



FEMA

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Mitigation News

When a Homeowner's Dream Becomes a Flooded Nightmare . . . Flood Insurance Comes to the Rescue

LAKESIDE, Wis. – When Michael and Patricia Bagley purchased their house next to a stream in 1991, it was springtime. They loved the location and the house. The stream, about 60 feet away, gave no indication that ten years later it would be the cause of a life-changing decision for them.

During a particularly snowy winter in 2000, Patricia joked to her parents in a phone call that she and Michael could step up onto a snowbank from their roof. It was when her mother-in-law mentioned the potential of flooding in the early spring, that Patricia contacted her insurance agent and purchased a flood insurance policy. The policy included an Increased Cost of Compliance (ICC) clause. ICC provides up to \$30,000 to bring structures into compliance with local floodplain regulations in the event the structure is substantially damaged from flooding.

Only months later, the Amnicon River overflowed its banks, backing up small tributary streams, like the one running next to the Bagleys' home. Their house was inundated by close to four feet of water. "I kayaked my way into the kitchen," Patricia says. Though they were able to save her piano, the water effectively destroyed most of their belongings, and rendered the house uninhabitable.

Since the damage exceeded 50% of the home's pre-flood market value, their home was considered "substantially damaged" under the local floodplain zoning ordinance and the ICC clause went into effect.

Under ICC, the options available were to relocate the house out of the floodplain, to elevate the house above the floodplain, or to demolish the structure. Since the house was located in a

floodway and declared substantially damaged, under the local floodplain ordinance, demolition was the only option available to the Bagleys.

Douglas County applied to Wisconsin Emergency Management (WEM) for funds through the Federal Emergency Management Agency's (FEMA) Hazard Mitigation Grant Program (HMGP) to acquire the property and demolish the house. FEMA provided 75% of the costs or \$75,902, while the State of Wisconsin and Douglas County contributed \$12,650, or 12.5%, each. ICC provided the demolition funds, reducing the county's share of the grant.

Michael and Patricia are glad they participated in the buyout project. Their former home would have been flooded again in 2012 when three severe floods occurred in the area between May and June.

“The story here is how homeowners can responsibly protect themselves by having flood insurance,” said Steve Rannenber, Douglas County Zoning Administrator. “In this case, flood insurance was utilized to mitigate the effects of future flooding. Because the Bagleys had flood insurance, the county was able to more easily fund the required match and complete the project. While the process was quite involved, the Bagleys were patient enough to allow the process to work and allow them to recover from the event. “

For more information about the flood insurance and ICC, visit www.floodsmart.gov.

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