

# FEMA Floodplain Update

November 2009

Our Township Supervisor, William Scott, recently attended a presentation by the Federal Emergency Management Agency (FEMA) where plans and progress were discussed related to updates to FEMA maps, which identify floodplains in Clare County and in Garfield Township. FEMA has a process to update their maps over time, and periodically a group of states are selected at random for this process.

Michigan is one of several states currently undergoing the process. The map updates for Clare County are anticipated to be completed by spring or summer of 2010. The only change to the Garfield Township preliminary maps concerns Eight Point Lake. In the preliminary maps, all of Eight Point Lake shoreline is determined to be in a floodplain, the only one in Garfield Township.

The key identifying factor is the Base Floodplain Elevation (BFE), which statistically has a 1% chance of being exceeded in any given year. The BFE for Eight Point Lake is 1,053 feet above sea level.

The good news is that once the preliminary maps are formally adopted, everyone in Garfield Township will be able to purchase low cost Flood Insurance through their insurance agent, which is issued by the Federal Government. FEMA allows anyone in the lowest governmental unit where a floodplain exists (in our case, the Township) to purchase flood insurance even if their home is not in the floodplain. This can be an important benefit as we learned from Hurricane Katrina. Many of the homes destroyed by water insurgence during that storm were not covered by insurance unless the owners had specifically purchased flood insurance.

If there is a downside to all of this, it would be that anyone holding a current mortgage on their cottage property may be required to purchase flood insurance by their mortgage lender. Once the new maps are adopted, FEMA will notify all known mortgage lenders in this area of the change. They in turn will notify any borrowers whom they require to purchase flood insurance. For many people, this is how they become aware that their property is in a floodplain.

Property owners whose property elevation is significantly above the BFE may opt out so that their property is exempt from the floodplain. Some properties on both North Shore and South Shore may qualify for the opt-out, a process which includes submitting an appeal, an \$80 fee, and hiring a surveyor to complete the required survey report. Once having opted out, a mortgage lender cannot require the borrower to have flood insurance. The opt-out procedure will be published in the Clare County Review and the Clare County Cleaver near the time the maps are adopted.

The County and Township must formally adopt the new maps to officially complete the process. However, it is almost a certainty that the maps will be adopted. If the County or Township chose not to adopt the maps, the residents would not be eligible for federally backed mortgages.

There is no action to be taken at this time. We will share further information with everyone as we learn more.