



Substantial Damage and Reimbursement

2024

Florida Division of Emergency Management

Bureau of Mitigation



What is Substantial Damage

- Substantial Damage under the National Flood Insurance Program (NFIP) is defined as damage of any origin sustained by a structure whereby the cost of restoring the structure to its before-damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred



Why is this important?

- To remain in compliance with the National Flood Insurance Program (NFIP)
- If you do not maintain compliance
 - Risk probation and suspension from NFIP
 - Non-participating communities are not eligible for projects located within the floodplain under FEMA Public Assistance Categories C-G and HMGP
 - If in suspension, residents can no longer purchase NFIP Flood Insurance policies



When do I have to do this?

- It needs to be documented before repairs begin
 - Residents typically begin repairs within 7 days of a disaster
- Communities need to collect this perishable data
 - This helps monitor repairs and development in the floodplain
 - Ensures NFIP compliance
- Additional support activities are eligible for up to 180 days after the community is declared for PA Category G



Who is responsible?

- Local Building Official
- Local Floodplain Administrators
- Building Inspectors
- Building Code Enforcement
- Permit Reviews
- If local capacity is exceeded, communities may utilize a vendor or mutual aid



Category G Section 1206

1. Contact your FPA and Building Official and review your Substantial Damage Administrative Procedures
2. Request Data Analytics (NFIP Claims and Individual Assistance Data) from FEMA and sign the Information Sharing Agreement
3. Approximate the number of structures in the SFHA that are likely damaged and determine the number of teams and the length of time required to conduct SDEs
4. Determine if you have the internal capacity to complete these. If not, request assistance via mutual aid or vendor
5. Conduct SDEs
6. Send letters to residents informing them of Substantial Damage Determinations
7. Monitor development within the floodplain (SFHA) to ensure enforcement actions were taken
8. Complete any necessary work
9. Gather documentation for PA project and process accordingly within 180 days after the declaration



What is eligible?

- Review and process applications for building permits; certificates of occupancy; certificates of compliance; construction documents
 - Compliance with federal, state, and municipal building, housing, and life-safety codes and standards applicable to disaster-related repair, replacement, or retrofit
- Process requests for building code variances and monitor impacted areas for unpermitted construction activities
- Contract for services and collect fees
- Provide training and outreach to the public on building code and permit requirements
- Inspect structures under construction for compliance with approved plans, specifications, and all requirements of applicable codes, laws, and ordinances, along with reviewing and issuing elevation certificates



What is eligible?

- Identify and carry out corrective action in cases where construction, design, and occupancy do not comply with codes and/or ordinances
- Conduct and process condemnation determinations
- Enforce or administer standards for development according to community floodplain management regulations
- Process permits for disaster-related development in the floodplain
- Perform inspections to ensure compliance with repair and substantial damage construction requirements
- Review, adjudicate, and resolve Substantial Damage Determination appeals



Hurricane Helene Options

1. Conduct your own Substantial Damage Estimates and related activities with local staff and submit for reimbursement under PA Category G
2. Properly procure a vendor or mutual aid to augment local staff to conduct these activities and submit for reimbursement under PA Category G
3. Submit a mission request to the State
 - State will assign vendors to complete the Substantial Damage Estimates to work with local officials to complete work
 - State will cover the match
 - Will require a Memorandum of Understanding
 - Will require a high degree of coordination and communication among the communities and the State



Next Steps

- Submit a mission request for assistance with Substantial Damage Estimates and related work
- Mission request should include:
 - Which activities you need assistance with (i.e. substantial damage estimates, permit reviews, inspections, etc.)
 - How many structures are damaged within the SFHA
- FDEM Staff will then reach out to collect some additional information about
 - Which system you will be using to complete the SDEs
 - Where and when teams should report
 - Locations to send teams to conduct SDEs, permit reviews, inspections, etc.



Resources

- [Section 1206 DRRRA Video](#)
- [DRRA Section 1206 FEMA PA Companion Guide](#)
- [FEMA FAQ 1](#) and [FEMA FAQ 2](#)
- [Eligible Activities](#)
- [Florida Post Disaster Toolkit for Floodplain Administrators](#)
- [Florida Floodplain Management Quick Guide](#)
- Substantial Damage Administrative Procedures Template (*available upon request*)



Questions?

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