
Coastal Hazards Adaptation Team (CHAT) Work Session #60

Tuesday, April 16, 2024

1:00-3:00PM

VIRTUAL MEETING

1. Introductions

CHAT Members

Jason Bachand – Hampton Town Planner
Tori Bamford – Hampton Coastal Resilience Coordinator
Kate Bashline – Hampton Resident
Jay Diener - Hampton Conservation Commission
Brianna O'Brien – Hampton Conservation Coordinator
Ward Galanis – Hampton Planning Board
Tom Bassett – Resident Representative
Stephen LaBranche – Resident Representative
Jennifer Hale – Department of Public Works
Eric Sunderlin – Hampton Department of Public Works
Bob Ladd – Hampton Beach Village District
Eric Sunderlin – Hampton Department of Public Works
Barbara – Hampton Beach Area Commission

CHAT Support Staff

Jen Gilbert – DES Coastal Program
Kirsten Howard – DES Coastal Program
Liz Durfee – Planning Consultant and CHAT Coordinator
Mikeala Heming – Flood Ready Neighborhoods Program, NH Sea Grant
Lucy Perkins – NH Coastal Program

Guests

Gary Bashline – Hampton Resident
Marcus Landers – Payne Construction and Flood Policy Research Fellow
Chris Muns – State Representative
Catherine Miller – Hampton Resident

2. Approve meeting notes from February 2024 (5 mins)

Ms. Durfee suggested some minor edits to the February minutes. On page 2 there is a correction of a street name and correction of the question and update of monitoring speed and preventing drivers from entering flooded streets. On page 12 there is an additional suggestion at the bottom of the page.

Motion: Mr. Diener moved to approve the February meeting minutes

Second: Mr. Bachand

Vote: 7 in favor, Bob Ladd Abstained.

3. Relevant Flood Updates (20 mins)

Mr. Bachand

- The Flood Plain Management Ordinance passed at the town meeting on March 12, 2024.

Mr. Diener

- Hampton Conservation Commission has noted that people submitting recent permit applications have made updates to their plans related to the updated flood plain ordinance. The ordinance has already had a positive impact.
- The March CHAT meeting was cancelled in favor of attendance at the Flood and Emergency Preparedness Workshop held at the Seashell Complex in Hampton.
 - Approximately 65 people attended.
 - Emergency management personnel from Hampton, Seabrook and Hampton Falls attended and presented information about how their communities prepare for flooding and storm events.
 - The public had the opportunity to speak and present flood impacts from the recent January and April storms.
 - A series of Flood Smart Workshops will be presented in the near future to discuss flood mitigation practices.
 - An Economic Forecast Report has been completed and a presentation will be done on it in May or June. The report shows the impact of sea level rise on the Seacoast by the year 2050.

Ms. O'Brien

- Discussed the fact that there have been a lot of home elevations over the last few years; 4 in 2022, 10 in 2023, and 8 or 9 already in 2024. Ms. O'Brien spoke to some local home elevation contractors and there are currently approximately 40 home elevations in the planning phases in Hampton. Ms. O'Brien stated she will start tracking the home elevations on a map per Ms. Durfee's request.

Mr. Bassett

- Presented flood updates for the Meadow Pond neighborhood.
- In March there were six flood events. Water quality testing was performed by the Department of Environmental Services which showed low levels of enterococcus bacteria.
- In April, there were 10 days of consecutive flooding starting April 4 with the nor'easter. The flooding was deeper than a foot. Over the next few days the actual flood levels were higher than the predicted flood levels. April 5-8 the flooding was related to higher-than-average high tides. The level of the pond was higher than the street. This created reverse flow from the drainage system into the streets, as well as overflow from the pond. The flooding recurred a few times in the day due to the tide level.
- Mr. Bassett shared some comments from neighbors about how bad the flooding is and how the neighborhood is less fun with the flooding.

Rep Muns

- Provided an update on recent legislation. HB1320 was recently submitted. This is the bill requiring flood disclosures to purchasers or renters of homes. A pared down version of the bill passed the house. The language of the bill is as follows, "In the purchase and sale agreement, the following disclosure needs to be included: Properties in coastal areas and along waterways may be subject to increased flooding over time. A standard homeowner's insurance policy typically does not cover flood damage. The buyer is encouraged to determine whether separate flood insurance is required and consult FEMA flood maps and determine if the property is in a designated flood zone."

- Rep Muns stated the bill was passed unanimously and has Real Estate Association approval. When the Governor signs the bill it will become law. The bill doesn't protect renters, but it is hoped that it can be amended next year to cover renters. This bill as written was a compromise and a move in the right direction.

Ms. Bashline

- Asked Rep Muns if he received feedback about the concerns from the House. Rep Muns stated the biggest concern was about Hampton being in a buyer beware state and it is up to the buyer to do their due diligence. They were not concerned about buyers not knowing the right questions and weren't aware that there may be issues for renters. Rep Muns believes that with more education, the bill could be amended to be more protective.

4. Financing home elevations - Marcus Landers, Payne Construction and Stanford University Hoover Institute (45-60 mins)

Ms. Durfee

- Introduced Mr. Landers and stated he is in the business of elevating homes and is working on developing a public/private partnership concept for scaling up home elevations in NH.

Mr. Landers

- Discussed the Hoover Institution which is a think tank at Stanford University. They have a subordinate program called the Veterans Fellowship Program (VFP) which provides resources to ten military veterans per year and invites them to solve a problem in their own community. Mr. Landers received a fellowship.
- Mr. Landers realized that public policy is the driving factor affecting home elevations at all levels. Homeowners will embrace home elevation if the government shifts policy and provides economic incentives for flood mitigation.
- Mr. Landers presented his idea called "Live Resilient or Die" and the purpose is to empower the economy and individual homeowners to protect their homes via a public/private partnership. Ideally, Rep Muns would take this idea to the state legislature to be enacted statewide.
 - Research shows that advance flood mitigation saves money at a rate of \$4-\$11 saved per dollar invested.
 - Some sources of inaction: Flood mitigation (retrofitting) is very expensive, and people don't tend to understand compounding risk over the long term.
 - Fiscal reality: Flood mitigation across the US would cost trillions of dollars over time.
 - Unintended Incentives: Flood insurance is highly subsidized and nationalized by FEMA because private insurance largely doesn't provide flood insurance. It is not a money maker for private insurance. Federally subsidized flood insurance created incentives and not disincentives to continue building in flood zones.
 - House lifting is a proven practice that reduces flood risk.
 - Lifting a house or moving it out of a flood zone can correct the market by making the house more valuable, less risky, and easier to insure. This is a net positive for all stakeholders.
- Mr. Landers suggested three models:
 - Model 1: Seeding through Captive Insurance – The state government would levy and collect a fee on all homeowners. The fee would be channeled into a resilience fund managed by a private business or non-profit (the captive insurer). The state would provide a means tested way of providing grants, an approval list, and a scientific method of determining who the flood prone homeowners are. The captive insurer would manage and allocate the funds as well as providing a vetted list of contractors to decrease fraud risk. This model would raise and grant funds quickly because there would be no requirement to go through FEMA for grants. This model could be politically contentious due to levying a tax.

- Model 2: Insurance and Financing Arbitrage – This is a proposal to allow homeowners to borrow money to elevate their home. The lending rate would be lower than the amount being paid for homeowner’s insurance. The homeowner would have a much better rate than a typical loan.
- Model 3: Hybrid – This model would combine Model 1 and Model 2. This hybrid model is currently effectively used in Connecticut for their crumbling foundations issue. This would still be a means tested program.
- The purpose of this program is to protect a major asset (real estate) that the state economy is based on. The result is an economy that values resilience, a shared cost burden, and an enduring tax base.
- Mr. Landers provided case studies to show the effectiveness of the programs he based Model 1, 2 and 3 on.
- The program would cost homeowners approximately \$200M if they paid for it themselves. Ideally FEMA would contribute capital and the public/private partnership models outlined above would mitigate some costs to homeowners.
- There are risks and unknowns that would need to be solved at the state and local level. Mr. Landers acknowledged that his company would benefit from this program, but he is passionate about flood mitigation and hopes to see this program move beyond Hampton and be implemented in other states with flooding.
- Mr. Landers acknowledged that this would be an expensive project and getting a tax approved in NH would be a tough sell. In that light, he proposed a pilot program where CHAT or SHAE or some other entity sought philanthropic dollars and raise 30 houses as a test case.
- Mr. Landers stated this project needs support from CHAT or other entities to work on the economics and logistics needed to move this project forward and ideally present it to the NH state legislature in the fall.

Ms. Miller

- Asked Mr. Landers what regular residents and homeowners can do to help this project and bring change for the community.

Mr. Landers

- Stated that residents can engage with leadership at the state and local level.

Rep Muns

- Stated that decision makers at the state and local level are aware that flood mitigation processes are important to residents of Hampton. It is important for local residents to let policy makers at the local and state know they support flood mitigation efforts and policy change along with the resource allocation measures needed. Resident voices matter. Residents can attend the selectmen meeting on Monday night and bring up the concerns about flooding.

Mr. Diener

- Asked Mr. Landers how he envisions financing would work for homeowners looking to finance home elevation on their own versus looking to participate in the FEMA funded reimbursement program.

Mr. Landers

- Stated that the thought process behind his project is that homeowners are seeking a guarantee their insurance rates will drop substantially after home elevation. Currently, FEMA is subsidizing homeowner’s insurance, but it is unknown what will happen in Hampton once the subsidies end. Ideally, insurance rates will drop substantially after the home is elevated. Mr. Landers is seeking a policy change whereby FEMA will guarantee that they will rate flood risk so low that the insurance rates will be very low as well. This would provide savings over time for the homeowner making the up front debt more affordable.

Mr. Diener

- Stated he though it was already the case that home elevation would result in decreased homeowner's insurance costs.

Mr. Landers

- Stated that Mr. Diener's assumption is incorrect due to the opaqueness of FEMA's pricing algorithm. FEMA is currently being sued to remedy this.

Mr. Ladd

- Asked if the flood insurance would be limited to \$250,000 for reimbursement.

Mr. Landers

- Stated that this is being considered but ideally the flood insurance would cover flood damage but flood damage risk would be decreased due to home elevation.

Rep Muns

- Spoke about the "pilot program" and asked if the 40 homes in Hampton that are in the planning stages for elevation could be included in the pilot program.

Mr. Landers

- Stated that is a good idea but it would also be up to Hampton town government. The sticking point is finding funding to finance the home elevations and finding the insurance company willing to insure at lower rates after elevation. Mr. Landers is working on finding funding through philanthropic means.

Ms. O'Brien

- Stated she spoke to contractors about the 40 homes in the planning phase for elevation are all being privately financed.

Ms. Howard

- Stated that it's possible some of the 40 homeowners received increased cost of compliance coverage equaling \$30K, but otherwise there are no FEMA funds for these projects. The 40 projects in the planning stage are for homeowners who can afford home elevation. If Mr. Landers pilot program is intended to help people who can't afford home elevation, it would make sense to look outside the 40 projects in the works currently.

Ms. Bashline

- Asked if there are projected costs for the cost of home elevation. She also asked if the requirement for flood insurance would eventually go away.

Ms. Landers

- Stated home elevation methods vary which makes the costs variable. Depending on the type of elevation, the costs vary from \$90K to \$200K range. Regarding flood insurance requirements, Mr. Landers stated that ideally, home elevation would effectively move the home outside of flood danger resulting in extremely low flood insurance costs.

Ms. Durfee

- Asked if Mr. Landers has factored in municipal costs such as roads and infrastructure that aren't elevated.

Mr. Landers

- No. Stated that focus of his project is to start with home elevation. If there are no homes, there is no need for infrastructure and no tax base so that's why his project focuses on home elevation first. Ideally, the resilience funds raised at the state level would be channeled into towns to elevate utilities and infrastructure as the costs related to flood mitigation for homes decreases.

Ms. Howard

- Asked how if there would be a benefit to homeowners if multiple homes on the same street were being elevated at the same time. For example, if the equipment is already on the street, would that create efficiencies?

Mr. Landers

- Stated that yes, this could reduce costs.

Ms. Durfee

- Stated there was some discussion in the chat. The chat summary is as follows:

Ms. Howard asked if someone raises their house in 2024, would the homeowner be able to be reimbursed once there is a contract or deal made with FEMA? Ms. O'Brien replied that to her understanding, FEMA will not be retroactively reimbursing homeowners. FEMA will only reimburse people who actively applied and successfully received a FEMA grant award before elevating. Their grant programs reimburse homeowners who successfully apply for and are awarded funding, but still those funds are only distributed to the homeowner after work is complete, all post-construction inspections and reviews are complete, and all paperwork has been submitted to FEMA.

Mr. Landers provided a link for an article in The Economist.

<https://www.economist.com/briefing/2024/04/11/homeowners-face-a-25trn-bill-from-climate-change>

Ms. Perkins referred to the FEMA page: <https://www.fema.gov/grants/mitigation>. Per this page, the most common FEMA grant programs used for home elevations are the Flood Mitigation Assistance Program, the Hazard Mitigation Grant Program, and the Building Resilient Infrastructure and Communities program. It is important to note that the eligibility requirements for each are unique; these programs are competitive and require the town to apply on a homeowner's behalf. Happy to share more information if that is helpful.

5. Parking Placard Program - Next Steps (15 min)

Ms. Durfee

- Stated the parking placard program is a recommendation to the Town of Hampton designed to lower the threshold for the tide level that enables people with parking placards to park in municipal lots. The goal is to forward a letter the selectmen asking them to consider lowering the threshold from 10 feet to 9.5 feet and provide a list of items that need to be determined at the Town staff level.
- Ms. Durfee projected the draft letter for comments from CHAT. Some of the language changed from the previous proposal.
 - Ms. Heming asked in the chat if 'either source' mean 'whichever source hits 9.5ft first? Ms. O'Brien stated she would propose: 4. e. Safest known routes to these lots (i.e. which roads flood the least or have not been known to flood).
 - The issue of which source of flood projection data to use has been discussed at length. Part of the issue is the accessibility of the data and ease of use for the everyday resident. Is it understandable for regular people?
 - Ms. O'Brien's suggestion is to determine where the Department of Public Works stands on sending out updates and warnings about the tide level.
 - Can residents check either source for tide level and determine if the sources predict the 9.5 ft level and use their own judgement about moving their vehicles?
 - Ms. O'Brien asked in the chat about adding how to determine which roads flood the least when people are planning their route to the municipal parking lots. She also stated that the 9.5 ft threshold doesn't factor in weather conditions. Ms. Durfee stated she believes the flood forecast does factor in weather conditions.
 - Mr. Bassett stated the Hampton Harbor tide gauge because it is more reflective of daily conditions. There can be flooding even if the forecast is below 9.5 ft.

- Mr. Bassett provided the link to the Hampton Harbor Tide Gauge graph.
<https://water.weather.gov/ahps2/hydrograph.php?gage=hpmn3&wfo=gyx>
- This is a helpful fact sheet too:
<https://www.nhcaw.org/wp-content/uploads/2022/08/Hampton-Tide-Gauge-factsheet.pdf>

Ms. Durfee

- Asked Mr. Diener to summarize the CHAT March event information and feedback that was shared.

Mr. Diener

- Stated information was shared about which tide information to use. Some residents were unsure how to check local tide information so they were thankful for the information. It was also helpful to present information about the two sources of tide data because residents found the education piece useful.

Ms. Durfee

- Asked for a CHAT consensus on whether DPW should be the agency that shares flood alerts with the public. Ms. Durfee stated it is necessary to determine if DPW feel comfortable with the three day forecast, or if it is too much for DPW to be able to send out public alerts.

Mr. Diener

- Recommended that the public use the Hampton Tide gauge and sign up for town alerts. He also recommends advising residents not to rely on only one source of information.

Ms. Bashline

- Stated that it would be helpful for residents to be able to go to the Town website for information. DPW could add updates to the Town website.

Ms. Durfee

- Stated she would revise the draft letter based on the discussion today and send it out to CHAT members for review and approval.

6. Next meeting: May 21, 2024

7. Adjourn

Meeting adjourned at 2:47 pm

Members of the public are welcome at CHAT meetings. Visit <https://shea4nh.org/coastal-hazards-adaptation-team-chat/> to learn about CHAT. Please contact CHAT coordinator Liz Durfee at efd.planning@gmail.com if you have questions about how to join on Zoom.

During the meeting, please:

- Keep your microphone on mute to minimize background noise
- Use the hand raise function or type in the chat box if you have a question or comment
- Stay on topic
- Be respectful of all meeting participants