



# Workshop Workbook

## Substantial Damage Administrative Procedures Workshop

September 2022



**FEMA**

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# Overview of the Substantial Damage Administrative Procedures Program

Communities that participate in the National Flood Insurance Program (NFIP) must adopt and enforce floodplain management regulations that include requirements for substantially improved and substantially damaged (SI/SD) structures, as defined in 44 CFR 59.1.

Improvements to structures in the regulated floodplain that equal or exceed 50% of the market value, including improvements undertaken after being substantially damaged during a disaster, must comply with local floodplain management regulations. This often means that structures cannot simply be rebuilt to previous specifications. Local officials must ensure permits that comply with local regulations are issued for all reconstruction.

As an NFIP Community, your community is expected to have an established SI/SD process. Your community may have already implemented some of the essential components of the process: permitting, formal outreach, trained assessors. You gathered documentation of your SI/SD plans and processes, and identified gaps, challenges, and opportunities to create efficiencies and completed your draft substantial damage administrative procedures (SDAP) Plan. **This Workshop Workbook will help you organize notes, next steps, and additions to your SDAP Plan while you engage with the workshop content.**



**Community Name:** \_\_\_\_\_

## PLAN BEFORE A DISASTER

Plan for a disaster by ensuring your community's floodplain management staff have an understanding of the following items. Taking time to understand definitions, requirements, and existing procedures in your community will help you know what to do after an event.



*Understand  
Regulations*

+



*Communicate  
Requirements*

+



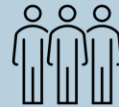
*Assess  
Vulnerability to SD*

+



*Establish an SI/SD  
Determination Process  
and Methodology*

+



*Create a Staffing Plan  
and Resource  
Assignments*

## Exercise 1: Identify your SI/SD Requirements

Review your community's codes and ordinances, and your state's codes and ordinances.

**Step 1:** Find the SI/SD requirements. If you haven't already, write where these are found in your SDAP Plan on Page 5.

**Step 2:** Identify whether there are any internal conflicts between your local codes and ordinances and between your community's codes and ordinances and the state's.

If you find any conflicts, write them here:

## Exercise 2: Craft Key Messages

Craft relevant key messages about SI/SD for three stakeholder groups in your community and jot the channels that you could use to reach them. Use the following themes of pre-disaster messaging to craft your key messages:

- Communicate about which structures are in the floodplain.
- Communicate what SI/SD is, and that they must meet certain requirements in the event of improvement or damage.

Stakeholder	Key Messages	Channels

If you haven't already, write any information on your community's pre-disaster communications planning in your [SDAP Plan on Page 6](#).

## Exercise 3: Find the SFHA (Beginner Workshop Exercise)

- Find and view one of your community's Flood Insurance Rate Map (FIRM) panels using the Map Service Center (<https://msc.fema.gov>).
- Download the National Flood Hazard Layer (NFHL) using the Map Service Center (<https://msc.fema.gov>).
- If you haven't already, mark in your SDAP Plan on Page 7 what resource your community uses to look at its regulated floodplain and if you have any higher standards that extend the regulated floodplain.
- Use the box below to write any notes on this exercise or steps you want to remember:

## Exercise 4: Identify Areas Vulnerable to SD

1. Open the spreadsheet called Vulnerable to SD Exercise.
2. Using the Pre-Disaster tab of the spreadsheet, identify which areas are likely vulnerable to SD using sorting and filtering. Circle these areas on the map below.



Use the box below to write any notes on this exercise or steps you want to remember:

Then, if you haven't already, take a moment to write any information related to whether your community has a property inventory and/or pre-populated SDE Tool in your SDAP Plan on Page 7.

## Exercise 5: Market Value Approaches

Determine the pros and cons of which market value approach to use. Consider:

- Is this harder to do when there are hundreds of structures rather than just one?
- Are certain approaches better for substantial improvement or substantial damage?

Method for Estimating Market Value	Pros	Cons
Assessed value developed for property tax assessment purposes, with relevant and appropriate uniform adjustments		
Estimates of a structure's actual cash value (must include depreciation)		
Appraisal of market value from a qualified professional who is licensed to perform appraisals in the State or community where the property is located		
Qualified Estimates based on the professional judgment of a local official		

If you haven't already, take a moment to write your process for determining market value in your SDAP Plan on Pages 8 and 9.

## Exercise 6: Cost of Improvement/Repair Approaches

Determine the pros and cons of which cost of improvement/repair approach to use. Consider:

- Is this harder to do when there are hundreds of structures rather than just one?
- Are certain approaches better for substantial improvement or substantial damage?

Method for Determining Cost of Repair/Improvement	Pros	Con
Use of the SDE Tool using percent damaged		
Qualified Estimate of costs that are prepared by the local official using professional judgment and knowledge of local and regional construction costs		
Itemized costs of materials and labor or estimates of materials and labor prepared by licensed contractors or professional construction cost estimators		
Building valuation tables published by building code organizations and cost-estimating manuals and tools available from professional building cost estimating services		

Method for Determining Cost of Repair/Improvement	Pros	Con
Building owners may submit cost estimates that they prepare themselves		

If you haven't already, take a moment to write your process for estimating cost of repair / improvement in your SDAP Plan on Pages 8 and 9.

## Exercise 7: Map Organizational Structure

Map your organizational structure under two scenarios: catastrophic event, small/typical event.

Catastrophic Event:

Small/Typical Event:

If you haven't already, take a moment to fill out information about your community's SD staffing in your SDAP Plan on Page 9 and about pre-disaster training in your SDAP Plan on Page 10.

## Notes and Next Steps

**Add any notes on the Plan Before a Disaster section here.** This may include ongoing gaps or challenges, questions, or items you learned during the workshop that you want to remember. Also note here anything you would like guidance on during the Technical Assistance Tables.

**How have you addressed the challenges you identified previously during the SDAP Workshop?**

**What are your next steps to finalize the Plan Before a Disaster section of your SDAP Plan after the workshop?**

## POST-DISASTER: IMMEDIATE COORDINATION


Your community has just experienced a disaster. While you may be helping your community in other ways, getting organized during a disaster can ensure post-disaster permitting processes are executed efficiently.



### Exercise 8: How Many Teams?

Determine how many teams are needed based on the below information. Write your answer in the box below.

 **546**  
likely damaged buildings

 **0.0625**  
days to assess each building (30 mins)

 **7**  
days to complete all assessments



How many teams do you need?

## Exercise 9: How Many Days?

Determine how many days it will take to complete determinations based on the below information. Write your answer in the box below.



**300**

likely damaged buildings



**0.0625**

days to assess each building (30 mins)



**12**

Teams available to do assessments



How many days to complete all assessments?

Use the box below to write any notes on these exercises or steps you want to remember:

If you haven't already, go back to your [SDAP Plan on Page 13](#) and consider whether you have a plan for calculating resources needed. If not, write in your current process.

## Notes and Next Steps

**Add any notes on the Post-Disaster: Immediate Coordination section here.** This may include ongoing gaps or challenges, questions, or items you learned during the workshop that you want to remember. Also note here anything you would like guidance on during the Technical Assistance Tables.

How have you addressed the challenges you identified previously during the SDAP Workshop?

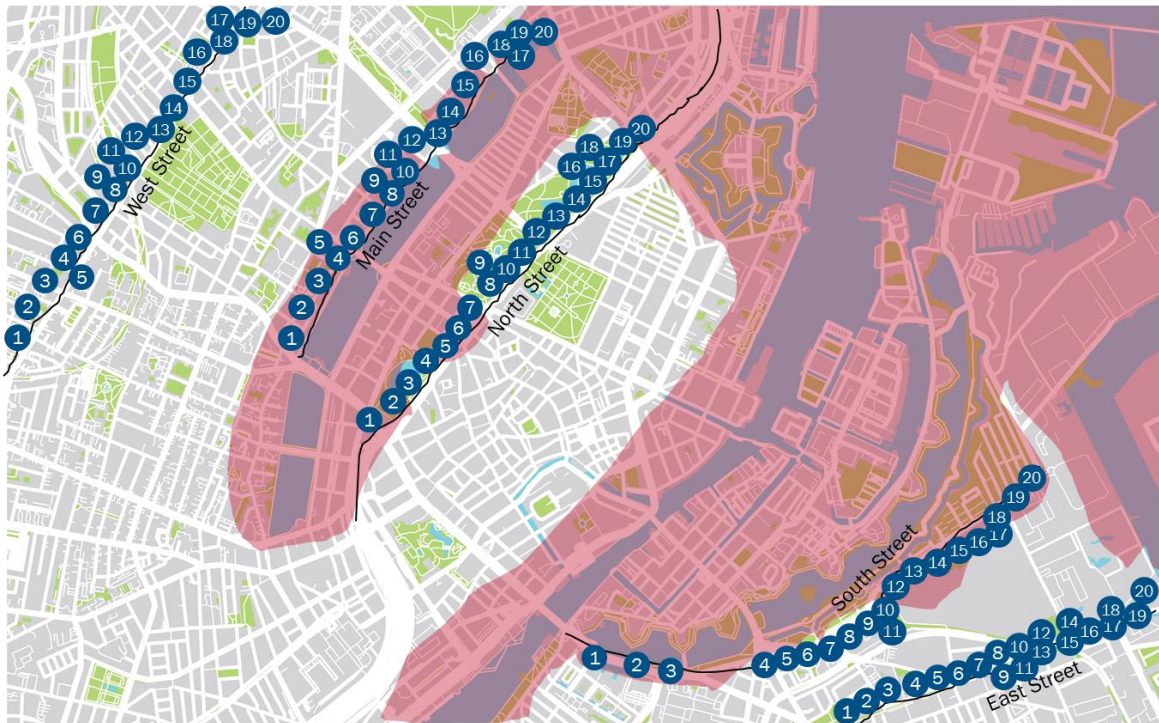
What are your next steps to finalize the Post-Disaster: Immediate Coordination section of your SDAP Plan after the workshop?

## **POST-DISASTER: ASSESSMENTS AND DETERMINATIONS**

Following a disaster, structure owners will be eager to rebuild. Most structure owners start rebuilding 7-10 days after the water recedes following a flood event. Taking action quickly and efficiently helps ensure that SI/SD determinations are made in a timely and organized manner so compliant rebuilding can begin. Remember, SI/SD requirements apply to all hazards, such as wind, fire, earthquakes, etc., not just flooding.

## Exercise 10: Identify Likely Impacted Areas

- Open the Post-Disaster Tab of the spreadsheet called Vulnerable to SD Exercise.
- The water is receding, and you need to determine where to send your staff to do SD determinations.
- Identify which areas are most likely SD using sorting and filtering. Circle these areas on the map below.



Use the box below to write any notes on this exercise or steps you want to remember:

If you haven't already, mark your process for determining the impacted area and number of structures impacted after an event in your SDAP Plan on Page 16.

## Exercise 11: Review the Letter to a Property Owner

Review an example letter sent by a local community to a property owner.

### Example Letter:

Dear Property Owner:

Substantial damage is damage of any origin sustained by a structure whereby the cost of restoring the structure to its pre-damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred. Towncity, Florida, participates in the National Flood Insurance Program. The NFIP provides flood insurance to property owners, renters, and businesses, and having this coverage helps them recover faster when floodwaters recede. The NFIP works with communities required to adopt and enforce floodplain management regulations that help mitigate flooding effects. On June 10, 2022, your home located at 11 Main Street, Towncity, Florida was damaged by a flood. We regret your loss and the damage you have experienced. Before you start making repairs, please contact the city's Building Department to apply for a building permit. We will try to make the permitting process as easy as we can. However, a permit is required and failure to obtain a permit may be a violation.

Your building is located in regulated Special Flood Hazard Area (SFHA). When a building in a special flood hazard area is damaged by any cause, we must determine whether the damage meets the definition of "substantial damage." Using estimates, it appears your building may have incurred SD. First, we estimated the cost to repair the building to its pre-damage condition. Then we compared that estimate to the estimated market value of the building before the damage occurred. A building is substantially damaged when the cost to repair it to its pre-damage condition equals or exceeds 50% of its market value. Substantially damaged buildings are required to be brought into full compliance with requirements for new construction. In most cases, substantially damaged homes must be elevated (raised) on higher foundations.

If you disagree with this preliminary damage estimate, you may submit additional information. For example, you may have a contractor prepare a detailed estimate of the cost to repair the building to its pre-damage condition. You may also obtain a formal property appraisal or estimate of actual cash value (replacement cost less depreciation) prepared by a property appraiser licensed in this state.

Please note that we will not make a final determination until we review any additional information you have or wish to obtain.

Please contact this office at 111-111-1111 by **June 30, 2022**, to schedule a consultation to discuss this estimate, the requirement to get a building permit to make repairs, and your options for bringing the building into compliance. We are sure you want to repair your property as soon as possible. It will speed things up if you contact this office as soon as possible. If you do not contact us by that date, we will use the estimates to make the final determination and notify you of the results.

Towncity, Florida, participates in the National Flood Insurance Program. If we fail to properly enforce our floodplain management regulations, not only would people and property continue to be at risk of future flooding, but we could jeopardize our participation in the program. That could result in losing eligibility for federal flood insurance, disaster assistance, and federally backed loans and grants for our citizens. Thank you in advance for your cooperation and assistance at a difficult time.

What information was helpful?

What information is unhelpful or is missing?

If you haven't already, take a moment to write any information about your community's determination notification process in your SDAP Plan on Page 18.

## Notes and Next Steps

**Add any notes on the Post-Disaster: Assessments & Determinations section here.** This may include ongoing gaps or challenges, questions, or items you learned during the workshop that you want to remember. Also note here anything you would like guidance on during the Technical Assistance Tables.

How have you addressed the challenges you identified previously during the SDAP Workshop?

What are your next steps to finalize the Post-Disaster: Assessments & Determinations section of your SDAP Plan after the workshop?

## POST-DISASTER: REINTEGRATION

Following a disaster, structure owners will be eager to rebuild. You and your staff have conducted assessments and delivered determinations, and residents can apply for permits to begin rebuilding. To help residents, your community can choose to waive permit fees—but not permits.

## Exercise 12: Appeals Decision

Scenario:

- Towncity, Florida, uses tax assessments to determine market value and the SDE Tool to determine repair costs.
- A homeowner appeals the claim with documentation of a pre-disaster appraisal for market value and a contractors estimate of repair costs.

What information and criteria do you need to decide whether to approve this appeal?

If you haven't already, take a moment to write your permitting and appeals processes in your SDAP Plan on Page 19.

## Notes and Next Steps

**Add any notes on the Post-Disaster: Reintegration section here.** This may include ongoing gaps or challenges, questions, or items you learned during the workshop that you want to remember. Also note here anything you would like guidance on during the Technical Assistance Tables.

How have you addressed the challenges you identified previously during the SDAP Workshop?

What are your next steps to finalize the Post-Disaster: Reintegration section of your SDAP Plan after the workshop?