

# Flood News for Michigan Floodplain Managers



A quarterly newsletter of the  
Land and Water Management Division  
Michigan Department of Environmental Quality

Russell J. Harding, Director

John Engler, Governor

Fall 2001

## **EMI CLASSES: 2001-2002 SCHEDULE**

(NEWS & VIEWS, August 2001)

The Emergency Management Institute (EMI) of the Federal Emergency Management Agency (FEMA), located in Emmitsburg, Maryland, conducts a variety of training courses of interest to floodplain managers. Most are oriented to local building, zoning, planning, and engineering officials.

Tuition for these courses is free for state and local government officials and travel stipends are available. For more information, contact the training office of your state emergency management agency or call EMI at 1-800-238-3358. You can also get more information on the website at <http://www.training.fema.gov/emi.aspx>.

The week-long courses are offered on the following schedule:

### **Managing Floodplain Development through the National Flood Insurance Program (NFIP)**

Several FEMA regions have also "field deployed" this course. Contact your Regional Office or State NFIP Coordinator for possible training in your area.

October 22-26, 2001  
February 4-8, 2002

March 11-15, 2002  
April 8-12, 2002

### **Residential Coastal Construction**

This is a new course, designed to train engineers, architects, and building code officials on the FEMA's new Coastal Construction Manual (see News & Views, December 2000, p. 9). Floodplain management, hazard mitigation, and planning officials with building science knowledge may also apply.

September 10-14, 2001  
March 11-15, 2002  
September 9-13, 2002

### **Digital Hazard Data**

This course provides good training for incorporating flood data into a community's geographic information system (GIS).

August 26-30, 2001  
January 28 – February 1, 2002

April 8-12, 2002  
August 26-30, 2002

**EMI CLASSES: 2001-2002 SCHEDULE (continued):****The Community Rating System (CRS)**

This CRS course is also available as a field-deployed course. Anyone interested in having it held closer to home should contact their state NFIP Coordinator and/or ISO/CRS Specialist.

July 30 – August 3, 2001  
November 5-9, 2001  
April 15-19, 2002  
July 29 – August 2, 2002

**Retrofitting Flood-prone Residential Buildings**

This is a more technical course, designed for engineers and building officials who have no fear of engineering formulas.

February 4-8, 2002

**Home Study**

EMI manages a variety of “home” or “independent study” courses. IS-9 is the home study version of “Managing Floodplain Development through the NFIP.” It has been identified as the best preparation for the Association of State Floodplain Managers’ (ASFPM) Certified Floodplain Manager exam. More information on IS-9 and instructions on how to apply for it can be found on the FEMA’s website at <http://training.fema.gov/is/crslist.aspx>.

**FANNIE MAE EXPANDS PROJECT IMPACT  
PREVENTION LOAN PROGRAM**

(Adapted from “Watermark,” the National Flood Insurance Program newsletter  
Fall 2000/Winter 2001)

Protecting a home from future natural disasters just got a little easier for homeowners in several states. Recently, Fannie Mae, the national home ownership financial institution, joined with the FEMA’s Project Impact and several states to offer consumer installment loans at competitive interest rates to homeowners for making disaster prevention improvements. The Prevention Loan Program began in Florida in June 2000, and Fannie Mae expects to make it available throughout the United States. Additional programs have already been launched in the San Francisco Bay area, Georgia, Kansas, and Oklahoma. The program includes a quick approval process and requires that work be performed by certified contractors who are qualified to make disaster-resistant improvements to residences. Unsecured, fixed-rate loans of up to \$20,000 are available with repayment terms of up to 10 years. Interest rates are based upon market conditions for the terms of the loan, and there are no income limitations for borrowers. Projects that may be covered under this program include strengthening a home roofing system, installing hurricane shutters, constructing an in-home safe room, elevating a structure above base flood elevation, and bracing a chimney. For more information about the Prevention Loan Program, contact Fannie Mae at 800-732-6643.

## **NATIONAL FLOOD INSURANCE PROGRAM HAS REPAID ALL BORROWED FUNDS, FEMA REPORTS**

(From the FEMA News Room)

Washington, DC, August 15, 2001—All monies borrowed from the U.S. Treasury to pay for flood insurance claims since 1995, have now been repaid with interest, according to officials of the FEMA, which administers the NFIP.

The NFIP's outstanding debt, which reached a high of \$922 million in February 1999, following a series of major flood disasters, was reduced to zero on June 30, 2001, with a final payment of \$120 million, said Howard Leikin, Deputy Administrator of the FEMA's Federal Insurance and Mitigation Administration.

Leikin emphasized that borrowing is an expected and standard procedure.

“When Congress established the program, it provided the NFIP with a borrowing authority, recognizing that floods occur irregularly and that several in rapid succession may necessitate access to cash reserves,” he said. “Later, when heavy flood losses return to average or below-average levels, funds borrowed from the Treasury are paid back, with interest, from premium income.”

Leikin explained that flood insurance rates are based on anticipated claims over the long term. During certain periods, however, premium income—currently \$4 million per day—may be sufficient to cover claims in the aftermath of severe storms, as has happened several times in recent years.

The timing and severity of floods determine whether or not the NFIP needs to borrow funds and how quickly borrowed funds can be repaid. The latest round of borrowing followed several major flood disasters beginning with the Louisiana Floods of 1995, which alone resulted in flood insurance claims totaling nearly \$584 million.

Since 1986, the NFIP has used no funds appropriated from general revenue, instead paying more than \$8 billion in claims and \$5 billion in program expenses from policyholder premiums and investment income. The period from 1986 to 1991 was relatively light in terms of flood losses, which allowed the accumulation of premiums. The heavy loss years, 1993-1997, depleted those funds and necessitated borrowing from the U.S. Treasury. Indeed, claims from this period alone represent nearly 50 percent of the total paid losses in the program's 32-year history. Later, however, relatively light losses from 1998 through the first half of 2001 enabled the NFIP to repay the borrowed funds.

The NFIP makes federally backed flood insurance available to homeowners, renters, and business owners in communities that adopt and enforce floodplain management ordinances designed to reduce future flood losses by regulating new construction. Currently, nearly 4.3 million policies are in force in more than 19,000 participating communities, representing more than \$561 billion worth of coverage. It is estimated that the NFIP building standards prevent approximately \$1 billion in flood damage annually.

## **CORPS PROPOSES TO REMOVE FLOODPLAIN CONSIDERATIONS FROM NATIONWIDE WETLAND PERMITS**

(The INSIDER, September 2001)

The U.S. Army Corps of Engineers (USACE) issued a notice of proposed rule changes to the nationwide permit (NWP) under Section 404 of the Clean Water Act.

Just over a year ago, the USACE modified the NWP's and some require consideration of floodplains and certain requirements if the proposed construction/filling is occurring in a floodplain. The changes last year were the culmination of three years of consideration by federal agencies, including three public comment periods and more than 10,000 public comments. These changes reduced the amount of wetland area and stream length that could be impacted under the NWP's. It imposed key restrictions on the use of most of these permits in 100-year floodplains.

This current proposal for reauthorization of the permits eliminates the prohibition on the use of the expedited permits to build houses, businesses, and public facilities in floodplains. It would allow construction of houses, businesses, schools, and hospitals in wetlands on the 100-year floodplain without individual review and an opportunity for public comment.

The USACE proposal also eliminates the prohibition on the use of the NWP's for destruction of more than 300 linear feet of stream—opting instead for a standard that might entail a significant increase in the amount of stream which could be altered.

Mike Powell, the ASFPM Regulations Committee Chair, is gathering comments on the proposed rule.

The proposed changes are in the August 9, 2001 Federal Register, Vol. 66, #154, pages 42070-42100. Comments were due September 24, 2001. A public hearing was held in Washington, DC on September 12, 2001.

### **ASSOCIATION SEARCHING FOR WEBMASTER**

(George Hosek, Michigan Department of Environmental Quality,  
Land and Water Management Division)

The Michigan Stormwater-Floodplain Association (Association) is interested in establishing a webpage as a service to its membership. It would feature contacts for assistance with various floodplain and stormwater issues, as well as keep the membership advised of changes in programs, funding possibilities, and other timely items. The Association is searching for an individual willing to serve as its webmaster by designing the page and updating it as necessary. Interested individuals can contact the Association Chair, Tracy Slintak, Engineering Department, City of Troy, 500 West Big Beaver Road, Troy, Michigan 48084-0851, or by e-mail at [slintaktl@ci.troy.mi.us](mailto:slintaktl@ci.troy.mi.us).

## ASFPM HONORS ISO

(Taken from News & Views, August 2001)

The ASFPM's Certification Board of Regents has given special recognition to the Insurance Services Office, Inc. (ISO) for its employer support of the ASFPM's Certified Floodplain Manager Program. On June 4, 2001, Lisa Holland, Chair of the ASFPM, presented the ISO with a certificate of recognition. David Van Troost, ISO's first Certified Floodplain Manager, accepted it on behalf of his company.

ISO got started in the floodplain management business in 1990, when the NFIP's Community Rating System began. Only one of ISO's staff had floodplain management background; most staff came from the fire insurance rating program. Every new person attended the Emergency Management Institute's "Managing Floodplain Development" course and everyone gained a lot of expertise over the years.

In spite of the training and experience with the CRS, ISO's leadership felt that the ASFPM's certification program was the best way to both assure and demonstrate that its staff is proficient in floodplain management. Accordingly, each employee was "invited" to take the certification exam.

By December 15, 2000, every CRS staff member, up to and including the head of the office, had taken either the ASFPM or accredited state exam. (All but one passed on the first try.) ISO paid the certification exam fees for its staff. All who passed were recognized in front of their peers and awarded a bonus check.

ISO now has a full complement of Certified Floodplain Managers. For this effort and commitment, the ASFPM recognizes the ISO for its work to improve and maintain the expertise of its staff. ISO has set a national example for other employers in the field of floodplain management.

## ON-LINE FLOOD HAZARD MAP ADVISORY

(George Hosek, Michigan Department of Environmental Quality,  
Land and Water Management Division)

The Land and Water Management Division of the Department of Environmental Quality has been advised that some lenders, planners, and other community officials are using an on-line source of flood hazard mapping for final determination of flood-prone sites and structures. The on-line site ([link no longer available](#)) is a product of a partnership between the FEMA and the Environmental Systems Research Institute (ESRI) for Project Impact. The site is designed to help users create maps containing information about flood hazard areas, earthquakes, hailstorms, hurricanes, and other wind storms.

In the case of flood hazard information, users may obtain maps of communities for which Q3 flood data are available.

The FEMA and ESRI officials advise that the maps on this site should be considered an advisory tool for general hazard awareness and education, and that the information should not be used for analyses or legal determinations.

We underline the advisory, this on-line source of hazard information, WILL NOT substitute for the use of the community Flood Insurance Rate Map (FIRM). For communities with FIRMs, decisions on floodplain issues should begin with consulting the community's FIRM, not the ESRI map. The flood elevations published on the FIRM are used to determine whether a parcel is in the floodplain.

## SOIL EROSION AND SEDIMENTATION CONTROL INTERNET TRAINING COURSE

(Dick Mikula, Land and Water Management Division,  
Michigan Department of Environmental Quality)

The internet-based soil erosion and sedimentation control (SESC) training course, mentioned in the Spring 2001 Newsletter, is available. The course, developed by the Michigan Department of Environmental Quality and the Institute of Water Research at Michigan State University, may be taken for MSU credit and/or for completing the training requirements for individuals responsible for administering Part 91, SESC, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

Individuals may enroll for the course on-line at : [link no longer valid, removed](#)

## THE NUTS AND BOLTS OF FLOODPLAIN BUYOUT PROJECTS

(Taken from ASFPM NEWS & VIEWS, August 2001, Vol. 14, No. 4)

Whether you're just starting to think about a floodplain acquisition project or are in the middle of one, Florida has a handbook that's just the thing to help you deal with the many issues and questions that come up. Florida's Department of Community Affairs *Handbook for Acquisition and Elevation Projects* (January 2001) is available in hard copy and on CD-ROM (Adobe pdf and many Word files). Perhaps the best tools to help your project move more smoothly from start to finish are the many sample forms, checklists, letters, handouts, scopes of work for contracted services, and several informative FAQs set up for use by local jurisdictions.

The handbook covers all aspects of buyouts in detail:

- Overview of funding programs
- The importance of pre-flood planning
- The typical timeline for grants
- Details to help define projects
- Options for managing projects
- Preparing the grant application
- Estimating all grant-eligible costs
- Working with property owners and tenants
- Unusual situations that may occur
- Handling demolition and lot clearance
- Financial management
- Assistance available from the state

The handbook is on-line. Click on <http://www.floridadisaster.org/publications/FloodplainAcqElevProj.PDF>

<p>For questions, comments, or information, contact:</p> <p>George Hosek MDEQ LWMD P.O. Box 30458 Lansing, MI 48909-7958</p> <p>Telephone: 517-335-3182 Fax: 517-373-9965 e-mail: hosek@state.mi.us</p>	<p>The MDEQ will not discriminate against any individual or group on the basis of race, sex, religion, age, national origin, color, marital status, disability, or political beliefs. Questions or concerns should be directed to:</p> <p>MDEQ Office of Personnel Services P.O. Box 30473 Lansing, MI 48909</p>	<p>This newsletter is supported by funding under a Cooperative Agreement with the Federal Emergency Management Agency. The substance and findings are dedicated to the public. The MDEQ, LWMD, is solely responsible for the accuracy of the statements and interpretations contained in this publication. Such interpretations do not necessarily reflect the views of the federal government.</p>	<p>Printed by Authority of the MDEQ, LWMD.</p> <p>Total Number of Copies Printed: . . . . . 2700 Cost Per Copy: . . . \$ .48 Total Cost: . . . . . \$1296</p> <p style="text-align: right;"><b>EQC2760</b></p>
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