



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Administrative Code Text Change

HEARING DATE: MAY 19, 2011

Project Name: **Amendments relating to Administrative Code Section 31.22(12)(3): Administrative Code Fee Changes.**

Date: May 19, 2011

Case Number: 2011.0427T

Initiated by: **Planning Department**

Staff Contact: Keith DeMartini, Finance Manager
Keith.DeMartini@sfgov.org, 415-575-9118

Reviewed by: Thomas DiSanto, Chief Administrative Officer
Thomas.DiSanto@sfgov.org, 415-575-9113

Recommendation: **Recommend Approval as Proposed**

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PLANNING CODE AMENDMENT

This legislation amends Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees to: (1) include language that the fees are subject to the Controller's annual adjustment based on the two-year average consumer price index (CPI) and (2) adjust fees based on this CPI rate.

THE WAY IT IS NOW:

The Controller annually adjusts planning application fees, excluding appeal fees, by the two-year average consumer price index (CPI) for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): Section 31.22(12)(3) reads: The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), and (11), Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose PMSA.

THE WAY IT WOULD BE:

A CPI increase of 2.07% will be applied to all fees except for appeal fees.

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): The Additional code references will be made to the current 31.22(12)(3) code: "The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and~~ (11), and (12), Section 31.22(b)(1) and (6), Section 31.22 (c), Section 31.23(d) and Section

31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose PMSA.” **Projected Revenue Impact: \$0** (These fees are currently adjusted annually by the Controller’s Office).

REQUIRED COMMISSION ACTION

The proposed ordinance is before the Commission so that it may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

RECOMMENDATION

The Department recommends that the Commission adopt the Draft Resolution recommending the proposed Ordinance. The legislation would ensure all fee languages clearly states yearly adjustments.

BASIS FOR RECOMMENDATION

All planning application fees are subject to the Controller’s annual adjustment based on the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA). The existing rule for CEQA Basic Fees does not include this language, and the proposed change simply adds this language.

ENVIRONMENTAL REVIEW

The proposal to amend Article 3.5 of the Planning Code would result in no physical impacts on the environment. The proposed amendment is exempt from environmental review under Section 15060(c)(2) of the CEQA Guidelines.

PUBLIC COMMENT

As of the date of this report, the Planning Department has received no letters in support or opposition to the proposal from the public.

RECOMMENDATION: Approve

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Draft Board of Supervisors Ordinance
- Exhibit C: Historic Preservation Commission Motion
- Exhibit D: Proposed Fee Schedule
- Exhibit E: Summary Presentation



SAN FRANCISCO PLANNING DEPARTMENT

Draft Planning Commission Resolution

HEARING DATE: MAY 19, 2011

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Recommendation **Recommend Approval**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND ADMINISTRATIVE CODE, ARTICLE IV, SECTION 31.22(12)(3) BASIC FEES TO (1) INCLUDE LANGUAGE THAT THE FEES ARE SUBJECT TO THE CONTROLLER'S ANNUAL ADJUSTMENT BASED ON THE TWO-YEAR AVERAGE CONSUMER PRICE INDEX (CPI), AND (2) ADJUST FEES BASED ON THIS CPI RATE, AND MAKES SECTION 302 AND ENVIRONMENTAL FINDINGS.

PREAMBLE

Whereas, all planning application fees are subject to the Controller's annual adjustment based on the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA). The existing rule for CEQA Basic Fees does not include this language, and the proposed change simply adds this language.

The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinances on May 19, 2011.

The Planning Department (hereinafter "Department") has not received any letters or phone calls in support or in opposition to the proposed Ordinance.

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board ADOPT the proposed Ordinance with the following amendment:

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): The Additional code references will be made to the current 31.22(12)(3) code: "The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and (11)~~, **and (12), Section 31.22(b)(1) and (6)**, Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average

consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).”

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on May 19, 2011.

Linda Avery
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

1 [Administrative Code Amendment to Update Fees.]

2 **Ordinance amending the San Francisco Administrative Code by amending Sections**
3 **31.22, 31.23 and 31.24 to increase all fees 2.07 percent based on the Controller's annual**
4 **two-year average consumer price index (CPI) and include language that the fees are**
5 **subject to this CPI rate.**

6 Note: Additions are single-underline italics Times New Roman;
7 deletions are ~~strikethrough italics Times New Roman~~.
8 Board amendment additions are double underlined.
9 Board amendment deletions are ~~strikethrough normal~~.

10 Be it ordained by the People of the City and County of San Francisco:

11 Section 1. Findings. (a) The Planning Department is able to recover the cost of long
12 range planning through its building permit review, CEQA (California Environmental Quality
13 Act, California Public Resources Code Sections 21000 et seq.) review, and land use
14 entitlement fees.

15 (b) The current fee structure is set to recover a portion of long range planning cost
16 through said fees, but the cost of long range planning, which includes historic preservation
17 survey and designation work, is increasing beyond the annual cost of living adjustment.

18 (c) It is in the public interest for the private project sponsor to reimburse the City for
19 the benefit he or she derives as a consequence of public supported planning.

20 (d) Environmental Finding. The Planning Department has determined that the
21 proposed fee adjustments are statutorily excluded from CEQA under the CEQA Guidelines
22 Section 15273(a), which exempts rates, tolls, fares and charges such as those proposed here.
23 Said determination is on file with the Clerk of the Board of Supervisors in File No.
24 _____ and is incorporated herein by reference.

1 Section 2. The San Francisco Administrative Code is hereby amended by amending
2 Sections 31.22 and 31.23 and adding 31.24, to read as follows:

3 SEC. 31.22 BASIC FEES.

4 (a) The Planning Department shall charge the following basic fees to applicants for
5 projects located outside of recently adopted Plan Areas (adopted after July 1, 2005) that do
6 not require one or more of the following, which will be initiated through the adoption of an Area
7 Plan: Code amendments for the height or bulk district and General Plan amendments, as
8 specified in Section 31.21 above:

9 (1) For an initial study of a project excluding use of special expertise or technical
10 assistance, as described in Section 31.23 below, the initial fee shall be:

11 — Where the total estimated construction cost as defined by the San Francisco
12 Building Code is between \$0 and \$9,999: ~~\$1,070~~1,092;

13 — Where said total estimated construction cost is \$10,000 or more, but less than
14 \$200,000: ~~\$4,249~~4,163 PLUS ~~2.024~~2.066% of the cost over \$10,000;

15 — Where said total estimated construction cost is \$200,000 or more, but less than
16 \$1,000,000: ~~\$8,251~~8,084 PLUS ~~1.530~~1.562 % of the cost over \$200,000;

17 — Where said total estimated construction cost is \$1,000,000 or more, but less
18 than \$10,000,000: ~~\$20,987~~20,561 PLUS ~~1.284~~1.311% of the cost over \$1,000,000;

19 — Where said total estimated construction cost is \$10,000,000 or more, but less
20 than \$30,000,000: ~~\$141,220~~138,356 PLUS ~~0.396~~0.404% of the cost over \$10,000,000;

21 — Where said total estimated construction cost is \$30,000,000 or more, but less
22 than \$50,000,000: ~~\$223,531~~218,998 PLUS ~~0.149~~0.152% of the cost over \$30,000,000;

23 — Where said total estimated construction cost is \$50,000,000 or more, but less
24 than \$100,000,000: ~~\$254,453~~249,293 PLUS ~~0.036~~0.037% of the cost over \$50,000,000;

25

1 — Where said total estimated construction cost is \$100,000,000 or more:
2 ~~\$272,962,267,426~~ PLUS 0.016% of the cost over \$100,000,000.

3 An applicant proposing major revisions to a project application that has been inactive
4 for more than six months and is assigned shall submit a new application. An applicant
5 proposing significant revisions to a project which has not been assigned and for which an
6 application is on file with the Planning Department shall be charged time and materials to
7 cover the full costs in excess of the initial fee paid.

8 (2) For preparation of an environmental impact report excluding use of special
9 expertise or technical assistance, as described in Section 31.23 below, the initial fee shall be:

10 — Where the total estimated construction cost as defined in the San Francisco
11 Building Code is between \$0 to \$199,999: ~~\$24,255,23,763~~;

12 — Where said total estimated construction cost is \$200,000 or more, but less than
13 \$1,000,000: ~~\$24,255,23,763~~ PLUS ~~0.5840.596~~% of the cost over \$200,000;

14 — Where said total estimated construction cost is \$1,000,000 or more, but less
15 than \$10,000,000: ~~\$29,248,28,655~~ PLUS ~~0.3960.404~~% of the cost over \$1,000,000;

16 — Where said total estimated construction cost is \$10,000,000 or more, but less
17 than \$30,000,000: ~~\$66,289,64,945~~ PLUS ~~0.1650.162~~% of the cost over \$10,000,000;

18 — Where said total estimated construction cost is \$30,000,000 or more, but less
19 than \$50,000,000: ~~\$100,041,98,012~~ PLUS ~~0.0450.044~~% of the cost over \$30,000,000;

20 — Where said total construction cost is \$50,000,000 or more, but less than
21 \$100,000,000: ~~\$109,240,107,025~~ PLUS ~~0.0450.044~~% of the cost over \$50,000,000;

22 — Where said total estimated construction cost is \$100,000,000 or more:
23 ~~\$132,433,129,747~~ PLUS 0.016% of the cost over \$100,000,000.

24

25

1 An applicant proposing major revisions to a project application that has been inactive
2 for more than six months and is assigned shall submit a new application. An applicant
3 proposing significant revisions to a project which has not been assigned and for which an
4 application is on file with the Planning Department shall be charged time and materials to
5 cover the full costs in excess of the initial fee paid.

6 (3) For an appeal to the Planning Commission: The fee shall be \$500.00 to the
7 appellant; provided, however, that the fee shall be waived if the appeal is filed by a
8 neighborhood organization that: (a) has been in existence for 24 months prior to the appeal
9 filing date, (b) is on the Planning Department's neighborhood organization notification list, and
10 (c) can demonstrate to the Planning Director or his/her designee that the organization is
11 affected by the proposed project. An exemption from paying this appeal fee may be granted
12 when the requestor's income is not enough to pay for the fee without affecting their abilities to
13 pay for the necessities of life, provided that the person seeking the exemption demonstrates
14 to the Planning Director or his/her designee that they are substantially affected by the
15 proposed project.

16 (4) For an appeal to the Board of Supervisors of environmental determinations,
17 including the certification of an EIR, a negative declaration, or determination of a categorical
18 exemption, the fee shall be \$500.00 to the appellant; provided, however, that the fee shall be
19 waived if the appeal is filed by a neighborhood organization that: (a) has been in existence for
20 24 months prior to the appeal filing date, (b) is on the Planning Department's neighborhood
21 organization notification list, and (c) can demonstrate to the Planning Director or his/her
22 designee that the organization is affected by the proposed project. Fees shall be used to
23 defray the cost of appeal for the Planning Department. Such fee shall be refunded to the
24 appellant in the event the Planning Department rescinds its determination or the Board of
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1 Supervisors remands or rejects the environmental impact report, negative declaration, or
2 determination of a categorical exemption to the Planning Commission for revisions based on
3 issues related to the adequacy and accuracy of the environmental determination. An
4 exemption from paying this appeal fee may be granted when the requestor's income is not
5 enough to pay for the fee without affecting their ability to pay for the necessities of life,
6 provided that the person seeking the exemption demonstrates to the Clerk of the Board of
7 Supervisors or his/her designee that they are substantially affected by the proposed project.

8 (5) For preparation of an addendum to an environmental impact report that has
9 previously been certified, pursuant to Section 15164 of the State CEQA Guidelines: or
10 reevaluation of a modified project for which a negative declaration has been prepared:
11 ~~\$22,844,222,381~~ plus time and materials as set forth in Subsection (b)(2).

12 (6) For preparation of a supplement to a draft or certified final environmental impact
13 report: One-half of the fee that would be required for a full environmental impact report on the
14 same project, as set forth in Paragraph (2) above, plus time and materials as set forth in
15 Subsection (b)(2).

16 (7) (a) For preparation of a Certificate of Exemption from Environmental Review
17 determining that a project is categorically exempt, statutorily exempt, ministerial/nonphysical,
18 an emergency, or a planning and feasibility study: ~~\$291,285~~ for applications that require only a
19 stamp, ~~\$5,697,581~~ as an initial fee for applications that require an Exemption Certificate, plus
20 time and materials as set forth in Subsection (b)(2).

21 (7) (b) For preparation of a Class 32 Certificate of Exemption from Environmental
22 Review determining that a project is categorically exempt, the initial fee shall be:

23 — Where the total estimated construction cost as defined by the San Francisco
24 Building Code is between \$0 and \$9,999: ~~\$10,476,10,264~~;

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1 — Where said total estimated construction cost is \$10,000 or more, but less than
2 \$200,000: ~~\$10,47610,264~~ +PLUS ~~0.1820.178~~% of the cost over \$10,000;

3 — Where said total estimated construction cost is \$200,000 or more, but less than
4 \$1,000,000: ~~\$10,82210,602~~ PLUS ~~0.1720.169~~% of the cost over \$200,000;

5 — Where said total estimated construction cost is \$1,000,000 or more, but less
6 than \$10,000,000: ~~\$12,20111,954~~ PLUS ~~0.0530.052~~% of the cost over \$1,000,000;

7 — Where said total estimated construction cost is \$10,000,000 or more: ~~\$16,978~~
8 ~~16,634~~ PLUS ~~0.386~~ ~~0.378~~% of the cost over \$10,000,000.

9 (8) For preparation of an exemption that requires review of historical resource
10 issues only, the following fees apply. For a determination of whether a property is an
11 historical resource under CEQA, the fee is ~~\$2,3872,339~~. For a determination of whether a
12 project would result in a substantial adverse change in the significance of an historical
13 resource, the fee is ~~\$3,3103,243~~.

14 (9) For preparation of a letter of exemption from environmental review: ~~\$291285~~,
15 plus time and materials as set forth in Subsection (b)(2).

16 (10) For review of a categorical exemption prepared by another City Agency, such as
17 the Municipal Transportation Agency or the Public Utilities Commission: ~~\$245240~~, plus time
18 and materials as set forth in Subsection (b)(2).

19 (11) For reactivating an application that the Environmental Review Officer has
20 deemed withdrawn due to inactivity and the passage of time, subject to the approval of the
21 Environmental Review Officer and within six months of the date the application was deemed
22 withdrawn: ~~\$237232~~ plus time and materials to cover any additional staff costs.

23 (12) Monitoring Conditions of Approval and Mitigation Monitoring: Upon adoption of
24 conditions of approval and/or mitigation measures which the Environmental Review Officer
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1 determines require active monitoring, the fee shall be ~~\$1,1531,130~~, as an initial fee, plus time
2 and materials as set forth in Section 31.22(b)2.

3 (b) Payment.

4 (1) The fee specified in Subsection (a)(1) shall be paid to the Planning Department
5 at the time of the filing of the environmental evaluation application, and where an
6 environmental impact report is determined to be required, the fee specified in Subsection
7 (a)(2) shall be paid at the time the Notice of Preparation is prepared, except as specified
8 below. However, the Director of Planning or his/her designee may authorize phased
9 collection of the fee for a project whose work is projected to span more than one fiscal year. A
10 nonrefundable processing fee of ~~\$5352~~ is required to set-up any installment payment plan for
11 all application fees. The balance of phased payments must be paid in full one week in
12 advance of the first scheduled public hearing before the Planning Commission in consider the
13 project or before any Environmental Impact report is published.

14 (2) The Planning Department shall charge the applicant for any time and material
15 costs incurred in excess of the initial fee charged if required to recover the Department's costs
16 for providing services. Provided, however, that where a different limitation on time and
17 materials is set forth elsewhere in this section, then that limitation shall prevail.

18 (3) The Controller will annually adjust the fee amounts specified in Section
19 31.22(a)(1), (2), (5), (7), (8), (9), (10) , ~~and (11)~~, and (12), Section 31.22(b)(1) and (6), and Section
20 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer
21 price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical
22 Area (PMSA).

23 (4) Any fraternal, charitable, benevolent or any other nonprofit organization, that is
24 exempt from taxation under the Internal Revenue laws of the United States and the Revenue
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1 and Taxation Code of the State of California as a bona fide fraternal, charitable, benevolent or
2 other nonprofit organization, or public entity that submits an application for the development of
3 residential units or dwellings all of which are affordable to low and moderate income
4 households, as defined by the United State Housing and Urban Development Department, for
5 a time period that is consistent with the policy of the Mayor's Office of Housing and the San
6 Francisco Redevelopment Agency may defer payment of the fees specified herein, with the
7 exception of the fees payable pursuant to Section 31.22(a)(3) and (4) and Section
8 31.22(a)(11) herein, until the time of issuance of the building permit, before the building permit
9 is released to the applicant; or (2) within one year of the date of completion of the
10 environmental review document, whichever is sooner. This exemption shall apply
11 notwithstanding the inclusion in the development of other nonprofit ancillary or accessory
12 uses.

13 (5) An exemption from paying the full fees set forth in Section 31.22(a) (3) and (4)
14 herein may be granted when the requestor's income is not enough to pay the fee without
15 affecting his or her ability to pay for the necessities of life, provided that the person seeking
16 the exemption demonstrates to the Director of Planning or his/her designee that he or she is
17 substantially affected by the proposed project.

18 (6) Exceptions to the payment provisions noted above may be made when the
19 Director of Planning or his/her designee has authorized phased collection of the fee for a
20 project whose work is projected to span more than one fiscal year. A nonrefundable
21 processing fee of ~~\$5352~~ is required to set-up any installment payment plan for all application
22 fees. The balance of phased payments must be paid in full one week in advance of the first
23 scheduled public hearing before the Planning Commission to consider the project or before
24 any Environmental Impact report is published.

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1 (c) Refunds. When a request for an initial evaluation or for preparation of an
2 environmental impact report is (1) either withdrawn by the applicant prior to publication of an
3 environmental document or (2) deemed canceled by the Planning Department due to inactivity
4 on the part of the applicant, then the applicant shall be entitled to a refund of the fees paid to
5 the Department less the time and materials expended minus a ~~\$436427~~ processing fee.
6 Refund requests must be submitted within six months of the project closure date.

7 (d) Late Charges and Collection of Overdue Accounts. The Director or his/her
8 designee shall call upon the Bureau of Delinquent Revenues or duly licensed collection
9 agencies for assistance in collecting delinquent accounts more than 60 days in arrears, in
10 which case any additional costs of collection may be added to the fee amount outstanding. If
11 the Department seeks the assistance of a duly licensed collection agency, the approval
12 procedures of Administrative Code Article 5, Section 10.39-1 et seq. will be applicable.

13 (e) These amendments to fees related to the Planning Department are intended to
14 provide revenues for the staffing and other support necessary to provide more timely
15 processing of applications within that Department.

16 SEC. 31.23 OTHER FEES.

17 (a) Where an initial evaluation or preparation of an environmental impact report and
18 related environmental studies require the use of special expertise or technical assistance not
19 provided by the board, commission, department or other person who is to carry out the
20 project, such expertise or assistance shall be paid for by such board, commission, department
21 or other person. This payment shall be made either to the Planning Department or, if the
22 Planning Department so requests, directly to the party that will provide such expertise or
23 technical assistance.

1 (b) Where outside consultants are used for such purposes, and the project is to be
2 directly carried out by a person other than a board, commission or department of the City,
3 such consultants shall report their findings directly to the Planning Department.

4 (c) Where employees of the City are used for such purposes, the costs of such
5 employees shall be paid to the board, commission or department providing such employees.

6 (d) In addition to any filing fees required by statute, the County Clerk shall collect a
7 documentary handling fee in the amount of ~~\$3332~~ for each filing made pursuant to California
8 Fish and Game Code Section 711.4, Subdivision (d).

9 **SEC. 31.23.1 Community Plan Fees.**

10 (a) The Planning Department shall charge the following Community Plan Fees for
11 environmental applications filed in adopted Plan Areas effective after July 1, 2005:

12 (1) For Class 1 and 3 Exemptions: same as basic fees outlined in Section
13 31.22(a)(8) and (10).

14 (2) For determination of the appropriate environmental document: ~~\$12,72012,462~~
15 and any fee pursuant to Section 31.23.1(c) below. In addition, the applicant shall pay the
16 following fees as appropriate:

17 (i) If the determination is that the project qualifies for a Community exemption or
18 exclusion, the applicant shall pay a fee of ~~\$6,9506,809~~.

19 (ii) If the determination is that the project does not qualify for a Community exemption
20 or exclusion, the applicant shall pay fees as set forth in Section 31.23.1(b) below.

21 (b) The fees for projects determined not to qualify for a Community exemption or
22 exclusion are as follows:

23 (1) For an initial study excluding use of special expertise or technical assistance, as
24 described in Section 31.22 above, the initial fee shall be:

1 — Where the total estimated construction cost as defined by the San Francisco
2 Building Code is between \$0 and \$9,999: ~~\$1,3601,332~~;

3 — Where said total estimated construction cost is \$10,000 or more, but less than
4 \$200,000: ~~\$5,6515,536~~ PLUS ~~2.5712.519~~% of the cost over \$10,000;

5 — Where said total estimated construction cost is \$200,000 or more, but less than
6 \$1,000,000: ~~\$10,63110,415~~ PLUS ~~1.9431.904~~% of the cost over \$200,000;

7 — Where said total estimated construction cost is \$1,000,000 or more, but less
8 than \$10,000,000: ~~\$26,47825,941~~ PLUS ~~1.6301.597~~% of the cost over \$1,000,000;

9 — Where said total estimated construction cost is \$10,000,000 or more, but less
10 than \$30,000,000: ~~\$176,062172,491~~ PLUS ~~0.5020.492~~% of the cost over \$10,000,000;

11 — Where said total estimated construction cost is \$30,000,000 or more, but less
12 than \$50,000,000: ~~\$278,494272,846~~ PLUS ~~0.1890.185~~% of the cost over \$30,000,000;

13 — Where said total estimated construction cost is \$50,000,000 or more, but less
14 than \$100,000,000: ~~\$317,077310,647~~ PLUS ~~0.0450.044~~% of the cost over \$50,000,000;

15 — Where said total estimated construction cost is \$100,000,000 or more:
16 ~~\$340,044333,148~~ PLUS 0.019% of the cost over \$100,000,000.

17 An applicant proposing major revisions to a project application that has been inactive
18 for more than six months and is assigned shall submit a new application. An applicant
19 proposing significant revisions to a project which has not been assigned and for which an
20 application is on file with the Planning Department shall be charged time and materials to
21 cover the full costs in excess of the initial fee paid.

22 (2) For preparation of an environmental impact report excluding use of special
23 expertise or technical assistance, as described in Section 31.23 above, the initial fee shall be:

24

25

1 — Where the total estimated construction cost as defined in the San Francisco
2 Building Code is between \$0 to \$199,999: ~~\$30,18529,573~~;

3 — Where said total estimated construction cost is \$200,000 or more, but less than
4 \$1,000,000: ~~\$30,18529,573~~ PLUS ~~0.7410.726~~% of the cost over \$200,000;

5 — Where said total estimated construction cost is \$1,000,000 or more, but less
6 than \$10,000,000: ~~\$36,40135,663~~ PLUS ~~0.5020.492~~% of the cost over \$1,000,000;

7 — Where said total estimated construction cost is \$10,000,000 or more, but less
8 than \$30,000,000: ~~\$82,49580,822~~ PLUS ~~0.2060.202~~% of the cost over \$10,000,000;

9 — Where said total estimated construction cost is \$30,000,000 or more, but less
10 than \$50,000,000: ~~\$124,524121,999~~ PLUS ~~0.0560.055~~% of the cost over \$30,000,000;

11 — Where said total construction cost is \$50,000,000 or more, but less than
12 \$100,000,000: ~~\$136,065133,306~~ PLUS ~~0.0560.055~~% of the cost over \$50,000,000;

13 — Where said total estimated construction cost is \$100,000,000 or more:
14 ~~\$164,918161,573~~ PLUS 0.019% of the cost over \$100,000,000.

15 An applicant proposing major revisions to a project application that has been inactive
16 for more than six months and is assigned shall submit a new application. An applicant
17 proposing significant revisions to a project which has not been assigned and for which an
18 application is on file with the Planning Department shall be charged time and materials to
19 cover the full costs in excess of the initial fee paid.

20 (3) For the preparation of a focused Environmental Impact Report: one-half the fee
21 that would be required for a full environmental impact report, as set forth in Paragraph (b)(2)
22 above, plus time and materials.

23 (4) The fees above listed in Section 31.24(b) will sunset 20 years after the effective
24 date of Plan Adoption.

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1 (c) The Planning Department shall recover the cost of preparing and defending
2 programmatic EIRs, including consultant and City Attorney costs, from project sponsors that
3 file or have filed projects in recently adopted Plan Areas (after July 1, 2005) and filed projects
4 within 10 years of the Programmatic EIR certification.

5 The fee shall be a proportional share of the cost of the Programmatic EIR, which is
6 equal to the Department's average time and material costs to prepare and defend a
7 Programmatic EIR divided by the buildable envelope times the square footage of the
8 proposed project.

9 (d) Except as provided below for projects in the Transit Center District area, if at the
10 time of Community Plan adoption, a project application undergoing review required
11 amendments for height or bulk districts or General Plan amendments and now complies with
12 the Community Plan Zoning, the applicant may choose to pay either the fees specified in
13 Section 31.22 or Section 31.23.1. For projects that paid fees under Section 31.22 and opt to
14 pay fees under Section 31.23.1, the applicant shall withdraw the application filed under
15 Section 31.22 and file a new application. Applicants that file a new application and pay the
16 Section 31.23.1 fees shall be entitled to a refund under Section 31.22(c).

17 (i) Transit Center District Plan. Projects in the Transit Center District area that
18 require amendments for height or bulk district or General Plan amendments at the time of
19 project application shall pay the fees specified in Administrative Code Section 31.23.1(b) and
20 31.23.1(c). For projects that paid fees under Section 31.22, the applicant shall pay the
21 difference between Section 31.22 fees and Section 31.23.1(b) and 31.23.1(c) fees.

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APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: _____
Kate Herrmann Stacy
Deputy City Attorney



SAN FRANCISCO PLANNING DEPARTMENT

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Historic Preservation Commission Motion

No. xxxxx

HEARING DATE: MAY 18, 2011

Project Name: **Amendments relating to Administrative Code Section 31.22(12)(3):
Administrative Code Fee Changes.**

Case Number: 2011.0427T

Initiated by: Planning Department

Staff Contact: Keith DeMartini, Finance Manager
Keith.DeMartini@sfgov.org, 415-575-9118

Reviewed by: Thomas DiSanto, Chief Administrative Officer
Thomas.DiSanto@sfgov.org, 415-575-9113

Recommendation **Recommend Approval**

RECOMMENDING ADOPTION OF A PROPOSED ORDINANCE THAT WOULD AMEND ADMINISTRATIVE CODE, ARTICLE IV, SECTION 31.22(12)(3) BASIC FEES TO (1) INCLUDE LANGUAGE THAT THE FEES ARE SUBJECT TO THE CONTROLLER'S ANNUAL ADJUSTMENT BASED ON THE TWO-YEAR AVERAGE CONSUMER PRICE INDEX (CPI), AND (2) ADJUST FEES BASED ON THIS CPI RATE, AND MAKES SECTION 302 AND ENVIRONMENTAL FINDINGS.

PREAMBLE

Whereas, all planning application fees are subject to the Controller's annual adjustment based on the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA). The existing rule for CEQA Basic Fees does not include this language, and the proposed change simply adds this language.

The Historic Preservation Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinances on May 18, 2011.

The Planning Department (hereinafter "Department") has not received any letters or phone calls in support or in opposition to the proposed Ordinance.

MOVED, that the Commission hereby recommends the ADOPTION of the proposed Ordinance based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): The Additional code references will be made to the current 31.22(12)(3) code: “The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and (11)~~, and (12), Section 31.22(b)(1) and (6), Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).”

DECISION

The Commission, after carefully balancing the competing public and private interests, and based upon the Recitals and Findings set forth above, in accordance with the standards specified in the Code, hereby approves an amendment to Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees to include language that the fees are subject to the Controller’s annual adjustment based on the two-year average Consumer Price Index (CPI) and adjust fees based on this CPI rate.

I hereby certify that the foregoing Motion was ADOPTED by the Historic Preservation Commission on May 18, 2011.

Linda Avery
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

**Exhibit D: Proposed Fee Schedule
San Francisco Planning Department
Proposed FY2011/2012**

eff. 8/30/2010

2.07%

Service Name	Code Section	Current Fee w/o appeal surchg	BoA appeal surchg	BoS appeal surchg	2.07% of CPI Increase	FY11/12 Proposed New Fee
Refund fee	350 (d)	\$ 427			\$ 8.84	\$ 436
Discretionary Review Request	352 (d)	\$ 500			N/A	\$ 500
DR Permit Surcharges	355	\$ 87			\$ 1.80	\$ 89
Mandatory Discretionary Review	352 (d)	\$ 3,438			\$ 71.17	\$ 3,509
Planning Code Text Amendment Request	352 (l)	\$ 14,090			\$ 291.66	\$ 14,382
Zoning Map Change (incl. interim controls)	352 (i)	\$ 7,052			\$ 145.98	\$ 7,198
Setback Change	352 (j)	\$ 2,851			\$ 59.02	\$ 2,910
Institutional Master Plan - Full	352 (e)(1)	\$ 12,259			\$ 253.76	\$ 12,513
Institutional Master Plan - Abbreviated	352 (e)(2)	\$ 2,244			\$ 46.45	\$ 2,290
General Plan Referral	352 (g)	\$ 3,310			\$ 68.52	\$ 3,379
General Plan Amendment + Related Plans	352 (f) & (h)	T/M				T/M
Conditional Use (including PUD)	352 (a)	Variable		\$ 111		see revised formulas
Section 321 (Annual Limit) Review	353 c	\$ 4,866	\$ 25		\$ 100.73	\$ 4,992
Variance (\$0- \$9,999)	352 (b)	\$ 817	\$ 25		\$ 16.91	\$ 859
Variance (\$10,000- \$19,999)	352 (b)	\$ 1,821	\$ 25		\$ 37.69	\$ 1,884
Variance (\$20,000 or more)	352 (b)	\$ 3,708	\$ 25		\$ 76.76	\$ 3,810
CU appeals to BoS	352 (n)(1)	\$ 500			N/A	\$ 500
Section 309 Review	352 c	Variable	\$ 25			see revised formulas
Application for 1 or more Exceptions under 309	353 (a)	\$ 1,815	\$ 25		\$ 37.57	\$ 1,878
Landmarks Designation - Applicant Initiated	356 (a)	\$ 262			\$ 5.42	\$ 267
Historic District Designation	356 (b)	\$ 1,047			\$ 21.67	\$ 1,069
Certificate of Appropriateness - \$0 to \$999	356 c	\$ 308	\$ 25		\$ 6.38	\$ 339
Certificate of Appropriateness - \$1,000 to \$9,999	356 c	\$ 1,227	\$ 25		\$ 25.40	\$ 1,277
Certificate of Appropriateness - \$10,000 or more	356 c	\$ 5,676	\$ 25		\$ 117.49	\$ 5,818
Determination of compatibility	356 (d)	Variable same as CU formulas				see revised formulas
Mills Act - Commercial	356 (e)	\$ 17,939			\$ 371.34	\$ 18,310
Mills Act - Residential	356 (e)	\$ 8,973			\$ 185.74	\$ 9,159
Article 11 - Dtn Preservation Review - Designation or Change of Boundary	353 (d)(1)	\$ 6,277			\$ 129.93	\$ 6,407
Article 11 - Dtn Preservation Review - Designation or Change of Boundary of a conservation district	353 (d)(2)	\$ 6,277			\$ 129.93	\$ 6,407
Article 11 - Alteration of Sig/Contrib Building	353 (d) (3 & 4)	\$ 8,287	\$ 25		\$ 171.54	\$ 8,484

File: \\Administration\Finance\Budget\FY1112\Fee Legislation Changes\Proposed_11-12_FeeChanges.xls, Tab: SEC 350 for

Exhibit D: Proposed Fee Schedule
San Francisco Planning Department
Proposed FY2011/2012

eff. 8/30/2010

2.07%

Service Name	Code Section	Current Fee w/o appeal surchg	BoA appeal surchg	BoS appeal surchg	2.07% of CPI Increase	FY11/12 Proposed New Fee
Article 11 - Demolition of Sig/Contr Building	353 (d)(5)	\$ 8,287	\$ 25		\$ 171.54	\$ 8,484
Statement of Eligibility	353 (d)(6)	\$ 1,470	\$ 25		\$ 30.43	\$ 1,525
Certificate of Transfer, Execution of	353 (d)(7)	\$ 424			\$ 8.78	\$ 433
TDR (notice of use)	353 (d)(8)	\$ 1,324			\$ 27.41	\$ 1,351
Monitoring Approval Secs, CU, Var, Sec 309 Proj	351 (e)(1)	\$ 1,130			\$ 23.39	\$ 1,153
Sale of Documents		Varies				
Photocopies (per sheet)	Admin. 8.28	\$ 0.10			N/A	\$ 0.10
Research Services & Other T/M requests	351 (d)	\$ 245			\$ 5.07	\$ 250
Subscription to PC agenda	351 (a)	\$ 37			\$ 0.77	\$ 38
Subscription to Landmarks Board agenda	351 (b)	\$ 37			\$ 0.77	\$ 38
Project Review - new construction ; 5 or fewer units	351 (f)	\$ 368			\$ 7.62	\$ 376
Project Review - all other projects	351 (f)	\$ 1,124			\$ 23.27	\$ 1,147
Dept facilitated Pre-Application Mtg	351 (f)	\$ 871			\$ 18.03	\$ 889
Dept(s) facilitated Pre-Application Mtg	351 (f)	\$ 1,627			\$ 33.68	\$ 1,661
BBN- Individual/Assessor's Lot	351 (g)(1)(A)	\$ 32			\$ 0.66	\$ 33
BBN- Individual/each additional Lot	351 (g)(1)(B)	\$ 13			\$ 0.27	\$ 13
BBN- Neigh. Org./ Assessor's Block	351 (g)(2)(A)	\$ 32			\$ 0.66	\$ 33
BBN- Neigh. Org./ each add'l Block	351 (g)(2)(B)	\$ 13			\$ 0.27	\$ 13
ZA letters of Conformance	351 (h)	\$ 122	\$ 25		\$ 2.53	\$ 150
ZA Written Determination	351 (h)	\$ 552	\$ 25		\$ 11.43	\$ 588
Transportation Review-Trans Study	357 (a)	\$ 21,317			\$ 441.26	\$ 21,758
MTA Transportation Impact Analysis	357 (b)	\$ 4,100			\$ 84.87	\$ 4,185
Temporary Use Permit Review	352 (k)	\$ 409			\$ 8.47	\$ 417
Service Station Conversion Determination	352 (m)	\$ 2,783			\$ 57.61	\$ 2,841
Reactivating application deemed inactive by ZA	351 (i)	\$ 232			\$ 4.80	\$ 237
Advertising Signs-Relocation Agreemt	358 (a)	\$ 1,224			\$ 25.34	\$ 1,249
Initial Sign Inventory processing	358 (b)	\$ 685			\$ 14.18	\$ 699
In-lieu application - Sign Inventory	358 (c)	\$ 391			\$ 8.09	\$ 399
Annual Inventory Maintenance	358 (d)	\$ 221			\$ 4.57	\$ 226
Tourist Hotel Conversion	Admin Code 41F	\$ 600			N/A	\$ 600
Tourist Hotel Conversion - with Commission Hearing	Admin Code 41F	\$ 2,400			N/A	\$ 2,400
Installment Payment Plan - Processing Fee	350 (b)	\$ 52			\$ 1.08	\$ 53

**Exhibit D: Proposed Fee Schedule
San Francisco Planning Department
Proposed FY2011/2012**

		eff. 8/30/2010			2.07%	
Service Name	Code Section	Current Fee w/o appeal surchg	BoA appeal surchg	BoS appeal surchg	2.07% of CPI Increase	FY11/12 Proposed New Fee
Preliminary Project Assessment	351 (j)	\$ 4,427			\$ 91.64	\$ 4,519
BP Appl (Existing, Change in Use, Alteration)	355 (a)	Variable				see revised formulas
BP Appl (New Construction)	355 (b)	Variable				see revised formulas
Windows/Roofs/Siding/Doors Replacemt approved OTC at PIC	355 (a)	1/2 permit fee				see revised formulas
BP-Solar Panels	355 (a)(7)	\$ 137	\$ 25		\$ 2.84	\$ 165
BP-Permit Revision back check fee	355 (a)(2)	\$ 204	\$ 25		\$ 4.22	\$ 233
Shadow Review - No Impact	355 (a)(3)	\$ 467	\$ 25		\$ 9.67	\$ 502
311 Public Notification - ReproMail	355 (a)(4)	\$ 48	\$ 25		\$ 0.99	\$ 74
312 Public Notification - ReproMail	355 (a)(5)	\$ 48	\$ 25		\$ 0.99	\$ 74
Demolition Applications	355 c	\$ 1,441	\$ 25		\$ 29.83	\$ 1,496
BP-Fire Police and Health Permit Fees	355 d	\$ 121			\$ 2.50	\$ 124
BP Referral - Entertainment	355 d	\$ 121			\$ 2.50	\$ 124
Signs - Permit Applications	355 (e)	\$ 127	\$ 25		\$ 2.63	\$ 155
BP-Solar (over the counter)	355 (a)(7)	\$ 137	\$ 25		\$ 2.84	\$ 165
Cat. Ex. Stamp Surcharge in Permit	Adm. Code 31.22 (a)(7)(a) and (a)(9)	\$ 285			\$ 5.90	\$ 291

San Francisco Planning Department

CEQA Administrative Code Section 31.22 for All Other Areas and Section 31.23.1 for Adopted Plan Areas

Proposed FY2011/2012

2.07%

Service Name	Code Section	Current Fee w/o appeal surchg	BoS appeal surchg	2.07% CPI increase	FY11/12 Proposed New Fee
Environmental Evaluation Initial Study outside an adopted Plan Area Area	31.22(a)(1)	Variable	\$ 111		see revised formulas
EIR outside an adopted plan area	31.22(a)(2)	Variable			see revised formulas
Environmental Evaluation Initial Study within an adopted Plan Area	31.23.1(b)(1)	Variable	\$ 111		see revised formulas
EIR within an adopted Plan Area	31.23.1(b)(2)	Variable			see revised formulas
Reactivate Withdrawn Application	31.22(a)(11)	\$ 232		\$ 4.80	\$ 237
EIR Addendum	31.22(a)(5)	\$ 22,381		\$ 463.29	\$ 22,844
EIR Supplement	31.22(a)(6)	1/2 EIR fee	\$ 111		see revised formulas
Negative Declaration Addendum/Re-evaluation	31.22(a)(5)	\$ 22,381		\$ 463.29	\$ 22,844
Exemption Certificate, Preservation HRER review	31.22(a)(7)(a)	\$ 5,581	\$ 111	\$ 115.53	\$ 5,808
Cat. Ex. Determination	31.22(a)(8)	\$ 2,339	\$ 111	\$ 48.42	\$ 2,498
Cat. Ex. Determination (significance HR)	31.22(a)(8)	\$ 3,243		\$ 67.13	\$ 3,310
Review Cat. Ex. prepared by another city agency	31.22(a)(10)	\$ 240	\$ 111	\$ 4.97	\$ 356
Exemption Stamp or Letter	31.22(a)(7)(a) & (a)(9)	\$ 285		\$ 5.90	\$ 291
EE Determination in Plan Areas	31.23.1(a)(2)	\$ 12,462	N/A	\$ 257.96	\$ 12,720
Community Plan Exemption/Exclusion	31.23.1(a)(2)(i)	\$ 6,809	\$ 111	\$ 140.95	\$ 7,061
Appeal of Preliminary Neg. Decl. to Planning Commission	31.22(a)(3)	\$ 500		N/A	\$ 500
Appeal of ND, EIR Cert., Cat.Ex. to the Board of Supv	31.22(a)(4)	\$ 500		N/A	\$ 500
CEQA Refund Request	31.22 (c)(1)(2)	\$ 427		\$ 8.84	\$ 436
County Clerk documentary handling fee	31.23 d	\$ 50		N/A	\$ 50

SAN FRANCISCO PLANNING DEPARTMENT
ADOPTED PLAN AREAS
PROPOSED FORMULAS FOR "EE" (Environmental Evaluations)

Factor 1.0207
 = 2.07% CPI Increase

							FY10-11	FY11-12	FY11-12
							Current	Proposed	Proposed
							Flat Fee plus	Flat Fee plus	Flat + Variable
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Proposed Estimated Variable Fee	Current Flat Fee	Proposed Flat Fee		Variable Fee	Variable Fee	add-on BOS appeal \$111
\$ 0 - \$ 9,999	Flat Fee*	\$ -	\$ -	\$ 1,332	\$ 1,360		\$ 1,332	\$ 1,360	\$ 1,471
\$ 10,000 - \$ 199,999	=(199,999-10,000)*2.571%	\$ 4,786	\$ 4,885	\$ 5,536	\$ 5,651		\$ 10,322	\$ 10,535	\$ 10,646
\$ 200,000 - \$ 999,999	=(999,999-200,000)*1.943%	\$ 15,232	\$ 15,544	\$ 10,415	\$ 10,631		\$ 25,647	\$ 26,175	\$ 26,286
\$ 1,000,000 - \$ 9,999,999	=(9,999,999-1,000,000)*1.630%	\$ 143,730	\$ 146,700	\$ 25,941	\$ 26,478		\$ 169,671	\$ 173,178	\$ 173,289
\$ 10,000,000 - \$ 29,999,999	=(29,999,999-10,000,000)*0.502%	\$ 98,400	\$ 100,400	\$ 172,491	\$ 176,062		\$ 270,891	\$ 276,462	\$ 276,573
\$ 30,000,000 - \$ 49,999,999	=(49,999,999-30,000,000)*0.189%	\$ 37,000	\$ 37,800	\$ 272,846	\$ 278,494		\$ 309,846	\$ 316,294	\$ 316,405
\$ 50,000,000 and \$ 99,999,999	=(99,999,999-50,000,000)*0.045%	\$ 22,000	\$ 22,500	\$ 310,647	\$ 317,077		\$ 332,647	\$ 339,577	\$ 339,688
\$ 100,000,000 - more	=(999,999,999-100,000,000)*0.019%	\$ 171,000	\$ 171,000	\$ 333,148	\$ 340,044		\$ 504,148	\$ 511,044	\$ 511,155

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

SAN FRANCISCO PLANNING DEPARTMENT
 PROPOSED FORMULAS FOR "EE" (Environmental Evaluations)

Factor 1.0207
 = 2.07% CPI Increase

						FY10-11 Current	FY10-11 Proposed	FY10-11 Proposed
			Proposed		FY11-12	Flat Fee plus	Flat Fee plus	Flat + Variable
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Estimated Variable Fee	Current Flat Fee	Proposed Flat Fee	Variable Fee	Variable Fee	add-on BOS appeal \$111
\$ 0 - \$ 9,999	Flat Fee*	\$ -	\$ -	\$ 1,070	\$ 1,092	\$ 1,070	\$ 1,092	\$ 1,203
\$ 10,000 - \$ 199,999	=(199,999-10,000)*2.066%	\$ 3,846	\$ 3,925	\$ 4,163	\$ 4,249	\$ 8,009	\$ 8,175	\$ 8,286
\$ 200,000 - \$ 999,999	=(999,999-200,000)*1.562%	\$ 12,240	\$ 12,496	\$ 8,084	\$ 8,251	\$ 20,324	\$ 20,747	\$ 20,858
\$ 1,000,000 - \$ 9,999,999	=(9,999,999-1,000,000)*1.311%	\$ 115,560	\$ 117,990	\$ 20,561	\$ 20,987	\$ 136,121	\$ 138,977	\$ 139,088
\$ 10,000,000 - \$ 29,999,999	=(29,999,999-10,000,000)*0.404%	\$ 79,200	\$ 80,800	\$ 138,356	\$ 141,220	\$ 217,556	\$ 222,020	\$ 222,131
\$ 30,000,000 - \$ 49,999,999	=(49,999,999-30,000,000)*0.152%	\$ 29,800	\$ 30,400	\$ 218,998	\$ 223,531	\$ 248,798	\$ 253,931	\$ 254,042
\$ 50,000,000 and \$ 99,999,999	=(99,999,999-50,000,000)*0.037%	\$ 18,000	\$ 18,500	\$ 249,293	\$ 254,453	\$ 267,293	\$ 272,953	\$ 273,064
\$ 100,000,000 - more	=(999,999,999-100,000,000)*0.016%	\$ 144,000	\$ 144,000	\$ 267,426	\$ 272,962	\$ 411,426	\$ 416,962	\$ 417,073

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

SAN FRANCISCO PLANNING DEPARTMENT
 PROPOSED FORMULAS FOR "EIR" (Environmental Impact Reports)

Factor 1.0207
 2.07% CPI Increase

							FY10-11 Current Flat Fee plus Variable Fee	FY11-12 Proposed Flat Fee plus Variable Fee
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Proposed Estimated Variable Fee	FY10-11 Current Flat Fee	FY11-12 Proposed Flat Fee			
\$ 0 - \$ 199,999	Flat Fee	\$ -	\$ -	\$ 23,763	\$ 24,255	\$ 23,763	\$ 23,763	\$ 24,255
\$ 200,000 - \$ 999,999	=(999,999-200,000)*0.596%	\$ 4,672	\$ 4,768	\$ 23,763	\$ 24,255	\$ 28,435	\$ 28,435	\$ 29,023
\$ 1,000,000 - \$ 9,999,999	=(9,999,999-1,000,000)*0.404%	\$ 35,640	\$ 36,360	\$ 28,655	\$ 29,248	\$ 64,295	\$ 64,295	\$ 65,608
\$ 10,000,000 - \$ 29,999,999	=(29,999,999-10,000,000)*.165%	\$ 32,400	\$ 33,000	\$ 64,945	\$ 66,289	\$ 97,345	\$ 97,345	\$ 99,289
\$ 30,000,000 - \$ 49,999,999	=(49,999,999-30,000,000)*0.045%	\$ 8,800	\$ 9,000	\$ 98,012	\$ 100,041	\$ 106,812	\$ 106,812	\$ 109,041
\$ 50,000,000 and \$ 99,999,999	=(99,999,999-50,000,000)*0.045%	\$ 22,000	\$ 22,500	\$ 107,025	\$ 109,240	\$ 129,025	\$ 129,025	\$ 131,740
\$ 100,000,000 - more	=(999,999,999-100,000,000)*0.016%	\$ 144,000	\$ 144,000	\$ 129,747	\$ 132,433	\$ 273,747	\$ 273,747	\$ 276,433

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

SAN FRANCISCO PLANNING DEPARTMENT
 CLASS 32 - CATEGORICAL EXEMPTION CERTIFICATE
 PROPOSED FORMULAS FOR "Cat. Ex. Class 32" (Categorical Exemption)

Factor 1.0207
 = 2.07% CPI Increase

						FY10-11	FY11-12	FY11-12
						Current	Proposed	Proposed
			Proposed			Flat Fee plus	Flat Fee plus	Flat + Variable
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Estimated Variable Fee	Current Flat Fee	Proposed Flat Fee	Variable Fee	Variable Fee	add-on BOS appeal \$111
\$ 0 - \$ 9,999	Flat Fee*	\$ -	\$ -	\$ 10,264	\$ 10,476	\$ 10,264	\$ 10,476	\$ 10,587
\$ 10,000 - \$ 199,999	$=(199,999-10,000)*0.182\%$	\$ 338	\$ 346	\$ 10,264	\$ 10,476	\$ 10,602	\$ 10,822	\$ 10,933
\$ 200,000 - \$ 999,999	$=(999,999-200,000)*0.172\%$	\$ 1,352	\$ 1,376	\$ 10,602	\$ 10,822	\$ 11,954	\$ 12,198	\$ 12,309
\$ 1,000,000 - \$ 9,999,999	$=(9,999,999-1,000,000)*0.053\%$	\$ 4,680	\$ 4,770	\$ 11,954	\$ 12,201	\$ 16,634	\$ 16,971	\$ 17,082
\$ 10,000,000 and above	$=(29,999,999-10,000,000)*0.386\%$	\$ 75,600	\$ 77,200	\$ 16,634	\$ 16,978	\$ 92,234	\$ 94,178	\$ 94,289

Proposed Fee Change Legislation

FY2011-2012

May 2011

Tom DiSanto , *Chief Administrative Officer*

Keith DeMartini, *Finance Manager*



Agenda

1. Annual Consumer Price Index (CPI) Adjustments
2. Correcting CPI Language for Administrative Code Section 31.22(12)(3) – CEQA Basic Fees
3. Place a 50% cap on initial fees based on estimated construction cost
4. Plan to comprehensively update all fees in FY11-12



CPI Adjustments

2.07% CPI rate increase this year

- Every year, the Controller will annually adjust the fee amounts by the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).
- All fees in the Schedule of Application Fees will be adjusted, and the Planning and Administrative Code will be updated.



CPI Language in Admin Code

Correcting CPI Language for Administrative Code

Section 31.22(12)(3) – CEQA Basic Fees:

“The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and~~ (11), and (12), Section 31.22(b)(1) and (6), Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose PMSA.”



50% Cap on Initial Fees

Basis for Recommendation

- For many small-scale construction projects, the implementation of the existing rule has sometimes resulted in the initial fee amount being *more than 50%* of the estimated construction cost.
- The high initial fee amount has deterred applicants from following through on a project.
- The change encourages applicants to follow through on these projects.
- Does not represent a significant revenue impact compared to the department's overall revenue budget.



50% Cap on Initial Fees

Place a cap on the initial fee amount at *no more than 50%* of the estimated construction cost of the project

1. Conditional Use Applications (*Planning Code, Section 352(a)*)
2. Commission and Variance Applications (*Planning Code, Section 352(b)*)
3. Downtown (C-3) District Review (Section 309) and Coastal Zone Permit (Section 330) Applications (*Planning Code, Section 352(c)*)
4. Certificate of Appropriateness (*Planning Code, Section 356(c)*)
5. Building Permit Applications (*Planning Code, Section 355*)
 - a. Change in Use or Alteration of an Existing Building
 - b. New Construction



50% Cap on Initial Fees

Summary of potential lost revenue and volume of applications and permits that would have been subject to the 50% limitation if the proposed change had been in place during the past three fiscal years.

Potential Lost Revenue & Volume Summary	FY08-09 Actual	FY09-10 Actual	FY10-11 Projection	3-Year Average
Planning Application Fees – Lost Revenue	\$2,410	\$1,325	\$6,271	\$3,335
Application Volume	5	5	7	6
DBI Permit Costs (Planning)	\$8,702	\$7,820	\$4,383	\$6,968
Permit Volume	63	49	29	47
Total Potential Lost Revenue	\$11,112	\$9,145	\$10,653	\$10,303



Plan to Update Fee Schedule

- *Cost of Services Study*
 - Last conducted by PRM in May 2006
 - Comprehensive analysis of DBI and Planning services to understand cost of services
 - Assess appropriateness of current fees
 - Study took 1 year to complete and cost ~\$50K
 - *Resulted in cost study models for DBI and Planning, and baseline for fees*



Plan to Update Fee Schedule

- The 50% cap on initial fees is the necessary first step before comprehensively reviewing all fees
 - This change will help inform analysis for other fee changes
- Many fees may need to be adjusted based on actual, more accurate cost of services over the past 5 years
- *In FY11-12, Planning will conduct a comprehensive analysis of cost of services provided compared to current fees in order to recommend fee changes*



Questions

