Memorandum

Meeting Details: BOC Workshop 4/26/2023

Prepared For: Mayor and Commissioners

From: Jenny Rowan, CFM, Community Development Director, Community Development
Department

Subject: CRS

Background:

The Community Rating System (CRS) is a voluntary incentive program for communities that exceed the
minimum requirements of the National Flood Insurance Program (NFIP). The NFIP is administered
through FEMA. The CRS rewards (through a point system) communities for higher regulatory standards
of development in the floodplain, public outreach to residents, and other flood-related programs. These
programs and standards are reviewed annually through FEMA. Every five years the city undergoes an
extensive review of the CRS with representatives from FEMA. The City of Madeira Beach's five-year
cycle review will occur in August this year.

Discussion:

Through the CRS, the community receives discounts on flood insurance premium rates, eligible for
federally backed mortgages, and eligible for post-disaster assistance. The CRS discounts on flood
insurance premium rates range from 5% to 45% based on CRS credit points. The discounts provide an
incentive for communities to implement new flood protection activities that help save lives and property
during a flood event. The City of Madeira Beach is a class rate seven which provides 15% discount on
insurance premiums.

Due to rising sea levels, flooding events, and an increase of number and intensity of hurricanes, the CRS
is even more important not only to reduce property owner's insurance premiums and availability of post-
disaster assistance, but also for the city to create and maintain resiliency projects.

Fiscal Impact: City staff time for FEMA reviews and creating, updating, and maintaining the CRS program. Though the current CRS rate residents receive 15% discount on insurance premium rates.

Recommendation(s): Staff recommends the City to remain in the CRS program and to review the CRS program to see where the City may improve to receive more points.

Attachments: