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SI/SD Administrative Procedures **for development in the Special Flood Hazard Area (SFHA)**

Purpose and Use

The purpose of this document is to outline how The Town of Bethany Beach will administer and implement steps to make Substantial Improvement/Substantial Damage (SI/SD) determinations. Communities that participate in the National Flood Insurance Program (NFIP) must adopt and enforce floodplain management regulations that include requirements for SI/SD structures, as defined in 44 CFR 59.1.

Improvements to structures in the regulated floodplain that equal or exceed 50% of the market value, including improvements undertaken after being substantially damaged during a disaster, must comply with local floodplain management regulations. This often means that structures cannot simply be rebuilt to pre-damage conditions. Local officials must ensure that all permits issued for reconstruction comply with local regulations.

This document captures all procedures in one easy, accessible place to make more prepared if disaster strikes. This includes plans, procedures, and processes for actions taken pre-disaster ("blue skies"), immediately following a disaster event, and post-disaster. This document serves as a plan to be used in both day-to-day SI/SD operations as well as all disaster events, to include all types of hazards (flooding, wind, fire, etc.), small and large events, and presidential-declared or non-declared events.

This plan was compiled and prepared by the Town of Bethany Beach.

Regulations

SI/SD structures in the Town of Bethany Beach are defined and regulated according to the following regulations and legislation. These should be referenced to determine the definition of SI/SD and any legal requirements pertaining to post-disaster permitting.

Code/Ordinance	Title of Regulation(s)	Document location or link	Responsible Department/POC	Effective Date	SI or SD
Building Codes	INTERNATIONAL BUILDING AND RESIDENTIAL CODES	BETHANY BEACH BUILDING DEPARTMENT	BETHANY BEACH BUILDING DEPARTMENT	11/2023	
Zoning/Land Use Ordinance	CODE OF THE TOWN OF BETHANY BEACH	www.townofbethanybeach.com	BETHANY BEACH BUILDING DEPARTMENT	Effective dates noted in each code section	

Appeals/Variances

The Town of Bethany Beach's provisions that regulate the appeals process for development in the floodplain and/or an SI/SD determination are found in Chapter 453 Flood Damage Prevention, Section 453-33. Due to the Town of Bethany Beach's adoption of floodplain provisions in Chapter 453 of the Town Code as well as its Building Codes, the appeal board for these regulations is the Board of Adjustment.

Permit Process - for development in the floodplain (including SI)

The Town of Bethany Beach has a process for all development in the floodplain, including existing structures that must be assessed for substantial improvement. The process is as follows:

1. All development in the floodplain requires a permit to be obtained through The Town of Bethany Beach's Building Department. The Building Permit Application, Supplement form and Substantial Improvement form can be found on the Town's website www.townofbethanybeach.com
2. The Town of Bethany Beach's Floodplain Administrator will review the permit and determine if the proposed work constitutes Substantial Improvement.
 - A Substantial Improvement Worksheet will be done for any building in the floodplain making improvements. Any improvements over 40% of the value of the structure must complete this sheet.
 - If it is determined that the improvement on the structure exceeds the value of the structure by 50% it will be deemed substantially improved and must meet all current floodplain regulations set forth in Town Code and Building Codes.
 1. Floodplain Administrator will issue Notice of Substantial Improvement Determination
 - Applicant will need to resubmit application to meet the current floodplain regulations for a substantial improvement.
 - If the applicant needs additional information or would like to contest the market value (tax value) or improvement value (cost per square foot) they can schedule a meeting with the Floodplain Administrator and/or submit the information following the policy above.
3. If it is determined that the improvement on the structure does NOT exceed the value of the structure by 50% it will be deemed non-substantial improved. The proposed work can proceed as proposed and a permit will be issued. But if the scope, materials, or budget changes then a new or revised permit application must be submitted.
4. When a building permit is required, flood provisions found in the IRC and IBC are reviewed. The Building Permit Application, Supplement and Substantial Improvement Form can be found on the Town's website: www.townofbethanybeach.com

Method for Determining Market Value

The Town of Bethany Beach has a methodology for determining the market value of substantially improved structures. The market value for substantial improvements is based on the market value of the structure prior to any combination of reconstruction, rehabilitation, addition, or other improvement of the structure during a ten-year period. The market value for substantial damage is the value of the structure before the damage occurred. The primary method used for determining market value of substantially improved structures is:

1. The applicant may be required to provide an assessment of the value prepared by a professional appraiser.
 - Report must be within the last 1 year of either the original start of any work within the ten year window for substantial improvement or within one year of the damage to the structure.
 - Appraisal reports should include:
 1. Intended users, including the property owner, who can then submit it as part of a permit application.
 2. Must reflect the value of the property before any renovation or alterations
 3. Separate the market value of a structure from the value of the land
 4. Market Approach must be utilized
2. The Town of Bethany Beach may also use the Tax Assessment Value on file with the Town Assessment.

Method for Determining Cost of Improvement

The Town of Bethany Beach has a methodology for determining the cost of improvement of structures. The primary method used for estimating cost of improvement is:

1. Itemized costs estimate from a licensed contractor or design professional.
 - Cost estimate shall include and itemized list of the items found in 4-5 to 4-7 of the [Substantial Improvement/Substantial Damage Desk Reference \(fema.gov\)](#)
 1. Labor must be included, and CANNOT be volunteered, discounted, or donated.
 2. Itemized estimate must be signed by licensed professional attesting that the information provided is accurate.
 3. Electric and Plumbing Permits are obtained through outside agencies , but for the purposes of SI, must be included in the cost on a Floodplain Permit Application
 - If the Floodplain Administrator doesn't agree with the estimate provided they may at their discretion use the most recently published International Code Council – Building Valuation Data: [Building Valuation Data - ICC \(iccsafe.org\)](#) to determine a value of work based on building types and square footage impacted by proposed work.
 - Phased work and/or multiple permits
 1. Multiple Permits: The Town of Bethany Beach issues building permits. Therefore the applicant must provide the combined value of all the proposed work including but not limited to separate mechanical, electrical, and plumbing permits to make a substantial improvement/damage determination, regardless of the number of permits issued.
 2. Phased Improvements: The term “phased improvement” refers to a single improvement that is broken into parts. For a number of reasons, an applicant may wish to schedule anticipated improvements over a period of time, and they may request separate permits for each phase. The floodplain administrator, at its discretion, will ensure that phased improvements do not circumvent the substantial improvement requirements.
 - The Town of Bethany Beach Floodplain Manager, for the purposes of determining substantial improvement, will consider any combination of reconstruction, rehabilitation, addition, or other improvement of a structure taking place during the ten-year period immediately preceding the date the permit application is submitted.

Method for Determining Cost of Damage/Repair

The Town of Bethany Beach has a methodology for determining the cost of damage/repair of structures. The primary method used for estimating cost of improvement is:

1. Consider use of FEMA SDE TOOL - [Substantial Damage Estimator Tool | FEMA.gov](#)
2. The Town of Bethany Beach will first use the Preliminary Damage Assessment “destroyed” category – waterline at the roofline or higher or complete failure of two or more major structural components (e.g., collapse of basement walls, foundation, walls, or roof) to determine structures substantially damaged
3. For properties not deemed “destroyed”, the Town of Bethany Beach will use most recently published International Code Council – Building Valuation Data: [Building Valuation Data - ICC \(iccsafe.org\)](#) to determine a value of repair based on building types and square footage of damaged.
4. If an owner would like to appeal the damage/repair value, then they can provide an itemized costs estimate from a licensed contractor or design professional.
 - Cost estimate shall include and itemized list of the items found in 4-5 to 4-7 of the [Substantial Improvement/Substantial Damage Desk Reference \(fema.gov\)](#)
 - Labor must be included, and CANNOT be volunteered, discounted, or donated.
 - Itemized estimate must be signed by licensed professional attesting that the information provided is accurate.

Substantial Damage – Procedures

When a flood disaster strikes there are many damage assessments that occur by a variety of federal, state, local, and other organizations to determine response and recovery needs. However, Substantial Damage Inspections are required by locally adopted regulations, usually found in the building codes, that require the Community’s Building Official to make determination of whether a structure is damaged more than 50% of its market value. These SD inspections are required to occur on all structures in the Special Flood Hazard Area (SFHA) and occur when any damage happens. This could be damage attributed to flood, wind, tornado, earthquake, tree, vehicle, fire, etc. Below are the procedures that follow to implement Substantial Damage Determinations.

Roles/Responsibilities

The Town of Bethany Beach has a variety of internal staff, but also external staff involved in substantial damage. The Substantial Damage Manger for the Town of Bethany Beach is the Building Official and/or the Floodplain Administrator.

Responsibility	Title(s) of Staff	Office or Department	Before/Immediately After/ After Event
SD Manager	Floodplain Manager	Building Department	ALL
Maintaining SD Admin Procedure	Floodplain Manager	Building Department	BEFORE
Identifying Impact area(s)	Floodplain Manager	Building Department Public Works	IMMEDIATELY AFTER
Coordinating with community departments, including fire, police, and emergency services, planning, and building	Floodplain Manager	Building Department Public Works	IMMEDIATELY AFTER
Organizing and training staff	Floodplain Manager		IMMEDIATELY AFTER
Communicating with Public – repair/rebuild permits, SD, and reporting damage	Floodplain Manager	Building Department Public Works	AFTER (< 2 days)
Conducting Preliminary Damage Assessments (PDA's)	Floodplain Manager	Building Department Public Works	AFTER (< 3 days)
Conducting SD Inspections	Floodplain Manager	Building Department	AFTER (< 7 days)
Making SD determinations	Floodplain Manager	Building Department	AFTER (< 7 days)
Issuing SD Determinations	Floodplain Manager	Building Department	AFTER (< 7 days)
Managing appeals/variances	Floodplain Manager	Building Department	AFTER
Permitting for repairs ad rebuilding	Floodplain Manager	Building Department	AFTER
Maintaining SD Data	Floodplain Manager	Building Department	AFTER
Recording Costs & SD Activities	Floodplain Manager	Building Department	AFTER (< 180 days)

Impact Area(s)

Currently the Town of Bethany Beach has:

Coastal SFHA	Riverine SFHA	Total in SFHA
1,765 structures	0 structures	1,765 structures

To find a map of these structures please use: [FEMA Flood Map Service Center](https://www.fema.gov/flood-map-service-center) | [Welcome!](https://www.arcgis.com) Or [ArcGIS Web Application \(mdfloodmaps.net\)](https://mdfloodmaps.net)

A process for determining the impact area post-disaster can be found here:

1. For flood damage:

- The Town of Bethany Beach Floodplain Administrator will identify where flood damage has occurred throughout the Town of Bethany Beach's identified SFHA. Remember, there are a variety of distinct post-disaster assessments/inspections other than SD, and other teams should be coordinated as needed. For example, the Delaware Emergency Management Agency may

conduct Preliminary Disaster Assessments (PDA's) for the purposes of a disaster declaration. These assessments are not substantial damage determinations but can be used by the Town of Bethany Beach to identify damaged areas.

- Other sources:
 1. Maintenance Department staff will report damage to the Floodplain Administrator
- Monitor local news reports and National Weather Service [7-Day Forecast 39.95N 75.3W \(weather.gov\)](#)

2. For fire damage:

- The Town of Bethany Beach Fire Department will have to send the incident report to the Floodplain Administrator

3. For other damage, not limited to wind, vehicles, trees, etc., the Town's other departments such as Public Works or the Police Department may notify the Floodplain Administrator.

Training/Resources

1. Providing pre/post-disaster training ensures staff know what to do after an event. Applicable training can be delivered by the community, state, or FEMA, and include, but are not limited to [Independent Study \(IS\)-284: Using the SDE Tool](#); [IS-285: SDE for Floodplain Administrators](#); E/L/G273: Managing Floodplain Development Through NFIP;
2. E/L/G 284: Advanced Floodplain Management Concepts SI/SD Module; and E/L/G 194: Advanced Floodplain Management Concepts; E/L/G 285: Providing Post-Disaster SD Technical Assistance to Communities. Information on classroom and field courses offered by FEMA can be found here: [FEMA - Emergency Management Institute \(EMI\)](#).
3. The Town of Bethany Beach will also assure that staff have been trained on these materials:
 - Sussex County Multi-Jurisdictional Hazard Mitigation Plan
 - The Town of Bethany Beach Emergency Response Plan
 - FEMA P-758 SI/SD Desk Reference: [Substantial Improvement/Substantial Damage Desk Reference \(fema.gov\)](#)
 - Town of Bethany Beach SI/SD Administrative Procedures

Public Outreach

The Town of Beathany Beach, working with the Sussex County EOC, DEMA and FEMA, will provide information to residents and businesses in Bethany Beach via press releases, to plan for re-entry procedures and migration back into Bethany Beach. Post storm, the Town of Bethany Beach will issue press releases to all local and State media outlets to inform the public of Bethany Beach's re-entry policy. The Town's website and Code Red, a phone notification system will also be used to covey this information.

Inspections

The Town of Bethany Beach's inspections will be conducted by The Town of Bethany Beach Building Code/Inspection staff - when safe- to inspect damaged properties and collect SD data. If needed the The Town of Bethany Beach will enter into a contract with it's 3rd party engineer to assist in SD inspections. Inspections will be documented on a [SD Worksheet](#)

1. In some cases The Town of Bethany Beach] Emergency Management Staff will have provided Building Department its preliminary disaster assessment (PDA) information, which will be categorized by:
 - Affected – property damage due to floods (no flood waters in structure)
 - Minor - less than 18" of water on lowest living floor (below receptacles)
 - Major - more than 18" of water on lowest living floor (above receptacles)
 - Destroyed – structures completely flooded up to ceiling, moved off foundation, not on site anymore

2. For the purposes of SD determinations during a wide-scale event, the Town of Bethany Beach will deem any “destroyed” properties as SD. Inspectors shall prioritize any structure categorized as major and minor for SD inspections. But follow-up with other properties as time allows.
 - Note that PDA data, must follow the categories above and be documented to a specific address and include photographs.

SD Determinations

After staff have conducted inspections and collected data, the Building Official will make SI/SD determinations, and document on the SD Worksheet. The methods above (Method to Determine Market Value and Method to Determine Value of Damage/Repair) will be used to determine the market value and value of damage/repair. On the worksheet, the Building Official will calculate the % damaged, and maintain a record in the property file.

Issuing Determinations

Communicating SI/SD determinations to affected property owners is required by The Town of Bethany Beach regulations. Determinations are a necessary step to issuing permits for compliant rebuilding and are a requirement for administering a compliant floodplain management program in The Town of Bethany Beach. In flood events SD Determinations are needed by property owners who maintain flood insurance through the NFIP and would like to access Increased Cost of Compliance (ICC) coverage. The Building Official/Floodplain Administrator is responsible for issuing these determinations.

1. The Town of Bethany Beach’s procedure for communicating the results of the SI/SD determinations to structure owners. The following methods are utilized:
 - Letter or email to structure owners/residents
 - Paper handed directly to the structure owner/resident
2. Letter templates and documents used to notify residents of determinations can be found here:
 - Notice of Substantial Damage
 - Notice of Non-Substantial Damage

Appeals/Variances

The Town of Bethany Beach has a process and other supporting materials for receiving, reviewing, and making decisions on appeals or requesting variances. The process and materials can be found here:

3. If a property owner receives a notice of “Substantial Damage” or “Non-Substantial Damage” and disagrees with the market value and/or damage/repair value, you can contact the floodplain administrator to discuss the submission of the following documentation:
 - See above for appeal method for market value and value of damage/repair
 - See above for appeal/variance

Permitting for Repairs and Rebuilding

Issuing permits is a regular part of floodplain management but is especially important following a disaster. Repairing and rebuilding substantially damaged structures in compliance with local regulations is critical to maintaining good standing in the NFIP and protecting structure owners from future disasters. Below is The Town of Bethany Beach’s permitting procedures during blue skies, applicable to substantial improvement projects, and post-disaster/ emergency permitting procedures.

1. See above “Permit Process – for Determining Substantial Improvement” for how to repair and rebuild post disaster.
 - Permit applications for the Town of Bethany Beach can be found on the Town website at www.townofbethanybeach.com in the Building Department
2. The Town of Bethany Beach will conduct periodic inspections of damaged properties after a disaster to assure permits are being obtained for repair and rebuilding. In the case of properties deemed substantially damaged, Town services will be disconnected until the building permits are obtained.

SD Data

The Town of Bethany Beach Building Department will maintain this data (SD Worksheets, Letters, etc.) in its property/inspection records, and will be maintained by the Building Official.

Monitoring

Post disaster, when all assessments have been completed and permits issued as needed, the Town will review the total response to the disaster for ways for improvement.

Record Costs and Track SD Activities (only applies to federally declared disasters)

Recording costs and tracking SD activities may be necessary to obtain resources or reimbursement for disaster response, such as through FEMA Public Assistance reimbursement for activities made eligible by DRRA Section 1206 or other grants and funding sources.

1. For DRRA Section 1206 funding, defines a period of eligibility to be no longer than 180 days after the date of a major disaster declaration. FEMA does not have the authority to extend this deadline. See Section A, Applicability, of the [Building Code and Floodplain Management Administration and Enforcement Policy](#) for more information.
 - To receive reimbursement, communities must submit all supporting documentation necessary to demonstrate the work completed and the location of the work; all documentation associated with work completed through Emergency Mutual Assistance Compact (EMAC) resource request or intrastate/interlocal mutual aid request; and, if work was performed by contract labor, all documentation demonstrating federal procurement rules in 2 Code of Federal Regulations Part 200 were followed.
 - The SD Manager will be responsible for coordinating and submitting for reimbursement.

Appendix:

- Forms:
 - SI Worksheet
 - SD Worksheet
 - Non-SI Owner/Applicant Affidavit/Agreement
- Letters:
 - Letter of SD
 - Letter of Non-SD
 - Letter of SI or permit denial/resubmission
- Agreements/Contracts/MOU:
 - 3rd Party Contractor