



# SAN FRANCISCO PLANNING DEPARTMENT

## Executive Summary Administrative Code Text Change

HEARING DATE: MAY 18, 2011

*Project Name:* **Amendments relating to Administrative Code Section 31.22(12)(3): Administrative Code Fee Changes.**

*Date:* May 19, 2011

*Case Number:* 2011.0427T

*Initiated by:* **Planning Department**

*Staff Contact:* Keith DeMartini, Finance Manager  
Keith.DeMartini@sfgov.org, 415-575-9118

*Reviewed by:* Thomas DiSanto, Chief Administrative Officer  
Thomas.DiSanto@sfgov.org, 415-575-9113

*Recommendation:* **Recommend Approval as Proposed**

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

### PLANNING CODE AMENDMENT

This legislation amends Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees to: (1) include language that the fees are subject to the Controller's annual adjustment based on the two-year average consumer price index (CPI) and (2) adjust fees based on this CPI rate.

### THE WAY IT IS NOW:

The Controller annually adjusts planning application fees, excluding appeal fees, by the two-year average consumer price index (CPI) for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): Section 31.22(12)(3) reads: The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), and (11), Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose PMSA.

### THE WAY IT WOULD BE:

A CPI increase of 2.07% will be applied to all fees except for appeal fees.

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): The Additional code references will be made to the current 31.22(12)(3) code: "The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and~~ (11), and (12), Section 31.22(b)(1) and (6), Section 31.22 (c), Section 31.23(d) and Section

31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose PMSA.” **Projected Revenue Impact: \$0** (These fees are currently adjusted annually by the Controller’s Office).

### **REQUIRED COMMISSION ACTION**

The proposed ordinance is before the Commission so that it may recommend adoption, rejection, or adoption with modifications to the Board of Supervisors.

### **RECOMMENDATION**

The Department recommends that the Commission adopt the Draft Resolution recommending the proposed Ordinance. The legislation would ensure all fee languages clearly states yearly adjustments.

### **BASIS FOR RECOMMENDATION**

All planning application fees are subject to the Controller’s annual adjustment based on the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA). The existing rule for CEQA Basic Fees does not include this language, and the proposed change simply adds this language.

### **ENVIRONMENTAL REVIEW**

The proposal to amend Article 3.5 of the Planning Code would result in no physical impacts on the environment. The proposed amendment is exempt from environmental review under Section 15060(c)(2) of the CEQA Guidelines.

### **PUBLIC COMMENT**

As of the date of this report, the Planning Department has received no letters in support or opposition to the proposal from the public.

<b>RECOMMENDATION: Approve</b>
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### **Attachments:**

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Draft Board of Supervisors Ordinance
- Exhibit C: Historic Preservation Commission Motion
- Exhibit D: Proposed Fee Schedule
- Exhibit E: Summary Presentation



# SAN FRANCISCO PLANNING DEPARTMENT

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## Draft Planning Commission Resolution

HEARING DATE: MAY 19, 2011

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*Reviewed by:* Thomas DiSanto, Chief Administrative Officer  
Thomas.DiSanto@sfgov.org, 415-575-9113

*Recommendation* **Recommend Approval**

RECOMMENDING THAT THE BOARD OF SUPERVISORS ADOPT A PROPOSED ORDINANCE THAT WOULD AMEND ADMINISTRATIVE CODE, ARTICLE IV, SECTION 31.22(12)(3) BASIC FEES TO (1) INCLUDE LANGUAGE THAT THE FEES ARE SUBJECT TO THE CONTROLLER'S ANNUAL ADJUSTMENT BASED ON THE TWO-YEAR AVERAGE CONSUMER PRICE INDEX (CPI), AND (2) ADJUST FEES BASED ON THIS CPI RATE, AND MAKES SECTION 302 AND ENVIRONMENTAL FINDINGS.

### PREAMBLE

Whereas, all planning application fees are subject to the Controller's annual adjustment based on the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA). The existing rule for CEQA Basic Fees does not include this language, and the proposed change simply adds this language.

The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinances on May 19, 2011.

The Planning Department (hereinafter "Department") has not received any letters or phone calls in support or in opposition to the proposed Ordinance.

NOW THEREFORE BE IT RESOLVED that the Commission hereby recommends that the Board ADOPT the proposed Ordinance with the following amendment:

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): The Additional code references will be made to the current 31.22(12)(3) code: "The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and (11)~~, **and (12), Section 31.22(b)(1) and (6)**, Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average

consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).”

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on May 19, 2011.

Linda Avery  
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

1 [Administrative Code Amendment to Update Fees.]

2 **Ordinance amending the San Francisco Administrative Code by amending Sections**  
3 **31.22, 31.23 and 31.24 to increase all fees 2.07 percent based on the Controller's annual**  
4 **two-year average consumer price index (CPI) and include language that the fees are**  
5 **subject to this CPI rate.**

6 Note: Additions are *single-underline italics Times New Roman*;  
7 deletions are ~~*strikethrough italics Times New Roman*~~.  
8 Board amendment additions are double underlined.  
9 Board amendment deletions are ~~strikethrough normal~~.

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

11 Section 1. Findings. (a) The Planning Department is able to recover the cost of long  
12 range planning through its building permit review, CEQA (California Environmental Quality  
13 Act, California Public Resources Code Sections 21000 et seq.) review, and land use  
14 entitlement fees.

15 (b) The current fee structure is set to recover a portion of long range planning cost  
16 through said fees, but the cost of long range planning, which includes historic preservation  
17 survey and designation work, is increasing beyond the annual cost of living adjustment.

18 (c) It is in the public interest for the private project sponsor to reimburse the City for  
19 the benefit he or she derives as a consequence of public supported planning.

20 (d) Environmental Finding. The Planning Department has determined that the  
21 proposed fee adjustments are statutorily excluded from CEQA under the CEQA Guidelines  
22 Section 15273(a), which exempts rates, tolls, fares and charges such as those proposed here.  
23 Said determination is on file with the Clerk of the Board of Supervisors in File No.  
24 \_\_\_\_\_ and is incorporated herein by reference.

1 Section 2. The San Francisco Administrative Code is hereby amended by amending  
2 Sections 31.22 and 31.23 and adding 31.24, to read as follows:

3 SEC. 31.22 BASIC FEES.

4 (a) The Planning Department shall charge the following basic fees to applicants for  
5 projects located outside of recently adopted Plan Areas (adopted after July 1, 2005) that do  
6 not require one or more of the following, which will be initiated through the adoption of an Area  
7 Plan: Code amendments for the height or bulk district and General Plan amendments, as  
8 specified in Section 31.21 above:

9 (1) For an initial study of a project excluding use of special expertise or technical  
10 assistance, as described in Section 31.23 below, the initial fee shall be:

11 — Where the total estimated construction cost as defined by the San Francisco  
12 Building Code is between \$0 and \$9,999: ~~\$1,070~~1,092;

13 — Where said total estimated construction cost is \$10,000 or more, but less than  
14 \$200,000: ~~\$4,249~~4,163 PLUS ~~2.024~~2.066% of the cost over \$10,000;

15 — Where said total estimated construction cost is \$200,000 or more, but less than  
16 \$1,000,000: ~~\$8,251~~8,084 PLUS ~~1.530~~1.562 % of the cost over \$200,000;

17 — Where said total estimated construction cost is \$1,000,000 or more, but less  
18 than \$10,000,000: ~~\$20,987~~20,561 PLUS ~~1.284~~1.311% of the cost over \$1,000,000;

19 — Where said total estimated construction cost is \$10,000,000 or more, but less  
20 than \$30,000,000: ~~\$141,220~~138,356 PLUS ~~0.396~~0.404% of the cost over \$10,000,000;

21 — Where said total estimated construction cost is \$30,000,000 or more, but less  
22 than \$50,000,000: ~~\$223,531~~218,998 PLUS ~~0.149~~0.152% of the cost over \$30,000,000;

23 — Where said total estimated construction cost is \$50,000,000 or more, but less  
24 than \$100,000,000: ~~\$254,453~~249,293 PLUS ~~0.036~~0.037% of the cost over \$50,000,000;

25

1           —       Where said total estimated construction cost is \$100,000,000 or more:  
2     ~~\$272,962,267,426~~ PLUS 0.016% of the cost over \$100,000,000.

3           An applicant proposing major revisions to a project application that has been inactive  
4     for more than six months and is assigned shall submit a new application. An applicant  
5     proposing significant revisions to a project which has not been assigned and for which an  
6     application is on file with the Planning Department shall be charged time and materials to  
7     cover the full costs in excess of the initial fee paid.

8           (2)     For preparation of an environmental impact report excluding use of special  
9     expertise or technical assistance, as described in Section 31.23 below, the initial fee shall be:

10          —       Where the total estimated construction cost as defined in the San Francisco  
11     Building Code is between \$0 to \$199,999: ~~\$24,255,23,763~~;

12          —       Where said total estimated construction cost is \$200,000 or more, but less than  
13     \$1,000,000: ~~\$24,255,23,763~~ PLUS ~~0.5840.596~~% of the cost over \$200,000;

14          —       Where said total estimated construction cost is \$1,000,000 or more, but less  
15     than \$10,000,000: ~~\$29,248,28,655~~ PLUS ~~0.3960.404~~% of the cost over \$1,000,000;

16          —       Where said total estimated construction cost is \$10,000,000 or more, but less  
17     than \$30,000,000: ~~\$66,289,64,945~~ PLUS ~~0.1650.162~~% of the cost over \$10,000,000;

18          —       Where said total estimated construction cost is \$30,000,000 or more, but less  
19     than \$50,000,000: ~~\$100,041,98,012~~ PLUS ~~0.0450.044~~% of the cost over \$30,000,000;

20          —       Where said total construction cost is \$50,000,000 or more, but less than  
21     \$100,000,000: ~~\$109,240,107,025~~ PLUS ~~0.0450.044~~% of the cost over \$50,000,000;

22          —       Where said total estimated construction cost is \$100,000,000 or more:  
23     ~~\$132,433,129,747~~ PLUS 0.016% of the cost over \$100,000,000.

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1           An applicant proposing major revisions to a project application that has been inactive  
2 for more than six months and is assigned shall submit a new application. An applicant  
3 proposing significant revisions to a project which has not been assigned and for which an  
4 application is on file with the Planning Department shall be charged time and materials to  
5 cover the full costs in excess of the initial fee paid.

6           (3) For an appeal to the Planning Commission: The fee shall be \$500.00 to the  
7 appellant; provided, however, that the fee shall be waived if the appeal is filed by a  
8 neighborhood organization that: (a) has been in existence for 24 months prior to the appeal  
9 filing date, (b) is on the Planning Department's neighborhood organization notification list, and  
10 (c) can demonstrate to the Planning Director or his/her designee that the organization is  
11 affected by the proposed project. An exemption from paying this appeal fee may be granted  
12 when the requestor's income is not enough to pay for the fee without affecting their abilities to  
13 pay for the necessities of life, provided that the person seeking the exemption demonstrates  
14 to the Planning Director or his/her designee that they are substantially affected by the  
15 proposed project.

16           (4) For an appeal to the Board of Supervisors of environmental determinations,  
17 including the certification of an EIR, a negative declaration, or determination of a categorical  
18 exemption, the fee shall be \$500.00 to the appellant; provided, however, that the fee shall be  
19 waived if the appeal is filed by a neighborhood organization that: (a) has been in existence for  
20 24 months prior to the appeal filing date, (b) is on the Planning Department's neighborhood  
21 organization notification list, and (c) can demonstrate to the Planning Director or his/her  
22 designee that the organization is affected by the proposed project. Fees shall be used to  
23 defray the cost of appeal for the Planning Department. Such fee shall be refunded to the  
24 appellant in the event the Planning Department rescinds its determination or the Board of  
25



1 Supervisors remands or rejects the environmental impact report, negative declaration, or  
2 determination of a categorical exemption to the Planning Commission for revisions based on  
3 issues related to the adequacy and accuracy of the environmental determination. An  
4 exemption from paying this appeal fee may be granted when the requestor's income is not  
5 enough to pay for the fee without affecting their ability to pay for the necessities of life,  
6 provided that the person seeking the exemption demonstrates to the Clerk of the Board of  
7 Supervisors or his/her designee that they are substantially affected by the proposed project.

8 (5) For preparation of an addendum to an environmental impact report that has  
9 previously been certified, pursuant to Section 15164 of the State CEQA Guidelines: or  
10 reevaluation of a modified project for which a negative declaration has been prepared:  
11 ~~\$22,844,222,381~~ plus time and materials as set forth in Subsection (b)(2).

12 (6) For preparation of a supplement to a draft or certified final environmental impact  
13 report: One-half of the fee that would be required for a full environmental impact report on the  
14 same project, as set forth in Paragraph (2) above, plus time and materials as set forth in  
15 Subsection (b)(2).

16 (7) (a) For preparation of a Certificate of Exemption from Environmental Review  
17 determining that a project is categorically exempt, statutorily exempt, ministerial/nonphysical,  
18 an emergency, or a planning and feasibility study: ~~\$291,285~~ for applications that require only a  
19 stamp, ~~\$5,697,581~~ as an initial fee for applications that require an Exemption Certificate, plus  
20 time and materials as set forth in Subsection (b)(2).

21 (7) (b) For preparation of a Class 32 Certificate of Exemption from Environmental  
22 Review determining that a project is categorically exempt, the initial fee shall be:

23 — Where the total estimated construction cost as defined by the San Francisco  
24 Building Code is between \$0 and \$9,999: ~~\$10,476,10,264~~;

25

1           —       Where said total estimated construction cost is \$10,000 or more, but less than  
2 \$200,000: ~~\$10,47610,264~~ +PLUS ~~0.1820.178~~% of the cost over \$10,000;

3           —       Where said total estimated construction cost is \$200,000 or more, but less than  
4 \$1,000,000: ~~\$10,82210,602~~ PLUS ~~0.1720.169~~% of the cost over \$200,000;

5           —       Where said total estimated construction cost is \$1,000,000 or more, but less  
6 than \$10,000,000: ~~\$12,20111,954~~ PLUS ~~0.0530.052~~% of the cost over \$1,000,000;

7           —       Where said total estimated construction cost is \$10,000,000 or more: ~~\$16,978~~  
8 ~~16,634~~ PLUS ~~0.386~~ ~~0.378~~% of the cost over \$10,000,000.

9           (8)       For preparation of an exemption that requires review of historical resource  
10 issues only, the following fees apply. For a determination of whether a property is an  
11 historical resource under CEQA, the fee is ~~\$2,3872,339~~. For a determination of whether a  
12 project would result in a substantial adverse change in the significance of an historical  
13 resource, the fee is ~~\$3,3103,243~~.

14           (9)       For preparation of a letter of exemption from environmental review: ~~\$291285~~,  
15 plus time and materials as set forth in Subsection (b)(2).

16           (10) For review of a categorical exemption prepared by another City Agency, such as  
17 the Municipal Transportation Agency or the Public Utilities Commission: ~~\$245240~~, plus time  
18 and materials as set forth in Subsection (b)(2).

19           (11) For reactivating an application that the Environmental Review Officer has  
20 deemed withdrawn due to inactivity and the passage of time, subject to the approval of the  
21 Environmental Review Officer and within six months of the date the application was deemed  
22 withdrawn: ~~\$237232~~ plus time and materials to cover any additional staff costs.

23           (12) Monitoring Conditions of Approval and Mitigation Monitoring: Upon adoption of  
24 conditions of approval and/or mitigation measures which the Environmental Review Officer  
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1 determines require active monitoring, the fee shall be ~~\$1,1531,130~~, as an initial fee, plus time  
2 and materials as set forth in Section 31.22(b)2.

3 (b) Payment.

4 (1) The fee specified in Subsection (a)(1) shall be paid to the Planning Department  
5 at the time of the filing of the environmental evaluation application, and where an  
6 environmental impact report is determined to be required, the fee specified in Subsection  
7 (a)(2) shall be paid at the time the Notice of Preparation is prepared, except as specified  
8 below. However, the Director of Planning or his/her designee may authorize phased  
9 collection of the fee for a project whose work is projected to span more than one fiscal year. A  
10 nonrefundable processing fee of ~~\$5352~~ is required to set-up any installment payment plan for  
11 all application fees. The balance of phased payments must be paid in full one week in  
12 advance of the first scheduled public hearing before the Planning Commission in consider the  
13 project or before any Environmental Impact report is published.

14 (2) The Planning Department shall charge the applicant for any time and material  
15 costs incurred in excess of the initial fee charged if required to recover the Department's costs  
16 for providing services. Provided, however, that where a different limitation on time and  
17 materials is set forth elsewhere in this section, then that limitation shall prevail.

18 (3) The Controller will annually adjust the fee amounts specified in Section  
19 31.22(a)(1), (2), (5), (7), (8), (9), (10) , ~~and (11)~~, and (12), Section 31.22(b)(1) and (6), and Section  
20 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer  
21 price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical  
22 Area (PMSA).

23 (4) Any fraternal, charitable, benevolent or any other nonprofit organization, that is  
24 exempt from taxation under the Internal Revenue laws of the United States and the Revenue  
25

1 and Taxation Code of the State of California as a bona fide fraternal, charitable, benevolent or  
2 other nonprofit organization, or public entity that submits an application for the development of  
3 residential units or dwellings all of which are affordable to low and moderate income  
4 households, as defined by the United State Housing and Urban Development Department, for  
5 a time period that is consistent with the policy of the Mayor's Office of Housing and the San  
6 Francisco Redevelopment Agency may defer payment of the fees specified herein, with the  
7 exception of the fees payable pursuant to Section 31.22(a)(3) and (4) and Section  
8 31.22(a)(11) herein, until the time of issuance of the building permit, before the building permit  
9 is released to the applicant; or (2) within one year of the date of completion of the  
10 environmental review document, whichever is sooner. This exemption shall apply  
11 notwithstanding the inclusion in the development of other nonprofit ancillary or accessory  
12 uses.

13 (5) An exemption from paying the full fees set forth in Section 31.22(a) (3) and (4)  
14 herein may be granted when the requestor's income is not enough to pay the fee without  
15 affecting his or her ability to pay for the necessities of life, provided that the person seeking  
16 the exemption demonstrates to the Director of Planning or his/her designee that he or she is  
17 substantially affected by the proposed project.

18 (6) Exceptions to the payment provisions noted above may be made when the  
19 Director of Planning or his/her designee has authorized phased collection of the fee for a  
20 project whose work is projected to span more than one fiscal year. A nonrefundable  
21 processing fee of ~~\$5352~~ is required to set-up any installment payment plan for all application  
22 fees. The balance of phased payments must be paid in full one week in advance of the first  
23 scheduled public hearing before the Planning Commission to consider the project or before  
24 any Environmental Impact report is published.

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1 (c) Refunds. When a request for an initial evaluation or for preparation of an  
2 environmental impact report is (1) either withdrawn by the applicant prior to publication of an  
3 environmental document or (2) deemed canceled by the Planning Department due to inactivity  
4 on the part of the applicant, then the applicant shall be entitled to a refund of the fees paid to  
5 the Department less the time and materials expended minus a ~~\$436427~~ processing fee.  
6 Refund requests must be submitted within six months of the project closure date.

7 (d) Late Charges and Collection of Overdue Accounts. The Director or his/her  
8 designee shall call upon the Bureau of Delinquent Revenues or duly licensed collection  
9 agencies for assistance in collecting delinquent accounts more than 60 days in arrears, in  
10 which case any additional costs of collection may be added to the fee amount outstanding. If  
11 the Department seeks the assistance of a duly licensed collection agency, the approval  
12 procedures of Administrative Code Article 5, Section 10.39-1 et seq. will be applicable.

13 (e) These amendments to fees related to the Planning Department are intended to  
14 provide revenues for the staffing and other support necessary to provide more timely  
15 processing of applications within that Department.

16 SEC. 31.23 OTHER FEES.

17 (a) Where an initial evaluation or preparation of an environmental impact report and  
18 related environmental studies require the use of special expertise or technical assistance not  
19 provided by the board, commission, department or other person who is to carry out the  
20 project, such expertise or assistance shall be paid for by such board, commission, department  
21 or other person. This payment shall be made either to the Planning Department or, if the  
22 Planning Department so requests, directly to the party that will provide such expertise or  
23 technical assistance.

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1 (b) Where outside consultants are used for such purposes, and the project is to be  
2 directly carried out by a person other than a board, commission or department of the City,  
3 such consultants shall report their findings directly to the Planning Department.

4 (c) Where employees of the City are used for such purposes, the costs of such  
5 employees shall be paid to the board, commission or department providing such employees.

6 (d) In addition to any filing fees required by statute, the County Clerk shall collect a  
7 documentary handling fee in the amount of ~~\$3332~~ for each filing made pursuant to California  
8 Fish and Game Code Section 711.4, Subdivision (d).

9 **SEC. 31.23.1 Community Plan Fees.**

10 (a) The Planning Department shall charge the following Community Plan Fees for  
11 environmental applications filed in adopted Plan Areas effective after July 1, 2005:

12 (1) For Class 1 and 3 Exemptions: same as basic fees outlined in Section  
13 31.22(a)(8) and (10).

14 (2) For determination of the appropriate environmental document: ~~\$12,72012,462~~  
15 and any fee pursuant to Section 31.23.1(c) below. In addition, the applicant shall pay the  
16 following fees as appropriate:

17 (i) If the determination is that the project qualifies for a Community exemption or  
18 exclusion, the applicant shall pay a fee of ~~\$6,9506,809~~.

19 (ii) If the determination is that the project does not qualify for a Community exemption  
20 or exclusion, the applicant shall pay fees as set forth in Section 31.23.1(b) below.

21 (b) The fees for projects determined not to qualify for a Community exemption or  
22 exclusion are as follows:

23 (1) For an initial study excluding use of special expertise or technical assistance, as  
24 described in Section 31.22 above, the initial fee shall be:

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1           —       Where the total estimated construction cost as defined by the San Francisco  
2 Building Code is between \$0 and \$9,999: \$1,3601,332;

3           —       Where said total estimated construction cost is \$10,000 or more, but less than  
4 \$200,000: \$5,6515,536 PLUS 2.5712.519% of the cost over \$10,000;

5           —       Where said total estimated construction cost is \$200,000 or more, but less than  
6 \$1,000,000: \$10,63110,415 PLUS 1.9431.904% of the cost over \$200,000;

7           —       Where said total estimated construction cost is \$1,000,000 or more, but less  
8 than \$10,000,000: \$26,47825,941 PLUS 1.6301.597% of the cost over \$1,000,000;

9           —       Where said total estimated construction cost is \$10,000,000 or more, but less  
10 than \$30,000,000: \$176,062172,491 PLUS 0.5020.492% of the cost over \$10,000,000;

11          —       Where said total estimated construction cost is \$30,000,000 or more, but less  
12 than \$50,000,000: \$278,494272,846 PLUS 0.1890.185% of the cost over \$30,000,000;

13          —       Where said total estimated construction cost is \$50,000,000 or more, but less  
14 than \$100,000,000: \$317,077310,647 PLUS 0.0450.044% of the cost over \$50,000,000;

15          —       Where said total estimated construction cost is \$100,000,000 or more:  
16 \$340,044333,148 PLUS 0.019% of the cost over \$100,000,000.

17                An applicant proposing major revisions to a project application that has been inactive  
18 for more than six months and is assigned shall submit a new application. An applicant  
19 proposing significant revisions to a project which has not been assigned and for which an  
20 application is on file with the Planning Department shall be charged time and materials to  
21 cover the full costs in excess of the initial fee paid.

22                (2) For preparation of an environmental impact report excluding use of special  
23 expertise or technical assistance, as described in Section 31.23 above, the initial fee shall be:

24  
25

1           —       Where the total estimated construction cost as defined in the San Francisco  
2 Building Code is between \$0 to \$199,999: ~~\$30,18529,573~~;

3           —       Where said total estimated construction cost is \$200,000 or more, but less than  
4 \$1,000,000: ~~\$30,18529,573~~ PLUS ~~0.7410.726~~% of the cost over \$200,000;

5           —       Where said total estimated construction cost is \$1,000,000 or more, but less  
6 than \$10,000,000: ~~\$36,40135,663~~ PLUS ~~0.5020.492~~% of the cost over \$1,000,000;

7           —       Where said total estimated construction cost is \$10,000,000 or more, but less  
8 than \$30,000,000: ~~\$82,49580,822~~ PLUS ~~0.2060.202~~% of the cost over \$10,000,000;

9           —       Where said total estimated construction cost is \$30,000,000 or more, but less  
10 than \$50,000,000: ~~\$124,524121,999~~ PLUS ~~0.0560.055~~% of the cost over \$30,000,000;

11          —       Where said total construction cost is \$50,000,000 or more, but less than  
12 \$100,000,000: ~~\$136,065133,306~~ PLUS ~~0.0560.055~~% of the cost over \$50,000,000;

13          —       Where said total estimated construction cost is \$100,000,000 or more:  
14 ~~\$164,918161,573~~ PLUS 0.019% of the cost over \$100,000,000.

15                An applicant proposing major revisions to a project application that has been inactive  
16 for more than six months and is assigned shall submit a new application. An applicant  
17 proposing significant revisions to a project which has not been assigned and for which an  
18 application is on file with the Planning Department shall be charged time and materials to  
19 cover the full costs in excess of the initial fee paid.

20           (3)     For the preparation of a focused Environmental Impact Report: one-half the fee  
21 that would be required for a full environmental impact report, as set forth in Paragraph (b)(2)  
22 above, plus time and materials.

23           (4)     The fees above listed in Section 31.24(b) will sunset 20 years after the effective  
24 date of Plan Adoption.

25



1 (c) The Planning Department shall recover the cost of preparing and defending  
2 programmatic EIRs, including consultant and City Attorney costs, from project sponsors that  
3 file or have filed projects in recently adopted Plan Areas (after July 1, 2005) and filed projects  
4 within 10 years of the Programmatic EIR certification.

5 The fee shall be a proportional share of the cost of the Programmatic EIR, which is  
6 equal to the Department's average time and material costs to prepare and defend a  
7 Programmatic EIR divided by the buildable envelope times the square footage of the  
8 proposed project.

9 (d) Except as provided below for projects in the Transit Center District area, if at the  
10 time of Community Plan adoption, a project application undergoing review required  
11 amendments for height or bulk districts or General Plan amendments and now complies with  
12 the Community Plan Zoning, the applicant may choose to pay either the fees specified in  
13 Section 31.22 or Section 31.23.1. For projects that paid fees under Section 31.22 and opt to  
14 pay fees under Section 31.23.1, the applicant shall withdraw the application filed under  
15 Section 31.22 and file a new application. Applicants that file a new application and pay the  
16 Section 31.23.1 fees shall be entitled to a refund under Section 31.22(c).

17 (i) Transit Center District Plan. Projects in the Transit Center District area that  
18 require amendments for height or bulk district or General Plan amendments at the time of  
19 project application shall pay the fees specified in Administrative Code Section 31.23.1(b) and  
20 31.23.1(c). For projects that paid fees under Section 31.22, the applicant shall pay the  
21 difference between Section 31.22 fees and Section 31.23.1(b) and 31.23.1(c) fees.

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

By: \_\_\_\_\_  
Kate Herrmann Stacy  
Deputy City Attorney



# SAN FRANCISCO PLANNING DEPARTMENT

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
**415.558.6378**

Fax:  
**415.558.6409**

Planning  
Information:  
**415.558.6377**

## Historic Preservation Commission Motion

**No. xxxxx**

HEARING DATE: MAY 18, 2011

*Project Name:* **Amendments relating to Administrative Code Section 31.22(12)(3):  
Administrative Code Fee Changes.**

*Case Number:* 2011.0427T

*Initiated by:* Planning Department

*Staff Contact:* Keith DeMartini, Finance Manager  
Keith.DeMartini@sfgov.org, 415-575-9118

*Reviewed by:* Thomas DiSanto, Chief Administrative Officer  
Thomas.DiSanto@sfgov.org, 415-575-9113

*Recommendation* **Recommend Approval**

**RECOMMENDING ADOPTION OF A PROPOSED ORDINANCE THAT WOULD AMEND ADMINISTRATIVE CODE, ARTICLE IV, SECTION 31.22(12)(3) BASIC FEES TO (1) INCLUDE LANGUAGE THAT THE FEES ARE SUBJECT TO THE CONTROLLER'S ANNUAL ADJUSTMENT BASED ON THE TWO-YEAR AVERAGE CONSUMER PRICE INDEX (CPI), AND (2) ADJUST FEES BASED ON THIS CPI RATE, AND MAKES SECTION 302 AND ENVIRONMENTAL FINDINGS.**

### PREAMBLE

Whereas, all planning application fees are subject to the Controller's annual adjustment based on the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA). The existing rule for CEQA Basic Fees does not include this language, and the proposed change simply adds this language.

The Historic Preservation Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinances on May 18, 2011.

The Planning Department (hereinafter "Department") has not received any letters or phone calls in support or in opposition to the proposed Ordinance.

MOVED, that the Commission hereby recommends the ADOPTION of the proposed Ordinance based on the following findings:

### FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

CEQA Basic Fees (Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees): The Additional code references will be made to the current 31.22(12)(3) code: “The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and (11)~~, and (12), Section 31.22(b)(1) and (6), Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).”

### DECISION

The Commission, after carefully balancing the competing public and private interests, and based upon the Recitals and Findings set forth above, in accordance with the standards specified in the Code, hereby approves an amendment to Administrative Code, Article IV, Section 31.22(12)(3) Basic Fees to include language that the fees are subject to the Controller’s annual adjustment based on the two-year average Consumer Price Index (CPI) and adjust fees based on this CPI rate.

I hereby certify that the foregoing Motion was ADOPTED by the Historic Preservation Commission on May 18, 2011.

Linda Avery  
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED:

**Exhibit D: Proposed Fee Schedule**  
**San Francisco Planning Department**  
**Proposed FY2011/2012**

eff. 8/30/2010

2.07%

Service Name	Code Section	Current Fee w/o appeal surchg	BoA appeal surchg	BoS appeal surchg	2.07% of CPI Increase	FY11/12 Proposed New Fee
Refund fee	350 (d)	\$ 427			\$ 8.84	\$ 436
<b>Discretionary Review Request</b>	<b>352 (d)</b>	<b>\$ 500</b>			N/A	<b>\$ 500</b>
<b>DR Permit Surcharges</b>	355	\$ 87			\$ 1.80	\$ 89
Mandatory Discretionary Review	352 (d)	\$ 3,438			\$ 71.17	\$ 3,509
Planning Code Text Amendment Request	352 (l)	\$ 14,090			\$ 291.66	\$ 14,382
Zoning Map Change (incl. interim controls)	352 (i)	\$ 7,052			\$ 145.98	\$ 7,198
Setback Change	352 (j)	\$ 2,851			\$ 59.02	\$ 2,910
Institutional Master Plan - Full	352 (e)(1)	\$ 12,259			\$ 253.76	\$ 12,513
Institutional Master Plan - Abbreviated	352 (e)(2)	\$ 2,244			\$ 46.45	\$ 2,290
General Plan Referral	352 (g)	\$ 3,310			\$ 68.52	\$ 3,379
General Plan Amendment + Related Plans	352 (f) & (h)	T/M				T/M
Conditional Use (including PUD)	352 (a)	Variable		\$ 111		see revised formulas
Section 321 (Annual Limit) Review	353 c	\$ 4,866	\$ 25		\$ 100.73	\$ 4,992
Variance (\$0- \$9,999)	352 (b)	\$ 817	\$ 25		\$ 16.91	\$ 859
Variance (\$10,000- \$19,999)	352 (b)	\$ 1,821	\$ 25		\$ 37.69	\$ 1,884
Variance (\$20,000 or more)	352 (b)	\$ 3,708	\$ 25		\$ 76.76	\$ 3,810
<b>CU appeals to BoS</b>	<b>352 (n)(1)</b>	<b>\$ 500</b>			N/A	<b>\$ 500</b>
Section 309 Review	352 c	Variable	\$ 25			see revised formulas
Application for 1 or more Exceptions under 309	353 (a)	\$ 1,815	\$ 25		\$ 37.57	\$ 1,878
Landmarks Designation - Applicant Initiated	356 (a)	\$ 262			\$ 5.42	\$ 267
Historic District Designation	356 (b)	\$ 1,047			\$ 21.67	\$ 1,069
Certificate of Appropriateness - \$0 to \$999	356 c	\$ 308	\$ 25		\$ 6.38	\$ 339
Certificate of Appropriateness - \$1,000 to \$9,999	356 c	\$ 1,227	\$ 25		\$ 25.40	\$ 1,277
Certificate of Appropriateness - \$10,000 or more	356 c	\$ 5,676	\$ 25		\$ 117.49	\$ 5,818
Determination of compatibility	356 (d)	Variable same as CU formulas				see revised formulas
Mills Act - Commercial	356 (e)	\$ 17,939			\$ 371.34	\$ 18,310
Mills Act - Residential	356 (e)	\$ 8,973			\$ 185.74	\$ 9,159
Article 11 - Dtn Preservation Review - Designation or Change of Boundary	353 (d)(1)	\$ 6,277			\$ 129.93	\$ 6,407
Article 11 - Dtn Preservation Review - Designation or Change of Boundary of a conservation district	353 (d)(2)	\$ 6,277			\$ 129.93	\$ 6,407
Article 11 - Alteration of Sig/Contrib Building	353 (d) (3 & 4)	\$ 8,287	\$ 25		\$ 171.54	\$ 8,484

File: \\Administration\Finance\Budget\FY1112\Fee Legislation Changes\Proposed\_11-12\_FeeChanges.xls, Tab: SEC 350 for

Ordinance

Date Printed: 5/4/2011, 9:58 AM

Exhibit D: Proposed Fee Schedule  
San Francisco Planning Department  
Proposed FY2011/2012

eff. 8/30/2010

2.07%

Service Name	Code Section	Current Fee w/o appeal surchg	BoA appeal surchg	BoS appeal surchg	2.07% of CPI Increase	FY11/12 Proposed New Fee
Article 11 - Demolition of Sig/Contr Building	353 (d)(5)	\$ 8,287	\$ 25		\$ 171.54	\$ 8,484
Statement of Eligibility	353 (d)(6)	\$ 1,470	\$ 25		\$ 30.43	\$ 1,525
Certificate of Transfer, Execution of	353 (d)(7)	\$ 424			\$ 8.78	\$ 433
TDR (notice of use)	353 (d)(8)	\$ 1,324			\$ 27.41	\$ 1,351
Monitoring Approval Secs, CU, Var, Sec 309 Proj	351 (e)(1)	\$ 1,130			\$ 23.39	\$ 1,153
<b>Sale of Documents</b>		<b>Varies</b>				
<b>Photocopies (per sheet)</b>	<b>Admin. 8.28</b>	<b>\$ 0.10</b>			N/A	<b>\$ 0.10</b>
Research Services & Other T/M requests	351 (d)	\$ 245			\$ 5.07	\$ 250
Subscription to PC agenda	351 (a)	\$ 37			\$ 0.77	\$ 38
Subscription to Landmarks Board agenda	351 (b)	\$ 37			\$ 0.77	\$ 38
Project Review - new construction ; 5 or fewer units	351 (f)	\$ 368			\$ 7.62	\$ 376
Project Review - all other projects	351 (f)	\$ 1,124			\$ 23.27	\$ 1,147
Dept facilitated Pre-Application Mtg	351 (f)	\$ 871			\$ 18.03	\$ 889
Dept(s) facilitated Pre-Application Mtg	351 (f)	\$ 1,627			\$ 33.68	\$ 1,661
BBN- Individual/Assessor's Lot	351 (g)(1)(A)	\$ 32			\$ 0.66	\$ 33
BBN- Individual/each additional Lot	351 (g)(1)(B)	\$ 13			\$ 0.27	\$ 13
BBN- Neigh. Org./ Assessor's Block	351 (g)(2)(A)	\$ 32			\$ 0.66	\$ 33
BBN- Neigh. Org./ each add'l Block	351 (g)(2)(B)	\$ 13			\$ 0.27	\$ 13
ZA letters of Conformance	351 (h)	\$ 122	\$ 25		\$ 2.53	\$ 150
ZA Written Determination	351 (h)	\$ 552	\$ 25		\$ 11.43	\$ 588
Transportation Review-Trans Study	357 (a)	\$ 21,317			\$ 441.26	\$ 21,758
<b>MTA Transportation Impact Analysis</b>	<b>357 (b)</b>	<b>\$ 4,100</b>			<b>\$ 84.87</b>	<b>\$ 4,185</b>
Temporary Use Permit Review	352 (k)	\$ 409			\$ 8.47	\$ 417
Service Station Conversion Determination	352 (m)	\$ 2,783			\$ 57.61	\$ 2,841
Reactivating application deemed inactive by ZA	351 (i)	\$ 232			\$ 4.80	\$ 237
Advertising Signs-Relocation Agreemt	358 (a)	\$ 1,224			\$ 25.34	\$ 1,249
Initial Sign Inventory processing	358 (b)	\$ 685			\$ 14.18	\$ 699
In-lieu application - Sign Inventory	358 (c)	\$ 391			\$ 8.09	\$ 399
Annual Inventory Maintenance	358 (d)	\$ 221			\$ 4.57	\$ 226
<b>Tourist Hotel Conversion</b>	<b>Admin Code 41F</b>	<b>\$ 600</b>			N/A	<b>\$ 600</b>
<b>Tourist Hotel Conversion - with Commission Hearing</b>	<b>Admin Code 41F</b>	<b>\$ 2,400</b>			N/A	<b>\$ 2,400</b>
Installment Payment Plan - Processing Fee	350 (b)	\$ 52			\$ 1.08	\$ 53

**Exhibit D: Proposed Fee Schedule  
San Francisco Planning Department  
Proposed FY2011/2012**

		eff. 8/30/2010			2.07%	
Service Name	Code Section	Current Fee w/o appeal surchg	BoA appeal surchg	BoS appeal surchg	2.07% of CPI Increase	FY11/12 Proposed New Fee
Preliminary Project Assessment	351 (j)	\$ 4,427			\$ 91.64	\$ 4,519
BP Appl (Existing, Change in Use, Alteration)	355 (a)	Variable				see revised formulas
BP Appl (New Construction)	355 (b)	Variable				see revised formulas
Windows/Roofs/Siding/Doors Replacemt approved OTC at PIC	355 (a)	1/2 permit fee				see revised formulas
BP-Solar Panels	355 (a)(7)	\$ 137	\$ 25		\$ 2.84	\$ 165
BP-Permit Revision back check fee	355 (a)(2)	\$ 204	\$ 25		\$ 4.22	\$ 233
Shadow Review - No Impact	355 (a)(3)	\$ 467	\$ 25		\$ 9.67	\$ 502
311 Public Notification - ReproMail	355 (a)(4)	\$ 48	\$ 25		\$ 0.99	\$ 74
312 Public Notification - ReproMail	355 (a)(5)	\$ 48	\$ 25		\$ 0.99	\$ 74
Demolition Applications	355 c	\$ 1,441	\$ 25		\$ 29.83	\$ 1,496
BP-Fire Police and Health Permit Fees	355 d	\$ 121			\$ 2.50	\$ 124
BP Referral - Entertainment	355 d	\$ 121			\$ 2.50	\$ 124
Signs - Permit Applications	355 (e)	\$ 127	\$ 25		\$ 2.63	\$ 155
BP-Solar (over the counter)	355 (a)(7)	\$ 137	\$ 25		\$ 2.84	\$ 165
Cat. Ex. Stamp Surcharge in Permit	Adm. Code 31.22 (a)(7)(a) and (a)(9)	\$ 285			\$ 5.90	\$ 291

San Francisco Planning Department

CEQA Administrative Code Section 31.22 for All Other Areas and Section 31.23.1 for Adopted Plan Areas

Proposed FY2011/2012

2.07%

Service Name	Code Section	Current Fee w/o appeal surchg	BoS appeal surchg	2.07% CPI increase	FY11/12 Proposed New Fee
Environmental Evaluation Initial Study outside an adopted Plan Area Area	31.22(a)(1)	Variable	\$ 111		see revised formulas
EIR outside an adopted plan area	31.22(a)(2)	Variable			see revised formulas
Environmental Evaluation Initial Study within an adopted Plan Area	31.23.1(b)(1)	Variable	\$ 111		see revised formulas
EIR within an adopted Plan Area	31.23.1(b)(2)	Variable			see revised formulas
Reactivate Withdrawn Application	31.22(a)(11)	\$ 232		\$ 4.80	\$ 237
EIR Addendum	31.22(a)(5)	\$ 22,381		\$ 463.29	\$ 22,844
EIR Supplement	31.22(a)(6)	1/2 EIR fee	\$ 111		see revised formulas
Negative Declaration Addendum/Re-evaluation	31.22(a)(5)	\$ 22,381		\$ 463.29	\$ 22,844
Exemption Certificate, Preservation HRER review	31.22(a)(7)(a)	\$ 5,581	\$ 111	\$ 115.53	\$ 5,808
Cat. Ex. Determination	31.22(a)(8)	\$ 2,339	\$ 111	\$ 48.42	\$ 2,498
Cat. Ex. Determination (significance HR)	31.22(a)(8)	\$ 3,243		\$ 67.13	\$ 3,310
Review Cat. Ex. prepared by another city agency	31.22(a)(10)	\$ 240	\$ 111	\$ 4.97	\$ 356
Exemption Stamp or Letter	31.22(a)(7)(a) & (a)(9)	\$ 285		\$ 5.90	\$ 291
EE Determination in Plan Areas	31.23.1(a)(2)	\$ 12,462	N/A	\$ 257.96	\$ 12,720
Community Plan Exemption/Exclusion	31.23.1(a)(2)(i)	\$ 6,809	\$ 111	\$ 140.95	\$ 7,061
<b>Appeal of Preliminary Neg. Decl. to Planning Commission</b>	<b>31.22(a)(3)</b>	<b>\$ 500</b>		N/A	<b>\$ 500</b>
<b>Appeal of ND, EIR Cert., Cat.Ex. to the Board of Supv</b>	<b>31.22(a)(4)</b>	<b>\$ 500</b>		N/A	<b>\$ 500</b>
CEQA Refund Request	31.22 (c)(1)(2)	\$ 427		\$ 8.84	\$ 436
County Clerk documentary handling fee	31.23 d	\$ 50		N/A	\$ 50



**SAN FRANCISCO PLANNING DEPARTMENT**  
**ADOPTED PLAN AREAS**  
**PROPOSED FORMULAS FOR "EE" (Environmental Evaluations)**

Factor 1.0207  
 = 2.07% CPI Increase

							FY10-11	FY11-12	FY11-12
							Current	Proposed	Proposed
							Flat Fee plus	Flat Fee plus	Flat + Variable
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Proposed Estimated Variable Fee	Current Flat Fee	Proposed Flat Fee		Variable Fee	Variable Fee	add-on BOS appeal \$111
\$ 0 - \$ 9,999	<b>Flat Fee*</b>	\$ -	\$ -	\$ 1,332	<b>\$ 1,360</b>		\$ 1,332	\$ <b>1,360</b>	\$ 1,471
\$ 10,000 - \$ 199,999	<b>=(199,999-10,000)*2.571%</b>	\$ 4,786	\$ <b>4,885</b>	\$ 5,536	<b>\$ 5,651</b>		\$ 10,322	\$ <b>10,535</b>	\$ 10,646
\$ 200,000 - \$ 999,999	<b>=(999,999-200,000)*1.943%</b>	\$ 15,232	\$ <b>15,544</b>	\$ 10,415	<b>\$ 10,631</b>		\$ 25,647	\$ <b>26,175</b>	\$ 26,286
\$ 1,000,000 - \$ 9,999,999	<b>=(9,999,999-1,000,000)*1.630%</b>	\$ 143,730	\$ <b>146,700</b>	\$ 25,941	<b>\$ 26,478</b>		\$ 169,671	\$ <b>173,178</b>	\$ 173,289
\$ 10,000,000 - \$ 29,999,999	<b>=(29,999,999-10,000,000)*0.502%</b>	\$ 98,400	\$ <b>100,400</b>	\$ 172,491	<b>\$ 176,062</b>		\$ 270,891	\$ <b>276,462</b>	\$ 276,573
\$ 30,000,000 - \$ 49,999,999	<b>=(49,999,999-30,000,000)*0.189%</b>	\$ 37,000	\$ <b>37,800</b>	\$ 272,846	<b>\$ 278,494</b>		\$ 309,846	\$ <b>316,294</b>	\$ 316,405
\$ 50,000,000 and \$ 99,999,999	<b>=(99,999,999-50,000,000)*0.045%</b>	\$ 22,000	\$ <b>22,500</b>	\$ 310,647	<b>\$ 317,077</b>		\$ 332,647	\$ <b>339,577</b>	\$ 339,688
\$ 100,000,000 - more	<b>=(999,999,999-100,000,000)*0.019%</b>	\$ 171,000	\$ <b>171,000</b>	\$ 333,148	<b>\$ 340,044</b>		\$ 504,148	\$ <b>511,044</b>	\$ 511,155

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

**SAN FRANCISCO PLANNING DEPARTMENT**  
**ADOPTED PLAN AREAS**  
**PROPOSED FORMULAS FOR "EIR" (Environmental Impact Reports)**

Factor  
**1.0207**  
**2.07% CPI Increase**

							FY10-11	FY11-12
							Current	Proposed
							Flat Fee plus	Flat Fee plus
<b>Construction Cost Range</b>	<b>Proposed Fee Schedule Formula</b>	Current Variable Fee	<b>Proposed Estimated Variable Fee</b>	Current Flat Fee	<b>Proposed Flat Fee</b>		Variable Fee	Variable Fee
\$ 0 - \$ 199,999	<b>Flat Fee</b>	\$ -	\$ -	\$ 29,573	<b>\$ 30,185</b>		\$ 29,573	\$ 30,185
\$ 200,000 - \$ 999,999	<b>=(999,999-200,000)*0.741%</b>	\$ 5,808	<b>\$ 5,928</b>	\$ 29,573	<b>\$ 30,185</b>		\$ 35,381	\$ 36,113
\$ 1,000,000 - \$ 9,999,999	<b>=(9,999,999-1,000,000)*0.502%</b>	\$ 44,280	<b>\$ 45,180</b>	\$ 35,663	<b>\$ 36,401</b>		\$ 79,943	\$ 81,581
\$ 10,000,000 - \$ 29,999,999	<b>=(29,999,999-10,000,000)*.206%</b>	\$ 40,400	<b>\$ 41,200</b>	\$ 80,822	<b>\$ 82,495</b>		\$ 121,222	\$ 123,695
\$ 30,000,000 - \$ 49,999,999	<b>=(49,999,999-30,000,000)*0.056%</b>	\$ 11,000	<b>\$ 11,200</b>	\$ 121,999	<b>\$ 124,524</b>		\$ 132,999	\$ 135,724
\$ 50,000,000 and \$ 99,999,999	<b>=(99,999,999-50,000,000)*0.056%</b>	\$ 27,500	<b>\$ 28,000</b>	\$ 133,306	<b>\$ 136,065</b>		\$ 160,806	\$ 164,065
\$ 100,000,000 - more	<b>=(999,999,999-100,000,000)*0.019%</b>	\$ 171,000	<b>\$ 171,000</b>	\$ 161,573	<b>\$ 164,918</b>		\$ 332,573	\$ 335,918

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

SAN FRANCISCO PLANNING DEPARTMENT  
 PROPOSED FORMULAS FOR "EE" (Environmental Evaluations)

Factor 1.0207  
 = 2.07% CPI Increase

						FY10-11 Current	FY10-11 Proposed	FY10-11 Proposed
			Proposed		FY11-12	Flat Fee plus	Flat Fee plus	Flat + Variable
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Estimated Variable Fee	Current Flat Fee	Proposed Flat Fee	Variable Fee	Variable Fee	add-on BOS appeal \$111
\$ 0 - \$ 9,999	<b>Flat Fee*</b>	\$ -	\$ -	\$ 1,070	\$ <b>1,092</b>	\$ 1,070	\$ <b>1,092</b>	\$ 1,203
\$ 10,000 - \$ 199,999	<b>=(199,999-10,000)*2.066%</b>	\$ 3,846	\$ <b>3,925</b>	\$ 4,163	\$ <b>4,249</b>	\$ 8,009	\$ <b>8,175</b>	\$ 8,286
\$ 200,000 - \$ 999,999	<b>=(999,999-200,000)*1.562%</b>	\$ 12,240	\$ <b>12,496</b>	\$ 8,084	\$ <b>8,251</b>	\$ 20,324	\$ <b>20,747</b>	\$ 20,858
\$ 1,000,000 - \$ 9,999,999	<b>=(9,999,999-1,000,000)*1.311%</b>	\$ 115,560	\$ <b>117,990</b>	\$ 20,561	\$ <b>20,987</b>	\$ 136,121	\$ <b>138,977</b>	\$ 139,088
\$ 10,000,000 - \$ 29,999,999	<b>=(29,999,999-10,000,000)*0.404%</b>	\$ 79,200	\$ <b>80,800</b>	\$ 138,356	\$ <b>141,220</b>	\$ 217,556	\$ <b>222,020</b>	\$ 222,131
\$ 30,000,000 - \$ 49,999,999	<b>=(49,999,999-30,000,000)*0.152%</b>	\$ 29,800	\$ <b>30,400</b>	\$ 218,998	\$ <b>223,531</b>	\$ 248,798	\$ <b>253,931</b>	\$ 254,042
\$ 50,000,000 and \$ 99,999,999	<b>=(99,999,999-50,000,000)*0.037%</b>	\$ 18,000	\$ <b>18,500</b>	\$ 249,293	\$ <b>254,453</b>	\$ 267,293	\$ <b>272,953</b>	\$ 273,064
\$ 100,000,000 - more	<b>=(999,999,999-100,000,000)*0.016%</b>	\$ 144,000	\$ <b>144,000</b>	\$ 267,426	\$ <b>272,962</b>	\$ 411,426	\$ <b>416,962</b>	\$ 417,073

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

SAN FRANCISCO PLANNING DEPARTMENT  
 PROPOSED FORMULAS FOR "EIR" (Environmental Impact Reports)

Factor 1.0207  
 2.07% CPI Increase

							FY10-11	FY11-12
							Current	Proposed
							Flat Fee plus	Flat Fee plus
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Proposed Estimated Variable Fee	FY10-11 Current Flat Fee	FY11-12 Proposed Flat Fee		Variable Fee	Variable Fee
\$ 0 - \$ 199,999	<b>Flat Fee</b>	\$ -	\$ -	\$ 23,763	<b>\$ 24,255</b>		\$ 23,763	<b>\$ 24,255</b>
\$ 200,000 - \$ 999,999	<b>=(999,999-200,000)*0.596%</b>	\$ 4,672	<b>\$ 4,768</b>	\$ 23,763	<b>\$ 24,255</b>		\$ 28,435	<b>\$ 29,023</b>
\$ 1,000,000 - \$ 9,999,999	<b>=(9,999,999-1,000,000)*0.404%</b>	\$ 35,640	<b>\$ 36,360</b>	\$ 28,655	<b>\$ 29,248</b>		\$ 64,295	<b>\$ 65,608</b>
\$ 10,000,000 - \$ 29,999,999	<b>=(29,999,999-10,000,000)*.165%</b>	\$ 32,400	<b>\$ 33,000</b>	\$ 64,945	<b>\$ 66,289</b>		\$ 97,345	<b>\$ 99,289</b>
\$ 30,000,000 - \$ 49,999,999	<b>=(49,999,999-30,000,000)*0.045%</b>	\$ 8,800	<b>\$ 9,000</b>	\$ 98,012	<b>\$ 100,041</b>		\$ 106,812	<b>\$ 109,041</b>
\$ 50,000,000 and \$ 99,999,999	<b>=(99,999,999-50,000,000)*0.045%</b>	\$ 22,000	<b>\$ 22,500</b>	\$ 107,025	<b>\$ 109,240</b>		\$ 129,025	<b>\$ 131,740</b>
\$ 100,000,000 - more	<b>=(999,999,999-100,000,000)*0.016%</b>	\$ 144,000	<b>\$ 144,000</b>	\$ 129,747	<b>\$ 132,433</b>		\$ 273,747	<b>\$ 276,433</b>

Key to Adjustment Formula: total cost/current revenue = factor, current % and flat fee x factor

SAN FRANCISCO PLANNING DEPARTMENT  
 CLASS 32 - CATEGORICAL EXEMPTION CERTIFICATE  
 PROPOSED FORMULAS FOR "Cat. Ex. Class 32" (Categorical Exemption)

Factor 1.0207  
 = 2.07% CPI Increase

						FY10-11	FY11-12	FY11-12
						Current	Proposed	Proposed
						Flat Fee plus	Flat Fee plus	Flat + Variable
Construction Cost Range	Proposed Fee Schedule Formula	Current Variable Fee	Proposed Estimated Variable Fee	Current Flat Fee	Proposed Flat Fee	Variable Fee	Variable Fee	add-on BOS appeal \$111
\$ 0 - \$ 9,999	Flat Fee*	\$ -	\$ -	\$ 10,264	\$ 10,476	\$ 10,264	\$ 10,476	\$ 10,587
\$ 10,000 - \$ 199,999	$=(199,999-10,000)*0.182\%$	\$ 338	\$ 346	\$ 10,264	\$ 10,476	\$ 10,602	\$ 10,822	\$ 10,933
\$ 200,000 - \$ 999,999	$=(999,999-200,000)*0.172\%$	\$ 1,352	\$ 1,376	\$ 10,602	\$ 10,822	\$ 11,954	\$ 12,198	\$ 12,309
\$ 1,000,000 - \$ 9,999,999	$=(9,999,999-1,000,000)*0.053\%$	\$ 4,680	\$ 4,770	\$ 11,954	\$ 12,201	\$ 16,634	\$ 16,971	\$ 17,082
\$ 10,000,000 and above	$=(29,999,999-10,000,000)*0.386\%$	\$ 75,600	\$ 77,200	\$ 16,634	\$ 16,978	\$ 92,234	\$ 94,178	\$ 94,289

# Proposed Fee Change Legislation

## FY2011-2012

May 2011

**Tom DiSanto , *Chief Administrative Officer***

**Keith DeMartini, *Finance Manager***



# Agenda

1. Annual Consumer Price Index (CPI) Adjustments
2. Correcting CPI Language for Administrative Code Section 31.22(12)(3) – CEQA Basic Fees
3. Place a 50% cap on initial fees based on estimated construction cost
4. Plan to comprehensively update all fees in FY11-12



# CPI Adjustments

## 2.07% CPI rate increase this year

- Every year, the Controller will annually adjust the fee amounts by the two-year average consumer price index (CPI) change for the San Francisco/San Jose Primary Metropolitan Statistical Area (PMSA).
- All fees in the Schedule of Application Fees will be adjusted, and the Planning and Administrative Code will be updated.





# CPI Language in Admin Code

## *Correcting CPI Language for Administrative Code*

### *Section 31.22(12)(3) – CEQA Basic Fees:*

“The Controller will annually adjust the fee amounts specified in Section 31.22(a)(1), (2), (5), (7), (8), (9), (10), ~~and~~ (11), and (12), Section 31.22(b)(1) and (6), Section 31.22 (c), Section 31.23(d) and Section 31.23.1(a) and (b) by the two-year average consumer price index (CPI) change for the San Francisco/San Jose PMSA.”



# 50% Cap on Initial Fees

## *Basis for Recommendation*

- For many small-scale construction projects, the implementation of the existing rule has sometimes resulted in the initial fee amount being *more than 50%* of the estimated construction cost.
- The high initial fee amount has deterred applicants from following through on a project.
- The change encourages applicants to follow through on these projects.
- Does not represent a significant revenue impact compared to the department's overall revenue budget.



# 50% Cap on Initial Fees

Place a cap on the initial fee amount at *no more than 50%* of the estimated construction cost of the project

1. Conditional Use Applications (*Planning Code, Section 352(a)*)
2. Commission and Variance Applications (*Planning Code, Section 352(b)*)
3. Downtown (C-3) District Review (Section 309) and Coastal Zone Permit (Section 330) Applications (*Planning Code, Section 352(c)*)
4. Certificate of Appropriateness (*Planning Code, Section 356(c)*)
5. Building Permit Applications (*Planning Code, Section 355*)
  - a. Change in Use or Alteration of an Existing Building
  - b. New Construction



# 50% Cap on Initial Fees

Summary of potential lost revenue and volume of applications and permits that would have been subject to the 50% limitation if the proposed change had been in place during the past three fiscal years.

Potential Lost Revenue & Volume Summary	FY08-09 Actual	FY09-10 Actual	FY10-11 Projection	3-Year Average
Planning Application Fees – Lost Revenue	\$2,410	\$1,325	\$6,271	\$3,335
Application Volume	5	5	7	6
DBI Permit Costs (Planning)	\$8,702	\$7,820	\$4,383	\$6,968
Permit Volume	63	49	29	47
<b>Total Potential Lost Revenue</b>	<b>\$11,112</b>	<b>\$9,145</b>	<b>\$10,653</b>	<b>\$10,303</b>



# Plan to Update Fee Schedule

- *Cost of Services Study*
  - Last conducted by PRM in May 2006
  - Comprehensive analysis of DBI and Planning services to understand cost of services
  - Assess appropriateness of current fees
  - Study took 1 year to complete and cost ~\$50K
  - *Resulted in cost study models for DBI and Planning, and baseline for fees*



# Plan to Update Fee Schedule

- The 50% cap on initial fees is the necessary first step before comprehensively reviewing all fees
  - This change will help inform analysis for other fee changes
- Many fees may need to be adjusted based on actual, more accurate cost of services over the past 5 years
- *In FY11-12, Planning will conduct a comprehensive analysis of cost of services provided compared to current fees in order to recommend fee changes*



# Questions

