

The Flood Insurance Committee's Corner

(from the ASFPM News and Views June 2010 edition) [Assoc of State Flood Plain Managers]

LOMA Out as Shown – A User's Guide

At the recent Flood Insurance Committee meeting at the ASFPM's annual conference in Oklahoma City, one of the points of discussion was the LOMA – Out As Shown (LOMA-OAS). This column summarizes that discussion for those who were unable to attend. Flood News 2010 – Third Edition 3

A recent survey by the National Flood Determination Association (NFDA) of its members confirms what many of us have suspected since the beginning of the Map Modernization process: when new FIRMs become effective, about the same number of structures are being taken out of the mapped floodplain as are being included within the floodplain.

Good news for some, not so good for others. There are many options for property owners who believe that they have been incorrectly mapped in the Special Flood Hazard Area (SFHA), but perhaps the most effective—and least utilized—is the LOMA-Out as Shown (LOMA-OAS).

As many local officials will tell you, even though they have more accurate data that demonstrates that a property is out of the SFHA, many lenders will only accept official documents from FEMA for purposes of lifting the mandatory flood insurance purchase requirement.

A traditional LOMA (form MT-EZ) is certainly an acceptable method, since it establishes the actual lowest adjacent grade around a structure and is certified by a Registered Land Surveyor. For many properties, however, the time and expense involved with a traditional LOMA is not necessary. If the property owner or the community has reliable documentation clearly demonstrating that the structure (or building site) lies outside of the SFHA, the LOMA-OAS is in most cases the quickest and cheapest way to remove the mandatory purchase requirement.

The LOMA-OAS is a document issued by FEMA that officially shows that a property and/or structure is not located in the SFHA. To obtain a LOMA-OAS, the applicant must submit mapping and survey data for the property, much of which is available from the municipality in which the property is located (e.g., the City Hall, County Courthouse).

Remember; only use this method if it is clear, visually, that the structure/building site is not in the SFHA.

Applying for a LOMA-OAS

To obtain a LOMA-OAS, the applicant must provide information to locate the property and/or structure on the FIRM. There is no fee for FEMA's review of a LOMA-OAS request, but the applicant is responsible for providing all of the information needed for FEMA's review.

The following items should be submitted in support of all LOMA-OAS applications.

(1) A copy of a recorded plat map for the property or a copy of the recorded deed for the property and a copy of the local tax assessor's map of the neighborhood in question (or other map that shows property lines, local roads, and watercourses).

(2) A completed MT-EZ application form with "out as shown" written at the top.

This form is available on the FEMA website (http://www.fema.gov/plan/prevent/fhm/dl_mt-ez.shtm). Write in "OAS" after the word LOMA in the fourth box down from the top. In the next box down, answer question 1 as "No." Under question 2 write "See Attached." Under question 3 check the third box "A structure on your property? What is the date of construction?" and write "N/A LOMA-OAS" at the end of the question. Fill out the last box on page one of Section A.

Write "OAS" after "Structure located on natural grade (LOMA)." Write "OAS" after "Legally recorded parcel of land or portion thereof (LOMA)." Fill out the rest of the form as appropriate.

(3) A FIRMette, created at <http://www.msc.fema.gov>. For information on how to create one, click on "FIRMette Tutorial" at the bottom of the screen.

The issuance of a LOMA-OAS eliminates the federal flood insurance purchase REQUIREMENT as a condition of obtaining federal or federally backed financing. However, the mortgage lender retains the prerogative to require flood insurance as a condition of providing financing, regardless of the location of the structure. The property owner also needs to be reminded that there is still a risk of the property's being flooded; it has been just reduced, NOT REMOVED. If you have questions about the use of the LOMA-OAS form, you can call 1-800-FEMA MAP (877-336-2627). For an example of the easy procedures for completing a LOMA-OAS, we have placed on our Insurance Committee web page a copy of directions with illustrations that Steve Samuelson, CFM, and Alicia Benson (Kansas Department of Agriculture, Division of Water Resources) use to help applicants complete the form. If you have any comments that you would like to share about LOMA-OAS, please email us at InsuranceCorner@floods.org

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Your Humble Insurance Committee Co-Chairs

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This column is produced by the ASFPM Insurance Committee. [Assoc of State Flood Plain Managers]

Send your questions about flood insurance issues to InsuranceCorner@floods.org

and they will be addressed in future issues of the newsletter.