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Capacity Charge Program
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# SFPUC Guidelines for Assessment of Water and Wastewater Capacity Charges on Accessory Dwelling Unit Permit Applications

#### Overview

City Ordinance No. 162-16, Senate Bill 1069 and Assembly Bill 2299 were signed into law on August 4, 2016 and September 27, 2016 respectively to regulate Accessory Dwelling Unit (ADU) with an effective date of January 1, 2017.

An ADU, also known as a secondary unit, in-law unit, granny flat, or cottage, is a dwelling unit added to an existing residential building. It is either attached and located within the living area of the existing dwelling or detached from but located on the same lot as the existing dwelling. For residential buildings that have four existing dwelling units or fewer, one ADU is permitted. For residential buildings that have more than four existing dwelling units, there is no limit on the number of ADUs permitted.

To learn more about the San Francisco ADU program, please click on the following links:

<u>ADU Checklist</u> – this checklist provides an overview of requirements and resources from the Planning Department, Department of Building Inspection (DBI), Fire, Public Works, and Public Utilities Commission (PUC) in an effort to streamline permit review of ADUs.

<u>ADU Handbook</u> – this is a guide for homeowners, designers, and contractors considering adding an Accessory Dwelling Unit to an existing residence in San Francisco.

#### Guidelines

In accordance with SB1069 and AB2299, effective with ADU permit applications routed to SFPUC on or after January 1, 2017, capacity charges will be assessed as follow:

## A. For Single-Family Dwellings adding an ADU:

 Water and Wastewater Capacity Charges are not applicable for a single-family residence that is adding an ADU. However, when an ADU is added to a single-family dwelling unit and the customer

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remodels the existing unit with additional fixtures at the same time, capacity charges, if applicable, will be assessed based on the additional fixture being added to their existing unit only. The fixtures associated with the ADU will not be counted in the fixture count calculations to determine if a capacity charge is necessary.

- 2. SFPUC will NOT require an applicant to increase an existing service/meter size or get a separate meter even if a larger meter is warranted based on fixture counts.
- 3. If the customer decides to voluntarily upgrade the meter or get a separate meter for the ADU, capacity charges will not be assessed. However, water service installation fees will be assessed for the meter upgrade or installation of a separate service and meter.
- 4. Upon completion of the review of the ADU permit application, a copy of the "Additional Dwelling Unit Notification" letter is attached to the Applicant's copy of the permit application. The ADU Notification Letter advises the Applicant to contact the SFPUC Customer Service Bureau to update the number of dwelling units upon completion of the construction of the ADU.

## B. For Multi-Unit Dwellings adding one or more ADUs

- 1. Capacity charges will be assessed on residential multi-unit buildings adding one or more ADUs.
- 2. If a larger meter is warranted based on fixture accounts, capacity charges and water service installation fees for a meter upgrade or new service installations will apply.
- 3. If the customer decides to get separate meters for their ADU, capacity charges and water service installation fees for a meter upgrade or new service installations will apply.
- 4. Upon completion of the review of the ADU permit application, a copy of the "Additional Dwelling Unit Notification" letter is attached to the Applicant's copy of the permit application. The ADU Notification Letter advises the Applicant to contact the SFPUC Customer Service Bureau to update the number of dwelling units upon completion of the construction of the ADU.

### C. Fixture Count Form

To ensure that SFPUC reviews the ADU permit application in a timely manner, please complete and return the <u>Fixture Count Form</u>.