Displacement costs for tenants are approximated in the program by counting the rental income losses to the owner. Counting tenant displacement costs and rental income losses would be double counting.

For public/nonprofit agencies, **Displacement Time** is distinct from **Functional Downtime** (i.e., service interruption); estimates for each will generally be quite different. For example, a public agency which is relocated in temporary quarters for six months will incur six months of displacement costs, but the loss of service is only two weeks if the agency is functioning in temporary quarters two weeks after the flood. To view the Default Functional Downtime estimates, choose **Level Two Data | Functional Downtime** from the Benefit-Cost Program menu; or see page 8-14.

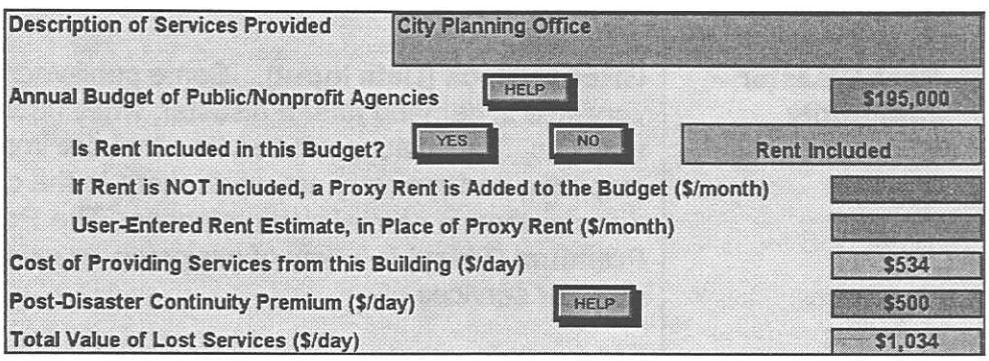
VALUE OF PUBLIC/NONPROFIT SERVICES

To Bypass This Section

This section applies **ONLY** to public/nonprofit service facilities. If the building under evaluation is a commercial or residential building, then bypass this section. To ensure that spurious numbers are not included in the calculation, leave all entries in this section (**Value of Public/ Nonprofit Services**) blank or enter zeros and move to the next section, **Rent & Business Income**.

Value of Public/Nonprofit Services

The value of public/nonprofit services is included in the benefit-cost program to count fully the benefits of avoiding flood damage for such facilities.



Description of Services Provided

PINK Block (Information Only). This block provides a place to enter a brief summary of the type of services provided from this location.

Annual Budget	**GREEN Block (Data Input).** The **Annual Budget of Public/Nonprofit Agencies** is the total annual operating budget of all the public/nonprofit agency functions located in this building. The total should **include** rental costs but **exclude** "pass-through" monies (e.g., Social Security payments) which the agency receives and redistributes. The annual operating budget is used to estimate the value of services provided. For example, if a public/nonprofit agency spends $10,000 per day providing a service to the public, then this service is valued at $10,000 per day and the loss of this service due to flood damage is also valued at $10,000 per day.
Is Rent Included?	**GREEN Buttons (Data Input).** Select whether the **Annual Budget** includes or excludes any rent paid (by an agency which does not own the structure) by clicking on the appropriate button. Your choice will be displayed next to the rent buttons.
Proxy Rent	**ORANGE Block (Default).** If rent is **NOT** included in the annual budget, the program calculates a default or proxy rent based on the value of the building and the discount rate.
User-Entered Rent Estimate	**BLUE Block (Override Default).** If rent is **NOT** included in the annual budget, **AND** if the proxy rent displayed is **NOT** a reasonable estimate for the building under evaluation, then enter a **User-Entered Rent Estimate ($/mo) in place of Proxy Rent.**
Cost of Providing Services	**YELLOW Block (Result).** The program calculates the daily **Cost of Providing Services from this Building ($/day)** based on the annual budget and, if rent is not included in the annual budget, from the default proxy rent or, if provided, from the user-entered rent estimate.
Post-Disaster Continuity Premium	**GREEN Block (Data Input).** Some public/nonprofit services may be very little in demand after a disaster, while others may be vital to maintain. Public/nonprofit services that are important for post-disaster response and recovery are worth more to the community after the disaster than in normal circumstances. The **Post-Disaster Continuity Premium ($/day)** is a way of assigning an extra value to these post-disaster services. For example, emergency services would be vital in the hours and days immediately following a disaster, whereas routine services such as employment referral would not. Based on the nature of the services in this building, the continuity premium is how much **extra** daily cost the tenant agencies would be willing to spend to maintain agency functions after a disaster.

The magnitude of the **Post-Disaster Continuity Premium** depends on how critical the services are in the post-disaster environment. Emergency response services such as medical, fire, and police are particularly important post-disaster and continuity premiums for such services are generally high. Services which are only moderately important post-disaster should have moderate premiums. Routine services that can be delayed with little or no impact should not have continuity premiums.

Continuity premiums of 50-100% of the normal daily costs of providing services may be appropriate for services which are moderately important in the post-disaster environment. Continuity premiums of several times normal daily costs may be appropriate for emergency response services. Continuity premiums of five or ten times the normal daily costs may be appropriate for services which are critical to the disaster response.

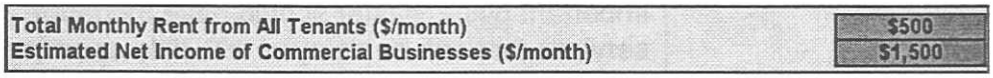
The **Post-Disaster Continuity Premium**, like all other inputs for the benefit-cost analysis, must be reasonable and defensible for the specific public/nonprofit service being valued. If the continuity premium is unreasonable, this portion of the analysis will be invalid.

Total Value of Lost Services

YELLOW Block (Result). The **Total Value of Lost Services ($/day)** is calculated by summing the daily cost of providing services under normal conditions and the **Post-Disaster Continuity Premium.**

Estimates for the value of lost public/nonprofit services for each flood depth are based on the daily cost of providing services and estimates of **Functional Downtime. Functional Downtime** is the time period for which public/nonprofit services are lost due to flood damage. Default estimates of **Functional Downtime** are based on the building depth-damage function. To view the default **Functional Downtime** estimates choose **Level Two Data | Functional Downtime** from the Benefit-Cost Program menu; or see page 8-14.

RENT & BUSINESS INCOME



Total Monthly Rent From All Tenants

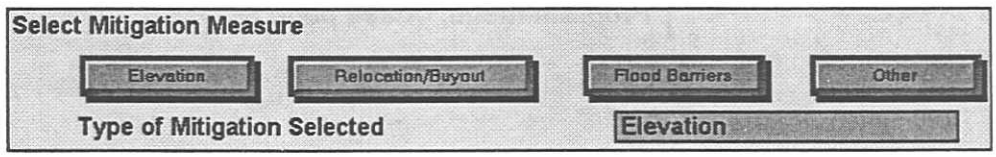
GREEN Block (Data Input). Total Monthly Rent ($/month) entered here is the amount paid by all tenants in the structure. For a commercial or residential building which is rented, this amount is included to value the loss of rental income from flood damages. For a public/nonprofit building, the rent value entered should be only the rent for that portion, if any, rented to private tenants. Rent costs for public/nonprofit agencies are included in the **Value of Public/Nonprofit Services** section discussed above.

Estimated Net Income of Commercial Businesses

GREEN Block (Data Input). Estimated Net Income of Commercial Businesses ($/month) is the net, not gross, income per month of commercial businesses in the building. Exact figures will generally not be available, so reasonable estimates may be made. If there are no commercial businesses in the building, then leave this entry blank or enter a zero.

MITIGATION PROJECT DATA

Select Mitigation Measure



GREEN Buttons (Data Input). Select the mitigation measure by clicking on the appropriate green and gray button. The selected mitigation measure appears in the purple cell labeled "Type of Mitigation Selected."