

You Got a Substantial Damage Determination Letter, Now What?

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.
- The Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) administers FEMA's grant programs in Louisiana.
 - FEMA's Hazard Mitigation Grant Program provides funding to state, local, tribal and territorial governments after a presidentially declared disaster that could be used to mitigate your structure. The substantial-damage letter from your local community will help with the benefit cost analysis needed for an elevation, acquisition or reconstruction project. For more information, contact your local community or Parish Office of Homeland Security and Emergency Preparedness. View parish contacts at <http://gohsep.la.gov/ABOUT/PARISHPA>.
 - FEMA non-disaster grants: The Flood Mitigation Assistance (FMA) and Building Resilient Infrastructure and Communities (BRIC) grant programs are annual, non-disaster grants that state, local, tribal and territorial governments can apply for on behalf of homeowners. If your community missed the 2020 application deadline or your home was not selected as a project, talk to your local community or parish officials about the possibility of being included in 2021. For more information on these grants, visit <https://www.fema.gov/grants/mitigation>.
 - U.S. Department of Agriculture Rural Development Single Family Housing Repair Grant (504 Grant) may be available for applicants over 62 years of age and of very-low income who are homeowners and occupy the owned house. The lifetime grant can be up to \$7,500 for repairs. Generally, rural areas with a population less than 35,000 are eligible. For more information and a list of contacts, visit <https://www.rd.usda.gov/programs-services/single-family-housing-repair-loans-grants/la> or call (866) 481-9571.
- Loans:
 - If approved for a Small Business Administration (SBA) disaster loan, you may be eligible for additional funds to cover the cost of mitigation, including elevation. Mitigation funding is limited to 20% of the total amount of physical damage to real and personal property as verified by the SBA to a maximum loan amount of

\$200,000. Mitigation activity does not have to be included in the original loan application. For more information, visit <https://disasterloan.sba.gov/ela> or call (800) 659-2955.

- US Department of Agriculture (USDA) Rural Development Single Family Housing Repair Loans may be used to repair and improve homes. Maximum loan is \$20,000, with a 1% fixed interest rate for very low income households. Generally, rural areas with a population less than 35,000 are eligible. For more information and a list of contacts, visit <https://www.rd.usda.gov/programs-services/single-family-housing-repair-loans-grants/la> or call (866) 481-9571.

For more information about substantial damage, view Answers to Questions About Substantially Improved/Substantially Damaged Buildings at www.fema.gov/media-library/assets/documents/169099. To view a webinar recording of mitigation funding options for substantially or repetitively damaged properties, visit: <https://fema.connectsolutions.com/p61ulejt0g8w/>.

For the latest information on Hurricane Laura, visit [Louisiana Hurricane Laura \(DR-4559-LA\) | FEMA.gov](https://www.fema.gov/louisiana-hurricane-laura). For the latest information on Hurricane Delta, visit [Louisiana Hurricane Delta \(DR-4570-LA\) | FEMA.gov](https://www.fema.gov/louisiana-hurricane-delta). For Hurricane Zeta, [Louisiana Hurricane Zeta \(DR-4577-LA\) | FEMA.gov](https://www.fema.gov/louisiana-hurricane-zeta).

Community Education and Outreach Specialists are available to speak with you about repairing and rebuilding safer and stronger. Call 833-336-2487 or visit CEO's web page for publications you can use as guides for your recovery: <https://fema.connectsolutions.com/lamit/> or <https://fema.connectsolutions.com/la-es-mit/> for Spanish.

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