

To Wheatfield Residents:

The new FEMA flood maps in the Town of Wheatfield take effect September 17, 2010. If you are receiving this letter, all or a portion of your property is either in the floodplain currently, or it will be in the floodplain on September 17. (For property owners within the Bergholtz Creek or Sawyer Creek floodplains between Plaza Drive and Ward Road, please see the possible exception at the end of this letter.) We are sending you this letter for general informational purposes only. The suggestions that we are making in this letter may or may not apply to your particular property. We suggest that you contact your own insurance agent for specific advice regarding flood insurance for your property.

If you have a mortgage or home equity loan with a bank and don't currently have flood insurance, the bank will likely notify you that you are required to purchase flood insurance. This requirement may not apply if the floodplain covers part of your property, but does not touch your house or other structure. Whether you are required to purchase insurance is up to your bank, not the Town. If you are required to buy flood insurance by your bank, there may be a way to spend less on the insurance policy if you act before September 17, 2010. Your mortgage bank may not contact you before this date, so you may need to contact them to secure any potential savings. Even though the Town of Wheatfield does not agree with FEMA forcing you to purchase flood insurance through the mortgage loan process, we want to make you aware of this potential to save some money.

One of the following four scenarios could apply to your home or business. In each of these scenarios, "prefirm" refers to a building that was built before the community's first Flood Insurance Rate Map (FIRM), which is July 16, 1981 for the Town of Wheatfield. The word "postfirm" refers to a building that was built after July 16, 1981. **The approximate insurance rates given below were provided to the Town by DEC last year and are not necessarily current rates.** These rates are based on an insured value of \$100,000 without optional additional contents coverage. The approximate rates are provided only to give you an idea of potential savings.

Scenario 1: If Prefirm Structure and out of floodplain now, but in floodplain under new mapping:

If you purchase a flood insurance policy before the effective date (9/17/10), you would get a "Preferred Risk Rate" policy (\$287) for the first annual policy year, plus the first two annual renewal years. Upon annual renewal after the two additional years, it will be an "X-Zone Rate" (\$636) that will continue forever (provided continuous coverage is maintained) and is transferrable to any purchaser of your house. The "X-Zone Rate" itself will likely increase each year with inflation, but it will be lower than the "Prefirm Rate" as listed below. Obviously, this might make your house more desirable to prospective purchasers than other houses in the flood plain that do not have this lower cost flood insurance available.

If you purchase a flood insurance policy after the effective date (9/17/10), you will initially have to purchase the "Prefirm Rate" (\$910). For two renewal years beginning in 2011, the policy will revert to a "Preferred Risk Rate" (\$287). However, upon renewal after that two year period, you will return to a "Prefirm Rate" (\$910), which must be renewed annually.

Scenario 2: If Postfirm Structure and out of floodplain now, but in floodplain under new mapping:

If you purchase a flood insurance policy prior to 9/17/10, you will get a "Preferred Risk Rate" (\$287) policy for the first year, and for two subsequent years upon annual policy renewal. If you wait until after 9/17/10, you will get an "X-Zone Rate" for the first year (\$636), followed by two years at the "Preferred Risk Rate" (\$287). Regardless of when you purchase a flood insurance policy, upon renewal after 12/31/12, you would get an "X-Zone Rate" (\$636) that will continue forever and is transferrable. The "X-Zone Rate" itself will likely increase each year with inflation.

Scenario 3: Regardless of the age of the structure, if you are in the floodplain now and have flood insurance, but the base flood elevation goes up:

You get to keep whatever policy you have now.

Scenario 4: Regardless of the age of the structure, if you are in the floodplain now and have flood insurance, but the base flood elevation goes down:

If your lowest floor is higher than the new base flood elevation, you could get a reduction in rate as it is based on the difference between the elevation of your structure's lowest floor and the base flood elevation.

The above is provided to inform our residents and to pass along useful information that the Town has obtained from FEMA and DEC. Since each individual situation can be different, please consult with your insurance agent for actual rates. The Town is not an insurance agent and is not responsible if these scenarios and approximate rates do not apply to your property. Also, please be advised that it has come to our attention that not all insurance agents are aware of these insurance rate scenarios. Any questions on the rating system may be directed to the New York State DEC Floodplain Management Section at 518-402-8151, or to FEMA's Map Assistance Center at 1-877-336-2627.

To review the proposed flood maps for your location, please visit the Niagara County Flood Mapping Website (available through a link at the below website) or review the FEMA maps directly at <http://www.rampp-team.com/ny.htm>. Additional information about flood insurance, including a list of agents who sell flood insurance locally, may be found at www.floodsmart.gov.

The Town will hold a general information meeting to discuss the above and to answer other questions that you may have regarding the floodplains. This meeting will be held at the Town community center on Thursday, July 15, 2010 at 7:00 pm.

(Possible Exception for Property Owners Within the Bergholtz Creek and Sawyer Creek Floodplains Between Plaza Drive and Ward Road: The Town has submitted a revised floodplain model to FEMA which, if approved, could lower the base flood elevation in this area from 0 to 2 feet below what FEMA has proposed. This is being processed as a Letter of Map Revision. The Town is hoping to have a final answer with new mapping from FEMA by the beginning of August which will show how many properties will be removed from the floodplain. If you are in this area, the Town suggests that you research flood insurance options with your insurance agent and have the policy documents ready to sign in August if your property is not removed.)

Sincerely,

Town of Wheatfield

Robert B. Cliffe

Town Supervisor