



September 18, 2025

Ms. Angela Calvillo, Clerk
Honorable Supervisor Engardio
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department Case Number 2025-006257PCA:**
Accessory Dwelling Unit Fee Deferral
Board File No. 250718

Planning Commission Recommendation:	Adopt a Recommendation for Approval with Modification of Anticipated Amendments
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Dear Ms. Calvillo and Supervisor Engardio,

On September 11, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Engardio that would and the Planning and Building Codes to allow project sponsors to defer payment of certain fees for Accessory Dwelling Units. At the hearing the Planning Commission adopted a recommendation for approval with modification of anticipated amendments.

The anticipated amendments are as follows:

1. Technical amendment: Clarify the fees eligible for fee deferral includes permit and impact fees.
2. Strike the language requiring the sponsor to submit a fee deferral request to the Planning Department prior to issuance of First Construction Document.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr", with a long horizontal flourish extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc: Peter Miljanich, Deputy City Attorney
Jonathan Goldberg, Aide to Supervisor Engardio
John Carroll, Office of the Clerk of the Board

ATTACHMENTS :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21804

HEARING DATE: SEPTEMBER 11, 2025

Project Name: Accessory Dwelling Unit Fee Deferral
Case Number: 2025-005678PCA [Board File No. 250718]
Initiated by: Supervisor Mahmood / Introduced June 10, 2025
Staff Contact: Veronica Flores Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF ANTICIPATED AMENDMENTS FOR A PROPOSED ORDINANCE THAT WOULD AMEND THE BUILDING AND PLANNING CODES PLANNING AND BUILDING CODES TO ALLOW PROJECT SPONSORS TO DEFER PAYMENT OF CERTAIN FEES FOR ACCESSORY DWELLING UNITS; AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1; AND MAKING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on July 1, 2025 Supervisor Engardio introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250718, which would amend the Building and Planning Codes to allow project sponsors to defer payment of certain fees for Accessory Dwelling Units;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on September 11, 2025; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval with modification of anticipated amendments** for the proposed ordinance. The anticipated amendments are as follows:

1. Technical amendment: Clarify the fees eligible for fee deferral includes permit and impact fees.
2. Strike the language requiring the sponsor to submit a fee deferral request to the Planning Department prior to issuance of First Construction Document.

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:

The proposed Ordinance would allow the deferral of impact fee payments for ADU projects provides greater flexibility for homeowners. This also helps reduce both financial and administrative burdens during the construction process.

General Plan Compliance

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

Policy 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

Policy 27

Improve coordination, alignment, shared mission, and functionality of post-entitlement permit processes across agencies and jurisdictions to speed housing construction starts after approvals, especially for 100% affordable housing and development agreements.

Implementation Action 8.1.3

Modify requirement to collect impact fees upon issuance of a Certificate of Final Completion and Occupancy instead of issuance of building permit, in order to support small and mid-size multifamily housing projects.

The proposed Ordinance would allow ADU projects to request a deferral of permit review and impact fee payments, aligning with Policy 26's directive to streamline and simplify the permitting process. By reducing the immediate financial burden associated with development, this change lowers one of the key barriers to

entry for ADU applicants—many of whom are individual homeowners rather than professional developers. Deferring permit review and impact fee payments provides these applicants with greater financial flexibility, making it more feasible to navigate the permitting process and move forward with construction. This also aligns with Housing Element Action 8.1.3: Modify requirement to collect impact fees upon issuance of a Certificate of Final Completion and Occupancy instead of issuance of building permit, to support small and mid-size multifamily housing projects.

Additionally, the anticipated amendment to note the fee deferral request only in the Building Code enhances consistency across regulatory codes and agencies. Since the Department of Building Inspection is responsible for administering impact fees, placing these provisions in the Building Code—rather than duplicating them in the Planning Code—is both appropriate and efficient. This approach advances Policy 27, which promotes improved coordination and alignment of post-entitlement permitting processes. Together, these changes provide greater flexibility for residential development projects by allowing the deferral of impact fee payments, helping to reduce upfront costs and streamline project delivery.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident

employment and ownership in these sectors be enhanced;

The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF ANTICIPATED AMENDMENTS for the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on September 11, 2025.



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2025.09.17 14:35:52 -07'00'

AYES: Campbell, McGarry, Williams, Braun, Imperial, Moore, So
NOES: None
ABSENT: None
ADOPTED: September 11, 2025



EXECUTIVE SUMMARY

PLANNING AND BUILDING CODE TEXT AMENDMENT

HEARING DATE: September 11, 2025

90-Day Deadline: October 1, 2025

Project Name: Accessory Dwelling Unit Fee Deferral
Case Number: 2025-006257PCA [Board File No. 250718]
Initiated by: Supervisor Engardio / Introduced July 1, 2025
Staff Contact: Veronica Flores Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533
Environmental Review: Not a Project Under CEQA

RECOMMENDATION: Adopt a Recommendation for Approval with Modification of Anticipated Amendments

Planning Code Amendment

The proposed Ordinance would amend the Building and Planning Codes to allow project sponsors to defer payment of certain fees for Accessory Dwelling Units (ADU).

The Way It Is Now:

Fees must be paid prior to the issuance of the First Construction Document.

The Way It Would Be:

Sponsors of ADU projects may defer payment of **ANY** fees required by Section 350 until issuance of the First Certificate of Occupancy or a date no later than twenty-four months after approval of the First Construction Document, whichever is earlier. This includes both impact and permit fees.

Anticipated Amendments

Supervisor Engardio intends to introduce the following amendments:

1. Technical amendment: Clarify the fees eligible for fee deferral include permit review and impact fees.
2. Strike the language requiring the sponsor to submit a fee deferral request to the Department prior to issuance of First Construction Document.
 - a. This same language is proposed in the Building Code, which is the appropriate Code because the Department of Building Inspection (not Planning Department) administers and collects all fees.

Background

The proposed Ordinance aims to reduce upfront costs for homeowners building ADUs by allowing fees to be deferred until issuance of the First Certificate of Occupancy, rather than requiring payment before the First Construction Document. Supervisor Engardio introduced this legislation to provide financial flexibility for homeowners and increase the likelihood they can apply for and complete ADU projects.

Issues and Considerations

Fees and Permit Fee Collection

The Planning Department charges fees on a cost-recovery basis to cover the staff time and resources needed to review planning applications and permits. These fees directly support the services provided by Planning staff during the review process.

While the Planning Department determines the amount of its fees, it does not collect permit fees directly. Instead, the Department of Building Inspection (DBI) administers and collects all building permit fees, which include a base fee and a percentage based on the project's construction cost. A portion of these fees is then allocated to the Planning Department to cover its review responsibilities, as outlined in the Planning [Fee Schedule](#). The fee amounts may vary depending on the scope of work, such as whether the project is an alteration or new construction. ADU projects are typically modest in scale and do not result in significant fees. As a result, deferring these fees would have a negligible impact on Planning's budget and cash flow management.

General Plan Compliance

The proposed Ordinance would allow ADU projects to request a deferral of permit review and impact fee payments, aligning with Policy 26's directive to streamline and simplify the permitting process. By reducing the immediate financial burden associated with development, this change lowers one of the key barriers to

entry for ADU applicants—many of whom are individual homeowners rather than professional developers. Deferring permit review and impact fee payments provides these applicants with greater financial flexibility, making it more feasible to navigate the permitting process and move forward with construction. This also aligns with Housing Element Action 8.1.3: Modify requirement to collect impact fees upon issuance of a Certificate of Final Completion and Occupancy instead of issuance of building permit, to support small and mid-size multifamily housing projects.

Additionally, the anticipated amendment to note the fee deferral request only in the Building Code enhances consistency across regulatory codes and agencies. Since the Department of Building Inspection is responsible for administering impact fees, placing these provisions in the Building Code—rather than duplicating them in the Planning Code—is both appropriate and efficient. This approach advances Policy 27, which promotes improved coordination and alignment of post-entitlement permitting processes. Together, these changes provide greater flexibility for residential development projects by allowing the deferral of impact fee payments, helping to reduce upfront costs and streamline project delivery.

Racial and Social Equity Analysis

The proposed Ordinance advances racial and social equity by reducing upfront financial barriers for individual homeowners, particularly those with limited access to capital—who wish to build ADUs. Permit and impact fees can present a disproportionate burden for lower- and moderate-income homeowners, many of whom are Black, Indigenous, or people of color, due to historic and ongoing disparities in wealth and lending access. By deferring impact fee payments to a later stage in the development process, the Ordinance improves cash flow and increases the feasibility of ADU construction for homeowners who might otherwise be excluded. These benefits can also support small- and mid-sized developers, who often face similar financial constraints when compared to larger developers.

This policy not only expands access to housing options but also supports the ability of homeowners to generate rental income or accommodate extended family, contributing to intergenerational wealth-building. ADUs can provide a long-term financial asset and a pathway for families to remain in their communities amid rising housing costs. While the Ordinance alone does not ensure increased housing in underserved areas, it removes structural financial barriers and aligns with broader efforts to advance housing equity and economic opportunity.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures.

Recommendation

The Department recommends that the Commission ***adopt a recommendation for approval with modification of anticipated amendments*** for the proposed Ordinance and adopt the attached Draft Resolution to that effect.

Basis for Recommendation

The Planning Department supports the proposed Ordinance because allowing the deferral of fee payments for ADU projects provides greater flexibility for homeowners. This also helps reduce both financial and administrative burdens during the construction process. This would enable homeowners to defer payment of fees until closer to the time of unit occupancy, thereby improving cash flow management. Additionally, the anticipated amendments align with the intent of the Ordinance and further support its implementation. The first anticipated amendment would clarify which types of fees are eligible for deferral, providing clearer guidance to applicants. The second amendment would simplify the process for requesting a fee deferral, making it more accessible and straightforward. Since permit and impact fees are administered by DBI, removing duplicative language from the Planning Code will reduce confusion and promote consistency across regulatory codes.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

ATTACHMENTS:

Exhibit A: Draft Planning Commission Resolution
Exhibit B: Board of Supervisors File No. 250718



PLANNING COMMISSION **DRAFT RESOLUTION**

HEARING DATE: SEPTEMBER 11, 2025

Project Name: Accessory Dwelling Unit Fee Deferral
Case Number: 2025-005678PCA [Board File No. 250657]
Initiated by: Supervisor Mahmood / Introduced June 10, 2025
Staff Contact: Veronica Flores Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF ANTICIPATED AMENDMENTS FOR A PROPOSED ORDINANCE THAT WOULD AMEND THE BUILDING AND PLANNING CODES PLANNING AND BUILDING CODES TO ALLOW PROJECT SPONSORS TO DEFER PAYMENT OF CERTAIN FEES FOR ACCESSORY DWELLING UNITS; AFFIRMING THE PLANNING DEPARTMENT'S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1; AND MAKING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on July 1, 2025 Supervisor Engardio introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250718, which would amend the Building and Planning Codes to allow project sponsors to defer payment of certain fees for Accessory Dwelling Units;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on September 11, 2025; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval with modification of anticipated amendments** for the proposed ordinance. The anticipated amendments are as follows:

1. Technical amendment: Clarify the fees eligible for fee deferral includes permit and impact fees.
2. Strike the language requiring the sponsor to submit a fee deferral request to the Planning Department prior to issuance of First Construction Document.

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:

The proposed Ordinance would allow the deferral of impact fee payments for ADU projects provides greater flexibility for homeowners. This also helps reduce both financial and administrative burdens during the construction process.

General Plan Compliance

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

Policy 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

Policy 27

Improve coordination, alignment, shared mission, and functionality of post-entitlement permit processes across agencies and jurisdictions to speed housing construction starts after approvals, especially for 100% affordable housing and development agreements.

Implementation Action 8.1.3

Modify requirement to collect impact fees upon issuance of a Certificate of Final Completion and Occupancy instead of issuance of building permit, in order to support small and mid-size multifamily housing projects.

The proposed Ordinance would allow ADU projects to request a deferral of permit review and impact fee payments, aligning with Policy 26's directive to streamline and simplify the permitting process. By reducing the immediate financial burden associated with development, this change lowers one of the key barriers to entry for ADU applicants—many of whom are individual homeowners rather than professional developers. Deferring permit review and impact fee payments provides these applicants with greater financial flexibility, making it more feasible to navigate the permitting process and move forward with construction. This also aligns with Housing Element Action 8.1.3: Modify requirement to collect impact fees upon issuance of a Certificate of Final Completion and Occupancy instead of issuance of building permit, to support small and mid-size multifamily housing projects.

Additionally, the anticipated amendment to note the fee deferral request only in the Building Code enhances consistency across regulatory codes and agencies. Since the Department of Building Inspection is responsible for administering impact fees, placing these provisions in the Building Code—rather than duplicating them in the Planning Code—is both appropriate and efficient. This approach advances Policy 27, which promotes improved coordination and alignment of post-entitlement permitting processes. Together, these changes provide greater flexibility for residential development projects by allowing the deferral of impact fee payments, helping to reduce upfront costs and streamline project delivery.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve

the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF ANTICIPATED AMENDMENTS for the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on September 11, 2025.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: September 11, 2025

EXHIBIT B

[Planning, Building Codes - Accessory Dwelling Unit Fee Deferral]

Ordinance amending the Planning and Building Codes to allow project sponsors to defer payment of certain fees for Accessory Dwelling Units; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. Environmental and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 250718 and is incorporated herein by reference. The Board affirms this determination.

(b) On _____, the Planning Commission, in Resolution No. _____, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The

1 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
2 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
4 amendments will serve the public necessity, convenience, and welfare for the reasons set
5 forth in Planning Commission Resolution No. _____, and the Board adopts such
6 reasons as its own. A copy of said resolution is on file with the Clerk of the Board of
7 Supervisors in File No. _____ and is incorporated herein by reference.

8 (d) Pursuant to Charter Section 4.121 and Building Code Section 104A.2.11.1.1, the
9 Building Inspection Commission considered this ordinance at a duly noticed public hearing
10 held on _____ 2025.

11 (e) No local findings are required for this ordinance under California Health and Safety
12 Code Section 17958.7 because the amendments to the Building Code contained in this
13 ordinance do not regulate materials or manner of construction or repair, and instead relate in
14 their entirety to administrative procedures for implementing the code, which are expressly
15 excluded from the definition of a “building standard” by California Health and Safety Code
16 Section 18909(c).

17
18 Section 2. Article 3 of the Planning Code is hereby amended by revising Section 350,
19 to read as follows:

20
21 **SEC. 350. FEES.**

22 * * * *

23 **(j) Deferred or Reduced Fee; Fee Waivers.**

24 (1) Any fraternal, charitable, benevolent, or any other nonprofit organization,
25 that is exempt from taxation under the Internal Revenue laws of the United States and the

1 Revenue and Taxation Code of the State of California as a bona fide fraternal, charitable,
2 benevolent, or other nonprofit organization, or public entity, that submits an application for the
3 development of residential units all of which are affordable to low and moderate income
4 households, as defined by the United States Housing and Urban Development Department,
5 for a time period that is consistent with the policy of the Mayor's Office of Housing and
6 Community Development and the Successor to the San Francisco Redevelopment Agency,
7 may defer payment of the fees except those for discretionary review and appeals to the Board
8 of Supervisors until (A) before final Planning Department approval of the building permit,
9 preparatory to issuance of the building permit, before the building permit is released to the
10 applicant, or (B) within one year of the date of action on the application, whichever comes
11 first. This deferral provision shall apply notwithstanding the inclusion in the development of
12 other nonprofit ancillary or accessory uses. Should the project be withdrawn prior to final
13 Planning approval, the applicant shall pay time and material costs pursuant to Section 350(g).

14 (2) An exemption from paying the full fees specified for discretionary review or
15 appeals to the Board of Supervisors may be granted when the requestor's income is not
16 enough to pay for the fee without affecting their ability to pay for the necessities of life,
17 provided that they demonstrate to the Planning Director or the Director's designee that they
18 would be substantially affected by the proposed project.

19 (3) Certain of the fees charged in accordance with subsections (b) and (c) are
20 subject in some circumstances to waiver, as stated in Section 4 of Ordinance No. 149-16 in
21 Board of Supervisors File No. 160632, or as stated below in subsections (4) and (5). Description
22 of the waivers below does not affect the other waiver provisions in Section 4 of Ordinance No.
23 149-16.:

24 ~~(4) Small Business Month Fee Waivers:~~ **Small Business Month Fee Waivers.** No
25 Planning Department fees shall apply to a Small Business that applies for a permit for awning

1 replacement or signs on awnings during the month of May. No Planning Department fees
2 shall apply to a Small Business that applies for a permit for a new awning installation or a
3 Business Sign pursuant to Section 604 during the months of May 2023 and May 2024. For
4 purposes of this subsection (j)(34), a Small Business shall be a business with a total workforce
5 of 100 or fewer fulltime employees. To the extent this provision for Small Business Month Fee
6 Waivers differs from the description in subsection (f) on page 43 of Ordinance No. 149-16, this
7 provision governs.

8 (5) Accessory Dwelling Units. Sponsors of Accessory Dwelling Unit projects may defer
9 payment of any fees required by this Section 350 until issuance of the First Certificate of Occupancy for
10 the project, as defined in Section 107A.13.1 of the San Francisco Building Code, or a date no later than
11 twenty-four months after approval of the First Construction Document, as defined in Section 107A.13.1
12 of the San Francisco Building Code, for said Accessory Dwelling Unit project, whichever is earlier.
13 This option to defer payment may be exercised by submitting a deferral request to the Department on a
14 form provided by the Department prior to issuance of the First Construction Document.

15 * * * *

16
17 Section 3. Chapter 1A of the Building Code, Section 107A, is hereby amended by
18 revising Section 107A.4, to read as follows:

19
20 ~~**107A.4 Expiration of plan review.** (See Section 106A.3.7.)~~

21 **107A.4 Accessory Dwelling Unit Administrative Fee Deferral Program.** The sponsor of an
22 Accessory Dwelling Unit project approved under Planning Code Sections 207.1 or 207.2 may elect to
23 defer payment of any fees required pursuant to Sections 107A.2, 107A.3, 107A.3.1, and 107A.3.4 to a
24 date no later than issuance of the First Certificate of Occupancy for the project, as defined in Section
25 107A.13.1, or a date no later than twenty-four months after approval of the First Construction

1 Document, as defined in Section 107A.13.1, for said Accessory Dwelling Unit project, whichever is
2 earlier. This option to defer payment may be exercised by submitting a deferral request to the
3 Department on a form provided by the Department prior to issuance of the First Construction
4 Document.

5
6 Section 4. Effective Date. This ordinance shall become effective 30 days after
7 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
8 ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board
9 of Supervisors overrides the Mayor's veto of the ordinance.

10
11 Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
12 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
13 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
14 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
15 additions, and Board amendment deletions in accordance with the "Note" that appears under
16 the official title of the ordinance.

17
18 APPROVED AS TO FORM:
19 DAVID CHIU, City Attorney

20 By: /s/ Peter Miljanich
21 PETER MILJANICH
Deputy City Attorney

22 n:\legana\as2025\2500254\01851842.docx