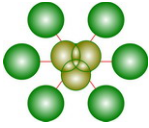


**Industry Coalition**  
**for**  
**Wind Damage Mitigation**



**to**  
**Attract Insurance Underwriters back to Florida**

Submitted March 7, 2003



## Coalition for Wind Damage Mitigation (Attracting insurance underwriters back to Florida)

The State of Florida has a large and growing problem. Members from the government have asked for an industry coalition to present wind damage mitigation solutions that can be submitted to the legislature, passed during this legislative session, and then rapidly implemented to relieve the State from incumbent wind damage liability. They have asked for suggested recommendations, programs, and methods to mitigate wind damage and insurance claims that would have widespread impact on new construction growth in Florida.

### **This coalition has:**

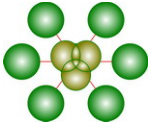
- Identified problems to the rapid implementation of higher standards in the perimeter mitigation zones (37 counties),
- Proposed the following programs to greatly accelerate mitigation and reduce the State's wind damage liabilities, and
- Suggested the method of controlling the programs' costs and overseeing an ongoing viable system for implementing advances in the construction technology.

### **The Problem**

After hurricane Andrew's \$16 billion in total insurance claims (including infrastructure losses), total estimated losses were 25 to 35 billion dollars in the swath of damage across the State. While there are still many insurance companies operating in the state, and 90% of Florida's homes are insured by them, after Andrew, many insurance companies increased their rates substantially, reduced their coverage area, and are not increasing their business of insuring against wind damage. Some insurance companies further limited their wind damage coverage in Florida by changing the requirements of those properties that they did insure or pulled out of the State.

All policy holders have a potential liability for loss of reasonably priced coverage and that liability grows each month. Another hurricane like Andrew will result in major surcharges on all property owners' insurance premiums. Wind damage losses would not be a direct liability to the State, such losses would be covered through bonds backed by surcharges on property insurance premiums, not by tax revenues. The areas most prone to damage are in the barrier islands and the four counties: Dade, Broward, Palm Beach, and Monroe where almost all of the approximately 600,000 policies issued by the Windstorm Pool and the Residential Joint Underwriting Association. It is the policies in these areas that would generate the \$5 billion loss in a 100-year storm. These zones must be our first priority as a mitigation zone.

Although there is a functioning private sector market for homeowners' insurance in most of the State, and private sector insurance remains available even in high-risk counties, if Florida were more attractive to insurance companies, through fortified construction, the increased competition would be a major benefit to consumers.



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One important way to reduce the overall liability is to accelerate construction of hurricane resistant buildings and to retrofit non-resistant residential and commercial buildings to a level that is hurricane and even tornado resistant. This must be done to whatever standard the private insurance companies will underwrite. This standard must also be balanced against affordability. Insurance companies must be induced to both underwrite new buildings and also to replace liabilities that the State now holds alone. **The faster this can be achieved the sooner the State can offset liabilities.** The new Florida (2002) building code alone may not be strong enough to induce insurance companies to willingly write wind damage insurance.

This coalition has identified builders, materials, and higher standards that, working with insurance actuaries, could induce insurance companies to again offer wind damage insurance in Florida. The participating insurance companies, builders, and material providers would work with the insurance underwriters to create wind damage using higher standards in entire communities.

### **Location of the Problem**

The growth in Florida is not going to stop. Two of the top 10 growth counties in the country are in Florida (9 in the top 100 counties). 83% of the new construction in Florida occurs in the 37 Atlantic and Gulf coast perimeter counties.

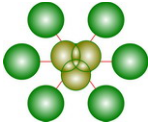
The majority of the high risk insurance coverage is either on the barrier islands or within 20 miles of the coasts. In South East Florida, Dade, Broward, Palm Beach, and Monroe counties are the counties with the greatest concentration of population, where the majority of the Windstorm Pool policies are written, and the areas of immediate concern and targeted by the coalition for accelerated hurricane wind damage mitigation for new construction and retrofitting in both residential and commercial construction.

### **Types of Damage**

Hurricane paths can not be predicted with great accuracy well in advance. Although emergency management efforts have been upgraded in recent years and warnings have become more specific, some people do wait until the last minute before deciding to evacuate. By that time they do decide to evacuate, it is often too late to fit external hurricane protection before they leave and so property loss is the most significant problem. A category 3, 4, or 5 hurricane hitting anywhere in Florida will produce a loss of at least several billion dollars of damage. The consequences of such a hurricane include direct losses to the public and private sectors and indirect damages including a slowdown in economic development.

There is a great interest in preventing economic loss by:

- Minimizing future costs to rebuild infrastructure and public facilities
- Reducing the impact of natural disasters on economic development and new growth, and
- Lowering insurance costs through increased competition among insurance providers



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Florida's new hurricane building code is designed to mitigate both property damage and catastrophic loss. This is a good start and may be sufficient for many areas in the state's interior counties but it is not a strong enough code for the coastal mitigation zones. The new law was a compromise between the builders and insurance companies. The builders wanted a weaker code that would be quick, easy, and low cost; the insurance companies wanted a much stronger code that would protect against impact, wind, water, mold, termites, and fire sufficiently so that their actuarial tables would enable them to return to the State and again write wind damage insurance.

The new code didn't completely satisfy either side.

Hurricane resistant structures can be and must be built that will withstand wind, surge, and flying debris without the need for fitting external protection just before the storm arrives. This Florida problem can be solved by Florida companies. Many people wait to the last minute hurricane to install protection. Resistant structures should be in-place without the need to fortify before evacuation.

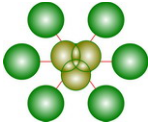
When homeowners occupy a building under the new 1 March 2002 code, they could well be living under a feeling of false security because the new building code is not strong enough. They may not evacuate when a hurricane threatens because they have a home that meets the new code.

The new State code does not create a safe house, only a slightly stronger one. If more people do not evacuate and stay in their homes during a pending hurricane, the catastrophic loss of life might greatly increase. The higher standard our coalition proposed for special hurricane mitigation zones would prevent such catastrophic loss of life. There will always be some type of damage in the coastal mitigation zones, but the damage must not include catastrophic loss of life for people who stay. The Florida code does not try to stop all damage; it just addresses the survivability of the house and the inhabitants.

The Florida code does not fit all the wind damage scenarios projected for Florida. It does somewhat mitigate damage to an average home in an average interior county location, however.

Building and retrofitting in the hurricane coastal areas must be accelerated and built with stronger materials, improved attachment techniques, and to a standard that is much higher than the new State code in order to induce insurance companies to underwrite the insurance of those units in coastal perimeter hurricane mitigation zones.

Insurance companies and the State must have confidence that all structures being built will be worth while insuring. The majority of insurance concerns are focused on the shoreline and barrier islands in the perimeter counties where the majority the high value building in Florida is done, but they must tap into the entire state to spread the risk in the coastal areas to generate sufficient revenue for disaster coverage.



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### **Solution to the Problem**

Builders in each perimeter county where a special wind damage zone exists must quickly begin building and retrofitting using new products, materials, and methods for damage mitigation. A slow approach or a slow take-off will not relieve the State's liability or not relieve it fast enough.

With confidence in the buildings erected, insurance companies will re-enter the state and again write wind damage protection. The faster this happens, the quicker the Windstorm Pool's 100 billion dollar underwriting risk can be ameliorated.

Speeds of implementing the coalition's recommendations and wide spread utilization of the recommendations are the keys to quickly reducing the State's risk liability. The following suggestions will achieve this goal.

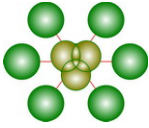
### **Coalition suggestions to Maintain the Same Speed and Pace of Construction**

1. Induce builders to immediately switch from their current materials and methods to the materials and methods of the higher standard. Suitable new materials are available, in sufficient quantities, without greatly affecting cost or speed of construction. There must be no slow down in permitting because one county's varied interpretations.
2. Enable builders to quickly and widely promote hurricane zone mitigation building and retrofitting. There must be no slow down in sales blamed on the new materials or methods of improved hurricane zone mitigation construction.
3. Induce home buyers to preferentially choose only those new and retrofitted homes that have used the higher standard hurricane zone mitigating materials and building techniques. There must be no slow down in this process or new and resale home prices may rise faster than normal because of not enough products to meet the demand.
4. Enable home buyers to be able to buy hurricane mitigated homes without incurring huge additional costs. Any additional construction costs must be offset until hurricane mitigation building methods are widely used in all the perimeter counties.

There is no slowdown of demand for homes in Florida. Should the new building code slow down the pace of home building because the permitting takes longer to get, because the county inspectors stop jobs, or because builders don't quickly take on the higher standards; then the value of existing buildings increases because the buying pressure has not been satisfied with new building.

An increase in the value of the existing buildings may be good for the home owner but not for the State's liability. Value escalation increases the liability of the State without adding new buildings when the state has underwritten wind damage protection in those value escalated buildings. Therefore, the pace of building must not be slowed while insurers are returning to the State.

A slowdown will occur if large and small builders can not get access to land, permitting, or financing.



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### **What Must be Done for New Home Builders**

Large builders represent the most new home starts each year. The fastest impact for the State will be achieved by getting big builders to dedicate one of their coastal projects in hurricane mitigation zones exclusively to the new materials and methods and to help accelerate that process for them.

Large builders face problems that can delay projects up to 3 ½ years. That problem is the permitting process. There are things that the State can and should do to streamline this process. A special ombudsman office should be able to expedite problems between the various federal, state, and county authorities. This office should operate independent of any government authority and operate with a business mentality.

**The coalition's 1<sup>st</sup> suggestion is to establish a not-for-profit corporation to coordinate the programs suggested in this coalition's report. Coordination with a business mentality is the key to accelerate projects.**

Master plans must be accelerated. Coordination is necessary between the builders, the State's divisions, the Counties' building code offices, the Office of the Corps of Engineers, Water Management, and Fish & Wildlife. An independent not-for-profit organization can coordinate these approval agencies under a new higher standard mandate.

Smaller builders must also have access to land and financing. Their problems will be addressed with both financial assistance and ombudsman coordination.

One of the priorities of the not-for-profit corporation will be to identify and map the highest risk zones, focus resources in those areas, and work to cut through red tape.

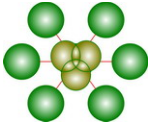
### **Current impediments to program acceleration**

There is now some confusion at every county's local building code authority office on how to interpret, apply, and inspect the new law. The result is that builders now have to meet each county's wishes on how to submit master plan applications and get different interpretations about how the same building should be built from county to county.

The county's wishes are not fixed so the form and format they initially asked for may not be what is required later on. The building inspectors stop work when they think that some part is not being built correctly until the part is reviewed by a professional engineer.

Fortunately the State can easily fix both these problems, speed up the process, and make a lot of builders happy by having one State approval system for master plans in all hurricane mitigation zones that supersedes the county system or uses a State Building Code Ombudsman to coordinate the master plan approvals.

Currently, county inspectors have no risk or liability in the correctness of the construction, yet they have the power to stop construction until a professional engineer is consulted. County permitting authorities and inspectors will get a flood of requests as the new code and retrofit business starts to gather momentum. This may cause great delays due to the fact that most authorities operate with a significant backlog.



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### **Suggestion to Accelerate Builder Involvement**

Builders submitting master plans for communities with variations to the master plan should be able to submit these plans to a State authority for approval which is accepted by the county's authority. Builders should be able to work with the professional engineers that drew the plans when they are building to insure that the construction is actually done in the way that it was envisioned by the engineer when drawn. Because the county has little to no liability for incorrect construction, using the professional engineers to certify the building places the responsibility and liability for correctness squarely with the builder and professional engineers.

To accomplish these ends:

- The State should allow master plan approval based on one standard that must be accepted by each county. This task will be coordinated by the office of the not-for-profit ombudsman organization. Minimum size requirements will be established for projects to apply for this coordination.
- The professional engineers that drew the plans should be the inspectors during the building process. This task will be administered by the Ombudsman office or the State with authority only given to pre-certified professional engineers.

By implementing these two actions, the counties will have fewer burdens on their backlogged permitting authority and inspection teams and will be able to give faster service to the smaller builders and retrofiters whose projects do not qualify under the size guidelines. Counties would have more available manpower to permit and inspect the emerging retrofit business.

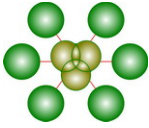
### **What must be done for retrofit builders**

Rebuilding existing homes will not require the coordination of the not-for-profit organization. Counties can administer this new emerging business. Acceleration in this sector will require training in products, materials, and methods that will strengthen the homes to a higher standard in the hurricane mitigation zones. Homeowners must be induced to pay for their retrofit projects. They won't do this unless they are mandated to do it or unless there are real incentives for them to voluntarily do it.

**The coalition's 2<sup>nd</sup> suggestion is to give property tax rebate relief to owners that voluntarily strengthen their homes and businesses to the higher standard and to make available low cost loans to initiate the strengthening program. Tax rebates will be used to repay loans used for this program and will be only for the amount of the cost of the retrofit project.**

Funds for expanding retrofit businesses may also be available through the Federal Community Development Block Grant program on a county by county basis. Funds may also be available from the utilities' demand side management program because of improved insulation and other bundled energy efficiency materials and products.

Retrofit builders would have to be licensed, permitted, and inspected by the county for participation in the program.



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### Where the Money is

The State of Florida has a Florida Hurricane Catastrophe Fund. This fund has a mandate that no less than 10 million dollars or more than 10% of the interest from this fund shall be used to educate the public and promote hurricane disaster mitigation. Last year (2001) the fund had 70 million dollars available to be spent but only 20~30 million was used.

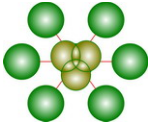
### Where the Money will be used

The following is a list of possible uses for further investigation by the new not-for-profit ombudsman office.

1. Impact fee relief
2. Tax offsets for eligible purchases and new construction
3. Waived sales tax on electricity for qualified energy efficient construction and retrofits.
4. Access to the Economic Development Transport Fund for local road improvements to new facilities
5. State Industrial Development Revenue Bonds for short term below-market-rate financing to be used for new builders finished inventory and other allowed items.
6. Status as a State Qualified Target Industry (QTI) industry for sales tax refunds
7. Coordination with Workforce Florida Quick Response Training for critical skills training.
8. State assisted training equipment via a lease back of builder's equipment to the training site.
9. Tax credits for jobs created, trained out, and retained for a minimum of 1 year.
10. Revolving loan program available for acquisition of products, materials, and methods that meet criteria of home-grown (Florida based) appropriate new technology and energy efficiency.
11. Assistance sponsored by the Economic Development Council using low interest loans, matching grant money, or bonds.
12. Permitted use of land for 5~10 years, without cost, to be turned over to builders for affordable housing, county buildings, or State facilities following a qualified investment in buildings under the Higher Standards that qualify for wind damage insurance coverage.
13. Grants available for building and infrastructure preparation for approved projects in the Disaster Mitigation Zones.
14. Fast track permitting for qualified buildings and commercial retrofits.
15. Classification applications, where appropriate, by USDA as a federal enterprise community

**The coalition's 3<sup>rd</sup> recommendation is to create a "Strengthening Program for Damage Mitigation" (SPDM) and "Disaster Mitigation Zones" (DMZ's) for barrier island construction.**

The SPDM is the umbrella program for retrofitting. The DMZ is a concept similar to Enterprise Zones. In both cases, only products that are stronger, safer, and longer lasting can be used and only building techniques resulting stronger protective building envelopes should be permitted. General specifications for products and methods used in the DMZ are readily available:



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### **Roofs**

- Fireproof deck sheeting
- Double sided adhesive underlayment for shingles
- Screws or ring nail fasteners with large washers used to secure roofing slates or tiles
- Spray adhesive bonding to underside of roof tiles where no sheeting is used
- Trusses and rafters that bend and recover 100% after deformation stresses instead of breaking
- Three Certified ties continuous load paths from the truss to the pad with a minimum of 1,500 pounds uplift resistance on 24 inch centers versus 2 every 8 ft on 16 inch centers.
- Reinforced gable wall ends
- Overhangs tied back to the building
- Impervious fascia and soffit
- Hurricane certified materials

### **Exterior Walls**

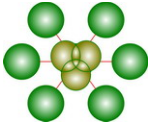
- Moisture Resistant construction
- Mold & Mildew Resistant materials
- Rot Resistant treatment
- Corrosion Resistant fasteners
- Fire self extinguishing materials
- Termite resistant non food materials
- Rodent resistant tough materials
- Wind resistant to 350 MPH wind stress (hurricane & tornado)
- Able to withstand seismic stress through flexibility versus stiffness as used in Japan
- Ability to withstand storm surge stress with blow out first floor sacrificial sections
- 100% recovery after stress deformations similar to the bows used with arrows
- Electrically non-conductive materials
- Electronically transparent for non interference with electronic signals
- Chemical resistance
- Highly Reinforced corners
- Certified hurricane continuous load ties from each truss to each joist to pad

### **Insulation**

- R-21~R40 in walls
- R-31~R-60 in roofs

### **Windows**

- Impact & pressure resistant without shutters
- Insulated glass
- Metal frames permitted only with thermal break
- Vinyl or fiberglass lineals & frames preferred



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### Doors

- Multiple hinges, multiple fastening latches
- Impact resistant
- Insulated Metal with thermal break
- Fiberglass panels and insulation preferred
- Steel jambs impervious to water penetration with thermal break or structural fiberglass preferred
- Sliders with thermal impact glass & thermal break in jambs, or structural fiberglass

### Special Considerations

- Deep Column piling supports for beach buildings and soft soils.

New concepts have to be investigated and adapted. Traditional thinking that all structures should be rigid (like glass) until the yield point should be expanded with thinking about structures that could be flexible (like leather) so that the structure can flex and recover (like a bow bends and recovers when shooting an arrow). Such concepts are the basis for skyscrapers, seismic resistant earthquake buildings, and technology used in other countries. These techniques can be identified, detailed, and summarized in Best Technology, Products, Materials, Methods, and Resources Pools.

**The 4<sup>th</sup> coalition recommendation is to create Best Technology, Products, Materials, Methods, and Resources Pools for professionals. These Pools will actively collect and disseminate information as well as respond to technical questions.**

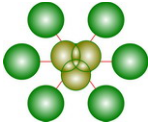
### Best Technology, Products, Methods, & Resources Pool

Researchers would identify the level of existing hurricane damage technology from around the world, what is available, what is possible, what is from the state, and what can be brought to and made in the state. State universities should do this work only in conjunction with construction industry specialists and together evaluate practical, cost effective, and usable technologies.

Descriptions of appropriate technologies, products, and methods should be compiled, printed, and distributed to builders in addition to posting them on an internet site (simply positing information on an internet side does not assure that the information will be widely seen, studied, or applied). Such a site would have a *technical response desk* manned by personnel qualified in the building industry to respond to specific requests and to relay the needs uncovered by the users. In this way the site becomes an “active” site instead of a “static” site.

The resources pool would list the engineers, architects, and business people specialized in various aspects of building to a higher level. They should be resource people that can get things accomplished. The lowest cost of disseminating this information would be to post all the information on a web site with a bulletin board for the technical members. The technical response desk would push information from the site to users throughout the State proactively through the builders associations.

This resources pool would also list resources and sites at which that builders, remodelers, and potential homeowners could get information on available programs fill out applications to participate in programs on-line. Completed applications would be forwarded to the Resources Pool site for proper disposition.



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Hurricane safe category 5 centers of commercial buildings, clubhouses, or designated residential buildings should be a part of every community's DMZ. These buildings would display the higher standard that mitigates property, collateral, and catastrophic damage. As projects progress, training video CD's would document the products, materials, and methods used and create a reference standard for new construction and the approved retrofit products, materials, and methods for each type of improvement. These videos on CD would be an effective low cost information and training outgrowth of the program.

A key factor to getting the information quickly and widely spread across the State will be to have various agencies put out Public Service Announcement in the local TV and Radio media as well as printed media. This can be coordinated by the Technology Desk as the information source for such public relations. The Technology Desk will also be able to work with the reporters and coordinate the discussions with reporters.

### **DMZ Bonds**

State bonds should be issued for specific projects (DMZ Bonds). DMZ bonds would be used to finance short term loans to builders participating in the higher standard building program. These loans would be repaid with interest. DMZ loans would be used for construction of homes and buildings only and not for infrastructure expenses. DMZ loans will be used for creating inventory for immediate sale on the project site and for the category 5 centers.

Loans would be repaid as the inventory is sold (less the costs of any assistant programs). One use of these bonds would be to build hurricane proof category 5 structures in DMZ zones for State government use disaster relief work, for commercial use, or for county disaster housing.

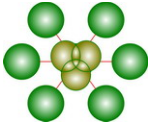
It is suggested that special DMZ loans be rolling loans would be available only until ½ of the project is sold out. Loans are based on home prices only and available for 50% of the projects value. The loan balance is retired when ½ of the higher standard construction is sold. As loans are repaid special new loans are made available for use in the balance of the higher standard community build out.

### **Incentive plans for builders.**

If builders have increased costs to build stronger hurricane proof structures, then the counties could reduce impact fees paid by the builder and the State could rebate impact fees back to the counties in the amount of the rebates. The not-for-profit organization could monitor and disburse the rebates.

Builders' construction loans could be subsidized for some percent of the interest. Builders participating in the program could be given County or State land free after building a fixed number of hurricane proof homes and commercial buildings based on a percent of their total production.

The free land could be used only buy the builder for building mixed income sustainable housing, county public works, or government buildings. The government could identify the location of the land to suit the needs of the community. As the buildings were sold, the builders would profit from the sale of the land. Buildings would be sold or offset against the DMZ bond loans.



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### **Incentive plans for homeowners & Businesses**

If homeowners or businesses have increased costs to buy or retrofit stronger hurricane proof homes and buildings, then the counties could remove impact fees from the homeowners and businesses. The State could subsidize the interest rates. The not-for-profit office of the ombudsman could monitor the interest subsidies to the lending institutions.

The State could subsidize property tax for a fixed period. The State could subsidize the cost of hurricane damage in rebates to insurance companies only until construction is upgraded or new construction meets the higher standard.

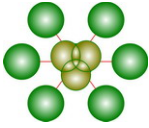
**The 5<sup>th</sup> coalition recommendation is to set-up a construction technology center where Florida manufacturers could set up their plants to produce their mitigation products in close coordination with other manufacturers and consultants in the same field. This campus would also include a vocational/technical training school, host the internet based server and technology desk, be the center for the not-for-profit ombudsman, and be a 100 acre showplace for developing new construction technologies with total employment well over 1,500 (see the *Humanitarian Alliance Plan for Sustainable-Affordable Housing* document).**

This site should also be adjacent to or on an airport for easy access to visit the plants, participating in the technology pools, and training in the technology. The State could supply the land for the construction technology center.

Each company will work in a category 5 building. Together a product, material, method improvement-think-tank-synergy will evolve that can share technology, expenses, and services at the site. Such shared services will include: marketing; export promotion; freight loading, unloading, & consolidation; cooperative purchasing; legal patent & advisory work; and human relation services for all companies at the center. Buildings at the site should be coordinated in style and structure so as not to look like an industrial park.

### **Incentive plans for Training**

- Vocational Technical schools could be funded to develop training courses for tradesmen on the techniques required to meet the new construction code and to teach about products that meet or exceed the code.
- Builders' classes can be held around the state to introduce the new construction code and to introduce cost effective products. Builders' incentives need to be explained and builders need to be shown how to build hurricane proof structures without increasing their costs. This can be accomplished by automation, factory production, vertical integration, and economy of scale enabled by the center (creating a higher standard product push)
- Homeowners must be made aware of the benefits of the new codes and what rebates are available as an incentive for them to demand this type of home (creating a higher standard demand pull).
- A traveling team should work around the State spreading the curricula, coordinating mitigation zone concepts, and introducing the programs to the counties, cities, and builders.



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### **Special Studies Funded**

Special studies required at the center can be commissioned at State Universities. Such studies might include review and certification of new technologies that mitigate hurricane damage with special emphasis on technologies developed in Florida that address the specific weaknesses in the current house package creating a unique Florida response to a Florida problem.

### **POOL Site has Interactive Function**

A general damage mitigation site has already been developed as a center for providing information to homeowners and small builders about wind, flood, and fire damage mitigation. The site also lists safety precautions and some typical mitigation installation drawings. This site is a static site (not interactive). It requires builders or homeowners, with sufficient time, search, read, download, and printout information that may be useful to them. The site is not specific to hurricane damage mitigation.

Builders and homeowners will utilize and get more out of a proactive internet site that is dynamic and responsive. The current site listed information, papers, and news releases for searchers to discover. A hurricane specific mitigation site must be manned to answer questions, use automatic responders to send appropriate information, and process applications. The Technology Pools Proactive Internet Site will enable such a dynamic to occur.

### **How to get Builders and Homeowners to Use the New Technology, Products, Materials, and Methods**

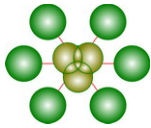
Builders and homeowners will respond to what is important to them and when any money they spend can be recovered. The key is to make new construction and retrofitting easy to understand and convenient to obtain without suffering significant additional costs. This must occur at the start of the program to mitigate hurricane damage. Once the program is well underway with accepted practices the standard of use, then the programs can be scaled back and funding supplemented by subscription fees from the builders.

### **List of Perimeter Counties**

There are 67 counties in Florida. 30 of the counties are interior counties; 37 are ocean or gulf perimeter counties. Of these 37 perimeter counties only 30 counties are qualified under the Florida Windstorm Underwriting Association.

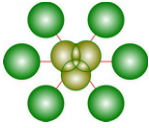
Florida is projected to have 535,000 home starts during the 2001~2005 period (although the actual home starts are currently running above this estimate). 83% of these starts (444,050) are projected to occur in the 37 perimeter counties (qualified & non-qualified) listed below (ranked by number of starts).

The first efforts of the State to accelerate hurricane mitigation to a higher standard must focus on these 37 perimeter counties to get the best bang for the buck.



Coalition for Wind Damage Mitigation  
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<u>Perimeter</u>	<u>Perimeter non-Qualified</u>	<u>Non-Perimeter</u>
Broward		
Palm Beach		Polk
Miami-Dade		Marion
Orange	Hillsborough	Lake
Brevard		Osceola
Lee		
Collier		Leon
Duval		Clay
Volusia		Sumter
Seminole		Columbia
Pasco		Highlands
Bay		Suwannee
Pinellas		Putnam
Sarasota		Jackson
Manatee		Gadsden
Okaloosa		Gilchrist
St. Johns		Washington
Santa Rosa		Hendry
Hernando		Holmes
	Charlotte	Okeechobee
St. Lucie		Desoto
Escambia		Baker
	Citrus	Bradford
Flagler		Hamilton
Indian River		Madison
	Martin	Calhoun
	Jefferson	
Nassau		
Walton		Union
Levy		Liberty
Monroe		Glades
Wakulla		Hardee
	Dixie	Lafayette
Gulf		
Franklin		
	Taylor	



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**Summary 1 – Coalition Suggestions**

The coalition's 1<sup>st</sup> suggestion is to establish a not-for-profit corporation to coordinate the programs suggested in this coalition's report. Coordination with a business mentality is the key to this ombudsman approach to accelerate projects.

Estimated personnel            60

The coalition's 2<sup>nd</sup> suggestion is to give property tax rebates to owners that voluntarily strengthen their homes and businesses to the higher standard and to make available low cost loans through interest subsidy to initiate the strengthening program. Tax rebates will be used to repay loans taken for this program and will be for the amount of the cost of the retrofit project and the DMZ bond program initiated.

Estimated personnel            10

The coalition's 3<sup>rd</sup> recommendation is to create a "Strengthening Program for Damage Mitigation" (SPDM) and "Disaster Mitigation Zones" (DMZ's) for special barrier island and coastal zone construction.

Estimated personnel            10

The 4<sup>th</sup> coalition recommendation is to create Best Technology, Products, Materials, Methods, and Resources Pools for professionals. These Pools will actively collect and proactively disseminate information as well as respond to technical questions.

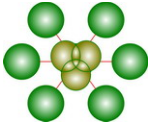
Estimated personnel            10

The 5<sup>th</sup> Coalition recommendation is to set-up a manufacturing technology campus zone where Florida manufacturers could set up their plants to produce their mitigation products in close coordination with other manufacturers and consultants in the same field. This campus would also include a vocational/technical training school, host the internet based server and technology desk, be the center for the not-for-profit ombudsman, and be a 100 acre showplace for developing new construction technologies with total employment over 1,500.

Estimated Admin                10

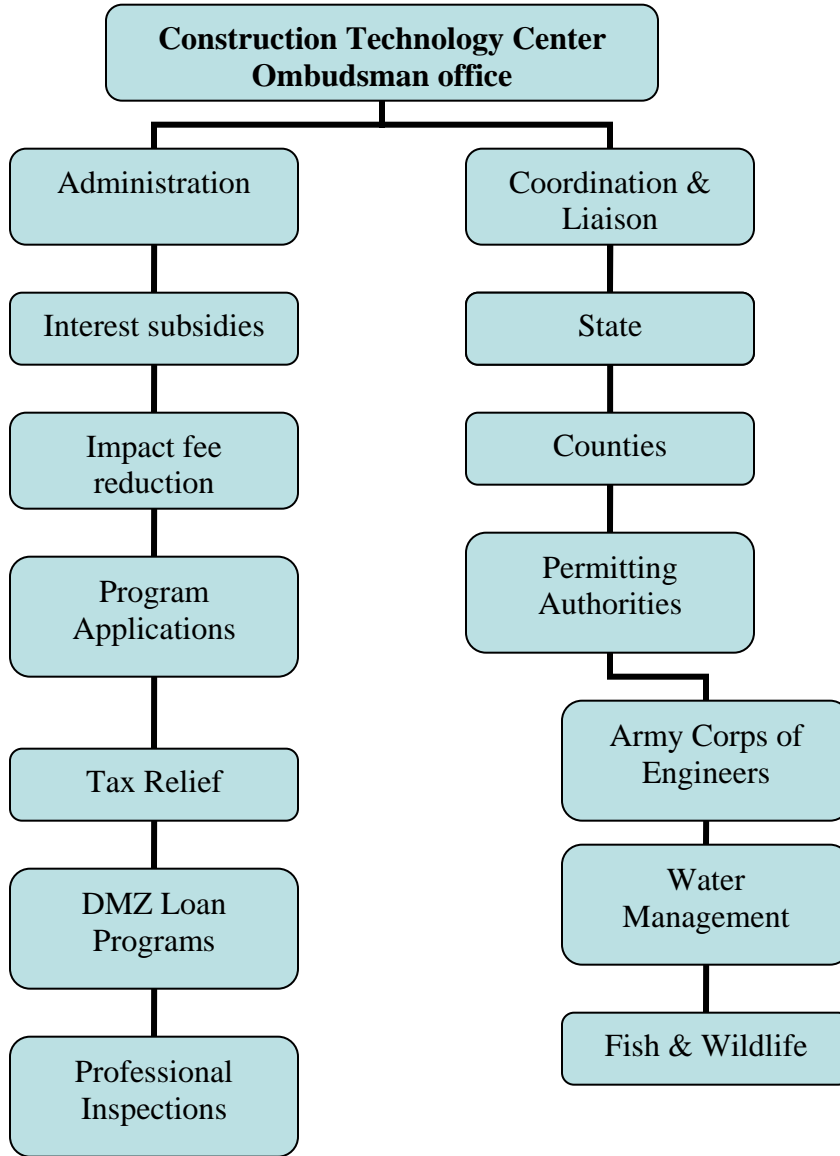
Estimated personnel            100

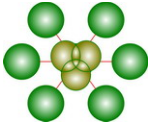
The combined number of jobs at a construction technology center would be approximately 950 new jobs, plus relocation of 150 existing jobs, and 100 new jobs from the recommendations summarized above.



Coalition for Wind Damage Mitigation  
(Attracting insurance underwriters back to Florida)

Summary 3 - Not-for-Profit Organization Chart





Coalition for Wind Damage Mitigation  
(Attracting insurance underwriters back to Florida)

**Coalition Members**

**Action Mortgage Inc.**

Fort Myers, Florida

**Bay Harbor Financial Corporation**

West Palm Beach, Florida

**Brokers International Corporation LLC**

New Orleans, Louisiana

**Composite Building Structures, Ltd.**

Fort Myers, Florida

**Centex Homes S.W. Florida Division**

Naples, Florida

**Coachmen Industries Inc.**

Elkhart, Indiana

**Enviro-Ply International**

Clearwater, Florida

**Florida Community Bank (FCB)**

Immokalee, Florida

**Florida Team Processing**

Fort Myers, Florida

**Global Manufacturing**

Immokalee, Florida

**Gross Point Development Co., Inc.**

Fort Myers, Inc.

**Integrated Distribution Solutions**

Louisville, Kentucky

**International Market Development Group LLC**

Fort Myers, Florida

**Omni-One Reality Group, Inc.**

Heathrow, FL

**Protective Glass Industries, Inc.**

Fort Myers, Florida

**Sun Ace Homes (Japan) Co., Ltd.**

Nagoya, Japan

**Suncoast Residential Lending**

Fort Myers, Florida

**United Forest Products**

Grand Rapids, Michigan

**US Home Inc. (a Lennar Family Company, Rutenberg Homes),**

Fort Myers, Florida

**Grubb & Ellis/VIP-D'Alessandro**

Fort Myers, Florida