

SPECIAL FLOOD HAZARD AREAS

BUILDING ALTERATIONS * BUILDING REPAIR * FLOOD DAMAGE OPTIONS



FOR QUESTIONS or ASSISTANCE

City of Fond du Lac Community Development Department
City-County Government Center – 4th Floor - 160 S Macy Street
(920) 322-3440

Office Hours: Monday-Friday 7:45 a.m. – 12:00 p.m. and 1:00 p.m. – 4:30 p.m.

www.fdl.wi.gov

What to know . . .

-) The area of the 100-year floodplain is referred to as a **Special Flood Hazard Area (SFHA)**. Alteration and repair of a building in a SFHA is limited, and an existing building cannot be expanded unless the entire structure complies with floodplain regulations. It is possible to demolish a building in a SFHA and construct a new building; however, it may be necessary to add fill to the land to comply with floodplain regulations.
-) To determine limitations on repair and building permit requirements, contact the **City Building Inspector at (920) 322-3570**.
-) Before you plan changes to any building, first determine the flood hazard status of your property. Community Development staff can assist in locating your property on the **FEMA Flood Insurance Rate MAP (FIRM)** and provide guidance. For assistance contact the **Community Development Department at (920) 322-3440**.
-) An **Elevation Certificate** prepared by a licensed surveyor or engineer will determine the flood hazard status of the property and building(s). An as-built elevation certificate is required for all new construction in the 100-year floodplain.
-) Community Staff will assist in determining if a **Letter of Map Amendment (LOMA)** has been approved by FEMA for your existing building(s). A LOMA demonstrates that although the property or a portion of the property may be situated in the Special Flood Hazard Area, the existing structure is outside of the SFHA. This is important in determining if the existing building is a conforming structure or a non-conforming structure.
-) A property owner may choose to market and sell a damaged building that is located in a floodplain. However, the damage must be disclosed AND a potential buyer should be advised of significant limitations on repair of the building(s) and/or reuse of the property.

BUILDING ALTERATIONS/REPAIR

-) When the owner of a building in a **Special Flood Hazard Area** plans to **remodel and/or repair** a structure, the cost of the work (labor AND materials) is a determining factor in allowable alterations of the building. If the cost of the work is **less than 50%** of the market value of the building in its existing condition (for flood damage, the market value of the condition before the damage occurred), a building can be remodeled and/or repaired.
-) When the cost to repair or alter a building is **more than 50%** of the market value of the structure (not including the land value) the building can be altered or repaired *only* if the structure is modified to comply with floodplain requirements – this typically means that the building would have to be elevated, fill added around the structure, and an existing basement filled.
-) The allowable 50% limit on repairs and/or alterations is a cumulative total for the life of a building.

FLOOD DAMAGE - Options

If a building is damaged by a flood, you may be required to meet certain floodplain building requirements before you repair or rebuild, such as elevating the building and fill added around the structure. The National Flood Insurance Program includes **Increased Cost of Compliance (ICC)** coverage for all new and renewed Standard Flood Insurance Policies. The **ICC** program funds changes to an existing structure that does not comply with floodplain regulations.

When the City determines that your home or business is damaged by flood to the point that repairs will cost 50 percent or more of the building's pre-damage market value. This is called **substantial damage**.

When the City determines that your home or business was damaged by a flood two times in the past 10 years, where the cost of repairing the flood damage, on the average, equaled or exceeded 25 percent of its market value at the time of each flood. This is called **repetitive damage**. Additionally, there must have been flood insurance claim payments for each of the two flood losses.

-) The Increased Cost of Compliance program will pay up to \$30,000 to elevate, demolish or relocate a flood-damaged building or floodproof a non-residential building - or any combination thereof.
-) ICC coverage is separate from other insurance benefits and is in addition to the policy's building coverage for structural damage. Although an ICC coverage claim is filed separately from a claim for direct flood damage to the building or its insured contents, there is no separate deductible for this coverage.

-) ICC pays policyholders to comply with floodplain management laws; the coverage does not extend to other improvements that the policyholder may want such as remodeling or building an addition.
-) ICC coverage does not apply to detached garages or carports, decks, patios, and other surfaces located outside the exterior walls of the insured building.
-) ICC will cover the cost of architectural and engineering fees associated with a design for elevating, relocating or floodproofing a substantially damaged structure.
-) Mitigation repairs must be completed within 2 years of the substantial damage declaration.

Available Coverage

Flood insurance policyholders in a Special Flood Hazard Area can get up to \$30,000 to help pay the costs to bring their home or business into compliance with their community's floodplain ordinance.

Four Options to Floodplain Compliance

1. **Elevation.** Raise your building above the flood elevation level.
2. **Relocation.** Move your building to land that is not in the floodplain.
3. **Demolition.** Tear down and remove a flood-damaged building.
4. **Floodproofing.** This option is available primarily for non-residential buildings. It involves making a building watertight through a combination of adjustments or additions of features to the building that reduce the potential for flood damage.

When to File an ICC Claim

You may file a claim for your Increased Cost of Compliance coverage in two instances:

1. When the City determines that your home or business is damaged by flood to the point that repairs will cost 50 percent or more of the building's pre-damage market value. This is called **substantial damage**.
2. When the City determines that your home or business was damaged by a flood two times in the past 10 years, where the cost of repairing the flood damage, on the average, equaled or exceeded 25 percent of its market value at the time of each flood. This is called **repetitive damage**. Additionally, there must have been flood insurance claim payments for each of the two flood losses.

How to File an ICC Claim

Your ICC claim is adjusted separately from the flood damage claim you file under your Standard Flood Insurance Policy. You can only file an ICC claim if the City determines that your home or business has been substantially damaged or repetitively damaged by

a flood. This determination is made when you apply for a building permit to begin repairing your home or business.

If the City determines that your home or business is substantially or repetitively damaged, a local official will explain the floodplain management ordinance provisions that you will have to meet. You may also want to consult with the local official before you make the final decision about which of the options to pursue.

Once the determination of substantial/repetitive damage has been made by the City, contact the insurance company or agent who wrote your flood policy to file an ICC claim. Your insurer will assign a claims representative who will help you process your ICC claim. You should start getting estimates from contractors to take the necessary steps to elevate, relocate, floodproof, or demolish.

How an ICC Claim is Processed

You may be able to receive a partial payment after the claims representative has a copy of the signed contract for the work, a permit from the City to do the work, and a return of your signed ICC Proof of Loss. If the work is not completed, you must return any partial payment to your insurer.

When the work is completed, local officials will inspect and issue a certificate of occupancy or a confirmation letter. Once you submit this document to your claims representative, your insurer will pay the final installment or full payment.

ICC claims will only be paid on flood-damaged homes and businesses, and can only be used to pay for costs of meeting the floodplain management ordinance in your community.

**For more information on ICC coverage
Call your insurance agent or call the NFIP toll-free at 1-800-427-4661.**