



Fort Bend County Engineering
FORT BEND COUNTY, TEXAS

Richard W. Stolleis, P.E.
County Engineer

September 20, 2017

To: Honorable Members of Commissioners Court

Reference: Variance to calculation method of Substantial Damage Estimates

As Floodplain Coordinator, I recommend that the Commissioners Court grant a variance to Fort Bend County's Regulations for Floodplain Management by allowing utilization of an alternative method of computing substantial damage. Our current Regulations require that we use the Central Appraisal District appraised value for the existing structure value in computing Substantial Damage. This requirement exceeds the FEMA floodplain management requirements and in some cases penalizes damaged properties by setting a lower value on the structure. It also creates an extra step in the assessment process, requiring manually overriding the computation of Substantial Damage in the FEMA calculation tool.

In some cases, properties would not have an accurate pre-Harvey CAD value, if the property was repaired after the first of the year. In other instances, it places an extra burden on the property owner by requiring them to ask the CAD to change their assessed value.

Federal guidance on this matter allows the utilization of the Replacement Cost Value (RCV). The standard FEMA substantial damage calculator utilizes RCV and we believe this use of this method will provide an expedited, fair and accurate method of calculating substantial damage. RCV can be applied consistently to structures across the County using nationally based construction cost information with regional cost variations.

We have pre-cleared with FEMA that using the RCV method of determining substantial damage will not affect the County's Floodplain Management compliance. Additionally, it does not change the structure owner's ability to appeal the determination as defined in the floodplain regulations. Furthermore, we plan to propose a revision to our Regulations that will allow this method to be used in future compliance. Please let me know if you have any questions related to this variance.

Cordially,

A handwritten signature in blue ink, appearing to read "Richard W. Stolleis", is written over the word "Cordially,".

Richard W. Stolleis, P.E.
County Engineer