

# NATIONAL FLOOD INSURANCE PROGRAM



## NOTICE TO PROPERTY OWNERS

### SUBSTANTIAL IMPROVEMENT AND SUBSTANTIAL DAMAGE

Rebuilding your Home after a flood, fire or earthquake?  
Adding on, renovating or remodeling your home?

**Save yourself time, aggravation and money.** Please read the following information carefully:

If your home or business is below the 100-year flood elevation, then the City of Yucaipa has flood prevention regulations that may affect how you remodel, renovate or add on to your building. If your home or business sustained structural and/or interior damage, then these regulations may affect how your rebuild. These laws are required by the National Flood Insurance Program to protect lives and investments from future flood damages. Your community must adopt and enforce these laws in order for federally-backed flood insurance to be made available to community residents and property owners.

**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.

Substantial Damage means damage of any origin (flood, fire, earthquake, etc.) sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred. The cost of the repairs must include all costs necessary to fully repair the structure to its before damaged condition. If a building is "substantially damaged" or "substantially improved," it must be brought into compliance with the City of Yucaipa's flood damage prevention regulations, including elevation the building above the 100-year flood elevation.

The City of Yucaipa, following National Flood Insurance Program requirements, has the responsibility to determine "substantial improvement" and "substantial damage" and has implemented the following procedures to do so:

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## PROCEDURES

- 1) You must obtain and submit complete plans and other documentation in duplicate detailing the addition, remodeling and reconstruction or repair of all the damages sustained by your structure, prepared and signed by a licensed general contractor, a registered architect or registered civil engineer.
- 2) The City of Yucaipa will complete a cost estimate of the improvements/repairs to your structure. For damage repairs after widespread disasters, pre-event (flood, fire, earthquake, etc.) prices and rates will be utilized.

### INITIAL SCREENING

- 3) The City of Yucaipa will estimate the Market Value using the tax assessed value of your structure excluding the land value.
- 4) If the ratio of the improvement/repair cost (number 2) divided by the initial market value estimate (number 3) is less than or equal to 40-percent, then the improvement/repair is not substantial, go to number 13 below.
- 5) If the ratio of the improvement/repair cost (number 2) divided by the initial market value estimate (number 3) is greater than or equal to 60-percent, then the structure is a substantial improvement. If you agree with the initial screening evaluation of your structure's market value, go to number 14 below. If you disagree with the initial screening evaluation of your structure's market value, go to number 10 below.
- 6) If the ratio of the improvement/repair cost (number 2) divided by the initial market value estimate (number 3) is between 40 and 60-percent, then the City of Yucaipa will complete a detailed market value estimate, go to number 7 below.

### Detailed Evaluation

- 7) The City of Yucaipa will complete a detailed analysis of the structure's actual cash value to estimate the market value.
- 8) If the ratio of the improvement/repair cost (number 2) divided by the detailed market value estimate (number 7) is less than 50 percent, then the improvement/repair is not substantial, go to number 13 below.
- 9) If the ratio of the improvement/repair cost (number 2) divided by the initial market value estimate (number 3) is greater than or equal to 50-percent, then the structure is a substantial improvement. If you agree with the initial screening evaluation of your structure's market value, go to number 14 below. If you disagree with the initial screening evaluation of your structure's market value, go to number 10 below.

### Certified Appraisal on Appeal

- 10) You may hire a state licensed appraiser and submit a certified comparable property appraisal for the depreciated value of the structure. Appraisals based on external or economic obsolescence are not acceptable. The City of Yucaipa Engineering

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Bearing walls, the beams and trusses  
Wood or reinforced concrete decking or roofing  
Floors and ceilings  
Attached decks and porches  
Interior partition walls  
Exterior wall finishes (e.g. brick, stucco, or siding) including painting and decorative moldings  
Windows and doors  
Re-shingling or re-tiling a roof  
Hardware

### *All interior finish elements, including but not limited to:*

Tiling, linoleum, stone or carpet over sub-flooring  
Bathroom tiling and fixtures  
Wall finishes, e.g. drywall, painting, stucco, plaster, paneling, marble, or other decorative finishes  
Kitchen, utility and bathroom cabinets  
Built-in bookcases, cabinets and furniture  
Hardware

### *All utility and service equipment, including but not limited to:*

HVAC equipment  
Repair or reconstruction of plumbing and electrical services  
Light fixtures and ceiling fans  
Security systems  
Built-in kitchen appliances  
Central vacuum systems  
Water filtration, conditioning or re-circulation systems

### *Miscellaneous:*

Labor and other cost associated with demolishing, removing or altering building components  
Overhead and profit

### *Improvement Costs That May Be Excluded:*

Plans and specifications  
Survey costs  
Permit fees

Debris removal (e.g. removal of debris from building or lot, dumpster rental transport fees to landfill and landfill dumping fees), and clean-up (e.g. dirt and mud removal, building dry out, etc.)

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Department will review this appraisal for reasonableness. If the appraisal is deemed reasonable, then it will be used to make the final determination for substantial improvement.

- 11) If the ratio of the improvement/repair cost (number 2) divided by the property appraisal for the depreciated value of the structure (number 10) is less than 50-percent, then the improvement/repair is not substantial, go to number 13 below.
- 12) If the ratio of the improvement/repair cost (number 2) divided by the property appraisal for the depreciated value of the structure (number 10) is greater than or equal to 50-percent, then the improvement/repair is a substantial, go to number 14 below.

### **Owner and Contractor/Architect/Civil Engineer Affidavits**

- 13) You must obtain and submit to the City of Yucaipa signed owner and contractor/architect/civil engineer affidavits indicating that the plans submitted include all damages or all improvements to your structure (see attached lists of costs that must be included and costs that may be excluded.)

### **Substantial Improvement Floodplain Management Requirements**

- 14) Because your structure is being substantially improved/repared it is considered new construction and must meet all of the requirements of the City of Yucaipa's floodplain management ordinance. You can get a copy of this Ordinance from the City Clerk's Department.
- 15) If the lowest floor is below the base flood elevation, then the building must be elevated one foot above that level. Likewise, all electrical and mechanical equipment (heating and cooling, etc.), bathrooms, laundry rooms, etc., must be elevated to or above the base flood elevation. Non-residential buildings may be "dry flood-proofed in lieu of being elevated.
- 16) You must obtain and submit building plans in duplicate to show that the building is to be elevated. If your building is non-residential and you wish to dry-flood-proof it, then these plans must be prepared and certified by a registered professional engineer or architect. If your structure is located in a Coastal High Hazard Area (V-Zone), then these plans must also be prepared by a registered professional engineer or architect.
- 17) For substantially damaged structures, if the lowest floor, all electrical and mechanical equipment, bathrooms, laundry rooms, etc., are already above the 100-year base flood elevation, then the building can be repaired and reconstructed without further modifications.

### **Improvement Costs that Must Be Included**

*All structural elements, including but not limited to:*

Spread or continuous foundation footings and pilings  
Monolithic or other types of concrete slabs

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Items not considered real property such as throw rugs, (carpeting over finished floors), furniture, refrigerators, stoves not built in, etc.

Outside improvements including:

Landscaping

Sidewalks

Fences

Yard lights

Swimming pools Screened Pool enclosures

Sheds

Gazebos

Detached structures (including garages)

Landscape irrigation systems