



Post-Disaster Substantial Damage Overview

WHAT

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

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

WHEN

Communities need to document damages before repairs begin. Residents typically begin repairs within 7 days of a disaster. Communities need to collect this perishable data to be able to properly monitor repairs and development in the floodplain and to ensure NFIP compliance. Additional support activities are eligible for up to 180 days after the community is declared for PA Category I.



WHO

Substantial Damage Determinations are the responsibility of the local Building Official and Local Floodplain Administrators. Other activities related to substantial damage include the building inspectors, building code enforcement, and permit reviewers. If local capacity is exceeded, communities may utilize a vendor or mutual aid.

HOW

Communities declared for PA Category I may seek reimbursement under "Section 1206." Eligible activities are reimbursable at the disaster cost share for up to 180 days after the community is declared for PA Category I. FEMA reference materials are linked below.

NEXT STEPS

Follow the steps below to conduct substantial damage activities and apply for Section 1206 Funding:

- 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 are taken
- 8 Complete any necessary work (e.g., review permits)
- 9 Gather documentation for PA project and process accordingly within 180 days after the declaration

ADDITIONAL RESOURCES

[Section 1206 DRRA 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)

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