



City and Borough of Sitka

100 Lincoln Street • Sitka, Alaska 99835

MEMORANDUM

To: Honorable Mayor Paxton and Assembly Members

From: Dave Miller, Interim Municipal Administrator

Reviewed: Michael Harmon, P.E., Public Works Director
Brian Hanson, Municipal Attorney
Patrick Swedeen, Building Official/Floodplain Manager

Date: June 28, 2019

Subject: Floodplain Management Ordinance and Regulations

Requested Action

Approve Ordinance 2019-32.

To maintain Sitka's 37-year period of good standing in the National Flood Insurance Program we must adopt an updated Floodplain Management Ordinance and associated regulations prior to August 1, 2019.

Summary

Over the last few years FEMA working together with the State of Alaska has created a new Flood Insurance Rate Map (FIRM) for Sitka that will be officially adopted by FEMA on August 1, 2019. In order for Sitka to remain compliant with the National Floodplain Insurance Program (NFIP) we must adopt an updated Floodplain Management Ordinance and associated regulations prior to that date.

Our currently adopted FIRM shows approximately 275 structures (including residential, commercial, and public structures) in flood hazard areas while the updated maps place approximately 273 structures in the flood hazard areas. Just over 100 structures currently shown in flood hazard areas will be removed and just over 100 structures not currently shown in flood hazard areas will be added. During the appeal period in 2017 for the updated draft maps The Public Works Department provided official appeal requests along with adequate proofs to FEMA resulting in amendments to the draft maps in two areas, these approved appeals successfully removed 26 structures around Swan Lake from flood hazard areas and reduced the flood hazard level for 25 properties on Alice Island.

Sitka's Floodplain Regulations designate The Planning Commission as the body that hears variance requests on floodplain management issues. The Planning Commission reviewed the regulations and draft ordinance at its July 2, 2019 meeting and voted to approve and pass them on to the Assembly as written.

Background

The National Flood Insurance Program was established with the passage of the National Flood Insurance Act of 1968. The City and Borough of Sitka adopted its floodplain management ordinance in 1982 and the last significant revision of this ordinance occurred in 2010.

In addition to enabling property owners to purchase subsidized insurance as a protection against flood losses the city's participation in the NFIP maintains Sitka's ability to obtain federal disaster funding for disasters of all types. Participation in the NFIP also provides members of our community the availability of federal grants and loans for properties located in the Special Flood Hazard Areas.

Key Points and Considerations

- **Participation in the NFIP is voluntary.** A community's participation in the NFIP is entirely voluntary, approving the updated Floodplain Management Ordinance and Regulations does not prohibit Sitka from opting out of the NFIP if at a future date a superior program is made available to the community.
- **Suspension from the NFIP does not remove the requirement for flood insurance or void the created flood hazard maps.** Lending institutions require structures located in mapped flood hazard zones to carry flood insurance when a loan or mortgage is associated with the structure. The NFIP does not require flood insurance but it does provide an affordable option for all of Sitka's citizens to obtain protection whether or not the structure to be insured is located in a flood hazard zone.
- **Community participation in the NFIP is required for community members to be eligible for federally backed loans, grants, and disaster assistance.** Property owners in communities suspended from or that do not participate in the NFIP will not be able to obtain federal grants and loans from federal agencies such as the Environmental Protection Agency, Fannie Mae and Freddie Mac, Housing and Urban Development, Federal Housing Authority, Veteran's Assistance, Farmer's Home Administration, and Small Business Administration for properties located in the Special Flood Hazard Area. Communities that do not participate or have been suspended from the NFIP are not eligible to receive federal disaster funding for the permanent repair or reconstruction of structures in the SFHZ and cannot receive Federal Hazard Mitigation Assistance Grants (non-disaster mitigation grants).