

BOARD of SUPERVISORS



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June 4, 2018

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

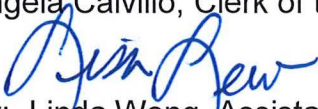
On June 5, 2018, Mayor Farrell will introduce the following legislation:

File No. 180584

Ordinance amending the Planning Code and the fees set forth in Ordinance No. 149-16 to clarify the fees applicable to projects with no or very low construction cost and to change the fees for transportation analysis; and 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 adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Budget and Finance Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

for 
By: Linda Wong, Assistant Clerk
Budget and Finance Committee

- c: John Rahaim, Director of Planning
- Aaron Starr, Manager of Legislative Affairs
- AnMarie Rodgers, Director of Citywide Planning
- Scott Sanchez, Zoning Administrator
- Lisa Gibson, Environmental Review Officer
- Joy Navarrete, Environmental Planning
- Laura Lynch, Environmental Planning

1 [Planning Code - Fees for Certain Permits and Transportation Analysis]

2
3 **Ordinance amending the Planning Code and the fees set forth in Ordinance No. 149-16**
4 **to clarify the fees applicable to projects with no or very low construction cost and to**
5 **change the fees for transportation analysis; and affirming the Planning Department's**
6 **determination under the California Environmental Quality Act, making findings of**
7 **consistency with the General Plan, and the eight priority policies of Planning Code,**
8 **Section 101.1, and adopting findings of public necessity, convenience, and welfare**
9 **under Planning Code, Section 302.**

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

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

18 Section 1. Findings.

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

24 (b) On _____, the Planning Commission, in Resolution No. _____,
25 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 this ordinance will
4 serve the public necessity, convenience, and welfare for the reasons set forth in Planning
5 Commission Resolution No. _____ and the Board incorporates such reasons herein by
6 reference. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in
7 File No. _____.

8 (d) In 2016, the Board adopted Ordinance No. 149-16 to establish initial fees and to
9 authorize the Controller to adjust the fees each year to reflect changes in the two-year
10 average Consumer Price Index (CPI) change for the San Francisco/San Jose Primary
11 Metropolitan Area (PMSA). The Planning Department publishes the Fee Schedule showing
12 the current fee amounts inclusive of annual adjustments in an Appendix to the Planning Code,
13 and posts it on the Planning Department's website. The Fee Schedule must be made
14 available upon request at the main office of the Department.

15 (e) The Planning Department has recommended a change to the fee charged for
16 Transportation Review Associated with Project Applications, and a clarification to the fees to
17 be charged for review of projects with a low construction cost.

18
19 Section 2. The Planning Code is hereby amended by revising Section 350, to read as
20 follows:

21 **SEC. 350. FEES.**

22 * * * *

23 (e) **Estimated Construction Costs.** Estimated construction costs are as defined by
24 the San Francisco Building Code. Certain of the fees specified in Section 4 of Ordinance No.
25 149-16 in Board of Supervisors File No. 160632 place a limit on the fee based on its not

1 exceeding a specified percentage of construction cost. This limit shall apply to certain fees, as
2 set forth in Ordinance No. 149-16 and Ordinance No. _____, amending Ordinance No. 149-16, in
3 Board of Supervisors File No. _____.

4 * * * *

5 Section 3. This section is uncodified. It amends the Transportation Review Fees
6 established in Ordinance No. 149-16 in Board of Supervisors File No. 160632 as follows.

7
8 **TRANSPORTATION REVIEW ASSOCIATED WITH PROJECT APPLICATIONS.**

9 (a) Transportation Study: ~~\$23,977~~ \$25,504 plus time and materials as set forth in
10 Planning Code Section 350(e). ~~Extremely complex transportation studies will be charged a higher~~
11 ~~initial fee based on the specifics of the project, which will be outlined in an Agreement between the~~
12 ~~Department and the project sponsor. Projects that require a transportation study typically require~~
13 ~~analysis of several transportation topics within a geographic area that extends beyond the project~~
14 ~~block. These projects may also be complex because they are multi-phased, require a large~~
15 ~~infrastructure investment, or are of statewide, regional, or area-wide significance as defined in CEQA,~~
16 ~~or the analysis may include both programmatic and project-level review.~~

17 (b) ~~Municipal Transportation Agency review of transportation impact study: \$4,612 per~~
18 ~~study. Site Circulation Review: \$9,560 plus time and materials as set forth in Planning Code Section~~
19 ~~350(e). Projects that require site circulation review typically require analysis of a limited, localized~~
20 ~~analysis of a few transportation topics.~~

21
22 Section 4. This section is uncodified. It amends the limits on certain fees established
23 in Ordinance No. 149-16 in Board of Supervisors File No. 160632 as follows.

24
25 **COMMISSION AND ZONING ADMINISTRATOR HEARING APPLICATIONS.**

1 (a) **Conditional Use (Planning Code Section 303), Planned Unit Development**
2 **(Planning Code Section 304):** The initial fee amount is not to exceed 50% of the
3 construction cost, provided that the fees set forth in the table below shall apply to construction with
4 no construction costs, Wireless Telecommunications Services, and to construction with an estimated
5 cost of \$0 to \$9,999, notwithstanding that any such fees may exceed 50% of the construction cost. A
6 \$120 surcharge shall be added to the fees for a conditional use or planned unit development
7 to compensate the City for the costs of appeals to the Board of Supervisors.

8 * * * *

9 (b) **Variance (Planning Code Section 305):** Variance fees are subject to additional
10 time and material charges, as set forth in Planning Code Section 350(e). The initial fee
11 amount is not to exceed 50% of the construction cost, provided that the fees set forth in the table
12 below shall apply to construction with an estimated cost of \$0 to \$9,999, notwithstanding that such fees
13 may exceed 50% of the construction cost. A \$25 surcharge shall be added to the fees to
14 compensate the City for the costs of appeals to the Board of Appeals.

15 * * * *

16 (c) **Downtown (C-3) District Review (Planning Code Section 309) and Coastal**
17 **Zone Permit (Planning Code Section 330) Applications Commission Hearing Fee**
18 **Schedule:** The initial fee amount is not to exceed 50% of the construction cost, provided that
19 the fees set forth in the table below shall apply to construction with an estimated cost of \$0 to \$9,999,
20 notwithstanding that such fees may exceed 50% of the construction cost. A \$25 surcharge shall be
21 added to the fees to compensate the City for the costs of appeals to the Board of Appeals.

22 * * * *

23 **PERMIT APPLICATIONS.**

24 (a) Building permit applications for a change in use or alteration of an existing
25 building, to be collected by Central Permit Bureau; provided, however, that the fees charged

1 for Planning Department approval over-the-counter for the replacement of windows, roofs,
2 siding, and doors shall be reduced to $\frac{1}{2}$ one-half the fee set forth below. The Planning
3 Department initial fee amount shall not exceed 50% of the construction cost, notwithstanding
4 the foregoing, and provided further that the fees set forth in the table below shall apply to construction
5 with an estimated cost of \$0 to \$9,999, notwithstanding that such fees may exceed 50% of the
6 construction cost. Applications for permit revisions are excluded from this limitation.

7 * * * *

8 (b) **Building Permit Applications for a New Building:** The Planning Department
9 initial fee amount is not to exceed 50% of the construction cost, provided that the fees set forth in
10 the table below shall apply to construction with an estimated cost of \$0 to \$99,999, notwithstanding
11 that such fees may exceed 50% of the construction cost; notwithstanding the foregoing, applications
12 for permit revisions are excluded from this limitation.

13 * * * *

14 **PRESERVATION APPLICATIONS. (Planning Code Article 10).**

15 * * * *


16 (c) **Certificate of Appropriateness:** \$346 for applications with an estimated
17 construction cost less than \$1,000; \$1,380 for applications with an estimated construction cost
18 less than \$20,000, \$6,384 for applications with an estimated construction cost \$20,000 and
19 more, plus in all cases time and materials in excess of the initial fee as set forth in Planning
20 Code Section 350(e). The initial fee amount is not to exceed 50% of the construction cost,
21 provided that the fees shall apply to construction with an estimated cost of \$0 to \$20,000,
22 notwithstanding that such fees may exceed 50% of the construction cost. A \$25 surcharge shall be
23 added to the fees to compensate the City for the costs of appeals to the Board of Appeals.

24 * * * *

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

5
6 Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
7 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
8 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
9 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
10 additions, and Board amendment deletions in accordance with the "Note" that appears under
11 the official title of the ordinance. In addition, amendments herein to Ordinance No. 149-16, an
12 uncodified ordinance, are indicated in the same manner as amendments to the Municipal
13 Code.

14
15 APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

16
17 By: 
18 KATE H. STACY
Deputy City Attorney

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LEGISLATIVE DIGEST

[Planning Code - Fees for Certain Permits and Transportation Analysis]

Ordinance amending the Planning Code and the fees set forth in Ordinance No. 149-16 to clarify the fees applicable to projects with no or very low construction cost and to change the fees for transportation analysis; and 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 adopting findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Board of Supervisors enacted Ordinance No. 149-16 establishing certain administrative fees to pay for the cost of processing Planning permit applications. Ordinance No. 149-16 also authorized the Controller to adjust the fees each year to reflect changes in the two-year average Consumer Price Index (CPI) change for the San Francisco/San Jose Primary Metropolitan Area (PMSA). The Planning Department publishes the Fee Schedule showing the current fee amounts inclusive of annual adjustments in an Appendix to the Planning Code, and posts it on the Planning Department's website. Among other things, Ordinance No. 149-16 provides a baseline fee for a Transportation Study, plus time and materials. A fee is also charged for SFMTA review of the Study.

The Ordinance also includes a number of fees for conditional use permits, variances, Downtown District and Coastal Zone permit review, Preservation application fees and Building permit application fees, where the text of Ordinance No. 149-16 provides that the amount of the fee shall not exceed 50% of the cost of construction, but the fee amount itself that is shown may exceed the stated cost of construction.

Amendments to Current Law

This legislation would provide 2 different fees for 2 kinds of Transportation Studies. First, a Transportation Study fee is established for a study that would address more complicated transportation analyses, including several transportation topics within a geographic area that extends beyond the project block. Second, a site circulation review fee is established for less complex studies that would address more limited, localized analysis of a few transportation topics. There would be no separate fee for SFMTA review of a transportation study.

The proposed legislation also clarifies that in most cases fees would not exceed 50% of the cost of construction, except that the fee could exceed 50% of construction costs for certain enumerated permits that may have lower construction costs. This change does not alter the amount of the fee, but addresses an apparent inconsistency between the text and the table setting forth the actual fees.