



February 28, 2025

Todd Richardson
General Deputy Assistant Secretary
Office of Policy Development and Research
Department of Housing and Urban Affairs
451 Seventh Street, S.W.
Washington, DC 20410

RE: Request for Information Regarding Resilience Measures and Insurance Coverage

Dear Mr. Richardson:

The National Community Stabilization Trust (NCST)¹ and the Homeownership Alliance² are pleased to offer comments on the Department of Housing and Urban Developments' (HUD) Request for Information (RFI) regarding resilience measures and insurance coverage in the wake of increased natural disasters.

In 2024, there were a total of 27 confirmed natural disaster events with losses exceeding \$1 billion.³ This spike in destructive weather-related events has had devastating consequences on both renters and homeowners, and has most notably caused property insurance premiums to skyrocket. The elevated risk associated with insuring properties located in disaster-prone areas caused many insurance companies to pull out of regions or states all together, citing the inability to front the cost, as well as a heightened paid loss ratio.⁴

For example, communities in South Texas — a market served by Homeownership Alliance member come dream. come build.⁵ — reported that homeowners saw insurance premiums rise by 38% from 2021 to 2022 alone, and an additional 13.9% the following year.⁶ During that same period of time, nearly half of all HO-3⁷ policy insurers in the region exited the market altogether, leaving homeowners and housing providers scrambling for alternative coverage at an affordable and financially attainable rate. Not only has this left millions of homeowners uninsured or wholly unable to get a mortgage, but it has also drastically decreased property values in urban, suburban, and rural communities alike.⁸

While NCST's Homeownership Alliance members are grateful to see HUD examine the overlap between resiliency and the insurance crisis, **the Department must broaden the scope of its engagement on this topic to better address the industry-wide structural crisis in insurance markets.** Resiliency measures assist communities in mitigating impacts of natural disasters, but HUD must focus on the foundational pitfalls of

¹ [About](#), (2025). NCST.

² The [Homeownership Alliance](#) is a practitioner-led coalition of 20 CDFIs and nonprofit housing developers serving 14 states, (2025). NCST.

³ [Billion-Dollar Weather and Climate Disasters Overview](#), (2025). NOAA National Centers for Environmental Information.

⁴ According to [Treasury](#), the paid loss ratio, which reflects how much insurers paid for claims relative to what they received in premiums, was 8% higher in the highest risk ZIP Codes than in the lowest risk ZIP Codes.

⁵ [About](#), (2025). come dream. come build.

⁶ Single-Family Home Insurance Fact Sheet, (June 2024). come dream. come build.

⁷ [HO-3](#) is a type of insurance policy that provides coverage for the structure of a home, as well as personal belongings and liabilities.

⁸ [Recent projections](#) indicate that increased natural disasters could cut the value of the U.S. real estate by \$1.5 trillion over the next 30 years, underscoring the urgent need for comprehensive resilience measures.

the insurance market as a whole. We ask that HUD not only take into consideration our practitioner-informed feedback below, but also highlight the severe limitations of the insurance market and the adverse impact on homeowners, communities, and businesses - and hold the market to account. Improving resiliency is just one component of a larger issue hindering the wealth-building capabilities of American homeowners and the mission-driven organizations that seek to expand homeownership opportunities.

Question 1: What are the financial savings and other benefits associated with modifications to existing single family or multifamily properties to mitigate damage from natural hazards or increase resilience in the event of a natural hazard?

Investing in resilience and preparedness measures can substantially reduce the economic costs associated with disasters.⁹ For every \$1 of investment in resilience and disaster preparedness, a community saves an average of \$13 in damages, cleanup costs, and economic impact. Moreover, implementing weather resilient updates to existing single-family homes has proven to be far more economically advantageous than completely rebuilding after a post-disaster. These modifications also reduce maintenance costs, providing further savings to the family and fortifying the structure to better withstand extreme weather events.

Question 2: What are the financial savings and other benefits associated with building new construction properties with building and design features that mitigate damage from natural hazards and increase resilience in the event of a natural hazard?

There is a widespread misconception that building a resilient home is more expensive than building a conventional home. This is not always the case. Building resilient homes often pay more dividends in the long run, and can help to maintain the market's financial stability during times of consistent economic uncertainty.¹⁰

Unfortunately, these benefits are not applied equally across the nation, and there is an overwhelming need for HUD to expand the scope of work related to insurance costs. In South Texas, homeowners have found certain resiliency measures increase the cost of their insurance premium due to the perceived value of the home. This is not to disparage resiliency and retrofit efforts, as a wide body of research notes the positive impacts and savings to homeowners. Rather, we seek to highlight the overall brokenness of the insurance marketplace. There are no assumed market mechanisms that adjust price based on positive individual actions of homeowners, and this issue must be rectified with an eye to affordability and pricing relief for homeowners.

Question 5: Identify any industry standards related to resilience that you have used or referenced in your work.

Developers seeking to enhance resiliency in residential properties adhere to and comply with a number of industry standards in their lines of work, including but not limited to the FORTIFIED Home Program¹¹,

⁹ A June 2024 report, "[The Preparedness Payoff](#)," from the U.S. Chamber of Commerce, Allstate and the U.S. Chamber of Commerce Foundation, modeled 25 disaster scenarios in cities across the country. (June 25, 2024).

¹⁰ Ibid.

¹¹ The [FORTIFIED Home Program](#) is a voluntary construction and re-roofing program designed to strengthen homes against severe weather, (2025). FORTIFIED.

ENERGY STAR¹², and FEMA's Community Rating System.¹³ Each of these standards work to encourage both developers and homeowners to instill best practices and mitigate damage from natural disasters.

Question 6: Are there local, state, or regional education efforts that have been successful in helping homeowners and housing providers understand the benefits of investing in resilience measures?

While we are appreciative of the Insurance Summit convened by HUD in July of 2024 — which focused on the need to increase property resilience in the wake of natural disasters — Homeownership Alliance members believe that the Department fell short in addressing the deep-seeded, structural issues of the insurance industry. We urge the Department to continue these kinds of convenings, ones that offer on-the-ground practitioners a chance to come together and brainstorm legitimate policy solutions. We do, however, ask that HUD incorporate conversations around more meaningful solutions that can address the bigger picture, such as federal backstops and other reinsurance markets. A number of Homeownership Alliance members have also noted skepticism in the effectiveness of education to individual homeowners/ buyers as a primary strategy for addressing this vast and systemic insurance issue.

Question 12: In addition to addressing manufactured housing in the above questions where relevant, how else can manufactured home resilience be enhanced during all types of natural disasters?

Census tracts with a greater proportion of manufactured homes are “frequently among the tracts that are most exposed to one or more climate hazards, including tornadoes, hurricanes, wildfires, coastal and riverine flooding, and heat waves.”¹⁴ As HUD seeks to address resilience measures and insurance coverage related to natural disasters, it is crucial that owners of manufactured homes are positioned to safely withstand such events and are able to secure affordable insurance coverage.

Working collaboratively with the Manufactured Housing Consensus Committee (MHCC), HUD should seek to develop and disseminate optional guidance on how manufactured homes can meet standards with a greater degree of resilience. An example of this is the Insurance Institute for Business & Home Safety's (IBHS) FORTIFIED program.¹⁵ Standards like FORTIFIED not only better protect the health and safety of home occupants during extreme weather events, but also help homeowners qualify for insurance discounts and other financial benefits.¹⁶

The MHCC and HUD should also update the wind speed maps for manufactured homes. In September 2024, HUD issued its final rule amending the Manufactured Home Construction and Safety Standards. HUD proposed to update its wind code from ASCE 7-88 to ASCE 7-05, but ultimately did not make the change and instead returned the recommendation to the MHCC for further study. The current wind maps are no longer reflective of intensifying and further-reaching storm and weather events. Adopting a more recent version of the

¹² The [ENERGY STAR Program](#) is a government-backed program that encourages energy-efficient products and practices, (2025). ENERGY STAR.

¹³ FEMA's [Community Rating System](#) (CRS) is a voluntary incentive program that recognizes and encourages community floodplain management practices that exceed the minimum requirements of the National Flood Insurance Program. Over 1,500 communities participate nationwide, (2025). FEMA.

¹⁴ [Building a Climate-Resilient Manufactured Housing Stock](#), (Feb 2025). The Urban Institute.

¹⁵ [About](#), (2025). FORTIFIED.

¹⁶ [List of Mitigation Insurance Discounts and Tax Savings](#), (2025). Smart Home America.



ASCE 7 standard will ensure that manufactured homes are appropriately placed in wind zones they are designed for.

Encouraging homeowners to undertake meaningful resiliency efforts has the ability to mitigate the impact of natural disasters in the nation's most vulnerable communities. However, the Department must look beyond resiliency measures if it seeks to truly address the structural inefficiencies of the insurance industry in order for any real solution or reform to occur. We thank the Department for considering our recommendations.

Sincerely,

The National Community Stabilization Trust (NCST)

The Homeownership Alliance