The Home Preservation Team

Steve Cox, Program Director
Kimanthe Tarik Kithika, Outreach & Engagement Manager

Email: KKithika@habitatgsf.org; homerepairs@habitatgsf.org
Call: (415) 625-1047 - direct; (415) 625-1000 - office
Mission

Habitat for Humanity Greater San Francisco builds homes and sustains affordable homeownership opportunities for families in Marin, San Francisco, and San Mateo counties. Our values focus on building partnerships, equity, stability, and legacy.
PROGRAM SUMMARY

• HGSF’s mission is founded in social equity. Our projects have always and continue to prioritize low-income households of color.

• HGSF’s Home Preservation (HP) Program has been repairing homes for low-income homeowners for over 10 years.

• HGSF’s HP Program is for San Francisco’s homeowners who have lived in their homes for at least ten years and who earn less than 80% of AMI.
“We needed a roof badly, and thank god that Habitat was able to help out. It is less stress; the roof is so expensive to repair. They upgraded the bathroom; put handrails in the shower and the restrooms. It helps a lot. They also helped me get solar panels – we sell the energy back to PG&E, and have a very low energy bill; now we only pay 5% of our energy bill and PG&E pays 95.”

A TRUSTED NONPROFIT PARTNER IN THE NEIGHBORHOOD

Since 2011, Habitat GSF has completed over 200 home repair projects – more than half are in San Francisco’s Southeastern neighborhoods.
The Opportunity

- HGSF will provide repairs to 60 eligible homeowners in San Francisco through a 0% interest loan – with all payments deferred for 30 years or until the home is sold – whichever comes first.

- HGSF is both the lender and the contractor. Habitat construction staff perform the repair work and manage subcontractors.

- Applications will be processed on a first come, first served basis.

- HGSF staff will help applicants through the entire loan application process.

- HGSF will connect approved applicants to opportunities to participate in estate planning workshops & relevant financial education.
Loan Summary

- The minimum and maximum loan amounts for HGSF’s San Francisco homeowners are $25,000 and $75,000.
- The loan will not accrue interest. There are no hidden loan fees. All payments are deferred until the term of the loan.
- The loan is due in full in 30 years or upon sale, transfer of title, or non-owner occupancy, whichever comes first.
Eligibility Requirements

- Eligible homeowners must have lived in their home for the past ten years.
- Eligible homeowners must fall below the Maximum Household Income Requirements listed below:

### Maximum Household Income Requirements

<table>
<thead>
<tr>
<th>Number of Persons in Household*</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Household Max. Income**</td>
<td>$104,400</td>
<td>$119,300</td>
<td>$134,200</td>
<td>$149,100</td>
<td>$161,050</td>
<td>$173,000</td>
<td>$184,900</td>
<td>$196,850</td>
</tr>
</tbody>
</table>

*Household size is determined by the number of people (children and adults) who have been living in the home for at least a full year, and plan on continuing to live in the home fulltime, for at least another year.

**Total household income is determined by the combined income of all fulltime household members, over 18 years old.
SCOPE OF WORK

• Habitat can help you make critical repairs so you can stay in your home and pass your most valuable asset on to your heirs.

• If you're considering building an ADU, Habitat’s Home Preservation program can help address any code or permit violations before you begin building.

• If you are in need of a home repair, and you are a homeowner in San Francisco, please apply.
Home Preservation Application

Our home preservation program helps those on limited incomes keep their homes safe, warm and dry. From installing new windows, to putting in insulation or replacing stairs, this work helps keep long-term homeowners in their homes.

If you are in need of a home repair, and you are a homeowner in San Francisco's Southeastern neighborhoods, please apply.
Email: KKithika@habitatgsf.org; homerepairs@habitatgsf.org
Call: (415) 625-1047 - direct; (415) 625-1000 - office
THANK YOU!

Q&A
ACCESSORY DWELLING UNITS (ADUs)
Agenda

Why Add an ADU?

Ways to Add Dwelling Units

ADU Process

Resources
WHY ADD AN ADU?
Why?

1. California is in a housing crisis
2. ADUs are easy infill construction.
3. Adding an ADU to your property can provide several benefits, such as providing housing for family members, simplifying your lifestyle, and increased financial flexibility.
What is an ADU?

ACCESSORY DWELLING UNITS (ADUS), ALSO CALLED SECONDARY UNITS, IN-LAW UNITS, OR COTTAGES, ARE UNITS ADDED TO EXISTING AND NEW RESIDENTIAL BUILDINGS.
Ways to add Dwelling Units

**As-of-Right Unit**
Adding a regular unit that conforms with the existing density limit and all Code requirements

**Legalization Program**
A local amnesty program that allows you to legalize an existing unpermitted unit and waives some requirements.

**ADU Programs**
State and local programs that allow you to exceed the density limit and waive some requirements to add additional units.

*Local / Hybrid / State*
As-of-right Units
As-of-right Units

Units added “as-of right” must conform with the existing density limit, as per the zoning code.

For example, a single-family home located in an RH-2 (Residential, House – Two-Family) Zoning District may add a unit without going through the ADU process.

However, units added as of right are not eligible for waivers from Planning Code requirements such as Exposure and Open Space.
As-of-right Units

- How many units can I add?
  - Depends on Zoning District (check here: sfplanninggis.org/pim)
- Are there any eligibility requirements?
  - None
- Do I need to meet local Planning Code requirements?
  - Yes
As-of-right Units

- Can I sell this unit?
  - Yes

- Can I use this unit for short-term rentals?
  - Yes (subject to Short-Term-Rental regulations)

- Will this unit be rent controlled?
  - No
Legalization Program
Legalization Program

• **How many units can I legalize**
  - 1 unit

• **Are there any eligibility requirements?**
  - Proof the unit existed prior to January 1, 2013
  
  • Eviction search:
    - Owner move-in evictions filed after March 13, 2014 if the notice was served within 5 years prior to permit filing
    - No-fault evictions filed after March 13, 2014 if the notice was served within 10 years prior to permit filing.

• **Do I need to meet local Planning Code requirements?**
  - Not all. Density, rear yard, open space, and exposure are waived.
Can I sell this unit?
- No

Can I use this unit for short-term rentals?
- Yes (subject to Short-Term-Rental regulations)

Will this unit be rent controlled?
- If the illegal unit was subject to rent control, it will continue to be rent controlled.

Can I expand this unit?
- Typically, no. A legalized unit may only be expanded within the existing building envelope (+ minor infill).
ADU Programs

Local Program
Number of allowed ADUs varies. Allowed in an existing or proposed single- or multi-family home.
Exceptions “waivers” from certain Planning Code requirements for existing buildings.

State Program
Allows one ADU in an existing or proposed single- or multi-family home.
Only permitted on properties with no other ADUs.
Not required to meet all Planning Code requirements.

Hybrid Program
Number of allowed ADUs varies. Allowed in an existing or proposed single-family or existing multi-family home.
Required to meet all Planning Code requirements, besides density.
ADU types

**Conversion**
New units that convert space in a residential building.

**Detached**
New free-standing buildings located on a residential property.

**Attached**
New units that expand a residential building.

**Junior (JADU)**
New type of ADU that converts up to 500 square feet of space in a single-family building.
Local ADU Program

- **How many units can I add in existing building?**
  
  Lots with 4 or less existing units = 1 ADU + 1 Detached ADU  
  Lots with 5 or more existing units = unlimited ADUs  
  
  There is no limit on the number of ADUs permitted on a lot for projects undergoing mandatory or voluntary seismic retrofitting

- **How many units can I add in new construction?**
  
  Zoning Districts that allow 4 or less units = 1 ADU  
  Zoning Districts that allow 5 or more units = unlimited ADUs

- **Are there any eligibility requirements?**

- **Eviction search:**
  
  - Owner move-in evictions filed within the last 5 years prior to permit filing  
  - No-fault evictions filed within the last 10 years prior to permit filing
Local ADU Program

- **Do I need to meet local Planning Code requirements?**
  - Yes. ADUs added to existing buildings qualify for waivers from some Planning Code requirements (density, rear yard, open space, and partial exposure). ADUs added to new construction only benefit from the density waiver.

- **Can I sell this unit?**
  - Typically no (ADUs added in buildings undergoing voluntary or mandatory seismic retrofitting maintain eligibility)

- **Can I use this unit for short-term rentals?**
  - No

- **Will this unit be rent controlled?**
  - Typically, yes.
State ADU Program

• How many units can I add?
  • 1 ADU

• Are there any eligibility requirements?
  • No other ADUs on the property

• Do I need to meet local Planning Code requirements?
  • Some, yes (ex. landscaping). Others, no (ex. density, rear yard, open space, and exposure).
State ADU Program

- Can I sell this unit?
  - No
- Can I use this unit for short-term rentals?
  - No
- Will this unit be rent controlled?
  - No
Hybrid ADU Program

- **How many units can I add?**
  - Single-Family homes: 1 ADU + 1 JADU
  - Multi-Family Dwellings: 2 Detached ADUs or 1 Converted ADU (or up to 25% of the number of existing units, whichever is greater)

- **Are there any eligibility requirements?**
  - No

- **Do I need to meet local Planning Code requirements?**
  - Yes (except density) and do not qualify for waivers.
Hybrid ADU Program

- Can I sell this unit?
  - No
- Can I use this unit for short-term rentals?
  - No
- Will this unit be rent controlled?
  - No
Benefits of State/Hybrid ADUs

- Ministerial and Streamlined review processes
- 60-day review timeline from date of complete application
- No subjective design review (except for CA Register historic properties)
- Not subject to CEQA Environmental review
- Not subject to neighborhood notification per Section 311
- No Discretionary Review opportunity
- Shortened appeal window with appeals heard within 10-30 days of filing and no requests for re-hearings
- City prohibited from requiring new units are rent-controlled.
Additional Benefits of State (non-Hybrid*) ADUs

- State Law ADUs do not have to comply with Planning Code requirements for:
  - **Exposure** (unit to face a Code-complying rear yard or a public Right of Way)
  - **Open Space** (in single-family zoning districts, 300 sf per unit)
  - **Rear Yard** (in single-family zoning districts, 30% of the lot depth)

While Hybrid ADUs benefit from ministerial and streamlined review, they must comply with all Planning Code requirements (except density). The vast majority of ADU projects for single-family homes utilize the State ADU Program (non-Hybrid).
Process: **Timeline and Cost**

- Time and cost vary based on project specific circumstances
- General estimated time from preparation to construction is 18 months
- ADU applications will be reviewed within 60 days; time to approval depends on quality of submitted materials and responsiveness to comments.
- Typically costs approximately $125,000 in materials and labor to add a unit
- Professional design services are about 10% of construction costs
- City fees range from 6% to 9% of construction costs
- Planning impact fees waivers available for many ADU projects
- Process can be complex: Review instructions carefully and ask questions!
Add an accessory dwelling unit (ADU) to your property

Learn about adding accessory dwelling units (ADUs), in-law units, or cottages to residential properties.

Step by step

1. Prepare for an ADU project
   - Time: 2 months or more
   - Decide if an ADU is right for you. Check our rules and hire a professional to design your ADU.
   - [Prepare for an accessory dwelling unit (ADU) project](#)

2. Apply to build an accessory dwelling unit (ADU)
   - Follow these steps to apply for your permit online.
   - [Apply to build an accessory dwelling unit (ADU)](#)

3. Application review and first permit fee
   - Time: 2 weeks
   - If you are using the Local ADU program and your building has tenants, you must follow additional rules, including posting a notice.
   - [Check rules for adding an ADU to a building with the Local program](#)

4. After you apply, we review your application materials. We may ask you for more information or corrections to your application.
Add an accessory dwelling unit (ADU) to your property

Learn about adding accessory dwelling units (ADUs), in-law units, or cottages to residential properties.

Plan review

Time: 1 to 3 months

We will review your plans.

Accessory dwelling units (ADU) must meet City requirements that keep buildings safe and neighborhoods livable.

Most ADU plans must be reviewed by multiple City agencies like SF Planning, SF Fire, SF Department of Building Inspection (including Building, Mechanical, and Structural), SF Public Works, and SF Public Utilities Commission. We will route your application to each required plan check.
Add an accessory dwelling unit (ADU) to your property

Learn about adding accessory dwelling units (ADUs), in-law units, or cottages to residential properties.

Permit issuance

Time: 2 weeks

Your permit application will go through a comprehensive review process.

All City departments have to approve your permit before we can issue your permit.

After we have reviewed your application, we will tell you:

- What your final fee is
- How to pay your final fee
- What next steps to take (if any)
Add an accessory dwelling unit (ADU) to your property

Learn about adding accessory dwelling units (ADUs), in-law units, or cottages to residential properties.

**Permit issuance**

**Time:** 2 weeks

Your permit application will go through a comprehensive review process.

All City departments have to approve your permit before we can issue your permit.

After we have reviewed your application, we will tell you:

- What your final fee is
- How to pay your final fee
- What next steps to take (if any)
Process **ALL ONLINE** – including issuance!

Step by step

**Add an accessory dwelling unit (ADU) to your property**

Learn about adding accessory dwelling units (ADUs), in-law units, or cottages to residential properties.

Start construction

If you have a full permit, you can start construction once you receive your construction document.

If you submitted a site permit, you will need to submit your addendum. We will email you instructions to submit your addendum online. You can start construction once your addendum is issued.

Full and site applicants may need additional permits.

Learn what you need to start construction on your ADU.
RESOURCES
Resources

Citywide

Accessory Dwelling Units

Accessory Dwelling Units (ADUs), also called secondary units, in-law units, or cottages, are units added to existing and new residential buildings. Adding an ADU to your property can provide several benefits, such as providing housing for family members, simplifying your lifestyle, and increased financial flexibility.

Add an accessory dwelling unit (ADU) to your property

Learn about adding accessory dwelling units (ADUs), in-law units, or cottages to residential properties.

Planning Information Counter

Mon, Tues, Thu, Fri: 7:30 am to 4:00 pm
Wed: 9:00 am to 4:00 pm

Permit Center

49 South Van Ness
2nd floor
San Francisco, CA

sfplanning.org/adu

sf.gov
THANK YOU

Vincent Page,
Joseph Sacchi
www.sfplanning.org
Limitations and Agenda

- Follows Planning Dept Presentation.
- Building code highlights
  - Dimensions, EERO, exits, light & ventilation, unit separation, fire sprinklers
- Permitting process
- Resources
Building Permit Application

- Planning department requires a Screening Form where the design selects the State/Hybrid or Local program. Submit along with building permit application documents.

- Depending on the program, various limitations apply, including area limitations and number of ADUs allowed. Majority single family dwellings propose to install one ADU.
Building Code Requirements for ADUs

CEILING HEIGHTS
• 7’-6” min. for ceiling heights for bedrooms, living room, dining room, corridors etc. (CBC 1208.2)
• 7’-0” min. for bathrooms, kitchens, storage rooms, and laundry rooms.

ROOM SIZES
• At least one room to be 120 sf min;
• 70sf min. all others.
• 7’-0” min. width in any direction.
• Studios in existing buildings require a living room of 220 sf min.

NOTE: Do NOT use the California Residential Code (CRC).
EMERGENCY ESCAPE & RESCUE

- Not all rooms can be a bedroom. A bedroom requires an emergency escape and rescue opening that leads to the public way or opens to a rear yard at least 50 feet in depth (CBC 1031).

- Where both of the above are not available, a minimum yard depth of **25 feet**, along with a solution for direct access to and from the public way may be proposed and evaluated on a case-by-case basis (Info Sheet EG-02).
EXITING

• The ADU may require two exits and should not interrupt the required exits from the other units.

UNIT SEPARATION

• One-hour fire-rated walls and ceiling are required between each unit and between the units and common area per CBC 420.2 and CBC 1020.1. Exception: Junior ADUs created in existing conditioned space.
LIGHT AND VENTILATION

• Natural light and ventilation is required for habitable rooms.

• Exception: Mechanical ventilation and artificial light is allowed for kitchens, home offices and media rooms per SFBC 1205.1.

• Natural light may be obtained from Light Courts with minimum size requirements of CBC 1205 (3’x10’ for 2 stories, 4’x12’ for 3 stories, etc).
Building Code Requirements for ADUs

SPRINKLERS

- For vertical additions beyond the 3rd story, sprinklers are required per CBC Table 504.4.

- Effective Jan 1, 2023, sprinklers are not required for ADUs if the primary residence did not have sprinklers. (Additions beyond the 3rd story still need to be fire-sprinklered throughout.)

- If your ADU requires its emergency escape and rescue path to re-enter the primary building in order to reach the public way, be prepared to have that pathway fire-rated and fire-sprinklered.
Building Code Requirements for ADUs

- R3 Occupancy vs R2 Occupancy (sprinklers, potentially second exits for each unit, fire protection of structural members, etc.)

- State Program: Addition of ADU resulting in up to 3 units will not trigger a change in R-occupancy from R3 to R2.
Building Code Requirements for ADUs

• ADU permits to be submitted online.
• Plans required. Design professional is recommended.
• Electronic Plan Review process.
• Reviewed by Planning, Building, Mechanical, Fire (R2)

• Cost of permit fees depend on cost of construction. About 6% - 9% of cost of construction.
  – Plan Review Various Depts, Permit Issuance, School Fees, Inspections, etc
Resources for ADUs

Website

SFDBI Information Sheet FS-12 & EG-02
https://sf.gov/resource/2022/information-sheets-dbi

TechQ – For technical code questions or code interpretations.
techQ@sfgov.org

Design Professional
THANK YOU
Assessing New Construction: Accessory Dwelling Units

Joaquín Torres
San Francisco Assessor-Recorder
Family Wealth Forum, August 12, 2023
AGENDA

• Valuing New Construction

• Example: Adding an ADU to Single-Family Residence

• Questions & Answers
Disclaimer

Information provided in this presentation is not constructed as legal advice but is designed to inform the public on change in assessment processed by the Office of the Assessor-Recorder. If there is a conflict between the information provided here and the legal authorities interpreting assessment processes, the legal authorities will prevail. We encourage you to consult an attorney for advice on your specific situation.
New Construction

Under State law (Proposition 13), real property is reassessed only when a change-in-ownership (CIO) occurs, or upon completion of new construction (NC).

Under California property tax law, “new construction” is defined in four general categories:

• Any substantial addition to land or improvements, including fixtures.
• Any physical alteration of any improvement, or a portion thereof, to a “like-new” condition.
• Any substantial physical alteration of land which constitutes a major rehabilitation of the land or changes the manner in which it is used.
• Any substantial physical rehabilitation, renovation or modernization of any fixture that converts it to the substantial equivalent of a new fixture or any substitution of a new fixture.

Except for CIO and NC, property assessments cannot be increased by more than 2% annually, based on the California Consumer Price Index.
How will adding an ADU impact my property taxes?

Reassessing the New Construction ADU only

- Any 'New Construction' would cause a reassessment. The assessment would apply to ONLY the portion of the property that was newly constructed. The land and existing property are generally not considered UNLESS new work has been done to the land and existing primary residence.

Cost Approach

- For single-family residences, the Assessor’s Office would typically use the cost approach of valuation. Our office would review the value of the new construction (and not necessarily the cost reported by the homeowner).

Income Approach

- For apartment buildings, our office would likely use the "income approach" for valuation. The market value added would be based on valuation methods approved by the state and may not equal the project cost reported on the permit report.
**Example – Building an ADU**

My parents bought a house in San Francisco in 1990 for $275,000.

Its current assessed value is approximately $500,000 ($275k +2% a year over 33 years) resulting in approximately $6,000 in property taxes.

The house has a market value of $1,500,000 in 2023.
Example – ADU in-progress

My parents want to add an ADU to the property that cost them $120,000 to build. The project includes an entrance, bathroom, kitchen, and sleeping area.

First Year: the project is 40% complete after the bathroom is added.
- $50,000 (~40% of the project) of in-progress value will be added to the property's assessed value.
- $550,000 temporary assessed value (~$6,500 in property tax).
Example – Completed ADU

**Second Year:** The project is 100% completed in the 2nd year. ~$120,000 in New Construction value is added.

- Assessed Value Before ADU: $500,000 (~$6,000 property tax)
- Assessed Value After ADU: ~$630,000 (~$7,400 property tax)
- Market Value: $1,630,000
Notices of Assessed Value (NAV)

- **In-progress New Construction**: property is appraised at its full value every year until the date of completion. The notice provides a temporary value.

- **Construction complete**: the entire portion of the property which is newly constructed shall be reappraised at its full value. Our office mails out the NAV with a New Base Year Value.
Notice of Supplemental Assessment

- A supplemental assessment reflects the difference between the prior assessed value (before adding an ADU) and the new assessment (after adding the ADU).

- The notice includes the existing assessed value, supplemental value of the new construction, and the new base year value.

- This supplemental is in addition to the regular tax bill.
ADU Fact Sheets – Assessor's Office, PUC, and PGE
Assessor-Recorder's Office

- City Hall Room 190
  Mon–Fri, 8 AM – 5 PM
- Call (415) 554-5596
- Visit www.sfassessor.org
THANK YOU!

Q&A