

NATOMAS BASIN FLOOD INSURANCE RATES¹ PREFERRED RISK VS. STANDARD X POLICY

	Annual Premium ² Single Family Home
Beginning January 1, 2011, all new and renewing policies in 2011 and 2012 in Natomas, excluding the river side of Garden Highway should be eligible for the PRP rate.	\$365 ³
After 2012, if the PRP Extension is not continued, Homes permitted <i>after</i> September 15, 1978 <ul style="list-style-type: none"> • Flood insurance is mandatory for residents with Federally-regulated mortgages. • Most homes permitted after 9/15/78 will qualify for Standard X policy 	\$901 ⁴ \$1475 ⁵
After receiving 2 years of PRP, <ul style="list-style-type: none"> • Flood insurance will still be mandatory for residents with Federally-regulated mortgages. • Homes permitted before 9/15/78 <i>will receive the Standard X Rate if continuous coverage is maintained.</i> • Homes permitted before 9/15/78 that lapse in coverage will pay a higher rate (Pre-Firm Rate). 	\$904 ³ \$1475 ⁵ \$1278 ⁶ \$2060 ⁷

¹The new Flood Insurance Rate Maps (FIRMs) became effective December 8, 2008.

²Based on rates effective October 1, 2010.

³Includes \$250,000 coverage for structure and \$100,000 coverage for contents.

⁴Includes \$250,000 coverage for structure with a \$1,000 deductible and City of Sacramento Community Rating System (CRS) Discount. Contents coverage is extra and not mandatory.

⁵Includes \$250,000 coverage for structure and \$100,000 coverage for contents with a \$1,000 deductible and City of Sacramento Community Rating System (CRS) Discount. Contents coverage is extra and not mandatory.

⁶Includes \$250,000 coverage for structure with a \$2,000 deductible and City of Sacramento Community Rating System (CRS) Discount. Contents coverage is extra and not mandatory.

⁷Includes \$250,000 coverage for structure and \$100,000 coverage for contents with a \$2,000 deductible and City of Sacramento Community Rating System (CRS) Discount. Contents coverage is extra and not mandatory.



Frequently Asked Questions about Flood Insurance in Natomas

Q: I previously had a Preferred Risk Policy (PRP) for my property that cost me about \$350 a year. When it came up for renewal this year, my flood insurance costs jumped to \$1475. Why did that happen?

A: On December 8, 2008, Natomas was remapped into a Special Flood Hazard Area. Prior to the remapping, many property owners purchased flood insurance and were able to get the PRP rate until their annual renewal date where they would be converted to Standard X Rate. On December 11, 2008, FEMA extended the PRP rate for those who were already carrying a PRP for another year. Unfortunately, when these policies come up for renewal in 2010, they will be required to convert to a Standard X flood insurance policy. Thanks to recent Federal legislation, in 2011 and 2012 all new and renewing policies (including Standard X, Pre-FIRM and PRP) policies in Natomas, excluding the river side of Garden Highway will be eligible for the PRP rate.

Q: Can I lower my flood insurance costs?

A: Yes. There are many variables to consider when your policy is converting to a standard flood insurance policy. Some things to consider:

- Most lenders only require that you insure the structure of your property- not the contents. You could drop or decrease the contents coverage of your policy (savings up to \$759), but keep in mind that if a flooding disaster were to occur, you would not receive any money to replace your belongings.
- You could consider dropping your structure coverage to only what you owe on the property or only the value of the structure on the property. This can only be done with your lender's approval. Keep in mind when choosing this option, that often what you owe on the property will not cover the costs to rebuild the structure.
- You could also change your deductibles. Higher deductibles can lower your flood insurance costs.

In order to make any changes such as these to your insurance policy, please contact your insurance agent as soon as you receive your renewal notice. It must be completed prior to the renewal of your policy.

Q: Can I pay for my flood insurance through an escrow account?

A: Yes. Required flood insurance can be paid through an escrow account. In order to set up an account, you must contact your lender.

Q: How much longer will we have to pay for Standard Flood Insurance?

A: The City of Sacramento always encourages residents to carry a flood insurance policy, whether they are required to or not. The City is surrounded by levees, so protecting you, your family and your largest investment against flooding with flood insurance is your best defense.

Natomas residents will have to continue to pay for flood insurance until the levees surrounding the Natomas basin are certified to the 100-year standard by the U.S. Army Corps of Engineers (USACE). Work is currently being completed to meet this goal. The Sacramento Area Flood Control Agency (SAFCA) and the USACE hope to certify the levees to Zone A-99 by 2012. This will allow residents in homes built prior to 1978 to purchase A-99 flood insurance policies (currently the same rate as Standard X). It will also allow building to resume in the Natomas Basin. SAFCA and the USACE hope to certify the levees surrounding Natomas to a 100-year level of protection by 2015.