

## CRS Credit for Higher Reconstruction Standards Following Superstorm Sandy

The Community Rating System (CRS) encourages communities to adopt best available flood elevation and map data and regulatory standards that exceed the minimum criteria of the National Flood Insurance Program (NFIP). An important time to do this is before reconstruction is expected to take place following a major flooding event. Communities affected by Superstorm Sandy are in such a situation. They are faced with both a large number of properties to be repaired or replaced and new flood hazard mapping and advisory base flood elevations (ABFEs). Because having reconstruction standards that will protect property from known higher flood levels is so important, FEMA is emphasizing the CRS benefits for communities that adopt higher regulatory standards before reconstruction permits are issued.

### The Community Rating System

Under the CRS, communities receive classifications based on the number of points they earn. In general, every 500 points results in one class improvement and each class improvement represents an additional 5% discount in flood insurance premiums.

Community participation in the CRS is voluntary. Over 1,200 communities participate in the CRS. Over 70 communities receive a 25% insurance premium discount or better.

For more information on the CRS, see [www.fema.gov/national-flood-insurance-program-2/community-rating-system](http://www.fema.gov/national-flood-insurance-program-2/community-rating-system).

**CRS credit for higher regulatory standards:** Credit for a variety of higher regulatory standards are provided to communities in the CRS under Activity 430 (Higher Regulatory Standards) in the 2013 *CRS Coordinator's Manual*. Three of those standards, freeboard, enclosure limits and coastal A Zone regulations are described below. ABFE credit for communities damaged by Superstorm Sandy is provided under other higher standards (OHS) based on the details provided in this handout.

### Fast Track Procedure for CRS Communities

Normally, CRS communities must submit documentation and have a verification visit before new credits are provided. Given the need for communities to act quickly, FEMA has authorized a special procedure to fast track credit reviews for communities adopting higher standards for construction and reconstruction in the areas damaged by Superstorm Sandy.

Under the fast track review procedures, a CRS community may submit its amended ordinance to its ISO/CRS Specialist, who can process the new credits without a community visit. If the ABFE adoption ordinance is passed and reviewed by the ISO/CRS Specialist by May 31, 2013, the new CRS class will take effect on October 1, 2013.

This procedure only applies to communities currently in the CRS. Other communities may apply for the credit as part of their application to the CRS, but will need the standard verification visit and a letter of full compliance from the FEMA Regional Office.

### Credited Standards (2013 Manual)

Activity 430 lists a variety of higher regulatory standards that can be credited by the CRS. Four are reviewed here, but communities may apply for additional credits points.

Higher Standard	Point Range
Adopting the ABFEs	250 – 1,000
Freeboard	10 – 500
Enclosure limits	10 – 240
Coastal A Zone regs	10 – 750
Sea level rise	15 - 305
Total:	280 – 2,490

To qualify for the fast track procedure, the following provisions apply:

1. The community must adopt the ABFEs provided by FEMA. Adoption of the ABFEs receives substantial credit for its own merit, but it is also a requirement for the fast track.
2. A community official must sign the self-certification noted below.
3. This procedure only applies to regulations credited under Activity 430 (Higher Regulatory Standards) and Activity 410 (Floodplain Mapping). The regulations must apply to reconstruction of substantially damaged buildings as well as to all new construction and substantial improvements.
4. The community cannot reduce or repeal any of its existing CRS higher regulatory standards, such as freeboard or enclosure limits.
5. The community must submit copies of permit records and Elevation Certificates to the ISO/CRS Specialist with its next annual recertification.

### CRS Credit for Advisory Base Flood Elevations

Adopting ABFEs provided by FEMA is especially important after a disaster. This is key to protecting buildings when the known flood hazard is higher than what is shown on the current effective Flood Insurance Rate Map (FIRM). Accordingly, FEMA is providing 250 – 1,000 points under OHS, provided the provisions listed above are met. This high credit is justified because of the tremendous impact using the ABFEs has on redevelopment of the community's flood hazard area.

**OHS**

Activity 430's OHS ("other higher standards") element provides credit for higher standards that are not specified in the *CRS Coordinator's Manual*. Credit for adopting ABFEs is provided under OHS. Communities can submit other standards to their ISO/CRS Specialist for review and scoring.

**ABFE credit:** A community damaged by Superstorm Sandy will receive 250 points for adopting the ABFEs provided by FEMA. Up to 750 more points are possible, depending on how much the regulation impacts the community's flood problems. There are two factors in the calculations for providing the additional credits:

1. How much reconstruction has proceeded without using the ABFEs: Delaying adoption of ABFEs for reconstruction decreases their value over time as more properties are reconstructed to the pre-storm base flood elevations. Therefore, the additional 750 points will be prorated (adjusted) based on how many substantially damaged buildings have been rebuilt before the ABFEs go into effect. If there has been no reconstruction (e.g., the community has enacted a temporary moratorium on rebuilding or people have been waiting before they apply for a permit) the community will qualify for the full credit. This is documented by a certification signed by a local official. Example language appears below.

CRS credit is for adopting and enforcing regulatory standards above and beyond the minimum criteria of the National Flood Insurance Program. Credit is provided even if the higher standard is a state requirement, such as being in a state mandated building code.

I certify that to the best of my knowledge and belief there has been no reconstruction of any substantially damaged buildings in the regulatory floodplain of \_\_\_\_\_ [name of

community] since October 29, 2012. Furthermore, the \_\_\_\_\_ [name of community] has not issued any permits to repair or reconstruct any substantially damaged buildings, construct new buildings, or construct substantial improvements to existing buildings in the regulatory floodplain since that date.

Buildings that suffered minor damage or permits issued for minor projects to protect buildings from further damage (e.g., repairing holes in a roof) are not subject to this certification.

If some permits have been issued for reconstruction of substantially damaged buildings, the credit will be prorated based on how many substantially damaged buildings there are in the community (see scoring example, below). In this case, the certification can be revised to list the number of substantially damaged buildings and the number of substantially damaged buildings that have been permitted to be rebuilt.

2. How much of the community's floodplain is affected by the community's action: If the community adopts ABFEs for only some of its Special Flood Hazard Area, then it will not receive all the additional credit. Further, there is no credit for building construction standards where buildings are not allowed. As with other credits under Activity 430, the area credited for preserved open space (under Activity 420 (Open Space Preservation)) is not included in the impacted area (note that the community receives more points for preserving open space than for higher standards to build in that part of the floodplain).

A simple impact adjustment ratio is used: the area covered by the adopted ABFEs (minus the areas receiving open space preservation credit) is divided by the area of the SFHA.

**ABFE scoring examples:** Two examples are provided here, one best case scenario and an alternative scenario.

Example #1. The best case scenario could be a barrier island where:

1. No permits have been issued to rebuild any substantially damaged buildings.
2. The community's SFHA is 1,000 acres and the adopted ABFEs cover all of the SFHA. The community is receiving the "default" 5% credit for open space preservation (which equates to 50 acres of open space).

$$\begin{aligned} \text{cOHS} &= 250 + (750 \times \text{rebuilding adjustment} \times \text{SFHA coverage adjustment}) \\ &= 250 + (750 \times 1.0 \times \frac{(1,000 - 50)}{1,000}) = 250 + (750 \times 1.0 \times 0.95) = 250 + 712.4 = 962.5 \end{aligned}$$

Example #2. Under the alternative scenario:

1. The community has 250 substantially damaged buildings and issued reconstruction permits for 25 of them before the ABFEs were adopted.
2. The community's SFHA is 1,000 acres, but the community only adopts the ABFEs for an area of 500 acres. One hundred acres of the area covered by the ABFEs is preserved open space, receiving higher CRS credit under Activity 420.

A community should always talk to its ISO/CRS Specialist to calculate its actual credit.

$$\begin{aligned} \text{cOHS} &= 250 + (750 \times \text{rebuilding adjustment} \times \text{SFHA coverage adjustment}) \\ &= 250 + (750 \times \frac{(250 - 25)}{250} \times \frac{(500 - 100)}{1,000}) = 250 + (750 \times 0.9 \times 0.4) = 250 + 270 = 520 \end{aligned}$$

Under the first scenario, 962.5 points amount to nearly a two class improvement. Under the alternative scenario, where adopting the ABFEs has less of an impact on construction and reconstruction within the community, there are still enough points for a class improvement.

**Keeping the ABFE credit:** Adoption of ABFEs receives CRS credit because it is not a minimum requirement of the NFIP. This special ABFE credit is provided until higher BFEs are required by the NFIP. This may happen when a new Flood Insurance Rate Map (FIRM) goes into effect. There are two possible scenarios:

1. The new FIRM has base flood elevations that are the same or higher than the ABFEs. In this case, the community must adopt the FIRM’s elevations as a condition of remaining in the NFIP. Under normal circumstances, a community loses its CRS credit for doing something that is a requirement of the NFIP. Under these special procedures, though, FEMA will provide the credit for ten years after Superstorm Sandy. The credit will be in effect through May 1, 2023.
2. If the new FIRM has lower base flood elevations and the community opts to continue to use the higher ABFEs, the community will continue to receive CRS credit for going above the minimum requirements of the NFIP. On May 1, 2023, the OHS credit will be recalculated as credit under Activity 410 (Floodplain Mapping).

**CRS Credit for Freeboard**

CRS credit is provided for requiring buildings to be protected to a level higher than the base flood elevation. This is known as “freeboard.” Communities can receive credit for adopting the minimum recommended one foot of freeboard (up to 100 points under FRB in Activity 430). Under the 2013 *CRS Coordinator’s Manual*, the credit can be higher for larger freeboards and even higher if the community prohibits filling or requires compensatory storage for new construction (see table).

Maximum Freeboard Credit (2013 Manual)			
Freeboard	No filling restrictions	Comp storage	Fill prohibited
1 foot	100	110	120
2 feet	225	250	280
3 feet	375	440	500

Where ABFEs have been provided, freeboard credit is based upon freeboard heights above the ABFE flood elevation.

**CRS Credit for Enclosure Limits**

Prohibiting or limiting the size of enclosures below the elevated lowest floor protects the structural integrity of the building from wave action or hydrostatic pressure. It also discourages property owners from finishing the area below the base flood elevation and storing valuable or hazardous items in that area. Prohibiting all enclosures can receive up to 240 points under ENL in Activity 430. Allowing enclosures but limiting them to 300 square feet or less is worth up to 100 points.

**Impact Adjustment**

As with ABFEs, freeboard, enclosure limits, and the other 430 credits are subject to the area impact adjustment: the credit is dependent on how much of the Special Flood Hazard Area is impacted by the regulation.

That is why the text states that credit is “up to” certain points.

## **Credit for Coastal A Zone Regulations**

The coastal A Zone is the area between the V Zone and the Limit of Moderate Wave Action line (LiMWA)). Two credits are provided if a community has higher standards in this area:

1. Up to 250 points are provided for enforcing V Zone construction standards in the coastal A Zone.
2. Up to 125 points are provided for enforcing enclosure limits in the area.

These credits can be provided independently or together. They are in addition to any ENL credit the community may also receive. Higher credit can be provided if the area regulated extends inland of the LiMWA.

## **Credit for Future Conditions Sea Level**

The use of future conditions data (e.g., flood elevations that exceed the minimum FEMA mapping standards) in the preparation of regulatory maps adopted by a community is encouraged by FEMA. The consideration of future conditions promotes more resilient communities. Higher study standards (HSS) credit is provided in Activity 410 (Floodplain Mapping).

Future sea level rise is one of the higher study standards that can be credited. Credit is given to a community when it adopts regulatory maps that incorporate the impact of the anticipated sea level rise. A community's credit will range from 15 to 60 points. The actual credit will vary depending on the proportion of the community's maps containing the higher standard and the zones currently mapped.

New study (NS) credit is also awarded for a community that adopts a regulatory map with higher base flood elevations than those shown on the FIRM, provided that the new regulatory map is not prepared by FEMA. Credit for a new study can range from 110 points where a detailed study is being replaced and up to 225 points when the map is of an area that has never been studied. If a new or larger V-Zone is mapped, additional points could be warranted.

If a community wishes to implement some practices to achieve additional safety from the anticipated effects of sea level rise, but does not have a study to use, as described above, it can adopt freeboard (see the earlier discussion in this paper).

## **Other Notes on the Fast Track Procedure**

If a community has more than 3,000 credit points, it would still have to meet the Class 4 prerequisites to be a Class 4 or better.

If a community is currently in the CRS and is receiving credit for freeboard or another of the higher standards, it will not receive any additional credit for that standard. However, if the community revises its higher standard, it can be rescored.

Example 3: A community adopts a higher freeboard, but does not adopt the ABFEs. It will not be able to use the fast track procedure (see fast track provision 1, page 2).

Example 4: A community adopts the ABFEs, but repeals its freeboard requirement. It will not be able to use the fast track procedure (see fast track provision 4, page 2).

Example 5: A community that did not have a freeboard standard, requires all new construction and reconstruction of substantially damaged buildings to be elevated one foot above the ABFEs. It will receive the ABFE credit and the freeboard credit in accordance with the table on page 4.

Example 6: A community is receiving credit for one foot of freeboard and adopts a two or three foot freeboard standard above the ABFEs. It will receive the ABFE credit and a higher freeboard credit in accordance with the table on page 4.

Communities that do not qualify for the fast track procedure and wish to request a CRS Class improvement must request a full cycle verification visit in accordance with the 2013 *CRS Coordinator's Manual*.

**For more information:**

For more information on ABFEs, see <http://www.region2coastal.com/>

For more information on these special fast track review procedures, contact your ISO/CRS Specialist:

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