

There came on for consideration at a duly constituted meeting of the Mayor and Members of the City Council of the City of Diamondhead, Mississippi, held on the 5th day of August, 2013, the following Resolution:

A RESOLUTION BY THE DIAMONDHEAD CITY COUNCIL TO URGE AND MEMORIALIZE THE MISSISSIPPI CONGRESSIONAL DELEGATION TO MITIGATE THE NEGATIVE IMPACTS OF THE BIGGERT-WATERS FLOOD INSURANCE REFORM ACT OF 2012 AND FOR RELATED PURPOSES

WHEREAS, the National Flood Insurance Program (NFIP) was created by the United States Congress in 1968 with the passage of the National Flood Insurance Act of 1968 (P.L. 90-448) to enable property owners in participating communities to purchase insurance protection from the government against losses from flooding; and

WHEREAS, by April 2010, the NFIP insured over 5 million homes in the United States, the LARGE majority of which were along the Atlantic, Gulf, Pacific and Great Lakes shore lines of the United States; and

WHEREAS, the NFIP, historically, has provided subsidized insurance premium rates which, in an effort to create economic benefit, encouraged and incentivized coastal communities to develop their shore lines, including the concentration of economic production, population and infrastructure along the coast; and

WHEREAS, shoreline communities around the country, and certainly in the State of Mississippi, have become a stronghold for economic vitality by providing not only major economic engines (including transportation and access to trade corridors), but also for activities that are major contributors to our area's historic economic success and strength: tourism, recreation, and cultural activities; and

WHEREAS, recently, the United States Congress passed the Biggert-Waters Flood Insurance Reform Act of 2012 (Biggert-Waters) which significantly overhauled the National Flood Insurance Program (NFIP); and

WHEREAS, one of the potentially harmful impacts of Biggert-Waters is the aggressive timeline found in the bill to increase flood insurance premium rates from subsidized rates to market rates on certain properties, a change that creates an affordability and participation challenge for policy holders in coastal and river communities across the country; and

WHEREAS, the National Oceanic and Atmospheric Administration, in its State of the Coast report, indicated that in 2011, shoreline communities contributed 6.6 TRILLION DOLLARS to the US Gross Domestic Product (just under 1/2 of the entire GDP of the US) and noted that

FIFTY-ONE MILLION JOBS exist in shoreline communities paying 2.8 TRILLION DOLLARS IN WAGES in 2011; and

WHEREAS, the National Oceanic and Atmospheric Administration, in its State of the Coast report, further stated that the non-market economic value of coastal resources are estimated to be over ONE HUNDRED BILLION DOLLARS PER YEAR; and

WHEREAS, the twenty-three billion dollar plus/minus NFIP deficit accumulated over the past decade sought to be cured by the dramatic flood insurance premium rate increases of Biggert – Waters PALES IN COMPARISON to the yearly economic contribution generated by our nation’s shoreline communities, and that reasonable study of impacts to both market and non-market economic benefits to the Country should have been taken into account and considered in Biggert-Waters; and

WHEREAS, while ensuring the long term solvency and long-term sustainability of the NFIP are valid goals of the US Congress, those goals must take into account the negative side-effects associated with Biggert-Waters including, but not limited to, the increased difficulties to conduct business, trade, and live in these shoreline communities throughout the Country; and

WHEREAS, raising rates as required by Biggert-Waters might diminish the GDP and long-term viability of shoreline communities which currently contribute almost half of the Country’s entire GDP; and, as such, might also have continuing negative Federal Revenue effects yearly in amounts much greater than the deficit sought to be closed by Biggert-Waters; and

WHEREAS, communities that have recently had FEMA flood map changes will pay higher rates due to Biggert-Waters than communities in other areas of the Country that, though built at similar flood elevations, have not had recent flood map studies; and, as a result of incomplete flood map studies and changes, those recently revised communities will adversely bear a larger burden of the NFIP program than communities without recent changes and thus competitive trade disadvantages are likely to materialize; and

WHEREAS, Biggert-Waters requires FEMA in coordination with a “Technical Mapping Advisory Council” to establish an ongoing flood mapping program and authorizes expenditures for additional map studies though no appropriations have been made for such studies, which studies are critical to the potential goals of Biggert-Waters as it is currently enacted; and

WHEREAS, the significant rate increases resulting from Biggert-Waters will negatively impact over one million policy holders nationwide, including 10,000 policy holders in Mississippi; and

WHEREAS, the House of Representatives has recently passed the Cassidy-Grimm-Palazzo-Richmond Amendment to the FY14 Homeland Security Appropriations Act which ensured that no funds within the said Appropriations Act would be used to implement Section 207 of Biggert-Waters (the section that ended “grandfathered” NFIP rates for existing policy holders who, through no fault of their own, find themselves below the “Base Flood Elevation”

requirements of the Flood Insurance Rate Maps (FIRMs) issued after their initial compliance with FEMA issued FIRMs);and

WHEREAS, the Cassidy-Grimm-Palazzo-Richmond Amendment was not intended as a comprehensive fix to the valid solvency and sustainability concerns related to the NFIP, but it provides for additional time to allow FEMA and the Congress to fully understand the impacts of Section 207 of Biggert-Waters and to determine a more feasible manner to balance consumer affordability with flood insurance accessibility.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF DIAMONDHEAD, MISSISSIPPI, AS FOLLOWS, TO WIT:

Section 1. That the matters, facts and things recited in the Preamble hereto are hereby adopted as the official findings of the Governing Authority.

Section 2. That the Mayor and City Council of the City of Diamondhead, Mississippi, extends thanks and esteem to our Mississippi Congressional delegation for their tireless work to-date to mitigate the damage to our economy and to help the Diamondhead citizens that are directly impacted by the Biggert-Waters Flood Insurance Reform Act of 2012.

Section 3. That the Mayor and City Council of the City of Diamondhead, Mississippi, hereby urges and memorializes the Mississippi Congressional delegation to continue to pursue actively any and all means available to mitigate, to the greatest extent possible, the negative impacts of Section 207 of Biggert-Waters Flood Insurance Reform Act of 2012 in order to find and preserve a balance between affordable flood insurance coverage and a sustainable and solvent NFIP, while ensuring that the economic benefits enjoyed by the entire Country derived from shoreline communities such as Diamondhead, are considered and not diminished.

Section 4. That the Mayor and City Council of the City of Diamondhead, MS, hereby urges and memorializes the Mississippi Congressional delegation to seek a delay to all rate increases related to Biggert-Waters until such time that all NFIP communities are re-mapped to ensure that all communities are assessed from a "level playing field" so that certain communities with recent flood map changes do not bear a larger burden and do not face competitive trade disadvantages with those communities without such recent flood map studies and changes.

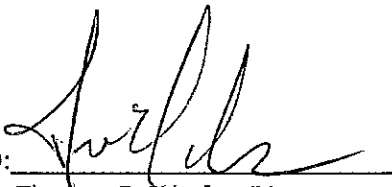
Section 5. That this Resolution is hereby ordered to be spread on the minutes of the Governing Authority, and to be in full force and effect immediately upon its passage and enactment according to law.

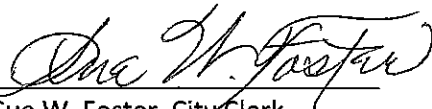
Section 6. That a copy of this resolution shall be provided to each member of the Mississippi Congressional Delegation, as follows: US Senator Thad Cochran, US Senator Roger Wicker, Rep. Alan Nunnelee (First Congressional District), Rep. Bennie Thompson (Second Congressional District), Rep. Gregg Harper (Third Congressional District) and Rep. Steven Palazzo (Fourth Congressional District).

The above and foregoing Resolution, after having been first reduced to writing by the Clerk, was introduced by CM Knobloch seconded by CM Lafontaine and was adopted by the following roll call vote:

SO RESOLVED, this the 5th day of August, 2013.


	Aye	Nay	Absent
Councilmember Lopez	<u>✓</u>	_____	_____
Councilmember Lafontaine	<u>✓</u>	_____	_____
Councilmember Sislow	<u>✓</u>	_____	_____
Councilmember Rech	<u>✓</u>	_____	_____
Councilmember Knobloch	<u>✓</u>	_____	_____
Mayor Schafer	<u>✓</u>	_____	_____

APPROVED: 
Thomas E. Schafer, IV
Mayor

ATTEST: 
Sue W. Foster, City Clerk

SEAL

THIS IS TO CERTIFY THAT THE FOREGOING RESOLUTION WAS ADOPTED BY THE CITY OF DIAMONDHEAD, MISSISSIPPI, ON THE 5th DAY OF August, 2013.


CITY CLERK