

# FLOOD MAP FEAR: WHAT FEMA MAPS MEAN FOR YOUR FLOOD INSURANCE

*Drafts won't be released until April*

By  
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Monroe County provided these graphics outlining potential flood insurance costs for homes with different base flood evaluations. CONTRIBUTED

**B**etween the looming end of new development in 2023 by state-

mandated policy, and new flood map data from FEMA, the Keys are likely to face a crisis that would affect everything from real estate values to insurance rates to affordable housing.

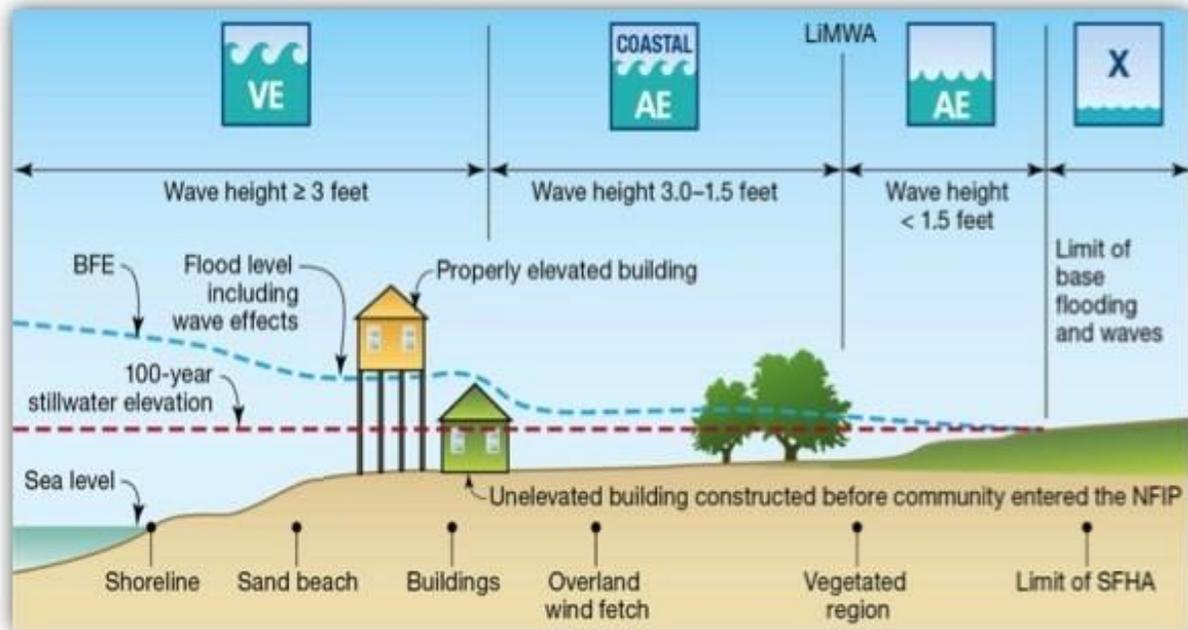
For the past four and a half years, FEMA has been working on draft Flood Insurance Rate Maps. Although the agency reportedly has the work done, the results will not be made public until April and not finalized for perhaps a year.

Monroe County must accept FEMA's finding in order to remain eligible for the National Flood Insurance Program. And the rule is: no insurance, no mortgages.

The unease spreading across the Keys is the perceived likelihood that the base flood map elevations are expected to be significantly higher — one to two feet in some areas. That could mean insurance hikes, which could affect real estate prices.

Monroe County estimates that a home built below base flood elevation could pay up to \$9,500 a year in flood insurance. Yes, \$9,500. This would mostly affect the older Conch homes built at ground level, the same ones that serve as de facto affordable housing. For homeowners who own the home outright, some may choose to go uninsured rather than pay the premium, putting their investment at risk when there is another hurricane. For homeowners who are still paying a mortgage that requires insurance, they are likely to sell.

"We saw something like this back in 2013, with the passage of the Biggert-Waters Act of 2012. Flood insurance premiums shot up to about \$5,000 a year. But then we had private insurance companies enter the market, offering more reasonably priced insurance," said Bascom Grooms, a board member and past president of the Key West Association of Realtors. "We might see another softening of the market for homes below base flood elevation."



This graphic describes the various National Flood Insurance Program flood zones arranged from closest to the water to inland — VE, AE Coastal, AE and X.

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There is, however, a provision under which homeowners who are “naked” now — have no flood insurance — can buy in to keep insurance rates low before the maps are finalized. It’s possible that buyers may be able to assume the insurance policies. If the coverage lapses, however, the pre-FIRM homes (those built before flood maps in the 1980s) must be rated with new maps. Primary homes above the flood line could see 5 percent increases per year while primary homes below the flood line could see 18 percent increases each year.

Monroe County Commissioner Heather Carruthers said secondary homes and commercial properties above and below the flood line could see increases of 25 percent annually.

“In 10 years, they could be paying \$56,000 for flood insurance alone, and let me tell you, there’s not a business that could absorb that, especially if you’re a small business,” she said.

The National Flood Insurance Program divides properties into flood zones — VE on shore and AE a bit further inland and X for homes located on land above the base flood elevation. Right now, the NFIP recommends building at least 1 foot above base flood. For stilted homes on the shore, that's measured with a foot of clearance above the bottom beam of the home. The Florida Building Code has a similar recommendation.

But the uncertainty of what the maps will reveal is causing builders to pause. Some are considering adding an extra two feet above what is currently base flood elevation for homes and buildings that are still in the planning stages.

"I can tell you that on my project, which would currently be built 9 inches above base flood, we are considering going up an additional 15 inches, if not more," said Josh Mothner, a Marathon developer of affordable housing. "Even if the maps get appealed, no one knows how long that can take."

County staff has recommended to the commission that it rewrite its guidelines to include three feet of "freeboard" — or cushion — above current base flood elevation. That is the number that Layton has on its books. The other Keys municipalities have yet to address it.

According to Monroe County, the data FEMA currently relies on is 30- to 40-year-old surge data. Some experts feel reasonably sure that coastline flood plain measurements are correct, and the biggest changes will be to elevations more "inland," or the centers of the islands.

Monroe County plans to hire two consultants ahead of the release of the new FEMA floodplain maps.

"Floodplain maps drawn by FEMA are coarse," said Carruthers. "They're not particularly adapted and don't seem to be capturing what's happening today."

Bender Consulting Services will help the county interpret the new FEMA floodplain maps when they are released. That contract should not exceed \$50,000. The county is also seeking bids for a "data and modeling" expert, and has set aside \$225,000 for that potential cost. According to Village of Islamorada Manager Seth Lawless, the council has yet to consider any steps in advance of the new flood maps.

City of Marathon staff has discussed hiring consultants internally.

"We are likely to recommend getting in front of the issue by the hiring of a mapping contractor for parallel evaluation," said Marathon City Manager Chuck Lindsey, adding the city will explore "piggy-backing" on other county or city contracts to save money. "And, there would be a definite need to hire someone to validate the data provided by FEMA."

Lindsey said the potential consequences could be significant for both cost of construction and insurance.

"We want to make sure the data is as accurate as possible to minimize these impacts," he said.