

Kenai Peninsula Borough
Donald E. Gilman River Center

MEMORANDUM

TO: Brent Johnson, Assembly President
KPB Assembly Members

THRU: Mike Navarre, Mayor *MN*
Robert Ruffner, Planning Director *RR* for RR

FROM: Samantha Lopez, River Center Manager *SL*

DATE: December 30, 2022

RE: Withdrawal from FEMA's voluntary floodplain Community Rating System Program

This memo serves to inform the Assembly that the Kenai Peninsula Borough (KPB) has chosen to end its participation in the Federal Emergency Management Agency's (FEMA) Community Rating System (CRS) Program.

The KPB participates in FEMA's National Flood Insurance Program (NFIP), a program that provides federally backed flood insurance within communities that enact and enforce floodplain regulations. KPB has participated in the NFIP since 1988, and has since developed a very successful floodplain management program.

In 2010, the borough joined FEMA's optional CRS program. The CRS is a voluntary program that NFIP communities can participate in to provide discounts to flood insurance policyholders throughout their communities. Communities are "classed" based on a number of variables: level of management, total floodplain acreage, community outreach, etc. The more regulation and involvement a community has, the lower their "class", and the higher insurance premium discounts will be.

During participation, KPB was a Class 9 CRS community, affording policyholders a 5% discount on their flood insurance premiums. At present, there are 210 flood insurance policies throughout the borough, resulting in a cumulative annual savings of \$4,671.30, and saving each policyholder an average of \$22.24 per year. During a cost/benefit analysis, staff found that the resources required to continue in the CRS exceeded the intended benefits of the program. While we recognize

and appreciate the value that the CRS program has provided, it is also recognized that the CRS was not designed for smaller communities, where the hours to maintain the program far exceed the savings generated by it.

The borough will continue to implement various components of the CRS program, focusing more on education, outreach and administration of our current, comprehensive floodplain program. Lastly, because the borough will continue to participate in the NFIP, leaving the CRS program will not affect the borough's ability to rejoin in the future, nor its ability to obtain flood insurance or disaster assistance.

Thank you for your consideration.



Donald E. Gilman River Center

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A Division of the Planning Department

Mike Navarre
Borough Mayor

December 20, 2022

John Graves, CFM
Senior NFIP Specialist
John.graves@fema.dhs.gov

Subject: Withdrawal from Community Rating System Program (CRS)

Mr. Graves:

This letter serves as formal notification that the Kenai Peninsula Borough (020012) will be ending our participation in the voluntary Community Rating System (CRS) Program, effective immediately. During a recent cost/benefit analysis, we found that staff resources required to continue program participation, by way of documenting points and compliance, exceeded the identified benefits of the program.

With only 210 NFIP policies within the Special Flood Hazard Area in the Kenai Peninsula Borough, we believe that staff time is more appropriately focused on education, outreach and administration of our current, comprehensive floodplain program. We recognize and appreciate the value the CRS program has provided for us in previous years, with its comprehensive approach to floodplain management and the educational opportunities on safe building practices that minimize flood damage and hazards. We will continue to implement various components of the program; however, it will be without the extensive re-certification process required to maintain compliance in the program.

The Kenai Peninsula Borough would also like to reserve the right to join the program in the future should we find that the value of doing so would benefit our broader community.

Please let us know should you have questions.

Sincerely,

Mayor Mike Navarre

cc: Scott Van Hoff, Regional Flood Insurance Liaison, Scott.vanhoff@fema.dhs.gov
Mitch Paine, Floodplain Management Specialist, Mitch.paine@fema.dhs.gov
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