

REVISED LEGISLATIVE DIGEST

(10/8/2013, Substituted)

[Planning Code - Transit Impact Development Fee Exemptions]

Ordinance amending the Planning Code to revise deadlines for certain Transit Impact Development Fee (TIDF) exemptions; eliminate project-specific references in exemptions applicable to redevelopment areas, and make such exemptions dependent on the terms of the controlling development agreement, redevelopment plan, interagency agreement or other contract entered into by the City; require that the TIDF be calculated based on the rate in effect and the time of issuance of the first construction document; and making environmental findings, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Existing law provides a number of exemptions for development projects that would otherwise be subject to the Transit Impact Development Fee (“TIDF”). Among these are exemptions for development of property beneficially owned by the City, and projects falling within the automotive services or wholesale materials storage uses. In order to qualify for these exemptions, a project sponsor must have filed an application for environmental evaluation, a categorical exemption or a preliminary project assessment by December 31, 2013. In the case of projects located within the Mission Bay North or Mission Bay South Project Areas, the Hunters Point Shipyard Project Area, the Bayview Hunters Point Redevelopment Area, or the Transbay Redevelopment Project Area, these exemptions are available if the sponsor has submitted comparable documentation to the Successor Agency to the former Redevelopment Agency by December 31, 2013. Existing law also exempts development in Mission Bay North and South to the extent that imposing the TIDF would be inconsistent with the terms of the applicable redevelopment plan or interagency cooperation agreement. Finally, under existing law, the TIDF is calculated based on the rate in effect at the time of issuance of the first site or building permit.

Amendments to Current Law

The proposed legislation would make several changes to current law. First, the legislation revises the requirements for qualifying for the exemptions for development of property beneficially owned by the City, or falling within the automotive services or wholesale materials storage uses. These exemptions would only be available where the sponsor has submitted an application for environmental evaluation, a categorical exemption or a preliminary project assessment (or equivalent documentation in the case of a project subject to a development

agreement, redevelopment agreement, interagency agreement or other agreement entered into by the City [collectively, "Development Agreement"]) by the effective date of this legislation.

Second, the references to specific redevelopment areas would be eliminated. Instead, application of the TIDF to development in these areas would be dependent on the terms of the applicable Development Agreement.

Third, the proposed legislation would provide that where calculation of TIDF under the terms of a Development Agreement would be different than the amount calculated under the Planning Code, the TIDF would be calculated in accordance with the Development Agreement. Finally, in order to conform with the requirements for imposition of other development fees, the proposed legislation would require that the TIDF be calculated based on the rate in effect at the issuance of the first construction document.

Background Information

The phase-out of the exemptions for property beneficially owned by the City and the automotive and wholesale storage uses was established by the TIDF amendments passed by this Board in December, 2012. This substitute legislation removes from the original legislation introduced on September 24, 2013 the requirement that the sponsor obtain a building or site permit prior to the effective date of the legislation in order to fall under the exemptions.