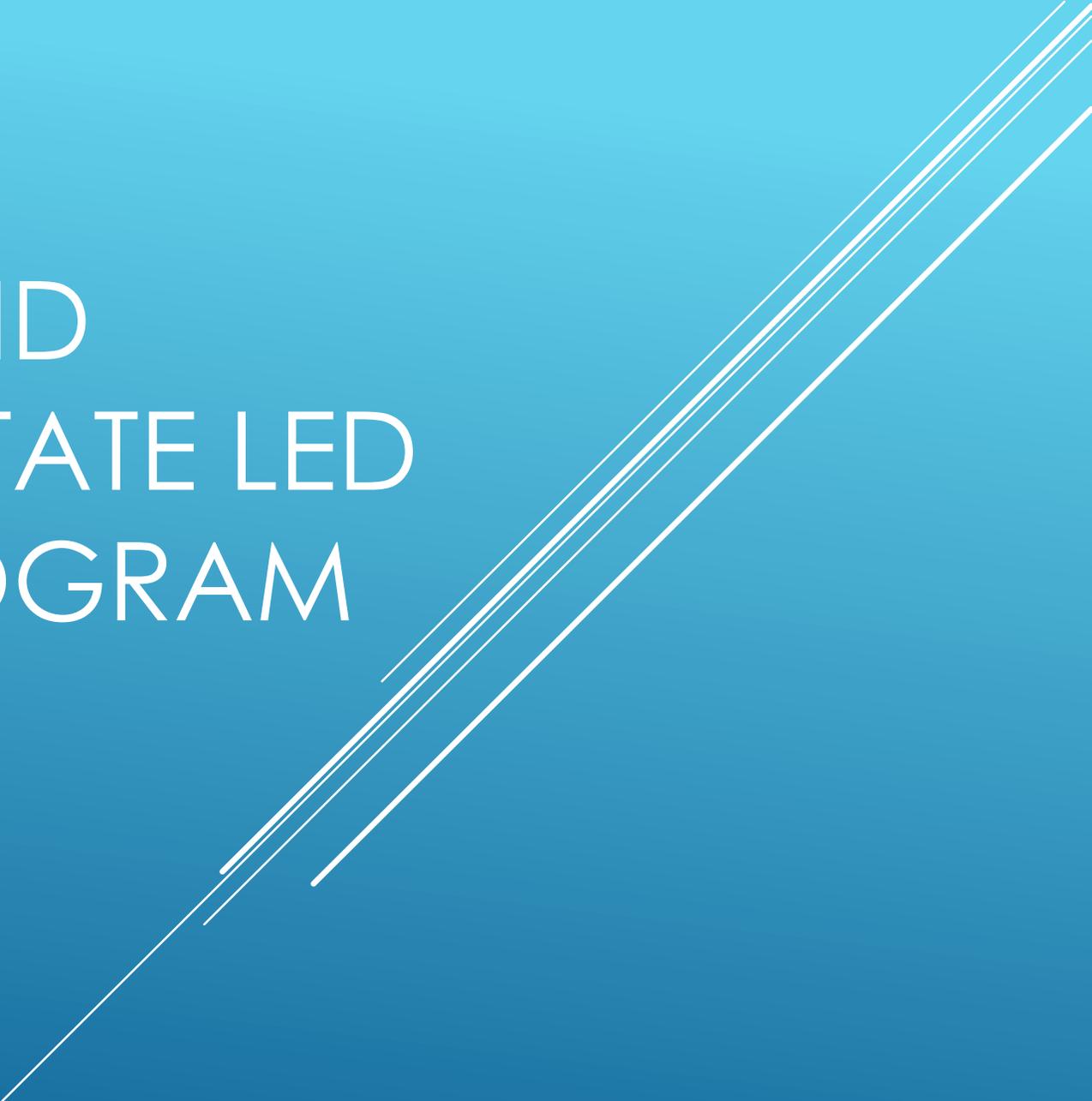


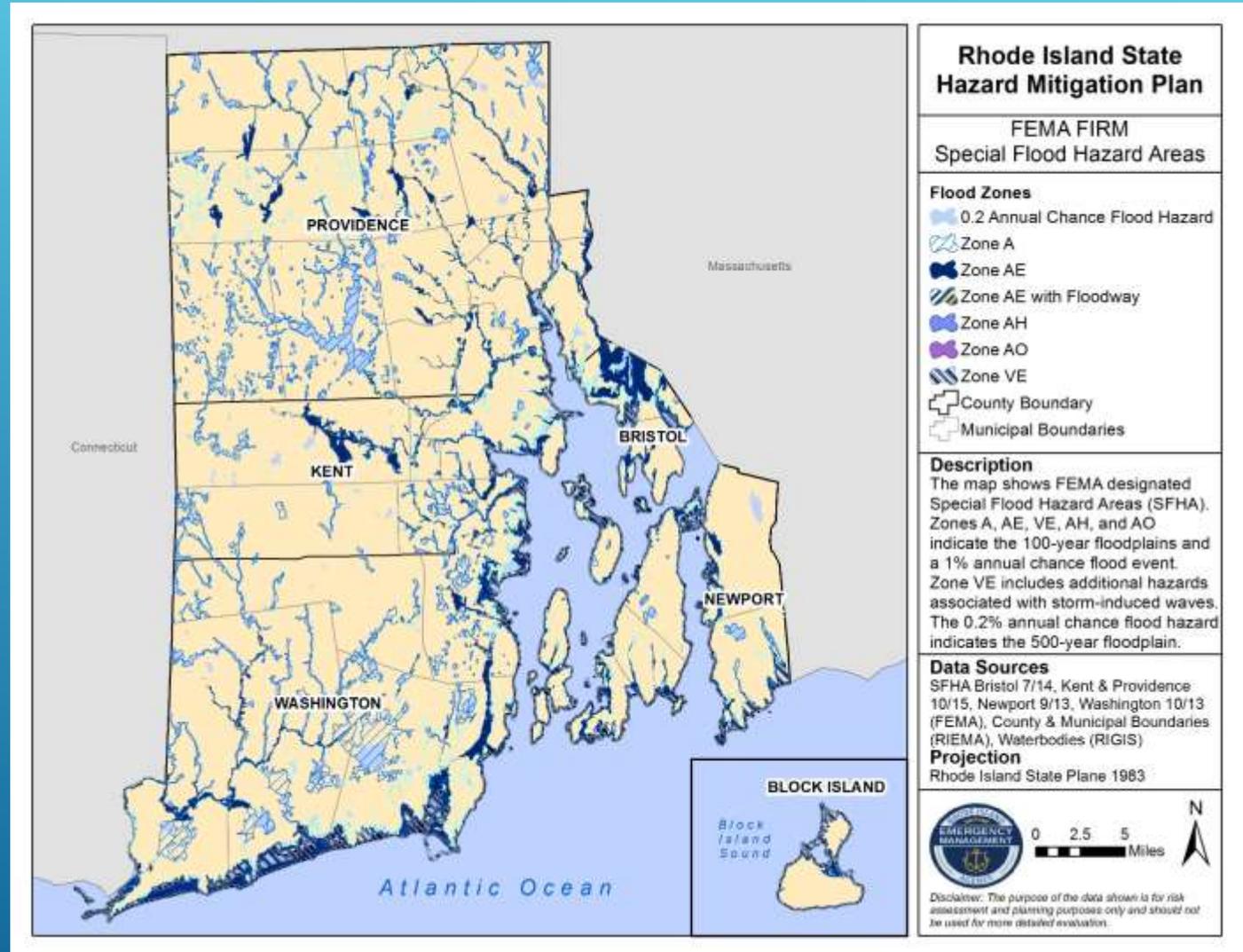
DEVELOPMENT AND FEASIBILITY OF A STATE LED FLOOD AUDIT PROGRAM

Michelle F. Burnett, CFM, CEM

A series of several parallel white lines of varying thicknesses, slanted diagonally from the bottom left towards the top right, crossing the right side of the slide.

BACKGROUND

- 400+ miles of coastline
- 5 counties
- 39 municipalities and 1 Tribal nation
- 21 communities are coastal
- Approximately 500K household units (2015 Census)
- 14,500+ NFIP Policies



HISTORICAL FLOODING IN RHODE ISLAND

- ▶ 2 Federally Declared Disasters since 2010 related to flooding



- ▶ 2010 – Inland/ Riverine flooding



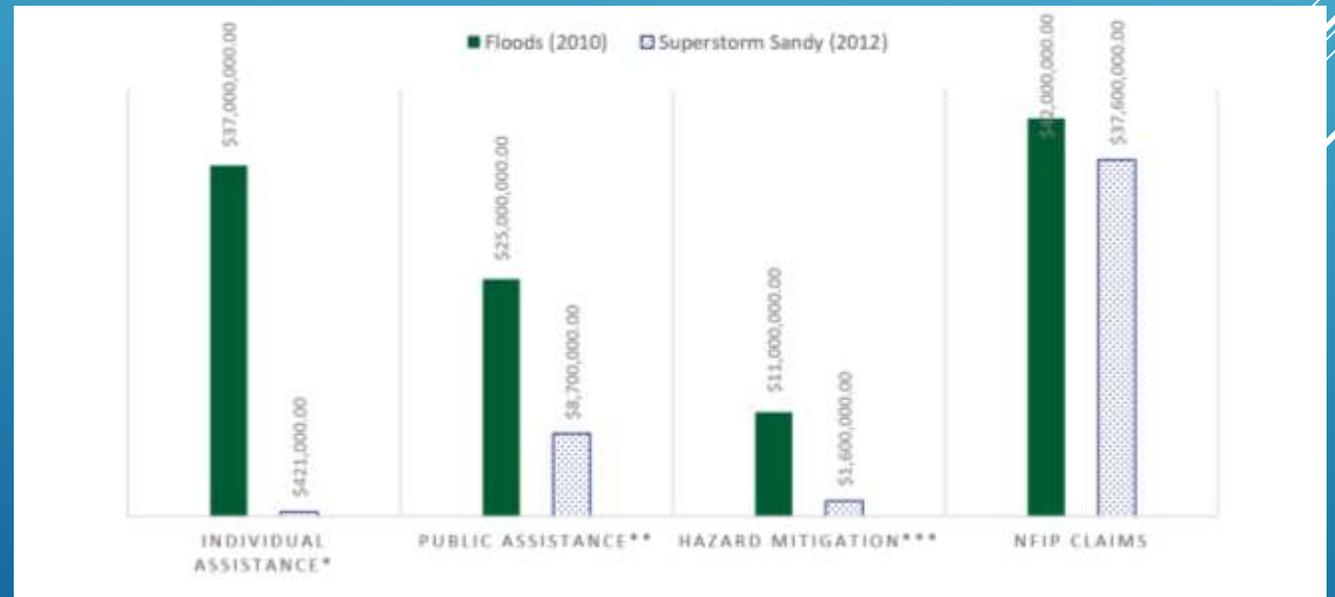
- ▶ 2012 – Superstorm Sandy

INCREASED COST OF FLOODING = DEMONSTRABLE NEED

County	2010 & 2012 Flood Claims (%)	All Other Flood Claims (%)
Bristol County	58%	42%
Kent County	77%	33%
Newport County	54%	46%
Providence County	48%	52%
Washington County	79%	21%

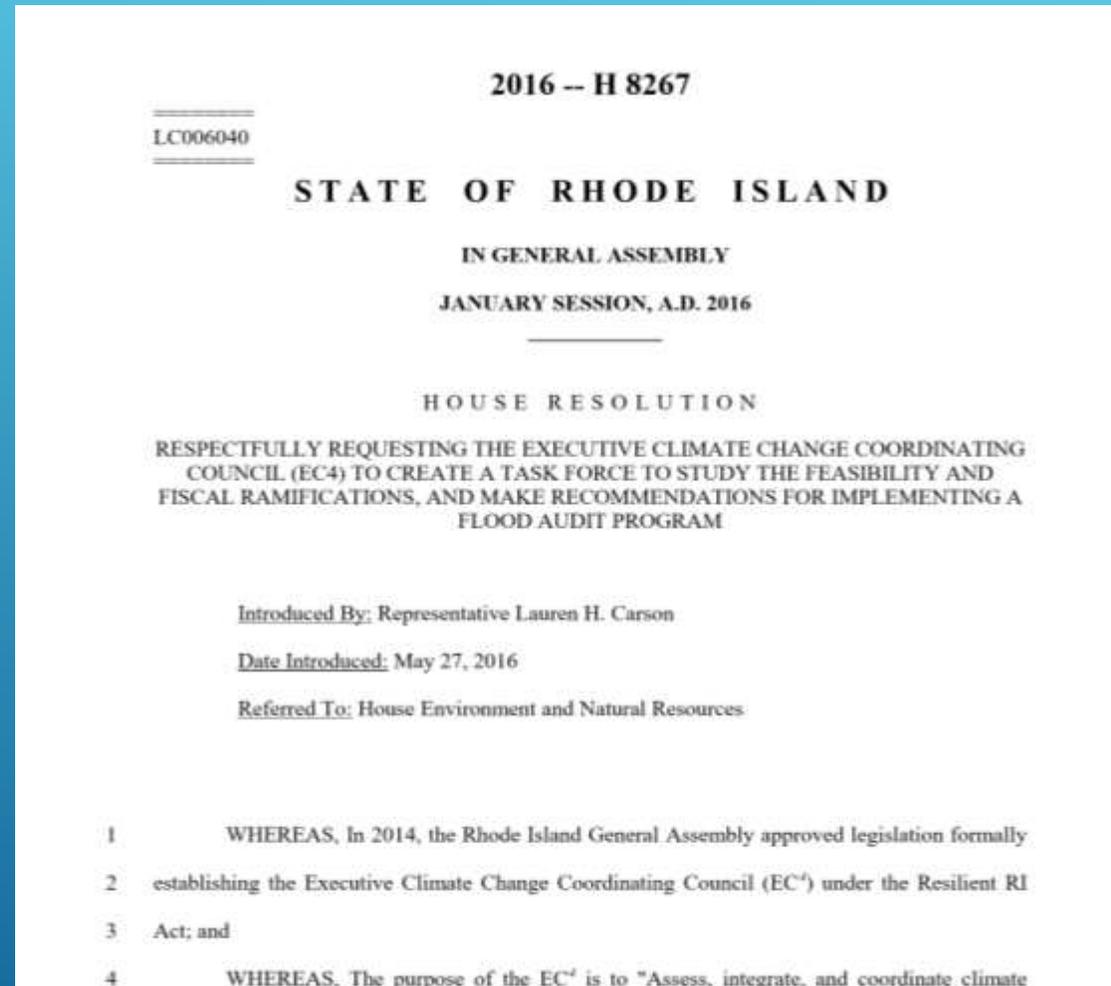
Percentage of Total Claims Attributed to 2010 and 2012 flooding events

Amounts of Obligated Disaster Related Funding for 2010 and 2012 Flood Events



LEGISLATIVE PUSH

- ▶ RI House passed H.R. H 8267 in May 2016 to:
“TO CREATE A TASK FORCE TO STUDY THE FEASIBILITY AND FISCAL RAMIFICATIONS, AND MAKE RECOMMENDATIONS FOR IMPLEMENTING A FLOOD AUDIT PROGRAM.”
- ▶ Sponsored by Rep. Lauren Carson (D-Newport)
- ▶ Required the RI Executive Climate Change Coordinating Council (EC4) to examine the feasibility and fiscal ramifications of a Flood Audit Program
- ▶ Creation of a Flood Audit Taskforce
- ▶ Connection to existing Energy Audit Program
- ▶ Focuses on both residential and business structures
- ▶ Required final findings and recommendations be presented to the RI General Assembly by February 2017



WHAT IS A FLOOD AUDIT?

“A Flood Audit is defined as a phased assessment of a property (residential and commercial, including inventory and utilities) that is either

owner occupied or leased where the owner/occupier desires to understand how best to minimize risks from flooding events.

It includes property (owned or leased/rented for residential or business purposes) in both coastal and riverine areas susceptible to impacts from flooding.”

FLOOD AUDIT TASKFORCE MEMBERSHIP

- ▶ Task Force Membership represented a wide spectrum of participants
 - ▶ Twenty two experts in:
 - ▶ Engineering
 - ▶ Floodplain management
 - ▶ Emergency preparedness
 - ▶ Environmental protection
 - ▶ Coastal resource management
 - ▶ Insurance
 - ▶ Business regulation
 - ▶ Economic development
 - ▶ Municipal government
 - ▶ Building regulation and development
 - ▶ Architecture
 - ▶ Public health

MEETING FOCUS AND PROCESS

- ▶ Task Force convened in September 2016 through January 2017
 - ▶ Established 'ground rules' for open forum and collaborative thinking
 - ▶ Meetings focused on program design:
 - ▶ Administration
 - ▶ Structure
 - ▶ Funding
 - ▶ Staff Qualifications
 - ▶ Outreach
 - ▶ Legality
 - ▶ Measuring Success
- 

PROGRAM ADMINISTRATION

	Option 1	Option 2	Option 3
Ownership	State	Non-Governmental Entity	Hybrid
Description	State administered program	Administered solely by a third-party, non-governmental entity	Administered by state and non-governmental entity

- ▶ The Taskforce Recommends that the program be:
 - ▶ Developed with the intent to reduce flood risk to property owners.
 - ▶ Administered as a hybrid program utilizing subject matter expertise from a variety of state and non-governmental partners for the greatest flexibility and utility.
 - ▶ Piloted in a few select communities to assess functionality prior to rolling the program out statewide.

PROGRAM STRUCTURE

	Deliverable	Description	Personnel	Qualifications
Phase 1	Completion of web-based assessment	Current and future property risk assessment	1-2 FTEs	IT/GIS systems
Phase 2	Completion of on-site assessment	Perform on-site property risk assessment	2-3 FTEs	Building Codes/ Federal regulations
Phase 3	Finalized site-specific risk assessment	Provide property risk assessment report (including mitigation recommendations)	4-7 FTEs	Building codes/ Federal floodplain management regulations/ CFM/ hazard mitigation

- ▶ The Taskforce Recommends that the program be:
 - ▶ A phased deliverable approach
 - ▶ An online portal where customers can upload/download property specific data
 - ▶ An on-site assessment/information collection form
 - ▶ A customizable template for a post-assessment report

PHASED APPROACH FOR PROGRAM DELIVERY



PROGRAM FUNDING

	Option 1	Option 2	Option 3	Option 4
Funding Mechanism	Direct State Appropriation	Insurance Assessment/Fee	Grants	Direct Fee for Service
Description	State funded allocation for program administration	An automatic policy fee to a basic insurance policy	Funding provided by third-party entity	A fee for each direct service would be imposed on the customer

- ▶ The Taskforce Recommends that the program be:
 - ▶ Derived from a combination of funding sources (especially during the initiation phase when funding may not yet be secured and/or continuous)
 - ▶ Ensured to be consistent and sustainable
 - ▶ Utilized to support staff—from program inception through steady state operations
 - ▶ Leveraged against existing policies, projects, and initiatives to create cost-savings for property owners that implement mitigation measures

STAFF QUALIFICATIONS

- ▶ The Taskforce Recommends that the program be collectively knowledgeable in a variety of technical areas but not limited to:
 - ▶ Building codes
 - ▶ Zoning regulations
 - ▶ FEMA mitigation requirements and best practices
 - ▶ NFIP
 - ▶ Floodplain Management concepts
 - ▶ Information Technology
 - ▶ Program Administration/Project Management
 - ▶ Geographic Information Systems (GIS)
 - ▶ Inspectional Services
 - ▶ Public Outreach
- ▶ Able to communicate effectively with the public on flood risk reduction
- ▶ Knowledgeable and confident when responding to technical questions

PROGRAM OUTREACH

The Task Force recommends program outreach be:

- ▶ Tailored to desired audiences for the largest benefit.
- ▶ Clear and concise.
- ▶ Adequately funded in the Program's budget.
- ▶ Communicated through various channels including, but not limited to:
 - ▶ Insurance and Real Estate agents (and related member organizations)
 - ▶ Design and construction professional societies
 - ▶ Financial Institutions
 - ▶ Schools
 - ▶ Cities/Towns
 - ▶ Civic Organizations
 - ▶ Chambers of Commerce
 - ▶ Rhode Island Alliance for Business Resilience
 - ▶ Rhode Island Flood Mitigation Association
 - ▶ Rhode Island Association of Emergency Managers
 - ▶ Property managers

PROGRAM LEGALITY

- ▶ The Task Force recommends the following legal issues be addressed...
 - ▶ Creation of a legal disclaimer which addresses the following:
 - ▶ The implementation of mitigation projects is not a guarantee that the property will never be impacted by flooding
 - ▶ The level of uncertainty in the data utilized for the program (e.g., sea level rise) because estimates are largely based on prediction models
 - ▶ Privacy concerns
 - ▶ Whether or not there may be a need for auditors to purchase professional liability insurance
 - ▶ The need for legislative authority to add an assessment to property policies

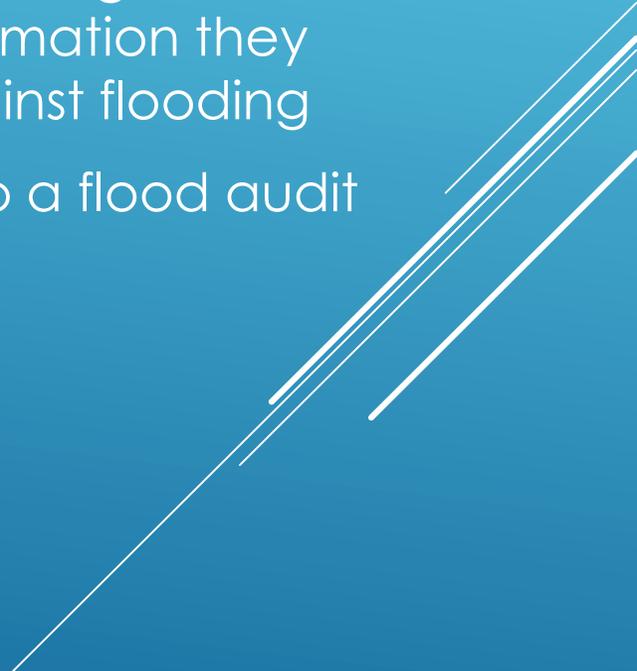
MEASURING SUCCESS

- ▶ The Task Force recommends following indicators be used to measure success...
 - ▶ The number of flood audits performed
 - ▶ The percentage of property owners that took action to mitigate risk
 - ▶ The number of building permits requesting alteration or elevation of property as a result of an audit
 - ▶ Usage metrics associated with the online portal
- 

LOOKING FORWARD: REDUCING RISK AND ENSURING SUCCESS

- ▶ The Task Force recommends the following measures be taken to move this Program one step closer to implementation:
 - ▶ Piloting the Flood Audit Program in multiple communities with varying demographics
 - ▶ Establish a financial reserve for property owners in order to make mitigation projects more affordable
 - ▶ Consider impacts to existing organizations (public and private)
- 

BOTTOM LINE

- ▶ Implementation of flood audit program and corresponding mitigation projects for property owners to reduce risk from flooding events is needed
 - ▶ Overall, the members of the Task Force believe the Flood Audit Program is a viable solution to equip Rhode Islanders with the tools and information they need to actively protect their property and business assets against flooding
 - ▶ The report is the '*start of a conversation*' about how to develop a flood audit program in RI
- 

QUESTIONS???



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