



ADU

WORKBOOK

NAPA & SONOMA

A complete guide to
planning an accessory
dwelling unit for Napa &
Sonoma Counties

PRINTER-FRIENDLY VERSION AVAILABLE:
WWW.NAPASONOMAADU.ORG/PRINTWORKBOOK



Contents

Introduction	1
---------------------	----------

Sections

1 Getting Started	13
2 Budgeting & Finance	33
3 Design	43
4 Permitting	61
5 Construction	77
6 Move-In	93

Next Steps	105
-------------------	------------

Workbook Features



Exercises

Goals	14
Concerns	14
My ADU will allow me to	15
Property Information Summary	18
City Planner Meeting Notes	25
Property Rough Sketch	27
Budgeting Exercise	38
Initial Design Exercise	47
Design Ideas Exercise	47
Designer Considerations Exercise	51
Permit Application Planning and Organization	67
Your Lease Terms	101



Frequently Asked Questions

Am I allowed to build an ADU?	16
What will it cost?	36
How long does it take?	10
How will it affect my taxes?	37
How do I find an architect?	50
How do I find a contractor?	84
What is involved in being a landlord?	94
How do I get started?	23

Spotlights

Marian 30
Better than a roommate

Carl and BB 40
Providing workforce housing

Adele 58
Downsizing, but still entertaining

Dena and Tor 74
Proximity & independence for family

Amy and Brian 90
A multi-purpose space





Introduction

From providing housing for relatives to helping pay the mortgage, many Napa and Sonoma County homeowners are interested in adding Accessory Dwelling Units (ADUs) to their homes. ADUs, also called granny flats or converted garages, can help meet the changing needs of Napa and Sonoma County households, while helping to address broader housing needs and challenges in our counties.

Although the process to build an ADU takes an investment in time and resources, many ADU owners in Napa and Sonoma Counties have expressed feeling a sense of empowerment and accomplishment after achieving their goal of building their “little dream house.”

An ADU, once completed, provides a family with the flexibility of “aging in place.” Whether it provides a close but separate home for immediate family, a personal space for extended family or friends, a private home for parents or grandparents, downsizing, a return to home for grown children, or rental income from tenants, an ADU can suit and meet the needs of a variety of family situations.

This workbook was created as a resource to help residents of Napa and Sonoma Counties build an ADU, and the process included focus groups and interviews with local homeowners. This guide provides a detailed, step-by-step approach to the entire project—from getting started to becoming a landlord—and assists homeowners in the process of building an ADU. The workbook was designed to provide useful information and reduce the uncertainty in what can feel like a complicated process.

Sections include:

- Getting Started
- Budgeting and Finance
- Design
- Permitting
- Construction
- Move-In (including resources on how to rent successfully)

More information is available online at the companion website for this workbook: www.NapaSonomaADU.org. The site includes stories from homeowners, examples of ADUs, a calculator to estimate costs, and summaries of ADU standards for each city in Napa and Sonoma Counties.

Accuracy and Changing Laws

ADU laws are changing frequently, including several new state laws that went into effect in January 2020. Some information in this book may change after its 2020 printing. All information should be verified with your city. You can also check www.NapaSonomaADU.org for updated information.

How to Use This Workbook

Every homeowner who wants to develop an ADU will have different needs and a different approach to the project. This workbook is designed to assist a range of homeowners, but this means different people will use the workbook differently. Some will read the workbook from cover to cover, while others will use it as a reference to learn about specific

topics. Generally, homeowners fall into one of the following three groups: Outsourcer, Project Manager, or Do-It-Yourselfer.

We recommend identifying which group fits you best, then following the recommendations listed for that group.



Outsourcer

Most homeowners fall in this group. They plan to hire professionals to manage the project and will provide their professionals with top-level direction, review, and approval. This group is for everyone without prior design and construction experience or for anyone who does not have the time or inclination to take on a major project. This group will have the lowest time and energy commitment but the most expensive professional fees. Construction costs will not necessarily be the highest, because professionals can help save time and money in effective project management and can also recommend low-cost delivery methods.

How to use this workbook

- Read this entire introduction.
- Determine if you can build an ADU by reading Section One: Getting Started (page 13).
- Figure out how to finance your ADU in Section Two: Budgeting & Finance (page 33).
- Decide what kind of design professional you want to hire in Section Three: Design (page 43).
- Figure out what kind of builder you want to work with in Section Five: Construction (page 77).
- Learn how to successfully rent your unit in Section Six: Move-In (page 93).



Project Manager

Homeowners who have the time, interest, and experience to handle parts of the project themselves and hire others to do the rest fall into this category. This approach is recommended only for those who have previous design and/or construction management experience. The time and energy commitment will vary depending on how much of the process the homeowner takes on. There is potential for savings on professional fees, but project costs may be higher depending on the homeowner's ability to effectively and efficiently manage the project, how well the team works together, and how much the homeowner takes on.

How to use this workbook

We recommend that you review the entire workbook, skipping any sections about work you plan to outsource or in which you already have expertise.



Do-It-Yourselfer

Homeowners with significant prior experience (e.g., an architect or a construction manager) may choose to undertake the project themselves, hiring people for specific tasks as needed. This group will have the highest time and energy commitment and the lowest professional fees. However, costs may be higher due to lost potential earnings and/or higher costs resulting from errors and delays.

How to use this workbook

Use this workbook as needed to learn the specifics of ADU development and to brush up on any particular needs.

GIVE US FEEDBACK

www.NapaSonomaADU.org/workbook-feedback

ADU Types

ADUs come in many shapes and sizes, but are always a self-contained home that is smaller than the main house and legally part of the same property. ADUs always contain a kitchen, bathroom, and place to sleep. ADUs typically range from 220-square-foot studios to over 800-square-foot homes with multiple bedrooms. There are many different types of ADUs, but they generally fall into one of the following categories: interior conversions and garage apartments are always made by converting existing space; detached, attached, and above garage ADUs can be either new construction or converted space.



Detached: Freestanding structure, such as a backyard cottage



Attached: Shares at least one wall with the primary home



Interior conversion: Built from existing converted space (e.g., an attic or a basement)



Garage apartment: Converted former garage space



Above garage: Unit built above garage

Other Options: JADUs and Home Sharing

There are other ways to create a second living area at a much lower cost than building an ADU. For some homeowners, a solution that requires little to no construction is a better fit.

Junior Accessory Dwelling Units (JADUs)

Junior accessory dwelling units (JADUs) are very small dwelling units constructed from part of a single-family residence. They can be up to 500 square feet in size and must include an efficiency kitchen (sink, stove, fridge, and counter). Some JADUs have their own bathroom, while others share with the main house. Homeowners can now have both a JADU and a regular ADU. JADUs are a lower-cost way to add an ADU because the construction costs are much lower.

Home Sharing

Home sharing is a great option for homeowners who have a spare bedroom they want to rent out but do not want to take on a construction project. Home sharing can be a mutually beneficial arrangement that can help save money (rent and sharing of utility costs), reduce financial stress, increase independence and security, and provide mutual assistance. Some homeowners provide reduced rent in exchange for household chores. Two local organizations to contact regarding home sharing are Napa Valley Community Housing and SHARE Sonoma County.



Photo: San Mateo County Second Unit Center





"My ADU is an immediate home for grandma, future rental income if need be, future home for my returning children, and future downsized home for me if needed."

*– ADU owner,
Sonoma County*

Photo: San Mateo County Second Unit Center

Benefits for Owners and Community

ADUs not only benefit homeowners, but help the community as well. Building ADUs helps to address housing challenges in Napa and Sonoma Counties, and ADUs often provide homes for school teachers, firefighters, and other community members who otherwise may have to commute long distances from outside Napa and Sonoma Counties to find a home they can afford. With many people still displaced from the fires, building and renting an ADU is a community service.

For homeowners there are lots of reasons to build ADUs; the two most common are rental income or to provide safe housing for relatives. ADUs are relatively affordable to build because they do not require purchasing land. As a homeowner's needs change over time, ADUs can allow flexibility for nannies, renters, kids returning from college, caretakers, and more. Here are some of the reasons to build an ADU:

Rental income Renting out an ADU can provide a steady source of income to help pay a mortgage, supplement social security, save for a rainy day, or just add flexibility to the household budget.

Housing friends and relatives ADUs are a great way for adult children, aging relatives, or people with special needs to stay together yet also maintain separate lives and privacy.

Aging in place An ADU can be a lifelong home with easily accessible entries, showers, appliances, fixtures, and many more comforts built for aging adults. Or it can house an in-home caregiver.

Downsizing Some homeowners move into their ADU themselves, while other family or renters live in the main house.

Community benefits ADUs can help address housing challenges in Napa and Sonoma Counties by adding homes that are generally more affordable, which helps provide workforce housing and preserves diversity and community character.

Environmental benefits The most effective way to reduce the environmental footprint of a home is small-scale living. Further, ADUs often reduce commute distances by providing local workers with an affordable place to live near where they work.

ADU Process

Throughout this workbook, whenever you see “your city” or “the city,” this also refers to unincorporated areas of the county. If you live outside city lines, you will follow the county’s standards.

The following is a general overview of the steps you can expect to undertake as you develop your ADU. Many homeowners find that their project does not follow a linear path, but rather involves a learning and revision process.



Getting started To begin, you’ll need to figure out what you want, what you are allowed to build, and what your working budget should be. You will identify your goals, learn about the standards and requirements in your city, and estimate costs. You should also discuss your project and your property with city staff to understand regulations and requirements that will apply and to avoid surprises later in the process.



Your project team Often people hire an architect or designer to design an ADU, and then a builder to provide additional cost information and to ultimately construct the unit. Some homeowners hire a design/build team that handles the entire project, including both the design and the construction, while others work with a modular home company. Selecting your team involves looking at their past work of a similar scale and checking references. It can

also be helpful if they have worked in your community and know the local permitting process.



Initial design Once you have your team in place, you will start to design your ADU. You will consider size, use, layout, specific project needs (storage, laundry room, etc.), architectural style, and privacy.



Meet with the city Once you have a preliminary design, it’s a good idea for you and your designer to have a pre-application meeting with the local planning (and possibly building) staff. At that meeting, you can ask questions and address any critical issues prior to submitting your permit application. You will also review all requirements, fees, and other considerations specific to your property and project, and any unique requirements not previously considered.



Plan refinement Based on your meeting with city staff, you should have a checklist of submittal requirements plus information on fees. With the help of your project team, you will work through any required modifications of the initial ADU plans and prepare the permit application.



Application To apply for permits, you and your project team will need to complete the forms required by your jurisdiction and provide detailed drawings and other documentation. There are two main types of approval: planning and building. Planning (which includes zoning) regulates how big the unit can be, where on the property it can be located, the maximum height, etc. Building approvals make sure the proposed design is safe and meets all building code requirements. The procedure for submitting plans varies by jurisdiction; some places require one application while others first require a planning application and then a building application. It is very, very rare that the city will hold a hearing before approving your ADU.



Review(s) The city will provide comments on your application, and you will need to address them and resubmit for approval. They have up to 60 days but often act more quickly. You and your project team will work through the city's comments and adjust your project to meet the standards and regulations for your property. Depending on the completeness of the submittal, most projects require one to three rounds of revisions working with city staff. Most likely, this review will happen at a staff level (no hearings).

Photo: San Mateo County Second Unit Center





Permits Once your application is approved and all fees are paid, you will be issued permits to start construction.

The number and types of permits needed for an ADU varies by community, but all will require a building permit and, as needed, a “will serve” letter from local service agencies to prove you have the right to connect to water and sewer services. Additional permits may also be needed, such as a grading permit if you are doing a lot of excavation, a public works permit if you are impacting street access, and a tree removal permit if you plan to remove trees.



Construction Now that you have your building permits, you can start construction of your ADU. The builder you hire will lead this step. Communicate frequently with your builder and verify progress before making payments. During construction, your ADU will be inspected multiple times to ensure it is being built according to the permitted plans. When all the work is complete, a building inspector will conduct a final inspection. Upon approval, you will receive a Certificate of Occupancy and possibly a registration letter for your new ADU.



Move-in Construction is complete, and now it’s time for someone to move in. This may be you, a friend, a family member, or a renter. If it is a tenant, there are plenty of resources to help you if you are a new landlord, including organizations that can match you with a renter and help you manage your unit. You may want to consider pricing the unit so a community member can afford to move in.

Project Timing

Building an ADU is not only a financial investment, but an investment of time as well.

Typically it takes homeowners one to three months to get started and assemble their team. It then takes the project team another one to six months to develop plans, meet with the city, and submit the application. Depending on how many rounds of review are required and how quickly a homeowner and their project team can respond to comments, make changes, and resubmit plans, it will likely take one to six months to get permits. Construction usually takes six to twelve months. In total, most projects take one to two years to complete.

FAQ

How long does it take?





SECTION ONE

Getting Started

This section will help you get started. By the end of this chapter, you will:

- Clarify your goals
- Learn if you can build an ADU on your property
- Understand the basic rules and regulations for your city

If you have not done so already, download the ADU standards for your city at www.NapaSonomaADU.org.

Goals and Concerns

Before you begin, it is important to know why you are building an ADU. It's helpful to think about both your short-term needs and your long-term goals. One of the benefits of an ADU is that it can adapt to your living situation as it changes over time. At first, it might be rented for income, then it might turn into a children's playroom, and eventually it might house aging parents or yourself.

It is also important to think about your concerns. Ways to address these potential challenges are explored in this workbook. It is good to list concerns early in the process to make sure they are addressed sufficiently.

What are some of your overall goals for building an ADU?

Goals

SHORT-TERM	LONG-TERM	
☐	☐	Rental income
☐	☐	Housing for a family member
☐	☐	Helping out the community (e.g., housing a teacher)
☐	☐	Housing for someone with special needs
☐	☐	Planning for retirement
☐	☐	Increased resale value
☐	☐	Downsizing/moving into the ADU
☐	☐	Housing domestic help (e.g., an au pair)
☐	☐	Help with chores or to watch over things when you are away
☐	☐	Housing an in-home caregiver

Concerns

SHORT-TERM	LONG-TERM	
☐	☐	Cost
☐	☐	Difficulty of approval and/or construction management
☐	☐	Privacy
☐	☐	Site constraints
☐	☐	Challenges of renting and managing the ADU
☐	☐	Conflict with neighbors
☐	☐	Scrutiny from planning & permitting department

ADU Vision

There will likely be challenges along the way. To stay motivated, some people find it helpful to write down what building their ADU will allow them to do, such as “take the kids to Disneyland every year,” or “make sure my mom has a safe place to live.” If you think it would be helpful, use this space to write a sentence or two to express your goals. Feel free to cut it out and keep it somewhere you will see it.

“As a kid, I played Monopoly, and it was always better to have two houses rather than one. The land cost is already built in; I might as well capitalize on it.”

– ADU owner, Sonoma County



My ADU will allow me to:



Can I Build an ADU?

New ADUs In almost all cases, the answer is yes! All single-family property owners can build an ADU and a junior ADU on their property. Duplex and even multi-family property owners in California are also allowed to build ADUs. If residential buildings are allowed, ADUs are almost always allowed as well. A quick summary is that everyone is allowed to build an ADU up to 800 square feet, and many homeowners will be allowed to build larger ADUs if they meet local city rules. Rules are different in each city but are often based on the size of the main house and the yard.

Am I allowed to build an ADU?



Converting existing space Generally, any homeowner can convert a legally built structure such as a garage, barn, or art studio to an ADU.

We recommend contacting your city at the beginning of this process to get some basic information (see page 18), then scheduling a meeting once you've done some basic work. Your designer can help with this. This information and the exercises in this section will help you to identify if you are likely to be allowed to build an ADU on your property. However, you will need to meet with your local planning staff to confirm your conclusions and review any other standards or regulations that may apply.

A word of advice Even if an ADU is permitted on a site in theory, there may be other limitations based on what has already been built. For example, many cities limit the area of your lot that you can build on. Many cities require a certain amount of space between the main house and freestanding ADUs for fire prevention. The good news is that many of these don't apply to ADUs smaller than 800 square feet or to conversions of interior space. Also look at other options, such as home sharing.

Photo: www.buildinganADU.com

New Rights Under State Law

New laws make it easier than ever to build an ADU. *These state rules take priority over local rules.*

Building a New ADU

New state laws have made it easier than ever for homeowners to build an ADU. In most cases, parking requirements have been reduced or waived entirely, and homeowners are allowed to convert existing buildings to ADUs. ADUs are allowed in all residential zones with limited exceptions for public safety, traffic, and water. Home Owners Associations cannot ban ADUs. Most recently, state law has created an opportunity for homeowners to bring ADUs built without permits into compliance, including allowing building officials to apply building standards that were in place during the time the ADUs were constructed and a five-year amnesty period.

Converting Existing Space into an ADU

State law allows homeowners the right to convert many types of existing space into ADUs. The state law covers garages, other accessory buildings (like art studios), or even part of the main house, including attics and basements. To qualify, your property must meet the following criteria:

- The house must be located in a single-family zone.
- The house must have been built legally initially.
- The ADU must have a door that provides direct access to the outside. (This door can be added during construction if it is not there in the existing building.)
- The existing house must be far enough away from the property line to not be a fire hazard. Discuss specifics with your city.

Fees

Cities cannot charge impact fees for ADUs under 750 square feet, and must charge reduced fees for larger ones. (They still can charge inspection fees, but these are usually less.) In addition, water or sewer providers are not allowed to charge a connection fee when converting existing space into an ADU.

Owner Occupancy

In the past, some cities had rules that required owners to live on a property if there was an ADU. These rules have been banned for any ADUs built between 2020 and 2025; however, this requirement still applies to JADUs.





Photo: Adam Long

It may feel scary to contact the city, but remember: city staff are there to help you. The city is not going to inspect your property or look for code violations if you inquire about building an ADU.

Gathering Information

One of the first steps when building an ADU is to gather important information about your property. It's easiest and most accurate to collect this information by contacting your city. City contact information is on the ADU standards sheet for your specific city (which can be found at www.NapaSonomaADU.org). Before you contact the city, you should first read through this section to familiarize yourself with the concepts. Alternatively, you can gather the information yourself as described on the following pages and on the ADU standards sheet.



Property Information Summary

My APN

Minimum lot size for an ADU

Maximum permitted FAR

Floor area ratio

My lot size

My zone's maximum permitted lot coverage

Other information

Basic Information

It will be helpful to know the assessor's parcel number (APN) of your property. Every site or lot in California is assigned a unique APN, which is like a social security number but for your property. The city can probably tell you the number, and that is often the easiest way. You can also find your APN on your property deed or tax bill, or you can look it up using your address on the county assessor's website, or do a web search for Napa or Sonoma County APN. Make sure to select "Number, Street, City" to search by address.

In some places, the Napa County Assessor calls the APN the Assessor ID Number. When using this system, the APN appears before the hyphen. Some addresses have maps linked to them—if they do, you should download and print out the map.

Real estate websites like Zillow® or Trulia® often list APN numbers as well, sometimes calling them parcel numbers. While on the assessor's website, you can also collect information like the lot size and the building and garage size (square footage).

Napa County Assessor

www.countyofnapa.org/150/Assessor-Parcel-Data

Sonoma County Assessor

www.sonomacounty.ca.gov/CRA/Assessor

Click on Search Parcel Info in the menu on the left. You will find one link for maps and another for general information.

Parcel Map Search

The website to look up your APN number will look like the picture below.

The screenshot shows the Napa County Assessor's website. The header includes the Napa County logo and navigation links: Government, Departments, Residents, Business, and Emergency. A search bar is located in the top right corner. The main content area is titled "Assessor Parcel Data" and includes a description of the service, directions for searching by parcel number or address, and a search form. The search form has fields for "Parcel or Full P", "Search Type", and "Search". Below the search form, there are links for "Assessor Parcel Data" and "Assessor Parcel Map". On the right side, there is a "Contact Us" section with the assessor's name, address, phone number, fax number, and office hours.

Field	Search Type	Parcel or Full P
Fee Parcel	Begins with	1
Assess ID	Begins with	1
Property Address	Begins with	1
Alameda Trail #	Begins with	1

If using unofficial records like real estate websites, be sure to confirm the information before getting too far in the process.

County Assessor Maps

The map you download from the county assessor's website will look similar to the one to the right. You can use the map to determine your lot size. For example, lot 17 is 40 feet by 114 feet, or 4,560 square feet.

Lot Size

The next step is to find out your lot size. You will need the total square footage initially, but later you will draw a site plan that has all the measurements. There are several options to find this information:

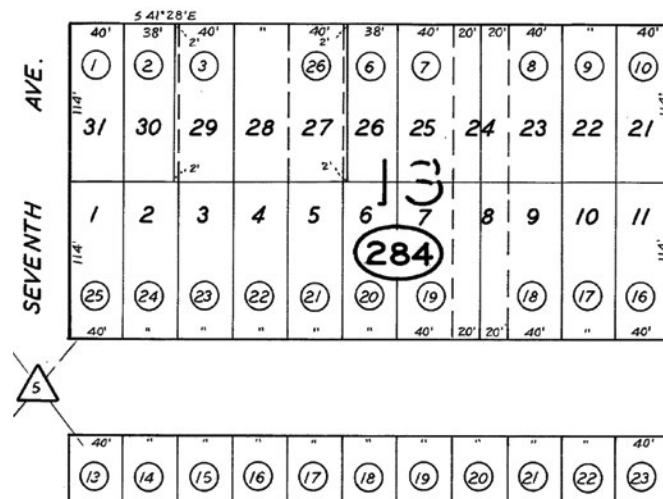
County assessor website's maps One good option is to use the county assessor's website, listed in the *Zoning* section. Generally, the assessor's website estimates the size of your lot. After finding your property, it is also possible there will be a map that you can download by clicking on your property address.

City records Some cities list the lot size and have maps on their website where you can look up the zoning. You can also ask the city when you contact them.

Property survey or property deed Your property survey or deed may include your lot size.

Real estate websites These websites often list lot size, but you will need to verify accuracy.

Measure it Assuming your lot is rectangular, lot size is the width times the depth. For example, a lot that is 40 feet wide by 60 feet deep is 2,400 square feet. This should be used as a rough estimate and will need to be verified.



What Exactly Can I Build?

The following pages will help familiarize you with some common zoning terms and concepts. After reading this and gathering some basic information on your property, you will be ready to meet with the city. State law says all homeowners in California are allowed to build an 800-square-foot freestanding ADU. Some cities allow you to build more, but cities cannot be more restrictive.

Two key concepts that many cities use to regulate the size and intensity of development are floor area ratio (FAR) and lot coverage. Both of these regulations compare what is already built on your particular lot to a standard in the zoning code for what is allowed to be built. Sometimes different parts of the zoning code will indicate different standards. For example, FAR may allow a 1,200-square-foot ADU while other standards limit the size of an ADU to 850 square feet. You must meet all the rules, with the more restrictive rules always taking precedence.

When it is time to submit an application, some cities will rely on official records to determine your existing FAR, lot coverage, or other existing conditions, while some will ask you to provide the calculations.

Floor area ratio (FAR) limits how many square feet of building are allowed on a lot by establishing maximum FAR or using other formulas. FAR is a ratio of the number of square feet of built space (the floor area) compared to the size of the lot. For example, a 2,000-square-foot home on a 4,000-square-foot lot would have a FAR of 0.5 (2,000 divided by 4,000). In this example, if your site's zoning permits a FAR greater than 0.5 and you meet all the other rules, you can build an ADU. If your site's permitted FAR is 0.5 or less, the only option would be to convert existing space to an ADU. FAR is not a simple yes/no calculation; it may also limit the maximum size of your ADU. In the above example, if the maximum permitted FAR were 0.7, your ADU could not be more than 800 square feet.

Every city stipulates how to calculate floor area. Some measure from interior walls and some measure from exterior walls. Most include all living space and finished basements and attics. Some include garages, porches, unfinished attics and basements, and sheds.

Initially, it is simplest to ask your city if they have an official record of your existing floor area. If they do not, ask them what spaces to include in your calculations.

FAR permitted by city
× Lot size
= Max. building square
feet allowed

0.7 × 4,000 SF = 2,800 SF

Max. building square
feet allowed
- Existing square feet
= Allowable ADU size
2,800 SF - 2,000 SF = 800 SF



Lot coverage means how much of your lot is covered by a building. As with floor area ratio, it compares your current building footprint with the maximum that is allowed according to the zoning code. Most cities include garages in the lot coverage calculations, and some include overhangs and porches.

For example, if your home is 40 feet wide and 50 feet long, it has a footprint of 2,000 square feet. If your lot is 4,000 square feet, your lot coverage would be 50% (2,000 square feet divided by 4,000 square feet). In this example, if zoning allows a lot coverage of greater than 50% and you meet all the other rules, you could build a new ADU. If not, you might be limited to converting existing space or building a second story, although some cities do not allow new additions for sites over their lot coverage. Lot coverage, like FAR, is not a simple yes/no calculation but may also limit how much you can build. For example, if the lot coverage limit for your lot is 60%, your ADU would be limited to 400 square feet.

Lot Size Recently passed state ADU laws have made it so cities can no longer consider lot size when deciding if an ADU is approved for construction.

Speaking to neighbors It is a good idea to talk to your neighbors early in the ADU development process to keep them informed of your intentions to build. ADU state law does not require neighbors to sign off on the construction of an ADU and generally cannot stop an allowed ADU project, but you will need to live next to your neighbors for many years, and the development and construction process will be much smoother if your neighbors are kept informed throughout the process, especially in the beginning.

Early Considerations

Based on the location of your home and the current considerations on your property, there are circumstances that should be evaluated earlier due to their larger impacts down the road. Some early consideration items may include whether there is available sewer or septic capacity.

*How do I
get started?*



Being a Landlord

As you get ready to build an ADU, it's also important to consider what it will be like to be a landlord. There are some positives—many owners become friends with their tenants, and often homeowners like having someone who can look over the property when they are out of town. But renting an ADU comes with many responsibilities, including understanding local and state housing laws, executing a lease, finding and managing a tenant, and maintaining a rental unit. It's also important to understand the laws as they may affect things like future rent increases, changing use over time, evicting tenants, and eventually moving family into the unit.

If you live on the property, being a landlord to a tenant in an ADU results in a more intimate relationship than a typical landlord-to-tenant relationship, due to the proximity. The tenant may share a backyard or wall, and many times shares utilities, trash, and recycling. This means planning for the impacts of a potential tenant: soundproofing walls, providing a ventilation system for cooking smells, setting appropriate costs for utilities, and sharing tasks such as taking out the recycling bin.

There are more helpful resources for landlords available in Section Six of this workbook (page 93).

Photo: Valley Home Development



Review the parking requirements on the ADU standards sheet for your city online at www.NapaSonomaADU.com/standards and/or talk to your city.

Parking

Adding parking is much less of a concern than it used to be. At most, you will need to add one spot for the ADU, and it can be tandem (directly behind another spot in the driveway).

You will not need to add any parking for your ADU if it meets any of the following conditions:

- A studio apartment
- Within ½ mile of public transit
- Within an existing structure (e.g., garage)
- In a designated historic district
- Within one block of car share locations

If you convert a garage to an ADU (or demolish a garage and build an ADU), you do not need to make up the lost parking spot.

Other Standards

There are other standards or regulations for ADUs that apply. These are listed on the ADU standards sheet for your city (which can be found at www.NapaSonomaADU.org). Several cities may have additional rules near the coast. City staff will be able to tell you if there are additional standards or regulations that apply to your lot.

Meeting With the City

Use the following page to take notes from your meeting with the city planner. One of the best things you can do is to talk to your city's planning department early in the process about the potential for and restrictions on an ADU.

Most cities have a planning/zoning counter where you can ask questions without an appointment. Some cities might require appointments. Many cities use the term ADU (or accessory dwelling unit), so in this section, the workbook uses that acronym.

Be sure to bring this workbook.



Questions to Ask the City Planner

1. Am I allowed to build an ADU on my property?
2. Does the city have handouts or additional information? Are ADU resources on the city's website?
3. Are there common pitfalls or mistakes to watch out for?
4. Can you explain the ADU approval process for this city?
5. How long does it usually take to obtain approval, and how many times do applicants typically need to resubmit plans?
6. What is the FAR for my zone and does lot coverage apply to the ADU I hope to build?
7. What other important development standards should I know about, such as setbacks?
8. Does the city have an estimate of my current floor area?
9. Does the city have information on my lot coverage?
10. Will I need to add parking? Does my existing home meet parking requirements? Do state law parking exemptions apply to my situation?
11. (If converting an existing garage or accessory building) How do I know if my garage was built legally?
12. Are there restrictions on how I can use my ADU?

Notes

Use this section to take notes from your meeting with the city planner.

Putting Pen to Paper: Drawing a Rough Sketch of Your Property

The site plan needs to be drawn to scale eventually, but to start you should use scratch paper.

If the site plan is feeling too stressful, you can skip it for now or go outside and do a really rough sketch on a napkin. It's better to meet with the city earlier than to get everything right.

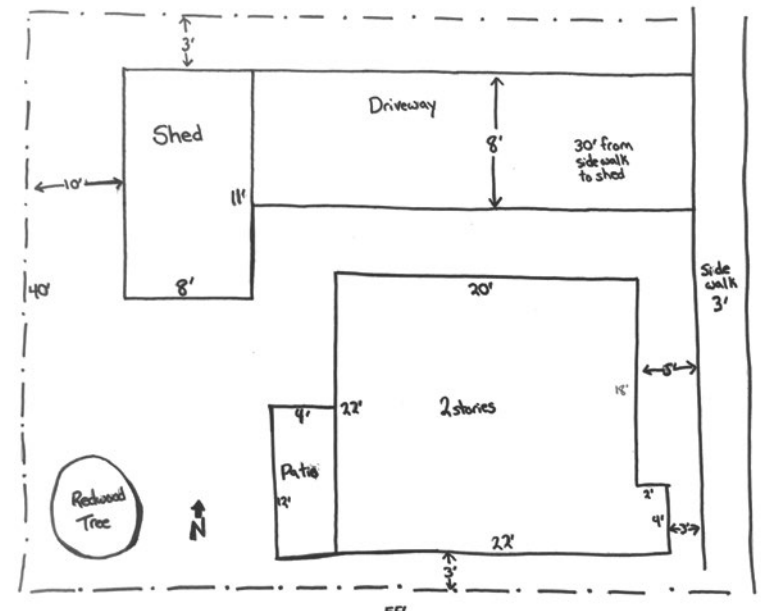
Drawing a site plan is an essential step, both for your own planning and to get city approvals. A site plan shows your property line and key information such as buildings, setbacks, lot line, etc. Most homeowners hire a professional to produce the final version, but it is often helpful to have a rough sketch to start. At this stage, you are going to draw major elements like building footprints, driveways, trees, etc.

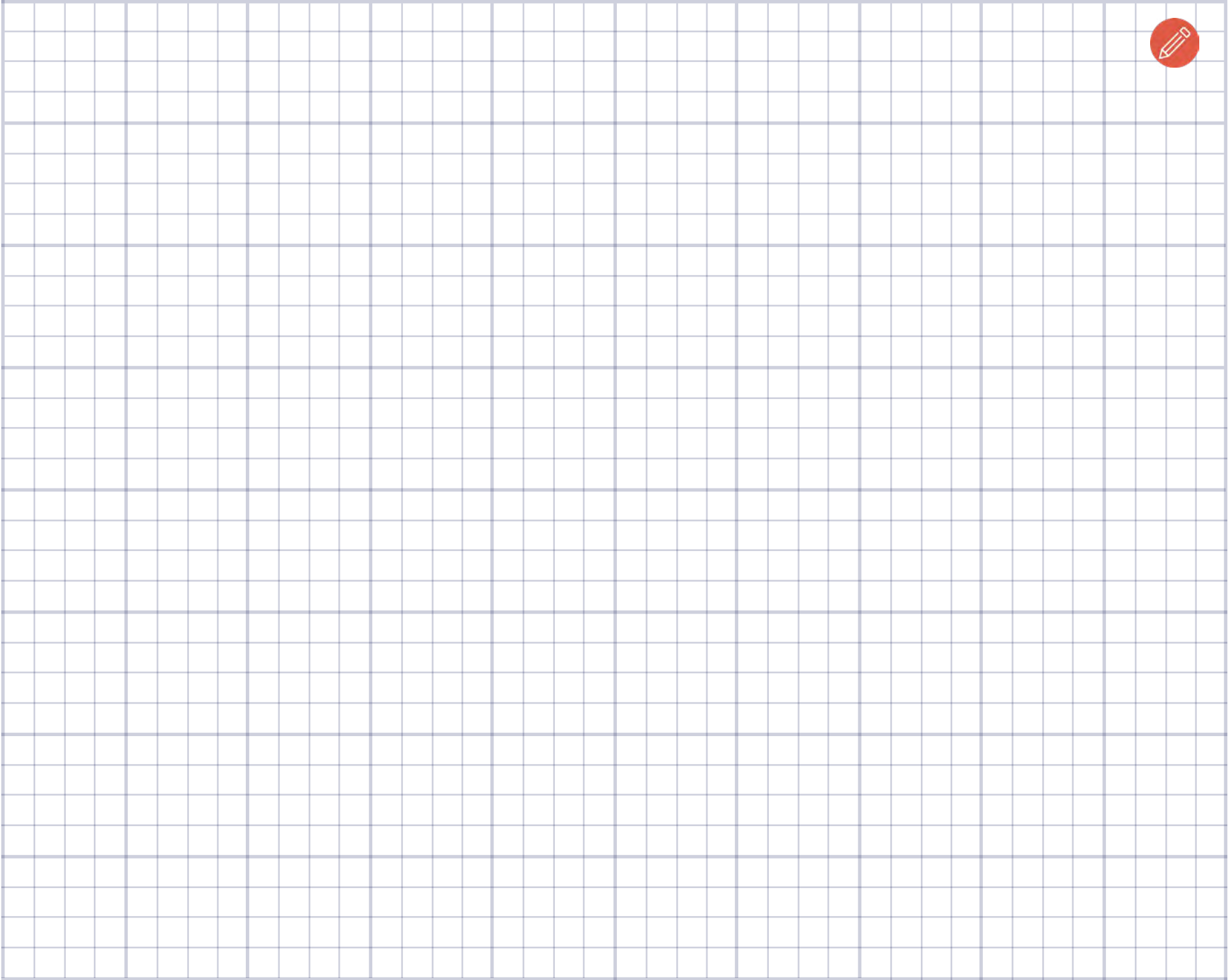
Start by sketching out your property lines, measuring and marking them accordingly. (You can use fences to estimate property lines, but you may need to get a professional survey.) Add any existing structures. Focus on the basic shape. You don't need to worry about inside floor plans, you just need to capture the footprint and whether it is one or two stories. Note special features like porches, trellises, and exterior stairways.

Next, add in the driveway. Be sure to measure the length and width of the driveway. Pay attention to other significant features like trees, drainage ways, steep slopes, etc. When you are done, you will have something that looks like the sketch to the right.

Now, try doing a drawing to scale. Depending on your lot size, a good scale might be one inch equals ten feet. If possible, try to have your north arrow direction pointing upwards on the page. Besides drawing the lines, be sure to make notes about the exact length as well. Be sure to use a pencil.

You'll want to copy your site plan or take a photo with your phone, because you will probably end up drawing on it several times as you explore ideas.







Important ADU Vocabulary

Building code Standards that ensure buildings are built safely. Building codes are made up of various sections (plumbing, electrical, etc.). These are established by the State of California and are often amended by cities.

Deed restrictions Conditions or rules that are added to a deed for a house. For example, some cities require homeowners to add language specifying that the main house and the second unit will not both be rented at the same time.

Discretionary permit Permission to build a second unit or take other action that requires a public hearing. Generally, second units do not need discretionary permits. The opposite of a discretionary permit is a use that is allowed by right, meaning a homeowner can build their second unit as long as it meets all the standards.

Floor area ratio (FAR) FAR is the number of built square feet divided by the size of a lot. FAR includes built area on all floors. The zoning code will specify the maximum FAR for your property if this applies.

Lot coverage The area of a property that is allowed to have buildings on it in relation to the total lot area, generally expressed as a percentage. Zoning code will specify the maximum lot coverage for your lot.

Ministerial review Review by the city to make sure an application meets all requirements. There is no discretion or judgment involved on the reviewer's part and no public hearings.

Open space requirements Rules that require a certain amount of yard area to be suitable for active or passive recreation (e.g., kids playing ball or a family having dinner). This requirement is identified in the zoning code.

Setbacks The minimum distance a building must be located from front, side, or back property lines. A five-foot side setback means any building must be at least five feet from the side property line. State law requires a four-foot side or rear setback for new construction that is 800 square feet or less, and no setbacks for conversions.

Single-family/multi-family Single-family zoning refers to one home on a property. Multi-family zoning refers to more than one home located on a property (e.g., apartments).

Zoning/zoning code City standards that determine what can be built on a site. All lots in the city will be assigned a zone (e.g., R-1, a typical single-family zone), and each zone has different regulations. The zoning code governs many aspects of development, including how tall buildings can be, where buildings can be located on a lot, etc. Most cities only allow second units in certain zoning areas.



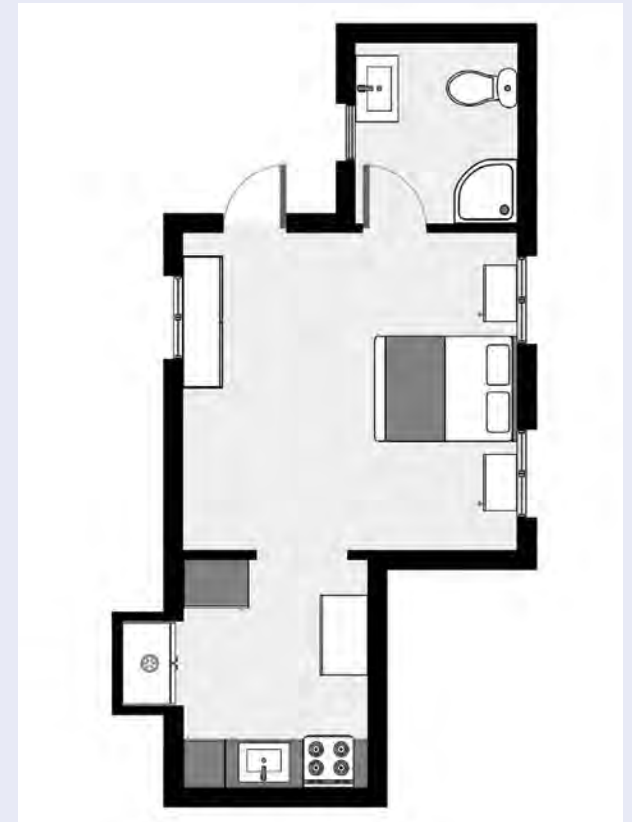
SPOTLIGHT BETTER THAN A ROOMMATE

Marian

Marian's junior ADU (JADU) project started when three different friends asked to rent space in her three-bedroom house. But she knew it was not for her. "It's really hard to say, 'I'm sorry, no,' but I tried having a roommate before and it did not work," she said.

However, especially after the fires, Marian wanted to help the community. Plus, she wanted to downsize and have more money to travel. "I fantasized about reinventing myself as a traveling teacher of beadwork. It turns out there is a market for that."

She considered a bigger project, a two-car garage with a unit on top. Instead she went small and split her existing house in two. "Close off one door, add another, small kitchen and bang, you're done, for \$10,000," Marian explained. "I went from applications to permits in hand in eight days." Her message to others is simple: "It does not have to be daunting. Sometimes it's really not that hard."



Location Sebastopol
ADU type Junior/Conversion
Price \$10,000
Year completed 2019
Size 418 SF



"The fires we had in 2017, where we lost 6,000 homes, led to an insanely tight housing market, and got me thinking about creating an accessory dwelling unit to move into my own self and to be able to rent out my house."





SECTION TWO

Budgeting & Finance

This section will take you through the initial financial considerations and options for your ADU project. By the end of this chapter, you will:

- Have an overview of the types of financing available for ADUs
- Understand how an ADU might impact your property tax assessment and home value
- Start the budgeting process for your project

Budgeting

Your budget is one of the most important parts of your ADU project. The finances of your project are fundamental in determining what is possible. An early assessment of your current finances is recommended before you proceed to other steps. You will need to balance the design of your ADU with what you can afford. For example, a larger or higher-end unit will likely command higher rent, which will allow you to afford a larger loan. This chapter will take you through the important things to consider as you begin to develop your budget.



Types of Financing

There are five main options available to homeowners to finance their ADU. Many homeowners use a mix of these options. As you're doing financial planning for your ADU, remember to include the rental income you'll receive in your calculations. Some lenders will not consider this income when evaluating you for a loan, but it's important for you to consider it in your calculations.



Cash savings or other liquid assets

Homeowners with cash savings or other assets that are easily converted to cash often use these to pay for some or all of the construction costs. Examples include cash, stock, or other assets that can be liquidated. Some homeowners have withdrawn retirement savings and usually pay a penalty. This can be a viable option but should be undertaken with caution.



Cash-out refinance

Homeowners with more than approximately 15% equity in their property can refinance their mortgage to pull cash out and finance their ADU. Refinancing is best done when mortgage rates are lower or comparable to the homeowner's current rate. Refinancing typically incurs fees.

Photo: Propel Studios



Loans from friends or family Some homeowners are able to borrow from friends and family to finance their ADU.

These loans should be formalized with a contract prepared by a lawyer and not simply with a handshake. These types of loans can be mutually beneficial if the lender gets a higher interest rate than they are currently getting and the borrower pays less than they would on the commercial market. This can work especially well when a friend or family member is going to live in the ADU.



Home equity loans or home equity lines of credit (HELOC) Homeowners

with sufficient equity in their home (typically at least 15-20%) can take out a second loan or line of credit to finance their ADU. These types of loans are preferable for homeowners who do not want to refinance their first mortgage at a higher interest rate and instead take out a second, smaller mortgage. Banks will typically offer a loan that is 90% of the equity a person has in their house. So if you have a \$1 million home and have a \$600,000 mortgage, you own \$400,000, and the bank can offer you \$360,000 (.90 x \$400,000). Typically these loans are variable rate mortgages that have no initiation fees. To qualify for a home equity loan, you'll need to show you make sufficient income to cover the

cost of your current debts plus the additional debt you'll be taking on. One advantage of a HELOC is that the homeowner does not start paying interest until the money is used. Check with your tax advisor regarding the impact of choosing a HELOC versus refinancing.



Renovation loans Homeowners who do not have enough equity in their home for a cash-out refinance or a home equity loan can consider a renovation loan. These loans typically rely on a homeowner's income to qualify for the loan, so a steady (and usually high) salary is necessary.



Company rent share A number of companies have started offering free ADU construction in exchange for a share of the rental income.



Photo: McDunn ADUs

Financing Options to Consider

HIGH HOME EQUITY

HIGH INCOME

- Cash savings
- Cash-out refinance
- Home equity loan/HELOC

LOW HOME EQUITY

- Cash savings
- Renovation loan

LOW INCOME

- Cash-out refinance
- Home equity loan/HELOC
- Financing typically unavailable
- Loans from friends or family
- Rent share/company rent share

Financing FAQs

What is equity? Your equity in your home is the portion of your home's value that you own outright, which is calculated by looking at the value of your home and subtracting your current mortgage balance(s).

What are fixed- vs. variable-rate mortgages? A fixed-rate mortgage charges a set interest rate for the life of the loan. A variable- (or adjustable-) rate mortgage has a changing interest rate that varies based on market rates after an initial period.

How do I find a lender? Talk to your current mortgage company and see what options they can provide. It's also a good idea to shop around and see who can offer you the best rates and services. Don't forget to consider local banks and credit unions, which are often more familiar with the local benefits of developing ADUs.

How do I structure loans with friends and family? While some people structure these as typical loans paid back over a certain period, sometimes a family member will pay for part of the ADU in exchange for living there. Make sure everyone is clear on the terms and agrees about contingencies (i.e., someone moves or passes away).

What are peer-to-peer loans? This is the practice of lending money to individuals or businesses through online services that match lenders with borrowers. These services are typically cheaper than conventional financing but also come with greater risk. For ADUs, some people structure these loans to include shared equity.

Estimate Project Cost

While getting an accurate estimate for your project is quite tricky and dependent on many factors, the ADU

calculator is a great place to get a rough estimate of costs and income for your project and a general idea of how the choices you make will impact your budget over time.

www.NapaSonomaADU.org/calculator

Each subsequent section of this workbook will include a more detailed discussion of costs for that specific phase of the project.

The assessed value of your ADU will vary, so it is best to call the assessor and a real estate agent early to know what to expect.



What will it cost?

Taxes and Resale



*How will it
affect my taxes?*

Adding an ADU will likely affect your property taxes and the resale value of your home. However, your primary house will not be reassessed, and your property taxes will only increase based on the added value of your ADU. Said another way, the existing Proposition 13 base year value of your primary residence and your land will not be impacted. This is good news for people who have owned their home for many years and have low taxes. Once you know the size and construction quality of the detached ADU in mind, you should contact your local assessor for a rough estimate of the assessed value for the proposed ADU. There are no negatives to making this call.

Depending on the size and construction quality of the ADU, the assessor will determine how much more your property would sell for with an ADU. For example, if you build an ADU that adds \$150,000 to your property value, and your tax rate is 1.1%, your taxes will increase by $1.1\% \times \$150,000$, or \$1,650 per year.

Other options, such as creating a junior ADU (JADU) within the existing structure, will have a significantly smaller impact on assessed value. In some cases, your taxes will not increase at all. Additionally, home sharing will not increase the assessed value of your home at all. Generally, garage conversions will not raise your tax bill as much as new construction, but they will also not add as much value to your house.

Adding an ADU may impact your income taxes as well. This can be rather complicated, and it's best to discuss these with a tax advisor. The rental income you receive for your ADU is taxable, but you can deduct the cost of maintenance and depreciate the cost of construction, which can often reduce or eliminate the tax increase. You may also have capital gains tax related to the increased value when you sell your property. Note that your unit could be assessed different ways for different purposes. If you are trying to get a loan, the bank might be more conservative and assume the value of your home will increase less.

For more timely information on the potential tax implications of building an ADU, please contact your county's tax assessor's office:

Napa County

www.countyofnapa.org/149/Assessor
1127 First Street, Suite A,
Napa, CA 94559
(707) 253-4466

Sonoma County

www.sonomacounty.ca.gov/CRA/Assessor
585 Fiscal Drive, Room
104F, Santa Rosa, CA 95403
(707) 565-1888

Budgeting Exercise

These questions will help you think through and get started with financial planning for your ADU.

1. What are my estimated construction costs? (Use the ADU calculator at www.NapaSonomaADU.org/calculator.)
2. How much cash (or other liquid assets) can I put into the project?
3. How am I planning to finance the project?
4. How much equity do I have in my home (market value of home - mortgage balance)?
5. If a family member or friend is going to live there, can they contribute by paying rent?
6. Will my income support a loan?



7. Which loan(s) best suit my situation?
8. Do I expect to qualify for a loan?
9. Do I prefer a bank, credit union, or non-traditional financing?
10. What banks do I want to reach out to? (Make sure to include your current lender.)
11. What do I expect to rent my ADU for? (The ADU calculator at www.NapaSonomaADU.org/calculator can estimate.)
12. Is my priority to maximize income or to help meet the housing needs of the community?
13. What other financial considerations do I have and/or what ideas do I want to explore?

SPOTLIGHT PROVIDING WORKFORCE HOUSING

Carl and BB

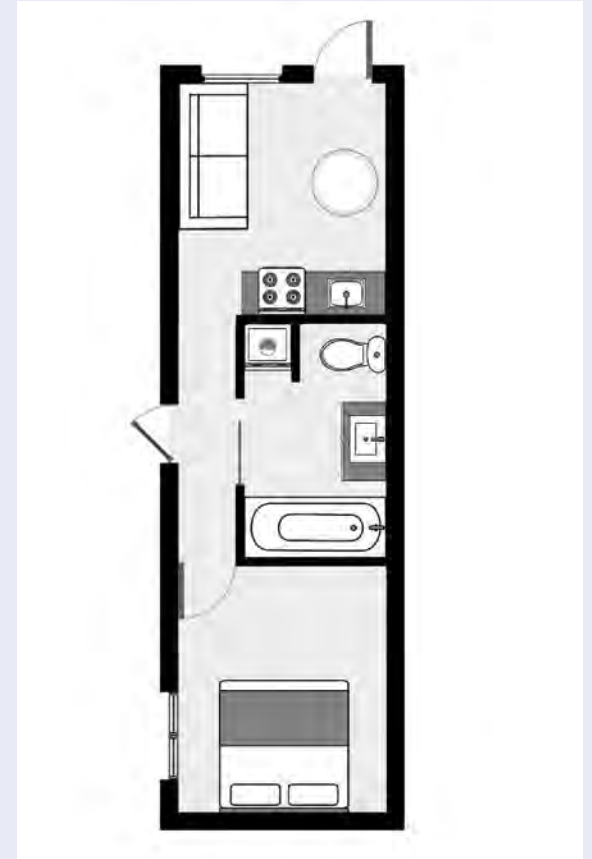


"Not only does an ADU add value to your house, it also provides long-term affordable housing for someone else."

"Since the tenants will be living right beside us in the tiny house, developing a close relationship is important because they'll be our closest neighbor."

Chasing warmer weather and better wine, Carl and BB moved to Yountville in 2016. "It's one of the greatest places you can live. We park our car and walk everywhere," they said. As local shoppers, over time they began making friends with the restaurant owners and staff near their home. But they noticed a problem: every year, too many people moved away. People who worked at the stores, no matter how hard they tried, could not afford to live nearby. Carl and BB had a solution. They built an ADU not only for additional income, but specifically to support employees at nearby Yountville restaurants, from sous chefs to bussers. And it worked! "There's been lots of interest in renting it. We're particular about who we rent it to because we share the backyard, but there has been no problem finding people."

It's small—300 square feet—but has everything someone needs. It is also beautiful, with cathedral ceilings and a little patio to make it feel much bigger. The ADU fits in well with their yard and matches the design of the main house. Best of all, it is a five-minute commute by foot through the beautiful streets of Yountville to some of the best restaurants in the United States that they love.



Location Yountville

ADU type New detached

Price \$100,000

Year completed 2019

Size 300 SF





SECTION THREE

Design

This section will help you think about what you want your ADU to look like, inside and out. You will do some initial work to identify how your proposed addition fits in its environment as well as how it fits in relation to the yard, the main house, and your neighbors' houses. It will also help you hire and work with a designer or architect. By the end of this chapter, you will:

- Have identified initial design goals, features, issues, and considerations
- Understand the design process and professionals involved
- Be ready to hire and work with an architect/designer

Inspiration and Getting Started

Typically, a studio is 200–400 square feet, a one-bedroom is 300–600 square feet, and a two-bedroom is 600+ square feet.

Before moving forward with the design process, it is important to think about how you will use your ADU and what you want it to look like. The following are some activities to begin the process.

When you see things you like or don't like, take notes and pictures. Pay attention to what neighboring buildings look like and how they relate to their surroundings.

- Take a walk around your neighborhood. Do you see houses or design elements that strike you?
- View your home and potential ADU from your neighbor's perspective in terms of privacy, views, sunlight, noise, etc.
- View the photos in the "Stories" section of www.NapaSonomaADU.org or the spotlights in this workbook, also available on the website.
- Look through magazines or books and tear out pages, or take photographs of your favorite designs.
- Search for inspiration on websites like Pinterest and Houzz.

It is helpful to have a clear sense of your preferences and priorities early in the process.

If you have not made some fundamental decisions, like the type of ADU and how many bedrooms you want, it's difficult to start the design process. An architect can help you brainstorm or answer fundamental questions, but they cannot start designing until these questions are answered. It's a good idea to revisit the ADU standards for your city on the companion website (www.NapaSonomaADU.com/standards) to see if your city has any specific design guidelines. Some cities have guidelines intended to help maintain the character of a place that can include guidelines on color, material, details, and style, among other things. Many homeowners are excited to think about the finishes (the type of siding, flooring, fixtures, or lighting), but these design details do not need to be decided early in the process. These elements do not affect the form and placement of the unit, which is what the design will focus on initially. Use the space on page 47 to jot down your ideas, but know that these will be refined later in the design process.

Design Definitions

Architect A design professional who has passed a licensing exam by the state. Architects are trained in design and construction management. We use the term architect and designer interchangeably in this book.

Design/build A firm that does both design and construction.

Designer A general term for someone who does design. Architects are one type of designer. Designers who are not architects often charge lower rates, but have less expertise.

Drafter Someone who does architectural drawings.

Elevation drawing A drawing that shows a straight view, usually of an exterior wall. Elevation is often a synonym for facade, so the south elevation is the south-facing facade of your house.

Prefab/panelized/modular A method of building that involves some or most of the construction happening off-site.

Site plan A drawing of your lot, buildings, and other features.

Survey A professional examination/ drawing of your property boundaries and/or slope. This is required in some cases but not in others.

Photo: Abodu



Initial Design Exercise

Websites like Pinterest are a great way to collect online photos and inspiration.

Here are some notes and questions to get you started on the design process. Remember, all of these might change when you start discussing costs.

1. Review the goals you identified on page 14 in the Getting Started section to ensure they are still appropriate.
2. What type of ADU do you want (e.g., freestanding, garage conversion, etc.)? See page 4 for ADU types.
3. Do you want a modern or a traditional feel? (Many people feel an ADU will look best if it matches the main home—and the city might require that.)
4. What are some houses that you like and why?
5. Are there floor plans you like or don't like? What features stand out?
6. How many bedrooms do you want?
7. How many bathrooms do you want, and do you want them larger or smaller?
8. Do you want more communal space (living room) or larger bedrooms?
9. What kind of kitchen do you want (chef's kitchen or something less expensive)?
10. Do you want features that will help people stay in the home as they age or that account for special needs (e.g., level entry, accessible bathrooms, no stairs, etc.)?
11. Will there be a washer and dryer in the unit?
12. Do you want additional green or sustainable features?
13. Are there landscaping plans you would like to incorporate?
14. Do you have preferences about the flow of the house (e.g., the entrance should be in one place, there should be a door to the garden, etc.)?
15. How should you situate your ADU on your property? Think about natural light, access to utilities, and privacy issues.
16. Are there features in your current home or past homes that you loved or felt could be improved that can help inspire your ADU?

Notes



Design Ideas Exercise



Write down your thoughts here. When it is time, pull this out.

Flooring

Lighting

Siding

Fixtures

Designer Type

You don't need to make extensive small talk with your architect, which can be expensive.

Most jurisdictions do not require an architect to design a residential project. However, they may require an architect or structural engineer's stamp on certain documents submitted for permit.

As you start the design process, one of your first considerations is what kind of professional you want to work with. Most homeowners choose to work with some type of design professional to plan their ADU and help throughout the process. Bringing on a professional early in the process is often key to getting your ADU approved quickly and smoothly and to creating a cost-effective project. Homeowners with previous design experience can choose to manage the design themselves, but this is not recommended unless they have considerable experience. You will also need to decide how much you want your designer to take on—some homeowners hire their designers just to do design drawings, while others keep them on to do construction drawings and/or to help with construction management. No one type of design professional is inherently better than the other. Like any profession, specific relevant experience, professional interests, personal strengths, and personal fit with the client are critical. The following are the four general types of design professionals you can work with to design your ADU.

Architect An architect is a professional licensed by the state who has a degree in architecture and has passed a rigorous licensing examination. Architects take legal responsibility for their work. Architects may provide a range of services, including full-service support from the initial concept, on as well as completion of construction, including coordinating with required consultants such as structural engineers and any related subcontractors. Ask what services an architect offers and negotiate a fee based on what services you need. The American Institute of Architects website (www.aia.org) provides helpful information to homeowners in this regard. Architects usually bill at a higher rate than designers, but some feel the additional expertise saves them money (and stress) in the end.

Designer The term designer is not regulated; anyone can call themselves a designer. Some designers have an architectural education and training but are not licensed. Others are self-taught. Most fall somewhere in between. The services designers provide are variable depending on their experience and business model.

Design/Build A design/build firm will do the design and construction of your ADU. Most often, a design/build firm is headed by a licensed contractor who has a designer on staff, but some are headed by or have a licensed architect on staff. Be sure to ask detailed questions about the level of design services provided. The term design/build is not regulated. Some design/build firms have experienced designers on staff who can provide spatial planning for remodels, additions, and new construction, as well as material selections. Others focus on minor changes and material selections or will hire a drafter to draw up plans based on your or their ideas.

There isn't a hard line between prefab and custom-built. For example, you will be able to customize prefab designs. You can also have your architect start from plans that have been used and approved in other places. By compromising a little on flexibility, you might be able to save a lot of time and money.

Modular/prefab With modular and prefab homes, some or all of the home is built in a factory and shipped to your site. Generally, the homeowner will work with the modular company to select and often customize their unit. A contractor is then required for site, utilities, and concrete work in preparation for the installation of the modular unit. This method simplifies the design process to choosing a company and then selecting a model and finish options. Modular generally takes the least time from conception to completion with a reliable level of quality control. In theory, permitting should be easier with modular homes, but because it is a relatively new and not yet widely implemented method, some jurisdictions may have additional questions that require additional finesse. Additionally, site-specific conditions on your property, such as access to utilities and where your main sewer line is or whether a prefab home can be delivered to the site, may impact your decisions on whether a modular/prefab ADU will save time and money. See page 78 for more information.

Photo: Blokable



Hiring and Working With a Designer



How do I find an architect?

A designer will start the process by visiting your home. They will talk about your ideas and goals. If it seems like a good match, they will prepare a proposal that details exactly what services they will provide and what they will charge. You will need to determine how involved you want your designer to be. Some designers will charge for their initial consultation or development of a proposal; it depends on the firm. There are two key considerations when evaluating a design professional: their experience and their interpersonal skills. There are unique challenges to designing small homes and you most likely will want someone who has experience with small homes. Also, designers have favorite styles (e.g., modern,

craftsman, etc.) and your designer's skills should match your goals. It is also important to find a designer who has a personality and communication style that fits with you. They should understand and respect your goals and choices. Chemistry really matters. A major portion of a designer's job is explaining the process and the design choices to you, so you want someone whose explanations make sense to you. This extends to communication mode as well. If they are an email person and you are a phone person, it might not be a good match. The American Institute of Architects recommends you meet with three to five firms before making a hiring decision. See page 52 for questions to ask your designer.

Consider hiring someone you know from your community (e.g., church, work, or a neighbor). Because contractors are busy, sometimes the personal connection helps. Also, if there is a problem, you have a strong incentive to find a solution that you can both live with.



Designer Considerations Exercise

1. Would you rather work with a licensed architect, who has more training, or a designer, who is likely to be less expensive?
2. Do you want to use modular/prefab construction (unit is at least partially built off-site)?
3. Do you want to use a design/build firm to handle both drawings and construction?
4. How client-centered do you want your designer to be? Some architects welcome interactions with their clients and some dread it. Some homeowners want to be actively involved and some are more hands-off.
5. Do you prefer to work with a larger firm or a smaller firm? Both have pros and cons. In the end it comes down to your personal preference.
6. Do you want your designer to just prepare drawings, or do you want them also to help with permitting, construction drawings, and/or the construction phase?

Remember: if the ADU shares a wall, sound- and odor-proofing is a really good investment.

Questions to Ask Your Designer

Experience

- Do you have experience with building ADUs?
- Where can I see pictures of similar projects you have designed?
- Can you send me a list of client references, preferably from smaller projects?
- How big is your firm? Who does which portions of the work? Who specifically will be working on my design?
- Are you licensed?
- What is your experience designing the type of ADU I would like built?
- Do you have experience working with my city and do you know city staff?

Design

- How closely do you like to work with homeowners in the design process?
- Do you have a design philosophy?
- What are the steps in the design process and how are they organized?
- How do you help a homeowner establish priorities and make design decisions?
- What role do you have during construction?
- Am I expected to work with the contractor directly?

My Project

- How busy are you? What is the timing to start work?
- What is your estimated timeline once the project is moving forward?
- What challenges do you foresee?
- What do you see as important considerations for my project?
- How will you go about identifying my needs and goals and incorporating them into the design?
- Is my budget realistic?
- How will you help me to understand key milestones in the process?
- What do you expect me to provide and by when?

Fees

- What are your fees? How do you structure your fees?
- Can you provide some sense of what it might cost (with the understanding that this would be rough numbers without a formal proposal)?
- What is included in your basic services and what services would incur additional fees?
- What is the process for changes in scope?
- How do you manage a project to keep it on budget?

Costs and Contracts

Design costs vary with every project, but a rule of thumb is that it will cost 10-20% of the total construction budget. Typically designers use one of three methods:

Fixed fee Based on your project needs, an architect gives you a maximum price. If the project takes more or less time to complete, their prices do not change.

Time and materials The architect will bill you for the hours they work. This works best if there are too many unknowns for the architect to fully understand the scope of the project.

Not to exceed The architect will only charge the hours they work, but there are agreed upon maximum amounts for each phase of the work. California requires architects to offer you a written contract. You should take advantage of this to protect yourself and to avoid miscommunications. You may want to have a lawyer review the contract to make sure all of your concerns are covered before you sign.

Graphic: Smallworks

Sample Design Costs

	PERCENT OF TOTAL	BASIC STUDIO	HIGH-END 2-BEDROOM
CONCEPT/SCHEMATICS	15%	\$1,500	\$3,000
REFINEMENT & PERMITS	30%	\$3,000	\$6,000
CONSTRUCTION DRAWINGS	40%	\$4,000	\$8,000
BIDDING, NEGOTIATION, & CONSTRUCTION	15%	\$1,500	\$3,000
TOTAL		\$10,000	\$20,000

These represent typical costs, but every project is different and costs will vary. All costs from 2019.



Steps in the Design Process

In most cities, you are not required to talk to your neighbor about your proposed second unit, but you should. Try to imagine yourself in their shoes. They might have some ideas about design or privacy that you can incorporate.

STEP 1

Conceptual Drawings/ Schematics

Once your designer is hired and you've discussed your goals, they will take measurements of your property and develop conceptual drawings or schematics. (If the site plan you did in Section 1 was accurate enough, they may be able to use this.) Schematics are often sketches that show broad concepts, but not details. They are relatively fast and inexpensive to produce and can help you and the designer focus in on what you want. The conceptual diagrams will focus on the type of ADU, floor plan, relationship to outside areas and the main house, etc. Cost considerations should come up at every stage of the process. If your designer does not bring them up, you should. City rules will affect your options. For example, many cities require your ADU design to be compatible with the neighborhood. Also, the size or height might be limited by city rules. Look back over the city rules you downloaded earlier. In this stage, it is important to consider how the ADU interacts with the yard. People often want more windows and doors with glass in smaller homes to make the space feel more

open. There may be trees, open space and other features you're interested in looking at from within, while you may not want to see other elements like fences, driveways, and neighbors' homes. Vaulted ceilings are popular as they make smaller spaces feel much larger.



STEP 2A

Refinement

Once you have a concept plan, the designer will refine their work. Designers will ask more questions about your goals and you will have to start choosing components, like doors and windows. At the end of this stage, there will be a drawing done to scale that covers the layout and all the major systems (heating, electrical, etc.).

STEP 2B

Review With the City and Apply for Permits

At this point (ideally, halfway through the refinement process) it is a good idea to show the design concept to city staff to make sure the plan is approvable and to identify any other regulatory considerations. Your designer can attend this meeting and can assist you in clarifying all the requirements and issues that should be covered in the permit drawings. After meeting with the city, you or your designer can complete the city's permit application and appropriate plans for that stage of the review. See page 64 for more information.

STEP 3

Construction Drawings

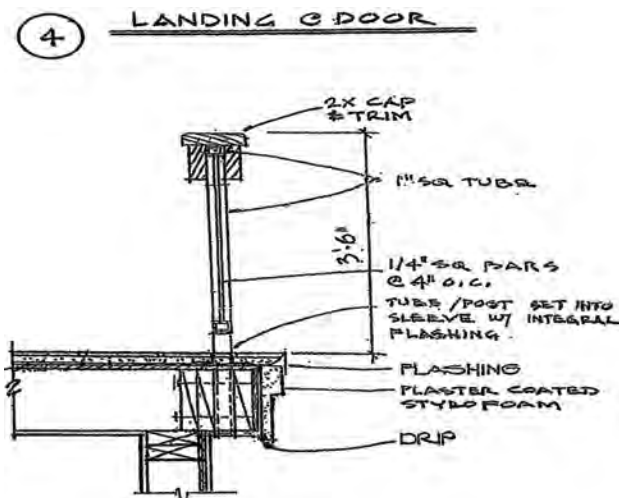
Many homeowners get construction drawings from their designer that provide all the detail needed for a contractor to bid on the project. Some homeowners use drawings to get bids, but many contractors cannot give an accurate bid with just this information and may also want to visit the site.

STEP 4

Managing Construction

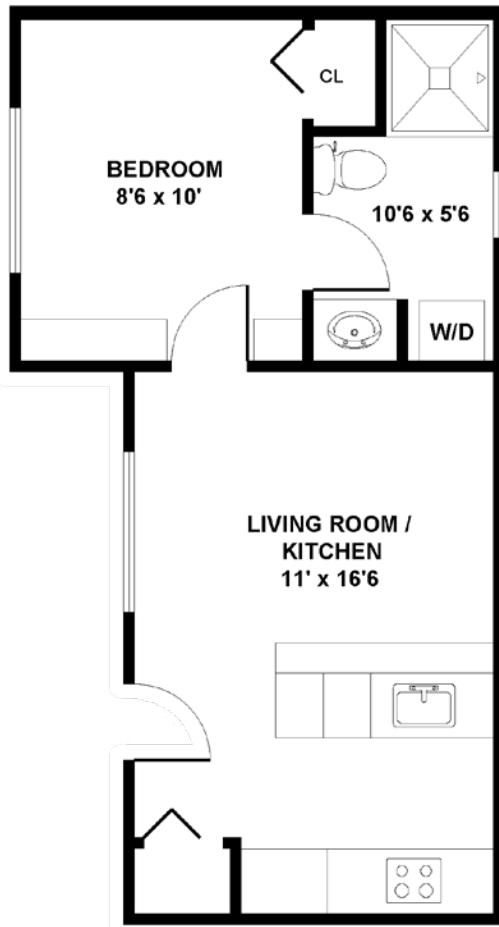
Some homeowners keep their designer on to help with construction. Most designers have a pool of contractors they work with. They can help you get bids and choose one that works for you. Your designer can also help you think through last-minute complications if they arise.

Builders/contractors will often have thoughts about costs—and opportunities to reduce them—that your designer may not have considered early on. Consider expanding your team to include a builder so you can draw upon their expertise before the plans are finalized. However, you will not have detailed enough drawings to solicit bids. It is okay to have one builder review plans and then have others bid to do the actual work.



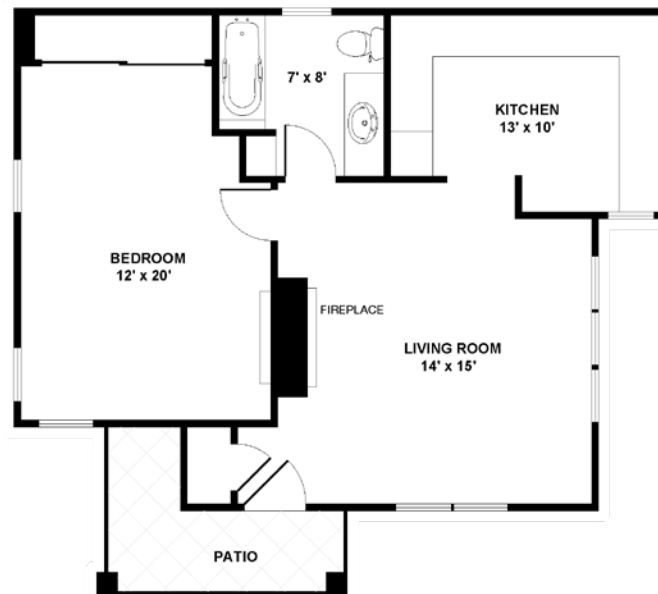
Sample Floor Plans

Here are a few examples of floor plans from real-world projects (floor plans are not to scale relative to each other):



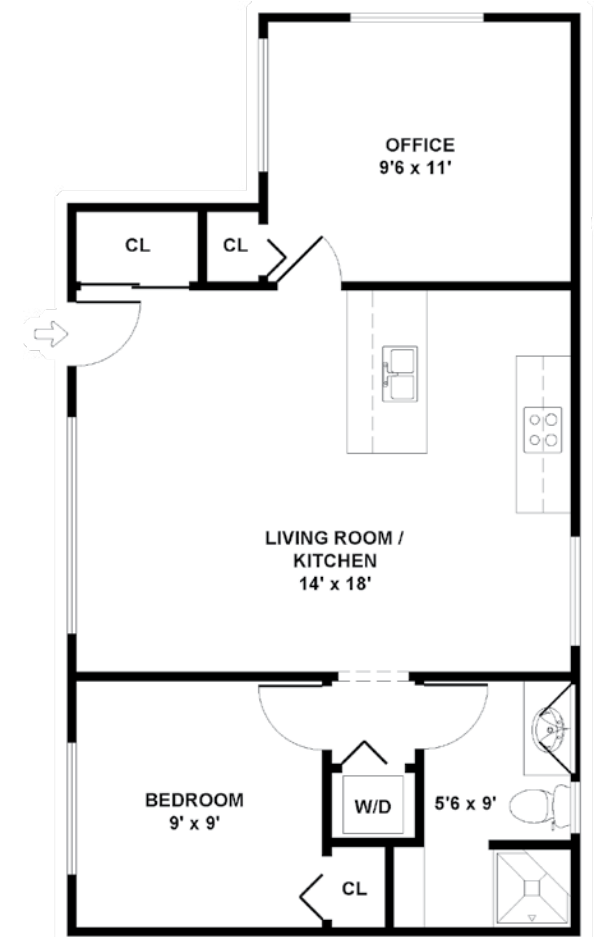
Bowen's Oasis

336 SF
1 bedroom/1 bath



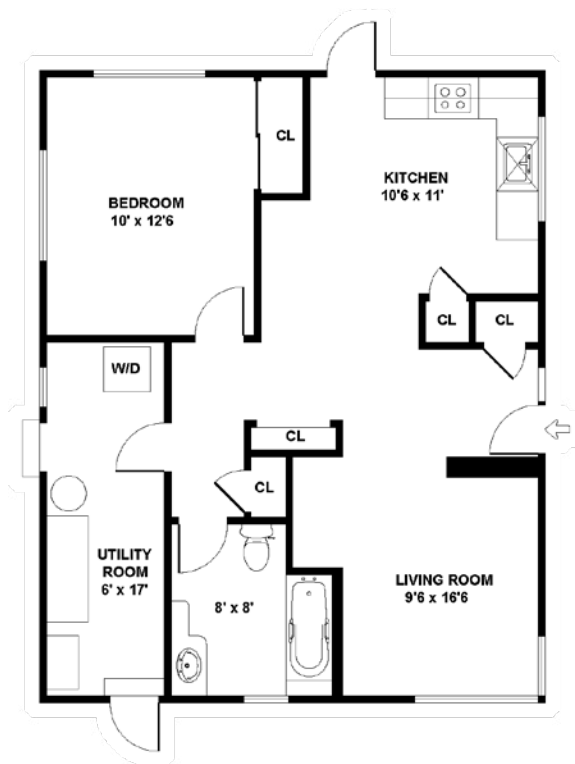
Sofia's Granny Flat

674 SF
1 bedroom/1 bath plus patio



Tara's Retirement Plan

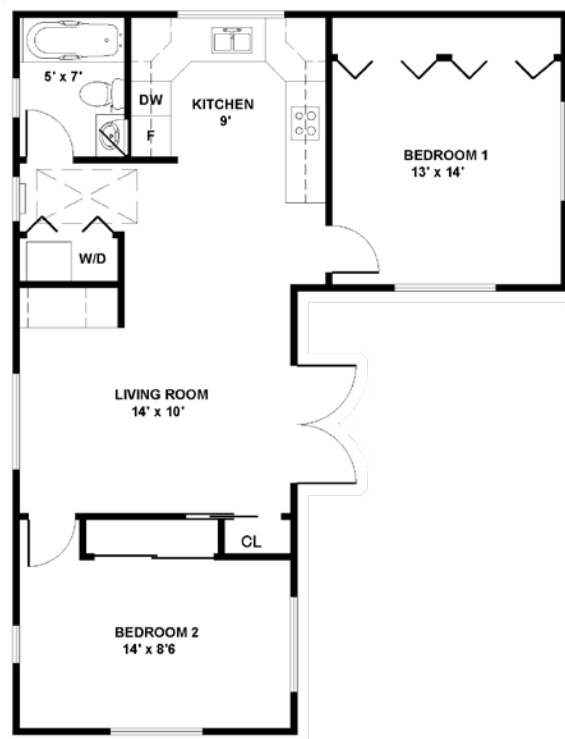
609 SF
1 bedroom/1 bath plus office



Julia's Garage Conversion

640 SF

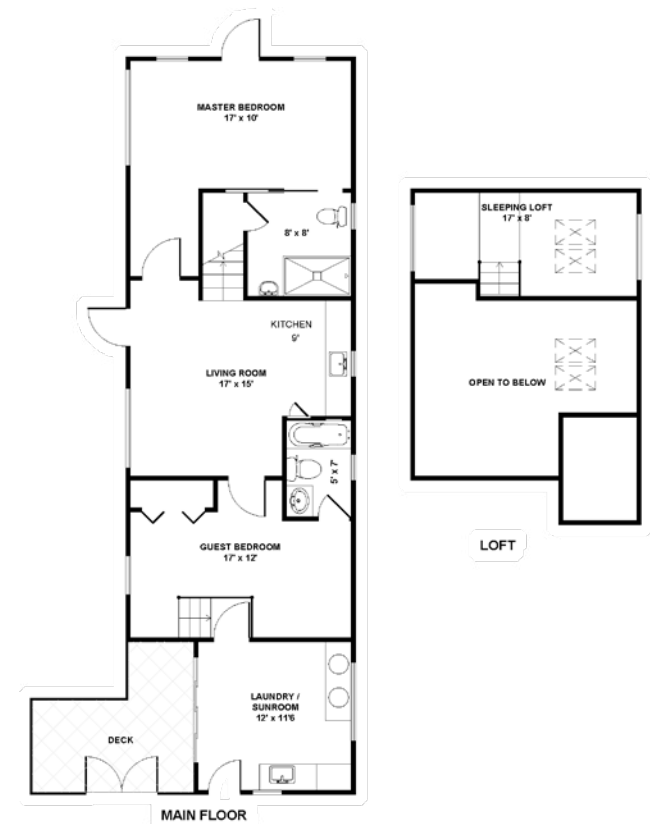
1 bedroom/1 bath plus utility room



Mateo and Terry's Downsize

700 SF

2 bedroom/1 bath plus utility room



Karin's Backyard Cottage

875 SF

2 bedroom/2 bath
plus sleeping loft and deck

SPOTLIGHT DOWNSIZING, BUT STILL ENTERTAINING

Adele

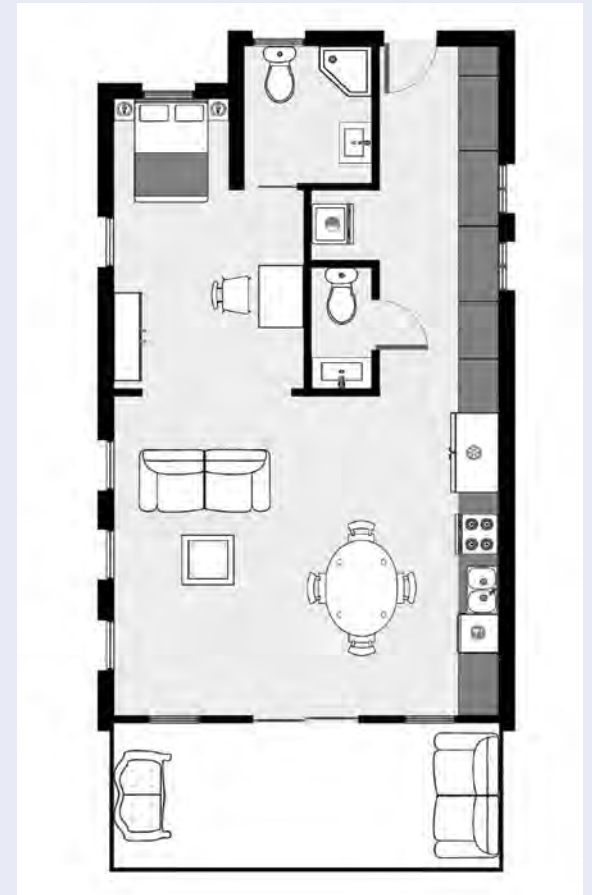


When Adele thought about where she wanted to live as she got older, she knew she did not want to move far. “I have lived in Healdsburg for 35 years,” she said. “It’s an incredible village.” She also had a great network of friends and she wanted to continue to host parties. “Dinner, cocktail, wine,” she explained, “I cook everything.”

When she decided to build an ADU in her yard she turned to her son, a designer, to plan a smaller home that still felt large. “I’ve had 15, 18 people here,” she said. “High ceilings, all windows, and when I open up the door the porch becomes part for the house.”

The rental income from the main house has helped her be more comfortable, but the relationship with the tenants is equally rewarding. “They are a young couple in their early 30s. When they first saw it, they called it their dream home. I keep the rent reasonable. We have gotten to know each other. They pay the rent on time and are sweet. I’m lucky.”

“I wanted a place I could have people come visit. It has a very large feel, high ceilings and all windows. I open up the door and the porch becomes part of the house. I can still entertain the same number of people as before.”



Location Healdsburg

ADU type New detached

Price \$350,000

Year completed 2016

Size 640 SF + 200 SF porch





SECTION FOUR

Permitting

This section will take you through the ADU permitting and approvals process. By the end of this chapter, you will:

- Have an overview of what your city may require as part of the permit application
- Know what to expect for the application review
- Have reviewed the types of fees you may need to pay
- Understand how to get started on your application

Permitting Overview

Once you have plans for your ADU, you or your designer will need to submit the material to your city for approval. You should have a rough idea of the permitting and approvals process from your initial meeting with the city and the work you did in Section 1 of this workbook. More importantly, your designer or contractor should be familiar with the process and will serve as your guide.

Planning, zoning, and building regulations ensure homes and other buildings are habitable, environmentally friendly, and safe places to live and work. However, the local permit application, review, and approval process can be daunting for anyone who has not gone through it before. While the process has gotten easier, it still can be difficult. The following are steps and resources to keep in mind.

Final pre-submittal review Before submitting your application, it is worth you and perhaps your designer making a final trip to the city with a draft of all your drawings and materials. Call the city and let them know you are almost ready to submit and want to set up a meeting for final guidance. Set up a time to go over any outstanding questions and get any advice they have before you submit your application, so you can minimize surprises later in the process. This is also a great opportunity to ask about common problems in the permitting process and how to avoid them. See page 67 for suggested questions and space to organize information.

Application submission Each city has a different permitting process, but generally you will submit one application with several components and the city will send it to various departments to review. The first step will be for the city to sign off that your application is complete. That will initiate the staff's internal review. Typically, several city departments will review your application, including (at minimum) planning and building.

City review and response to comments The city will collect all internal review comments on your application and send them back to you or your designer. Assuming changes are needed (which is usually the case), you will resubmit your revised plans in response to the comments or provide additional information as part of your application. This step is repeated until all the comments are addressed, which might take a few rounds. In less common instances, a discretionary permit may be required. See page 68 for more information.

Fee payments Before receiving the final permits, homeowners will have to pay all required fees, including fees required by other agencies like school districts or water districts. The city will give you a list of where you need to go to pay and obtain proof of payment for the various fees required.

Permit pick-up The homeowner or contractor, if they are identified on the application, may then pick up the building permits to commence construction. Architects are generally not allowed to pick up the permits.

Photo: New Avenue Homes





Putting Together Your Application

ADUs in the Coastal Zone

If you are building an ADU in the Coastal Zone, the rules may differ. The Coastal Zone covers parts of unincorporated Sonoma County. State law governing ADUs applies differently in the Coastal Zone. A coastal development permit may be required, which may include notifying your neighbors. It's best to discuss ADU projects in the Coastal Zone with your county staff to determine the process.

Most homeowners choose to work with a professional throughout the permitting process. Based on dozens of interviews with homeowners in Napa and Sonoma Counties who have gone through this process, they felt that hiring a professional is the best money they spent.

The submittal and review process is often quite complex and can require significant architecture and building technology knowledge to go smoothly. California allows homeowners to submit the application under their name, but many who start down this path have a miserable time. Also, owner-builders are liable if anything goes wrong. Generally, it is better to have a professional on your side to explain the requirements and the choices you must make. The following page is a sample checklist from the City of Calistoga to give you an idea of what to expect.



**City of Calistoga
Planning & Building Dept.**

1232 Washington Street
Calistoga CA 94515
(707) 942-2827 fax (707) 942-2831
www.ci.calistoga.ca.us

FOR DEPARTMENT USE ONLY

RECEIVED: _____ BY: _____
PERMIT # _____
ADDRESS _____
APN _____
APPLICANT _____
OTHER PERMITS: (e.g., encroachment, FSS) _____

BUILDING PERMIT APPLICATION CHECKLIST

Staff will review the information provided for submittal with your building permit application. Additional information may be required after the application materials have been reviewed. A complete application will ensure prompt processing. If you have any questions, please contact the Building Division.

PROJECT DESCRIPTION:

Abbreviated Application Submittal Requirements

	REQUIRED	RECEIVED	ITEM	Number of Copies				
				*SFD	*MFR	*COM	*COM-TI	OTHER
1			Completed building permit application	1	1	1	1	1
2			Application deposit	1	1	1	1	1
3			Owner/builder form (if applicable)	1	1	1	1	1
4			Site plan	4	4	5	5	
5			Floor plans	4	4	5	5	
6			Roof plans	4	4	5	5	
7			Building elevations	4	4	5	5	
8			Structural framing and foundation details	4	4	5	5	
9			Cross sections	4	4	5	5	
10			Plumbing, electrical and mechanical plans	4	4	5	5	
11			Title 24 energy compliance documents	3	3	3	3	3
12			Manufacturer's specification reports	2	2	2	2	2
13			Green building mandatory measures	2	2	2		
14			Structural calculations	3	3	3	3	3
15			Drainage erosion and sedimentation plans	4		5		
16			Soils report	3		3		
17			Landscaping plans			As Reqd.		
18			Parking lot plan (lighting)			As Reqd.		
19			Accessibility worksheet			1	1	
20			Other as required by the City of Calistoga: _____					

* SFD = Single Family, MFR = Multi-family, COM = Commercial, COM-TI = Commercial Tenant Improvement

Application Submittal

Title 24

Title 24 regulates minimum energy efficiency for new construction in California. For example, these standards dictate how much insulation is required and the types of light fixtures that can be used. All new ADUs will need to demonstrate compliance with Title 24, which usually requires hiring a consultant and typically costs less than \$500. In some cases, like newly constructed freestanding ADUs, you might need to add solar panels to meet the rules.

The details of submitting an application are different in each city. Some cities require applications to be submitted online while others require (multiple) paper copies on various sizes of paper. In any case, the city will initially review your application for completeness before it begins a more thorough review. Once your application is deemed complete—meaning you correctly submitted all of the required materials at the required level of detail—the various reviewing departments and agencies will begin their review. Under new state laws, cities have 60 days to complete an application review.

Most cities have applicants turn in all their application material at one time. A minority of cities do the application in two steps, first requiring homeowners to receive planning or zoning approval. This generally covers the building size, placement on the lot, height, etc., but not the construction details. A homeowner may apply for a building permit once they receive planning and zoning approvals. As of September 2019, only Rohnert Park and Yountville require or recommend using a two-step process.

Application requirements vary by city, but the following is a checklist of typical application components:

- Site plan (depicting existing and proposed structures)
- Building / architectural plans (floor plans, elevation plans, and details)
- Structural plans (foundation plan, framing plans, and associated details)
- Other items (Title 24 energy calculations, best management practices for erosion control, photos, etc.)

Timeliness

Typically cities want you to finalize your plans within 120-180 days after they send comments, depending on the jurisdiction. If you do not respond within that time, the city may add fees. While applicants can ask for a no-cost extension, working in a timely manner is very important.



Permit Application Planning and Organization

Use this space to collect and organize information on the permit application you will submit.

1. What are all the steps of the permitting and approvals process?
2. How long does each step in the process take?
3. What application materials are required and where/how are they submitted?
4. What fees are required and to whom do I pay each fee?
5. What potential problems do you see with my application and how can I address these?

Other notes or questions:

City Review and Comments

Separate utility meters and lines typically add to the initial costs, but separate meters allow tenants to pay their share and encourage conservation. However, there is usually a monthly minimum charge, which can be high for people with small units.

In the application review phase, various departments will assess your project application to ensure that it meets all applicable regulations. The process will typically include some or all of the following reviews (and possibly a few others).

Planning Department Review

The application review process typically begins with planning/zoning review. Planning review will assess whether your proposed ADU complies with basic zoning regulations such as allowed size, height, placement on property, parking, etc. This level of review may actually happen before your application is deemed complete.

Building Department Review

Building review addresses the physical construction of the ADU to ensure that all the elements of the building meet the requirements of the California building code. Some examples include electrical, insulation, ventilation, plumbing fixtures, ceiling heights, foundation and seismic safety, etc. Building codes are nearly identical from city to city, but some jurisdictions have made minor amendments.

In addition to planning and building, your project may be reviewed by a variety of other departments and agencies, including:

Public works may review drainage and the project's connection to streets and sidewalks.

Fire agencies with jurisdiction over your property may review your plans for compliance with all fire codes.

Public utilities (water, sewer) If your unit requires installation or expansion of water and/or sewer service, the relevant agencies will review your project to ensure that water and sewer connections are adequate and appropriately designed. Projects may require a "will serve letter" from local service agencies to prove you have the right to connect to water and sewer services. These utility agencies may require your ADU to meet other requirements related to water fixtures or landscaping. Contact your local city or county (for unincorporated properties) to determine if utility districts serve your property. There are no sewer or water connection fees when converting existing space to an ADU.

Environmental health If your unit requires installation or expansion of a septic system or relies on well water, the county environmental health department will review these components of the project. Be sure to check the water supply and septic rules early on because sometimes the requirements are expensive.

Comments

You will receive comments from each of the reviewing agencies that may require changes to your application. You and your project team will need to address all comments and resubmit your application. Most ADUs require one to three rounds of review before the application is approved, and each review typically takes two to four weeks for the city to return comments. The length of the entire process will depend on the number of reviews required and how quickly the application is resubmitted between reviews. Be prepared; sometimes the city may bring up entirely new comments in later reviews. This can be frustrating, but is not uncommon.

One really helpful change is that in many or all cases, state law no longer allows cities to comment on preexisting zoning problems unrelated to the ADU. For example, you should not receive comments about the main house or a fence unrelated to the ADU.

Photo: McDunn ADUs



Surveys, Expert Opinions, and Certificates

Some cities require homeowners to get expert opinions or certificates or to conduct surveys as part of the approval process. For example, if the ADU could impact significant trees, an arborist may need to certify that the ADU will not damage the trees. Other common requirements include boundary and geotechnical surveys, elevation certificates (especially for properties located in the FEMA flood zone), and sewer certification.

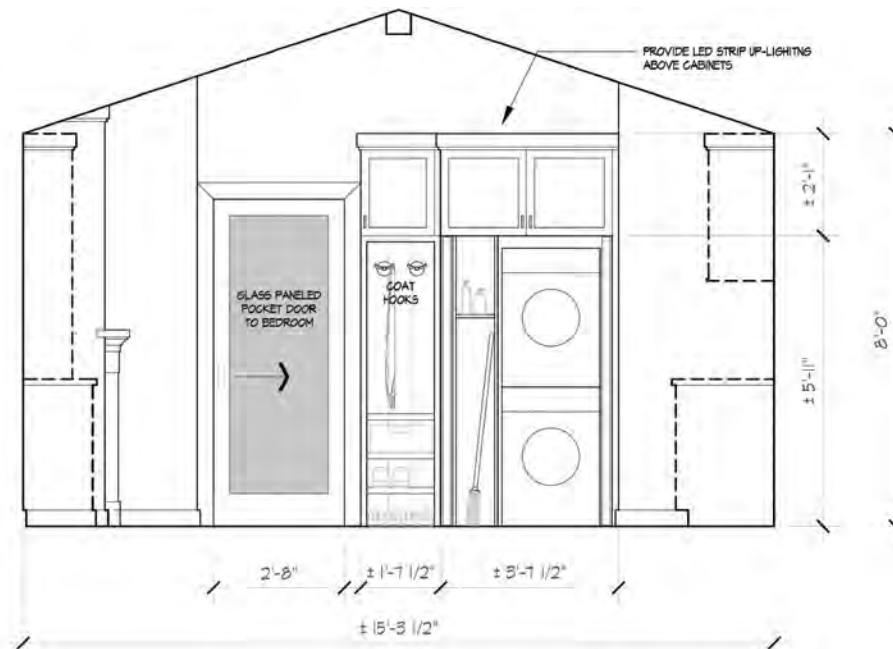
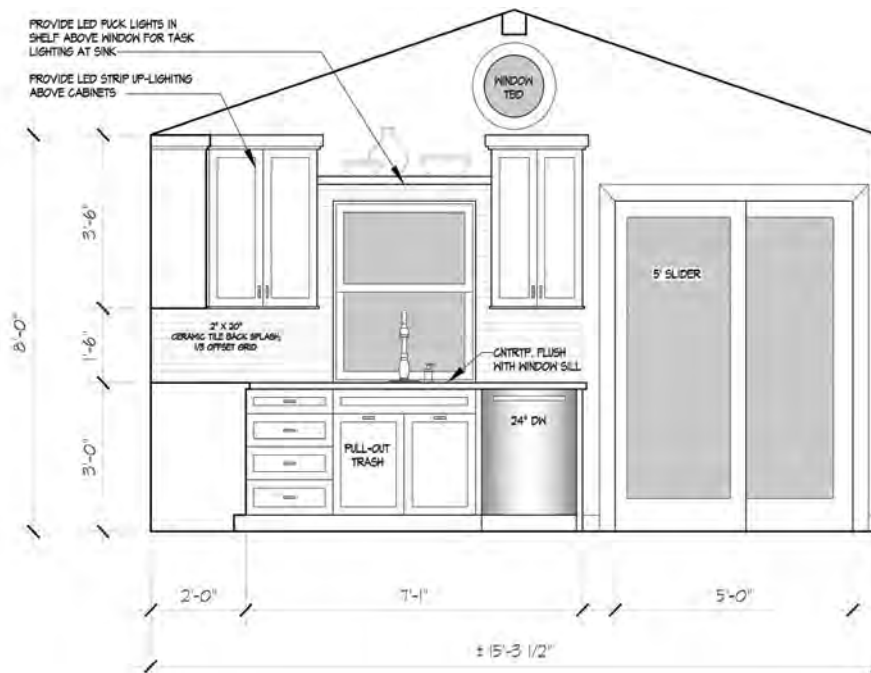
Design Review

Some cities require design review, which ensures that ADUs meet certain design standards (color, material, style, etc.) for neighborhood compatibility. State law specifies that design review of ADUs occurs at the staff level only, with no public hearing. With a few exceptions, only ADUs in Petaluma's historic districts currently require design review.

Public Hearings: The Exception

If your ADU meets all basic standards and does not require any special exceptions or permissions (commonly referred to as variances), it will typically only be reviewed and approved by staff at the departments and agencies listed above. However, if your project does not fit within the basic standards, you may request certain exceptions to these regulations. In this case, your unit will typically be reviewed at a public hearing. Depending on the nature of your project, public hearings may include the Design Review Committee, Zoning Board, or Planning Commission. If a public hearing is required, the permits will only be issued after approval by the relevant hearing body.





Sample Review Comments

Here are some sample comments from cities on ADU applications.

"Please amend site plan to clarify whether the 11-inch side property line setback is based on field measurements or property line survey. The plan showing the relationship between the building and the North property line must be done by a land surveyor, or civil engineer."

"Revise the construction drawing to provide complete plans and specifications for the removal of rainwater from roofs, paved areas, yards, vent shafts, light wells and similar areas."

"Habitable spaces are required to be provided with an under-slab vapor retarder..."

Pay Fees

Check with your city for the latest information on fees.

Our ADU Calculator (www.NapaSonomaADU.org/calculator) can provide an estimate of the fees for your project.

Each city will require different fees, and the exact fees will be dependent on your specific project. Fees range from a few hundred dollars to over \$30,000. As of 2019, most projects are in the \$10,000 range, or less than 5% of construction cost. Generally, you will need to pay all fees prior to receiving your building permit. Surprisingly, cities do not control many of the most expensive fees (e.g., school fees and water fees). Below are the fees commonly required by cities, but fees will vary for each city and project. You may only have to pay some of these fees or there may be other fees.

Entitlement fees are levied by cities to cover the administrative costs of applications. These typically range from hundreds to thousands of dollars and are not levied in all cities.

Building permit fees cover the costs of inspections before, during, and after construction. These fees can vary and are often a few thousand dollars.

Development impact fees help pay for new infrastructure in your neighborhood and the surrounding area, such as new roads or parks. ADUs under 750 square feet are exempt from these fees.

Water and sewer fees support the cost of providing water and sewer service to the community. Recent changes to state law have significantly reduced the water fees for ADUs: existing buildings do not require water fees, while new buildings can only be charged fees in proportion to the size of the unit.

School district fees support the schools in your area through a per-square-foot development fee. These are paid directly to the school district. Typically, your city will give you the address(es) of the school district(s) to which you are required to pay fees. You will pay the school district directly and then present proof of payment to your city. In 2019, these fees varied from nothing to \$3.48 per square foot, though some projects are exempt from school fees (often projects under 500 square feet).

There are a few ways to save on fees. School districts are not allowed to charge fees for units under 500 square feet, but not all districts have adjusted their policies to be in line with state law. State law also says that an ADU created within the space of an existing building (e.g., garage, bedroom, etc.) does not have to pay a water or sewer connection fee or capacity charge. If the ADU is created by constructing new square footage a fee may be charged, but it must be proportional based on its square footage or number of plumbing fixtures. ADUs under 750 square feet are exempt from other impact fees.

Photo: Valley Home Development



SPOTLIGHT PROXIMITY AND INDEPENDENCE FOR FAMILY

Dena and Tor



"We created a lot of flexibility and options by biting the bullet and just getting the ADU built."

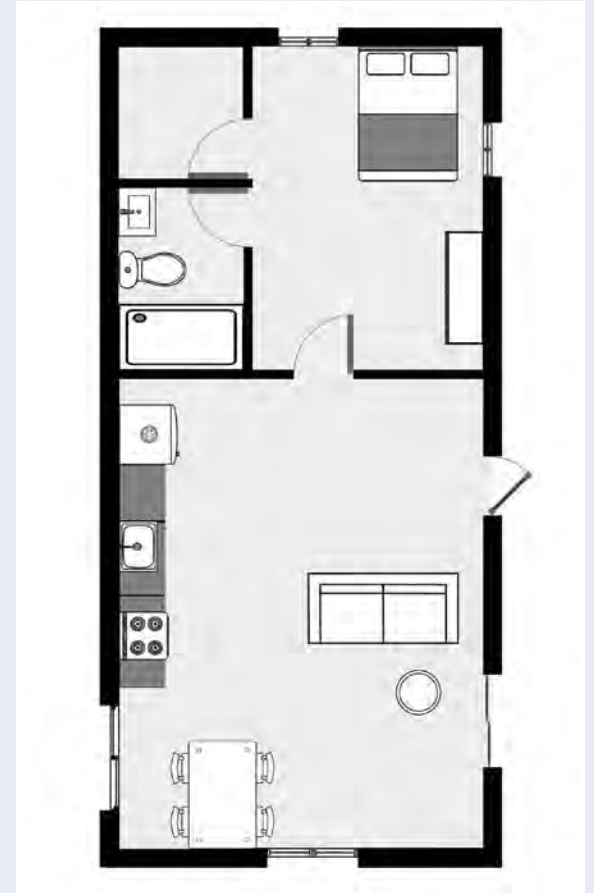
"When you actually build something and it takes shape, then you come away with this feeling of pride and success for accomplishing something like that."

When Dena and Tor were looking for a new home, they had their wish list: a place for themselves and their two teenage girls, an ADU for Dena's mother, a space for their home-based environmental nonprofit, a nice neighborhood, and a reasonable price. "We just weren't finding anything," Dena explained.

Then, almost by accident, they came across an empty piece of land for sale that could work. They bought it with plans to simultaneously build a house for themselves and a granny flat for Dena's mom.

Adding the ADU was important, and doing the two units together cut down on costs. "It was important for my mom's sense of independence to have her own place. Also for us, it was so convenient. Especially after she stopped driving," Dena explained. "And, we were thinking ahead, potentially using it as a rental someday."

Now that Dena's mom has passed, they do in fact rent out the unit. "It's super easy to find a renter. Everyone you know is trying to find a space for someone they know. As a landlord you have your pick of who and how to rent. We picked someone we liked to interact with because we knew they would be our next-door neighbor."



Location Unincorporated
Sonoma County

ADU type New detached

Year completed 2010

Size 600 SF





SECTION FIVE

Construction

This section will guide you through the construction phase of your project, from hiring a contractor to completing final inspections. By the end of this chapter, you will:

- Have an overview of different types of construction
- Be able to very roughly estimate construction costs
- Know how to get bids and hire a contractor
- Understand your and your contractor's roles during the construction process



Photo: Lanefab Design/Build

Traditional vs. Prefab

There are two types of construction to consider for your project: traditional construction (unit is custom-built on-site) and prefabricated / modular methods (sections of the unit or the entire unit are built off-site). Both traditional construction and prefab have pros and cons, so it's best to consider your specific needs in terms of your lot, design intention, ease of hiring contractors, etc. Traditionally, a homeowner hires a builder to construct the unit that their architect designs or a design/build firm handles the entire process. This allows the homeowner to design a home fitted to their space and needs. Traditional construction also allows for smaller changes to the design during the process, even after construction has started. With prefab and modular methods, some or all

of the home is built in a factory and shipped to your site. These methods rely significantly less on contractors—except for on-site assembly, foundation, utility hookups, etc. Additionally, prefab often saves time because the site can be prepared while the home is being constructed in the factory. Prefab homes typically offer less customization. Prefab homes are often about the same price as traditional construction, though some companies offer lower-cost options. While prefab homes can appear to offer cost savings, it's important to consider some of the additional costs like transport, crane costs, the foundation, and sales tax when comparing costs, which can end up being 20-40% of the total cost. Also, not all banks will finance prefab construction.

Three Types of Prefab Homes



Panelized: Homes constructed from two-dimensional, pre-built sections that are assembled on-site.



Modular: Fully constructed and finished boxes (with cabinets, plumbing, and doors already installed) that are hooked up on-site.



Manufactured: Similar to modular in that unit is built off-site, but it's regulated by federal building code, often designed to be mobile, and usually more affordable.

*Photo, top: Lanefab Design/Build
Photo, middle: New Avenue Homes
Photo, bottom: US Modular, Inc.
Photo, right: Lanefab Design/Build*

To explore prefab home options, you will want to get in touch with prefab companies directly. Generally, they will visit and evaluate your site and make recommendations for your property, including cost and customization options. You can find prefab builders by researching online.

Shipping Container Homes

Many people are excited about shipping containers finding a second life as small homes. Typically, these heavy-duty steel boxes are 20 feet long and 8 feet wide and are repurposed by companies and do-it-yourselfers into dwellings made up of just one container or multiple containers connected together. If you are interested in them, make sure they meet all legal requirements for your location.

No matter the design, ADUs cannot be on wheels and must have a permanent foundation.



Project Manager

Someone will need to manage the construction process. This includes hiring subcontractors for electrical and plumbing, coordinating construction, managing scheduling, making payments, working with the city on permits, and more. If you hire a design/build firm (see page 49 for more information), you will not need to hire a separate person or company when you get to the construction phase. If not, you'll either need to hire a general contractor or manage the project yourself.

Often, people who are their own general contractors have a difficult and unpleasant time. Many people believe that because they have experience managing a kitchen renovation or adding an addition they will be able to save money by being their own general contractor. But it's important to recognize that building an ADU is more akin to building an entire house than a renovation, and there are many more possibilities for costly and time-consuming mistakes and delays. From securing permits to dealing with PG&E, the process is challenging and best left to those with extensive experience. The Getting Bids and Hiring Your Contractor sections of this chapter will take you through the process of finding and hiring a general contractor.

Some homeowners choose to retain the services of their designer during construction, or they hire a construction manager or owner's representative who represents and advocates for the homeowner through the process. Having an expert who assists with contract negotiation, payment schedules, quality checks, project timing, working with the city and other regulatory agencies, and more can be valuable to a homeowner who is unfamiliar with these processes. Though it may cost more up front, some homeowners will come out ahead because their project was better managed and/or because of the rental income they would have lost to a delayed project.

Building Costs

Construction costs for your second unit will vary significantly depending on personal preferences, site conditions, location, and many other factors. Similar to asking what an average wedding will cost, it's impossible to give an accurate estimate without some specifics and an understanding of your preferences. The cost to develop a second unit typically ranges from \$30,000 for a simple interior conversion to \$500,000 for a large unit with high-end finishes on a hillside lot. Cost per square foot is a good way to estimate, though this too can range from \$200–\$800 per square foot depending on the complexity and design finish of the project. Generally, most projects are between \$250–\$500 per square foot, and \$400 per square foot is a good starting estimate for an average project.

Despite what many think, smaller units are not necessarily significantly cheaper because construction costs are not directly proportional to the size of the unit. There are many costs that must be included in all second units—particularly the foundation, kitchen and bathroom(s)—with marginal increases for larger size units. Each bathroom generally costs \$15,000–\$25,000, and the kitchen is generally \$25,000–\$50,000.

The type of ADU you build will also impact costs. While costs will depend mostly on the specifics of your project design, some types of ADUs are generally less costly to construct than others. New construction of both detached and attached ADUs tends to be the most expensive. Conversions of interior space (basement or otherwise) can be much cheaper—assuming no complex building code or structural issues exist—because much of the structure for the ADU is in place (walls, floors, ceilings, etc.). If allowed, two-story units can generally be built at a lower cost per square foot because only one foundation and one roof are needed. Garage conversions are often no cheaper or not much cheaper than new construction because these structures usually need significant work to be brought up to code, and the shell of a building (walls, foundation, roof) are not the most expensive parts of construction. Common challenges include redoing the foundation, replacing the floor so a vapor barrier can be added, replacing the windows, insulating, etc.

Placing all your plumbing, such as kitchen and bathroom pipes, on the same side or in the same wall, especially on multiple floors, will save you money during construction.

Worried about high construction costs?

If the construction costs of building an ADU are too high, consider home sharing or converting interior space into an ADU. Home sharing requires no construction, but brings in rental income. The cost to convert interior space into a junior ADU is often much lower than other types of construction, so this can be a great option if cost is a barrier. See page 5 for more information.

Green Building

Contact your local building department to review adopted green building criteria for more information on green building materials, water conservation, solar photovoltaic systems, electric vehicle chargers, and more.

There are many other factors that will impact costs, including:

- Quality of interior finish work and amenities
- Architectural form and details
- Extent of utility, structural, mechanical, electrical, and plumbing upgrades required
- Required ancillary upgrades (sidewalk frontages, sewer and water upgrades, etc.)
- Whether sprinklers are required
- Whether doors and windows meet emergency exit standards
- Lot complexity (slope, trees, fault lines, etc.)

Many homeowners wonder if fire sprinklers are required. In general, sprinklers are only required in an ADU if the primary dwelling is required to have sprinklers. However, new construction or projects that add significant square footage may trigger a requirement for sprinklers. It's best to discuss your specific situation early on with your city to determine if you need sprinklers.

ADU Cost Estimates and Examples

To estimate your project's specific costs, check out our ADU Calculator, which estimates costs based on your specific project, including location, construction type, size, and interior quality. The calculator is available at www.NapaSonomaADU.org/calculator.

Here are a few examples of construction costs from real-world projects:

All costs in 2018 dollars



\$262,000

1 bedroom/1 bath
Attached & interior conversion
700 SF



\$450,000

2 bedroom + office/2 bath
Detached, new construction
1,350 SF



\$88,000

2 bedroom/1 bath
Interior conversion, designed by owner
771 SF



\$321,000

2 bedroom/2 bath
Attached, new construction incl. primary residence, construction managed by owner
800 SF



\$301,000

2 bedroom/1 bath
Detached, modular
704 SF



\$84,000

1 bedroom/1 bath
Detached, panelized
288 SF

Photos, top: San Mateo County Second Unit Center, SDK Design, San Mateo County Second Unit Center

Photos, bottom: San Mateo County Second Unit Center, Josh To <https://soup.is>, Valley Home Development



Photo: McDunn ADUs

Getting Bids



*How do I find
a contractor?*

To get bids, you will use the construction drawings your designer completed (see Section 3). You'll want to be specific about what the bid should include, and be clear on which costs are covered and which are not. If you did not have complete construction drawings prepared (just drawings for planning), it is even more important to know what assumptions the contractors are making. You should also ask the contractor to include their license and insurance information, references, examples of past work, and a proposed schedule in their bid. Make sure you are asking each contractor to bid on the exact same specifications, so the bids are comparable.

Once you have figured out what you are asking the contractors to bid on, you will need to come up with a list of professionals to ask for bids. Ask friends, family, neighbors, and any homeowners who completed a construction project for recommendations of good local professionals. Your designer may also have recommendations of people they have worked with in the past. You can also conduct your own research to find professionals who might be a good fit.

Contractors with ADU experience can be an asset to the project. However, ADU construction is often similar to other residential construction, so past work on ADUs shouldn't be an absolute requirement. Once you have your list, contact and request bids from your top choices. You will want to get at least three bids for comparison.

Selecting a Contractor

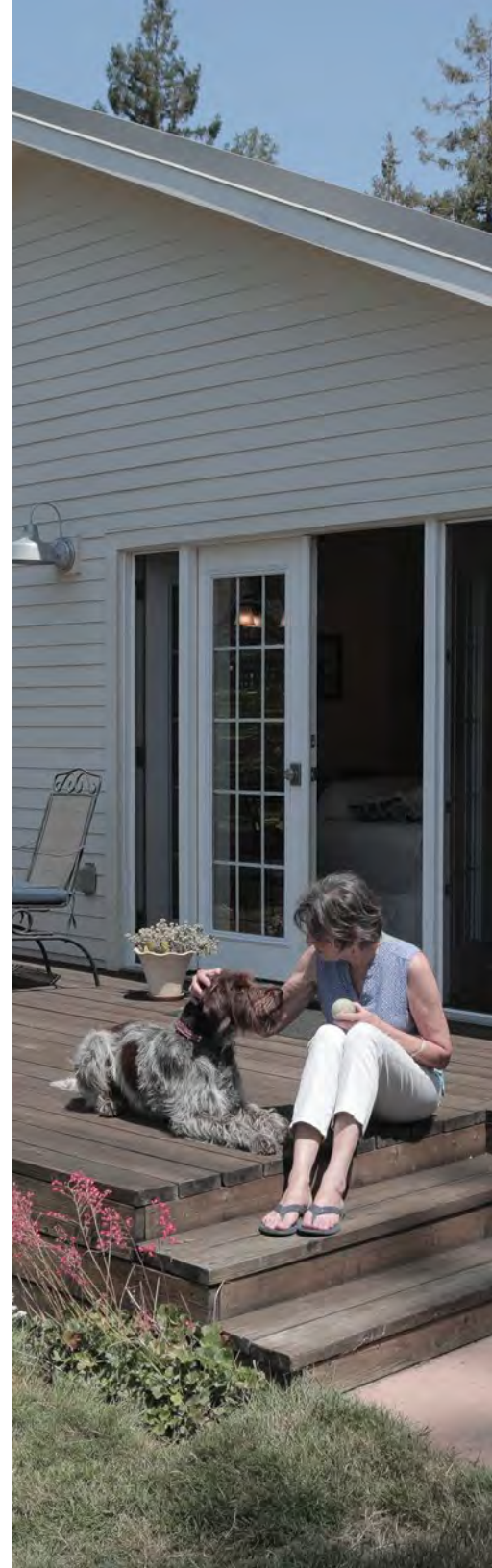
When you have at least three bids, you can begin the selection process. First, make sure you understand all the details of the bids and, if necessary, ask the contractors any clarifying questions. While it may be tempting, selecting the lowest bid is not always the best decision. Generally, there is a trade-off between experience and cost; less expensive builders will have less experience, while those with more experience can charge more. You will need to decide what level of experience you are comfortable with in relation to when they can start your project and overall costs. You will want to check the contractor's references by reaching out to them directly. If possible, you should see photographs of the referenced projects. Some of the questions for references you may want to ask include:

- What was their overall experience like?
- Were they satisfied with the work?
- Was the project completed on time and within budget?
- What are the contractor's communication skills like?
- Is there anything they wished they had known before hiring the contractor?

Finally, you will want to consider your personal experience with the contractor, their communication style, whether you feel like you will work well together, and whether they understand your goals. Similarly to when you selected your architect, you want to find someone who fits well with you and with whom you have chemistry. You will need to weigh the fit with costs, past experience, references' experience, and other factors to decide the best fit for your project.

Department of Consumer Affairs Resources

The California Department of Consumer Affairs is a great resource when it comes to selecting a contractor. They have resources on hiring, checking the status of a contractor's license, negotiating a clear contract, and resolving disputes. Check out their online resources at www.cslb.ca.gov/Consumers.



Hiring Your Contractor

Before you hire your contractor, make sure to check their license and insurance. You can verify the contractor's license by calling the Contractors' State License Board at (800) 321-2752 or check on the web at www.cslb.ca.gov. Verify insurance by requesting a certification of insurance or by calling the contractor's insurance agent. Make sure workers' compensation, property damage, and liability are included. Your contractor will most likely present you with a contract to formalize your agreement. Alternatively, you can present your own written agreement, though this is less common. Review the entire agreement carefully to make sure you understand and are okay with everything. Also, make sure you understand how contingencies and added work will be handled. The contract should address the following:

- Contractor's license number, name, and address
- Total project cost and payment schedule
- Start date and timeline
- List of work to be accomplished and materials to be used
- Work to be subcontracted (if any)
- Specific terms about what constitutes substantial completion of work
- Any special requests (such as saving scrap lumber, bricks, or homeowner "sweat equity")
- The terms of warranties
- Whether there is a cancellation penalty
- A provision requiring the contractor to obtain lien releases from all subcontractors and suppliers (to protect the homeowner if a subcontractor claims they weren't paid)
- Plan for cleanup and removal of material and debris
- Requirements for protecting property and landscaping
- Areas where materials may or may not be stored
- Instructions regarding children or pets

The payment schedule should be a dated plan that shows when you will make payments based on construction completion milestones. For example, you might pay 20% after the building enclosure is complete, 25% once the exterior finish carpentry is complete, etc. California law requires that no more than 10% or \$1,000 be paid up front, whichever is less, and it's generally a good practice to withhold 10% of the total project cost until all work and inspections are completed. Do not sign the contract until you fully understand and agree with all the terms.



Photo: Propel Studio



During Construction

Once your contract is signed, your contractor will start work according to the schedule you agreed upon. It's a good idea to have your designer, yourself, and your contractor go through the work in detail as your contractor may have questions and may suggest construction cost savings related to the design of your ADU. Your contractor will lead the construction process, but you have the following responsibilities during the process:

Communicate Keep in touch with your contractor and ideally set up a schedule for checking in.

Monitor Regularly walk through the construction area to monitor the quality of the work and to make sure the work is progressing the way you expect.

Decide Be prepared to make decisions about the details—light fixtures, appliances, and other materials—in a timely manner so your contractor can stay on schedule.

Adjust Follow the contract you agreed to, including any changes as described specifically in a change order form.

Photo: Timbre Architecture

Inspect Although your contractor will usually arrange the required city or utility inspections, it is your responsibility as property owner to make sure that the inspections are conducted as required.

Traditional construction will take 6-12 months, though this will vary depending on the specifics of the project. Stages of construction include:

Site preparation	1-2 months
Foundation	1 month
Walls, roof, doors	1-2 months
Plumbing & electrical	1-2 months
Insulation & drywall	½-1 month
Fixtures & finishes	1-2 months
Final touches	½-2 months

Any changes to the original agreement should be reflected in a change order form signed by both you and the contractor. Change order forms describe the specific change and any corresponding change to the project price or timeline. Changes to size, height, position, or outside finish could require review by the city. During construction, your ADU will be inspected multiple times to ensure it is being built according to the permitted plans. Typical inspection points include building, plumbing, mechanical, electrical codes, and sometimes fire, water, or public works. You will also need to apply for an address for your ADU—check with your city as the exact process varies by location. The building permit (which must be posted on-site) will state the required inspections and the order in which they should be performed.

These estimates are for traditional construction—prefab will typically be faster.

Photo: Timbre Architecture



SPOTLIGHT A MULTI-PURPOSE SPACE

Amy and Brian

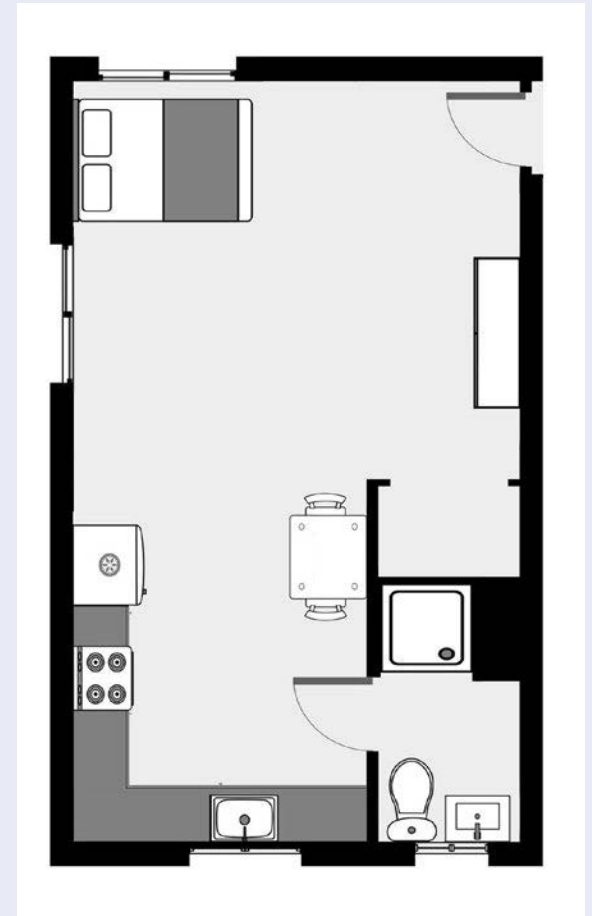


Amy and Brian were not searching for an ADU, they just wanted a house big enough for their family of three (or four if you count Buckley, their 15-pound, geriatric but lovable pug). Amy explained, “When we found the home, we didn’t understand the ADU’s financial potential. We liked the house and the lot; the granny unit was a bonus.”

Because the ADU is so close to the main house, they mostly rent to people for a couple months at a time. “We have had lots of international folks come and stay, mostly interning in the wine industry,” Amy said. “It’s been nice to meet them. Someone from France, someone from Chile. A guy from China left a big cleaver in the kitchen that we now use all the time.”

When not being rented out, Amy and Brian host their own family. “They are from the East Coast and up early, making coffee and noise. It works for everyone for them to stay longer because they can retreat to their own space.”

“The two things I always say are: it is great financially and provides great flexibility.”



Location Healdsburg

ADU type Detached garage conversion

Year completed Moved in 2015

Size 300 SF





SECTION SIX

Move-In

Construction is complete, and now it's time for someone to move in. This may be you, a friend, a family member, or a tenant. If it is a renter there are plenty of resources to help you become a landlord, including organizations that can help you manage your unit if you want. By the end of this chapter, you will:

- Understand how to be a landlord, including relevant laws
- Have an idea what your unit may rent for
- Know how to search for and select a good tenant
- Know the key parts of a lease and where to go to find one



*What is
involved in being
a landlord?*

Becoming a Landlord

Being a landlord comes with a number of responsibilities that can be addressed by making sure you follow a structured, well-thought-out series of steps, summarized below:

Preliminary steps Prepare to rent your unit by getting insurance, setting up utilities, and developing a plan to handle the finances.

The law and being a landlord You will need to understand all the laws related to being a landlord, especially with regards to discrimination.

Setting the rent Learn how to establish a fair rent that will attract and keep good tenants. Maximizing the rent is often not the only consideration.

Rental leases Make sure your lease (or rental agreement if it is month-to-month) clearly identifies all of the expectations for you and your future tenant.

Finding a tenant Understand how to successfully advertise your unit and select a good tenant.

Tenant management Have a long-term plan for the care and upkeep of your ADU, and how to address any issues with your tenant.

Help for Landlords

Property managers will help find and screen tenants and will deal with tenant complaints, schedule repairs, and collect rent payments for you. In exchange, you pay a percentage of the rent to them. Often, property management companies charge as little as 5% of the rental income plus a one-time fee when finding tenants. You can search online for companies and read online reviews. If you are nervous about being a landlord, this is a good investment. If you do hire a property management company, they will handle much of what is covered in this chapter.

Preliminary Steps

Before you start looking for a tenant, there are several things you will want to consider and address first.

Obtain insurance You'll need to notify your homeowner insurance company about your ADU. Regardless of how you intend to use your unit, your insurance will go up because your policy will need to cover more. Different insurance companies charge different amounts, so it is a good time to shop around. Be sure to consider if your policy covers personal injuries and losses from fire, storms, vandalism, and theft.

Have an accounting plan Working with an accountant or tax advisor, at least initially, can help you understand how to plan your ADU finances and pay your taxes. This will help you set up good systems and know what to expect. The law is complicated, but the good news is that many of your ADU costs count as deductions. Keeping accurate records of your income and expenses (including proof of all expenses) and understanding the depreciation schedule process (which allows for deduction of some construction costs) will help maximize deductions. You can obtain an accountant referral at www.calcpa.org.

Set up utilities Prior to advertising your unit, you will want to make sure all utilities are set up and that you have a plan for who will pay for what. If gas or electric utilities are shared or if the tenant's meter covers common areas, then you must disclose to your tenant that utility meters are shared and have a written agreement for who will pay for the shared utilities. California law does not specifically regulate how landlords bill tenants for water and sewer utilities.

Due to recent wildfires in Napa and Sonoma Counties, it is important to check with your existing homeowner insurance company to determine if building an ADU on your property will have impacts on your insurance due to fire-related policies, based on the location of your property and the history of fires in the region.



Fair Housing Law

Disclaimer: This section provides information about California fair housing law, but does not provide legal advice.

You're probably aware that there are numerous laws that impact rental housing in California. As a landlord of an ADU, one important consideration is state fair housing laws. (Federal fair housing laws and rental control typically do not apply to ADUs.) Under state fair housing law, it's against the law to discriminate against potential tenants on the basis of certain characteristics. You should know this information before you meet with your first potential tenant.

Discrimination can take many forms, including denying a person housing, telling a person that housing is not available when it actually is available, stating a preference in advertisements, or charging a higher deposit.

In California, individuals are protected from housing discrimination based on the following categories:

- Race, color
- Ancestry, national origin
- Religion
- Disability, mental or physical
- Sex, gender
- Sexual orientation
- Gender identity, gender expression
- Genetic information
- Marital status
- Familial status
- Source of income (e.g., alimony, Section 8 vouchers, etc.)

Discrimination can also be refusal to make reasonable accommodation for a person with a disability. Avoid saying things like "ideal for a couple" or "perfect for a student" because these can be considered discrimination against families. Project Sentinel (www.housing.org) is a great resource to learn more.



Setting the Rent

As you get ready to advertise your ADU, you will need to set the rent. Setting the right rent for your ADU will depend on the current rental market, location, size, design features and layout, and nearby amenities.

You'll also want to consider setting the rent a bit under market rate. Even very small discounts will attract a lot of applicants, which often leads to a greater pool of longer-term applicants. The longer your tenants stick around, the less time you will spend finding new renters. Setting the rent a bit below market rate can also make your unit more accessible to community members like teachers, firefighters, or nurses. You can use our calculator (www.NapaSonomaADU.org/calculator) to see rents in your area for similarly sized units. Consider the following as you determine the rent:

Research rental prices for similar units Find out how much rent others are charging for comparable units. Look on sites like Craigslist, Zillow, RENTCafé, and Trulia.

Location Location is the key factor that commands higher rent. If the property is in a convenient and popular location (e.g., near popular areas, employers, public transit, or schools) it will command a higher rent.

Desirability of your unit The location, size, and layout of the unit affects the rental value. High-end finishes and appliances (including a dishwasher and washer/dryer), as well as contemporary design elements, can command higher rent.

If you plan to work with a property management company or rental agent, they will help you set the rent. These professionals typically have a keen understanding of local rental markets and can assess the positives and negatives of your rental property to set the appropriate rental price.

Average Rent for Napa and Sonoma Counties

	500 SF	1,000 SF
AMERICAN CANYON	\$1,300	\$1,900
CALISTOGA	\$1,400	\$2,000
CLOVERDALE	\$1,400	\$2,000
COTATI	\$1,500	\$2,100
HEALDSBURG	\$1,550	\$2,250
NAPA	\$1,300	\$1,900
PETALUMA	\$1,700	\$2,500
ROHNERT PARK	\$1,500	\$2,100
SANTA ROSA	\$1,400	\$2,200
SEBASTOPOL	\$1,400	\$2,000
SONOMA	\$1,500	\$2,150
ST. HELENA	\$1,600	\$2,300
UNINCORP. NAPA COUNTY	\$1,500	\$2,100
UNINCORP. SONOMA COUNTY	\$1,450	\$2,100
WINDSOR	\$1,450	\$2,250
YOUNTVILLE	\$1,600	\$2,300

Data from analysis based on RENTcafe.com (Nov. 2017)

Renting to a Community Member

ADUs help address housing challenges in Napa and Sonoma Counties by adding homes that are naturally more affordable, which helps provide workforce housing and preserves diversity and community character. Many homeowners are motivated to rent their ADU to a school teacher, firefighter, or other community member who might otherwise have to commute a long distance to find a home they can afford. Consider giving the school district, local preschools, your place of worship, or others a call so they can tell their employees. Setting a rent below market rate can help attract great local renters.



Photo: www.buildinganADU.com



Renting to Friends or Family

If you're renting to a friend or family member, you will still want to prepare a lease for both of you to sign. This will establish clear terms and avoid future problems. You can also write guidelines about how you plan to live together.

Rental Leases

Before you advertise the vacancy or seek a renter, you should prepare a lease that will specify all of your requirements for the tenant. A lease agreement is a legal contract that will give each party the security of knowing they hold the other responsible for upholding their end of the arrangement. The lease or rental agreement should follow the law while documenting the concerns both parties will have when entering into such an arrangement.

There is no one best resource for what you should cover in your lease or rental agreement. Generally, you can find sample leases online. Check www.NapaSonomaADU.org for homeowner resources. Nolo, a publisher of self-help legal guides (www.nolo.com), has high-quality paid resources as well. The California Department of Consumer Affairs booklet *California Tenants: A Guide to Residential Tenants' and Landlords' Rights and Responsibilities* is another helpful resource (available at www.achhd.org/documents/California-Tenants-Guide.pdf).



Your Lease Terms

Use this space to plan important decisions about your lease terms.

- What is the rent?
- When is rent due and how will it be paid?
- What is the security deposit?*
- Is your lease fixed-term or month-to-month?
- At the end of the rental period, does the lease terminate or turn into a month-to-month rental?
- Does the unit include parking?
- Do you allow pets? If so, what type? How many? Size restrictions?
- Do you allow smoking or marijuana use?
- Do tenants have access to any shared spaces (yard, storage, etc.) and, if so, what are the terms?
- Are you limiting the number of tenants?**
- Are short-term rentals like Airbnb allowed in your city for your ADU and, if so, are you allowing tenants this option?***
- Is there anything else will you include in your lease?

* As of September 2019, California law says you may charge up to two months' rent or three months' rent if the unit is furnished.

** Landlords can generally limit the number of tenants to two people per bedroom plus one person (e.g., five people for a two-bedroom apartment).

*** Short-term rentals are illegal in some cities, so make sure to check the laws in your city. As of September 2019, the following jurisdictions in Napa and Sonoma Counties limit or prohibit short-term rental of ADUs: American Canyon, Calistoga, Cotati, Healdsburg, Napa City, Napa County, Petaluma, Santa Rosa, Sebastopol, Sonoma City, Sonoma County, St. Helena, Windsor, and Yountville. However, new state laws effective January 2020 require cities to limit ADU rentals under 30 days in certain cases. Please see www.NapaSonomaADU.org for more details.

Finding a Tenant

You will want to follow the steps below to advertise your unit and find a tenant:

Advertisement The first step to finding a good tenant is to advertise your unit. You will be most effective if you use high-quality photos and include information on rent, size, layout, approximate location, special features, and any requirements. Many people in Napa and Sonoma Counties advertise on Craigslist, but you can also consider a property sign, advertising with local institutions (schools, employers, etc.), other online advertising (Trulia, Zillow, Nextdoor, etc.), public bulletin boards (community centers, churches, etc.), and word of mouth.

Rental application You will need to prepare a written rental application to give to prospective tenants when they view your unit. Collect information requested on the application for each adult who will live in the unit. Free sample rental applications are available online, or you can contact a legal publishing company like Nolo (www.nolo.com).

Open house Next you will be ready to show your unit to prospective tenants. You can advertise and hold an open house, or arrange individual showings with potential tenants.

Having an open house is often more efficient, but setting up individual appointments allows you to select the most promising tenants. Make sure to have all interested potential tenants complete your written rental application.

Tenant selection Once you have applications, it's time to select a tenant. It's recommended that you develop written, fair criteria that you will use to judge applicants and apply the criteria consistently with all applications. This will help ensure that you comply with fair housing law. Review the applications and select the tenant(s) that are the best fit for you and your property based on your criteria.

Credit check You will want to run a credit check on potential tenants to evaluate if they are financially stable and reliable. Credit reports are issued by the three major bureaus: TransUnion, Experian, and Equifax. You will need to verify with the bureaus that you are a landlord before you can run a credit check on a potential tenant. The report will include your potential tenant's credit score and past financial information. Credit scores range from 300-850; a score above 620 is considered good for a rental application. If you have trouble understanding the credit report, there are

third-party companies that can provide easier-to-understand reports.

Background check You will also want to run a background check on potential tenants using a verified tenant screening company. The Consumer Financial Protection Bureau (www.consumerfinance.gov) has compiled a list of approved companies for tenant screening. The background check will show a number of things like any criminal record (including running the name on the sex offender database), whether they have ever damaged any property, and whether they paid rent on time. You can charge a reasonable fee to cover your costs for the credit and background checks.

Reference check You'll also want to check the applicant's references, including past landlords, employers, and financial institutions. It's recommended that you speak to several past landlords, not just the current one.

Lease Once you've selected the tenant(s) and they accept, you will need to sign the lease or rental agreement you prepared. You should collect the security deposit and the first month's rent when you sign the lease. It's also recommended that you conduct a move-in inspection with your tenant(s) and that you and your tenant(s) retain a record of the results of the inspection.

Tenant Management

Once your tenant has moved in, you'll still have ongoing landlord responsibilities.

Maintenance It is your responsibility as a landlord to maintain a "habitable" unit per state law. Regardless, it is best practice to keep your unit well-maintained to keep your tenant happy. Except in the case of an emergency, you will need to give your tenant(s) 24 hours notice before you or any maintenance people enter the unit.

Rent increases Generally, if your tenant is on a lease you cannot increase the rent during the lease term. When the lease expires (or in month-to-month tenancies), you can increase the rent as you see fit. Property owners may increase the rent as much as they want, so long as they give tenants notice at least 30 days in advance for increases of 10% or less, and 60 days for increases exceeding 10%.

Eviction Hopefully you and your tenant(s) will not have problems, but if problems do arise that cannot be resolved, you will need to consider eviction. It's recommended that you work with a lawyer if eviction is necessary. State law mandates a judicial eviction process, which is best handled by a lawyer.



Next Steps

Congratulations!

By completing this workbook, you've taken a big step towards developing your ADU. As with any major construction project, there will be surprises along the way. By working closely with your city and project team and by following the advice in this workbook, you can get through any challenges. ADUs are a uniquely win-win type of housing; they can help you meet your family's needs and can play an important role in addressing the housing needs of Napa and Sonoma. By adding an ADU to your property, you can be part of the solution. The goal of this workbook is to serve as a solid foundation to help you get started, and as a tool to lean on as your project progresses. Let us know how we did! We welcome your feedback about this book or any other ADU topics.

Best of luck with your project, and thank you for helping create more affordable housing in Napa and Sonoma Counties!

*Give us feedback at
www.NapaSonomaADU.org/workbook-feedback.*

Find more resources and get in touch with us at www.NapaSonomaADU.org.



ADU Workbook

Certificate of Completion

This is to certify that

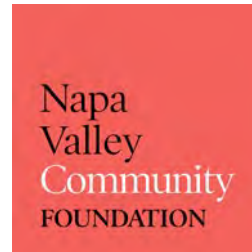


has completed the ADU Workbook and is now ready
to begin design and development of their second unit.
These efforts will increase the availability of
much-needed housing.

Congratulations!

The Napa Sonoma ADU Center is a joint project of Napa Valley Community Foundation and Community Foundation Sonoma County, designed to support and inform homeowners in Napa and Sonoma counties who are interested in building ADUs. As a part of these efforts, this workbook was created by Baird & Driskell Community Planning. © Copyright 2020 Baird + Driskell Community Planning. All rights reserved.

Special thanks to Kevin Casey (New Avenue Homes), Pam Dorr (Soup), Robert Huibers, Cari Rosner Jelen (Cari Design Architecture), Patricia McBrayer (PMArchitect), W. Charles Perry, Kol Peterson (www.buildinganAdu.com), Steve Vallejos (Valley Home Development), and the terrific staff of the Departments of Housing, Community Development, and Planning in Napa and Sonoma counties.



Index

A

activities. See exercises.
ADA. See aging in place.
ADU Calculator 36, 38-39, 72, 83, 98
aging in place 1, 7, 14, 46
APN. See assessor's parcel number.
application. See submittal requirements.
architect. See designer.
assessment 37
assessor's parcel number 18, 19
attached ADU 4, 81, 83

B

background check (tenants) 103
benefits 7, 14
bids. See construction: bids.
budgeting 7, 33-39, 52-53, 72-73
builder. See contractor.
building code 9, 18, 29, 68, 81, 89
building department 68, 82
building footprint. See lot coverage.
building standards 8, 17, 29, 66, 70

C

calculator. See ADU Calculator.
cash-out refinance 34
city planning department. See planning department.

Coastal Zone 24, 64
community benefits 7
concerns about your ADU 14
construction 10, 35, 53, 55, 77-89
 adjustments 88-89
 bids 53, 55, 84-85
contractor 48-49, 55, 84-89
contracts 35, 53, 80, 86-87, 100-101
converting space 4-5, 16-17, 24-25, 30-31, 37, 68, 73, 81-83, 90-91
costs 33-39, 53, 72-73, 81-83
 accounting 95
 construction 5, 78, 81-83
 designer 50-53
 drawings 53
 estimating 36, 38-39
 examples 53, 83
 fees 66, 72-73
 how to reduce 55, 81-82
 inspections 17, 72
 payment schedule 80, 86-87
 utilities 68

county assessor maps 19-20
county environmental health department 69
credit check (tenants) 102
credits 107

D

deed restrictions 29
Department of Consumer Affairs 85, 100
design 8, 26-27, 43-57
 costs 53

definitions 45
city guidelines 44
inspiration 44, 46
process 54-55
review 70
design/build 8, 45, 49, 51, 78, 80,
designer 8, 16, 44-45, 48-52, 54-55, 62, 88
detached ADU 4, 37, 40-41, 58-59, 81, 74-75, 90-91
discretionary permit. See permitting: discretionary permit.
discrimination 94, 96
diversity 7, 99
downsizing 1, 7, 14, 30-31, 58-59
drafter 45
drawings 9, 45, 48, 53-55, 84
 conceptual 48, 51, 53-54
 construction 48, 51, 53, 55, 84
 elevation 45, 66, 70
 site plan. See site plan.

E

entitlement fees 72
environmental benefits 7, 46, 82
eviction 103
examples
 ADU types 4
 construction schedule 89
 costs 53, 83
 floor plans 56-57
 prefab homes 79
 review comments 71
exercises
 Budgeting Exercise 38

City Planner Meeting Notes 25
Designer Considerations Exercise 51
Design Ideas Exercise 47
Concerns 14
Goals 14
Initial Design Exercise 47
My ADU will allow me to 15
Permit Application Planning and Organization 67
Property Information Summary 18
Property Rough Sketch 27
Your Lease Terms 101
expert opinions 70

F

fair housing law 96, 102
FAR. See floor area ratio.
fees 2-3, 8, 10, 17, 33-34, 52, 63, 66, 68, 72-73, 94, 103
financing 34-36, 38-39
fire agencies 68, 89
fire sprinklers 82
first steps 18-19
floor area ratio 21, 25, 29

G

garage apartment/conversion 4, 16-17, 24-25, 37, 68, 73, 81, 90-91
goals for your ADU 14-15
green building 46, 82

H

HELOC 35
home equity 34-36, 38-39
 home equity loan 35
home sharing 5, 16, 37, 82
home value 36-39
how to use this workbook 2-3

I

impact fees 17, 72
income taxes 37
inspections 10, 17, 72, 87, 89
insurance
 contractor 84, 86
 property 94-95
interior conversion. See
 converting space.

J

junior accessory dwelling unit
 (JADU) 5, 17, 30-31, 37

L

landlord, being a 10, 23, 94-96,
 100-103
landscaping 46, 68, 86
lenders 34-39
loans 34-39
lot coverage 21-22, 25, 29
lot size 19-22

M

maintenance 37, 103
manufactured construction 78-79
ministerial review. See
 permitting: ministerial review.
modular construction, 8, 45, 49,
 78-79, 83
mortgages 35-36, 38-39
multi-family zoning 16, 29

N

neighbors 22, 54, 64

O

occupancy
 by owner 17, 58-59
 Certificate of Occupancy 10
open house 102
open space requirements 29

P

panelized construction 45, 79, 83
parcel map search 19
parking 17, 24-25, 68
peer-to-peer loans 36
permitting 8-10, 16-17, 21, 29, 48-
 49, 53, 55, 61-73, 80, 89
 discretionary permit 29, 63
 fees 66, 72-73
 issuance 10
 ministerial review 29
 review 9, 25, 55, 68-71
 standards. See building
 standards.

planning department 8, 16, 18,
 24-25, 68
prefab construction 45, 49, 78-79,
 89
profit potential. See ADU
 Calculator.
project manager 80
project team 8, 45, 48-52, 80, 85-87
property managers 94
public hearings 70
public utilities 23, 49, 68, 94-95
public works 10, 68, 89

R

renovation loans 35
rental income 1, 7, 13, 34, 36, 38-
 39, 80, 82
rent increases 23, 103
renting 10, 93-103, 30-31, 40-41,
 74-75
 application 102
 average rents 99
 fair housing law 96
 finding a tenant 95, 96,
 102-103
 leases 23, 94, 100-101, 103
 preparing to rent 95
 setting the rent 38-39, 98-99
 tenant management 103
resale 37

S

schedule. See timeline.
schematics 53-54
school district fees 63, 72-73

security deposit 96, 103
seniors. See aging in place.
setbacks 25-26, 29
shipping container homes 79
single-family zoning 29
site plan 20, 26-27, 45, 54, 66
size limits 21-22
small ADUs 16-17, 30-31, 40-41,
 90-91
submittal requirements 8, 25, 62,
 64-67
surveys 20, 26, 45, 70

T

taxes 37, 95
tenant selection 95, 96, 102-103
timeline 10, 25, 89
 application/permitting 66-67
 construction 89
Title 24 66
types of ADU 4

U

utilities. See public utilities.

W

water fees 63, 68-69, 72-73
workforce housing 7, 38-41, 99

Z

zoning/ zoning code 9, 20, 21-22,
 24, 29, 62, 66, 68, 70

ADU WORKBOOK NAPA & SONOMA



THINKING ABOUT ADDING AN ADU TO YOUR HOME?

Get started with instructions, exercises, and resources for homeowners in Napa and Sonoma Counties.

GIVE US FEEDBACK www.NapaSonomaADU.org/workbook-feedback

Napa Sonoma  **ADU**