MEMORANDUM

City of Campbell

Building Inspection Division

To: Rob Eastwood, CDD Director **Date:** May 2026

From: Bob Lennen, CBO, Building Division

Subject: New versus Addition-Remodel Classifications (NvR)

REASON FOR REVIEW

Campbell's adopted municipal code regarding a building being classified as New versus an Addition-Remodel is often challenged. The language can be interpreted in a number of ways but ultimately, it is the Building Official's interpretation that this memo will explain.

RESOLUTION The Ordinance:

DETERMINATION OF A NEW HOUSE

The City of Campbell's adopted Building Code provides specific thresholds for when a single-family residential "addition and remodel" project shall instead be classified as construction of a "new dwelling using portions of the original structure", subject to all Zoning and Building standards applicable to construction of a new house. To ensure that permit applications are correctly processed, the City has implemented a preliminary screening process. If an addition and remodel project exceeds 50% of the existing home's gross floor area (inclusive of living areas and garages), a "New House Determination" request to the Building Inspection Division is required. This determination will be made using the following criteria that are provided in Campbell Municipal Code Chapter 18.32:

A project submitted as a "Remodel" or "Remodel and Addition" shall be considered and defined as a "New Dwelling using portions of the original structure" when at least **three** of the four following criteria are satisfied:

- The valuation of the proposed work exceeds one hundred eighty-five thousand dollars (valuation calculated using established Valuation Tables published by the International Code Council (ICC) and modified by the Building Division);
- Seventy-five percent or more of the existing roof framing (Area) is proposed to be removed. Existing roof covered by a new roof shall be considered as removed for the purposes of this calculation;
- Seventy-five percent or more of the existing exterior walls (Lineal Footage of Wall Length) are **removed, altered, filled in, or rebuilt.** In no event shall new exterior walls exceed more than seventy-five percent of the length of the existing exterior walls **as determined by the building official.** Nonconforming exterior walls shall not be included in the twenty-five percent remaining calculation (this subsection shall not apply to a proposed conversion of an accessory structure to an accessory dwelling unit);
- Seventy-five percent or more of the existing interior walls (Lineal Footage of Wall Length) are **removed, altered, filled in, or rebuilt.** In no event shall new interior walls exceed more than seventy-five percent of the length of the existing interior walls as determined by the building official.

The classification of a *New* dwelling versus an *Addition Remodel* is also called an *NvR (New vs. Remodel)*. The classification naming for *New, Using Portions of the Existing is commonly shortened to "New"*. Campbell does about one a week. We do them all the same. In order to allow projects considered to be *New* by a strict interpretation of the code, the Building Official is committed to review the NvR fairly and extend special circumstances to every project. The NvR can be subjective but the objective is to have at least 25% of the new building to be from the original building. This is challenging, and we are willing to work with designers through many rounds of submittals to create a compliant design. Each review will be charged $232 (2025 Fee) for each round of review. We recognize that the terms can be confusing thus supporting this memo. To schedule an appointment to further explain in person, contact Bob Lennen, (408) 866-2133 or bobl@campbellca.gov

The NvR application will require three drawings: The Existing Floor Plan, The Proposed Floor Plan, and a Final Roof Plan that shows what areas are existing and what areas are new. If the walls will be extended to a new plate height, or if the existing gable framing will be altered, make a bold and identifying note or detail regarding such. Dimension as best you can and label the use of each room (ie. kitchen, bath, or bedroom). Include the existing and the new window and door sizes. If the information on the drawings does not match with the actual building, the discrepancy will be identified at the rough frame inspection. If the drawings were approved and the field conditions are different, the project could be stopped and the NvR re-evaluated as a New home, using portions of the existing.

If the design is deemed *Addition/Remodel (Add/Rem),* we will re-measure the existing walls on-site during the rough frame stage of the project in-order-to verify that the approved design limits were followed. Projects that exceed the limits of demolition beyond the 25-75% rules, will be re-classified as *New* along with the *New* requirements that could include: fire sprinklers, Public Works frontage improvements, street trees, MWELO watering and landscaping, Reach code ordinances, full electrification, solar system, Tax Assessor re-evaluation, and possible increased Planning approvals. The time needed to go through the plan approval for a new home can take many months and along with new administration and plan check fees that have been triggered for a second plan review process.

1. When most projects are deemed subject to review against this ordinance, the cost to construct already exceeds $185,000. So item 1 is often checked. Applicants have claimed that since they doing the work themselves, their cost is way below the threshold. The construction cost is levied against Campbell's market rate square foot construction and remodeling costs as published and adjusted annually. The 2025 costs are: Residential addition $261/sf, Major remodel $156/sf (2024 values).

2. The % of roof area to be removed is calculated to include the eves and will extend to the unaffected hips or rafters. Because the roof is supported by the walls below, we will carefuly look at what walls are to be removed and align with the supporting roof. Item 2 roofing most often exceeds the minimum 25% retention requirement and helps with the Addition/Remodel determination. If a design will remove all of the roof, the plan reviewer may still classify the design as Addition/Remodel but at least 30% of the exterior and interior walls must remain unaltered. We add to the % so that the project has a safety factor to prevent a change in classification after demolition.

3. This explanation is very similar to item 4 Interior walls. The exterior wall criteria is often challenged. If elements of a wall (end-to-end) …*are removed, altered filled in, or rebuilt*, they are not considered unaltered and therefore considered new. If a window or door or fireplace is added, removed, filled in, or the opening made larger or smaller, it is considered altered. If a wood stud, top plate, or bottom plate or header or jack stud is added, re-inforced, or replaced, the wall is considered altered. If the engineer needs to add support columns, or holddowns, or new beams, depending on the extent, the wall may be considered altered. If the wall fasteners are removed and the wall is picked up and re-located, it is considered altered. If the wall receives an extension pony wall on top to make that wall taller, it is considered altered. If a wall receives furring, it is considered altered. If a new perpendicular wall needs to be braced by an existing wall and will need to be fitted with a new hollywood stud, it is <u>not</u> considered altered. **Altered walls are considered New.** To remain an existing wall, we look at the framing only and it is ok to remove the siding, stucco, sheetrock, and wiring. Adding new wiring will not affect the classification.

   The Ordinance statement*: **In no event shall <u>new</u> exterior walls exceed more than seventy-five percent of the length of the <u>existing</u> exterior (unaltered) walls as determined by the Building Official.*** Is interpreted to mean that the 25% of the building that is to remain unaltered, will be measured against the final size of the new home. As a math problem, the linear length of exiting <u>unaltered</u> walls divided by the linear length of altered walls plus the new walls, must not exceed 25%. <u>Example</u>: If there was a very small

home of 500 sf and none of it was planned to be altered and there was to be an addition of 2005 sf, this design would be classified as *New, Using Portions of the Existing.*

Accepting that, *one small alteration on a long wall would classify that wall as altered,* may be too conservative of an interpretation, the building official may assign a portion of a long wall as existing-unaltered if the unaltered portion is of appreciable length (more than say 3/4 the total length). What we will not do, is allow a hopscotch method of a few feet from each wall sprinklered around the entire building. We are looking for entire lengths of walls without alterations to be added together, then divided by the lengths of the altered and the new walls to achieve a % of more than 25%.

Only the side portals of the front garage wall (garage door) will enter the calculation. The linear footage of the door is not classified as wall. Since a door for a 2 car garage is normally 16', this policy often makes or breaks the NvR calcutaion.

Common reasons why a project rolls into the *New* category are: plate extensions making existing walls taller than the original; Infill, relocation, or installing new doors and windows; Engineering braced walls, posts, and beam inserts; Replacing wall studs or beams because of termite or dryrot; sistering onto existing framing studs or rafters. Not declaring any of these alterations on the plans and then doing the changes on-site after the Add/Rem determination is made, is not a recommended action. At the rough frame inspection, the project gets re-reviewed. If a discrepency is discovered, the project is halted and goes back to plan check to be re-plan checked as a new home. Minor engineering strengthening like shear and a hold-down or two will not affect the altered wall status but wall replacement and major alterations will affect the determination.

The Building Official will classify the NvR as Addition-Remodel at 25% or above only if the existing unaltered walls are calculated at full end-to-end length. If the design includes partial lengths of walls, an Add/Rem classification will need at least 28% but best at 30%. The reasoning is this…

Wall studs are normally placed 16" on center. A portion of a wall shown to be*, 12' to-remain unaltered*, ends up being a few inches less on each end of that wall because, studs placed 16" on center have as much as 14.5" of airspace between studs. The wall as-drawn, is always longer than the measurement between the actual studs. This is a secondary reason why unaltered walls are best to be considered by full length end-to-end and not partial lengths. If this scenario takes place on a few walls, the loss of linear footage as-calculated from the drawing versus the actual measurement between physical studs, there becomes a loss of a few feet and inches for every wall, creating a loss in % points. Projects given the Addition-Remodel classification at 25% without the safety factor would not stand up to the actual measurement done at the rough frame stage. The result is a re-classification, and that is a bad day for the project.

A second danger of making an Add/Rem classification on exactly 25% is that sometimes, during the demo phase, some of the old 2x4 studs simply split and crumble, or the termite damage is just so bad they must be replaced. At the rough frame inspection, the inspector will re-measure and verify that the accepted Add/Rem design on paper aligns with the actual field conditions. They will take measurement from stud to stud. If a stud or two has been replaced because of termites or splintering- that action changes the 25% design calculation; the project will be stopped and the build will be re-classified as new, requiring a new submittal and plan routing to all agencies. To prevent a re-classification, it behooves the project to keep <u>more</u> than the 25% minimum as a sort-of insurance.

A third danger results from a set of drawings that may not be as forthcomming as able. Missing or hidden notes or intentions such as "replace entire roof", "add ribbon along wall legth to increase the height" will not supply the needed information for a correct determination. If the project is deemed Addition/Remodel based on missing or incorrect information, and then at some point during construction the misguidance is discovered, the determination will be changed to *New Home.* At anytime the project

illustrates a deviation from the original design or if the original design does not clearly and honestly represent the field conditions, the determination may be changed to *New Home.*

The following, is the warning notice for all Add/Rem projects that went throuugh the NvR process.

WARNING ! If a project has been classified as an **Addition & Remodel**, the plans submitted will be compared during construction. If more walls or roof are removed or altered than approved, or window sizes changed, or engineering alterations, the construction classification could be changed from **Addition & Remodel** to **New Home.** If the classification is changed to **New Home**, the project will be stopped and require a new submittal under the requirements of **New Home**, which is subject to more stringent energy codes, rooftop solar, loss of gas appliances, increased engineering, increased Planning and Public Works requirements (frontage improvements), fire sprinklers, increased fees, and landscape design. Normally, the time needed to make the mid-project application and get back to work can be about a year.

Suggestion to obtain the Addition/Remodel classification:
The most successful applications tend to have one commonality; they have one corner or section of the home without any alterations, (floors, walls, and roof). The area identified as unaltered, is limited to window replacement of the same size, electrical, insulation, and drywall replacement.

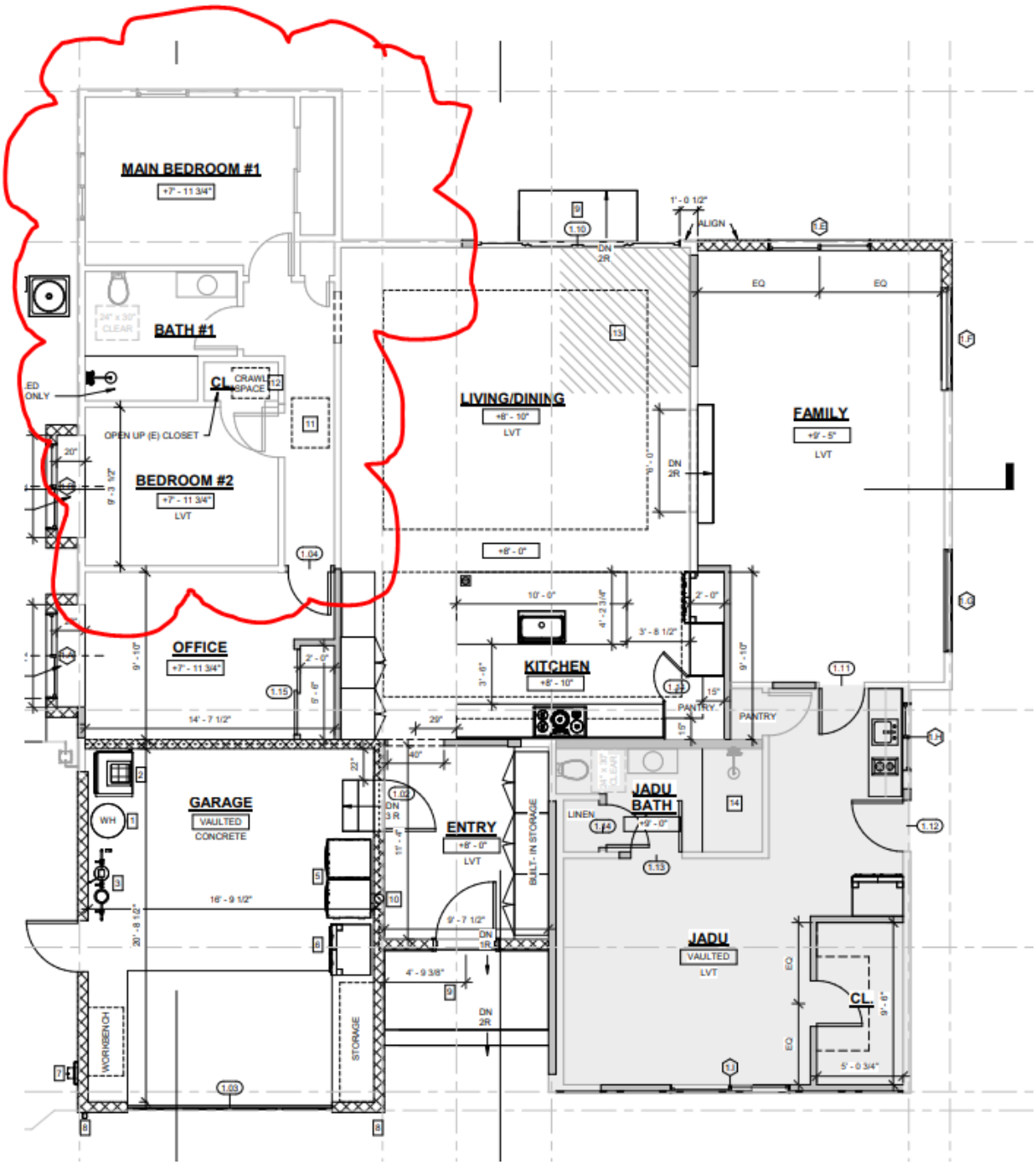
Every year, there are more restrictions and requirements levied against new homes. The State Fire Marshall would like every home in California to have a fire sprinkler system. The Public Works department would like curb and gutter and street trees. The State would like to electrify and has a directive for all homes in California to be highly efficient and without natural gas. San Jose Water would like landscaping with reduced water vegetation. These agencies have a stake in the NvR process. To get these building upgrades, they need New homes.

The reasoning **why** doors, windows, or framing will be altered (by want or need), will not be a factor in the NvR determination.

There has been discussion to roll the allowable percentage to 50% removal rather than 75% removed. Until that time, be honest in the design and diligent with the demolition and reconstruction. Accept that Addition/Remodel may require compromise.

X _____

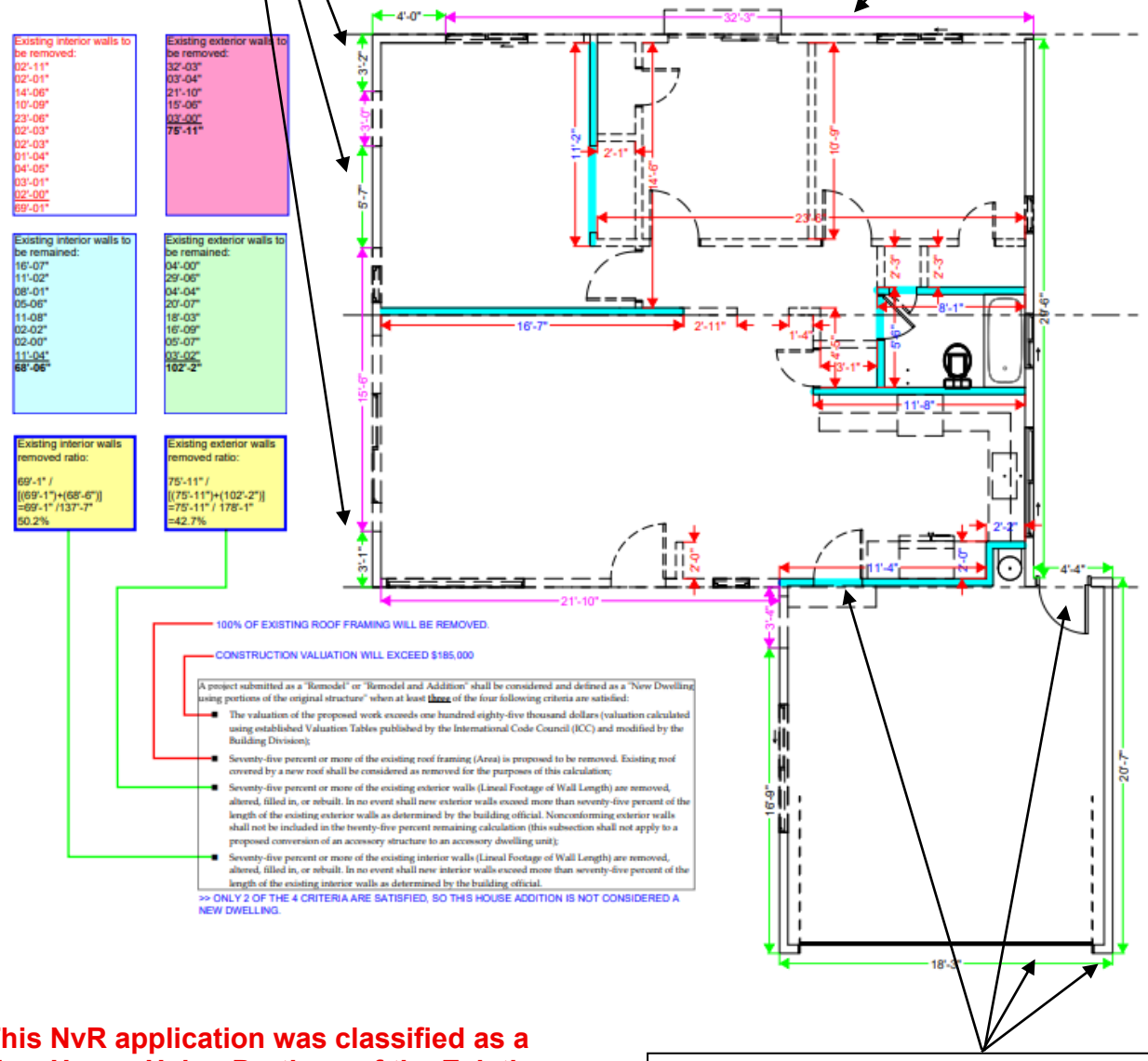
I as Homeowner, have read and understand all (7) sheets explaining the NvR criteria.



This NvR application was classified as a Addition/Remodel

For this drawing, the green is stated to be existing and the pink as altered. However, no hopscotch calculations will be allowed, each wall where there are altered/unaltered sections, will be considered altered.

If a wall has an alteration, yet, an *appreciable* amount will remain unaltered, the unaltered part *may* classify as existing to remain.



This NvR application was classified as a New Home, Using Portions of the Existing

The length of the garage portals will count as walls, but the length of the door will not.
If the beam is replaced, the portals are considered altered. The back door was added so the 4'- 4" section is considered altered. The existing door into the kitchen was removed, so the back wall is considered altered.



Two different projects. Each wall has some original studs but sistered studs, wall extensions, plate replacements, re-framed gables, added post, and new windows triggered a re-classification. Both are altered walls that were designed to be existing un-altered at the design phase. The discrepency was identified during the rough frame inspection resulting in a *Stop Work* of the project and a re-classification that would require a new plan submittal and routing that would trigger: Public Works curb and gutter and street tree; a solar system with all electric appliances with EV charging and ESS ready electric panel; a landscape design with a MWELO watering system; a fire sprinkler system with new water meter upsize.

