



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Planning Code Amendment

HEARING DATE: MAY 8, 2014

Project Name: **Fee Elimination Legislation**
Case No.: **2014.0442T**
Initiated by: *Planning Commission*
Staff Contact: Keith DeMartini – (415) 575-9118
Keith.DeMartini@sfgov.org
Recommendation: Recommend **Approval**

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PLANNING CODE AMENDMENTS

The proposed Ordinance would amend the Planning Code to eliminate the following 4 fees: 1) Installment Agreement Processing Fee (\$54), 2) Refund Processing Fee (\$446), 3) Information Analysis Requests for Information Technology (IT) (\$256), and 4) Reactivation Fee for Closed Cases (\$242).

The Way It Is Now:

The Installment Agreement Processing Fee is assessed whenever an applicant negotiates a phased collection of fees due over the course of review of a proposed project that spans more than one fiscal year. The fee is included as part of the amount due in the negotiated installment agreement.

The Refund Processing Fee is assessed whenever an application is withdrawn by the applicant prior to a public hearing, or deemed canceled by the Department due to inactivity. A refund of paid fees will be provided to the applicant less any time and materials expended on the review of the application less the refund processing fee.

The Information Analysis Requests for IT fee is assessed whenever a request is made for information, analysis, report preparation and presentation, research services and data requests that require Department Information Technology staff to conduct various analyses, queries and reporting in order to comply with the request.

The Reactivation Fee is assessed whenever an applicant requests that a closed application deemed by the Zoning Administrator as being withdrawn due to inactivity and the passage of time be opened again.

The Way It Would Be:

The fees for Installment Agreement Processing, Refund Processing, Information Analysis Requests for IT, and Reactivation for Closed Cases would be eliminated and no longer assessed for applicable projects.

ISSUES AND CONSIDERATIONS

As part of the Mayor's budget instructions for Fiscal Year 2014 - 2016, "departments are instructed to review all existing fees carefully to determine whether any existing fees may be reduced or eliminated. To the degree that these changes require legislative action, the Mayor's Office will coordinate all legislation with the budget."

Department staff presented the fee elimination proposal to the Historic Preservation Commission on February 5, 2014 and February 19, 2014 during Department budget hearings. The Historic Preservation recommended approval of the Department’s Fiscal Year 2014 – 2016 budget to the Planning Commission on February 19, 2014. Department staff presented the fee elimination proposal to the Planning Commission on February 6, 2014 and February 20, 2014 during Department budget hearings. The Planning Commission approved of the Department’s Fiscal Year 2014 – 2016 budget on February 20, 2014.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve or disapprove the proposed Planning Code Amendments.

RECOMMENDATION

The Department recommends that the Commission recommend approval of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

BASIS FOR RECOMMENDATION

The table below summarizes the volume and revenue collected for these fees in FY12-13 and in the first half of FY13-14.

Fee Type	Code Section	FY12-13 Actual			FY13-14 to Date		
		Fee Amount	Volume	Revenue	Fee Amount	Volume	Revenue
Installment Agreement Processing	P.C. 350(b)	\$54	9	\$486	\$56	9	\$504
Refunds	P.C. 350(d)	\$446	62	\$27,652	\$457	10	\$4,570
Information Analysis Requests for IT	P.C. 351(d)	\$256	9	\$2,304	\$262	8	\$2,096
Reactivation for Closed Cases	P.C. 351(i)	\$242	1	\$242	\$249	0	\$0
Total			81	\$30,684		27	\$7,170

None of these fees have a high volume of transactions, and none of them generate any significant revenue for the Department. The costs to the Department of administrative staff processing these transactions are so minor and have declined over the past two fiscal years that it no longer requires a fee. The Department does not expect any significant, negative impact from the elimination of these fees in FY14-15 and beyond.

ENVIRONMENTAL REVIEW

The proposal to amend the Planning Code would result in no physical impact on the environment. The proposed amendment is exempt from environmental review under Section 15060(c)(2) and 15273 of the CEQA Guidelines.

PUBLIC COMMENT

As of the date of this report, the Planning Department has received no letters regarding this legislation.

RECOMMENDATION: Recommendation of Approval
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Attachments

Exhibit A: Draft Ordinance

Exhibit B: Draft Planning Commission Resolution: Recommending Approval of Amendments to the Planning Code

[Planning Code - Fee Elimination]

Ordinance amending the Planning Code to eliminate 4 fees, including the Installment Agreement Processing Fee, the Refund Processing Fee, the Fee for Information Analysis Request for Information Technology and the Reactivation Fee for Closed Cases; making environmental findings and findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

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 ~~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. 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. _____ and is incorporated herein by reference.

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

(c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code amendments will serve the public necessity, convenience, and welfare for the reasons set

1 forth in Planning Commission Resolution No. _____ and the Board incorporates such
2 reasons herein by reference. A copy of Planning Commission Resolution No. _____ is on
3 file with the Board of Supervisors in File No. _____.

4
5 Section 2. The Planning Code is hereby amended by revising Sections 350 and 351 to
6 read as follows:

7 **SEC. 350. FEES, GENERAL.**

8 Fees shall be imposed in order to compensate the Planning Department for the cost of
9 processing applications and for the development and revision of land use controls. Fees shall
10 be charged and collected as indicated for each class of application, permit, filing request or
11 activity listed in Sections 351 through 358 below.

12 (a) Estimated construction costs are as defined by the San Francisco Building Code.

13 (b) All fees are payable at time of filing application or request, except where noted
14 otherwise. However, the Director of Planning or his/her designee may authorize phased
15 collection of the fee for a project whose work is projected to span more than one fiscal year. *A*
16 *nonrefundable processing fee of \$53 is required to set up any installment payment plan for all*
17 *application fees.* The balance of phased payments must be paid in full one week in advance of
18 the first scheduled public hearing before the Planning Commission to consider the project or
19 before issuance of the first site permit if no hearing is required.

20 * * * *

21 (d) Refunds. When an application is withdrawn by the applicant prior to a public
22 hearing, or deemed canceled by the Planning Department due to inactivity on the part of the
23 applicant, then the applicant shall be entitled to a refund of the fee paid to the Department
24 less the time and materials expended *minus a \$436 processing fee.* Refund requests must be
25 submitted within six months of the project closure date.

1 * * * *

2 **SEC. 351. MISCELLANEOUS SERVICES.**

3 (a) **Agendas for Planning Commission:** \$38.00 annual subscription to cover costs of
4 mailing. The Planning Director or his/her designee may authorize exemptions in those
5 instances where costs would impose financial hardship.

6 (b) **Agendas for Historic Preservation Commission:** \$38.00 annual subscription to
7 cover costs of mailing. The Planning Director or his/her designee, may authorize exemption in
8 those instances where costs would impose financial hardship.

9 (c) **Document Retrieval:** Files stored on-site – actual costs for printing file(s), Files
10 stored off-site: – actual costs for retrieval, printing and return of files, as specified in a retrieval
11 schedule prepared by Director of Planning, or his/her designee.

12 ~~(d) Information, Analysis, Report Preparation and Presentation, Research Services, Data~~
13 ~~Requests: The costs of report preparation may be amortized by factoring full-cost recovery into the~~
14 ~~pricing of such information and reports: \$250.00 as an initial fee.~~

15 (d e) **Monitoring Projects:**

16 (~~H~~) **Monitoring Conditions of Approval:** Upon adoption of conditions of
17 approval which the Zoning Administrator determines require active monitoring, the fee shall be
18 \$1,153.00 as an initial fee, plus time and materials as set forth in Section 350(c).

19 (e f) **Project Review for Policy and Code Review and Interpretation for**
20 **Prospective Projects for which an Application has not been Filed, and Site-Specific**
21 **Design Guidelines and Code-Complying Massing Recommendations and Department**
22 **facilitated pre-application meetings:** \$376.00 for new construction and modifications to 5 or
23 fewer dwelling units and for affordable housing projects as defined in the Guidelines of the
24 United States Housing and Urban Development Department, and \$889.00 for all other
25 projects and Department facilitated pre-application meetings.

1 (f g) (1) Project Notifications for an Individual Requesting Notification of Project
2 Applications:

3 (A) First Address or First Assessor's Lot: \$33.00 per annum.

4 (B) Additional Addresses: \$13.00 for addresses in each new Assessor's
5 Lot thereafter, per annum.

6 (2) Project Notifications for a Neighborhood Organization, defined as (i) having
7 been in existence for 24 months prior to the request, and (ii) is listed on the Planning
8 Department's neighborhood organization notification list, requesting Notification of Project
9 Applications:

10 (A) **First Address or First Assessor's Block:** \$33.00 per annum.

11 (B) **Additional Addresses:** \$13.00 for addresses in each new Assessor's
12 Block thereafter, per annum.

13 (g h) **Zoning Administrator Written Determinations Pursuant to Section 307(a):**
14 \$125.00 for zoning letters of conformance, \$563.00 for other written determinations.

15 *(i) Reactivating an application that the Zoning Administrator has deemed withdrawn due to*
16 *inactivity and the passage of time, subject to the approval of the Zoning Administrator and within six*
17 *months of the date the application was deemed withdrawn: \$237.00*

18 (h j) **Preliminary Project Assessment:** \$4,427 which will be credited to the first project
19 application filed.

20
21 Section 3. Effective Date. This ordinance shall become effective 30 days after
22 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
23 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
24 of Supervisors overrides the Mayor's veto of the ordinance.

1 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the "Note" that appears under
6 the official title of the ordinance.

7
8 APPROVED AS TO FORM:
9 DENNIS J. HERRERA, City Attorney

10 By:


11 Kate Herrmann Stacy
12 Deputy City Attorney

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SAN FRANCISCO PLANNING DEPARTMENT

Draft Planning Commission Resolution

HEARING DATE: MAY 8, 2014

Case No.: 2014.0442T

Project: Fee Elimination Legislation

Staff Contact: Keith DeMartini – (415) 575-9118
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Recommendation: **Recommend Approval**

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RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO ELIMINATE THE INSTALLMENT AGREEMENG PROCESSING FEE, REFUND PROCESSING FEE, INFORMATION ANALYSIS REQUESTS FOR IT, AND REACTIVATION FEE.

PREAMBLE

WHEREAS, the Mayor's budget instructions for Fiscal Year 2014 - 2016 instructed departments "to review all existing fees carefully to determine whether any existing fees may be reduced or eliminated. To the degree that these changes require legislative action, the Mayor's Office will coordinate all legislation with the budget;" and

WHEREAS, Department staff presented the fee elimination proposal to the Historic Preservation Commission on February 5, 2014 and February 19, 2014 during Department budget hearings. The Historic Preservation recommended approval of the Department's Fiscal Year 2014 – 2016 budget to the Planning Commission on February 19, 2014; and

WHEREAS, Department staff presented the fee elimination proposal to the Planning Commission on February 6, 2014 and February 20, 2014 during Department budget hearings. The Planning Commission approved of the Department's Fiscal Year 2014 – 2016 budget on February 20, 2014; and

WHEREAS, the Department has determined that none of these fees have a high volume of transactions, and none of them generate any significant revenue for the Department. The costs to the Department of administrative staff processing these transactions are so minor and have declined over the past two fiscal years that it no longer requires a fee. The Department does not expect any significant, negative impact from the elimination of these fees in FY14-15 and beyond; and

WHEREAS, the proposed legislation is intended to resolve the aforementioned issues; and

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on April 3, 2014; and

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c)(2) and 15273; and

WHEREAS, the 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 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Commission has reviewed the proposed Ordinance:

MOVED, that pursuant to Planning Code Section 302(b), the Commission hereby adopts this Resolution to recommend approval of the draft Ordinance to the Board of Supervisors.

I hereby certify that the foregoing Resolution was **ADOPTED** by the San Francisco Planning Commission on May 8, 2014.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: