



DR. THOMAS E. HOLDEN
Mayor

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The Honorable Lois Capps
United States House of Representatives
1110 Longworth House Office Building
Washington, D.C. 20515

Dear Congresswoman Capps:

On January 10, 2010, FEMA will issue new Flood Insurance Rate Maps (FIRMs) for Ventura County. The maps will result in significant portions of the City of Oxnard being changed from a moderate-risk "X" flood zone to a higher-risk "AE" flood zone – a change that will trigger the federal requirement to carry flood insurance for over 1,781 property owners in the City of Oxnard.

Under current FEMA rules, most City of Oxnard property owners will be able to use a lower-cost Preferred Risk Policy (PRP) to satisfy initially the federal flood insurance requirement. To qualify for a PRP, these property owners must purchase flood insurance before January 10, 2010. Property owners who purchase a Preferred Risk Policy before the new maps take effect can keep their PRP for a single, one-year term. However, at renewal the PRP will convert to a Standard A- zone policy and the rate will, in many cases, more than quadruple the cost.

A Preferred Risk Policy written for the maximum National Flood Insurance Program coverage levels costs about \$350 a year. The same policy written for a Standard A- zone costs \$1,701 a year. Further, FEMA does not allow property owners to pay their flood insurance premium in installments, increasing the strain of compliance.

Like families across the country, many in the City of Oxnard are at a financial tipping point which a hefty flood insurance premium will upset. With this in mind, we seek your assistance in asking FEMA to allow property owners in the City of Oxnard to carry PRP for an additional four years beyond the one-year term. Given the current challenging economic conditions and budget issues in California, the additional four year extension is justified. The extension will allow the City of Oxnard to obtain funding to improve the levee systems protecting the City. FEMA has allowed property owners in San Mateo, and the Natomas area of Sacramento, California, to have their Preferred Risk Policies extended for one additional year after a map change. Because of this precedent, we respectfully request that you ask FEMA to grant the City of Oxnard property owners a four year extension.

The Ventura County Watershed Protection District is engaged in hiring an engineering firm to design a levee to fill a "gap" in the existing levee system. In the interim, flood insurance will become mandatory and cost most homeowners over \$1,701.

While homeowners in a floodplain should purchase flood insurance, we have serious concerns about what an additional \$1,701 bill will do to families during a recession and to the local businesses that depend on local residents to survive. The City of Oxnard has been hit especially hard by the rash of foreclosures occurring across the state. This is occurring at a time when Ventura County's unemployment rate stands at 9.5% and the unemployment in the City of Oxnard is 12.9% -- both higher than the national average.

Allowing the Preferred Rate Policies to continue in the City of Oxnard will not add additional risk to the floodplain. Instead, it would simply help families make ends meet while ensuring homeowners acquire flood insurance policies and pay into the National Flood Insurance Program.

Thank you for your consideration of this request. If you have any further questions concerning this request, please do not hesitate to call Martin R. Erickson, Legislative Affairs Manager at 805.385.7870.

Sincerely,



Dr. Thomas E. Holden
Mayor