Government of the District of Columbia Office of the Chief Financial Officer



Natwar M. Gandhi Chief Financial Officer

<u>MEMORANDUM</u>

TO: The Honorable Kwame R. Brown

Chairman, Council of the District of Columbia

FROM: Natwar M. Gandhi

Chief Financial Office

DATE: February 7, 2011

SUBJECT: Fiscal Impact Statement - "District of Columbia Construction Codes

Special Flood Hazard Areas Approval Resolution of 2011"

REFERENCE: Draft Bill shared with OCFO on January 31, 2011

Conclusion

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed resolution.

Background

The proposed resolution would amend the District of Columbia Construction Codes in Chapter 1A (Administration and Enforcement) of Title 12A (Building Code Supplement) of the District of Columbia Municipal Regulations to comply with Federal Emergency Management Agency (FEMA) requirements for construction in Special Flood Hazard Areas. FEMA designates Special Flood Hazard Areas on the Flood Insurance Rate Map ("Map") for the District of Columbia.

The proposed rules would require the District to expand its flood hazard regulations to cover any small sheds, retaining walls, in-kind replacement of private sidewalks and driveways, and certain pedestrian walkways and driveways located in the Special Flood Hazard Areas.¹ These activities are currently exempted from building permit requirements under the District of Columbia Construction Codes and are not reviewed for compliance with the flood hazard regulations. The proposed rules would require a building permit from the Department of Consumer and Regulatory Affairs when the described work is to take place in a Special Flood Hazard Area, even though the project would otherwise be exempt from the building permit requirements.²

¹ 44 C.F.R. §§ 60.3(a)(1)-(6)

² As specified by District of Columbia Municipal Regulations, 12A DCMR § 105.2.

The Honorable Kwame R. Brown

FIS: "District of Columbia Construction Codes Special Flood Hazard Areas Approval Resolution of 2011," draft bill shared with the OCFO on January 31, 2011

The proposed amendments to the construction code would ensure the District's continued eligibility for the National Flood Insurance Program, which allows District residents to purchase flood insurance coverage from the federally-underwritten program.

Financial Plan Impact

Funds are sufficient in the FY 2011 through FY 2014 budget and financial plan to implement the proposed resolution. The proposed resolution would approve rules to amend construction codes to comply with federal requirements and does not have an impact on the District's budget and financial plan.