

Severe Repetitive Loss Program (SRL)

An Informational Brochure Developed by K. W. Poore & Associates, Inc.
Community Development Consultants

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CONTACT US

K.W. Poore and Associates, Inc.
2201 West Broad Street, Suite 204
Richmond, Virginia 23220
804.204.1022 **phone**
kwpoore@kwpoore.com
www.kwpoore.com

What is SRL?

The Severe Repetitive Loss (SRL) grant program was authorized by the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, which amended the National Flood Insurance Act of 1968 to provide funding to reduce or eliminate the long-term risk of flood damage to severe repetitive loss (SRL) structures insured under the National Flood Insurance Program (NFIP).

An SRL property is defined as a **residential property** covered under an NFIP flood insurance policy and:

(a) Has at least four NFIP claim payments (including building and contents) over \$5,000 each, and the cumulative amount of such claim payments exceeds \$20,000; or

(b) For which at least two separate claim payments (building only) have been made, with the cumulative amount of the building portion exceeding the market value of the building.

For both (a) and (b) above, at least two of the referenced claims must have occurred within any ten year period and must be greater than 10 days apart.

Is Your Locality Doing Enough?

The Virginia Department of Emergency Management (VDEM) offers approximately \$1.5 million to reduce or eliminate repetitive flood claims through the Severe Repetitive Loss (SRL) Program.

Funds are channeled through the Federal Emergency Management Agency (FEMA) as part of a comprehensive hazard mitigation strategy. The purpose of this program is to reduce and/or eliminate flood claims to the National Flood Insurance Fund.

The SRL program was created to help the National Flood Insurance Program (NFIP) deal with properties which not only continually sustain damage during severe weather but whose claims exceed the overall value of the structure. As with any insurance program, premiums for policy holders are established based on the payout amount of claims. Homes that qualify under SRL have continued to skew the annual claims for their localities, thus costing their neighbors millions in extra insurance premiums.

HOW CAN THE PROGRAM WORK FOR MY LOCALITY?

There are many benefits to the participation in the SRL program. By elevating or demolishing homes in the floodplain, localities can lower service calls and public assistance claims after a named event. Also, participation in the SRL program could help improve the locality's Community Rating System (CRS) number. Increasing your CRS number by one base

point results in flood insurance premium discounts of 5% locality-wide, and additional increases result in higher discounts for the entire locality. Not participating in this program may incur future premium increases as the NFIP works to make premiums more equitable for its policyholders.

WHAT WILL IT COST?

SRL programs offer many benefits at little cost to local government. Most localities only have to pay for the cost of the application. Since Virginia has a FEMA-approved Enhanced Mitigation Plan, the federal cost sharing of the program provides 90% of the project funds. Localities may pass along the remaining 10% to participating citizens.

Funds can be utilized for:

- Acquisition, demolition, or relocation of at-risk properties, or subsequent conversion to open space
- Elevation of existing structures
- Localized flood reduction projects
- Dry flood proofing to preserve historic properties

K.W. Poore and Associates, Inc., can assist you with property identification, mitigation strategies, project development, cost/benefit analysis, and application preparation and submission. Our firm is also registered with eGrants, the digital application process required for application submission. 

SRL PROJECTS

SRL projects can be stand-alone activities or leveraged with larger projects, such as:

- public parks/open space plans
- trail development
- housing rehabilitation or redevelopment projects
- conservation easements

BENEFITS

By applying for and implementing any of the three FEMA programs, your locality could realize additional benefits to your community, including:

- Lower its Community Rating System (CRS) number, thus increasing the discount residents receive on flood insurance premiums;
- Create additional parkland or permanent open spaces;
- Implement a Comprehensive Plan to enhance local prevention efforts;
- Protect creeks, rivers, waterways, tributaries, marshes and wetlands from run off by the development and use of the properties in the flood zones;
- Help to protect the Chesapeake Bay by reducing areas in the flood zone from contributing to pollution and run off that damages the Bay's ecosystem.

Other Solutions

Does your locality suffer damages from flooding?

Natural disasters strike today with more intensity and greater frequency than in years past. Congress has recognized this fact and now budgets over \$140 million annually to local governments to assist in preparing for natural disasters. The funding is administered by the Federal Emergency Management Authority (FEMA), who works with each state's emergency management office to fund three main programs.

FLOOD MITIGATION ASSISTANCE

Flood Mitigation Assistance provides funding for long term planning designed to help reduce or eliminate the risks associated with flooded homes and businesses insured by the National Flood Insurance Program (NFIP).




The funds can also be used to implement a plan for site acquisition or building elevations.

The grant is funded on a national level with approximately \$500,000 available each fiscal year. To be eligible, each locality must have a FEMA-approved Flood Mitigation Plan prior to the close of the application period.

PRE-DISASTER FLOOD MITIGATION

To help plan for an event, the federal Pre-Disaster Mitigation grants are now funded at \$100 million nationwide. These grants can be used to move homes and businesses out of a floodplain, install a warning system for flooding or terrorism, and even upgrade a public facility to be better prepared for the next event. All local governments, public colleges and universities, and planning district commissions who have FEMA-approved Section 322 local hazard mitigation plans are eligible to apply for the grant.

REPETITIVE FLOOD CLAIMS

Repetitive Flood Claims is another program that provides assistance for the reduction or elimination of long term risk of flood damage. This \$10 million national program is generally limited to the acquisition of homes or businesses that have one or more claim payments for flood damages. 

Application Assistance

K. W. Poore and Associates, Inc., has extensive experience in successfully applying for a variety of federally and state-funded grants. The firm has helped several Virginia jurisdictions in securing over \$30 million in FEMA disaster mitigation and recovery funding. We are available to discuss project development and funding eligibility with localities that have an interest in mitigating future flood damages.

In Gloucester County, K. W. Poore & Associates, Inc., has administered the elevation of over 30 homes out of the floodplain, removing others and creating acres of protected open space along the Chesapeake Bay. In the City of Franklin, the firm assisted in the acquisition of dozens of residential and commercial properties as well as the reconstruction of several important government and infrastructure facilities such as City Hall, the City's water treatment plant, and the Verizon telephone exchange building.