

# Analysis of Substantial Improvement or Repair of Substantial Damage Packet with the 50% Cost Estimate Worksheet

## Overview of requirements and guidance

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### When is this packet and 50% Cost Estimate Worksheet required?

When a building or structure does not have a FEMA elevation certificate that shows compliance with current code.

When the lowest floor<sup>1</sup> of the building or structure, including electrical and mechanical equipment, is above the 100-year flood elevation plus one foot, the building or structure can be improved or repaired. No further documentation is required to meet the National Flood Insurance Program requirements, as described in [Collier County's Flood Damage Prevention Ordinance](#) and the [Florida Building Code 7<sup>th</sup> Ed., as amended](#).

Why is a cost estimate required? Collier County participates in the National Flood Insurance Program and must comply with National Flood Insurance Regulations contained in 44 CFR Sec. 60.3. This includes reviewing building permit applications to ensure compliance with the requirements of the Florida Building Code and the Collier County Flood Damage Prevention Ordinance.

### Examples of when the 50% Cost Estimate Worksheet is required:

- Rehabilitation or remodeling of a building with or without modifying its external dimensions
- Lateral additions that may or may not involve structural modifications of a building
- Vertical additions
- Repair of foundations, including replacing or extending foundations
- Restoration or repair of damage of any origin that is necessary to restore a building to its pre-damaged condition
- Reconstruction of demolished or destroyed buildings on the same site or the same foundation
- Work on post-Flood Insurance Rate Map (FIRM) building

### FEMA reference tools

This packet includes verbatim and paraphrased portions of the *Substantial Improvement/Substantial Damage Desk Reference* of the FEMA P-758 / May 2010. The Desk Reference explains in greater detail substantial improvement and substantial damage and can be downloaded from the FEMA website: <https://www.fema.gov/media-library/assets/documents/18562>

### Have questions?

Contact Andrew ORourke, Project Manager at 239-252-2722 or [Andrew.ORourke@colliercountyfl.gov](mailto:Andrew.ORourke@colliercountyfl.gov) or Johann Franco, Plans Reviewer at 239-252-2694 or [Johann.Franco@colliercountyfl.gov](mailto:Johann.Franco@colliercountyfl.gov) to set up an appointment to discuss your project. Please bring any related documents, such as elevation certificates, construction documents, estimates, insurance reports, and surveys, to the meeting.

To confirm flood zone and base flood elevation information, contact the Floodplain Management section at 239- 252-2942 or [floodinforequest@colliercountyfl.gov](mailto:floodinforequest@colliercountyfl.gov).

To check if an elevation certificate is available for a structure, visit this page and search by postal address: <https://colliercountygmd.maps.arcgis.com/apps/webappviewer/index.html?id=cb9fd4f9e0624d549386f304e2533c11>.

<sup>1</sup> **Lowest floor is defined as:** The lowest floor of the lowest enclosed area of a building or structure, including basement, but excluding any unfinished or flood-resistant enclosure, other than a basement, usable solely for vehicle parking, building access or limited storage provided that such enclosure is not built so as to render the structure in violation of the non-elevation requirements of the Florida Building Code or **ASCE 24**. [Also defined in FBC, B, Section 202].

## Definitions of Substantial Improvement and Substantial Damage

If a building is "substantially damaged" or "substantially improved," it must be brought into compliance with local and state flood resistant construction standards, including elevating the building to or above the base flood elevation, plus one foot.

**Substantial Improvement (SI)** 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 (or smaller percentage of established by the community) before the "start of construction" of the improvement. This term includes structures that have incurred "substantial damage," regardless of the actual repair work performed.

**Substantial Damage (SD)** means damage of any origin 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. Work on structures that are determined to be substantially damaged is considered to be substantial improvement, regardless of the actual repair work performed.

## Incremental repair of damaged buildings

Incremental improvements to damaged buildings are not allowed. All repairs, even repairs and improvements that will be completed at different points in time or through different building permits, must be identified and calculated together on the 50% Cost Estimate Worksheet.

Incremental repairs are similar to phased improvements and refer to a single repair project that is broken into parts. When buildings have sustained damage, regardless of the cause, it is common for some owners to undertake restoration and repairs over a period of time. Sometimes the initial work is only the minimum necessary to make the building safe enough to reoccupy (provided reoccupancy is allowed by the community). Sometimes the owner's financial situation does not allow all of the repairs to be done at the same time.

The definition of "substantial damage" makes it very clear that the substantial damage determination must consider all the costs necessary to restore damaged structures to their before-damage condition. Even if an owner elects to perform less work or make repairs over time, the community must require the applicant to provide an estimate of the costs to fully restore the structure. See below for guidance on estimating the costs of work performed by the owner or volunteers and the costs of donated or discounted materials (SI/SD Desk Reference 5.6.3).

## Information on how to complete the 50% Cost Estimate Worksheet

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### Determining the percent of proposed work

A cost estimate for the improvement or repair work must be submitted to the county. The cost estimate may include a contractor's bid and subcontractor bids. County staff will evaluate the 50% Cost Estimate Worksheet to determine if it includes the materials and labor needed for the permit's scope of work and if they are fair and reasonable.

### Estimates of donated or discounted materials

To help make improvements or repairs to damaged homes, some organizations and individuals donate materials, and some companies donate or provide materials at a discount. The value placed on all donated or discontinued materials should be equal to the actual or estimated cost of such materials and must be included in the total cost. Where materials or servicing equipment are donated or discounted below normal market values, the values should be adjusted to an amount that would be equivalent to that estimated through normal market transactions.

As part of the Substantial Improvement or Repair of Substantial Damage packet and 50% Cost Estimate Worksheet, the applicant should provide cost estimates of the value of donated or discounted materials based on actual or estimated costs (SI/SD Desk Reference 4.4.4).

### Estimates of owner and volunteer labor

The situations described above in the Estimates of donated or discounted materials that involved donated or discounted materials may also involve volunteer labor. Also, property owners may undertake significant improvements and repair

projects on their own. In both cases, the normal “market” value or “going rate” for labor must be included in the estimates of the cost of improvements and the costs to repair (SI/SD Desk Reference 4.4.5)

### Demolition and construction debris disposal

Demolition and construction debris disposal are not the same as clean-up and trash removal. Virtually any type of work on a building requires some demolition. It may be as little as removing the flooring or an interior wall, or as much as the complete removal of a portion of the building and its foundation. Demolition may be part of an improvement project and is usually is a necessary part of repairing damage. The costs of demolition, including the costs of disposal of the resulting debris, must be included in the cost of work (SI/SD Desk Reference 4.4.6).

### Clean-up and trash removal

Clean-up and trash removal are distinguished from demolition and construction debris disposal. Clean-up and trash removal costs are not included in the cost of work because they are not related to the actual costs of improving or repairing a building (SI/SD Desk Reference 4.4.7).

### Costs to correct existing health, safety, and sanitary code violations

The definition of Substantial Improvement provides an exclusion for “[an]y project for improvement of a structure to correct existing violations of State or local health, sanitary, or safety code specifications which have been identified by the local code enforcement official and which are the minimum necessary to assure safe living conditions (SI/SD Desk Reference 4.4.8).

When deciding whether to exclude the costs to correct existing cited health, safety, and sanitary code violations, the Building Official will consider the following:

- Limited to that necessary to correct the existing violation.
- Required to correct an existing violation
- Required to correct an existing violation.

(Paraphrased from SI/SD Desk Reference 4.4.8)

### Determining market value

When work is an improvement, the market value is the building’s market value “before the ‘start of construction’ of the improvement.” When work is repair of substantial damage, the market value is the building market value “before the damage occurred” (Paraphrased from SI/SD Desk Reference 4.5).

The County uses the Improved Value of the structure as identified on the Collier County Property Appraiser's website. This value only includes the value of the structure, not the land. County Staff can administratively add 20% to the Improved Value to determine a more accurate “market” value.

If you disagree with the Property Appraiser's valuation of the structure, you may retain a property appraiser licensed by the State of Florida to submit a comparable property appraisal for the total market value of the structure. If there is cause to question the appraisal (for example, it appears to overvalue the structure), the Building Official may request that another appraisal is provided (SI/SD Desk Reference, 4.5.1).

### Open Collier County building permits

It is the property owner’s responsibility to ensure that all open permits are included in the 50% Cost Estimate Worksheet. If multiple permits have been issued for the structure and are open, the homeowner must collect bids/quotes/bills from all the contractors and subcontractor and provide them to the contractor completing the Substantial Improvement and Repair of Substantial Packet and 50% Cost Estimate Worksheet. Only one packet and 50% Cost Estimate Worksheet is required, but it must contain all ongoing construction work. The Worksheet includes specific cost codes for open building permits.

## Guidance to complete the 50% Cost Estimate Worksheet

Work items that must be included in the 50% Cost Estimate Worksheet are those that are directly associated with the structure. The following is a list of work items for which the costs must be included on the Worksheet, however, the list is not exhaustive but rather characterizes the types of costs that must be included (SI/SD Desk Reference, 4.4.1).

### Need help?

For assistance with the Worksheet, contact Andrew O'Rourke, Project Manager, by phone: 239-252-2722 or by email: [Andrew.O'Rourke@colliercountyfl.gov](mailto:Andrew.O'Rourke@colliercountyfl.gov). Please bring any related documents, such as elevation certificates, construction documents, estimates, insurance reports, and surveys to the meeting.

#### Work items to be included

##### Open Collier County Building Permits

- All open building permits for the structure must be included in 50% Cost Estimate Worksheet. Open permits can be found on the GMD Public Portal:  
<https://cvportal.colliercountyfl.gov/cityviewweb>

##### Structural elements and exterior finishes, including:

- Spread or continuous foundation footings and pilings
- Monolithic or other types of concrete slabs
- Bearing walls, tie beams and trusses
- Wood or reinforced concrete decking or roofing
- Floors and ceilings
- Interior partition walls
- Exterior wall finishes (e.g. brick, stucco or siding) including painting and decorative molding
- Windows and doors
- Re-shingling or re-tiling a roof
- Hardware

##### All interior finish elements, including:

- 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)
- Built-in bookcases, cabinets and furniture

##### All utility and service equipment, including:

- 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 of recirculation systems

##### Also, include:

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

#### Work items to be excluded

##### Items not directly associated with the structure, including:

- 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 tipping fees) and cleanup (e.g., dirt and mud removal, building dry out, etc.)
- Items not considered real property such as: throw rugs (carpeting over finished floors), furniture, refrigerators, appliances which are not built-in, etc.
- Landscaping
- Fences
- Swimming pools\spa
- Sheds
- Detached structures (incl. garages)
- Docks and Davits
- Driveways
- Sidewalks
- Yard lights
- Screened pool enclosures
- Gazebos
- Landscape irrigation systems
- Seawalls
- Decks

# Application for Analysis of Substantial Improvement or Repair of Substantial Damage

Property Address: \_\_\_\_\_

Parcel ID Number: \_\_\_\_\_

Property Owner's Name: \_\_\_\_\_

Property Owner's Address: \_\_\_\_\_

Property Owner's Phone Number: \_\_\_\_\_

Owner-builder: ☐ Yes ☐ No (If an owner builder, then the contractor information is not required below.)

Contractor's Name and Company: \_\_\_\_\_

Contractor's Address: \_\_\_\_\_

Contractor's Phone Number: \_\_\_\_\_

Contractor's License Number: \_\_\_\_\_

Date of Contractor's Estimate: \_\_\_\_\_

Flood Zone \_\_\_\_\_ BFE \_\_\_\_\_ Lowest Floor Elevation \_\_\_\_\_ (excluding garage or carport)

## Market Value Information

Check one of the following:

☐ I am attaching a State Certified Appraiser's report, valuing the structure at: \$ \_\_\_\_\_

☐ I accept the valuation of my structure that has been recorded by the County Property Appraiser's Office.

☐ I am using an alternative source for the market value. Description: \_\_\_\_\_

## Signatures

Property Owner: \_\_\_\_\_ Date: \_\_\_\_\_

Contractor: \_\_\_\_\_ Date: \_\_\_\_\_

# Property Owner's Affidavit: Analysis of Substantial Improvement or Repair of Substantial Damage

Property Address: \_\_\_\_\_

Parcel ID Number: \_\_\_\_\_

Property Owner's Name: \_\_\_\_\_

Property Owner's Address: \_\_\_\_\_

Property Owner's Phone Number: \_\_\_\_\_

Contractor's Name and Company: \_\_\_\_\_

Contractor's Address: \_\_\_\_\_

Contractor's Phone Number: \_\_\_\_\_

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 the improvements, rehabilitation, remodeling, repairs, additions, and any other form of improvement. I further attest that I requested the above-identified contractor (or I as the owner-builder) to prepare a cost estimate for all of the work, including the contractor's overhead and profit. I acknowledged that if, during the course of construction, I decide to add more work or to modify the work described, that Collier County 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

Property Owner's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

State of \_\_\_\_\_ County of \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by (printed name of owner or qualifier) \_\_\_\_\_

Such person(s) Notary Public must check applicable box:

- ☐ Are personally known to me
- ☐ Has produced a current drivers license \_\_\_\_\_
- ☐ Has produced \_\_\_\_\_ as identification.

Notary Signature: \_\_\_\_\_

Must Comply with Notarial Law

Notary Seal

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

*To be completed by Contractor Only.*

Property Address: \_\_\_\_\_

Parcel ID Number: \_\_\_\_\_

Property Owner's Name: \_\_\_\_\_

Property Owner's Address: \_\_\_\_\_

Property Owner's Phone Number: \_\_\_\_\_

Contractor's Name and Company: \_\_\_\_\_

Contractor's Address: \_\_\_\_\_

Contractor's Phone Number: \_\_\_\_\_

Contractor's License Number: \_\_\_\_\_

Date of Contractor's Estimate: \_\_\_\_\_

I hereby attest that I, or a member of my staff, 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 produced a cost estimate for all of the improvement work requested by the owner and the cost estimate includes, at a minimum, the cost elements identified by the Collier County Growth Management Department 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 justification of the work described in the application, that a revised cost estimate must be provided to the Collier County Growth Management Department, which will re-evaluate its comparison to 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.

Contractors Signature: \_\_\_\_\_

State of \_\_\_\_\_ County of \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by (printed name of owner or qualifier) \_\_\_\_\_

Such person(s) Notary Public must check applicable box:

- ☐ Are personally known to me  
☐ Has produced a current drivers license \_\_\_\_\_  
☐ Has produced \_\_\_\_\_ as identification.

Notary Signature: \_\_\_\_\_

