



**Building and Safety  
Permit Service Center**

To be eligible for a reduction in the real estate transfer tax, building permits submitted for qualifying seismic strengthening work on or after August 16, 2010 shall comply with these technical guidelines and administrative procedures.

The work must improve seismic safety as set forth in this guideline and Berkeley Municipal Code Section 7.52.060(K).

Refer to the **Guidelines for Voluntary Seismic Wall Bracing and Anchorage** and **Plan Set A** for more information. Forms and guidelines can be found on the City of Berkeley's Building and Safety web page.

For additional information contact the Finance Department at 510-981-7200.

**Building and Safety**  
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# TRANSFER TAX REDUCTIONS FOR QUALIFYING SEISMIC RETROFIT WORK

## Refund Program

The Seismic Retrofit Refund Program allows up to 1/3 of the City of Berkeley Transfer Tax to be refunded on a dollar-for-dollar basis, for all expenses incurred on or after October 17, 1989 for voluntary seismic upgrades to residential property.

## Program Eligibility

This program applies to structures that are used exclusively for residential purposes, or any mixed use structure that contains two or more dwelling units.

## Qualifying Seismic Retrofit Work

The following types of improvements may qualify for the Seismic Retrofit Refund program:

1. Bolting of foundations to mudsills and seismic strengthening of cripple walls (See Guidelines for Voluntary Seismic Wall Bracing and Anchorage)
2. Repairing or replacing substandard foundations
3. Securing of chimneys and stacks
4. Removing unreinforced masonry chimneys
5. Anchoring of existing water heaters (See Guidelines for Residential Water Heater Earthquake Bracing)
6. Other earthquake strengthening work that meets accepted standards and increases substantially the capability of the structures to withstand damage in an earthquake.

**Note:** Seismic work that facilitates future improvements or enlargement of existing spaces or upgrading other than seismic is not eligible for a transfer tax reduction.

## Standards for Seismic Retrofit Work

Seismic Strengthening Work shall comply with the following standards:

1. ABAG Standard Plan Set A when applicable (per chart on Plan Set A); or
2. Appendix Chapter A3 of the current California Existing Building Code; or
3. Plans (and calculations) prepared by a California registered design professional, and meeting one of the following standards:
  - a. A design based on forces equal to 75 percent of those required by Chapter 16 of the current California Building Code; or
  - b. A design based on forces equal to those required by Chapter 23 of the 1976 Uniform Building Code.
4. For buildings on the City's Inventory of Potentially Hazardous Unreinforced Masonry Buildings, corrective work required by BMC Chapter 19.38; or
5. For buildings on the City's Inventory of Potentially Hazardous Soft-Story Buildings, corrective work required by BMC Chapter 19.39.

## Building Permit Application Information

A separate building permit application and plans are required for qualifying seismic strengthening work.

6. Building permit applicants are required to state in the scope of work section "seismic safety work for transfer tax reduction".

7. "Plan Set A" submittals will be plan checked within 5 working days. More complex submittals will be plan checked within 15 – 20 working days.
8. Upon plan check approval, the City will stamp the front sheet of the plans with the following or similar statement: "Seismic strengthening work covered under this permit is eligible for the Transfer Tax Reduction per BMC 7.52.060 upon approval of final inspection".

### **Building Inspections**

To qualify for a transfer tax rebate, contractors or homeowners are required to schedule the following inspections:

#### **For Plan Set A, two inspections are required:**

1. Rough Inspection, which includes verification of foundation bolt installation, blocking and framing installation;
2. Final Inspection, which includes verification of plywood panel installation on cripple walls, any required metal hardware installation, smoke and carbon monoxide alarms (see the ***Smoke and Carbon Monoxide Alarm Affidavit*** handout).

**Note:** For more information please see ***Plan Set A - Detailed Inspection Guidelines (PDF)***

#### **For all other seismic work for transfer tax reduction:**

1. Follow normal inspection procedures;
2. Obtain final inspection including installation of smoke and carbon monoxide alarms (see Smoke and Carbon Monoxide Alarm Affidavit handout).

**Note:** No work shall be covered or concrete placed prior to inspection and approval.

### **Completion of Work**

1. Work to seismically retrofit structures must be completed either prior to the transfer of property; or
2. Buyer may seismically retrofit a structure after the transfer of the property. Seismic work must be completed and the Verification Application filed within one year from the date of record of the transfer document.

### **Partially Completed Work**

If the seismic retrofit work is not completed at the end of one year, that portion of work that has been completed may be credited to the applicant upon submission of a Seismic Retrofit Verification & Refund Application form and substantiating documentation, as required by the Building & Safety Division, showing the dollar amount of work completed up to that date.

### **Filing for an Extension**

Within the 1-year period, an applicant may request an extension of up to 1-year to complete the seismic work. Requests for an extension must be made in writing to the Finance Department (ATTN: Seismic Refund Program, 1947 Center Street, Berkeley, CA 94704) and must clearly state why the deadline could not be met. The City Manager (or designee) may grant such an extension only for Good Cause (see BMC 7.52.060 § 6). The decision of the City Manager (or designee) shall be entirely within his/her discretion and shall be final.

### **Good Cause Extension**

#### **Good Cause includes:**

1. The inability of the applicant, after a prompt and diligent search, to find and retain the services of an architect, engineer, contractor or other service provider whose services are necessary for the seismic retrofit work.
2. Unforeseen and unforeseeable circumstances such as a significant change in the scope of the seismic retrofit work due to circumstances in the field, which could not reasonably have been known earlier.
3. Serious illness or other extraordinary and unforeseeable circumstances that prevented the timely commencement or completion of the seismic retrofit work.

#### **Good Cause does not include:**

1. Ignorance of the applicable City ordinances or regulations concerning the seismic retrofit rebate or state or local

laws relating to the standards with which seismic retrofit work must comply.

2. Any delays which were within the control or responsibility of the applicant.

## **Seismic Retrofit Refund Process**

1. Applicant obtains all necessary building permits from the City of Berkeley Permit Service Center, located at 1947 Center Street, Third Floor, Berkeley.
2. The applicant obtains a Seismic Retrofit Verification & Refund Application ("Application") from the City's Permit Service Center, Customer Service Center, or Online Service Center.
3. Once the seismic retrofit work is completed (or partially completed) applicant calls Building & Safety Division to schedule a final inspection, and submits the Application with all supporting cost documentation to Building & Safety for verification and approval.
4. If the City's Building Inspector approves the seismic work and associated costs, the Inspector checks the "Approved" box, signs the Application and forwards it, along with all cost documentation, to the Finance Department.
5. The Finance Department will issue a refund check directly to the applicant within 3 weeks of receiving an approved Application from the Building & Safety Division.
6. If the Building Inspector denies the seismic work, and/or associated costs, the Inspector checks the "Denied" box, signs the Application, and the applicant is notified in writing by the Building & Safety Division of the reason/s for the denial. For questions regarding the Building Inspector's denial of seismic work and/or costs the applicants must contact the Building & Safety Division at (510) 981-7440.

## **Documentation Requirements**

Applicant must submit copies of receipts for work performed with the Seismic Retrofit Verification & Refund Application to substantiate costs and dollar amount to be refunded.

## **Notes**

1. Qualifying buildings are any structures that are used exclusively for residential purposes, or any mixed-use structures that contain two or more dwelling units.
2. Detached garages or non-residential use accessory structures are not qualifying buildings.
3. Seismic strengthening work that does not meet the above standards is not eligible for the transfer tax reduction.
4. Procedures for obtaining tax reductions remain unchanged. For additional information please call the Finance Department at 510-981-7200.