BOARD of SUPERVISORS



City Hall 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco 94102-4689 Tel. No. 554-5184 Fax No. 554-5163 TDD/TTY No. 554-5227

MEMORANDUM

TO:

Tom DeCaigny, Director of Cultural Affairs, Arts Commission

Susan Pontious, Director of Public Art Program, Arts Commission

Ben Rosenfield, City Controller, Office of the Controller

Alisa Somera, Legislative Deputy Director Rules Committee

DATE:

July 30, 2018

SUBJECT:

LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Supervisor Peskin on July 17, 2018:

File No. 180754

Ordinance amending the Administrative Code to modify the Civic Design Review fee from a deposit of \$2,500 plus the time and materials costs to a flat fee of \$12,800 per project, establish a process for an annual cost-ofliving fee adjustment, set a timeline for fee payment, describe the method for determining fees for projects involving multiple structures situated together as part of a larger development plan, and describe circumstances that may qualify for fee waiver or reduction.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: alisa.somera@sfgov.org.

C: Rebekah Krell, Arts Commission Sharon Page Ritchie, Arts Commission Todd Rydstrom, Office of the Controller NOTE:

[Administrative Code - Civic Design Review Fee]

Ordinance amending the Administrative Code to modify the Civic Design Review fee from a deposit of \$2,500 plus the time and materials costs to a flat fee of \$12,800 per project, establish a process for an annual cost-of-living fee adjustment, set a timeline for fee payment, describe the method for determining fees for projects involving multiple structures situated together as part of a larger development plan, and describe circumstances that may qualify for fee waiver or reduction.

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 strikethrough 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. The Administrative Code is hereby amended by revising Section 3.19A, to read as follows:

SEC. 3.19A. ARTS COMMISSION CIVIC DESIGN REVIEW FEES.

Any entity, public or private, including any office, department, or agency of the City and County of San Francisco requiring the Arts Commission's civic design review and approval under Charter Section 5.103(1) ("Applicant") shall pay a fee to the Arts Commission consistent with the provisions of this <u>s</u>Section <u>3.19A</u>. For purposes of this <u>s</u>Section, the Arts Commission's "Civic Design Review" includes approving the designs for all public structures, any private structure <u>which</u> <u>that</u> extends over or upon any public property, and any yards, courts, set-backs, or usable open spaces <u>which</u> that are an integral part of any such structures.

Civic Design Review shall also include review of conceptual designs, site plans, design development, and construction drawings for any project subject to the Arts Commission's Civic Design Review under Charter Section 5.103(1). The Arts Commission shall use any funds collected under this <u>s</u>Section solely to defray the costs incurred by the Arts Commission <u>staff</u> in performing its Civic Design Review functions.

- (a) Civic Design Review <u>Deposit Base</u> Fee. <u>Effective July 1, 2006As of the effective</u>

 <u>date of the ordinance in Board of Supervisors File No.</u>, an Applicant shall submit <u>a deposit</u>

 <u>of \$2,500 ("Deposit")</u> <u>a fee of \$12,800</u> to the Arts Commission for each project requiring <u>such</u>

 <u>Civic Design R</u>*eview under <u>San Francisco</u> Charter Section 5.103(1).
- (b) Annual Adjustment of Fee. Beginning with fiscal year 2019-2020, the fee set forth in subsection (a) may be adjusted each year by the Controller, without further action by the Board of Supervisors, as set forth in the following process.
- (1) No later than April 1 of each year, the Director of Cultural Affairs shall report to the Controller:
 - (A) the revenues generated by the fee for the prior fiscal year;
- (B) the costs incurred by the Arts Commission in performance of its Civic Design

 Review functions for the prior fiscal year; and
- (C) any other information that the Controller or the Director of Cultural Affairs determines appropriate to the performance of the functions set forth in this Section 3.19A.
- (2) No later than May 15 of each year, the Controller shall determine whether the current fee has produced or is projected to produce sufficient revenue to support the costs of providing the services for which the fee is assessed and that the fee does not or will not produce revenue that exceeds the costs of providing the services for which the fee is assessed.
- (3) No later than May 15 of each year, the Controller shall, if necessary, adjust the fee upward or downward for the upcoming fiscal year as appropriate to ensure that the Arts

Commission recovers the costs incurred in performing its Civic Design Review functions without producing revenue that exceeds such costs. The adjusted fee shall become operative on July 1 of that same year.

- (bc) Deposit and Fee Deadlines <u>Time for Payment.</u> The <u>Deposit fee</u> shall be payable at the time <u>an Applicant submits a of filing an application or</u> request for Civic Design Review of a project. <u>The balance must be paid in full 10 days in advance of the first scheduled public hearing before the Civic Design Review Committee to consider the project.</u> The Arts Commission is not required to schedule review of any project <u>whose for which an Applicant</u> has failed to pay the fee required by this <u>sSection 3.19A</u>.
- (c) Time and Materials Fees. The Applicant shall pay the Arts Commission for any time and materials cost, including copying costs, incurred in excess of the Deposit paid under this section.

 The Arts Commission is not required to give its final approval for any project until the Applicant has paid the balance of fees due to the Arts Commission under this section. Within 20 days prior to the Arts Commission's meeting to consider the final approval of the Applicant's project, the Arts Commission shall provide the Applicant with a written report summarizing the Arts Commission's actual time and materials costs associated with the Applicant's project.
- (d) Project Review. Applications or requests for Civic Design Review for multiple structures situated together as part of a larger development plan (a "Campus") will be considered distinct projects under this Section 3.19A. The Applicant shall pay the then current fee to the Arts Commission for each structure within a Campus requiring the Arts Commission's civic design review and approval under Charter Section 5.103(1).
- (de) **Refunds.** When an application is withdrawn by the Applicant prior to a public hearing or deemed canceled by the Arts Commission due to inactivity on the part of the Applicant, then the Applicant shall be entitled to a refund of the fee paid to the Arts Commission less the cost of time and materials incurred minus a \$200 processing fee. <u>Refund</u>

requests must be submitted within six months of the project closure date. In addition, where the actual time and materials cost in connection with a project that the Arts Commission has acted on is less than the Deposit paid under this section, the Arts Commission shall refund the difference between the Deposit and the actual time and materials cost.

(ef) Waiver. The Director of Cultural Affairs may waive <u>or reduce</u> the fees required under this <u>sSection 3.19A</u> where the Applicant demonstrates in a written application that payment of such fees would present an undue financial hardship on the Applicant and would jeopardize the completion of the project. <u>The Director of Cultural Affairs may also waive or reduce fees for projects of limited scope or Campus projects that include structures of identical form and <u>character</u>.</u>

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

Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By: LAUREN CURRY

Deputy City Attorney n:\legana\as2018\1800594\01270907.docx

LEGISLATIVE DIGEST

[Administrative Code - Civic Design Review Fee]

Ordinance amending the Administrative Code to modify the Civic Design Review fee from a deposit of \$2,500 plus the time and materials costs to a flat fee of \$12,800 per project, establish a process for an annual cost-of-living fee adjustment, set a timeline for fee payment, describe the method for determining fees for projects involving multiple structures situated together as part of a larger development plan, and describe circumstances that may qualify for fee waiver or reduction.

Existing Law

Administrative Code Section 3.19A establishes a fee for any entity, public or private, including any office, department, or agency of the City and County of San Francisco requiring the Arts Commission's civic design review and approval under Charter Section 5.103(1) ("Applicant"). The fee is a \$2,500 deposit at the time the Applicant submits a request for civic design review of a project in addition to the Arts Commissions time and materials costs incurred in excess of the deposit. The time and materials fees are due no later than 20 days prior to the Arts Commission's meeting to consider the final approval of the Applicant's project.

There is no distinction between requests for review of a single structure from requests for review of multiple structures situated together as part of a larger development. And there is no provision allowing a fee waiver or reduction for projects of limited scope.

Amendments to Current Law

The ordinance would replace the \$2,500 deposit and time and materials fees with a flat fee of \$12,800 for each project requiring civic design review under Charter Section 5.103(1). An Applicant would pay the fee upon submitting a request for civic design review of a project. The ordinance would also provide for an annual adjustment of the fee by the Controller.

Requests for review of multiple structures situated together as part of a larger development plan (a "Campus") would be considered distinct projects and the Applicant would pay the then current fee for each structure. The ordinance would also allow the Director of Cultural Affairs to waive or reduce the fees for projects of limited scope or Campus projects that include structures of identical form and character.

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