

A Community Approach to Disaster Recovery

June 1, 2023
3:00 to 4:15 PM ET



Views expressed during this session
are those of the speakers and
are intended for informational purposes.

They do not necessarily represent the views of
Fed Communities or the Federal Reserve System.



Today's Moderator



Nishesh Chalise

Manager, Institute for Economic Equity
Federal Reserve Bank of St. Louis



Billion dollar natural disasters between (2018-2022)



90 DISASTERS



\$607 BILLION



1751 DEATHS



Disaster in our everyday lives...

- In 2022, 13% of adults in the US were affected by natural disasters.
 - Property damage and income disruption were the most common
- People with lower income or less education were more likely to be affected
- Black and Hispanic people also reported higher levels of disruption compared to White or Asians.

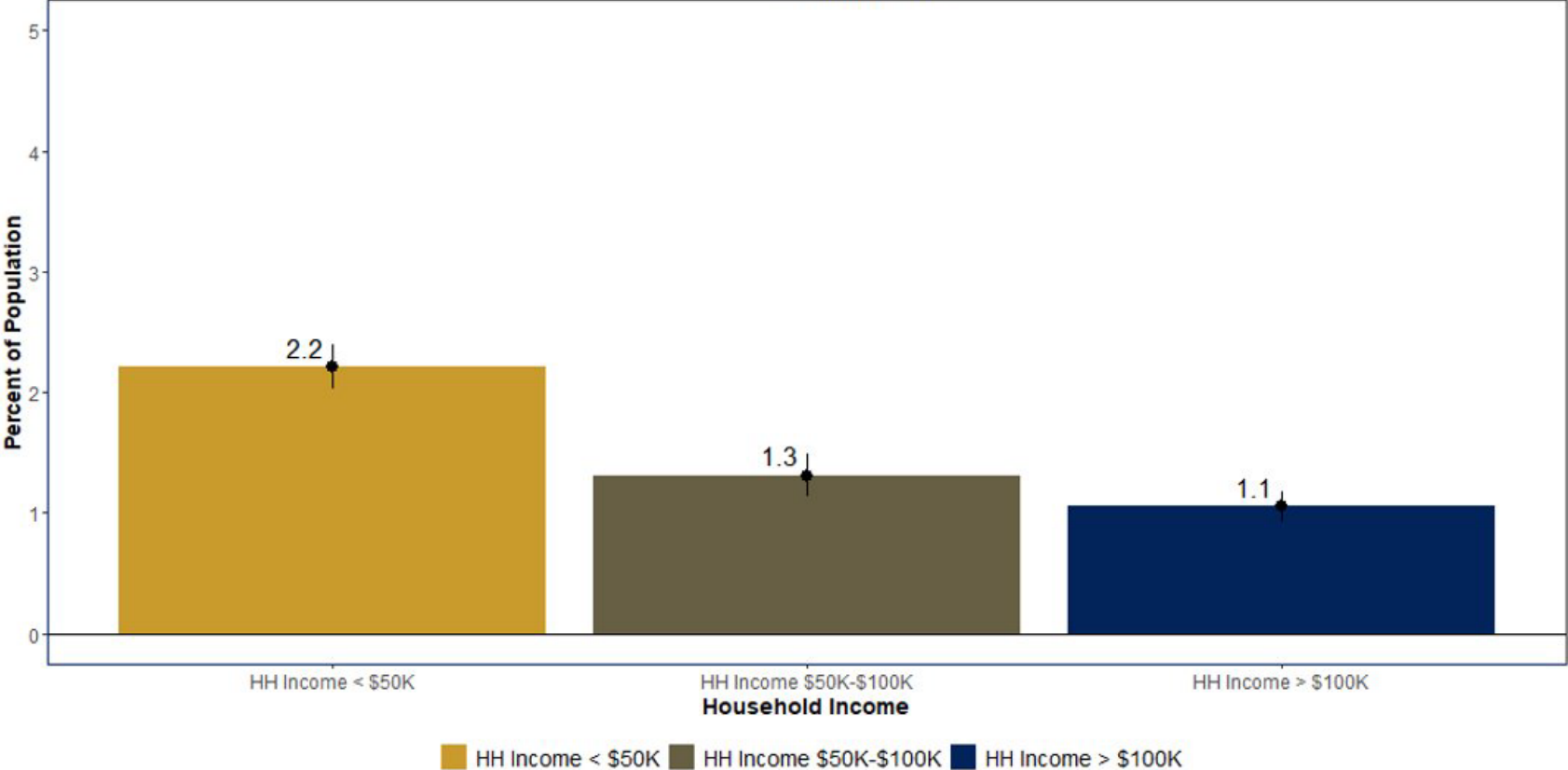


[Source: SHED, 2023](#)

Low-income families and natural disaster displacements

Low-income families experience the highest rates of displacement due to natural disasters.

Displacement Due to Natural Disaster by Income
Displaced from home in past year due to natural disaster (such as hurricane, flood, or fire)
Jan.-Apr. 2023



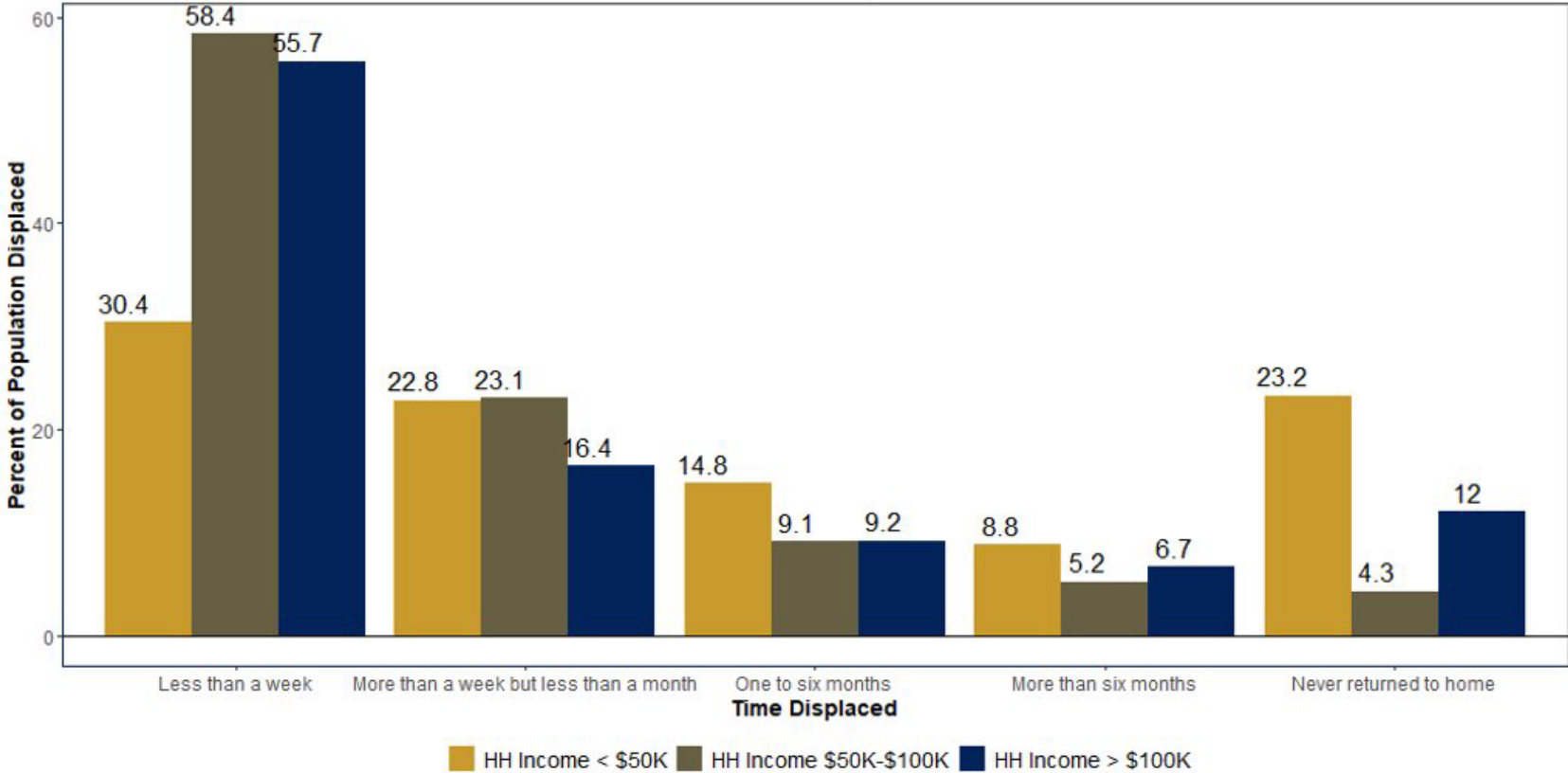
Source: Census Bureau, Household Pulse Survey.
Calculations by Lowell Ricketts and Sophia Scott, Institute for Economic Equity



Low-income families and returns to homes

Low-income families are more likely to never return to their homes.

Time Displaced from Home Due to Natural Disaster by Income
 Displaced from home in past year due to natural disaster (such as hurricane, flood, or fire)
 Jan.-Apr. 2023



Source: Census Bureau, Household Pulse Survey.
 Calculations by Lowell Ricketts and Sophia Scott, Institute for Economic Equity



Unequal Impact Unequal Recovery



Agenda

- Overview and Introduction to Disasters and Disaster Assistance
- Introduction to Flood Insurance through the NFIP
- Community Organizations Active in Disasters
- Discussion



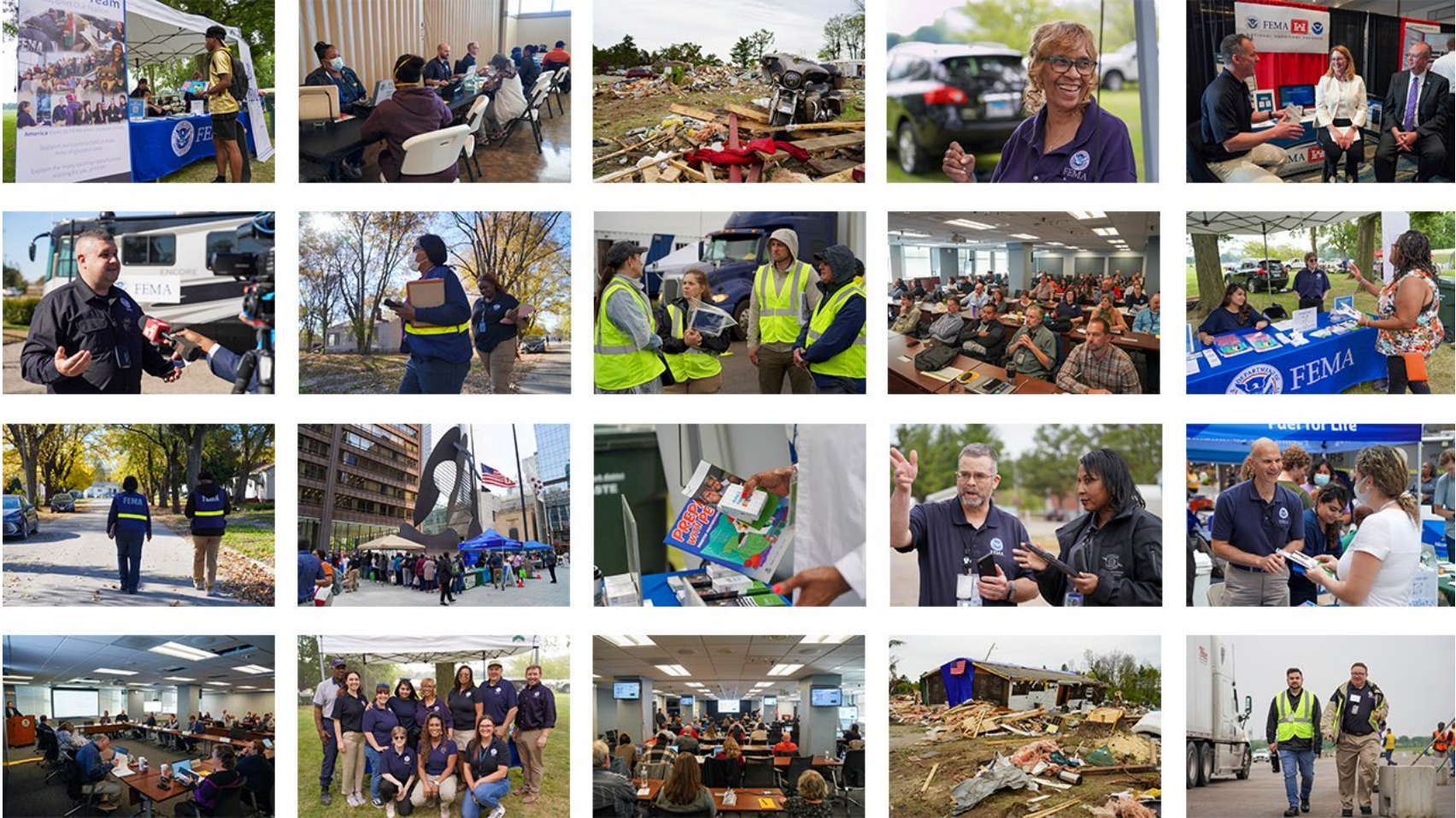
Overview and Introduction to Disasters/Disaster Assistance

Dan Shulman
Senior External Affairs Specialist
FEMA Region 5



FEMA's Mission

*Helping
people
before, during
and after
disasters*



FEMA

Who We Partner With

FEMA does not, and cannot, serve as the sole or primary first responder.

Just as we serve the whole community, we also rely on the whole community as our partners in emergency management.

Other Federal Agencies | State, Local, Tribal, and Territorial (SLTT) Governments | Non-profits | Private Sector | Individuals

Emergency management is most effective when locally executed, state managed, and federally supported.

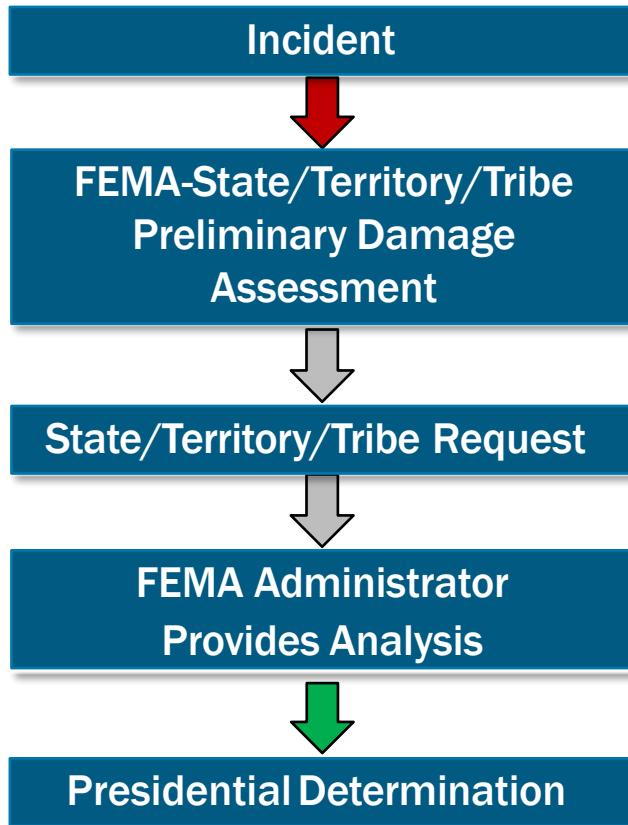


Local communities best understand their unique needs, opportunities, and risk.



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Stafford Act Declaration Process



- In anticipation of or following a significant incident, an STT may request an Emergency or Major Disaster Declaration from the President through their FEMA Regional Office
- For an Emergency Declaration, Preliminary Damage Assessments (PDAs) are not required
- For a Major Disaster declaration, the FEMA Regional Office will deploy staff to conduct PDAs in conjunction with STT representatives
- FEMA will provide analysis to the President regarding the request for a Declaration based on several factors
- Declaration decisions are at the sole discretion of the President

<https://www.fema.gov/disaster/how-declared>



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Types of Disaster Assistance

- **Individual Assistance**

Grant assistance to repair/replace primary residence, mitigate against future hazards, find alternate, temporary housing, replace personal property, and provide for other eligible disaster related expenses. Grants are limited by law. FY23 limit is \$41,000.

<https://www.fema.gov/assistance/individual>

FEMA may also provide grants to states and other organizations to provide crisis counseling, case management, disaster legal services, and disaster unemployment to survivors.

- **Public Assistance**

Assistance to state, tribal and local governments, and eligible non-profit organizations, for emergency work and to repair or replace eligible disaster damaged facilities. Funds can also include improvements to reduce the risk of future losses. <https://www.fema.gov/assistance/public>

- **U.S. Small Business Administration Disaster Loans**

Low-interest loans to individuals, businesses and organizations. Loans may supplement FEMA grant assistance or pay for items not covered by FEMA. <https://disasterloanassistance.sba.gov/ela/s/>



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Response and Recovery Partnerships

- FEMA is just one part of the response process. We assist in coordinating recovery efforts by federal partners including the U.S. Army Corps of Engineers, Department of Housing and Urban Development, Environmental Protection Agency, Natural Resources Conservation Service, and Small Business Administration (among many others!).
- 15 Emergency Support Functions, each with a federal lead agency, leverage these partnerships to assist in recovery efforts.
- FEMA's Voluntary Agency Liaisons work with National Voluntary Organizations Active in Disasters (NVOAD) members as well as independent state and local organizations to identify and solve disaster-specific challenges.
- FEMA's Private Sector Liaisons work with our private sector partners to leverage their expertise to restore infrastructure and share recovery related information.
- FEMA also encourages and focuses on disaster-specific contracting and hiring to supported impacted communities to further enhance their recovery.



Introduction to Flood Insurance through the NFIP

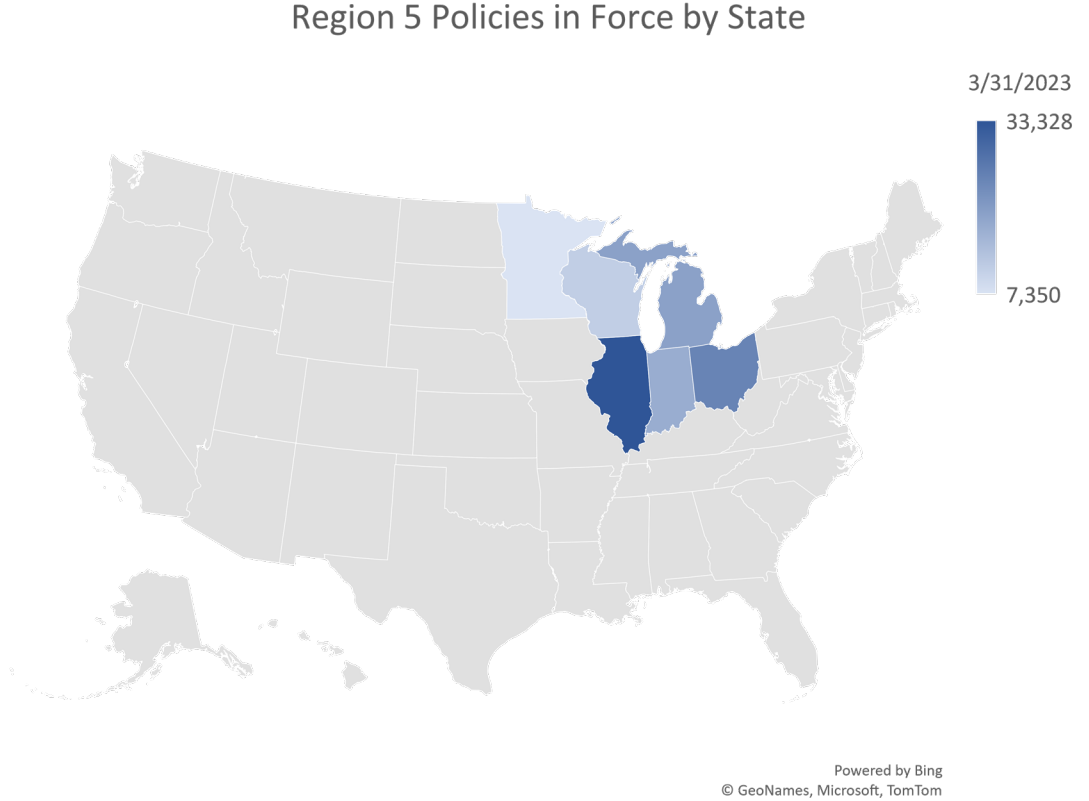
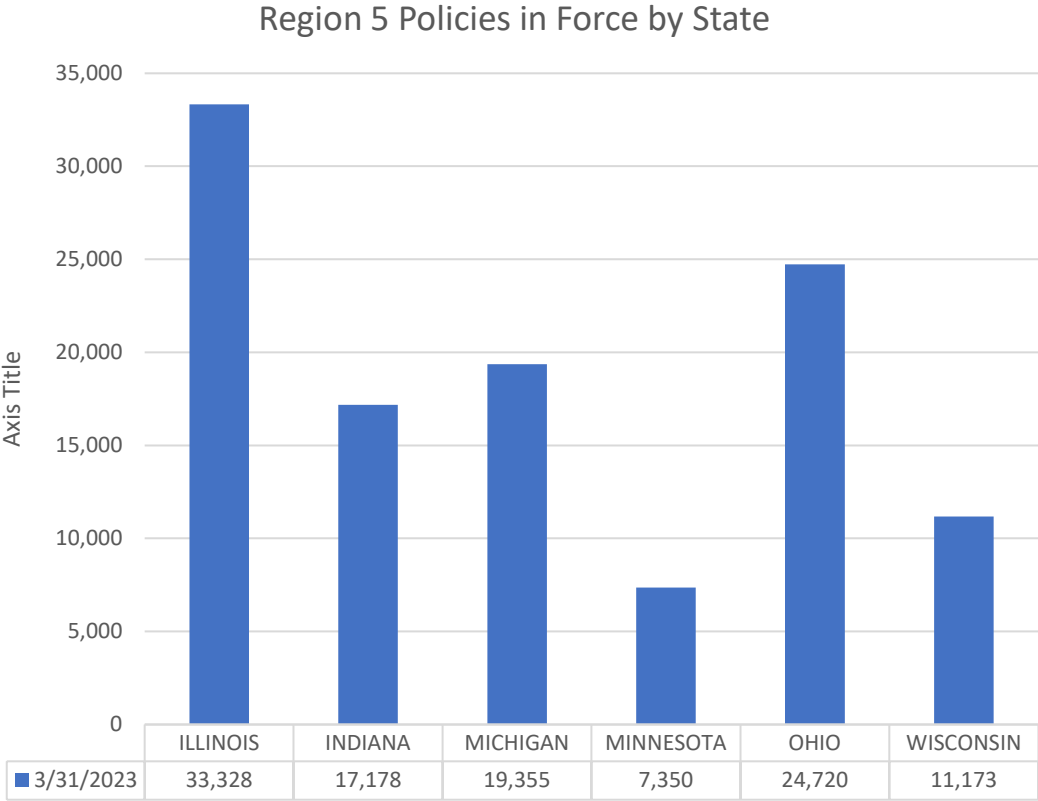
James G. Sink
FEMA Region 5
Regional Flood Insurance Liaison



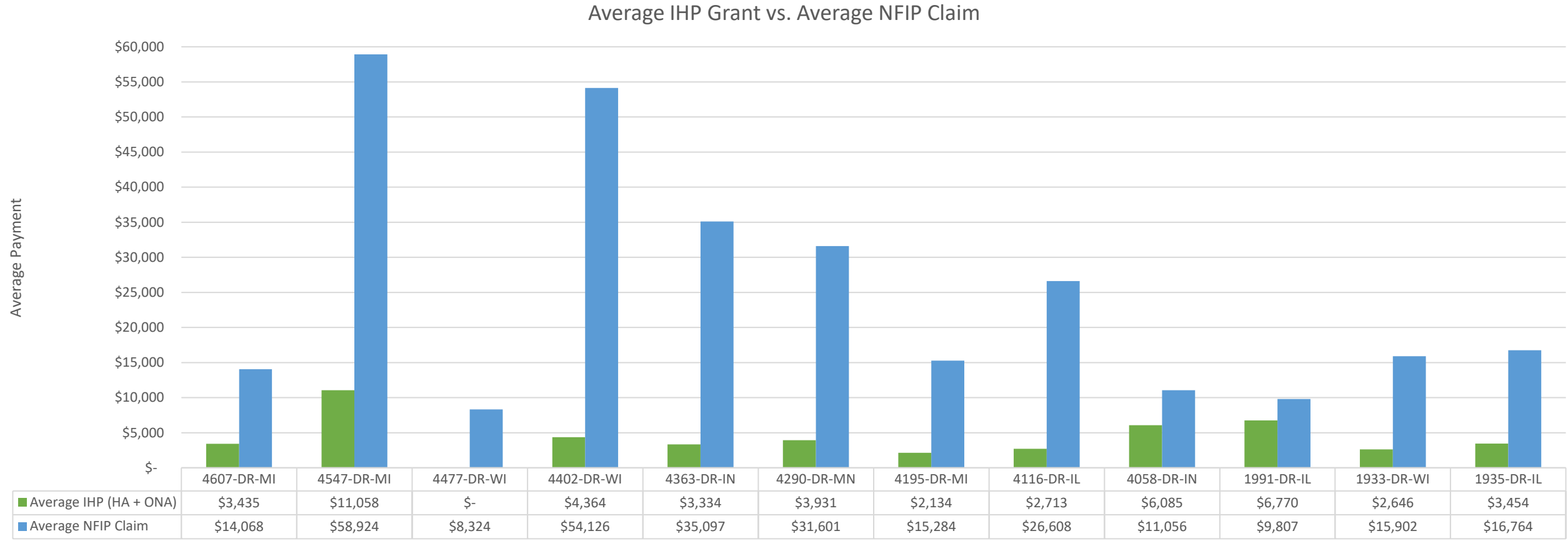


Flood Insurance vs. Disaster Assistance

Region 5 Policies in Force (by State)



Average IHP Grant vs. Average NFIP Claim



Disaster Assistance is Not a Substitute for Insurance



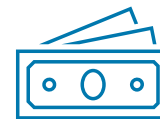
Requires a Major Disaster Declaration



Most flood events do not receive a Major Disaster Declaration. Only primary residences are eligible.



Most assistance is in the form of an SBA loan



Individual Assistance is limited to \$37,900 for Housing Assistance and \$37,900 Other Needs Assistance*



Individual Assistance is only intended to make a home safe, sanitary, and functional. It is not intended to return the home to the pre-disaster condition.

* Maximum IHP award is announced annually on October 1 in the Federal Register



Flood Insurance Enables a More Holistic Recovery



Does not depend on a Major Disaster Declaration



No payback requirement for verified losses



No cancellation for repeat losses



Residential policy limits up to \$250,000; business policy limits up to \$500,000.*



Flood insurance is intended to return the structure to its pre-disaster condition, and, in some cases, build back better.



Any homeowner, renter, or business owner in a participating community can purchase flood insurance—including secondary/vacation homes and investment properties

* Policy limits are fixed by statute. Changes to policy limits require Congressional action.





NFIP: Purchasing and Coverages

Flood Zone Designations



Special Flood Hazard Areas (SFHAs)

- Higher risk zones
 - AE (replaces A1-A30)
 - A, AH, AO, A99, AR
 - VE (replaces V1-30), V, VO
- “100-year floodplain” = 1% annual chance flood



Non-Special Flood Hazard Areas

- Lower-to-Moderate Risk Zones
 - B, C, X
 - D
- Individuals in these zones receive one-third of Federal Disaster Assistance for flooding



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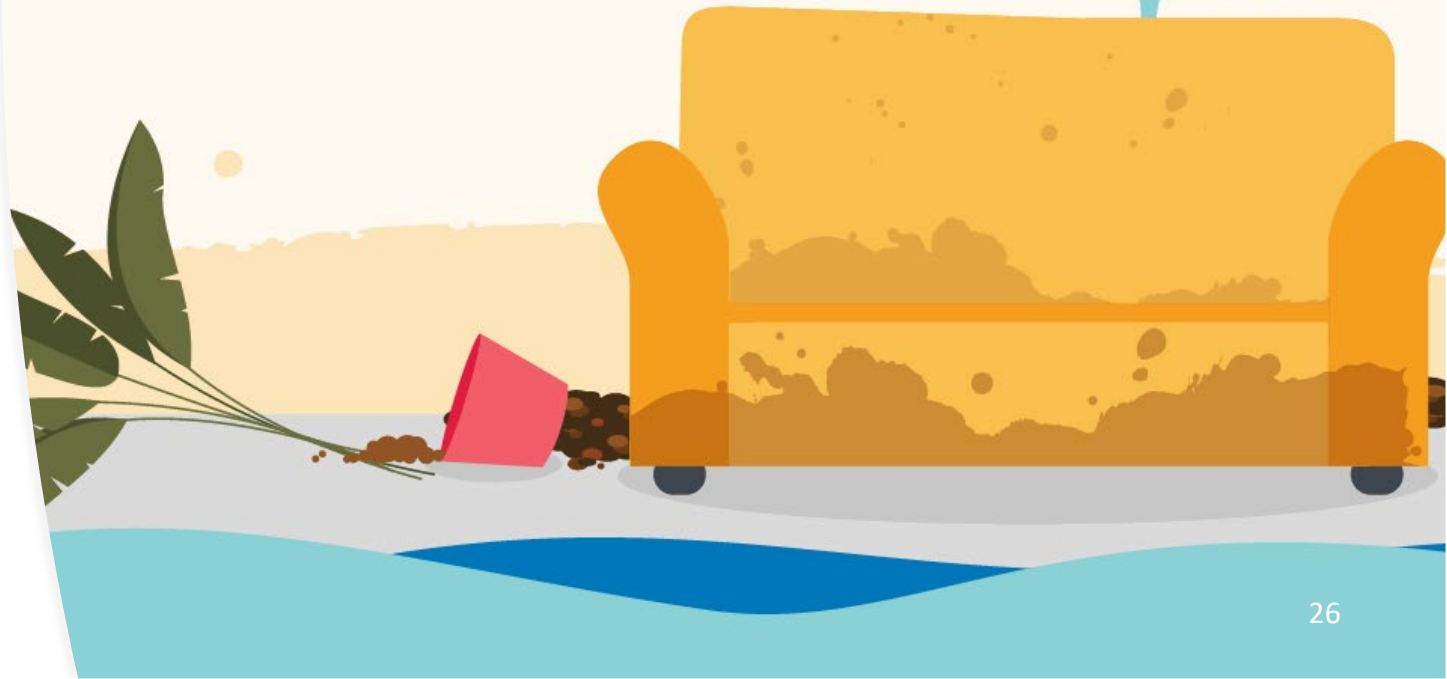
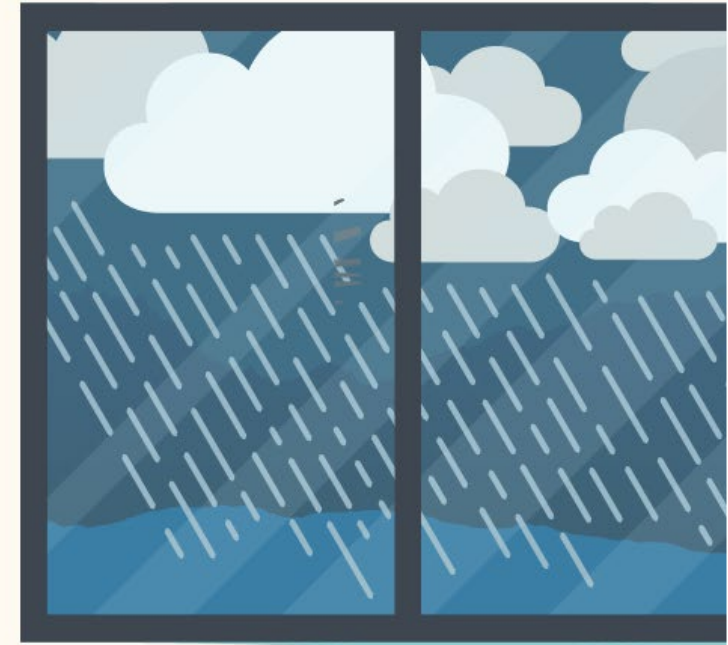
Anyone in a Participating Community Can Purchase Flood Insurance through the NFIP

To find out if your community participates, call your local building official, floodplain administrator, or visit <https://www.fema.gov/flood-insurance/work-with-nfip/community-status-book>.

Standard Flood Insurance Policy (SFIP): Coverages

- Coverage A: Building Property
- Coverage B: Personal Property
- Coverage C: Other Coverages
 - Debris removal
 - Loss Avoidance Measures
 - Property Moved to Safety
 - Condominium Loss Assessment
- Coverage D: Increased Cost of Compliance

**Flood
insurance
has you
covered.**



Special Case: Group Flood Insurance Policy (GFIP)

- A GFIP is a temporary flood insurance policy issued to certain recipients of federal disaster assistance in identified high-risk flood zones:
 - Flooding damaged your property located in a Special Flood Hazard Area.
 - FEMA provided you assistance for the repair or replacement of the property damaged by flooding through the Individuals and Households Program (IHP), triggering a requirement for you to obtain and maintain flood insurance on the property.
 - The damaged property is in a National Flood Insurance Program (NFIP) participating community and is eligible for NFIP coverage.
 - You did not have a previous requirement to maintain flood insurance on their damaged property.
 - U.S. Small Business Administration denied your application for a disaster loan or FEMA did not require you to apply for a disaster loan, thus making them eligible for Other Needs Assistance provided as part of IHP.

GET FLOOD INSURANCE

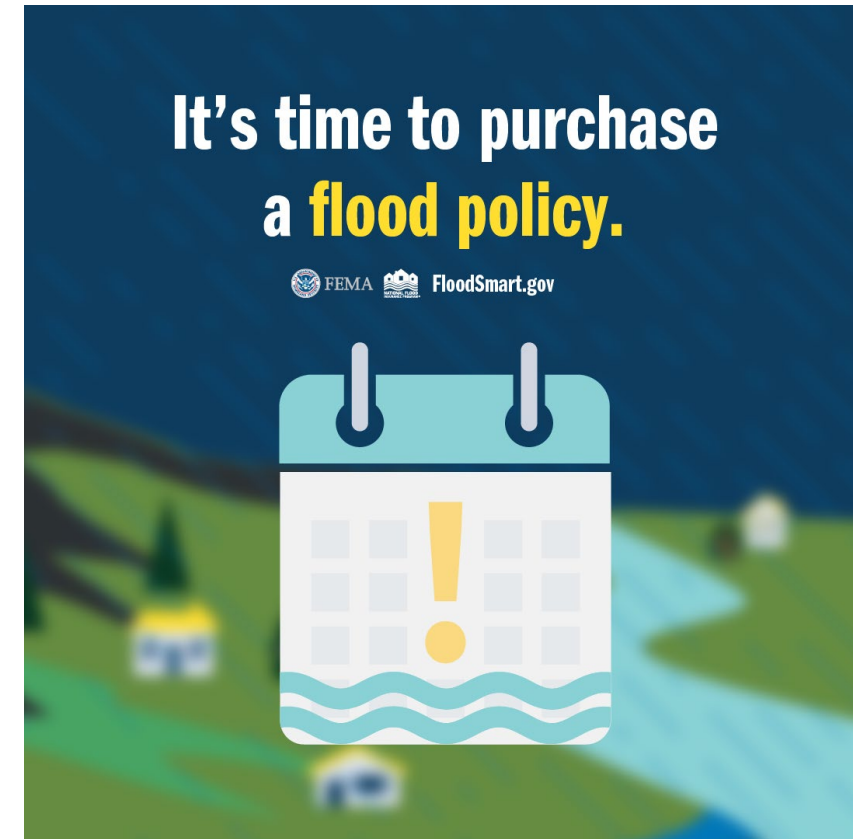


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Special Case: Group Flood Insurance Policy (GFIP)

- FEMA pays the cost of the GFIP premium (\$2,400) on behalf of the certificate holder out of their IHP award.
- The GFIP offers very limited coverage, up to the maximum IHP award, for three years. Loss settlement is limited to Actual Cash Value. GFIPs are ineligible for ICC.
- After three years, the certificate holder has an obligation to obtain and maintain a Standard Flood Insurance Policy. Failure to do so can limit their eligibility for future disaster assistance.
 - The certificate holder can purchase an SFIP at any time. They do not need to wait for the GFIP to expire.



Group Flood Insurance Policies (GFIPs) provided after the [year of event] [flood event] are expiring soon. Purchase a policy today to stay protected this season! To find an agent, visit [FloodSmart.gov/find](https://www.floodsmart.gov/find).



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Claims and Appeals

Waiting Periods

In general, there is a 30-day waiting period before flood insurance policies through the NFIP come into effect. There are three exceptions:

Making, increasing, extending, or renewing a loan (No waiting period)

- If the initial purchase of additional or increased flood insurance coverage is in connection with making, increasing, extending, or renewing a loan secured by the insured property (for example, a mortgage loan) – and if the NFIP receives the endorsement request and full amount due within specified timeframes – then no waiting period applies, and coverage becomes effective as of the time of the loan closing.

Map Revisions (1-day waiting period)

- Coverage becomes effective after a 1-day waiting period during the first 13 months following a flood map revision newly identifying a building as located within a Special Flood Hazard Area (SFHA) when it was previously identified as outside of an SFHA.
- The policyholder may also be eligible for the Newly Mapped Discount.

Post-Wildfire Exception (1-day waiting period)

- Coverage becomes effective after a 1-day waiting period if:
 - The insured property is privately-owned (property not owned by a federal, state, local, territorial, or tribal government) and experiences damage caused by a flood that originated on federal land;
 - Post-wildfire conditions on federal lands caused or worsened the flooding; and,
 - The policyholder purchased the additional or increased coverage either:
 - On or before the fire containment date; or,
 - During the 60-calendar day period following the fire containment date



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Federal Emergency Management Agency



Definition of Flood

A flood is...

- “A general and temporary condition of partial or complete inundation of two or more acres of normally dry land or of two or more properties (at least one of which is your property) from
 - Overflow of inland or tidal waters;
 - Unusual and rapid accumulation or runoff of surface water from any source; or
 - Mudflow
- Collapse or subsidence of land along the shore of a lake or similar body of water as a result of erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels that result in a flood as defined in A.1.a above”

A loss must be...

- A direct physical loss caused by a flood as defined in the Standard Flood Insurance Policy
- In general, the source of the flooding doesn’t matter if the definition of flood is met

The definition of flood is complicated

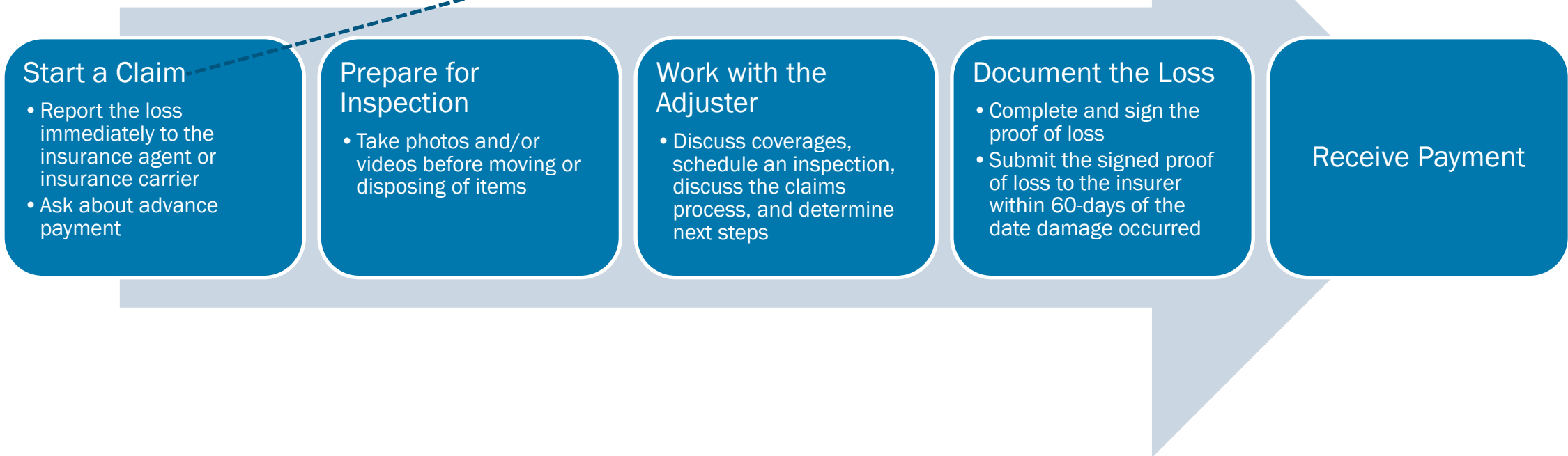
- If someone is damaged by something they perceive as flooding, they should file a claim and let the carrier determine if the event fits the definition of flood found in the SFIP.
- In general, seepage, sump pump failure, and sewer back-up are excluded from coverage, *but there are exceptions.*





Claims

Register for disaster assistance
 Call: 800-621-3362
 Visit: www.disasterassistance.gov
 FEMA App: <https://www.fema.gov/mobile-app>



Start a Claim

- Report the loss immediately to the insurance agent or insurance carrier
- Ask about advance payment

Prepare for Inspection

- Take photos and/or videos before moving or disposing of items

Work with the Adjuster

- Discuss coverages, schedule an inspection, discuss the claims process, and determine next steps

Document the Loss

- Complete and sign the proof of loss
- Submit the signed proof of loss to the insurer within 60-days of the date damage occurred

Receive Payment

FEMA How to File a Flood Insurance Claim

FEMA Como Empezar un Reclamo de Seguro contra Inundación



Disagree with the Outcome of Your Claim?

If a policyholder receives a letter from the flood insurance company denying all or part of a claim, or a policyholder would like to request an additional payment, there are several options to help make sure full payment may be received for any SFIP-eligible expenses.

Visit <https://www.floodsmart.gov/appeal-your-flood-claim> for more information

Talk to your carrier

If part or all your claim has been denied, talk to your adjuster or insurer to request additional payment.

- Your adjuster and insurer can help clarify how the flood insurance policy applies to your claim and take immediate action if they missed a key fact, overlooked a document, or made a mistake.
- Multiple Proofs of Loss are allowed!

Seek an appraisal

If you and your insurer agree that a loss occurred but disagree about the price of the loss, seeking an appraisal could resolve the claim.

You can seek appraisal for disputes over the amount of loss to flood-damaged property. However, if you complete an appraisal, you cannot also file an appeal.

File an appeal with FEMA

To file an appeal, the policyholder must explain the issue(s) in writing, include a copy of the denial letter from insurer, and provide any supporting documentation

- There is no fee to file an appeal, and you do not need a third party to represent you. You must file your appeal within 60 days of the date of the insurer's denial letter. Send the appeal to:
 - FEMA, 400 C Street SW, 6th Floor, Washington, D.C. 20472-3010, or FEMA-NFIP-Appeals@fema.dhs.gov

File a lawsuit

If you are not able to resolve your dispute using the options above, you may file suit with your insurer within one year of the denial of your claim.

- You may file suit after filing an appeal with FEMA. However, filing an appeal does not extend the one-year period to file suit.
- Additionally, once you file suit, you also forfeit your option to appeal directly with FEMA.

Office of the Flood Insurance Advocate (OFIA)

Homeowner's Flood Insurance Affordability Act (HFIAA) of 2014 directed FEMA to establish a flood insurance advocate

- OFIA advocates for the fair treatment of policyholders and property owners by
 - Providing education and guidance on all aspects of the National Flood Insurance Program (NFIP)
 - Identifying trends affecting the public
 - Making recommendations for NFIP improvements to FEMA leadership
- Since October 2016, OFIA has achieved beneficial financial outcomes for customers resulting in additional claim payments, premium reductions, and refunds in excess of \$2 Million.

For more information on how OFIA can help you, visit <https://www.fema.gov/flood-insurance/advocate>. Please note OFIA can only assist *after* you have exhausted all other options.

OFIA is the last stop on the problem-solving pathway. Before contacting OFIA, insureds should work with their carrier, adjusting firm, state NFIP Coordinator, and the Regional Office to resolve the issue.



Additional Resources

- [FloodSmart for Insurance Agents](#)
- [Flood Insurances and Resources Available for Insurance Agents - YouTube](#)
- [FloodSmart for Consumers](#)
- [NFIP Flood Insurance Manual](#)
- [NFIP Claims Handbook](#)
- [Residential Buildings with Basements | FEMA.gov](#)
- Risk Rating 2.0
 - [Risk Rating 2.0: Equity in Action \(fema.gov\)](#)
 - [Simple Guide for Single-Family Homes](#)
 - [Risk Rating 2.0 and Elevation Certificates – Using Section C or E for First Floor Height](#)
 - [6/8/2021 Risk Rating 2.0: Equity in Action recording](#)
 - [Clasificación de Riesgo 2.0 - Equidad en Acción - 27 Julio 2021 \(grabación\)](#)
 - [Resetting Prior NFIP Claims History \(Risk Rating 2.0\)](#)



Additional Resources

- [State Training Requirements for Agents](#)
- [IS-1101.B: Basic Agent Tutorial](#)
 - Meets the requirements of Section 207 of the Flood Insurance Reform Act of 2004 (PL 108-264)
- [IS-1102: Theory of Elevation Rating](#)
- [IS-1108: Insuring Condominiums](#)
- [IS-1109.A: Understanding Basement Coverage](#)
- [IS-1112: Introduction to Flood Claims](#)
- [IS-1110.A: Writing Commercial Exposures](#)
- [IS-1100.A: Increased Cost of Compliance](#)
- [IS-1113: Coastal Barrier Resources Act](#)
- [IS-1115: Claims Process for Agents](#)
- [IS-1105.A: EC Made Easy: Elevation Certificate Overview](#)
- [Additional Agent Training Opportunities](#)



Community Organizations Active in Disasters

Mike Pickerel
Volunteer Agency Liaison
FEMA Region 7



Community Organizations Active in Disasters or COADs

- Made up of :
 - NGOs
 - Service Organizations
 - Government Agencies
 - Faith Based Organizations
 - Concerned Citizens

With the goal of coming together to assist their community during its time of need.



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Potential COAD Members

- Local Red Cross Chapter
- Local Salvation Army Unit
- Local Ministerial Alliance
- Representatives from local churches
- Chamber of Commerce
- Local Elected Officials
- Local Banks
- Local Merchants
 - Lumber yard
 - Home Supply
 - Restaurants
 - Box Stores
- Local Service Clubs
 - Lions
 - Eagles
 - Elks
 - Kiwanis
 - Jaycees
 - Masons
 - Shriners
- County DFS Staff
- Community Action Agency
- Area Agency on Aging
- Center for Independent Living
- And more...



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Community Organizations Active in Disasters or COADs

- COADS are active in all four phases of Emergency Management:
 - Mitigation
 - Preparedness
 - Response
 - Recovery



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What is the Function of a COAD

- Ensures that a community is prepared for all hazards
- Ensures that public and private agencies assist in preparing for, responding to and the recovery from disasters
- Successfully meets the difficult and challenging job of addressing the emergency needs of people affected by disasters



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The Benefits of Membership

- All member agencies know each partners' resources and how quickly they can be deployed
- Various players know one another before meeting in the disaster area
- Reduction in duplication of services
- Reduction of gaps in service
- Deployment of various services is timely and automatic due to planning and coordinating



Communities with COADs

- Have more efficient Response Phase
- Begin Recovery earlier and have a more complete Recovery
- Have significantly higher efficiency in use of resources
- Builds collaboration between agencies, volunteers and local emergency management
- Survivors receive assistance from a variety of agencies for a variety of problems; solving recovery problems faster and better



FEMA

Agencies that Participate in a COAD

- Experience less disruption to operations
- Have more efficient use of resources with less waste and duplication
- Have a voice in operations
- Have a better opportunity to manage expectations placed on their agency
- Have greater access to information which is useful in helping employees/families prepare for disaster



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Agencies that Participate in a COAD

- Are part of a network of agencies/organizations with a wide range of assets and resources which can prove invaluable in disaster time and peace time



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Communities with COADs

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Panel Discussion and Q & A



Closing remarks and requests

- Complete the post-event survey
- Visit www.fedcommunities.org for more Fed resources on community development topics
- Follow Fed Communities on social media. We're on LinkedIn, Instagram, and Twitter
- Mark your calendars for July 13, 2023, and plan to join us for the next Connecting Communities webinar. Registration is open!



Thank you for joining us!

