

NATIONAL FLOOD INSURANCE PROGRAM

# REBUILDING SAFER & STRONGER AFTER A FLOOD



FEMA





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# Introduction to the National Flood Insurance Program

The National Flood Insurance Program (NFIP), overseen by FEMA, aims to reduce future flood damage and lessen the impact of flooding by providing people with flood insurance and resources on how to rebuild stronger after a flood.

If your home or business is damaged or destroyed by a flood, you will face major decisions about your property. The following information from the NFIP is intended to assist both policyholders and non-policyholders with the recovery process so you can rebuild safer and stronger.

## Begin Cleanup & Remediation

Immediately after the flood event, ensure you take proper precautions to protect yourself prior to handling any hazardous materials you may find in your home or business. Safely remove water, sewage and other debris from your property as soon as possible and sanitize (which may require professional remediation) to avoid damage worsening and potential mold growth. Removing potentially dangerous substances and debris can also help you evaluate the next steps on your path to recovery.

For more information on immediate actions you should take, review FEMA's Starting Your Recovery Fact Sheet at [agents.floodsmart.gov/starting-your-recovery](https://agents.floodsmart.gov/starting-your-recovery). If your home or business is covered by flood insurance, refer to the NFIP Claims Handbook for information on filing your flood insurance claim at [agents.floodsmart.gov/claims-handbook](https://agents.floodsmart.gov/claims-handbook).

## Contact Your Community's Officials

Construction and repairs may only begin after you obtain the required local permits from your community's floodplain management and building code offices. Consult your local building code and floodplain official for information and permits when considering repairs to your flooded property or starting new construction.

Requirements may vary if you reside in an NFIP-participating community, which adopts and enforces the NFIP's minimum floodplain management requirements to help reduce future flood risk. Special floodplain management requirements and building codes may also apply if you're in a Special Flood Hazard Area (SFHA), both in participating and non-participating NFIP communities. Contact your community's building code office to ensure you are informed of all required building codes and requirements.



## UNDERSTAND DAMAGE DETERMINATIONS

If your community participates in and is in good standing with the NFIP, the local community official who oversees floodplain management regulations is responsible for making substantial improvement or substantially damaged determinations. These determinations may be cumulative calculations based on past damages or improvements and may affect your repair or rebuilding plans.

**Substantial improvement** is any rehabilitation, addition or other improvement to a building where the cost equals or exceeds 50% (or a lower threshold if adopted and enforced by the community) of the building's market value before the start of construction of the improvement. **Some communities may have a lower percentage in their ordinances.**

If a local government official decides that your building or manufactured home is substantially improved, it must be brought into compliance with floodplain management (and building code) regulations for new construction based on the property's flood zone. Every aspect of the building must be made compliant.

### Did You Know?

Just one inch of water can cause roughly **\$25,000 of damage.**



**Substantial damage** determinations are made when the cost of restoring the building to its pre-damaged condition would equal or exceed 50% (or a lower threshold if adopted and enforced by the community) of the building's market value before the damage occurred. **Some communities may have a lower percentage in their ordinances.**

For more information regarding substantial improvement or substantial damage determinations, view FEMA's Answers to Questions About Substantially Improved/ Substantially Damaged Buildings at [agents.floodsmart.gov/SI-SD-answers-to-questions](https://agents.floodsmart.gov/SI-SD-answers-to-questions).

If a local official determines that your damaged building or manufactured home is in an SFHA and has received substantial damage, then it must be brought into compliance with floodplain management and code regulations for new construction.

# Prepare to Rebuild

## SELECT A CONTRACTOR

Once you're ready to start repairs, research contractors. Know that you may need to hire more than one contractor depending on the scope of your repairs. Ensure they have valid credentials and confirm they are local to your area (i.e., county or city). Local contractors will know the building practices, permitting processes and building code requirements of your area. If there are no qualified local contractors available, research contractors throughout your broader region. Consider asking if they are licensed, bonded or insured. Request detailed estimates, as well as project descriptions and timelines, in writing.

If using a non-local contractor, work with them and your community's building office to ensure they are informed on all building code and permitting requirements.

If you're located in an NFIP-participating community that's in good standing with the NFIP and your building has been determined to need substantial improvement or it has been declared substantially damaged, make sure you understand any mandatory building requirements prior to starting construction, especially in SFHAs.

## REVIEW THE CONTRACTOR'S EVALUATION

Once your contractor completes their assessment, they will provide you with the results and their recommendations. Review their proposal and determine what steps are best for your property and budget. Additionally, coordinate with your insurance adjuster and insurance agent to ensure everyone knows and accounts for the estimated cost of repairs.

To help comply with mandatory rebuilding requirements, the NFIP offers eligible policyholders up to \$30,000 in Increased Cost of Compliance (ICC) coverage. ICC coverage can be used to pay for the elevation, relocation and demolition of substantially damaged buildings insured under the Standard Flood Insurance Policy (SFIP). For more information, visit [fema.gov/floodplain-management/financial-help/increased-cost-compliance](https://www.fema.gov/floodplain-management/financial-help/increased-cost-compliance).



## EXPLORE MITIGATION OPTIONS

While planning your repairs or rebuilding process, discuss mitigation options with your contractor(s). The following flood mitigation measures may be used to meet the minimum rebuilding requirements of the NFIP, help protect your building from future flood damage and possibly lower your flood insurance premium.

### Elevation

The goal of elevating your home or business is to raise the lowest floor to at or above the Base Flood Elevation (BFE), the level at which floodwater is estimated to reach during a flood. Generally, you can elevate your entire building including the lowest floor or leave your home or business in its existing position and build a new raised floor above the lowest floor.

During the elevation process, most buildings (including manufactured homes) are separated from their foundations, raised on hydraulic jacks, and held by temporary supports while a new or extended foundation is built below. This method may work well for homes and businesses originally built on basements, crawlspaces and open foundations.

For homes or businesses with slab-on-grade foundations, elevation can be done in one of two ways. One approach is to leave the building attached to the slab foundation and lift both together. After it's lifted, a new foundation is constructed below the slab. The other approach is to detach the home or business from the slab and elevate it, leaving the slab foundation in place. After the building is lifted, a new, elevated floor is constructed.

For this to be considered a mitigation measure, the elevation must be verified by a mitigation expert. Any changes must comply with floodplain management regulations and meet the definition of an elevated building. Be sure to check with your state and community, as some regulations require you build a specific number of feet above the BFE, called freeboard.

Although elevating a home or business can help protect it from floodwater, consider other hazards before choosing this mitigation method. Take into consideration all pros and cons of elevation before proceeding.

## Wet Floodproofing

Wet floodproofing your building means modifying portions of the property so that floodwaters will enter but not cause significant damage. Because of this, wet floodproofing is only practical for non-residential buildings or portions of a residential building that are not used as a living space—this can include a basement as defined by the NFIP, an enclosure such as a walkout-on-grade basement, a crawlspace or an attached garage.

**You can use various techniques to implement wet floodproofing. These techniques include, but are not limited to:**

- Raising utilities, equipment and important contents to or above the flood protection level;
- Installing and configuring electrical and mechanical systems to minimize disruptions and facilitate repairs;
- Installing flood openings or other methods to equalize hydrostatic pressure exerted by floodwaters; and
- Installing sump pumps to gradually remove floodwater from basement areas after a flood.



Wet floodproofing may be used when other mitigation options are either too costly or not feasible. If you intend to wet floodproof your building, a licensed engineer or design professional should meet with your contractor to determine the structural integrity of the walls.

*If your building has been declared substantially damaged or is being substantially improved, your community's floodplain management ordinance may restrict the use of wet floodproofing to attached garages and enclosed areas below the BFE that are used solely for parking, storage and access. For more information, consult your local officials.*



## Explore Assistance Options

Federal hazard mitigation assistance grants to repair or rebuild your building may be available. Check with your local Emergency Manager or building official to see if there may be any grant opportunities in your community.

**To learn more about the hazard mitigation assistance grant process, visit [fema.gov/grants/mitigation](https://www.fema.gov/grants/mitigation) and select which option best describes your project.**

## Dry Floodproofing

Dry floodproofing is the process of making your non-residential building or business watertight below the BFE so that floodwaters cannot enter. It requires sealing the entire building below the risk elevation to be made substantially impermeable to water. Doors, windows and other openings below the BFE must be reinforced with permanent or removable shields. Backflow valves could be installed in sewer lines and drains, depending on community regulations and guidelines. Consult with a licensed plumber to install the backflow valves and a licensed contractor if major excavation is needed.

Only non-residential properties or businesses that are in good condition should consider dry floodproofing their structure due to exterior walls being exposed to the force of water. Properly constructed walls in good condition should be able to withstand three feet of water, whereas poorly constructed buildings may not.

Additionally, depending on the duration of flooding and the ease of which water flows through the soil, there may be a higher probability of buoyant (or upward) force. This can cause foundation damage or, in extreme cases, floatation.

Dry floodproofing requires full participation by the property owner before future flood events. You must be willing and able to install all flood shields and carry out all other activities required for successful operation of the dry floodproofing system, including being on-site to set it up before floodwaters arrive. A dry floodproofing system also requires



maintenance to ensure all elements are functional. These obligations can leave room for human error and cause failure in the dry floodproofing system in the event of a flood.

*Dry floodproofing may not be used to bring substantially improved or substantially damaged buildings into compliance with your community's floodplain management ordinance or law unless the building is granted with a floodproofing exception.*

**Dry floodproofing residential buildings will not reduce flood insurance premiums.**

## Did You Know?



The NFIP requires a floodproofing certificate, issued by a floodproofing expert, for floodproofing to be considered a sufficient mitigation measure. **Implementing certified floodproofing may result in a lower flood insurance premium.**

## Potential Benefits of Mitigation

- **Increase the resiliency** of your home or business and reduce future flood losses from natural disasters in the future.
- **Lower the cost** of your homeowners and flood insurance premiums.
- **Increase the value** of your property.

# Consider Alternatives to Repairing & Rebuilding

If your building has been repeatedly flooded, consider these options before and after your next flooding event instead of repairing or rebuilding on the same property.

## RELOCATE YOUR BUILDING

This mitigation technique offers the greatest security from future flooding. It involves moving an entire building to another location, usually outside of the flood hazard area. Relocation is particularly appropriate in areas where the flood hazard is severe, such as where flood conditions are characterized by one or more of the following:

- Deep water;
- Rapid rates of rise and fall;
- Short warning time;
- Wave action;
- High-velocity flow;
- High debris potential;
- Long duration; and/or
- Erosion.

Relocating your home or business not only lessens anxiety about future flooding, but also offers the opportunity to reduce future flood insurance premiums. However, this is typically the most expensive mitigation method and requires careful planning and evaluation. Relocating a building involves lifting it off its foundation, placing it on a flatbed trailer, hauling to a new site outside of the flood hazard area and lowering it onto a new foundation. Consult with your insurance agent, community officials and licensed contractors to see if relocation is a feasible mitigation technique.

After flooding causes damage to your home or business, relocation may not be practical based on the damage sustained. Consider other mitigation actions in this instance.

## DEMOLISH YOUR BUILDING

Demolition is tearing down a severely damaged structure. A new, compliant building can be built onsite, rebuilt on another property or you can move into another building elsewhere. If your property has received extensive damage due to flood, this may be the most practical mitigation method.

Whether you intend to rebuild or move, you must demolish your damaged home or business and restore the site. This can involve filling in a basement, grading and landscaping. You will need the help of a demolition contractor, who will also be able to help if you decide to rebuild on the old site or somewhere else on the same property.

All demolition, construction and restoration work must be done according to the regulations of your community. If you decide to rebuild on the site of your old home or business, this is considered new construction and you must rebuild in compliance with your community's floodplain management ordinance. Policyholders may be eligible for ICC coverage to help with these expenses for eligible flood-damaged structures.

### Funding Opportunity



There may be federal or state grant funding available for a buyout to demolish your building. However, receiving a government buyout is not a simple process. **Refer to “Request a Government Buyout” on page 13 for more information.**

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## SELL YOUR PROPERTY

If you repaired or rebuilt aspects of your property that were damaged in a flood but wish to sell (now or in the future), be transparent with your real estate agent and any potential buyers about the flood damage the property experienced. Be sure to share any property-specific documentation, like an Elevation Certificate (EC), with the buyer. An EC is used to compare the building's lowest

floor with the BFE. Learn more about elevation certificates at [agents.floodsmart.gov/write-policy/elevation-certificates](https://agents.floodsmart.gov/write-policy/elevation-certificates).

Point out any mitigation measures your contractor may have implemented and work with an appraiser and your real estate agent to list your property at a reasonable price based on its flood history. **Some states have disclaimer and/or non-disclosure laws.**

If the purchaser must repair the building to meet any community floodplain management ordinances, the cost of such obligations should be reflected in the purchase price to the new owner.

When you sell a property that is flood insured, the policy can be transferred to the new owner(s), but not the claim. If the existing flood insurance policy is lower than the full-risk premium, the new owners may be able to keep the lower cost at the time of transfer. However, the sale of a building from one individual to another is a contract between those individuals and should not involve the NFIP.

## REQUEST A GOVERNMENT BUYOUT

After a presidentially declared disaster, local officials may request money from the state to purchase properties that have been flooded or determined substantially damaged. These purchases, called buyouts or acquisitions, aim to mitigate against future flood losses.

The decision to offer buyouts is made by the state and often includes funding provided through FEMA's Hazard Mitigation Assistance (HMA) programs which include the Hazard Mitigation Grant Program (HMGP), Flood Mitigation Assistance (FMA) program and the Building Resilient Infrastructure and Communities (BRIC) program. Other federal funding sources may include the Community Development Block Grant Disaster Recovery (CDBG-DR) program and certain U.S. Army Corps of Engineers funding programs. For more information on FEMA's HMA programs, visit [fema.gov/grants/mitigation](https://fema.gov/grants/mitigation).

Of the buyout cost, 75% may be paid by FEMA and the rest would be paid by the state and/or local government. Learn more about disaster buyouts, including the CDBG-DR, through the Department of Housing and Urban Development (HUD) at [hud.gov/program\\_offices/comm\\_planning/cdbg-dr](https://hud.gov/program_offices/comm_planning/cdbg-dr).

Offering buyouts is not a simple process and requires agreements with local government officials, the state and FEMA. Buyouts are but one flood mitigation measure, and state and local officials may determine that other flood mitigation measures are more appropriate for a given situation.



Properties most commonly eligible for buyouts are those located in SFHAs and listed as primary residences. If you are interested in a buyout, you can express interest to your local emergency manager or floodplain administrator. **You cannot condemn your home or business on your own.** A state and local government could condemn your property with just compensation if there are no other viable recovery options.

Communities interested in buyouts will submit applications to the state and the state will review the proposals. The state will then determine the communities that will be considered for buyouts and forward to FEMA for review and approval. FEMA reviews all mitigation proposals to ensure they are eligible, technically feasible, cost effective and follow relevant federal, state and local regulations including Environmental and Historic Preservation regulations and executive orders of the federal government. Buyouts are typically administered by local government entities. As part of the buyout process, a fair-market value for the property as determined by a certified appraiser is typically conducted. Before you can receive funds from the sale, funds received from FEMA's Individual Assistance (IA) or a flood insurance claim payment that were not used to repair the property will be deducted.

If you still owe a mortgage on your property, the balance due will be deducted and paid to the lienholder. After the required payment(s) have been made, the building is then demolished, and the land is deeded to the local government with its use restricted to open space.

Funding for buyouts is limited and requests for funding may exceed available resources. Learn more by contacting your local government officials or your state floodplain manager. Find a list of state floodplain managers at [floods.org/membership-communities/connect/state-floodplain-managers-scs](https://floods.org/membership-communities/connect/state-floodplain-managers-scs). For more detailed information on FEMA's acquisition program, see Part A of the Addendum to the Hazard Mitigation Assistance Guidance at [agents.floodsmart.gov/hma-guidance-addendum](https://agents.floodsmart.gov/hma-guidance-addendum).

# Prepare for Future Floods

Once you have rebuilt and implemented mitigation measures, continue to take preventative actions. **Even if you're not located in an SFHA, your property is still potentially susceptible to flood damage.**

On average, about 40% of NFIP flood insurance claims come from outside SFHAs. By elevating your building and/or employing other mitigation options, your risk is decreased but not removed.

Proactive measures can be taken in and around your property to protect both buildings and personal belongings. The practice of implementing those measures is called flood loss avoidance.

The NFIP offers policyholders who purchase a Standard Flood Insurance Policy (SFIP) coverage to protect themselves against flood loss.

**Items that are considered covered flood loss avoidance expenses include but are not limited to:**



Water pumps



Labor



Sandbags



Fill to create  
temporary levees



Plastic sheeting  
& lumber



Moving & storage  
expenses

To ensure reimbursement eligibility, keep copies of all receipts for submission to your insurance agent, flood insurer or adjuster. For more information on flood loss avoidance, read the Understanding Flood Loss Avoidance flyer at [agents.floodsmart.gov/flood-loss-avoidance](https://agents.floodsmart.gov/flood-loss-avoidance), visit [floodsmart.gov](https://floodsmart.gov) or contact your insurer or agent.



## ADDITIONAL GUIDANCE AND CONTACT INFORMATION

To learn more about the NFIP, visit [floodsmart.gov](https://www.floodsmart.gov).

For more details on mitigation techniques, see the Homeowners Guide to Retrofitting at [agents.floodsmart.gov/homeowners-guide-retrofitting](https://agents.floodsmart.gov/homeowners-guide-retrofitting).

To understand your property's flood risk and learn more about flood maps, access FEMA's Map Service Center at [msc.fema.gov/portal/home](https://msc.fema.gov/portal/home) or call **877-336-2627**.

Explore the NFIP's Technical Bulletins that provide guidance for complying with the NFIP's building performance requirements at [fema.gov/flood-insurance-technical-bulletins](https://www.fema.gov/flood-insurance-technical-bulletins).



**FEMA**



Congress created the National Flood Insurance Program (NFIP) in 1968 to reduce future flood damage through floodplain management, and to provide people with flood insurance through individual agents and insurance companies. FEMA manages the NFIP.

If you use a relay service, such as video relay service (VRS), captioned telephone service or others, give FEMA the number for that service.

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