

Homeowner FAQs

Due to the Biggert-Waters Flood Insurance Reform Act of 2012, new flood insurance policies for older “Pre-FIRM” structures in the 100-year floodplain will be increasing dramatically as of October 1, 2013. Flood insurance rates for current Primary Residential Pre-FIRM policies will continue to be subsidized unless there is substantial improvement or substantial damage. If a new policy is issued for the structure – the cost will not be subsidized and will be based on elevation.

New policies require an Elevation Certificate to determine the true risk actuarial rate for the policy.

However, there are steps you can take to reduce your flood insurance premiums and help mitigate against damage from future flooding. Actions such as relocating your structure out of the SFHA, elevating your utilities above the Base Flood Elevation (BFE, also known as the 100-year floodplain), installing flood openings, filling in your basement, and physically elevating your home will all help to protect your home and lower flood insurance costs.

To assist homeowners with this, Waterbury is considering a pilot program to elevate homes and fill in basements for those interested in taking advantage of the following grant program. The Town would apply to the Federal Emergency Management Agency’s (FEMA) Hazard Mitigation Grant Program (HMGP) to cover 75% of the expenses (up to \$131,250). The 25% match for the HMGP grant would either be the responsibility of the property owner or be covered by other grant funds.

Please note that there are two different FEMA programs at play here:

1. HMGP will help mitigate flood damage by elevating the first floor above the base flood elevation. HMGP considers the first floor to be the first living floor (not the basement, unless it is a finished, habitable basement). HMGP will not pay to only fill in a basement, but it will pay to elevate the home and fill in the basement if the total cost is \$175,000 or less.
2. The National Flood Insurance Program (NFIP) bases insurance rates on the elevation of the lowest floor, which it considers as including the basement floor. Filling in the basement alone may reduce flood insurance costs considerably. However, HMGP cannot fund this type of project.

Please see below for answers to frequently asked questions.

Future Local Work Questions

1. *I live near the State Office Complex (SOC). Will any of the SOC work affect my property during a flood or change if I’m in the floodplain or not?* This is not likely. The permits for the SOC state that there will be no net rise in the elevation of the SFHA as a result of the reconstruction of the Complex. Waterbury has adopted No Adverse Impact Standards for development in the Special Flood Hazard Area to ensure that any development in the SFHA would not create flood hazards for neighbors. Additionally, Waterbury’s existing flood regulations require that development will result in no more than an overall increase of .25 feet in the elevation of the SFHA. However, if you think your property has been mapped incorrectly in a SFHA, you can request a Letter of Map Change (LOMC) through FEMA.
2. *I’ve heard about the NFIP Community Rating System (CRS). Is Waterbury going to enroll in this?* Waterbury plans to enroll in the NFIP’s CRS to reduce flood insurance premiums for property owners in Waterbury by 5-15%. We are currently developing the required active floodplain management programs in order to apply to CRS in the future.
3. *I’ve heard of the LiDAR and the Choke Study. How will these studies affect me, and will they determine that my property is out of the floodplain and that I won’t need to elevate my home?* These studies do not currently affect your property. However, physical changes and work to local rivers and floodplain areas may affect your property. Milone & MacBroom, the engineering firm that has carried out the Choke Study, recommends the FIRM for the Village of Waterbury be re-mapped, especially if the recommendations of the study are implemented. This may affect your property. A LOMC could be another option for you if you feel your property has been mapped incorrectly in the SFHA.

HMGP

Elevation Pilot Program Questions

1. What criteria do I need to meet to qualify for Waterbury's Elevation Pilot Program?
 - The First Floor Elevation (FFE) of your home (the home's first LIVABLE floor) must be at or below the Base Flood Elevation (BFE).
 - If your FFE is at or slightly above BFE then it may be possible to still qualify. You will need to provide reasoning for why your home is still vulnerable to flooding. This can include information on past history. The total project cost to elevate your entire structure must be \$175,000 or less (the Town will secure a contractor's estimate to determine the cost).
 - If your home is in the SFHA then provide a map showing the footprint of your structure as in the SFHA.
 - i. If your home is outside the SFHA then you may still qualify by providing proof that your FFE is below the BFE.
 - You must be willing and able to pay the 25% match (which could potentially be as much as \$44,000)
 - Your home must be deemed habitable before and after elevation; and you must carry flood insurance on your home after the elevation.
2. *To qualify for the Elevation Pilot Program, which floor of my structure needs to currently be at or below the base flood elevation?* HMGP is concerned about the First Floor Elevation, which is the first finished and livable level of your home. Not the basement elevation.
3. *Are rental residential properties eligible?* Yes. If you rent your house or apartments out, but do not live there, you are still eligible for HMGP elevation assistance.
4. *Am I eligible for the Pilot Program if I live outside the 100-year floodplain?* Yes, most likely. You will still need to show that the FFE is below the BFE, and the burden of proof may be slightly higher to show that your structure is vulnerable.
5. *Will I need to prove my home was damaged or flooded in the floods of 1927, 1938 and Irene?* No
6. *How high will I need to elevate my house?* You will need to elevate the lowest floor of your home at least 1 foot above the base flood elevation and fill in your basement to establish a flood-vented crawlspace, or slab on grade.
7. *Can I elevate my home to above the 500-year flood elevation?* This decision will likely be made on a case-by-case basis by FEMA, and it may require a Benefit Cost Analysis. If approved, you may be required to pay for the difference in cost between the 100 year and 500 year elevations.
8. *Will HMGP pay to only fill in the basement?* No. But this is something that may be important to pursue through loans or other funding.
9. *Will the Town help with the 25% match?* The town will apply for grants, including Community Development Block Grant – Disaster Recovery (CDBG-DR) funds, to help homeowners with the 25% match. Homeowners need to be willing to pay this match on their own, in case the town is not successful in securing other funding. Accepting responsibility for the 25% match is a criterion for becoming a home in the pilot program because there is no guarantee that the Town will be able to secure other funding to cover the match.

10. *After Irene, I had my foundation sealed and some grading done around it. Will this count toward my 25% match?* No
11. *What can I do if it will cost more than \$175,000 to elevate my house?* Only houses that will cost up to or less than \$175,000 are eligible for elevation. If it is determined that it costs more than \$175,000 to elevate the home, you will not be eligible for the Waterbury Elevation Pilot project, however you may qualify for HMGP funding with additional analysis provided through a Benefit-Cost Analysis. Alternatively, you may be able to elevate your home using other loans and funds.
12. *Do I qualify for the Elevation Pilot Program if I own a historic home?* Yes, historic homes are eligible. The State Historic Preservation Office must concur with FEMA Region 1 staff (those who will be reviewing the Town's HMGP application) regarding the historic preservation requirements pertaining to the elevation.
13. *How long will it take me to fill out the HMGP application?* If you qualify for the Pilot Program, you will not need to fill out the application; the town and the Central Vermont Regional Planning Commission will fill out your application for you and the Town of Waterbury will be the applicant. You will likely only need to provide them with some information on your home and sign the application forms required by the property owner.
14. *When do I need to apply for this Pilot Program by?* You'll need to let the Town know that you would like to apply to the Pilot Program by Monday, November 11, 2013, as the HMGP application is due November 18.
15. *When do I need to make a decision about elevating my home?* You will only need to decide to have your home elevated once HMGP approves the grant application, which may take about 18 months.
16. *Could I sell my home after its elevated?* Yes, you would be allowed to sell your home after it is elevated. After your home is elevated, it may be eligible for much lower flood insurance premiums. Flood insurance rates determined by elevation (but not Pre-FIRM rates) will be consistent with the rates for new buyers. Pre-FIRM rates are not available as new policies.
17. *Will I need to get permits to elevate my house?* Yes. If you decide to elevate your home, you'll need to obtain a permit from the Zoning Administrator for \$160, as any development in the SFHA requires a permit.
18. *Do I have to do any of this?* No, you do not have to do any of this; however, the downside is leaving the structure exposed to damage and paying for the risk of damage with higher flood insurance premiums.
19. *Could I live in my house while it's being elevated?* This is a possibility, but your contractor will be able to give you more guidance on this.
20. *If I can't live in my house while it's being elevated, how long would I be out of my house for while they elevate it?* It's possible you may be out of your home for 2 to 5 weeks, but your contractor will be able to give you more information. Rental of temporary housing may be eligible for HMGP grant funding.
21. *Would ReBuild Waterbury (RBW) be doing any of the work on my home?* It's unlikely that RBW would do any work on your home, though RBW folks may provide assistance in other ways (helping connect you to necessary services, for instance.)

22. *If I need to elevate my house, can I hire my own architect and help in the design of it?* Yes, you would be able to be involved in the design of your home's elevation project. We anticipate that you would be able hire your own architect.
23. *If I'm selected to have my home elevated, would I be dealing with one company who can do everything (plumbing, electrical, etc.) or with many different contractors?* The Town is hoping to secure one general contractor that can handle all the work that needs to be done, but this is currently undetermined.
24. *Would it be cheaper if I waited to elevate my home?* At this time, there is substantial funding available from the HMGP program. We are not sure how much funding will be available from HMGP in the future.

Elevation Certificates (EC) Questions

1. *What is an EC?* FEMA developed the EC to provide elevation information that is needed to show compliance with your community's flood hazard area regulations. The EC is used by property owners to obtain flood insurance and must be kept in the community's permit file as an official record to document that new buildings and substantial improvements in all identified Special Flood Hazard Areas (SFHAs, also known as the 100-year floodplain or the Base Flood Elevation (BFE)) are properly elevated. Communities are required to obtain the elevation of the lowest floor of all new and substantially improved structures and anyone purchasing a new flood insurance policy will need an EC to determine the flood risk at the specific structure.
2. *Will I need to get an EC to participate in the Pilot Program?* Because the Town is the applicant and will only accept those structures with the greatest risk (lowest first floor elevations), if you are interested in elevating your home through the Pilot Program, you may need to obtain an EC to confirm the risk. HMGP will require that some proof is provided of your First Floor Elevation, in order to show that it is below the BFE.
3. *How high will I need to elevate my home?* You'll need to elevate the lowest floor of your home at least 1 foot above the BFE.
4. *How much does an EC cost?* It costs roughly \$350 for an EC from a local engineering firm, though you may be able to reduce some of the cost by hiring a surveyor or engineer with your neighbors.
5. *How long does it take to get one?* For properties in the Village of Waterbury, it typically takes about one hour for a surveyor or an engineer to generate the elevation certificate.

Insurance Questions

1. *Will I need flood insurance to participate in the Pilot Program?* Yes, you will need to maintain flood insurance if you participate in FEMA's HMGP program.
2. *Do you know the expected premiums I'll have to pay?* The premium is determined by your insurance company and varies with each individual property. According to the National Flood Insurance Program (NFIP), new flood insurance policies are based on the elevation of the lowest floor of your structure. For NFIP purposes, the lowest floor, according to FEMA, is defined as "the lowest floor of the lowest enclosed area" (including basement). The

NFIP looks at the lowest floor elevation relative to the Base Flood Elevation in determining insurance rates. A basement or sunken room (that extends below the ground level on all sides) would be considered the lowest floor, and this can have a large impact on insurance rates.

3. *What are the ways I can reduce my flood insurance premiums?* Mitigation methods such as elevating or relocating your home, moving your home's utilities above the 100-year floodplain, installing flood openings or foundation vents, and filling in your basement are all ways to reduce flood insurance premiums. Your home may even have been built or renovated in such a way to reduce flood insurance premiums.
4. *How will these mitigation techniques affect my property's value?* These mitigation techniques will result in a higher market value and possibly a higher assessed value for the property.
5. *If I elevate my house but don't fill in my basement, what would be the impact on my flood insurance?* NFIP flood insurance policies are based on the elevation of the lowest floor (including basement), therefore eliminating your basement would result in significant insurance savings.
6. *If I fill in my basement, and my first-floor level is above the 100-year flood plain level, what would be the impact of filling the basement on my flood insurance?* Our understanding is that in this case, filling in your basement will result in significant insurance savings.
7. *My flood insurance premium went up, but I don't live in the floodplain and/or wasn't flooded during Irene. What can I do about this?* Flood insurance costs are going up in response to changes from the Biggert-Waters Flood Insurance Reform Act of 2012, but changes will not be significant in low-risk Zone X (500-year floodplain) situations. If your flood insurance premium went up, but you don't live in the floodplain and/or weren't flooded during Irene, contact your insurance company for clarification on your insurance policy.
8. *What are my options if I can't afford my new flood insurance premiums?* If you can't afford your new flood insurance premiums, it is best to know what the situation is and to adapt your structure to make it safer from flood damage and less expensive to insure. If your bank sends a letter requesting confirmation that the structure is insured, it is better to get insurance as soon as possible as opposed to letting them force-place insurance on the structure on their terms and with their favorite source.
9. *Do I need to have flood insurance?* If you live in the 100-year floodplain and have a mortgage or loan on your home, federal law states that your lender must require that at least the value of the mortgage is covered by flood insurance. If you own the building outright there is no requirement on a lender – you assume all risk.
10. *Do I need insurance if I accepted FEMA assistance after Irene?* If you accepted Individual and Households Assistance from FEMA after Irene, you are required to carry flood insurance for the life of the structure as part of that agreement. If the structure is in a low risk area, you would pay the low rates. If flood insurance is not in place, you will not be able to receive a second round of Individual Assistance in the future.

Basements, Crawlspace & Contents

1. *Will HMGP pay to just fill in my basement?* No.
2. *Do I need to fill in my basement after elevating it?* Yes.

3. *How much would it cost me to fill in my basement?* We're working on getting a local estimate for this, but one New York contractor estimates it costs about \$50,000 to fill an 8-foot-tall, 1,500 square-foot basement with a concrete mixture that includes gravel.
4. *If I elevate my home, can I still have a basement?* In order for a project to fully comply with Waterbury's flood hazard regulations and FEMA's National Flood Insurance Program (NFIP), a basement would need to be addressed in some way, since basements are not allowed in a residence under the NFIP. A key thing to remember is that a basement extends below the ground level on all sides. Depending on the ground contours around the home, the basement may need to be either: 1) Filled to match the ground level around the perimeter of the foundation, or 2) Converted to a compliant enclosure IF it can be made into a walkout basement with a completely exposed exterior wall and flood vents that meet the NFIP standards.
5. *Are crawlspaces allowable?* If you fill in your basement and are left with a crawlspace, the crawlspace must meet the use and flood venting requirements of an enclosure as outlined in Waterbury Zoning 605(a)2.H) and the crawlspace must not be below grade (i.e., fit the definition of a basement). If there is an existing crawlspace, it would also need to meet the development standards of an enclosure and not be below grade.
6. *What do I do with the utilities that are in my basement?* Utilities (such as furnace, fuel tank, water heater, electrical panel, etc.) located in the basement or crawlspace should be relocated above the BFE. This may mean moving them to an existing higher floor, or constructing an enclosure to house them in. In some cases, the utilities may be protected in place to ensure that water can't get into the components during a flood event. HMGP won't fund the construction of extra square footage to house utilities (such as a bump-out), but it can pay for the construction of an internal wall to create a separate room to house the utilities, and relocating the utilities themselves.
7. *How much would it cost me to fill in my basement?* We're working on getting a local estimate for this, but one New York contractor estimates it costs about \$50,000 to fill an 8-foot-tall, 1,500 square-foot basement with a concrete mixture that includes gravel.
8. *If I elevate my home, will I need to fill in my basement completely?* Yes, you will need to fill in the basement. It's not a requirement under the HMGP that you fill in your basement after elevating it, but that cost would be covered under the Program if you decided to do so, providing the total cost of elevating and filling in is \$175,000 or less. Filling in the basement would reduce your flood insurance costs, and in order for a project to fully comply with Waterbury's flood hazard regulations and the NFIP, a basement would need to be addressed in some way, since basements are not allowed in a residence under the NFIP. A key thing to remember is that a basement extends below the ground level on all sides. Depending on the ground contours around the home, the basement may need to be:
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