

**REVISED LEGISLATIVE DIGEST**

(12/8/2015, Amended in Board)

[Planning Code - Increasing Transportation Sustainability Fee for Nonresidential Projects]

**Ordinance amending the Planning Code to increase the Transportation Sustainability Fee for Non-residential projects larger than 99,999 gross square feet, and to require Non-residential or Production, Distribution and Repair (PDR) projects that filed development or environmental applications on or before July 21, 2015, but that have not yet received approvals, to pay the Transportation Sustainability Fee with a partial refund; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings, including general findings, findings of public necessity, convenience and welfare, and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

Existing Law

On November 17, 2015, the Board of Supervisors passed Ordinance No. 200-15, creating the new Transportation Sustainability Fee, or TSF. The ordinance was signed by Mayor Lee on November 25, and became effective on December 26, 2015.

The TSF requires Residential, Non-Residential and Production, Distribution and Repair (PDR) Development Projects in the City to pay a fee, to contribute to the City's provision of transit service necessary to accommodate the population growth related to such Development Projects.

Amendments to Current Law

This Ordinance amends the TSF to increase the fee rate for a particular subgroup of Non-residential projects, those larger than 99,999 gross square feet (gsf). The Ordinance increases the fee for these projects by \$2.00 per square feet, from \$19.04 to \$21.04.

The Ordinance also changes the TSF's grandfathering provisions, increasing the fee amount that Non-Residential and PDR projects that were in the development pipeline as of the effective date of the Ordinance. While under the TSF, as originally adopted, those projects have to pay the TIDF rate, under this Ordinance they will have to pay the TSF, with a discount equivalent to 50% of the difference between the TSF and the TIDF rates.