



Substantial Damage Certification (waiver)

The information below is being provided as an explanation of what is required and generates a Substantial Damage determination. This can be utilized as a waiver for Hazard Mitigation Assistance (HMA) acquisition projects cost effectiveness determination.

Explanations:

- **Substantial Damage:** *Damage of any origin sustained by a building whereby the cost of restoring the building to its before-damaged condition would equal or exceed 50 percent of the market value of the building before the damage occurred.*
- **Substantial Damage Waiver:** *Federal Emergency Management Agency (FEMA) waives its standard cost-effectiveness methodology for property acquisition projects only when certain conditions are met. Structures that are declared Substantially Damaged as a result of flooding and located in a riverine Special Flood Hazard Area (SFHA) (Zone beginning or consisting of letters A or V) on a preliminary or effective FEMA Flood Insurance Rate Map (FIRM) are considered cost-effective for acquisition projects.*
 - *Sub-applicants that want to take advantage of this methodology for an acquisition project must include, in the application, a certification that the structure(s) meet these conditions.*

Minimum Information for Certification: (sample certification provided on page two – can copy and paste onto letterhead)

- Completed by local Code Enforcement and/or Floodplain Administrator
- Needs to be on local municipality's (Town, City or Village) letterhead
- Addressed to the Owner(s) of Tax Lot that contains substantially damaged structure
- Name and Title of inspector
- Date of inspection
- Address of structure
- Tax Lot identification number
- Flood Insurance Rate Map (FIRM) panel number/date and Special Flood Hazard Area (SFHA) that the Tax Lot is located in. (FIRM can be preliminary or effective)
- Flooding event and date that caused damaged.

Local Municipality Letterhead

Date of Letter

Property Owner(s)
1234 Somewhere Lane
Anywhere, New York 12345

RE: Structure Inspection

Dear *Property Owner(s)*:

On *Date of Inspection* I, *Name and Title*, inspected the structure located at *address and tax lot ID#*. The structure was damaged from a flooding event from *name of storm* that occurred *date(s) of storm*. The tax lot is located in the Special Flood Hazard Area (SFHA) as Flood Zone *??* as identified on the Flood Insurance Rate Map (FIRM) *#????????????*, dated MM/DD/YYYY.

Based upon the inspection it has been determined that the cost of restoring the building to its before-damaged condition exceeds 50 percent of the market value of the building before the damage occurred.

Please contact me if you have any questions regarding this letter.

Sincerely,