

## **Realty and Lending Professionals: Know About Changing Flood Risks**

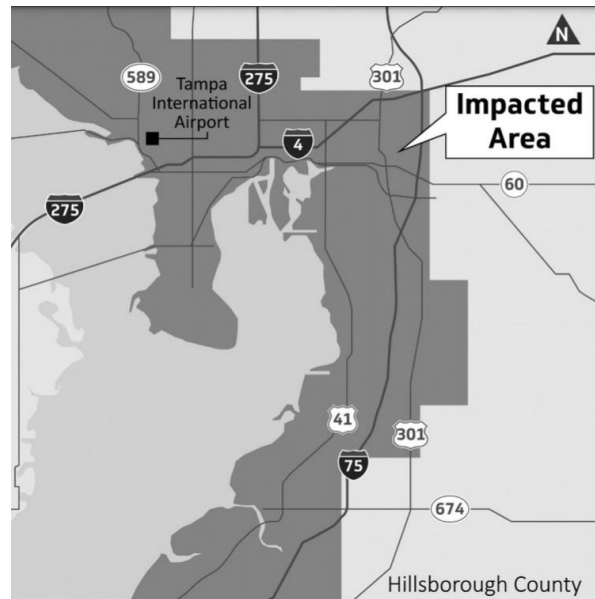
Hillsborough County has been part of a multi-year process led by the Federal Emergency Management Agency (FEMA) to update coastal flood maps. New coastal flood risk data means a safer, more resilient Hillsborough County.

The new coastal flood maps (known as Flood Insurance Rate Maps, or FIRMs) replace the current maps which are based on data and technology more than 30 years old. The 2008 countywide flood map update did not include an updated analysis of the coastal flood risk and does not reflect new development or changes in shoreline.

As coastal flood risk boundaries change, clients will likely have questions regarding their properties and how they are affected. The changes may also affect businesses, so realty and lending professionals need to stay informed.

## **Understanding the Effects on Flood Insurance**

With the updated coastal flood maps becoming effective on October 7, 2021, knowing where map changes are occurring allows real estate and lending professionals to be properly prepared to educate current clients (and prospective borrowers) about the flood risk, what the changes may be, the related insurance requirements, and what insurance options are available. An insurance agent can always provide greater detail about coverage and costs. Knowing this in advance will make for a smoother closing.



## **Below are the Three General Scenarios Impacting Property Owners in the Coastal Area**

### **Scenario 1: Properties Already Identified to be in a High-Risk Flood Zone**

When selling their property, home and business owners should disclose whether a property is or will be newly identified to be in a high-risk flood zone (known as a Special Flood Hazard Area and shown on the flood maps with letters beginning with "A" or "V"). Buildings in high-risk areas are required to carry flood insurance for loans taken through federally regulated or insured lenders. To determine how a property's flood risk may have changed, the real estate

professional can locate the property on Hillsborough County's Flood Zone Comparison Viewer at <https://arcg.is/OHD5G10>. Flood maps can also be viewed at the FEMA Service Center at <https://msc.fema.gov>. Information about the coastal mapping project can be found at [www.hillsboroughcounty.org/en/residents/public-safety/flood-maps/coastal-flood-risk-map-update](http://www.hillsboroughcounty.org/en/residents/public-safety/flood-maps/coastal-flood-risk-map-update).

## Scenario 2: Properties Newly Identified as Being in a High-Risk Flood Zone

It is crucial for both real estate and lending professionals, as well as property owners, to know if a property is currently in a moderate- or low-risk area (shown on the flood maps as a "B", "C", or "X" zone) and will be shown on the new maps in a high-risk flood zone (show as "A" or "V"). Now that the final flood maps are released for public review, real estate and local lending professionals should review them to determine where the changes in flood zone designations are occurring and if there will be a change in their clients' flood risk. Visit Hillsborough County's Flood Zone Comparison Viewer at <https://arcg.is/OHD5G10> to see how they may have changed.

Knowing in advance if a property is being newly identified to be in a high-risk flood zone will help avoid possible delays caused when flood insurance is suddenly required at closing. If the buyer is aware of these upcoming changes, there may be cost-saving flood insurance options which they should talk to their insurance agent about<sup>1</sup>. Also, transferring flood insurance policies from current homeowners to new owners at the time of purchase can also keep insurance costs down in some instances.

## Scenario 3: Properties Identified as No Longer Being in a High-Risk Flood Zone

Some properties' flood risk will be shown to be less than previously determined and will be identified as having a moderate or low risk (shown on the new maps as an "X" or shaded "X" zone). Although the Federal regulation for the mandatory purchase of insurance may be lifted, it is at the lender's discretion to continue to require coverage. Property owners should be reminded the risk of flooding is reduced, not removed, in these zones and are encouraged to

### Map Changes Can Affect Permitting Requirements Too

Changes in flood risk are important to note because building permits **issued by the County on or after October 7, 2021 will need to meet the new flood zone and Base Flood Elevation (BFE) requirements**. The County requires applicants to design to at least the higher of the two maps' BFE (plus the State's 1-foot freeboard requirement) until the pending maps become effective.

For more details, contact the Development Services Department at (813) 272-5600 or visit: [www.hillsboroughcounty.org/en/government/departments/development](http://www.hillsboroughcounty.org/en/government/departments/development).

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<sup>1</sup> Note that as of October 1, 2021, FEMA will begin using a totally new flood insurance rating system called Risk Rating 2.0. Certain rating options may no longer be available, so property owners are encouraged to talk to their insurance agent. For more information, visit [www.fema.gov/flood-insurance/risk-rating](http://www.fema.gov/flood-insurance/risk-rating). Property owners are also encouraged to talk to their insurance agent about the option of private flood insurance.

continue to carry flood insurance. This impending change in zones and removal of the flood insurance mandatory purchase requirement could be a key selling point, so it is important for real estate professionals to stay informed about these changes.

## **Stay Informed**

With the new maps becoming effective on October 7, 2021, it is important to stay current. The following resources will help you stay up to date.

- Hillsborough County Coastal Mapping Project webpage: [www.hillsboroughcounty.org/en/residents/public-safety/flood-maps/coastal-flood-risk-map-update](http://www.hillsboroughcounty.org/en/residents/public-safety/flood-maps/coastal-flood-risk-map-update)
- Hillsborough County's Flood Zone Comparison Viewer: <https://arcg.is/0HD5G10>
- FEMA Flood Map Service Center: <https://msc.fema.gov/>
- General flood insurance information: [www.FloodSmart.gov](http://www.FloodSmart.gov)
- Development Services Department webpage: [www.hillsboroughcounty.org/en/government/departments/development](http://www.hillsboroughcounty.org/en/government/departments/development)

For development or redevelopment located within the City of Tampa, contact the City of Tampa Construction Services Division at (813) 274-3100, between 8 AM to 4:30 PM, or visit their Construction Services Division webpage at [www.tampa.gov/departments/construction-services-center](http://www.tampa.gov/departments/construction-services-center).