



Flood Insurance Holder Tackles Losses

Full Mitigation Best Practice Story

Caguas Municipio, Puerto Rico

Caguas, PR - In the aftermath of Tropical Storm Jeanne (2004), four houses located in the Villas del Rey subdivision of the City of Caguas were designated by the local government as uninhabitable. The backyards of these homes were in the floodway boundary of the Turabo River. Each property lost significant amounts of backyard due to the rise and expansion of the river. One of the homes collapsed into the river; the other three are in imminent danger of collapse.



Fortunately for the owner of the collapsed home, the property was covered by flood insurance under the National Flood Insurance Program (NFIP). Not only will the homeowner receive full payment of the flood insurance claim, but for the first time in Puerto Rico, the Increased Cost of Compliance (ICC) benefit is going to be used.

ICC provides for the payment of a claim to help pay for the cost to comply with state or community floodplain management laws or ordinances from a flood event in which a building has been declared substantially damaged or repetitively damaged. ICC helps pay for the cost to elevate, floodproof, demolish or relocate a building up to \$30,000. In this case, the ICC will cover the disaster victim's costs for the demolition and debris removal of the lost home.

Flood insurance is available to any property owner located in a community participating in the NFIP. All areas are susceptible to flooding, although to varying degrees, in fact, 25 percent of all flood claims occur in the low-to-moderate risk areas. In the case of Villas del Rey, flooding can occur anytime due to heavy rains, inadequate drainage systems, failures in levees and dams, as well as tropical storms and hurricanes. Having flood insurance is both wise and prudent, even for residents of low flooding risk areas.

Activity/Project Location

Geographical Area: **Single County in a State**

FEMA Region: **Region II**

State: **Puerto Rico**

County: **Caguas Municipio**

City/Community: **Caguas**

Key Activity/Project Information

Sector: **Public**
Hazard Type: **Flooding**
Activity/Project Type: **Flood Insurance**
Activity/Project Start Date: **09/2004**
Activity/Project End Date: **Ongoing**
Funding Source: **National Flood Insurance Program (NFIP)**
Funding Recipient: **Property Owner - Residential**

Activity/Project Economic Analysis

Cost: **Amount Not Available**

Activity/Project Disaster Information

Mitigation Resulted From Federal
Disaster? **Unknown**
Value Tested By Disaster? **Unknown**
Repetitive Loss Property? **Unknown**

Reference URLs

Reference URL 1: <http://www.fema.gov/business/nfip/>
Reference URL 2: <http://www.floodsmart.gov/>

Main Points

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- ICC helps pay for the cost to elevate, floodproof, demolish or relocate a building up to \$30,000.
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Home collapsed into Turabo River.



Aftermath of Tropical Storm Jeanne.