

APPENDIX G - INSPECTION PROCEDURE

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APPENDIX G - INSPECTION PROCEDURE

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APPENDIX G - INSPECTION PROCEDURE

INTRODUCTION

Under the National Flood Insurance Program (NFIP), the Federal Emergency Management Agency (FEMA) has established an Inspection Procedure to help communities verify that structures comply with the community's floodplain management ordinance and to ensure that property owners pay flood insurance premiums commensurate with their flood risk. FEMA undertook the Inspection Procedure on a pilot basis in two communities, Monroe County, Florida, and the Village of Islamorada located in Monroe County.

The Inspection Procedure also will enable FEMA to verify that structures insured under the NFIP are properly rated. Post-FIRM construction is charged an actuarial rate that must fully reflect the risk of flooding. Because post-FIRM construction is actuarially rated, buildings constructed in compliance with community floodplain management regulations pay flood insurance premiums based on rates that are, in most cases, significantly lower than rates charged for buildings constructed in violation of those requirements.

The Inspection Procedure requires owners of insured buildings to obtain a building inspection from community floodplain management officials as a condition of renewing the Standard Flood Insurance Policy on the building. FEMA discussed the possibility of implementing the Inspection Procedure in other NFIP-participating communities outside of Monroe County, Florida, only after completing the pilot Inspection Procedure in the selected communities and evaluating the procedure's effectiveness. Any communities that incorporate out of Monroe County, Florida, on or after January 1, 1999, and are eligible to participate in the NFIP will be required to participate in this Inspection Procedure. On March 8, 2002, FEMA published in the Federal Register the interim final rule, which amended the NFIP regulations to require that all areas that incorporate out of Monroe County participate in the Inspection Procedure. To date, only one additional area has incorporated out, the City of Marathon.

Monroe County and the Village of Islamorada, Florida, were selected because of their unique circumstances and their willingness to participate in this procedure. The Inspection Procedure will apply only to NFIP post-FIRM insured buildings in the Special Flood Hazard Areas (SFHAs) of Monroe County, the Village of Islamorada, and the City of Marathon that are possible violations of community floodplain management ordinances.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ CAREFULLY.

FEDERAL EMERGENCY MANAGEMENT AGENCY
FEDERAL INSURANCE and MITIGATION ADMINISTRATION
NATIONAL FLOOD INSURANCE PROGRAM

STANDARD FLOOD INSURANCE POLICY

ENDORSEMENT NUMBER ONE (REVISED)

This endorsement:

- Replaces the provisions of VII.B.4 and VII.H.2 and also adds a new paragraph, VII.H.5, to the Dwelling Form and General Property Form.
- Replaces the provisions of VIII.B.4 and VIII.H.2 and also adds a new paragraph, VIII.H.5, to the Residential Condominium Building Association Policy.

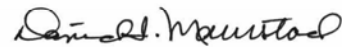
This endorsement applies in Monroe County and the Village of Islamorada, Florida. This endorsement also applies to communities within Monroe County, Florida, that incorporate on or after January 1, 1999, agree to participate in the inspection procedure, and become eligible for the sale of NFIP flood insurance.

VII.B.4 and VIII.B.4. This policy is also void for reasons other than fraud, misrepresentation, or wrongful act. This policy is void from its inception and has no legal force under the following conditions:

- a. If the property is located in a community that was not participating in the NFIP on the policy's inception date and did not join or re-enter the program during the policy term and before the loss occurred.
- b. If you have not submitted a community inspection report, referred to in "H. Policy Renewal" below, that was required in a notice sent to you in conjunction with the community inspection procedure established under 44 CFR 59.30.
- c. If the property listed on the application is not otherwise eligible for coverage under the NFIP.

VII.H.2 and VIII.H.2. We must receive the payment of the appropriate renewal premium and when applicable, the community inspection report referred to in paragraph H.5 below within 30 days of the expiration date.

VII.H.5 and VIII.H.5. Your community has been approved by the Federal Emergency Management Agency to participate in an inspection procedure set forth in NFIP Regulations (44 CFR 59.30). During the several years this inspection procedure will be in place, you may be required to obtain and submit an inspection report from your community certifying whether or not your insured property is in compliance with the community's floodplain management ordinance before you can renew your policy. You will be notified in writing of this requirement approximately 6 months before a renewal date and again at the time your renewal bill is sent.



David I. Maurstad
Acting Administrator
National Flood Insurance Program
Federal Emergency Management Agency

FEMA Form 81-103 (10/01/02)

EXHIBIT G-1. Endorsement for Monroe County and Islamorada, FL

*****PLEASE READ*****

IMPORTANT NOTICE OF CHANGE TO YOUR POLICY

Your National Flood Insurance Program (NFIP) policy has changed. The enclosed Endorsement details the changes to the conditions of your policy, so please read it carefully.

The changes have been made to support a Community Inspection Procedure of the NFIP.

The purpose of the Community Inspection Procedure is to help local officials in Monroe County, Florida and the Village of Islamorada (also in Monroe County) ensure that homes and businesses in flood hazard areas meet building requirements designed to reduce the risk of flood damage. The procedure will also help the Federal Emergency Management Agency (FEMA) which administers the NFIP, to ensure that property owners pay flood insurance premiums that accurately reflect the risk of flooding.

During the several years that this inspection procedure will be in place, you may receive a notice that an inspection by the community is required. The requirements of the Community Inspection Procedure will only apply to your building if it is in a Special Flood Hazard Area (see II.26 in your policy) and has been identified by the community as a possible violation of its floodplain management ordinance.

If your building is identified as a possible violation, you will receive a notice about the required inspection approximately 6 months before your policy renewal date. A reminder will be sent 45 – 60 days before your policy renewal date. The inspection of your property must be performed before your policy's next renewal or your policy will not be renewed. You will be responsible for contacting the community to arrange for the inspection. The community will inspect your structure to determine whether it complies with its floodplain management ordinance and will document its findings in a Community Inspection Report.

You will receive a copy of the Community Inspection Report, which you must submit to us along with your renewal premium payment for your policy to be renewed. We will review your policy rating information against the information provided by the inspection report to ensure that your policy is rated correctly. If we find your policy to be incorrectly rated, you will be notified. You will be given the choice of paying additional premium or accepting lower limits of coverage.

If you have any questions concerning this procedure please contact your agent or us.

EXHIBIT G-2. Policyholder Notification Letter

County of Monroe

Growth Management Division

Suite 300
2798 Overseas Highway
Marathon, Florida 33050
Voice: (305) 289 2518
Fax: (305) 289-2515



Board of County Commissioners

Mayor George Neugent, Dist. 2
Mayor ProTem Nora Williams, Dist. 4
Commissioner Sonny McCoy, Dist. 3
Commissioner Murray Nelson, Dist. 5
Commissioner Dixie Spehar, Dist. 1

COMMUNITY INSPECTION REPORT

LEGAL DESCRIPTION AND PARCEL ID #:

NAME:

INSPECTION DATE: _____

ADDRESS:

INSURANCE COMPANY NAME:

POLICY #:

FIRM ZONE:

This is to certify that the above referenced property has been inspected for compliance with the Monroe County Floodplain Management Ordinance Division 6, Section 9.5-315, 9.5-316 and 9.5-317.

BUILDING OCCUPANCY: 1 to 4 family Other Residential (5 or more family) Non-residential

NUMBER OF FLOORS, INCLUDING ENCLOSURE _____

METHOD OF ELEVATION: (circle one): Piers, posts, piles, solid perimeter walls, columns, or other-specify _____.

IS THE ENCLOSED AREA USED FOR OTHER THAN PARKING, BUILDING ACCESS OR STORAGE? YES NO

IF YES, DESCRIBE: _____

DOES THE AREA BELOW THE ELEVATED FLOOR CONTAIN MACHINERY AND EQUIPMENT? YES NO

INDICATE THE NUMBER AND TYPE (circle one): furnace; heat pump; hot water heater; oil tank; elevator equipment; air conditioner; washer; dryer; food freezer; other equipment or machinery serving the building (specify): _____

SIZE OF ENCLOSED AREA: _____ SQUARE FEET

IS THE AREA BELOW THE ELEVATED FLOOR ENCLOSED USING:
BREAKAWAY WALLS SOLID WOOD FRAME WALLS MASONRY OTHER (explain)

IS ENCLOSED AREA CONSTRUCTED WITH COMPLIANT OPENINGS (excluding doors and windows) TO ALLOW THE PASSAGE OF FLOODWATERS? YES NO

IS ENCLOSED AREA BUILT WITH MATERIALS RESISTANT TO FLOOD DAMAGES? YES NO

DOES THE ENCLOSED AREA HAVE MORE THAN 20 LINEAR FEET OF FINISHED WALLS, PANELING, ETC.? YES NO

INSPECTION PERFORMED BY: _____

EXHIBIT G-3. Sample Community Inspection Reports, 1 of 2



ISLAMORADA, VILLAGE OF ISLANDS

MAYOR JAMES V. MOONEY
VICE MAYOR FRANK R. KULISKY
COUNCILMAN GEORGE GEISLER
COUNCILMAN MARK GREGG
COUNCILMAN RON LEVY

Community Inspection Report

Legal Description: _____ Date of Inspection: _____

Name: _____

Address: _____

Insurance company name: _____

Policy Number: _____

FIRM flood zone: _____

This is to certify that the above referenced property has been inspected for compliance with the Village of Islamorada Floodplain Management Ordinance Section 9.5-317 b(1) and b(2).

Building Occupancy: 1-4 family Other Residential (5 or more family) Non-residential

Number of floors, including enclosure: _____

Method of Elevation (check): piers; post; piles; columns; solid perimeter walls;
 Other (specify) _____

Is the enclosed area used for other than parking, building access, and or/storage? Yes No
If Yes, describe the use: _____

Does the area below the elevated floor contain machinery and equipment? Yes No
Indicate the No. and Type: Heat Pump; Hot Water Heater; Elevator Equipment; Washer
 Air Conditioner;; Dryer; Freezer; Other Equipment or Machinery Servicing Building
(specify) _____

Size of enclosed area: _____ square feet

Is the area below the elevated floor enclosed using:
 breakaway walls solid wood frame walls masonry other (explain)

Is the enclosed area constructed with compliant openings (excluding doors & windows) to allow the passage of floodwaters? yes no

Is the enclosure built with materials resistant to flood damages? yes no
Explain: _____

Does the enclosed area have more than 20 linear feet of finished walls, paneling, etc.? yes no

Inspection performed by: _____ Date: _____

EXHIBIT G-3 (cont'd.). Sample Community Inspection Reports, 2 of 2

**SECTION 2 - DIRECTORY OF PROPERTIES WITH POSSIBLE COMMUNITY
ORDINANCE VIOLATIONS**

The B&SA will generate a monthly report to each insurer of the policies on buildings that have been identified by the community official as a possible violation of the local floodplain management ordinance. These policies are at least 240 days (8 months) from expiration.

The following criteria will be followed for inclusion/exclusion on the report:

- Policies that have been cancelled, have expired, or have otherwise been resolved will be removed from this report.
- Policies on properties for which an inspection report has been submitted and the violation has been corrected will remain on the report for 2 months after the correction was reported by the community official.
- Policies for properties that have been declared ineligible for flood insurance per Section 1316 will remain on this report until the policy term has been cancelled.
- Policies that have been determined by the community to be compliant or otherwise resolved will remain on the report for 2 months after the compliant closure date.

The directory of ineligible policies will contain only those policies that have been:

- identified as a possible violation, cancelled or expired for more than 120 days, and for which an inspection report was never received; or
- declared ineligible per Section 1316.

The hardcopy report is sent to each insurer. The data is also available as a flat ASCII file through the B&SA FTP site. Please contact your Program Coordinator to choose the format for your information.

**SECTION 3 - DIRECTORY OF PROPERTIES WITH POSSIBLE PRE-/POST-FIRM
DETERMINATION ERRORS**

The B&SA will generate a monthly report to each insurer of the policies on buildings that have been identified by the community official as post-FIRM. Policies with TRRP error PL035060 (Post-FIRM Construction Indicator Invalid Per Community Floodplain Official) will appear on this report. Policies that have been cancelled or otherwise resolved will be removed from this report. Policies that been endorsed (20A transaction) or corrected (23A transaction) to indicate post-FIRM construction (Post-FIRM indicator is "Y" and Original Construction/Substantial Improvement Date updated to correct date) will be removed from this report.

The hardcopy report is sent to each insurer. The data is also available as a flat ASCII file through the B&SA FTP site. Please contact your Program Coordinator to choose the format for your information. ■

