

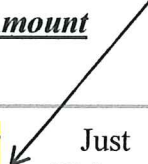
Substantial Damage Determination Guideline

If the existing damaged structures is built with living quarters below base flood evaluation a determination must be made to establish if the structures damage exceeds 50% of the total value of the home. FEMA only allows for rebuilding of a residence with more than 50% damage if it meets current building code, this includes building above the flood plain.

How do you determine the Market Value of your structure?

The standard method is to use the County's property appraiser website at www.citruspa.org. On that site you can look up the damaged property by address, name of owner, alt key number or using the map to identify the property and structure. Once you find the property the first page which shows the Value history and Tax Amount.

Value History and Tax Amount



Year	Land Value	Impr Value	Just Value	Non-Sch. Assessed	Non-Sch. Exemptions	Non-Sch. Taxable	HX Savings	Tax Amount	Tax Link
2015	\$275,310	\$305,090	\$580,400	\$580,400	\$580,400	\$0	\$0	\$0.00	Link

The value of your structure is the Improved Value; this number is multiplied by .5 or divided by 2 in order to determine 50% of the structured value. (Example is $\$305,090 \times .5 = 152,545$) or $(\$305,090 / 2 = 152,545)$. It would be acceptable to add 15% to this number for a more realistic "Market Value"; therefore you would take $\$152,545 \times 1.15 = \$175,426.75$ which will be the 50% threshold value for repair or renovation.

You will also need to prepare a list of repairs needed on your structure. This list must include materials and labor, even if you plan to do the work. Be aware that some of the items listed that need to be included in the 50% costs may not require a permit. Also, be sure to include a licensed Contractor for those items that do require permitting. All these calculations must be attached to the Substantial Damage/Substantial Improvement Form and returned to the City Building Department no matter how minimal the damage.

Once you make a determination and if it is close or over 50% we would like the opportunity to discuss this with you to see if there is a way to make the situation work to your advantage. One of the ways to possibly get a higher valuation is an option is to challenge Citrus County Property Appraiser, this can be done by hiring a licensed independent appraiser to value you the structure. Sometimes this will give you a higher value which in turn will raise your threshold amount.

Please complete the attached forms Substantial Damage Form, Signed the Affidavit and any additional documentation, then submit this to City of Crystal River Building Department, 123 Highway 19.



City of Crystal River

123 Northwest Highway 19
Crystal River, Florida 34428
Telephone: (352) 795-4216
Facsimile: (352) 795-6351

TO: Property Owners, Contractors, and Design Professionals

FROM: Jackie E. Gorman, Local Floodplain Manager & Director of Planning & Community Development

SUBJECT: Notice for Work on Existing Buildings in Special Flood Hazard Areas
Substantial Improvement/Substantial Damage Worksheets

The City of Crystal River's Floodplain Management Regulations and codes specific that all new buildings to be constructed in Special Flood Hazard Areas (SFHAs) (regulated floodplains) are required to have their lowest floors elevated to or above the base flood elevation (BFE). The regulations also specify that substantial improvement of existing buildings (remodeling, rehabilitation, improvement, or addition) or buildings that have sustained substantial damage must be brought into compliance with the requirements for new construction. Please note that a building may be substantially damaged by any cause, including fire, flood, high wind, seismic activity, land movement, or neglect. It is important to note that all costs to repair a substantially damaged building to its pre-damage condition must be identified.

There are several aspects that must be addressed to achieve compliance with the floodplain management requirements. The requirements depend on several factors, including the flood zone at your property. The most significant compliance requirements are that the lowest floor, as defined in the regulations/code, must be elevated to or above the BFE. Please plan to meet with this department to review your proposed project, to go over the requirements, and to discuss how to bring your building into compliance.

Our regulations define these terms:

Substantial damage means damage of any origin sustained by a structure whereby the cost of restoring the structure to it's before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

Substantial improvement means any reconstruction, rehabilitation, addition, or other improvement of a structure, the cost of which equals or exceeds 50 percent of the market value of the structure before the "start of construction" of the improvement. This term

includes structures that have incurred “substantial damage,” regardless of the actual repair work performed. The term does not, however, include either:

- (1) Any project for improvement of a structure to correct existing violations of State or local health, sanitary, or safety code specifications that have been identified by the local code enforcement official and that are the minimum necessary to assure safe living conditions, or
- (2) Any alteration of a “historic structure,” provided that the alteration will not preclude the structure’s continued designation as a “historic structure”.

To make the substantial improvement determination or the substantial damage determination, we compare the cost of the proposed improvement or repairs to the market value of the building (excluding land, accessory structures, and landscaping). If the resulting ratio equals or exceeds 50 percent, the existing building must be brought into compliance with the floodplain management requirements for new buildings.

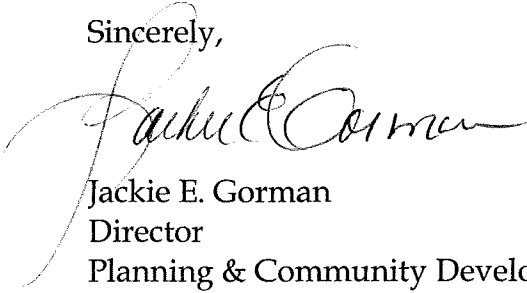
$\frac{\text{Cost of Improvement or Cost to Repair Pre-Damage Condition}}{\text{Market Value of Building}} \geq 50\%$

Please Note:

- ❖ You must provide an estimate of the cost to perform the proposed improvements or repairs. If your building has been damaged, the cost estimate must include all work required to repair the building to its pre-damaged condition. The cost estimate must include all labor and materials. If the work will be done by a contractor, the contractor’s overhead and profit must be included. If the work will be done by the owner or volunteers, market rates must be used to estimate the cost of materials and the value of labor. Attached to this notice is a list of costs that must be included and costs that are excluded. After we review the cost estimate, we may require that it be broken down to show all materials and labor estimates.
- ❖ You must provide a market value appraisal of the building that is prepared by a professional appraiser according to standard practices of the profession. We will review the appraisal to determine that it accurately describes your building and does not include the value of the land, accessory buildings, and landscaping. Alternatively, we will use the tax assessment value of your building as the estimate of the market value of the building before the work is performed.

If you have any questions regarding this information, please contact 352-795-4216 Ext. 306.

Sincerely,



Jackie E. Gorman
Director
Planning & Community Development

C: Dave Burnell, City Manager
Mark Jones, Building Official
File

Attachments:

Requirements for Applications for Permits for Substantial Improvements and Repair of Substantial Damage

Costs for Substantial Improvements and Repair of Substantial Damage

Owner's Affidavit

Contractor's Affidavit



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Requirements for Applications for Permits for Substantial Improvements and Repair of Substantial Damage

Please contact the *City Building Department 352-795-4216 Ext. 306* if you have questions about the substantial improvement and substantial damage requirements. Your building may have to be brought into compliance with the floodplain management requirements for new construction.

Applications for permits to work on existing buildings that are located in Special Flood Hazard Areas must include the following:

- + Current photographs of the exterior (front, rear, sides)
- + If your building has been damaged, include photographs of the interior and exterior; provide pre-damage photos of the exterior, if available.
- + Detailed description of the proposed improvement (rehabilitation, remodeling, addition, etc.) or repairs
- + Cost estimate of the proposed improvement or the cost estimate to repair the damaged building to its before-damage condition
- + Elevation certificate or elevation survey
- + You may submit a market value appraisal prepared by a licensed professional appraiser or we will use the tax assessment value of the building
- + Owner's affidavit (signed and dated)
- + Contractor's affidavit (signed and dated)



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Costs for Substantial Improvements and Repair of Substantial Damage

Included costs

Items that must be included in the costs of improvement or costs to repair are those that are directly associated with the building. The following list of costs that must be included is not intended to be exhaustive, but characterizes the types of costs that must be included:

~Materials and labor, including the estimated value of donated or discounted materials and owner or volunteered labor
~Site preparation related to the improvement or repair (foundation excavation, filling in basements)
~Demolition and construction debris disposal
~Labor and other costs associated with demolishing, moving, or altering building components to accommodate improvements, additions, and making repairs
~Costs associated with complying with any other regulation or code requirement that is triggered by the work including costs to comply with the requirements of the Americans with Disabilities Act (ADA)
~Costs associated with elevating a structure to an elevation that is lower than the BFE
~Construction management and supervision
~Contractor's overhead and profit
~Sales taxes on materials
~Structural elements and exterior finishes, including:
o Foundations (e.g., spread or continuous foundation footings, perimeter walls, chain walls, pilings, columns, posts, etc.)
o Monolithic or other types of concrete slabs
o Bearing walls, tie beams, trusses
o Joists, beams, subflooring, framing, ceilings
o Interior non-bearing walls
o Exterior finishes (e.g., brick, stucco, siding, painting, and trim)
o Windows and exterior doors
o Roofing, gutters, and downspouts
o Hardware
o Attached decks and porches
~Interior finish elements, including:
o Floor finishes (e.g., hardwood, ceramic, vinyl, linoleum, stone, and wall-to-wall carpet over subflooring)
o Bathroom tiling and fixtures
o Wall finishes (e.g., drywall, paint, stucco, plaster, paneling, and marble)
o Built-in cabinets (e.g., kitchen, utility, entertainment, storage, and bathroom)
o Interior doors

◦ Interior finish carpentry
◦ Built-in bookcases and furniture
◦ Hardware
◦ Insulation
~Utility and service equipment, including:
◦ 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

Excluded Costs

Items that can be excluded are those that are not directly associated with the building. The following list characterizes the types of costs that may be excluded:

◦ Clean-up and trash removal
◦ Costs to temporarily stabilize a building so that it is safe to enter to evaluate required repairs
◦ Costs to obtain or prepare plans and specifications
◦ Land survey costs
◦ Permit fees and inspection fees
◦ Carpeting and recarpeting installed over finished flooring such as wood or tiling
◦ 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 violations of health, safety, and sanitary codes
◦ Plug-in appliances such as washing machines, dryers, and stoves



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Owner's Affidavit: Substantial Improvement or Repair of Substantial Damage

Property Address:

Parcel ID Number:

Owner's Name:

Owner's Address/Phone:

Contractor:

Contractor's License Number:

Date of Contractor's Estimate:

I hereby attest that the description included in the permit application for the work on the existing building that is located at the property identified above is all of the work that will be done, including all improvement, rehabilitation, remodeling, repairs, additions, and any other form of improvement. I further attest that I requested the above-identified contractor to prepare a cost estimate for all of the work, including the contractor's overhead and profit. I acknowledge that if, during the course of construction, I decide to add more work or to modify the work described, that the City of Crystal River will re-evaluate its comparison of the cost of work to the market value of the building to determine if the work is substantial improvement. Such re-evaluation may require revision of the permit and may subject the property to additional requirements.

I also understand that I am subject to enforcement action and/or fines if inspection of the property reveals that I have made or authorized repairs or improvements that were not included in the description of work and the cost estimate for that work that were the basis for issuance of a permit.

Owner's Signature:

Date:

Notarized:



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Contractor's Affidavit: Substantial Improvement or Repair of Substantial Damage

Property Address:

Parcel ID Number:

Owner's Name:

Owner's Address/Phone:

Contractor:

Contractor's License Number:

Date of Contractor's Estimate:

I hereby attest that I have personally inspected the building located at the above-referenced address and discussed the nature and extent of the work requested by the owner, including all improvements, rehabilitation, remodeling, repairs, additions, and any other form of improvement.

At the request of the owner, I have prepared a cost estimate for all the improvement work requested by the owner and the cost estimate includes, at a minimum, the cost elements identified by the City of Crystal River that are appropriate for the nature of the work. If the work is repair of damage, I have prepared a cost estimate to repair the building to its pre-damage condition. I acknowledge that if, during the course of construction, the owner requests more work or modification of the work described in the application, that a revised cost estimate must be provided to the City of Crystal River, which will re-evaluate its comparison of the cost of work to the market value of the building to determine if the work is substantial improvement. Such re-evaluation may require revision of the permit and may subject the property to additional requirements.

I also understand that I am subject to enforcement action and/or fines if inspection of the property reveals that I have made or authorized repairs or improvements that were not included in the description of work and the cost estimate for that work that were the basis for issuance of a permit.

Owner's Signature: _____

Date: _____

Notarized:

Substantial Improvement Worksheet for Floodplain Construction

(for reconstruction, rehabilitation, addition, or other improvements, and repair of damage from any cause)

Property Owner: _____
Address: _____
Permit No.: _____
Location: _____
Description of improvements: _____

Present Market Value of structure ONLY (market appraisal or adjusted assessed value, BEFORE improvement, or if damaged, before the damage occurred), not including land value:

\$ _____

Cost of Improvement -

Actual cost of the construction** (see items to include/exclude)

\$ _____

Include volunteer labor and donated supplies.

Ratio = $\frac{\text{Cost of Improvement (or Cost to Repair)}}{\text{Market Value}} \times 100$

_____ %

If ratio is 50 percent or greater (**Substantial Improvement**), entire structure including the existing building must be elevated to the base flood elevation (BFE) and all other aspects brought into compliance.

Important Notes:

1. Review cost estimates to ensure that all appropriate costs are included or excluded.
2. If a residential pre-FIRM building is determined to be substantially improved, it must be elevated to or above the BFE. If a non-residential pre-FIRM building is substantially improved, it must be elevated or dry floodproofed to the BFE.
3. Proposals to repair damage from any cause must be analyzed using the formula shown above.
4. Any proposed improvements or repairs to a post-FIRM building must be evaluated to ensure that the improvements or repairs comply with floodplain management regulations and to ensure that the improvements or repairs do not alter any aspect of the building that would make it non-compliant.
5. Alterations to and repairs of designated historic structures may be granted a variance or be exempt under the substantial improvement definition) provided the work will not preclude continued designation as a "historic structure."
6. Any costs associated with directly correcting health, sanitary, and safety code violations may be excluded from the cost of improvement. The violation must have been officially cited prior to submission of the permit application.

Determination completed by: _____

Date: _____