



## COUNTY OF LAKE WATER RESOURCES

255 N. Forbes Street  
Lakeport, California 95453  
Telephone 707-263-2344  
Fax 707-263-1965  
watershed.co.lake.ca.us

**Scott De Leon**  
Director

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**NOTICE TO:** Lake County Real Estate Agents

**SUBJECT:** National Flood Insurance Program Rates

In December 1994, Lake County applied for participation in the National Flood Insurance Program (NFIP), Community Rating System (CRS). Lake County has been certified as a Class 7 community, therefore, new and renewed policies in the unincorporated county after October 1, 2010 receive a 15 percent discount. Based on the average NFIP policy in Lake County of \$856, this is an average savings of \$151 per policy. This discount should be automatically applied to all policies in the unincorporated county.

Please note that for property owners to be covered by NFIP sponsored flood insurance, they must purchase the insurance at least 30 days before a flood occurs. The waiting period, however, does not apply to newly purchased property or new loans.

In July 1997, NFIP began requiring that all flood insurance policies include Increased Cost of Compliance (ICC) coverage. ICC provides up to \$30,000 of additional coverage to bring a home into compliance with the County's Floodplain Management regulations, primarily floor elevation and proper foundation construction, if the structure is substantially damaged by a flood (damage exceeds 50 percent of the structure's market value prior to the flood). In December 1998, the Board of Supervisors passed an ordinance which allows repetitive loss properties (two flood losses in the last ten years averaging 25 percent damage each time) to be elevated under ICC. Several property owners on the shore of Clear Lake utilized the ICC coverage after the February 1998 flood. Property owners should be made aware of the benefits of ICC coverage.

In July 2012, significant revisions were implemented to ensure the financial stability of the NFIP. In 2014, additional revisions were implemented reducing some of the rate increases. These changes will affect some property owners with subsidized rates, mainly the Pre-FIRM properties (In Lake County, those structures built before 1979). NFIP rates for non-primary residences, businesses and severe repetitive loss properties will increase by 25% per year until the full risk rate is reached.

Depending on the actual flood risk (the elevation of the floor above or below the base flood elevation and other factors as determined by an Elevation Certificate), full risk flood insurance rates could decrease or increase. In some instances, full risk annual flood insurance policies could exceed \$10,000 per year! To accurately determine your new rates, an Elevation Certificate will have to be prepared. Additional information is available at [www.fema.gov/bw12](http://www.fema.gov/bw12) and by contacting your insurance agent.

Some policy holders saw greater increases over the last two years. FEMA is processing refunds for eligible policy holders. Refunds are scheduled to begin by the end of the year.

It has become apparent that some home purchasers are initially unaware that mortgage companies may require the owner to carry flood insurance when the building is located within a designated 100 year flood zone, and are only formally noticed of this requirement a few days prior to close of escrow. In order to reduce the stress on home purchasers, we are requesting that you please notify persons obtaining mortgages for flood prone homes as soon as possible of the flood insurance purchase requirement. You are encouraged to provide a copy of the enclosed flyer explaining the flood insurance requirement and discuss it with them.

Flood mapping is available on the Lake County GIS/Mapping website at <http://gis.co.lake.ca.us/> and the FEMA website at <http://msc.fema.gov/portal>.

As a public service, the Water Resources Department provides the following information upon request:

- Confirmation of whether a property is in or out of the Special Flood Hazard Area as shown on the current Flood Insurance Rate Map (FIRM) of the County (also shown in box below). For the last eighteen years, we have been keeping copies of elevation certificates on file. Copies of elevation certificates are available to the current property owner or their agents.
- Additional flood insurance data for your site, such as the FIRM zone and the base flood elevation or depth, if shown on the FIRM.

When making an inquiry, please tell us the Assessor's Parcel Number or the address so we can find parcel specific information. There may be a nominal charge for some of these services. We are open 8:00 a.m. to 5:00 p.m., Monday through Friday. Call us at (707) 263-2344 or drop by the Water Resources office in Room 309 of the Courthouse in Lakeport.

Additional information is available on the Internet at <http://watershed.co.lake.ca.us>, <http://www.fema.gov/nfip> and <http://www.fpm.water.ca.gov>.

If you have any questions, please call me at (707)263-2344.



Thomas R. Smythe  
CRS Coordinator

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