



# Calculation Worksheet to Determine Substantial Improvements

## I. ROUGH ESTIMATE OF IMPROVEMENT COSTS

1 Rough Estimate of improvement costs = \$ \_\_\_\_\_

## II. ROUGH ESTIMATE OF MARKET VALUE

2 Existing "living" area: \_\_\_\_\_ sf x value of \$\*/sf ft = \$ \_\_\_\_\_

3 Other existing area: \_\_\_\_\_ sf x value of \$\*/sf ft = \$ \_\_\_\_\_

4 Replacement value: (2) + (3) = \$ \_\_\_\_\_

5 Depreciation factor: (100-Age \_\_\_\_\_ yrs) / 100 = 0. \_\_\_\_\_ (0.5 min\_)

6 Depreciated value: (4) x (5) = \$ \_\_\_\_\_

## III. ROUGH ESTIMATE OF COST OF NEW AREA

7 New "living" area: \_\_\_\_\_ sf x value of \$\*/sf ft = \$ \_\_\_\_\_

8 Other new area: \_\_\_\_\_ sf x value of \$\*/sf ft = \$ \_\_\_\_\_

9 Total cost: (2) / (3) = \$ \_\_\_\_\_

## IV. IMPROVEMENT RATIO

A. Rough estimate/value of addition ratio (1) / (6) x 100 = \$ \_\_\_\_\_

B. Rough cost/value ratio: (9) / (6) x 100 = \$ \_\_\_\_\_

Appraisal and estimate have been submitted and reviewed and indicate that:

C. Improvement cost of \$ \_\_\_\_\_ / Current market value of \_\_\_\_\_ x100 = \$ \_\_\_\_\_

## V. PROJECT VALUATION LAST TEN (10) YEARS

Permit Number: \_\_\_\_\_ Date Issued: \_\_\_\_\_ Valuation: \_\_\_\_\_

D. Total last 10 years valuation: = \$ \_\_\_\_\_

## VI. RESULTS

E. Apparent SUBSTANTIAL IMPROVEMENTS because:

(i) \_\_\_\_\_ (A) is equal to or greater than 40% \_\_\_\_\_ (iii) (C) is equal to or greater than 50%

(ii) \_\_\_\_\_ (B) is equal to or greater than 35% \_\_\_\_\_ (iv) (D) is equal to or greater than 50%

(v) plan review indicates extensive renovation/remodeling

F. Does not appear to be a SUBSTANTIAL IMPROVEMENT because:

(i) \_\_\_\_\_ (A) is less than 40% \_\_\_\_\_ (iii) (C) is less than 50%

(ii) \_\_\_\_\_ (B) is less than 35% \_\_\_\_\_ (iv) (D) is less than 50%

(iv) *Owner's Declaration* dated: \_\_\_\_\_ indicates improvement of \_\_\_\_\_%

BY: \_\_\_\_\_

DATE: \_\_\_\_\_



### Declaration

I, the person signing below as OWNER, declare that:

1. I am the owner of the property at \_\_\_\_\_ in the City of Napa, California, which is also identified as Napa County Assessor’s Parcel Number \_\_\_\_\_.
2. I understand that this property lies wholly or partially in an area designated as a Special Flood Hazard Area (SFHA) on currently effective Flood Insurance Rate Maps published by the Federal Emergency Management Agency (FEMA) and that this designation indicates that technical studies done on behalf of FEMA conclude that the property is subject to significant risk of damage due to flooding.
3. I understand that flood insurance is available for the property and that the premiums for the flood insurance may be dependent upon the degree to which an insured structure conforms to the construction requirements of Napa Municipal Code 17.38 for new or substantially improved structures located within the SFHA.
4. I understand that that construction requirements of NMC 17.38 for structures located within a SFHA are not applicable to improvements to an existing structure which do not constitute a “Substantial Improvement”, which is defined as damage of any origin sustained by a structure whereby the cost of restoring the structure to its before damaged condition would equal or exceeds 50% of the market value of the structure before the damage occurred.
5. I intend to make improvements (which are not repairs to damage) to a \_\_\_\_\_ (the STRUCUTRE) currently existing on the property described in Paragraph No. 1, above, an am applying for a Building Permit from the City of Napa to make such improvements.
6. I have determined that:
 

(a) The current market value of the STRUCTURE is	\$ _____
(b) The cost of improvements to be made, as shown on the building permit is, or will be,	\$ _____
(c) The building permit costs unrelated to the STRUCTURE are,	\$ _____
(d) The cost of improvements to the structure, (b)-(c), is	\$ _____
(e) The degree of improvement, 100 x(d)/(a), is	_____ %

And therefore, the intended improvement (does) (does not) constitute a Substantial Improvement as defined by NMC 17.38. I understand that should either the market value or cost of improvements be revised that this declaration will be null and void and that a new declaration may be required.
7. I agree to hold harmless and indemnify the City of Napa, its officers, employees, agents and contractors, and each of them, from any claims, liability, including damages due to flooding as the described property, arising out of their reliance on this declaration in determining whether the proposed improvements constitute a Substantial Improvement within the meaning of NMC 17.38 for Substantial Improvement, of to the corresponding requirements of Title 44 of the Code of Federal Regulations, Parts 59 and 60.
8. I certify that the foregoing is true and correct. Executed this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, at Napa, California.

\_\_\_\_\_  
OWNER

\_\_\_\_\_  
DATE

## INSTRUCTIONS

*If an estimate and an appraisal meeting FEMA guidelines have been submitted, all steps up to (c) may be omitted.*

### SECTION I:

1. Estimate the value of the work to be done which affects the Substantial Improvement calculation. (This should be done face-to-face with the applicant). Due to the variety of possible improvements, there can be no hard and fast rules as to how to do this, but factors to be considered are the cost shown on the completed permit application, the figure derived in Section III, and questioning of the applicant. If may, at times, be advisable to ask to see the contractor's written estimate or quotation. When documents such as an estimate are used, retain a file copy with this form.

### SECTION II:

2. Enter the total existing fully finished ("living") area of the structure.
3. Enter the total area not qualifying as (2), such as attached garage or unfinished basement.
4. Add the figures at (2) and (3) to get the rough estimate of replacement value.
5. Enter the age of the house and calculate the depreciation factor. If less than .50, enter .50.
6. Multiply the depreciation factor (5) by the replacement value (4) to derive the rough estimate of the market value.

### SECTION III:

7. Enter the total new fully finished ("living") area to be constructed under this permit. Include new area which replaces old area which is to be demolished.
8. Enter the amount of the area to be constructed which does not qualify under (7), such as attached garages.
9. Add the figures at (7) and (8) to get the rough estimate of the cost of construction to be added.

### SECTION IV:

(A). Divide the figure at (1) by the figure at (6) and multiply by 100 to get the approximate ratio by the rough estimate of costs method.

(B). Divide the figure at (9) by the figure at (6) and multiply by 100 to get the approximate ratio for just the area to be added.

(C). If an estimate of costs and an appraisal meeting FEMA guidelines has been submitted, review the documents and derive and enter the new applicable improvement cost and the net applicable market value. Divide the former by the latter and multiply by 100 to get the improvement ratio.

### SECTION VI:

Under (E) and (F), place checks in the blanks on lines (i), (ii), (iii), (iv) and (v) as applicable. If any of the lines in (E) are checked, place a check in the blank at (E) indicating an apparent Substantial Improvement.

*Inform the applicant that it appears all SFHA requirements must be met, and that the Owner's alternatives are to modify the plans so as to reduce the amount of work, submit an estimate and*

*appraisal demonstration that the improvement is not substantial, or submit a signed Owner's Declaration wherein the Owner avers that the improvement is not substantial.*

If none of the lines under (E) are checked and one or more lines under (F) are checked, place a check in the blank at (F).

Sign and date the form and attach any supporting documents, or copies thereof.