

Memorandum



CITY OF DALLAS

DATE December 22, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **2023 City of Dallas Flood Insurance Assessment**

The City of Dallas participates in the Federal Emergency Management Agency's (FEMA) Community Rating System (CRS) program. The program recognizes communities that implement floodplain management practices that exceed the minimum requirements of the National Flood Insurance Program (NFIP). The City of Dallas is currently rated a Class 3, receiving one of the best ratings in the nation. This rating provides Dallas residents with a 35% reduction in their annual flood insurance premiums.

As part of its ongoing participation in the program, Dallas Water Utilities (DWU) has prepared the attached *2023 City of Dallas Flood Insurance Assessment*. In summary, this document demonstrates that approximately 15% of the buildings located in the FEMA Special Flood Hazard Area (SFHA) in the City of Dallas are covered by flood insurance. As part of the NFIP and the CRS, DWU staff regularly attends outreach events and annually sends outreach mailers that inform residents about the importance of buying flood insurance, the City's efforts in mitigating flood risks and the services provided by DWU's floodplain management staff. Please see the attached document for details.

If you have questions, please contact me or Sarah Standifer, Director (I) of Dallas Water Utilities at sarah.standifer@dallas.gov.

Putting Service First,

A handwritten signature in black ink, appearing to read 'Kimberly Bizzor Tolbert'.

Kimberly Bizzor Tolbert
Deputy City Manager

c: T.C. Broadnax, City Manager
Jon Fortune, Deputy City Manager
Tammy Palomino, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Dr. Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Jack Ireland, Chief Financial Officer
Genesis D. Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors



2023 City of Dallas Flood Insurance Assessment

Purpose:

This document was prepared to assess the current City of Dallas flood insurance coverage and identify steps to increase the awareness of the importance of flood insurance. The most recent flood insurance policy data provided by the Federal Emergency Management Agency (FEMA) in 2023 was used to determine the level of flood insurance coverage in the City of Dallas.

Insurance Policies and Zones:

The current number of buildings within FEMA’s Special Flood Hazard Area (SFHA) in the City of Dallas is 7,389. An additional 7,480 buildings are in the City’s mapped floodplain outside of the SFHA. Flood insurance coverage of properties in the SFHA by occupancy can be found in **Table 1** and by flood zone in **Table 2**.

Table 1: Policies by Occupancy

	Policies in Force	Annual Premium	Insurance in Force	Average Coverage
Single Family	1,921	\$1,216,712	\$572,994,000	\$298,279
2-4 Family	45	\$21,112	\$10,301,000	\$228,911
All Other Residential	621	\$224,869	\$111,564,000	\$179,652
Non-Residential	255	\$352,376	\$138,152,000	\$541,773
Total	2,842	\$1,815,069	\$833,011,000	\$293,107

Table 2: Insurance Zone

	Policies in Force	Annual Premium	Insurance in Force	Average Coverage
A01-30 & AE Zones	1,145	\$870,654	\$299,260,000	\$261,362
A Zones	0	\$0	\$0	\$0
B, C & X Zone				
Standard	1,697	\$944,415	\$533,751,000	\$341,526
Preferred	0	\$0	\$0	\$0
Total	2,842	\$1,815,069	\$833,011,000	\$293,107

The ISO/CRS Specialist provided the Insurance Zone and Insurance Occupancy sheets needed to calculate the average coverage values generated in **Table 1** and **Table 2**. From this information, it was determined that approximately 15% of the buildings located in the SFHA (Zone A01-30 & AE Zones) in the City of Dallas are covered by flood insurance. Most vulnerable properties in the City of Dallas (85% of properties in the SFHA) do not have adequate flood insurance coverage.



Target Areas for Increase Flood Protection Coverage:

The City identified target areas that would benefit the most from an increase in insurance coverage. These areas include:

- **Target Area 1 - Repetitive Loss Areas**
 - Repetitive loss properties are insurable structures for which two or more flood insurance claims of more than \$1,000 have been paid by the National Flood Insurance Program within a rolling ten-year period. These properties as well as surrounding properties with similar flood risk make up Repetitive Loss Areas.
- **Target Area 2 - Floodplain**
 - This area contains properties located within FEMA's SFHA, which FEMA defines as the area that will be inundated in a 1% annual chance flood event. This also includes the City's mapped floodplain outside of the SFHA.
- **Target Area 3 - Dam Breach Inundation**
 - These areas are located on the downstream side of dams that would be impacted by flooding in the event of a dam failure.
- **Target Area 4 - Levee Protected**
 - These areas are located on the land side of the federal levee system that would be impacted by flooding in the event of a levee breach.
- **Target Area 5 - All other citizens**

The target areas were identified in conjunction with the City Community Rating System (CRS) outreach plan's targeted mailing list. The City will use the existing outreach plan as an opportunity to inform people in each target area of the availability and benefits of flood insurance coverage. In addition to eventually developing a more detailed database of flood insurance coverage and the properties affected, the City hopes to increase flood insurance coverage in the following metrics:

- The number of buildings insured in Areas 1 through 4
- The number of properties with contents coverage in addition to structural coverage
- The number of rental properties with contents coverage

Future Revisions:

This assessment was submitted to Dallas Water Utilities staff in September 2023. This flood insurance assessment will be re-assessed in 3 years (in the year 2026) before the next CRS verification/cycle visit. Updated flood insurance data will be requested from the ISO/CRS Specialist prior to the 3-year visit and used to revise this document including the process followed, summary of data, and any conclusions and recommendations. The revised assessment will then be submitted to Dallas Water Utilities staff prior to the CRS visit.