

FEMA 50% Rule

Pursuant to the definition of "substantial improvement" in the Federal Emergency Management Agency regulations, the amount of improvement that can be done to a structure, that does not meet the minimum FEMA floodplain management requirements, is largely dependent upon establishing an estimate of the market value of the structure prior to the improvements being made. This page shows how the applicable values are calculated.

Market value estimation

The first step in the process is to determine the current market value of the structure to be improved. This is done in one of two ways:

- Use the latest Fair Market Value on the Pinellas County Property Appraiser website.
- An alternative source of market value is for the property owner to submit a structural appraisal conducted by a state-licensed real estate appraiser.

Under the Federal Regulations, it is the responsibility of the local building official to ensure that a market value established through the appraisal process is reasonably accurate and that estimated construction costs reasonably reflect the actual costs to fully repair or make improvements to an existing structure or to build a new one.

Determining the FEMA threshold

The market value determined, as described above, and is then divided by 2 to establish the 50% of market value basis for any structure. All open permits and their job costs shall be considered as part of the total job cost and must be less than the 50% threshold.

In order to help owners and contractors determine the construction items that are included in the project cost against the FEMA threshold, the city offers a worksheet that lists items that must be included and those that are excluded.