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MEMO TO: The Municipality of Mt. Lebanon
Keith McGill, Municipal Planner

FROM: The Gateway Engineers, Inc.
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SUBJECT: National Flood Insurance Program FAQ's

Q. What is the purpose of this program (NFIP)?

A. The National Flood Insurance Program (NFIP) was created as an alternate to taxpayer disaster relief for flood victims. The program is administered by FEMA and enables property owners in participating communities to purchase flood insurance as financial protection against flood losses. In exchange, communities adopt floodplain management regulations designed to reduce flood risks and future flood damage.

Q. As a property owner, doesn't my homeowners' insurance cover flood damages/losses?

A. No. Neither homeowners nor renters insurance cover flood damages. Floods may occur in areas designated as moderate or minimal risk. In fact, approximately 1 quarter of all NFIP claims occur outside high-risk areas.

Q. Won't disaster assistance bail me out if my home or business is ever flooded?

A. In order for federal disaster assistance to be offered, the President must declare a major disaster. Only about 50% of flooding incidents are awarded under Federal Disaster Assistance. In addition, the most common form of Federal Disaster Assistance is a loan, which must be paid back with interest.

Q. How are the FIRMs developed?

A. The data on the FIRM maps are a result of engineering methodologies used by FEMA, their contractors, and mapping partners. Various methodologies are used in the development of estimated flood discharges and elevations. FEMA's partners, contractors, and others use their professional judgment in selecting methodologies that are appropriate for conditions along a particular flooding source. Many of these methodologies include simplifying assumptions.

Q. How does a property owner change the Flood Rate Insurance Map (FIRM)?

A. If a property owner feels they have been incorrectly represented on the FIRM, they can submit an appeal in the form of technical/scientific data proving the FIRM is inaccurate. In order for this to happen, the applicant of the appeal must be able to prove that more accurate methodologies or assumptions could have been made. If the documentation is deemed supportive in the appeal, FEMA will issue a Letter of Map Amendment (LOMA), thus correctly representing the property on the amended FIRM.

Q. What constitutes scientific data?

A. The proposed BFEs and/or base flood depths are said to be scientifically incorrect if the methodology used in the determination of the BFEs and/or base flood depths is inappropriate or incorrect, or if the assumptions made as part of the methodology are inappropriate or incorrect. An appeal that is based on the proposed BFEs and/or base flood depths being scientifically incorrect would, therefore, contend that the use of a different methodology or different assumptions would produce more accurate results.

- New hydraulic analysis based on alternative methodology and original flood discharge values;
- Explanation for superiority of alternative methodology;
- Revised Flood Profiles;
- Revised flood zone boundary and regulatory floodway boundary delineations.

Q. What constitutes technical data?

A. The proposed BFEs and/or base flood depths are said to be technically incorrect if at least one of the following is true:

- The methodology was not applied correctly.
- The methodology was based on insufficient or poor-quality data.
- The application of the methodology included indisputable mathematical or measurement errors.
- The methodology did not account for the effects of physical changes that have occurred in the floodplain.

Q. What does this insurance cost the homeowner on average?

A. The average premium for federally backed flood insurance through the National Flood Insurance Program (NFIP) is approximately \$400-\$500 a year for an average of \$100,000 of coverage. In fact, homeowners in low to moderate risk areas can insure buildings and contents for as little as \$120 a year.

Q. What is and is not covered by flood insurance?

A. Physical damage to a building or personal property that is directly caused by a flood is generally covered by flood insurance. For example, damages caused by a sewer backup are covered if the backup is a direct result of flooding. If the backup is caused by some other problem, the damages are not covered.

Q. What is the timeframe for a flood insurance policy through the NFIP?

A. Flood insurance policies are continuous, and are not non-renewed or cancelled for repeat losses.

Q. Where can a property owner purchase the flood insurance through the NFIP?

A. You can buy flood insurance from private insurance companies and independent insurance agents.

Q. What is the lag time between purchase and effective dates of the flood insurance policy?

A. There is approximately a 30 day waiting period between the purchase and when the flood insurance policy goes into effect through the NFIP.