

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, OPPOSING AND URGING AMENDMENT OR REPEAL OF THE BIGGERT WATERS FLOOD INSURANCE REFORM ACT OF 2012; URGING CONGRESS TO DIRECT AN INDEPENDENT EXAMINATION TO REVIEW NFIP PROPOSED ACTUARIAL RATES AND SOLVENCY; URGING CONGRESS TO DEVELOP MORE REASONABLE AND RATIONAL METHODS TO NFIP SOLVENCY THAT WILL NOT DAMAGE THE ECONOMY OR ITS FRAGILE RECOVERY; AUTHORIZING THE CITY CLERK TO PROVIDE CERTIFIED COPIES OF THIS RESOLUTION TO SENATORS BILL NELSON, MARCO RUBIO AND CONGRESSMAN JOE GARCIA; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Congress passed the National Flood Insurance Act of 1968 specifically to ensure flood insurance coverage is available on reasonable terms and conditions to citizens who have a need for such protections; and

WHEREAS, the National Flood Insurance Program (NFIP) plays a critical role in the location, placement and construction of homes and structures in Key West and Monroe County, and provides for an estimated 5.68 NFIP policies nationwide; and

WHEREAS, under the NFIP, participating communities with structures which are located and built in Special Flood Hazard Areas (Flood Zones A and V) and backed by federal lender institutions are required to purchase mandatory flood insurance policies; and

WHEREAS, on July 6, 2012, the President signed into law the Surface Transportation Bill (H.R. 4348), which included the Biggert-Waters Flood Insurance Reform Act (BW-12) (the "Act"); and

WHEREAS, the "Act" re-authorizes the National Flood Insurance Program (NFIP) through 2017, but also puts into place many significant reforms; and

WHEREAS, the "Act" implements actuary insurance rates for homeowners, business owners and prospective buyers upon the sale or purchase of real property or a lapse in insurance coverage after July 6, 2012; and

WHEREAS, Section 205 of the "Act" removes historical subsidized insurance rates for all non-primary residence and business properties that have been lawfully constructed prior to the first Flood Insurance Rate Maps (Pre-Firm) and are now subject to receive "Full Risk Rates" at a rate of 25% per year until the "Full Risk Rate" is achieved; and

WHEREAS, section 207 of the "Act" removes historical subsidies for any structure (grandfathered or non-subsidized) that is affected by a FIRM designation to a Special Flood Hazard Area and will be subject to receive "Full Risk Rates" at a rate of 20% per year until the "Full Risk Rate" is achieved; and

WHEREAS, the "Act" redefines the term "substantial improvement," discouraging the remodeling and renovation of existing structures by lowering the threshold for "substantial improvement" from 50% of the value of the structure to 30%; and

WHEREAS, nationwide NOAA data shows that 52% of the U.S. population lives in a coastal watershed county, and over 50% of the U.S. population lives near a river, creek, bay, sound, lake, stream,

or ocean, and that such percentages are obviously much higher in Florida, and particularly in Monroe County and in the City of Key West; and

WHEREAS, the Key West City Commission and citizens are extremely concerned that the "Act" will adversely affect home and business owners; devalue properties; discourage construction and renovation; hinder real estate transactions; and may result in foreclosures to owners who have lawfully constructed their homes and businesses as allowed by the NFIP within flood plains and the State's building code.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the Key West City Commission urges the United States Congress, and specifically Florida Senators Bill Nelson and Marco Rubio, and U.S. Representative Joe Garcia, to take immediate action to delay or repeal those portions of the "Act" that impose a punitive and unjust financial burden on coastal real property owners as a result of the Flood Insurance Reform Act of 2012, and FEMAS's revised Base Flood Elevation Maps, or, as an alternative:

a) Consider legislation to establish a National Disaster Fund;

b) Amend the Bigger-Waters Reform Act to provide for a slower rate of increase to flood insurance rates over a greater time period to meet Full Risk Rates;

c) Extend the grandfathering provisions for all existing policyholders who have lawfully constructed their homes per the State Building Code and upon transfer;

d) Reinstate the substantial improvement threshold limit at the historical limit of 50% of the value of the structure;

e) Address the cost savings that could be incurred through the rate making processes by participating NFIP communities that engage in Federal Storm Damage Reduction projects;

f) Have specific State building codes, or enhanced construction standards that would further limit flood loss and decrease the amount of damage community-wide.

Section 2: The Key West City Commission urges Congress to direct an independent examination to review the NFIP's proposed actuarial rates, NFIP solvency, and to assess the burden that the Bigger-Waters Act of 2012 will impose on policyholders.

Section 3: The Key West City Commission urges Congress to develop more reasonable and rational methods to attain NFIP solvency that will not damage the economy or its fragile recovery.

Section 4: That the City Clerk is hereby authorized to transmit certified copies of this Resolution to U.S. Senators Marco Rubio and Bill Nelson and to U.S. Representative Joe Garcia.

Section 5: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this _____ day of _____, 2013.

Authenticated by the Presiding Officer and Clerk of the Commission on _____ day of _____, 2013.

Filed with the Clerk on _____, 2013.

Mayor Craig Cates	_____
Vice Mayor Mark Rossi	_____
Commissioner Teri Johnston	_____
Commissioner Clayton Lopez	_____
Commissioner Billy Wardlow	_____
Commissioner Jimmy Weekley	_____
Commissioner Tony Yaniz	_____

CRAIG CATES, MAYOR

ATTEST:

CHERYL SMITH, CITY CLERK