

## REQUIREMENTS FOR SUBSTANTIALLY DAMAGED AND SUBSTANTIALLY IMPROVED STRUCTURES

If your home or business incurred damage, the engineering department, in conjunction with the Flood Mitigation Officer, will need to determine if your structure has been substantially damaged.

*Substantial damage* shall mean damage of any origin sustained by a structure whereby the cost of restoring the structure to its original condition would equal or exceed fifty (50%) percent of the pre-damage market value or tax record value of the structure before the damage occurred.

For example:

A house assessed at \$50,000.00 damaged by flood, wind, fire, etc., would be considered "substantially damaged" if the cost to repair the structure was more than \$24,999.99.

The term "cost to repair" includes the costs of all Work to restore a damaged building to its pre-damage condition. That is, the determination is made assuming that you must hire someone to complete your repairs a cost estimate of the repairs is required. If you are executing repairs yourself, or happen to have a spare hot water heater at your disposal, no credit is given for decreased cost.

Houses located in a flood zone that are substantially damaged must be retrofitted as necessary to meet current flood ordinances and construction codes. This may involve:

Elevating the dwelling;  
Eliminating Basements;  
Raising the Crawl Space Elevation;  
Installation of Flood Vents;  
Elevating Mechanical Devices such as hot water heaters, furnaces, etc...

If your structure is substantially damaged, you may qualify for additional insurance money for the Increased Cost of Compliance (ICC). ([www.fema.gov/increased-cost-compliance-coverage](http://www.fema.gov/increased-cost-compliance-coverage))

Applications for Substantial Improvement / Damage Determinations pertaining to existing buildings located in Special Flood Hazard Areas must include the following:

- Photos of the damaged structure both Interior and exterior
- Photos of the pre-existing conditions of the damaged structure both interior and exterior (if available)
- Detailed description of the proposed improvements and/or repairs can be provided in the form of an insurance claim, contractor's / property owner's estimate, or FEMA
- Inspection Report. All estimates and claim work should be itemized by trade and task)
- Elevation certificate or Elevation Survey
- Owner's affidavit (signed and dated)

Please refrain from submitting any parts of the above list until the entirety of all items until the entirety of all items requested is available. **Applications must be hand delivered or mailed in as fax and electronic transmissions will not be accepted.**

Please contact the Flood Mitigation Officer, regarding any questions about the Substantially Improved or Substantially Damaged Determination Process and Requirements.

BERKELEY TOWNSHIP  
Pinewald-Keswick Road  
P.O.Box B  
Bayville, NJ 08721

FLOOD MITIGATION OFFICE  
Phone: (732) 244-0660  
Fax: (732) 557-0214



## Items Included for Substantial Improvements and Repair of Substantial Damage

Items that must be included in the costs of improvement or costs to repair are those that are directly associated with the building. The following list of costs that must be included is not intended to be exhaustive, but characterizes the types of costs that must be included:

- Materials and labor, including the estimated value of donated or discounted materials and owner of volunteered labor
- Site preparation related to the improvement or repair (foundation excavation, filling in basements)
- Demolition and construction debris disposal
- Labor and other costs associated with demolishing, moving, or altering building components to accommodate improvements, additions, and making repairs
- Costs associated with complying with any other regulation or code requirement that is triggered by the work, including costs to comply with the requirements of the Americans with Disabilities Act (ADA)
- Costs associated with elevating a structure to an elevation that is lower than the BFE
- Construction Management and supervision
- Contractor's overhead and profit
- Sales Taxes on materials
- Structural Elements and exterior finishes, including:
  - ✓ Foundations (e.g., spread or continuous foundation footings, perimeter walls, chain walls, pilings, columns, posts, etc)
  - ✓ Monolithic or other types of concrete slabs
  - ✓ Bearing walls, tie beams, trusses
  - ✓ Joists, beams, subflooring, framing, ceilings
  - ✓ Interior non-bearing walls
  - ✓ Exterior finishes (e.g., brick, stucco, siding, painting, trim
- Structural elements and exterior finishes (cont.):
  - ✓ Windows and exterior doors
  - ✓ Roofing, gutters, and downspouts
  - ✓ Hardware
  - ✓ Decks and walkways
  - ✓ Bulkheads
- Interior finish elements including:
  - ✓ Floor finishes (e.g., hardwood, ceramic, vinyl, linoleum, stone, and wall to wall carpet over subflooring
  - ✓ Bathroom tiling and fixtures
  - ✓ Wall finished (e.g., drywall, paint, stucco, plaster, paneling, and marble
  - ✓ Built-in cabinets (e.g., kitchen, utility, entertainment, storage, and bathroom
  - ✓ Interior doors
  - ✓ Interior finish carpentry
  - ✓ Built-in bookcases and furniture
  - ✓ Hardware
  - ✓ Insulation
- Utility and Service Equipment, including:
  - ✓ HVAC equipment
  - ✓ Plumbing fixtures and piping
  - ✓ Electrical wiring, outlets, and switches
  - ✓ Light fixtures and ceiling fans
  - ✓ Security Systems
  - ✓ Built-in appliances
  - ✓ Central vacuum systems
  - ✓ Water filtration, conditioning, and recirculation systems

## Excluded Costs

Items that can be excluded are those that are not directly associated with the building. The following list characterizes the types of costs that may be excluded:

- Clean-up and trash removal
- Costs to temporarily stabilize a building so that it is safe to enter to evaluate required repairs
- Land Survey costs
- Permit fees and inspection fees
- Carpeting and re-carpeting install over finished flooring such as wood or tiling
- Outside improvements, including landscaping, irrigation, sidewalks, driveways, fences, yard lights, swimming pools, pool enclosures, and detached accessory structures (e.g., garages, sheds, and gazebos)
- Costs required for the minimum necessary work to correct existing violations of health, safety, and sanitary codes
- Plug-in appliances such as washing machines, dryers, and stoves



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SUPER STORM SANDY SUBSTANTIALLY DAMAGED OR SUBSTANTIALLY IMPROVED CHECKLIST

Applicant: \_\_\_\_\_

Owner: \_\_\_\_\_

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

Block: \_\_\_\_\_ Lot: \_\_\_\_\_

Estimated Cost to Repair as provided by: \_\_\_\_\_

Insurance Agent: \$ \_\_\_\_\_

Attached: (yes/no) \_\_\_\_\_

Independent Adjuster: \$ \_\_\_\_\_

Attached: (yes/no) \_\_\_\_\_

NJ Licensed Contractor: \_\_\_\_\_

Attached: (yes/no) \_\_\_\_\_

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

Attached: (yes/no) \_\_\_\_\_

*(All estimates should be itemized by trade and task)*

Approximate Square Footage of Flooded Area: \_\_\_\_\_

Approximate Depth of Flooded Water (inches) in:

Crawl Space: \_\_\_\_\_

Finished Basement: \_\_\_\_\_

Unfinished Basement: \_\_\_\_\_

Recessed Floor: \_\_\_\_\_

First Floor: \_\_\_\_\_

Is your kitchen in your first floor or recessed floor (yes/no): \_\_\_\_\_

A copy of your Flood Elevation Certificate is attached (yes/no): \_\_\_\_\_

To expedite the evaluation process please provide photos of the damaged areas and/or or work in progress (interior and exterior). If available please provide photos which show pre-improvement/pre-damage conditions.

Note: You may submit a market value appraisal prepared by a licensed professional appraiser or we will use the tax assessment value of the building.

Applicant's signature attesting to the accuracy and entirety of the above information:

\_\_\_\_\_

Prepared by: \_\_\_\_\_

Checked by: \_\_\_\_\_



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**Owner's Affidavit: Substantial Improvements or Repair of Substantial Damage**

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

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

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

Owner's Address/Phone: \_\_\_\_\_

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

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

Date of Contractors Estimate: \_\_\_\_\_

I hereby attest that the description included on 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 improvements, rehabilitation, remodeling, repairs, additions, and any other form of improvements. I further attest that I requested the above-identified contractor to prepare a cost estimate of all of the work, including the contractors' overhead and profit. I acknowledge that if, during the course of construction, I decide to add more work or to modify the work described, that the Township of Berkeley 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.

Owners' Signature: \_\_\_\_\_

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

Notarized:

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Contractor's Affidavit: Substantial Improvements or Repair of Substantial Damage

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

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

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

Owner's Address/Phone: \_\_\_\_\_

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

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

Date of Contractors Estimate: \_\_\_\_\_

I hereby attest that I 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 prepared 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 Township of Berkeley that are appropriate for the nature of the work. If the work is repair work 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 requires more work or modifications of the work described in the application, that a revised cost estimate must be provided to the Township of Berkeley, which 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.

Contractor's Signature: \_\_\_\_\_

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

Notarized: