



FEMA

MITIGATION DIRECTORATE

Severe Repetitive Loss Program

BREAKING THE PATTERN OF FLOOD DAMAGE

Nearly 7,000 individual and families in the United States live in homes subject to severe, repetitive damage from flooding. Due to the more frequent and severe instances of flooding in their area, these property owners often suffer thousands of dollars in damage, long recovery times, and significant emotional stress.

In an effort to reduce the occurrence and impact of severe, frequent flood losses, Congress has authorized the creation of the Federal Emergency Management Agency's (FEMA's) Severe Repetitive Loss (SRL) Program for properties insured under the National Flood Insurance Program (NFIP). The program makes funding available to support local mitigation activities that will lessen the chances of future flooding of some of the Nation's highest risk properties.

ADDRESSING HEIGHTENED RISKS

Flooding is one of the most frequent and costly natural hazards. A quarter of all flood claims, totaling \$200 million annually, come from just 1 percent of NFIP properties. SRL properties are a subset of this group and have been shown to be at the greatest risk for flood damage. Properly protecting SRL properties is an effective way to reduce both the *number* and *cost* of flood insurance claims in communities across the country.

To better address properties with a history of flood damage, the SRL Program is making \$160 million in grant funding available for States and communities to pursue mitigation projects specifically designed to reduce flood risks to their most vulnerable properties. In some cases, up to 90 percent of all project costs may be covered by Federal funds.*

The SRL Program is a unique addition to existing FEMA mitigation grant programs. It allows communities to work directly with individual property owners to determine the

most desirable and cost-effective option for reducing flood risks, including elevating existing structures, acquiring or relocating at-risk structures, or dry-floodproofing of historic properties.

Before an offer of mitigation assistance can be extended, the community must consult with eligible property owners to discuss and choose the most appropriate mitigation activity. As part of this consultation process, the community must provide supporting documents, a project timeline, and an estimated final project cost to the property owner. Since grants will be awarded based on cost-effectiveness criteria, communities should work with residents to choose individual projects that will be most beneficial for the community.

More than \$1 billion in insurance claims have been issued to nearly 7,000 SRL properties in the United States since the National Flood Insurance Program was founded.

Mitigating these properties can prevent or significantly reduce future flood damages, reduce the cost of flood insurance claims in high flood risk areas, and enable communities to be more disaster-resistant.

* States with mitigation plans that include a strategy for mitigating Repetitive Loss properties are eligible to receive a Federal cost share of up to 90 percent on SRL grants.



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WHO IS ELIGIBLE?

To qualify for grant funding, States and communities must participate in the NFIP and have FEMA approved mitigation plans.

SRL properties are residential properties that are covered under an NFIP flood insurance policy and:

- Have had at least four NFIP claims payments (including building and contents) over \$5,000 each, the cumulative amount of which exceeds \$20,000; or
- Have had at least two separate claims payments (for the building only) that exceed the market value of the building.

In both cases, claims must have occurred within a single 10-year period, and must have occurred more than 10 days apart.

SRL grant money will awarded based on an analysis of the cost-effectiveness of individual projects. Communities will want to carefully select the properties to submit as part of their application; some residents may not wish to mitigate their properties.

PARTICIPATING IN THE SRL

States and communities must submit details for *all* individual projects being proposed as part of their applications. FEMA will award grant funding on a rolling basis, initially reserving 90 percent of program funding for the States with the highest concentration of SRL properties.

Participation in SRL is not mandatory for eligible property owners, but those who choose not to participate should consider the consequences associated with declining an offer of mitigation assistance. The most significant of these consequences is the continued risk of flooding. Individuals who decline mitigation offers remain vulnerable to the devastating effects of continued flooding.

Individuals who decline an offer may also face substantially increased flood insurance premiums. Premiums can increase to actuarial rates to reflect the true – and significant – risk associated with the property. Property owners may submit an appeal of these insurance premium increases within 90 days after the date of offer refusal. Property owners who initially decline an offer of assistance but wish to avoid premium increases will have the opportunity to reconsider their decision and accept the offer at any time during the program funding cycle – typically 3 years.

FOR MORE INFORMATION

Interested in finding out more about the SRL Program and FEMA Mitigation Grant Programs? Visit the links below for more information.

To learn more about the SRL Program, visit: <http://www.fema.gov/government/grant/srl/index.shtm>.

To learn more about FEMA's Mitigation Grant Programs, visit: http://www.fema.gov/government/grant/fs_mit_grant_prog.shtm.

To contact your State Hazard Mitigation Officer, visit: <http://www.fema.gov/about/contact/shmo.shtm>.

To contact your State NFIP Coordinator, visit: <http://www.floods.org/StatePOCs/stcoor.asp>.

To contact your FEMA Regional Office, visit: http://www.fema.gov/business/nfip/nfip_regions.shtm#1.