

Substantial Improvement/ Damage Determination Process

Every property that located within the established 100 year floodplain, (as in effect on the date of the sustaining of the damage) is applying for a permit to repair damage sustained by the flood, or any other source of damage, must first go through the process of determining SD/SI.

Substantial Damage/ Improvement (SI/SD), is a term used for the process we must follow in compliance with FEMA, National Flood Insurance Program, and the 2015 Michigan Residential Code (MRC), rules on floodplain development and the repair of damaged structures located in the floodplain.

The basic premise of these rules is; A home that was damaged can be rehabilitated to a point where less than 50% of the fair market value is required to repair the structure to pre- damage condition. If the costs to make the repairs are over 50% of the fair market value, the entire house must be brought up to flood plain development standards required in the MRC.

This would include raising the structure so the lowest finish floor elevation is at least 1 foot above the base flood elevation (BFE), filling in existing basements, installing flood venting, raising electrical and HVAC equipment above BFE, and other requirements.

An extremely good recourse on SI/SD is FEMA P-758, Substantial Improvement/ Substantial Damage Desk Reference.

Please familiarize yourself with the details on SI/SD in the excerpt of the FEMA document on determination of SI/SD. Our expectations are we will be receiving a tremendous number of calls dealing with the repair of the damaged structures. You will need to be equipped to answer the more general questions on this subject. The more technical questions can be forwarded to me or the appropriate inspector.

Remember this only applies to addresses located within the 100 year floodplain. You will need to check every address to see if it is the floodplain. If they are not located in the floodplain there are no limitations on the amount the owners spends on the rehabilitation.

Condemnation Notices

You will also likely be answering a ton of calls about Condemnations. This weekend 34 homes in the City of Midland where condemned due to catastrophic foundation failures. We need to correct the misconception of the public's understanding of condemnation. Condemnation simply means the building is unsafe for human occupancy and cannot be occupied until the structural deficiency is permitted, repaired and inspected. That is all it means.