

# FLOOD CONTROL IMPROVEMENT DISTRICTS

## FREQUENTLY ASKED QUESTIONS



I received notice that my property is included in a proposed Flood Control Improvement District.  
**Now what?**

### WHAT IS A FLOOD CONTROL IMPROVEMENT DISTRICT?

In Marion County, the Indianapolis Board of Public Works ("BPW") can recommend that **Special Flood Hazard Properties** be included in a Flood Control Improvement District ("District") so that a portion of the property tax revenue generated by properties in the District may be directed toward the flood control measures from which they benefit.

The provision for Flood Control Improvement Districts became effective on May 1, 2018 with the adoption of Indiana Code IC 36-7-15.6.

### WHAT IS A SPECIAL FLOOD HAZARD PROPERTY? (I DON'T PAY FLOOD INSURANCE.)

The Board of Public Works may recognize your parcel as a **Special Flood Hazard Property** if any part of the parcel is situated in a Special Flood Hazard Area, as defined by FEMA. This is separate from the federal FEMA mandate requiring flood insurance on some properties in the FEMA Special Flood Hazard Area. **There may indeed be Special Flood Hazard Properties included in a District that are not required by FEMA to carry flood insurance.**

### IS THIS A NEW TAX?

**This is not a new tax or assessment.** You will not receive a new bill to pay. Rather, the designation allows the City to capture an incremental portion of future property tax growth within the District and redirect those taxes back into the District for flood control.

### WHERE DOES THE MONEY COME FROM?

The Flood Control Improvement District concept is based on the long-standing concept of tax increment financing (TIF). If assessed values of District parcels change over time, the amount paid in property taxes also changes. Within the District, property tax revenue collected above the base amount (**set at the time the District is established**) may be used to pay for construction and maintenance of the District's "flood control works."

### HOW CAN THE FUNDS BE USED? WHAT ARE THE DISTRICT'S FLOOD CONTROL WORKS?

The District's "**flood control works**" include the planning, design, construction, maintenance, and various operations of the flood control infrastructure which protects the District. District funds can pay for

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## FLOOD CONTROL IMPROVEMENT DISTRICTS - FREQUENTLY ASKED QUESTIONS, *CONTINUED*

the study, design, and construction of infrastructure, or to reimburse the Marion County stormwater fund for money already spent on similar activities. Funds can also be spent on the ongoing maintenance of infrastructure. This could include the removal of debris from channels, enlarging streams, mowing river banks, repairing levee walls, etc.

**A District's funds can only be directed to pay for the provision of flood control works of that specific District.**

**ARE THERE PROPERTIES THAT BENEFIT FROM THE DISTRICT'S FLOOD CONTROL WORKS, BUT THAT AREN'T INCLUDED IN THE DISTRICT?**

Properties that have a FEMA-approved Letter of Map Amendment (LOMA) dated before January 1, 2018 will be excluded from a Flood Control Improvement District, even if they do benefit from the District's flood control works. Property owners with a LOMA may submit documentation to the BPW for review and removal from the District.

Similarly, properties that are already included in a separate Tax Increment Financing (TIF) district are to be excluded from a Flood Control Improvement District, according to state law.

**WHAT IS THE PROCESS OF ESTABLISHING A FLOOD CONTROL IMPROVEMENT DISTRICT? AND HOW CAN I PROVIDE MY INPUT?**

The Indianapolis BPW has the authority to propose the creation of a Flood Control Improvement District, defining boundaries and the flood control works. Upon holding a public hearing and receiving public comments, the BPW then may make a recommendation to the Metropolitan Development Commission ("MDC"). The MDC will also hold a public hearing and adopt a declaratory resolution, before referring the proposed District to the City-

County Council for consideration. The Council will receive public comments before acting upon the proposal. Finally, with Council approval, the District proposal goes back before the MDC for a confirmatory resolution to establish the Flood Control Improvement District.

**HOW WILL I BE MADE AWARE OF THIS PROCESS?**

At least 10 days before the event, the BPW must publish a notice in the local newspaper of its public hearing regarding the establishment of a District. The BPW must also mail each owner of a Special Flood Hazard Property within the proposed District a notice of the BPW public hearing, including information regarding the boundaries and flood control works of the proposed District.

Additionally, should the BPW make a recommendation to the MDC for establishment of a District, the BPW must again mail each District property owner a notice of this recommendation, including instructions on how to participate in the MDC's public hearing process.

**WHEN WILL MY PROPERTY BE REMOVED FROM THE FLOOD ZONE? WHEN WILL THE FLOOD INSURANCE MANDATE BE DROPPED?**

Both the mapping of flood zones as well as the mandate of properties with federally-backed mortgages to carry flood insurance are administered by FEMA. **The Department of Public Works ("Indy DPW") neither revises floodplain maps nor releases properties from the flood insurance mandate.**

However, on the completed construction of a flood control project, Indy DPW may submit documentation to FEMA requesting a change to its flood zone maps. On its own time line, FEMA may then review the project and accredit the map revision, at which point the flood zones would be redrawn and the flood insurance mandate would be lifted from affected properties.

### FURTHER QUESTIONS?

WITH ADDITIONAL QUESTIONS FOR THE DEPARTMENT OF PUBLIC WORKS, CONTACT:

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