

## Insurance Gained and Kept

Monroe, LA - Cedrick Hemphill and his wife, Barbara, property owners in Monroe, Louisiana, have much to be grateful for and have many people and groups to thank: his insurance company, his insurance agent, the mayor and city of Monroe, Ouachita Parish, the state of Louisiana, FEMA, the National Flood Insurance Program (NFIP) – maybe even the President of the United States – for their help following the March 2016 flooding of his home. He is most grateful, however, that no one ever recommended he drop flood insurance for his home.

The Hemphills purchased their single story, three-bedroom home in 1988. While no information was given about any flood concerns from the previous owner or the owner's realtor, they did learn that a Special Flood Hazard Area (SFHA) was nearby. During heavy rains they could see flooded homes of their neighbors in the SFHA about a half-mile away, but indeed, the Hemphills experienced no flood problems themselves.

SFHA refers to the land area where NFIP floodplain management regulations must be enforced and an area where mandatory purchase of flood insurance applies.

The 'base flood' definition is a flood with a one percent chance of being equaled or exceeded in any given year; it is the national standard used by NFIP and by all federal agencies for purposes of requiring purchase of flood insurance and regulating new development.

A property's 'base flood elevation' (BFE) is defined as the computed elevation to which flood water is anticipated to rise at a given location. The BFE is the regulatory requirement for the elevation and/or floodproofing of structures, of insurance for homes with federally insured mortgages and regulation of new development, substantial damage or substantial improvement.

As noted above, flood insurance is always required if a mortgage is federally-backed and located in an SFHA. A non-federally-backed mortgage company may require flood insurance (which is a separate policy from a homeowner's policy).

To prepare for potential hazard events that could affect their residents, the City of Monroe developed a Multi-Hazard Mitigation Plan (HMP) in 2004, and kept it current with an update in 2010. The HMP serves to identify and analyze risks and vulnerabilities posed by local hazards; it also serves as a requirement to qualify for certain federal non-disaster assistance programs like the Hazard Mitigation Grant Program (HMGP) or the Pre-Disaster Mitigation grant (PDM).

The Monroe HMP also is designed to lessen the long-term impact of hazards which affect safety, property, and health of community members. The HMP includes plans for control of land development, new construction regulations, elimination of property identified as repetitive-loss, coordination of all city department critical response actions and responsibilities. The HMP also details a storm water pumping station project through involvement with the Louisiana Transportation Trust Fund flood control program.

The Hemphills could see the measures being implemented by the city and Ouachita Parish were keeping previously flooded areas from being impacted. Glad that flood danger was improving for the community, he was also gratified that his family would be insured if flood water ever came their way.



Since the Hemphill's home had shown no signs of prior flood damage, had no mitigation measures installed to protect against flood water, and most of their close neighbors had never spoken of flooding problems, it seemed from all appearances that their new home was safe from flood damage. However, Hemphill's Federal Housing Administration (FHA) loan did specify that they carry flood insurance. "I remember being told it was a requirement but when the mortgage obligation was complete, I was never advised to drop the flood insurance," said Hemphill, "And for that, I am quite happy. The new policies were written just like the previous ones (about \$800 a year cost) – and I never questioned it."

When severe storms brought heavy rains to Monroe in March 2016, significant floods occurred where it never had before. Hemphill's wife called him at work and said it looked as though they were finally going to get water in the house. She was right. The Hemphill home was inundated with about seven and a half inches of water.

Having never filed an insurance claim, Hemphill was impressed with the process. "I just called my insurance agent. He asked me to explain what had happened and then began the process of filling out the claim. It took just a few minutes."

Even though their damages were covered by insurance, Hemphill is looking into measures that could be implemented to prevent future flood damage at his home. He has been investigating options, speaking to local officials, and gathering information to help him make informed decisions. When he feels as if he has done a thorough investigation, he says he will take action.

When asked if he had advice to pass on to others, he suggested it would be good to be more prepared; for example, just having some concrete blocks to elevate pieces of furniture could save a homeowner money and heartache later on. Asked if he would maintain his flood insurance, he replied: "Oh, yes, I will. People need to get a flood insurance policy or not cancel the one they already have. Just get a good insurance agent and ask lots of questions."