

Town of Franklin Board of Aldermen  
Special Called Meeting  
Agenda Tuesday October 20, 2015 5:30 p.m.

1. Call to Order- Mayor Bob Scott
  
2. Pledge of Allegiance- Vice Mayor Verlin Curtis
  
3. New Business
  - A.) Discussion on National Flood Insurance Program- Terry Foxx
  
4. Adjourn

## **October 20, 2015 special meeting**

The Town of Franklin Board of Aldermen held a special called meeting on Tuesday October 20, 2015 at 5:30 p.m. in the Town Hall Board Room. Mayor Robert S. Scott presided. Aldermen Verlin Curtis, Farrell Jamison, Billy Mashburn and Barbara McRae were present.

Aldermen Patti Abel and Joyce Handley were absent.

The Pledge of Allegiance was done.

### **New Business: Discussion of National Flood Insurance Program**

Mayor Scott – Please feel free to ask any questions. This will be more informal than what we normally do.

Justin Setser – Land Use Administrator – The idea tonight is to ask questions, have the Board ask questions and obtain information. We have Terry Foxx, John Gerber and Randy Mundt from the state flood program. We are going to bring up their website so we can answer specific questions.

Terry Foxx – North Carolina Department of Public Safety – Good evening. I'm the western planner for the national flood insurance program. I work for the state department of public safety. What this program does, if you adopt an ordinance, it will give you reduced flood insurance as a participating community – instead of having to go out and try to find insurance at a much higher rate. It will also provide other benefits. I met with Ms. Summer Woodard and Mr. Justin Setser a few weeks ago, and we looked at a lot of buildings and land in your community.

John Gerber – North Carolina Department of Public Safety – We use the hydrologic engineering and river analysis system to draw the maps. This is what we use throughout the nation. We look at discharge, the drainage area and development in the drainage area. We also did field surveys and look at our Lidar data. That's a quick explanation of it. And the one hundred year flood is a one percent chance of that occurring, once a year, or multiple times per year.

William Talbott – I think the real question for the Board is by allowing this flood plain to exist, what does this do to the economic impact to Franklin as a whole in terms to commercial properties that line up along this flood way and flood plain? I think that is the question.

Karl Gillespie – Has anyone taken the properties in the blue and figured up the values of those properties, and realize that you will destroy all that value for a one percent chance of a flood in the city of Franklin. I would bet it is millions and millions of dollars.

Terry Foxx – To be able to develop in the flood zone, sometimes it's a thought you can't develop at all. That's not true. You can't develop in the flood way unless you can prove that there will be no rise in the flood way. But within the flood plain, you can develop within the 100 year flood plain as long as you get a permit.

William Talbott – But that flood way should not exist. And if the culverts are structured right, you wouldn't have any flooding. You're destroying a lot of property.

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John Gerber – A flood way is a requirement for Federal Emergency Management Agency mapping specifications. There has to be a flood way. Let me give you some perspective. All 100 counties in this state participate, and 472 municipalities participate; 42 municipalities don't. Of the 42, Franklin probably has more flood areas than any of the other non-participating municipalities. So 472 municipalities have already dealt with these questions, and it doesn't prohibit development. Furthermore, the North Carolina building code standards are equivalent with what would be in the flood ordinance. So they are the same standards, whether you have the ordinance in place or not.

Alderman McRae – How recent is the data?

John Gerber – 2009. I know some of you don't feel comfortable with the maps, but we've done this for the entire state, and North Carolina is pretty much the FEMA model. We've gone back and reviewed it, and at this point, we feel confident that these flood maps are accurate.

Alderman McRae – Do you have data from Crawford Branch specifically regarding flooding?

John Gerber – No, we don't have actual rainfall data, because the United States Geological Survey doesn't have any rainfall gauges at Crawford Branch. But we compare rainfall events for the watershed area.

Tom Harris – Is this map officially being used for any insurance and financial organizations? If so, how do they use them?

John Gerber – There is a mandatory requirement for flood insurance purchase for properties that have a loan through a federally regulated lending institution, and they are required by law to have flood insurance. They use these maps. Also, any type of federal grant funds would use these maps.

Tom Harris – So the existence of these maps may be effecting us in ways we don't even realize?

John Gerber – Yes, and remember the building code has the same standards. Maybe this is a good time for Matt Mason to discuss the building code with you guys.

Matt Mason – Macon County Planner – Thank you. The Town Manager and Town Planner asked me to come by and speak tonight. I'm the floodplain administrator for the county. If you take the Town of Franklin that doesn't participate in the program right now, and compare it to the state building code, there are several requirements through the state building code that you probably don't know about. If your home is destroyed by fire, flood or by any other damages by more than fifty percent, it would have to be built with the new state building codes. This means you would have to elevate it one foot above base foot elevation. If it's a commercial building and it's destroyed by more than fifty percent, by the same process, then you are required to dry flood proof through engineering designs. If you take those two things, add a few more little things, you basically have a flood ordinance to allow someone to have the option to buy flood insurance. Buildings that you already own and pay for, flood insurance is your choice. All the vacant lots in the flood plain, essentially only people who can purchase and develop those lots are people who borrow with private money. That's something you need to think about. I'm not here to sell you one way or the other.

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John Henning Jr. – Town Attorney – Matt, do you have an opinion on the effect on the value of county properties as a result of the county's participation in the flood program?

Matt Mason – None. You can still build in the flood plain, and we always have.

Terry Foxx – Another thing, from an emergency management standpoint, when an emergency declaration is declared in this state, one of the first things they will ask is if you are participating in the national flood plain program. You won't be eligible for certain benefits otherwise.

Karl Gillespie – What kind of benefits?

Terry Foxx – Disaster mitigation grants to help the community get back on its feet.

Matt Mason – It would hurt the town mostly in terms of infrastructure. By infrastructure, we're talking about roads, water and sewer lines.

Alderman McRae – What if the Little Tennessee floods, which has been a problem?

Terry Foxx – You're not covered now, but you would be in the program.

John Gerber – I have to say, because we hear this a lot. People say it's never flooded here before every time a flood event occurs.

Karl Gillespie – How can we be sure these maps are accurate, when inconsistencies have been shown in the past with previous maps?

John Gerber – That's a good question. We have the field survey data, which is more accurate. We do filed surveys for cross sections. I feel fairly confident that these are accurate.

Karl Gillespie – What if we see a mistake. Can we challenge it?

John Gerber – We would want to get it right.

Tom Harris – This isn't a representation about what's happened in the past, but a projection of what may happen in the future within the flood hazard area?

John Gerber – Yes.

Alderman McRae – I did some research on the 1964 flood, and I remember that one of the buildings that was severely damaged – according to newspaper articles at the time, was a result of Crawford Branch and not the Little Tennessee River. It wasn't high up, but it was from Crawford Branch. They called it frog town branch at the time.

Alderman Curtis – I was there at the time. The Little Tennessee River was very high up, and I've never seen a flood on Crawford Branch.

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William Talbott – It just seems like one percent is an awful small amount.

Justin Setser – Land Use Administrator – Until it happens.

John Gerber – One percent is actually pretty high statistically. It means it has a one percent chance of occurring every year, or multiple times in one year.

Tom Harris – If we became a participating community, are there any negatives with this since we are already using these maps for other things, like lenders and the state building code?

John Gerber – There would be minimal requirements, like the approval of a flood plain permit. So there is very little in the ordinance that wouldn't also be required in the building code.

John Henning Jr. – This has impacted the Town. The police department building is in the flood area. The lack of available national flood subsidized insurance has caused significant difficulties here recently. It has impacted the town financially.

William Talbott – But you built the thing knowing it was in the flood plain.

John Henning Jr. – Town Attorney – Yeah. But you can build in the flood plain. The only question is will we be able to get affordable insurance and effective emergency response programs when it does flood.

Terry Foxx - A lending institution will force you to buy insurance if you don't have it, and they will find you if you don't. If you have a structure under a federally backed mortgage, you must have insurance.

Karl Gillespie – How much are we talking about in savings? So you don't know? How much?

John Henning Jr. – Town Attorney – I will get those numbers for you.

Mike Breedlove – The problem to me is undersized culverts. What can we do about that?

John Gerber – Larger culverts are very expensive to put in, when you are talking about sizing them up to make them compatible with the one hundred year flood.

Mike Breedlove - I just don't think it's fair when someone's undersized culvert floods me out.

Warren Cabe – Macon County Emergency Services Director – Also, there is a lot of mitigation money somewhere else when you participate in the flood insurance program. If you have other culvert issues, and you can identify those in the county mitigation plan and you wanted to replace some, you can get very specific. You would have to get permission to do it from the property owners, but you are more likely to get some funds to fix them. We've done it before. It helps. It's not a miracle cure.

Alderman Curtis – All the growth through Baird Cove and Hemlock Hills, that has caused a lot more runoff than maybe the older maps showed. And I don't know if it will get any better, but there is more runoff. I'm just curious. How many people would buy flood insurance if it was offered to them? And I own property on Crawford Branch.

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Justin Setser – Land Use Administrator – Let me give an example on what this program would do, and what it is doing now. I had a lady call and say she was interested in buying the house she has been renting. The home is on Crawford Branch, located on Palmer Drive. She went to the bank, wanted to buy the home. Went to get a loan, and the bank said she had to get flood insurance because she was in a flood plain. She couldn't get subsidized flood insurance because we're not in the program, so she couldn't afford to purchase the home. So there are situations in the town right now, and that can be for anything. We have a vacant lot where Franklin motel use to be. Sure, if you have deep pockets you can afford to buy and develop it. But not everybody has deep pockets. That can potentially stymie growth as well.

John Henning Jr. – Karl, I got the numbers. We were required to get flood insurance through the Lords of London, and it was \$15,000 for one year at the police department building. We refinanced so the coverage lapsed. They caught it, and offered a policy for \$12,000. Wayah Insurance got us a policy that covers it for \$7,000. Wayah did price it for us, to show what we would have paid had we been a part of the program, and we could have gotten coverage for \$1,500. So it is significant.

William Talbott – What about if you're in the floodway?

John Gerber – It doesn't matter as far as insurance goes, whether or not you are in the flood plain or floodway.

Matt Mason – Macon County Planner - The county charges a \$60 flood permit fee to check elevation for new construction.

The Town Board of Aldermen and residents discussed this issue at length, examining several parcels on the Flood Plain Hazard website.

John Gerber – They want it to be right. If you think something is wrong, and you provide the information, they will come out and see what it looks like. You would have to survey your properties. But I think they would consider the data. Typically that's how it is done. I'll take it back if you can provide the information. I'm sure the Town can provide copies of the McGill study if you want it as well.

Justin Setser – Land Use Administrator – Yes, we do have copies of the McGill study.

Alderman Curtis – Did I hear correct that you said you were doing a county update in mapping in June of next year.

John Gerber – We actually met this past June.

Summer Woodard – Town Manager – But as of right now, unfortunately, we are stuck with these maps. And the question seems to be is, the map issue vs. the flood insurance program issue. The maps are in use right now, regardless of whether we like it or not. The maps do encompass the McGill study. So basically we got what we got, and it becomes the question of the flood insurance program and the benefits it will provide. Am I correct in that assumption?

Terry Foxx – Yes.

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John Gerber – Yes. That is correct. But we do want you to be comfortable with the maps.

Mayor Scott – Okay. We are not making any decisions tonight. Hope everyone got their questions answered.

**Motion was made by Curtis, seconded by Mashburn to adjourn the meeting at approximately 7 p.m.  
Motion carried. Vote: 4 to 0.**

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Robert S. Scott, Mayor

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Chad B. Simons, Town Clerk