’s separate Letter of Map Amendment (LOMA) process, with GIS software pinpointing parcels where the land’s elevation is greater than its new flood level. They’ll be given guidance to prepare LOMA applications ready to submit the day after whatever new flood maps become effective. If our mapping appeal is successful, that pool of LOMA applicants expands as well. LOMA’s can restore buildings to an X-zone or to a zone with a lower flood level.

A public outreach project will target owner's whose buildings are being moved out of the X-zone, urging them to purchase new flood insurance policies before the new maps go into effect, benefiting from considerably less-expensive grandfathered rates.

Recommendation: Authorize and fund the appeal.

Fund: 001.1910.519.3100 Current balance = \$102,049.50