



## National Flood Insurance Program / Community Rating System

### Small Communities in the CRS

*The Community Rating System (CRS) of the National Flood Insurance Program (NFIP) was implemented in 1990 as a voluntary program to encourage communities to adopt and implement floodplain management activities that exceed the minimum NFIP standards. If your community is considering joining the CRS, your focus should be just that—on the activities your community is currently implementing that go beyond the minimum requirements of the NFIP. This advice applies both to small communities or those with few flood insurance policies as well as to large ones.*

#### Small Communities face Different Challenges

The CRS recognizes that many small communities face challenges that larger ones do not, such as smaller budgets, fewer personnel, part-time staff, and lack of in-house technical expertise like engineering or a geographic information system (GIS). But no matter what its size, if your community keeps track of its building permits in the floodplain, checks Elevation Certificates as they come in, has open space in the floodplain, and enforces at least a few regulations that exceed NFIP minimum requirements, then CRS participation can be straightforward for you and need not take much time nor be a significant expense.

This guide is intended to help you evaluate your small community's program and help you gauge your community's ability to participate in the CRS, but this information can be applied to large communities as well. Often, communities enthusiastically take on new activities when they join the CRS, but communities are reminded to focus on the floodplain management activities already being implemented as possible sources of CRS credit. This approach minimizes the effort required to join the CRS, reduces the time needed to document the credited CRS activities, and reduces the annual recertification effort.

The idea that joining the Community Rating System is not worthwhile—or workable—for a small or low-policy-count community does not appear to be the case for many small communities.

Of the 1,486 communities in the CRS as of May 2018, fully 150 have populations of 5,000 or less. Of those, 18 have reached Class 5, earning a 25% discount for the policyholders in their communities' Special Flood Hazard Areas.

These small communities have found that floodplain management efforts they already had underway, plus a few that were little trouble to add, provided sufficient credit points to join and stay in the CRS.

They have realized the benefits of earning discounts on policyholders' annual flood insurance premiums, enhancing the community's resilience in the face of flooding, and being recognized—in the form of a national rating—for their efforts.

## Consider your Community's Floodplain Management Program

**Focus on your community's floodplain land and how you manage it.** Begin by looking at the map(s) of your Special Flood Hazard Area (SFHA). If you do not have your map, get it from the Federal Emergency Management Agency's (FEMA's) Map Service Center at [www.msc.fema.gov/portal](http://www.msc.fema.gov/portal). Examine the way land is used in the SFHA. Get a feel for the portion of the SFHA that is managed as open space either by your community or by private property owners. The more area that is designated as open space, the more CRS credit you will receive.

For parts of the SFHA that are developed or could be developed, understand what regulations your community enforces that exceed the minimum requirements of the NFIP—perhaps freeboard, building codes, or protection of critical facilities—and also regulations required by the state or by the county or parish. Your NFIP State Coordinator can help you understand creditable regulations in your floodplain ordinance that may be from the state's model ordinance.

This step is the start of developing an “impact adjustment map,” which will show how much of your community's SFHA is protected as open space and how much is affected by the higher regulatory standards you implement. An impact adjustment map is needed to determine CRS credit for open space and for the regulated areas of the SFHA. A community's open space and floodplain regulations alone often provide enough credit to enter the CRS as a Class 9 community.

When thinking about joining the CRS, communities should ask themselves:

- Do we have a good floodplain management program, or a program to build on, that should be recognized by the CRS?
- How will our residents or property owners benefit from our community's participation in the CRS?
- Could the CRS help us improve our flood risk reduction efforts?

To see how other communities view the CRS and have used CRS participation to their advantage, check the Success with CRS page on the CRS Resources website.

Once you have a sense of how your community manages or regulates its SFHA lands, consider what else is being done within your community to make people aware of floods, prepare for floods, or protect against flood damage. Many of these ongoing efforts are eligible for CRS credit.

## Consider the CRS Prerequisites and the Time Commitment

The CRS requirements are quite straightforward. Staff time is required each year to meet those requirements, but when they are incorporated into your current program they are manageable for small communities. The program requirements are included in the CRS class prerequisites and documented in the CRS verification procedure when you join the program.

This guide refers to numerous materials available at the [CRS Resources website](http://www.CRSresources.org). General information about the CRS can be found on FEMA's website, but resources designed specifically for CRS communities are located at [www.CRSresources.org](http://www.CRSresources.org). These resources include a page for downloading the *CRS Coordinator's Manual*, a “100-General” page with contact information; a page for each “series” of CRS-creditable activities; additional pages for “Training & Videos” and “Success with CRS,” and much more. An additional resource is the Insurance Services Office, Inc. (ISO), which is FEMA's lead service provider to the CRS. The ISO/CRS Specialists are the ISO staff members who assist communities, and they are a valuable source of information.

**CRS program prerequisites** are presented in Section 211 of the *CRS Coordinator's Manual*. The Class 9 prerequisites must be met by all communities when they join the CRS and maintained as they continue in the CRS. Three important prerequisites are to (1) be in good standing with the NFIP, (2) collect and maintain Elevation Certificates for new buildings and substantial improvements in the SFHA, and (3) identify repetitive loss areas and provide information to those property owners each year.

Your community may already require Elevation Certificates for construction in the SFHA. If not, you will need to start collecting and reviewing them for completeness when you join the CRS. Repetitive loss areas are those that include properties with more than one NFIP insurance claim over a certain dollar amount, over a certain period of time. The repetitive loss information for your community is available from the ISO/CRS Specialist for your area, whose contact information can be found on the 100s page of the [CRS Resources website](#). For repetitive loss areas, most of the work—mapping the areas, developing a mailing list, and sending information to the appropriate property owners—is done when a community joins the CRS. At least once in each subsequent year, however, information again must be sent to property owners in repetitive loss areas.

**When joining the CRS**, time is needed to coordinate with FEMA or your state to determine if your community is in good standing with the NFIP and eligible for the CRS. If you are eligible, time needs to be set aside for the ISO/CRS Specialist's verification visit with your community. CRS credit documentation is collected at the verification visit, but other documentation needs to be sent after the visit. The time needed for the visit and assembling documentation depends on the number of activities for which a community is interested in getting credit.

**Each year** communities must recertify that it is are continuing to do the activities for which it receives credit. A recertification packet is sent to the community's CRS Coordinator each year. Communities are given about six weeks to complete the recertification packet and return it to the ISO/CRS Specialist.

The CRS Webinar Series offers frequent webinars on "Preparing for a Verification Visit" and "Annual Recertification." To register for any CRS webinar, visit the Training & Videos page of the [CRS Resources website](#).

**Every five years**, your ISO/CRS Specialist will visit your community to determine your community's CRS class. This "cycle verification visit" will consider changes in your community floodplain maps, changes in regulations, or any other changes to your floodplain management program you would like to submit for credit.

**The work is done** primarily by a community staff person. If you join the CRS, you must appoint a staff person to be the official community **CRS Coordinator** for your community. This person will be responsible for coordinating within the community and with ISO. Before you join, consider who the CRS Coordinator would be and who else, perhaps at the county level or within a regional planning commission, would be a logical source of assistance to that person. A handout, "The Community CRS Coordinator," gives more detail about this position and its responsibilities, on the 200s page of the [CRS Resources website](#).

## Consider the Benefits of the CRS

There are a number of ways that communities benefit from joining the CRS. The most immediate benefit is the flood insurance premium discounts. To understand the impact of the CRS on flood insurance in your community, the ISO/CRS Specialist can provide summary tables of flood insurance policies within the SFHA and outside the SFHA. He or she can also provide a CRS "What If" statement showing the potential flood insurance premium discount in your community at each of the 10 CRS classes. To learn more, watch and share the "CRS Pocket Guide" or "CRS Overview" videos, available on the Training & Videos page of the [CRS Resources website](#).

## What next?

### Taking Steps to Join the CRS

1. **Be in good standing with the National Flood Insurance Program (NFIP).** Talk to your FEMA Regional Office or NFIP State Coordinator to determine if your community is in good standing with the NFIP. A community assistance visit (CAV) by FEMA or your state may be needed to make this determination. You may simply discuss your status with FEMA or the state, but if you know you want to join the CRS you can also provide FEMA with a CRS Letter of Intent to start the CRS application process. A sample Letter of Intent is available on the Manual page of the [CRS Resources website](#). Contact information for your FEMA Regional Office can be found on the 100-General page of the [CRS Resources website](#).
2. **Talk to the ISO/CRS Specialists for your area.** The name and contact information for your ISO/CRS Specialist are available on the 100-General page of the [CRS Resources website](#). At any point while considering the CRS, you can ask the ISO/CRS Specialist about
  - The CRS “What If” statements, the current NFIP policies in your community, and the potential CRS discount for different CRS classes; and
  - The number of repetitive loss properties in your community. The ISO/CRS Specialist can provide you with repetitive loss data; determine whether your community is a CRS Repetitive Loss Category A, B or C; and explain the categories and requirements.
3. **Determine who should be the official community CRS Coordinator.** Remember to consider whether other agencies or regional organizations can assist you.
4. **Gather floodplain permit lists and Elevation Certificates.** If you already maintain a list of permits issued in the SFHA and collect Elevation Certificates for new buildings and substantially improved buildings, you are one step ahead. If not, consider how to get organized to do so. To help, take advantage of
  - The Permit List Template (and instructions) for permits issued in the SFHA, from the 300s page of the [CRS Resources website](#); and
  - The Elevation Certificate Checklist for CRS, available on the 300s page of the [CRS Resources website](#).
5. **Develop an impact adjustment map.**
  - To learn more about creating and marking up an impact adjustment map, see “Impact Adjustments under the CRS” and “Developing Impact Adjustment Maps” on the 400s page on the [CRS Resources website](#). The impact adjustment map identifies credit for Activity 420 (Open Space Preservation), Activity 430 (Higher Regulatory Standards), and other activities.
  - Impact adjustment maps can be created by hand, but you can also use GIS resources. A regional planning agency, nearby university, or the state may be able to assist you.
6. **If you are a Repetitive Loss Category B or C community,** develop your repetitive loss areas map. More information on this is available in the handout “503 Mapping Rep Loss Areas for CRS,” found on the 500 Series page at [www.CRSresources.org](http://www.CRSresources.org).
7. **Prepare for a verification visit.** Your ISO/CRS Specialist will contact you about the verification visit once FEMA has determined that your community is in good standing with the NFIP. In the meantime, you are encouraged to learn more about the CRS through the CRS Webinar Series and CRS classroom training.
8. **Subscribe to the *NFIP/CRS Update* newsletter.** To add your email address to the mailing list, go to the 100-General page at [www.CRSresources.org](http://www.CRSresources.org).

## How small communities receive CRS credit . . .

Listed below are the elements\* for which small communities most often receive CRS credit.

- **Activity 310 (Elevation Certificates)** — maintaining Elevation Certificates on post-FIRM and/or pre-FIRM buildings (elements ECPO and ECPR)
- **Activity 320 (Map Information Service)** — providing information to inquirers from the FIRM or other sources about flood insurance, flood depths, or historical flooding; (elements MI1, MI4, MI6)
- **Activity 330 (Outreach Projects)** — outreach projects (element OP)
- **Activity 340 (Hazard Disclosure)** — fostering flood hazard disclosure through real estate agents and through other requirements (elements ODR, REB, DFH)
- **Activity 350 (Flood Protection Information)** — having specific flood information on a local website and/or in the local library (elements WEB, LIB, LPD)
- **Activity 360 (Flood Protection Assistance)** — providing advice about property protection and/or conducting site visits (elements PPA, PPV)
- **Activity 410 (Floodplain Mapping)** — having a new flood study, sharing costs of a new flood study, implementing a higher floodway standard, state review of flood studies (elements NS, LEV, FWS, SR)
- **Activity 420 (Open Space Preservation)** — preserving open space, applying deed restrictions (elements OSP, DR)
- **Activity 430 (Higher Regulatory Standards)** — higher freeboard standards, lower threshold for substantial damage, cumulative substantial improvement formula, foundation protection, limitations on development, enforcing the International Codes, having trained staff to administer regulations (elements FRB, LSI, CSI, FDN, DL, BC, RA)
- **Activity 440 (Flood Data Maintenance)** — having map data in addition to the FIRM (element AMD)
- **Activity 450 (Stormwater Management)** — regulating erosion at construction sites, improving water quality in stormwater runoff (elements ESC, WQ)
- **Activity 510 (Floodplain Management Planning)** — using a floodplain management planning process (element FMP)
- **Activity 520 (Acquisition and Relocation)** — buildings removed from the regulatory floodplain

*\* Communities earn CRS credit for specific projects, programs, or services that are called “elements” in the CRS. Each element has an acronym to make it easier to identify. Visit the [CRS Resources website](#) to download the CRS Coordinator’s Manual, which explains the criteria and credit points for all CRS elements.*

## Your Building Blocks in the CRS

When the ISO/CRS Specialist visits a community to help prepare its application to join the CRS, he or she typically walks through each CRS activity and helps the community consider, “Are we doing this activity already? or Could we do it?” This guide recommends that a small community focus on what it is already doing, rather than committing immediately to new undertakings.

Once you’ve joined the CRS and have a sense of your CRS class and the CRS requirements, in subsequent years you can consider ways to increase your community’s CRS discount. For their next steps, many communities expand into map reading and property protection services; public information; stormwater management, and emergency management. Check the box on the previous page to see what works for other small communities.

The CRS always encourages additional higher regulatory standards. Passing regulations to ensure safer construction (and thereby earn CRS credit) is inexpensive for the community, as long as there are sufficient resources for enforcement. Also, these regulations can be popular with residents and local officials because they lower insurance rates and can protect them from the impacts of new development.

- Pass and enforce a higher freeboard standard.
- Implement other higher regulatory standards credited under Activity 430 (Higher Regulatory Standards).

## Reminders

For small communities, the CRS recommends that when considering the CRS, and during a CRS verification visit, you **focus on your current program**. If your community meets the basic program requirements (e.g., permit list and Elevation Certificates), has some open space, and implements some higher regulatory standards, you likely will have enough credit to join the CRS. Then, during the years before your next cycle verification visit, consider adding new activities.

The CRS credits efforts within your community that are implemented by your county or your state. Check with your county to see what they are doing that extends your program.

Your **ISO/CRS Specialist is available** to answer questions and help identify what your community is already doing that can be credited. When you decide to seek additional credit to improve your CRS class before a verification cycle visit, your ISO/CRS Specialists can help with that, too.

**Visit the [CRS Resources website](#)**. Sign up for the *NFIP/CRS Update* newsletter, participate in webinars, and make use of the other available resources. The website lists the CRS Users Groups that are active throughout the nation; there may be one near you whose members can provide you with advice and recommendations. There is also a “Contact Us” form on the Home page. Questions, comments, and suggestions are always welcome.

