2019 State of Nebraska
Disaster Damage Assessment Packet

Photo courtesy of the Office of Governor Pete Ricketts

NEBRASKA
DEPT. OF NATURAL RESOURCES
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**Substantial Damage**

Communities participating in the National Flood Insurance Program (NFIP) have adopted, and are expected to enforce their floodplain management ordinance. New residential structures located in a floodplain must be elevated to at least one foot above the base flood elevation, depending upon the requirements of the community’s floodplain management ordinance. Some communities require more than one foot so check your local regulations. Floodproofing options exist for non-residential buildings. The same flood protection and elevation regulations also apply to substantially damaged buildings.

**SUBSTANTIAL DAMAGE.** Whenever a building located in a Special Flood Hazard Area on the communities Flood Insurance Rate Map (FIRM), is damaged from any source (flood, fire, seismic activity, wind, or human activity), the community must determine if that structure is substantially damaged. A building is substantially damaged when the cost of repairs is 50% or more of the structure’s pre-damaged market value.

If the building is found to be substantially damaged, the structure must be brought into compliance with the community’s floodplain ordinance (in other words, protected from future flooding to at least one foot above the base flood elevation).

The cost of repairs must be calculated for full repair to pre-damaged condition, even if the owner elects to do less, such as not finishing a basement that was finished pre-disaster. The total cost of repair includes structural and finish materials as well as labor. This must also include property owner and volunteer labor as well as any donated materials.

**CUMULATIVE COST.** If standards for cumulative improvement are adopted in a community's floodplain management ordinance, substantial damage occurs when the cost of improvements to the building (this would include even minor project that happened months before the disaster event) equals or exceeds 50% of the structure’s original market value.

**MARKET VALUE.** Market value refers to the market value of the structure only; land and exterior improvements (pools, pool houses, landscaping, walkways, etc.) are excluded.

Following a disaster, most communities find that it expedites the process to obtain the structure’s market value from the County Assessor. This method of obtaining market value ensures consistency. It is a good starting point and can be appealed later.

Sarpy County is adding 10% to the assessed value of the structure only to calculate a fair market value. Other acceptable methods of estimating market value include:

- Independent appraisals by a Nebraska professional appraiser.
- Detailed estimates of the structure’s Actual Cash Value (replacement cost minus depreciation).
- Estimates made by staff of the County Building Department.
DETERMINATION OF EVENT DAMAGE – COST OF REPAIR. Substantial Damage refers to the repair of all damage sustained and CANNOT reflect a level of repair that is LESS than the amount of the damage sustained. If the owner does not intend to repair the damaged building right away, or if the owner cannot afford to make all repairs immediately, the local official should inspect the property to determine whether, based on estimates, the work required to restore it to its full pre-damage condition will constitute Substantial Damage.

COSTS THAT MUST BE INCLUDED IN SUBSTANTIAL DAMAGE/SUBSTANTIAL IMPROVEMENT DETERMINITIONS:

- Materials and labor, including the estimated value of donated or discounted materials and owner or volunteer labor.
- Site preparation related to the improvement or repair (e.g., foundation excavation or filling in basements).
- Demolition and construction debris disposal related to removing structure walls, floors. This SHOULD NOT include cleanup or disposal of contents.
- Labor and other costs associated with demolition of the structure.
- Costs associated with maintaining compliance with other codes or regulations, including the Americans with Disabilities Act (ADA).
- Costs associated with elevating a structure when the proposed elevation is lower than the BFE.
- Construction management and supervision.
- Contractor’s overhead and profit.
- Sales tax on materials.

Residential Structure Elements and exterior finishes, including:

- Foundations (e.g., spread or continuous foundation footings, perimeter walls, chain walls, pilings, columns, posts, etc.).
- Monolithic or other types of concrete slabs.
- Bearing walls, tie beams, trusses.
- Joists, beams, subflooring, framing, ceilings.
- Interior non-load-bearing walls.
- Exterior finishes (e.g., brick, stucco, siding, painting, and trim).
- Windows and exterior doors.
- Roofing, gutters and downspouts.
- Hardware.
- Attached decks and porches.

Interior Finish Elements, including:

- Floor finishes (e.g., hardwood, ceramic, vinyl, linoleum, stone, and wall-to-wall carpet over subflooring).
- Bathroom tiling and fixtures.
- Wall finishes (e.g., drywall, paint, stucco, plaster, paneling, and marble).
- Built-in cabinets (e.g., kitchen, utility, entertainment, storage, and bathroom).
• Interior doors
• Interior finish carpentry
• Built-in bookcases and furniture
• Hardware
• Insulation

Utility and service equipment, including
• Heating, ventilation, and air conditioning (HVAC) equipment
• Plumbing fixtures and piping
• Electrical wiring, outlets, and switches
• Light fixtures and ceiling fans
• Security systems
• Built-in appliances
• Central vacuum systems
• Water filtration, conditioning, and recirculation systems

COSTS THAT MAY BE EXCLUDED FROM SUBSTANTIAL DAMAGE/SUBSTANTIAL IMPROVEMENT DETERMINATIONS:

• Clean-up and trash removal (e.g., cost of draining a basement, removing dirt and mud, and cleaning and drying out buildings)
• Costs to temporarily stabilize a building so that it is safe to enter to evaluate and identify required repairs
• Costs to obtain or prepare plans and specifications
• Land survey costs
• Permit fees and inspection fees
• Carpeting and re-carpeting installed over finished flooring such as wood or tile
• Outside improvements, including landscaping, irrigation, sidewalks, driveways, fences, yard lights, swimming pools, pool enclosures, and detached accessory structures (e.g., garages, sheds, and gazebos)
• Costs required for the minimum necessary work to correct existing documented violations of health, safety, and sanitary codes
• Plug-in appliances (e.g., washing machines, dryers, and stoves)

Guidance from Substantial Improvement/Substantial Damage Desk Reference – FEMA P-758, May 2010, P. 4-5, 4-6, 4-7
Protect Your Home from Future Flood Damages

Under the NFIP, the Increased Cost of Compliance (ICC) program may provide additional financial assistance to either elevate or remove flood-damaged structures from the floodplain. The ICC applies to flooded structures that are substantially damaged. It provides funding for a suite of measures often known as FRED (floodproofing, relocation, elevation, or demolition).

The two most common types of ICC mitigation used are:

Relocation:
Relocating structures to higher ground or purchasing flood prone property is the safest way to protect against flooding and reduce the liability and cost to the community. Relocation can be expensive, but in the long-run is not as costly as repetitive flood damages and high flood insurance premiums.

Elevation:
There are four methods used to elevate a structure:

- Construction on vented crawlspace
- Elevation on compacted fill.
- Elevation on post, piers, etc.
- Elevate house above a vented garage

The elevation method is dependent on the base flood elevation, structure’s condition, flood hazard, local floodplain regulations, and owner’s financial condition. When elevating, it is essential for all utilities (air conditioner, water heater, furnace, etc.) to be elevated to or above the Base Flood Elevation.
Owners who have standard flood insurance coverage have paid for and are eligible to receive ICC benefits if the local official determines that a structure located in a Special Flood Hazard Area has been substantially damaged by a flood or cumulatively damaged by flooding beyond 50% of the value of the structure when the damage occurred.

ICC does not normally cover buildings in B, C, X, or D Zones. However, if the community can document that it is regulating an area outside of the Special Flood Hazard Area (advisory or preliminary BFEs provided by FEMA), ICC will be available.

For more information, visit:
hhttps://www.fema.gov/media-library/assets/documents/12164?id=3010