



New Guidelines for Transfer Tax Reductions For Qualifying Seismic Work Effective August 16, 2010

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 will be required to comply with new technical guidelines and administrative procedures.

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

New Application Information

1. A separate permit application and plans are required for qualifying seismic strengthening work.
2. Building permit applicants are required to state on the face of the permit application in the scope of work section "seismic safety work for transfer tax reduction".
3. "Plan Set A" submittals will be plan checked within 5 working days. More complex submittals will be plan checked within 15 working days.
4. Upon plan check approval, the front sheet of the plans will be stamped with the following statement: "Seismic strengthening work covered under this permit is eligible for the Transfer Tax Reduction provided in BMC 7.52.060 upon approval of final inspection".
5. Seismic work that facilitates future improvements or enlargement of existing spaces or upgrading other than seismic is not eligible for the transfer tax reduction.

Scope

Seismic Strengthening Work shall consist of one or more of the following:

1. Repairing or replacing foundations – use prescriptive foundation requirements of CBC Chapter 18 (where applicable) or engineered plans with structural calculations
2. Securing of chimneys or stacks – engineered plans required
3. Removing of unreinforced masonry chimneys – plans required for removal or replacement work
4. Anchoring of existing water heaters – per B&S handout
5. Cripple wall retrofit – use ABAG Plan Set A if applicable, **or** Appendix Chapter A3 of the current California Existing Building Code, **or** engineered plans
6. Other work demonstrated to the Building Official to increase substantially the capability of these structures to withstand damage in an earthquake – decided on a case-by-case basis.



Standards to Improve Seismic Safety

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

Inspections

In order to qualify for the rebate of the transfer tax, contractors or homeowners are required to schedule inspections as follows:

1. For Plan Set A: Two inspections are required:
 - a. Rough Inspection, which includes verification of:
 - a.1. Foundation bolt installation
 - a.2. Installation of blocking and framing
 - b. Final Inspection, which includes verification of:
 - b.1. Plywood panel installation on cripple wall
 - b.2. Metal hardware installation
 - b.3. Smoke detectors and Carbon Monoxide detectors (Must be installed in accordance with residential and/or building code requirements)

Note: See [Plan Set A - Detailed Inspection Guidelines \(PDF\)](#)
2. For all other seismic work for transfer tax reduction:
 - a. Follow normal inspection procedures.
 - b. Final inspection including installation of smoke detectors and Carbon Monoxide detectors (Must be installed in accordance with residential and/or building code requirements).
 - Affidavits for smoke and carbon monoxide detectors are acceptable in most cases.
 - ***No work shall be covered or concrete placed, prior to inspection and approval.***

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 not meeting these standards will not be eligible for the transfer tax reduction.
4. Procedures for obtaining tax reductions remain the same. Call the Finance Department at 981-7200 or on the web at <http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=6282>