



# Federal Emergency Management Agency

Washington, D.C. 20472

Mr. John Oldiges  
85 Southmoor Shores  
St. Marys, Ohio 45885

MAR 20 1997

IN REPLY REFER TO:

Case No.: 97-05-2066A  
Community: Auglaize County, Ohio  
(Unincorporated Areas)

Community No.: 390761

Map Panel Affected: Auglaize County,  
Ohio and Incorporated Areas

Number: 39011C0090 C

Map Effective Date: September 6, 1989

218-70-RS

Dear Mr. Oldiges:

We reviewed your request dated January 29, 1997, for a Letter of Map Amendment. All required information for this request was received on February 18, 1997. Using the information submitted and the effective National Flood Insurance Program (NFIP) map, we determined that a portion of the property described below is located in a Special Flood Hazard Area (SFHA), the area that would be inundated by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood); however, the structure on the property is not in the SFHA.

Property Description:	Lot 85, Southmoor Shores, recorded in Warranty Deed Volume 200, Page 0086, Document Number 9134, filed in the Auglaize County Recorder's Office
Street Address:	85 Southmoor Shores
Flooding Source:	Grand Lake St. Marys

This letter amends the above-referenced NFIP map to remove the structure from the SFHA. The structure is now located in Zone X (unshaded). Flood insurance coverage for the structure may be available under a low-cost policy (see enclosed document). Because portions of the property remain in the SFHA, any future construction or substantial improvement on the property remains subject to Federal, State, and local regulations for floodplain management.

An additional enclosed document provides information about Letters of Map Amendment. If you have any questions about this letter, please contact Ms. Helen Cohn of our staff in Washington, D.C., either by telephone at (202) 646-3457 or by facsimile at (202) 646-4596.

Sincerely,

Frederick H. Sharrocks Jr., Chief  
Hazard Identification Branch  
Mitigation Directorate

Enclosures

cc: State Coordinator (w/o enclosures)  
Community Map Repository



Federal Emergency  
Management Agency

# NEWS

Office of Emergency Information and Media Affairs, Washington, D.C. 20472

(202) 646-4600

Media Contact:

Mark Stevens  
(202) 646-3969

Release No.: 97-046

Release Date:  
February 14, 1997

## PREFERRED-RISK FLOOD INSURANCE A BARGAIN, FEMA SAYS

WASHINGTON -- Depending on where they live, homeowners can buy a federally backed, \$25,000 flood insurance policy for as little as \$85 a year, Federal Emergency Management Agency (FEMA) officials said today.

The National Flood Insurance Program (NFIP), administered by FEMA's Federal Insurance Administration (FIA), offers a Preferred Risk Policy for homeowners located outside high-risk areas, FIA Executive Administrator Spence W. Perry explained.

"The Preferred Risk Policy is designed for one- to four-family residential buildings located in low-to-moderate flood-risk zones," Perry said. "Their owners can purchase flood insurance very cheaply, even though these areas also are exposed to a significant flood risk. Nearly 30 percent of our claims are for properties *outside* the high flood-risk areas."

Preferred Risk Policy packages provide coverage combinations for both the structure and its contents that range from \$20,000 for the building and \$5,000 for contents, up to \$250,000 building/\$60,000 contents. The corresponding premiums range from \$85 to \$290.

The NFIP makes flood insurance available in communities that adopt and enforce floodplain management regulations to reduce future flood losses. Currently, there are nearly 3.6 million policies in force nationwide, representing more than \$381 billion worth of coverage.

For more information about the NFIP's Preferred Risk Policy, ask your insurance agent or company, or call the NFIP's toll-free number, 1-800-427-9662.

**Note to Editors:** *Additional information on flood insurance and other FEMA programs and activities is available on the FEMA Worldwide Web Internet site (<http://www.fema.gov>) and from FEMA's 24-hour FAX-on-Demand system at (202) 646-FEMA.*

## ADDITIONAL INFORMATION REGARDING LETTERS OF MAP AMENDMENT

For Letters of Map Amendment (LOMAs), the Federal Emergency Management Agency (FEMA) bases its determination on the flood hazard information available at the time of the determination. Requestors should be aware that flood conditions may change or new information may be generated that would supersede FEMA's determination. In such cases, the community will be informed by letter.

Requestors also should be aware that removal of a property (parcel of land or structure) from the Special Flood Hazard Area (SFHA) means FEMA has determined that the property is not subject to inundation by the flood having a 1-percent chance of being equaled or exceeded in any given year (base flood). This does not mean the property is not subject to other flood hazards. The property could be inundated by a flood with a magnitude greater than the base flood or by localized flooding not shown on the effective National Flood Insurance Program (NFIP) map.

The effect of a LOMA is that it removes the Federal requirement for the lender to require flood insurance coverage for the property. The LOMA *is not* a waiver of the condition that the property owner maintain flood insurance coverage for the property. *Only* the lender can waive the flood insurance purchase requirement because the lender imposed the requirement. *The property owner must request and receive a written waiver from the lender before canceling the policy.* The lender may determine, on its own as a business decision, that it wishes to continue the flood insurance requirement to protect its financial risk on the loan. If the lender decides to release the property owner from the flood insurance requirement, and the property owner decides to cancel the policy and seek a refund, the NFIP will refund the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy during the current policy year. The property owner must provide the written waiver to the property insurance agent or company that is servicing his or her policy. The agent or company will then process the refund request.

The LOMA provides FEMA's comment on the mandatory flood insurance requirements of the NFIP as they apply to a particular property. A LOMA is not a building permit, nor should it be construed as such. Any development, new construction, or substantial improvement of a property impacted by a LOMA must comply with all applicable State/Commonwealth, local, and other Federal criteria.

Even though the property is not located in an SFHA, as mentioned in the LOMA, it could be flooded by a flooding event with a greater magnitude than the base flood. In fact, more than 25 percent of all losses in the NFIP occur to property located outside the SFHA in Zones B, C, X (shaded), or X (unshaded). More than one-fourth of all policies purchased under the NFIP protect property located in these zones. That risk is just not as great as the flood risk to property located in SFHAs. To offer flood insurance protection to owners of such property, the NFIP offers two types of flood insurance policies: the Standard Policy

and the Preferred Risk Policy (PRP). The PRP is available at low cost for buildings located outside the SFHA with little or no loss history. Information about the PRP and how one can apply is enclosed. The Standard Policy is available for all other buildings. Individual flood risk situations and insurance needs should be discussed with an insurance agent or company before making a final decision regarding flood insurance coverage.

FEMA has established "Grandfather" rules to benefit flood insurance policyholders who have maintained continuous coverage. In addition, if property owners live outside the fringe of the SFHA shown on an effective NFIP map and the NFIP map is later revised to expand the SFHA to include their structure(s), their flood insurance policy rates will not increase as long as the coverage for the affected structure(s) has been continuous. Property owners would continue to receive the lower insurance policy rates.

LOMAs are based on minimum criteria established by the NFIP. State/Commonwealth, county, and community officials, based on knowledge of local conditions and in the interest of safety, may set higher standards for construction in the SFHA. If a State/Commonwealth, county, or community has adopted more restrictive and comprehensive floodplain management criteria, these criteria take precedence over the minimum Federal criteria.

Letters issued to amend or revise maps must be attached to the community's official record copy of the NFIP map. That map is available for public inspection at the community's official map repository. Therefore, FEMA sends copies of all such letters to the affected community's official map repository.

When a restudy is undertaken, or when a sufficient number of revisions or amendments occur on particular map panels, FEMA initiates the printing and distribution process for the affected panels. FEMA notifies community officials by letter when affected map panels are being physically revised and distributed. In such cases, FEMA attempts to reflect the results of the LOMA on the new map panel. If the results of particular LOMAs cannot be reflected on the new map panel because of scale limitations, FEMA notifies the community by letter and revalidates the LOMAs in that letter. LOMAs that are revalidated in this way become effective 1 day after the effective date of the revised map panels.