

Increased Cost of Compliance (ICC) gave Rachel the funds to rebuild smarter & safer

For policyholders like Rachel who need additional funds to rebuild after a flood, you may qualify for up to \$30,000 for mitigation measures that will reduce your flood risk in the future.



Flooding severely damaged Rachel's home. After she reported her flood loss to her insurance, an adjuster inspected the property and said she may be eligible to receive ICC.

ICC Basic Qualifications:

- You have an NFIP Standard Flood Insurance Policy (SFIP)
- You are located in a Special Flood Hazard Area (SFHA)
- You have not exceeded the NFIP's \$250,000 claims maximum
- Your building is determined substantially or repetitively damaged



Rachel contacted her community building department for an inspection. The building official determined her home was "substantially damaged".

Substantially damaged means damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damages occurred.

Repetitively damaged means the building must have flood damage on at least two occasions during a 10-year period; the cost of which to repair the flood damage, on average, equaled or exceeded 25 percent of the market value of the building on each occasion.

The building official discussed the four types of mitigation activities—FRED—for rebuilding Rachel's home. They decided elevation would be most effective to meet the local floodplain rebuilding requirements and reduce future flood damage.

Flood-proof
(non-residential)

Relocate

Elevate

Demolish



Rachel contacted her insurance to file for ICC. After her insurance verified that the flood damages equaled at least 50 percent of the pre-flood market value, she qualified to receive ICC.

ICC Claim Documents:

- Declaration of damage from community building department
- Building permit documenting rebuilding requirements
- ICC Proof of Loss from your insurer
- Signed contract for mitigation activity from a contractor

Rachel's home is rebuilt, smarter & safer than before. A building official conducted a final inspection and issued a confirmation that her home met floodplain management regulations. Rachel submitted the confirmation to her insurer to receive full payment for her mitigation activities.



ICC reduces future flood damage

Most flood-prone buildings that pre-date the existence of the NFIP or the community's participation in the NFIP were built in without sufficient knowledge of the hazard to make informed decisions. Because of their risk of flooding, many of these existing buildings will likely be repetitively or substantially damaged during their lifetimes. Mitigation actions taken to protect these buildings can significantly reduce the vulnerability of homes and businesses in your community to flooding.