



# FEMA



## MITIGATION DIRECTORATE

# Reducing SRL Losses in Your Community

## INFORMATION FOR STATE AND LOCAL OFFICIALS

*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 combat severe, frequent flood losses, Congress has authorized the creation of the Federal Emergency Management Agency's (FEMA's) Severe Repetitive Loss (SRL) Program. The program makes funding available to support local mitigation activities that lessen the chances of future flooding in the Nation's highest risk areas.*

### ADDRESSING HEIGHTENED RISKS

It is important to proactively address the natural hazards that threaten your residents. Flooding is one of the most frequent and costly of these hazards, and some properties are at greater risk than others. A quarter of all flood claims, totaling \$200 million annually, come from just 1 percent of National Flood Insurance Program (NFIP) properties. SRL properties are a subset of this group and have been shown to be at the greatest risk for flood damage. Targeting SRL properties in your local mitigation strategy can significantly reduce both the *number* and *cost* of flood insurance claims in your highest-risk areas.

To help address properties with a history of severe flooding, the SRL Program makes \$160 million in grant funding available for States and communities to pursue mitigation projects designed to reduce flood risks to their most vulnerable properties. With up to 90 percent of project costs potentially covered by Federal funds,\* the SRL Program can help residents more affordably make structural changes to their properties to make them less flood-prone. There are a range of mitigation options available under the program, including elevating existing structures,

acquiring or relocating at-risk structures, and dry-floodproofing historic properties.

### SRL PROGRAM BENEFITS

**Local Implementation:** State and local officials work directly with community members to determine the most desirable and cost-effective option for protection.

**Substantial Funding:** \$160 million in Federal funding is available for State and local mitigation projects.

**Additional Cost-Sharing Opportunities:** States with mitigation plans that include a repetitive loss amendment may receive up to 90 percent of the cost of mitigation projects from Federal funds.

**Insurance Discounts:** NFIP Community Rating System (CRS) communities may receive ratings point increases for mitigation projects, making the entire community eligible for discounts on their flood insurance premiums.

**Targeted Allocations:** To address the greatest number of SRL properties, grant funding is first being targeted to States with 51 or more SRL properties. Other States can apply for set-aside grant funding that will be awarded based on project cost-effectiveness. More than 95 percent of SRL properties are located in 17 target states.

\* 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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## ARE YOU ELIGIBLE?

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

Property owners will qualify if they own residential properties 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 be awarded based on the cost-effectiveness of individual projects. State and local officials should carefully consider the properties submitted in their applications. Some residents may not wish to mitigate their properties.

## IMPLEMENTATING THE PROGRAM

FEMA will provide additional guidance to assist you in implementing the SRL Program. However, you will want to be aware of several key steps in the grant application, offer, and award processes:

**Step 1: Identify Projects.** Identify properties that are local mitigation priorities. Local town hall meetings may be helpful in determining which individual projects might be most beneficial for the community.

**Step 2: Begin Consultation.** The formal consultation process can take place in person or over the phone. Carefully document the process to include the options for mitigation discussed, property owner preferences, estimated project cost, project timeline, and information about the consequences of declining an offer of mitigation.

**Step 3: Submit Applications.** Communities must submit their applications as part of their State's submission.

**Step 4: FEMA Review.** FEMA will evaluate and award funding on a rolling basis.

**Step 5: Offer of Mitigation.** Approved grants will be sent as a Mitigation Offer Letter for the property owner to accept or decline.

Participation in SRL is not mandatory, but those who choose not to participate should consider the consequences associated with declining an offer of mitigation assistance. In addition to exposure to continued flood damage, property owners who decline mitigation offers may face increased flood insurance premiums. 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 their grant offer will have the opportunity to accept the offer at a later time if funds remain available in the program.

## FOR MORE INFORMATION

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

To learn about FEMA's Mitigation Grant Programs, visit: [http://www.fema.gov/government/grant/fs\\_mit\\_grant\\_prog.shtm](http://www.fema.gov/government/grant/fs_mit_grant_prog.shtm).

For information about working with communities and property owners to select appropriate mitigation measures for SRL structures, consult FEMA 551, *Selecting Appropriate Mitigation Measures for Floodprone Structures*. FEMA 551 can be downloaded from the FEMA Library at: <http://www.fema.gov/library/viewRecord.do?id=2737> or ordered from the FEMA Distribution Center by calling 1-800-480-2520.

