

GRANT COUNTY PLANNING DEPARTMENT
201 SOUTH HUMBOLT, SUITE 170
CANYON CITY, OREGON 97820

PHONE: 541-575-1519

FAX: 541-575-2276

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STAFF REPORT - FLOOD ORDINANCE UPDATE

The Grant County Planning Director serves as the Floodplain Administrator for Grant County's unincorporated areas. Grant County is a National Flood Insurance Program (NFIP) participant, which allows the residents in the unincorporated areas to obtain flood insurance for a reduced cost.

Since the loss of vegetation from the Canyon Creek Complex Fire, it is expected that flooding may occur this coming winter/spring. The fire drastically changed the landscape of the area, increasing runoff potential and potential of debris to find its way into Canyon Creek.

The Grant County Flood Ordinance has been in need of updating for many years. With the additional risk following the fire, it has been brought to our attention that our existing ordinance is inadequate to meet the needs of our community and satisfy the requirements to remain in the NFIP. For these reasons, the ordinance must be updated immediately.

We will still be dependent on the maps and flood study from 1982, as provided by the Federal Emergency Management Agency.

Attached please find three documents -

- The existing county flood ordinance, Ordinance 88-02
- The model flood ordinance provided for Oregon, which is NFIP compatible and recommended by the Department of Land Conservation and Development for regulation of flood zones

- The new ordinance prepared by Planning Staff for review, recommendation, and hopefully adoption by the County Court.

Planning Staff went through the model flood ordinance provided by DLCD and removed portions that are not applicable to our County, leaving in some optional provisions that do seem reasonable.

The proposed ordinance is substantially similar to the existing ordinance. New provisions added to maintain NFIP compatibility can be found in the following sections: 4.3-5, 5.1-6, 5.2-3, 5.2-4, 5.2-5, 5.2-6, 5.3, 5.4, 5.5 and 5.6.

To better understand why Grant County must update our flood ordinance, I made the following inquiries to Christine Shirtey, the NFIP Coordinator for the State of Oregon, and DLCD employee. Her responses to my questions are below:

What happens if we do not update our flood ordinance? And therefore are not in compliance with the NFIP requirements?

When the County joined the NFIP, they made a commitment to maintain a set of regulations that meet or exceed the requirements of 44 CFR Part 60.3 (the NFIP Criteria of Land Management and Use). This commitment can be found in 44 CFR Part 59.22 and 59.24. The model code reflects these requirements. If the County does not update the flood ordinance, they run the risk of FEMA placing the County on probation, which will result in a \$50 surcharge applied to every flood insurance policy in the County upon renewal for one year. If the code deficiencies are not corrected within a year, the County would be suspended from the NFIP, resulting in the inability of building owners to obtain NFIP flood insurance when flood insurance is required. Not being in the NFIP does not remove the mandatory purchase requirement for flood insurance when a building owner has a federally backed mortgage. So being suspended from the NFIP could make it difficult for building owners with buildings in the SFHA (Special Flood Hazard Area) to get mortgages, lines of credit, reverse mortgages, and the like where the building is the collateral.

From the FEMA 480:

SANCTIONS FOR NON-PARTICIPATION

A community that does not join the NFIP, has withdrawn from the program, or is suspended from it faces the following sanctions:

- ◆ Flood insurance will not be available. No resident will be able to purchase a flood insurance policy.
- ◆ If the community withdraws or is suspended, existing flood insurance policies will not be renewed.
- ◆ No Federal grants or loans for the acquisition or construction of buildings may be made in identified flood hazard areas under programs administered by Federal agencies such as HUD, EPA, and SBA.
- ◆ No Federal disaster assistance may be provided to repair insurable buildings located in identified flood hazard areas for damage caused by a flood.
- ◆ No Federal mortgage insurance or loan guarantees may be provided in identified flood hazard areas. This includes policies written by FHA, VA, and others.
- ◆ Federally insured or regulated lending institutions, such as banks and credit unions, must notify applicants seeking loans for insurable buildings in flood hazard areas that:
 - There is a flood hazard and
- ◆ The property is not eligible for Federal disaster relief.

What happens if there is a flood?

Without flood insurance building owners would need to rely on their own resources to recover. FEMA and the federal government (and the State) will not provide funds to repair a flood damaged building unless there were a Federally-declared disaster. And even then, the Feds offer LOANS for repair unless the owner does not qualify for a loan, in which case a grant is made available. But the maximum grant available is \$32,500, which may not be enough to repair the building. Federally declared flood disaster declarations are very difficult to get these days. The flood event would need to be widespread and affect multiple counties, and even then there is no guarantee.

Public infrastructure damaged by flood would not qualify for disaster relief.

What happens if there is no flooding?

It gets back to the unavailability of mortgages as described in the first paragraph above.

As you can see from the questions and answers above, we must update our ordinance in order to remain in the NFIP, for the protection of Grant County residents.

Notice Requirements:

In compliance with Ballot Measure 56, a notice of the consideration of new provisions that may change the way that an owner can develop their property has been mailed out to all property owners listed with the Grant County Assessor for those properties located in or near the established floodplains.

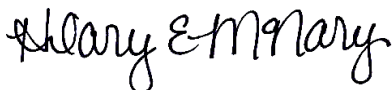
Notice as required for a change in land use regulations was also sent to the Department of Land Conservation and Development.

Conclusion:

In this situation, it is appropriate for the Planning Commission to make a recommendation to the County Court. This recommendation can be for approval and adoption of the ordinance as proposed, approval and adoption of the ordinance with changes suggested by the Planning Commission, or for the County Court to not adopt the ordinance.

Planning Staff recommends the Planning Commission make a recommendation to the County Court to adopt the ordinance as proposed.

Respectfully submitted this 10th day of November, 2015



Hilary McNary, Planning Director