

You Got a Substantial Damage Determination Letter, Now What?

By FEMA

If you received a letter from your local community notifying you that your home or business is substantially damaged, you probably have a lot of questions and may not be sure what to do next.

What does the letter mean?

- A notice that your home or business is substantially damaged means your structure was determined by the community to have a heavy amount of damage. This damage could be from any source (wind, water, fire, debris impact and more) and the structure is below the anticipated flood height plus any added level of protection required by your community.
- The letter will outline the actions you must take to meet local regulations — which may require elevating, demolishing, or locating your home outside the high-risk flood area.

Is substantial damage a FEMA rule?

Substantial damage is in the agreement with FEMA your community adopted through ordinance or order. Jurisdictions that participate in the National Flood Insurance Program (NFIP) must have an ordinance that specifies which structures need to be repaired or rebuilt to be able to withstand future floods.

Does FEMA make the substantial damage determinations?

Only the local community official can make substantial-damage determinations.

Can I appeal the substantial damage determination?

- If you disagree with the substantial damage determination, your community has an appeals process. You may be able to provide more detailed repair-cost estimates made by a contractor and a market value via a property appraisal.

- Your floodplain manager, building code enforcer or other official responsible for the determinations and appeals will review only information that is more detailed than that used to come to the determination.

Can I stay in my home and make some repairs until the time I can take the outlined compliance actions?

When a community allows temporary occupancy, the permit application should document the purpose and need for temporary occupancy of the damaged structure. Communities may permit the minimum repairs necessary to make the home safe and sanitary. Conditions of the permit should stipulate the types of repairs that can be made and must include a statement that no additional repairs or improvements are authorized until a detailed assessment is completed. This varies by community, and some do not allow it, so speak to your local officials.

Is there financial assistance to help take the actions required to get my structure back into compliance?

There may be. Your local community may have outlined some of these funding opportunities in your substantial-damage determination letter. Options may include benefits, grants and loans.

- FEMA NFIP Increased Cost of Compliance may be available to NFIP standard flood insurance policyholders after flood-specific damage when your local community determines your structure is substantially or repetitively damaged. This benefit can provide up to \$30,000 to help bring your structure into compliance. You will need to provide the substantial-damage determination letter from your local community to your insurance adjuster. For more information, visit <https://www.fema.gov/floodplain-management/financial-help/increased-cost-compliance> or call the NFIP at (877) 336-2627.