



SAN FRANCISCO PLANNING DEPARTMENT

MEMORANDUM

To: Members, Planning Commission
Members, Historic Preservation Commission

From: John Rahaim, Director of Planning

Date: January 26, 2011

Subject: **FY 2011-2012 Draft Budget and Revenue Options**

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DOCUMENT SUMMARY

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Introduction

On January 19 and January 20, staff presented the Department's proposed work program to the Historic Preservation and Planning Commissions, respectively. Since that time, staff has refined the revenue and expenditure estimates for next fiscal year, and is now submitting budget details for the Commissions' review. The proposed budget maintains staffing at current fiscal year levels and does not include revenue or expenditures to support the additional activities identified in the work program related to the Health Care Master Plan creation and environmental review, America's Cup urban design and environmental review, India Basin redevelopment area plan completion and environmental review, Mid-Market Redevelopment Area environmental review and the California High Speed Rail project. The Department is still working to identify resources for those activities, and it is likely that any adjustments to the Department's budget for those efforts will be made after the Department submits its budget by the February 22, 2011 deadline.

The decision to propose a budget at current levels is predicated on revenue and expenditure levels realized during the current fiscal year through December 30, 2010. The Fiscal Year 2010-11 budget assumed a permit and application volume increase of 2.5 percent, along with a fee increase of 4.65 percent (2.61 percent CPI plus 2.04 percent fee increase). Based on data from the first six months of this fiscal year, the Department has

realized a 7.6 percent increase in volume during the first six months of the fiscal year. Attachment A identifies permit and application volume received by type and month for the current and prior fiscal years.

Table A is a summary of the information provided in Attachment A:

Table A

	July	August	September	October	November	December	Total
FY 2009-10	876	751	799	795	763	736	4,720
FY 2010-11	877	885	896	823	701	883	5,065
Percent Change	0.1%	17.8%	12.1%	3.5%	(8.1)%	20.0%	7.6%

FY 2010-11 Budget Status Update

FY 2010-11 Revenues and Expenditures Expected to be on Budget

The Planning Department is expected to be on budget in FY 2010-11. This means that we expect to collect all the revenues we projected to collect as assumed in the FY 2010-11 budget and that all expenditures will not exceed the adopted appropriations. This projection includes several assumptions.

Revenues

The projected actual revenues assume that we receive the average of the first six months' revenue for the remaining 6 months of the fiscal year. Based on this method, the total projected shortfall in fee revenue is \$2.0 million due primarily to a \$2.1 million shortfall in environmental review fees. The environmental review fee revenue shortfall is due to falling short of the budgeted increase of 59% over the prior year's budget.

As identified in Table B below, the fee revenue shortfall is projected to be offset by a \$2.0 million surplus in permit revenue, including a projected \$1.1 million surplus in Building Permit Alterations and a projected \$900 thousand surplus in New Construction Building Permits. The projected surplus is due to an increase in permit applications filed as identified in Attachment A.

Table B

Type	Fee or Permit Title	A	B	C = A-B
		FY 2010-11 Budget	FY 10-11 Projected Actual	FY 2010-11 Surplus/ (Shortfall)
Permits	BUILDING PERMIT ALTERATIONS	\$ 7,950,827	\$ 9,053,145	\$ 1,102,318
Permits	NEW CONSTRUCTION BUILDING PERMITS	788,263	1,730,957	942,694
		8,739,090	10,784,101	2,045,011
Fees	PLANNING - ENVIRONMENTAL REVIEW FEES	\$ 5,470,919	\$ 2,868,743	\$ (2,602,176)
Fees	OTHER SHORT RANGE CITY PLANNING FEES	1,056,018	1,405,681	349,663
Fees	PLANNING - CONDITIONAL USE FEES	1,253,055	1,238,119	(14,936)
Fees	PLANNING - CATEGORICAL EXEMPTION FEES		526,985	526,985
Fees	PLANNING - VARIANCE FEES	416,021	451,086	35,065
Fees	CITY PLANNING HEALTH FEES	-	197,336	197,336
Fees	PLANNING - CERT OF APPROPRIATENE FEES	146,397	113,925	(32,472)
Fees	PLANNING - MEDICAL CANNABIS DISPENSARY		-	-
Fees	CITY PLANNING APPLICATION REFUNDS	-	(504,476)	(504,476)
		\$ 8,342,410	\$ 6,297,399	\$ (2,045,011)
Total Permits and Fees		\$ 17,081,500	\$ 17,081,500	\$ 0

Expenditures

As identified in Table C, FY 2010-11 actual expenditures are projected to be within appropriation limits. The department currently projects a shortfall in one grant fund related to a Department of Public Works pass through for which Planning cannot bill overhead to the granting agency, pending approval of Public Work's indirect cost rate proposal, as well as a shortfall in General Advertising Sign Program revenue. This shortfall will be covered by savings in the operating expenditure budget using the department's General Fund allocation. All other expenditures are expected to be on budget.

Table C

<u>Expenditure Budget</u>	<u>Budget</u>	<u>Projected Actuals</u>	<u>Variance</u>
Salaries & Fringe	\$16,725,037	\$15,359,431	\$1,365,606
Non personnel costs	\$4,056,879	\$3,962,203	\$94,676
Work Order Recovery Shortfall			\$(594,800)
Carryforward request			\$(296,759)
Proposed Hiring Plan			\$(370,000)
Total Net Sources & Uses			\$198,723
SPECIAL REVENUE FUNDS			Surplus/(Shortfall)
2S_ENV_GNC, GRANTS; NON-PROJECT; CONTINUING			\$(83,194)
2S_NDF_PCE, PLANNING CODE ENFORCEMENT FUND			\$(113,261)

FY 2011-12 Draft Budget Proposal

Attachment B outlines both the revenue and expenditure side of the Department's proposed budget. The proposed FY 2011-12 budget prepared by staff is balanced on both the expenditure and revenue sides. Revenue options to keep the budget in balance are discussed below.

Overall, the Department's proposed budget will decrease slightly year over year from \$23,849,972 to \$23,521,601, or -1.4 percent. The Department's proposed budget maintains staffing and other operating expenses at current levels.

The proposed FY 2011-12 expenditure budget is as follows:

Table D

	FY 2011 Adopted	FY 2012 Proposed	Increase/ (Decrease)	Percent Changed
Salaries	12,954,977	13,059,546	\$104,569	0.8%
Mandatory Fringe Benefits	5,217,086	6,013,045	\$795,959	15.3%
Overhead	214,474	214,474	\$0	0.0%
Non Personal Services	1,849,555	630,982	\$(1,218,573)	-65.9%
Materials and Supplies	140,008	186,913	\$46,905	33.5%
Equipment	22,280	11,140	\$(11,140)	-50.0%
Services of Other Departments	3,451,592	3,405,501	\$(46,091)	-1.3%
Total	\$23,849,972	\$23,521,601	\$(328,371)	-1.4%

The details of the above shown changes are in Attachment C – FY 2011-12 Expenditure Summary. The most significant changes on the expenditure side are related to increases in retirement, and health and dental costs, offset by reduced expenditures related to a one-time \$1,200,000 federal grant received last fiscal year.

The proposed FY 2011-12 revenue budget is as follows:

Table E

<u>Sources</u>	FY 2011 Adopted	FY 2012 Proposed	Increase/ (Decrease)	Percent Changed
<i>Operating</i>				
Planning Department Fees	\$17,081,500	\$18,954,358	\$1,872,858	11.0%
Federal Grants	\$1,200,000	\$70,000	\$(1,130,000)	-94.2%
State and Other Local Grants	356,100	1,204,739	\$848,639	238.3%
General Fund Support	1,431,435	1,331,235	\$(100,200)	-7.0%
Subtotal	\$20,069,035	\$21,560,332	\$1,491,297	7.4%
<i>Special Funds</i>				
General Advertising Sign Program	692,845	250,000	(442,845)	-63.9%
Code Enforcement Funds	104,000	104,000	\$0	0.0%
Subtotal	\$796,845	\$354,000	\$(442,845)	-51.2%
Expenditure Recovery	1,934,092	1,607,269	(326,823)	-16.9%
Use of Prior Year Savings	1,050,000	0	(1,050,000)	-100.0%
Subtotal	\$2,984,092	\$1,607,269	(1,376,823)	-46.1%
Total	\$23,849,972	\$23,521,601	\$(328,371)	-1.4%

As shown in the table above, the largest increase in the revenue budget is for Department fees. Increased fee revenue is based on - (1) automatic Consumer Price Index (CPI) adjustments authorized under the Planning and Administrative Codes, (2) an assumed improvement in the volume of applications filed next year at 3.0 percent, and (3) adjustments to the Environmental Review Fees based on revenue assumptions included in the FY 2010-11 budget.

The largest decreases in the revenue budget is related to a one-time \$1,200,000 federal grant offset by increased State grant funding and prior year savings that were available to fund the FY 2010-11 budget. Other decreases include the General Advertising Sign Program, Expenditure Recovery (funding from other departments for planning and environmental review work), and reduced General Fund support.

Revenue Options

The current year budgeted assumed a 2.5 percent volume increase. To date, the actual volume increase has been 7.6 percent. The Controller authorized CPI adjustment for next fiscal year allowed under the various Planning and Administration Code Sections under which fees are collected is 1.5%. Based on the current volume growth rates and

general economic growth rate indicators, the Department believes that assuming modest growth in volume next fiscal year at 3.0 percent is reasonable given current volume increases compared to budget. The CPI and assumed volume growth rate together would provide a combined fee revenue growth increase of 4.5% or an additional \$1.8 million in fee revenue. Attachment D identifies three proposed revenue options. Each of the options presented proposes various mixes of a 4.5% increase between CPI, permit and application volumes, and fee increases.

The following Table summarizes the

Table F

	FY 10-11 Projected Actual	FY 11-12 CPI	FY 11-12 Volume	FY 11-12 Fee Increase	FY 11-12 Projected Revenue	FY 12 Budget vs FY 11 Change
Option 1	\$17,124,116	1.5%	3.0%	0.0%	\$18,954,358	\$1,872,858
Option 2	\$ 17,124,116	0.0%	4.5%	0.0%	\$18,954,358	\$1,872,858
Option 3	\$ 17,124,116	1.5%	2.0%	1.0%	\$18,954,358	\$1,872,858

All three options assume an approximate 50 percent reduction, or approximately \$1 million, in Environmental Review Fees from the current year estimate. The FY 2010-11 budget assumed revenue of \$5.5 million from Environmental Review Fees, or a 59 percent growth over the prior year. Given current year-end actual projected revenue for Environmental Review Fees, the FY 2011-12 budget assumes a 28 percent reduction from the current year Environmental Review Fee budget.

Recommended Option: Planning Department staff recommends using Option 1 as the revenue assumption for the FY 2011-12 budget. The option applies the code authorized CPI adjustment, assumes conservative modest growth in volume of 3 percent and no fee increase.

FY 2011-12 Draft Work Program

Attachment E contains the proposed FY 2011-12 Work Program reviewed by the Historic Preservation Commission at their January 19, 2010 meeting and by the Planning Commission at their January 20, 2010 meeting. Based on a request by the Planning Commission, the attached proposed Work Program has been modified to identify the work activities that are grant funded. As reflected in Attachment E, 9.20 FTEs will be grant-funded in the proposed FY 2011-12 Work Program.

The following table shows the grant funding appropriated in the current year budget versus grant funding in the proposed FY 2011-12 budget.

Table G

Source	FY 2010-11 Adopted Budget	Proposed FY 2011-12 Budget
Federal Grants	\$1,200,000	\$70,000
State Grants	\$270,000	\$1,144,739
Friends of City Planning	\$86,100	\$60,000
Total	\$1,556,100	\$1,274,739

Additionally, the Work Program activities have been revised to more thoroughly articulate the work tasks associated with the Citywide Planning Section's Plan Implementation, Monitoring, Funding and Community Improvements program, including moving several tasks from other Citywide Planning programs to this section, resulting in an increase from 1.50 FTE to 2.38 FTE. The overall Citywide Planning Work Program total remains the same as presented previously.

Next Steps

On February 10, 2010, staff will present a proposed balanced budget to the Commission for final review and approval. Once the Commission has reviewed and approved the proposed FY 2011-12 budget, staff will provide the Department's official budget submittal to the Mayor' Office by the February 22, 2011 deadline. Over the next few months, staff will work with both the Mayor's Office and the Board of Supervisors to refine and adjust the budget as necessary. Significant changes to the budget will be brought back to the Commission for review. Final budget adoption by the Board of Supervisors will occur no later than August 1, 2011.

Attachment A

Permit and Application Volume
Year over Year Change
FY 2009-10 to FY 2010-11

FY 10-11

Subobject	Subobject Title	July	August	September	October	November	December
60157	PLANNING - CATEGORICAL EXEMPTION FEES	26	37	32	16	16	42
60173	NEW CONSTRUCTION BUILDING PERMITS	8	9	12	4	7	19
60183	CITY PLANNING HEALTH FEES	84	49	116	50	77	224
60188	CITY PLANNING APPLICATION REFUNDS	1	3	3	4	4	0
60189	BUILDING PERMIT ALTERATIONS	599	579	563	553	448	451
60190	PLANNING - CONDITIONAL USE FEES	13	19	12	17	15	10
60191	PLANNING - ENVIRONMENTAL REVIEW FEES	4	7	3	7	4	0
60192	PLANNING - VARIANCE FEES	17	13	20	8	10	14
60193	PLANNING - CERT OF APPROPRIATENE FEES	4	1	1	5	1	2
60194	OTHER SHORT RANGE CITY PLANNING FEES	121	168	134	159	119	121
60195	PLANNING - MEDICAL CANNABIS DISPENSARY	0	0	0	0	0	0
TOTAL		877	885	896	823	701	883

FY 09-10

Subobject	Subobject Title	July	August	September	October	November	December
60157	PLANNING - CATEGORICAL EXEMPTION FEES	45	30	23	17	27	29
60173	NEW CONSTRUCTION BUILDING PERMITS	7	5	4	10	3	8
60183	CITY PLANNING HEALTH FEES	75	48	69	46	69	75
60188	CITY PLANNING APPLICATION REFUNDS	2	9	1	7	7	2
60189	BUILDING PERMIT ALTERATIONS	569	468	532	583	509	470
60190	PLANNING - CONDITIONAL USE FEES	20	12	15	22	16	11
60191	PLANNING - ENVIRONMENTAL REVIEW FEES	4	1	4	4	0	9
60192	PLANNING - VARIANCE FEES	11	16	14	11	8	9
60193	PLANNING - CERT OF APPROPRIATENE FEES	5	1	6	6	2	3
60194	OTHER SHORT RANGE CITY PLANNING FEES	138	161	131	89	122	119
60195	PLANNING - MEDICAL CANNABIS DISPENSARY	0	0	0	0	0	1
TOTAL		876	751	799	795	763	736

Avg		July	August	September	October	November	December	Avg
60157	PLANNING - CATEGORICAL EXEMPTION FEES	-42.2%	23.3%	39.1%	-5.9%	-40.7%	44.8%	3.1%
60173	NEW CONSTRUCTION BUILDING PERMITS	14.3%	80.0%	200.0%	-60.0%	133.3%	137.5%	84.2%
60183	CITY PLANNING HEALTH FEES	12.0%	2.1%	68.1%	8.7%	11.6%	198.7%	50.2%
60188	CITY PLANNING APPLICATION REFUNDS	-50.0%	-66.7%	200.0%	-42.9%	-42.9%	-100.0%	-17.1%
60189	BUILDING PERMIT ALTERATIONS	5.3%	23.7%	5.8%	-5.1%	-12.0%	-4.0%	2.3%
60190	PLANNING - CONDITIONAL USE FEES	-35.0%	58.3%	-20.0%	-22.7%	-6.3%	-9.1%	-5.8%
60191	PLANNING - ENVIRONMENTAL REVIEW FEES	0.0%	600.0%	-25.0%	75.0%		-100.0%	110.0%
60192	PLANNING - VARIANCE FEES	54.5%	-18.8%	42.9%	-27.3%	25.0%	55.6%	22.0%
60193	PLANNING - CERT OF APPROPRIATENE FEES	-20.0%	0.0%	-83.3%	-16.7%	-50.0%	-33.3%	-33.9%
60194	OTHER SHORT RANGE CITY PLANNING FEES	-12.3%	4.3%	2.3%	78.7%	-2.5%	1.7%	12.0%
60195	PLANNING - MEDICAL CANNABIS DISPENSARY	0.0%	0.0%	0.0%	0.0%	0.0%	-100.0%	-16.7%
TOTAL		0.1%	17.8%	12.1%	3.5%	-8.1%	20.0%	7.6%

**Planning Department
Summary of FY 2011-12 Proposed Budget**

<u>Sources</u>	FY 2011 Adopted	FY 2012 Proposed	Increase/ (Decrease)	Percent Changed
<i>Operating</i>				
Planning Department Fees	17,081,500	18,954,358	1,872,858	11.0%
Federal Grants	1,200,000	70,000	(1,130,000)	-94.2%
State and Other Local Grants	356,100	1,204,739	848,639	238.3%
General Fund Support	1,431,435	1,331,235	(100,200)	-7.0%
Subtotal	\$ 20,069,035	\$ 21,560,332	\$ 1,491,297	7.4%
<i>Special Funds</i>				
General Advertising Sign Program	692,845	250,000	(442,845)	-63.9%
Code Enforcement Funds	104,000	104,000	-	0.0%
Subtotal	\$ 796,845	\$ 354,000	\$ (442,845)	-55.6%
Expenditure Recovery	1,934,092	1,607,269	(326,823)	-16.9%
Use of Prior Year Savings	1,050,000	-	(1,050,000)	-100.0%
Subtotal	\$ 2,984,092	\$ 1,607,269	(\$1,376,823)	-46.1%
Total	\$ 23,849,972	\$ 23,521,601	\$ (328,371)	-1.4%
<u>Uses</u>				
	FY 2011 Adopted	FY 2012 Proposed	Increase/ (Decrease)	Percent Changed
Salaries	12,954,977	13,059,546	104,569	0.8%
Mandatory Fringe Benefits	5,217,086	6,013,045	795,959	15.3%
Overhead	214,474	214,474	-	100.0%
Non Personal Services	1,849,555	630,982	(1,218,573)	-65.9%
Materials and Supplies	140,008	186,913	46,905	33.5%
Equipment	22,280	11,140	(11,140)	-50.0%
Services of Other Departments	3,451,592	3,405,501	(46,091)	-1.3%
Total	\$ 23,849,972	\$ 23,521,601	\$ (328,371)	-1.4%
Surplus/(Deficit)	\$ -	\$ (0)		

Planning Department
Proposed Expenditure Summary - FY 2011-12

Category	Adopted FY2011 Budget	Proposed FY2012 Budget	Increase/Decrease		Explanation of Request
			Amount	Percent	
Salaries	12,954,977	13,059,546	104,569	0.81%	Salary adjustment increase of \$74,428, including adjustments related to step increases, temporary salaries, Collective Bargaining MOUs, attrition savings, position deletions and annualizations, and Premium Pay adjustments. Position substitution increase of \$30,141 for .77FTE from 1822 Administrative Analyst to 1823 Senior Administrative Analyst, and .77FTE from 1022 IS Administrator II to 1023 IS Administrator III.
Retirement	1,809,038	2,376,856	567,818	31.39%	Retirement costs loaded in the Department's base budget by the Controller's Office. These citywide increases are based on the actuarial study conducted by the Retirement System to determine the contribution amount need by the City for retiree costs.
Health	2,332,945	2,566,240	233,295	10.00%	Health and Dental rates have not yet been loaded in departmental budgets by the Controller's Office as the health and dental rates are still being negotiated. Based on average annual health and dental rate increases from the Controller's Office, a 10% cost increase has been assumed.
Fringe benefits	1,075,103	1,069,949	(5,154)	-0.48%	Slight changes related to Unemployment Insurance, MediCare and FICA.
Subtotal of Sal. & Fringes	18,172,063	19,072,591	900,528	4.96%	
Indirect Cost Reimb (COWCAP)	214,474	214,474	-	0.00%	Funds Planning's portion of citywide overhead costs. Final citywide overhead costs have not yet been finalized by the Controller's Office.
Professional and Specialized Services	1,368,865	139,565	(1,229,300)	-89.80%	In Administration, funds garbage services \$36,000 and IT-Share point development \$55,700; In Citywide, funds strategic plan implementation \$30,000, and Misc. contract supported by FOCP \$15,080; In Neighborhood Planning, funds Historic Preservation-CHIRD development \$2,785. Decrease is related to contract supported by one-time USEPA and CalTrans grants.
Other Current Expenses	480,690	491,417	10,727	2.23%	Funds a variety of office expenses: in Administration, includes software licensing \$41,373, Equipment Maint \$73,626, advertising \$91,254, office machine rental and other expenses \$62,050, postage \$65,013, records storage \$21,200, training \$19,202, translation services \$8,120, travel \$2,700, and other miscellaneous expenses \$19,862. In MEA, funds subscriptions \$1,500. In Citywide, funds printing \$31,800, Software licensing \$785, subscription \$7,212, and travel and training supported by FOCP \$45,720. Increase of \$10,727 primarily related to the Department's copier lease expenses and other office equipment rental.
Subtotal of Non-Personal Services	1,849,555	630,982	(1,218,573)	-65.88%	

Planning Department
Proposed Expenditure Summary - FY 2011-12

Category	Adopted FY2011 Budget	Proposed FY2012 Budget	Increase/Decrease		Explanation of Request
			Amount	Percent	
Materials and Supplies	140,008	186,913	46,905	33.50%	Funds materials and supplies costs for the department \$186,913. Includes savings from <i>Think Before You Print</i> program and efficiencies from full service lease agreement for the photocopy machines. Increase the budget for cartridge and paper in operation for department wide; PCs/printers replacement and server under \$5K replacement for department wide.
Equipment	22,280	11,140	(11,140)	-50.00%	Funds department-wide IT hardware costs \$11,140.
Services of Other Departments	3,451,592	3,405,501	(46,091)	-1.34%	Funds services performed by other City departments for the Planning Department. In Administration, significant expenses include Real Estate \$1,117,685, City Attorney \$916,000, DTIS \$362,124, Human Resources \$348,210, Reproduction \$151,230, Mail Services \$83,190, Risk Mgmt \$9,032, Youth Employment Program \$4,200, Central Shops \$5,880, DPW \$6,563 and DBI \$50,000. In Neighborhood Planning, budget is for funding Sign Program-City Attorney Services \$107,500 and Rent Board \$10,000, Code Enforcement-City Attorney Services \$104,000.
Total	23,849,972	23,521,601	(328,372)	-1.38%	
Interdepartmental Recovery	(1,934,092)	(1,607,269)	326,823	-16.90%	Reflects funding from other City departments for work performed on their behalf. In Neighborhood Planning, includes support from DPW (\$132,700), SFRA (\$36,000) and the Port (\$132,700). In MEA, support from Airport(\$10,000), MTA (\$100,000), PUC(\$281,169), and SFRA (\$56,000). In Citywide, support from Port (\$250,000), Rec & Park (\$33,100), Real Estate (\$93,100), PUC (\$182,500), MTA (\$250,000), and SFRA (\$50,000).

Attachment D

**FY 2011-12 Proposed Budget
Planning Fee Revenue Options**

OPTION 1---1.5% CPI Increase and 3.0% Volume Increase

Fee or Permit Title	FY 10-11	FY 11-12	FY 11-12	FY 11-12	FY 11-12	FY 12 Budget vs		
	Projected					CPI	Volume	Fee
	Actual				increase	Projection	Amt	Budget vs
								FY 11
								Budget %
BUILDING PERMIT ALTERATIONS	\$ 9,053,145	1.5%	3.0%	0.0%	\$ 9,460,536	\$ 1,509,709	19%	
NEW CONSTRUCTION BUILDING PERMITS	1,773,573	1.5%	3.0%	0.0%	1,853,384	1,065,121	135%	
	10,826,717	1.5%	3.0%	0.0%	11,313,920	2,574,830	29%	
PLANNING - ENVIRONMENTAL REVIEW FEES	\$ 2,868,743	1.5%	3.0%	0.0%	\$ 4,057,492	\$ (1,413,427)	-26%	
OTHER SHORT RANGE CITY PLANNING FEES	1,405,681	1.5%	3.0%	0.0%	1,468,937	412,919	39%	
PLANNING - CONDITIONAL USE FEES	1,238,119	1.5%	3.0%	0.0%	1,293,835	40,780	3%	
PLANNING - CATEGORICAL EXEMPTION FEES	526,985	1.5%	3.0%	0.0%	550,700	550,700	100%	
PLANNING - VARIANCE FEES	451,086	1.5%	3.0%	0.0%	471,385	55,364	13%	
CITY PLANNING HEALTH FEES	197,336	1.5%	3.0%	0.0%	206,216	206,216	100%	
PLANNING - CERT OF APPROPRIATENE FEES	113,925	1.5%	3.0%	0.0%	119,052	(27,345)	-19%	
PLANNING - MEDICAL CANNABIS DISPENSARY	-	1.5%	3.0%	0.0%	-	-		
CITY PLANNING APPLICATION REFUNDS	(504,476)	1.5%	3.0%	0.0%	(527,178)	(527,178)	-100%	
	\$ 6,297,399	1.5%	3.0%	0.0%	\$ 7,640,438	\$ (701,972)	-8%	
	\$ 17,124,116	1.5%	3.0%	0.0%	\$ 18,954,358	\$ 1,872,858	11.0%	

OPTION 2---4.5% Volume Increase

Fee or Permit Title	FY 10-11	FY 11-12	FY 11-12	FY 11-12	FY 11-12	FY 12 Budget vs		
	Projected					CPI	Volume	Fee
	Actual				increase	Projection	Amt	Budget vs
								FY 11
								Budget %
BUILDING PERMIT ALTERATIONS	\$ 9,053,145		4.5%	0.0%	\$ 9,460,536	\$ 1,509,709	19%	
NEW CONSTRUCTION BUILDING PERMITS	1,773,573		4.5%	0.0%	1,853,384	1,065,121	135%	
	10,826,717		4.5%	0.0%	11,313,920	2,574,830	29%	
PLANNING - ENVIRONMENTAL REVIEW FEES	\$ 2,868,743		4.5%	0.0%	\$ 4,057,492	\$ (1,413,427)	-26%	
OTHER SHORT RANGE CITY PLANNING FEES	1,405,681		4.5%	0.0%	1,468,937	412,919	39%	
PLANNING - CONDITIONAL USE FEES	1,238,119		4.5%	0.0%	1,293,835	40,780	3%	
PLANNING - CATEGORICAL EXEMPTION FEES	526,985		4.5%	0.0%	550,700	550,700	100%	
PLANNING - VARIANCE FEES	451,086		4.5%	0.0%	471,385	55,364	13%	
CITY PLANNING HEALTH FEES	197,336		4.5%	0.0%	206,216	206,216	100%	

Attachment D

**FY 2011-12 Proposed Budget
Planning Fee Revenue Options**

PLANNING - CERT OF APPROPRIATENE FEES	113,925	4.5%	0.0%	119,052	(27,345)	-19%
PLANNING - MEDICAL CANNABIS DISPENSARY	-	4.5%	0.0%	-	-	
CITY PLANNING APPLICATION REFUNDS	(504,476)	4.5%	0.0%	(527,178)	(527,178)	-100%
\$	6,297,399	4.5%	0.0%	\$ 7,640,438	\$ (701,972)	-8%
\$	17,124,116	4.5%	0.0%	\$ 18,954,358	\$ 1,872,858	11.0%

OPTION 3--1.5% CPI Increase, 2% Volume Increase and 1.0% Fee Increase

Fee or Permit Title	FY 10-11	FY 11-12 CPI	FY 11-12 Volume	FY 11-12 Fee increase	FY 11-12 Projection	FY 12	
	Projected Actual					FY 12 Budget vs FY 11 Budget Amt	Budget vs FY 11 Budget %
BUILDING PERMIT ALTERATIONS	\$ 9,053,145	1.5%	2.0%	1.0%	\$ 9,460,536	\$ 1,509,709	19%
NEW CONSTRUCTION BUILDING PERMITS	1,773,573	1.5%	2.0%	1.0%	1,853,384	1,065,121	135%
	10,826,717	1.5%	2.0%	1.0%	11,313,920	2,574,830	29%
PLANNING - ENVIRONMENTAL REVIEW FEES	\$ 2,868,743	1.5%	2.0%	1.0%	\$ 4,057,492	\$ (1,413,427)	-26%
OTHER SHORT RANGE CITY PLANNING FEES	1,405,681	1.5%	2.0%	1.0%	1,468,937	412,919	39%
PLANNING - CONDITIONAL USE FEES	1,238,119	1.5%	2.0%	1.0%	1,293,835	40,780	3%
PLANNING - CATEGORICAL EXEMPTION FEES	526,985	1.5%	2.0%	1.0%	550,700	550,700	100%
PLANNING - VARIANCE FEES	451,086	1.5%	2.0%	1.0%	471,385	55,364	13%
CITY PLANNING HEALTH FEES	197,336	1.5%	2.0%	1.0%	206,216	206,216	100%
PLANNING - CERT OF APPROPRIATENE FEES	113,925	1.5%	2.0%	1.0%	119,052	(27,345)	-19%
PLANNING - MEDICAL CANNABIS DISPENSARY	-	1.5%	2.0%	1.0%	-	-	
CITY PLANNING APPLICATION REFUNDS	(504,476)	1.5%	2.0%	1.0%	(527,178)	(527,178)	-100%
\$	6,297,399	1.5%	2.0%	1.0%	\$ 7,640,438	\$ (701,972)	-8%
\$	17,124,116	1.5%	2.0%	1.0%	\$ 18,954,358	\$ 1,872,858	11.0%

**PLANNING DEPARTMENT PROPOSED WORK PROGRAM
FY 2011-12**

<i>Activity</i>	<i>2010-11 FTEs</i>	<i>Proposed FY 2011-12 FTEs</i>	<i>Grant Funded</i>	<i>Change</i>
I. NEIGHBORHOOD PLANNING	50.81	51.60	0.50	0.79
1 Application Review and Processing	23.71	22.65		-1.06
A. Building Permit Applications	10.30	10.50		0.20
B. Discretionary Review Applications	2.15	1.95		-0.20
C. Variance Applications	1.25	1.25		0.00
D. Conditional Use and other case applications (309, 321, 329, Prop K, Costal Zone)	5.00	5.10		0.10
E. Zoning Adminstrator Letters of Determinations	0.40	0.40		0.00
G. Misc. Permit Referrals: including Health, Fire, ABC, Police and Entertainment	0.85	0.85		0.00
H. DPW Permit Referrals: Condos/Subdivisions/Telecommunications	0.98	1.00		0.02
I. Residential Design Team	0.88	0.80		-0.08
J. Project Review	0.70	0.60		-0.10
K. Preliminary Project Assesment (PPA): <i>to be implemented in March, 2010.</i>	0.20	0.20		0.00
L. Project Management	1.00	0.00		-1.00
2. Historic Preservation (Total # of preservation planners maintained at 11)	8.23	9.43	0.50	1.20
A. Preservation Survey Programs: Mid-Market, Area B work	1.27	0.57		-0.70
B. All preservation-related CEQA case work	2.41	3.61		1.20
C. Certificates of Appropriateness, Permits to Alter, Mills Act, Section 106, and other	2.10	1.40		-0.70
D. Review of building permits by preservation technical specialist: <i>embedded in permit review item</i>	0.00	0.00		0.00
E. Historic Prevation Commission action items including landmark designations	1.00	1.00		0.00
F. Landmarks and Historic District Initiations (privately initiated)	0.05	0.05		0.00
G. Preservation-specific code clean-up, process improvements etc.	0.20	0.20		0.00
H. Preservation project review meetings (internal) + bi-weekly staff mtgs	1.20	1.20		0.00
I. Special Projects: Civic Center Sustainable District, America's Cup, M&O designations		1.40	0.50	1.40
3. Provide Public Information	8.42	8.64		0.22
A. Planning Information Counter staffing	5.78	6.00		0.22
B. PIC Internet and Intranet Pages	0.25	0.25		0.00
C. Zoning Vertification Letters	0.08	0.08		0.00
D. Foreign Delegation Requests	0.01	0.01		0.00
F. General Public Information (<i>not at PIC and including public information requests</i>)	2.30	2.30		0.00
4. Inter-Department/Agency Activities	1.35	1.55		0.20
A. Inter-Department Coordination (DBI, DPH, DPW, MOH, SFRA, etc.)	0.25	0.45		0.20
B. Redevelopment Agency Coordination	0.10	0.10		0.00
C. Preservation work for the Port of San Francisco	1.00	1.00		0.00
5. Process Maintenance & Improvements, Citywide Support, Staff Training, Performance Review,	2.35	2.58		0.23
A. Planning Code and Area Plan Implementation, Legislative Review, etc.	0.20	0.30		0.10

**PLANNING DEPARTMENT PROPOSED WORK PROGRAM
FY 2011-12**

<i>Activity</i>	<i>2010-11 FTEs</i>	<i>Proposed FY 2011-12 FTEs</i>	<i>Grant Funded</i>	<i>Change</i>
C. Citywide Planning support	0.25	0.15		-0.10
D. Performance Plan & Appraisal Reporting	0.20	0.43		0.23
E. Staff Training and Professional Development	0.70	0.70		0.00
F. Procedures including implementation of Action Plan	0.50	0.50		0.00
G. Support for Director of NP for process improvement and case management	0.25	0.25		0.00
H. Neighborhood Commercial Design Standards (NCDS)	0.25	0.25		0.00
6. Support Staff	2.75	2.75		0.00
A. Clerical support for Quadrants, PIC, and Director of NP	2.75	2.75		0.00
7. Management	4.00	4.00		0.00
A. Director of NP, Four Quadrant Managers, Preservation Coordinator, PIC Manager	4.00	4.00		0.00
II. CITYWIDE PLANNING	30.95	42.17	8.70	11.22
1. General Plan Program	3.60	3.28	0.00	-0.32
A. General Plan Program. <i>Plan for updates. Ensure application of the General Plan as the City's long-</i>		0.50		
B. Draft Elements. <i>Complete and adopt draft plan elements.</i>		0.00		
1. Community Safety Element. <i>Complete and adopt concurrently with completion of</i>		0.05		
2. Recreation and Open Space Element. <i>Complete and adopt concurrently with completion of</i>		0.05		
C. New General Plan Elements. <i>Begin drafting new General Plan elements.</i>		0.00		
1. Urban Design Element Update: <i>Begin the first year of a multi-year effort of updating and</i>		1.50		
2. Transportation Element Update: <i>Initiate the update of the Transportation Element by</i>		0.10		
D. Focused General Plan Updates. <i>Incorporate adopted elements, incorporate board-initiated revisions.</i>		0.00		
1. Sustainability Updates: <i>Continue to collaborate with the Department of the Environment and</i>		0.10		
2. Draft and adopt focused General Plan updates.		0.00		
3. Maintain and Update the General Plan. <i>Keep the General Plan updated. Continue to</i>		0.20		
E. General Plan Application. <i>Ensure application of the General Plan through outreach and education.</i>		0.00		
1. GP Application and Referrals. <i>Ensure the application of the general plan through public and</i>		0.73		
2. Community Plan Exemptions. <i>Complete community plan exemptions as requested.</i>		0.05		
2. Community Planning Program	6.80	6.88	3.41	0.08
A. Community Planning Program		1.00	0.11	
B. Southeast Area Planning Efforts		0.00		
1. Bayview/Hunters Point Planning		0.25		
2. India Basin Shoreline Area Plan		0.10		
C. Fourth Street Corridor Planning and Public Realm Design		0.00		
1. Central Subway Downtown Corridor Plan (see also Public Realm Plan, below)		1.76	1.03	
D. Transit Center District Plan		0.25		
E. Civic Center Sustainable Resources District		2.27	2.27	

**PLANNING DEPARTMENT PROPOSED WORK PROGRAM
FY 2011-12**

<i>Activity</i>	<i>2010-11 FTEs</i>	<i>Proposed FY 2011-12 FTEs</i>	<i>Grant Funded</i>	<i>Change</i>
F. Japantown Better Neighborhoods Plan		0.50		
G. Glen Park Station Neighborhood Plan		0.50		
H. Western Soma Plan		0.25		
3. Plan Implementation, Monitoring, Funding, Community Improvements	1.25	2.38	0.00	1.13
A. Policy and Project Coordination		0.21		
B. Grant Coordination		0.10		
C. Impact Fee-Funded Programs for Adopted Area Plans				
1. Capital Project Coordination		0.25		
2. Plan Area Monitoring		0.25		
3. Staffing Citizen Advisory Committees: Market & Octavia, Eastern Neighborhoods		0.67		
D. Grant-Funded Programs				
1. 17th and Folsom Park Design and Development		0.25		
2. ENTRIPS Community Outreach and Staff Coordination		0.10		
3. Showplace Square Open Space Design		0.55		
4. Capital Project Funding, for other implementing projects by other city agencies		TBD		
4. Citywide Plans and Programs	4.00	7.94	0.00	3.94
A. America's Cup		0.25		
B. Health Services Master Plan		0.50		
C. Better Neighborhoods Program: Strengthening Neighborhoods		1.00		
D. Sustainable Development Strategy		1.00		
E. Regional Growth Strategy Discussion		0.15		
F. Hope SF		0.25		
G. California High Speed Rail Coordination		0.10		
H. Outreach Effectiveness Initiative		0.25		
I. Graphics and Design Program		1.00		
J. Board and Mayoral Initiatives		1.00		
K. Intra-Departmental Collaboration		0.00		
1. Departmental Collaboration and Exchange		0.10		
2. PIC Coverage		0.85		
3. Code Training		0.50		
4. Preliminary Project Assessments. <i>Participate in department's preliminary project assessment</i>		0.50		
L. Inter-Departmental Collaboration		0.00		
1. Partner with MTA (Select, Non-Work-Order)		0.15		
2. Partner with Port (Work Order)		0.14		
3. Partner with R&P (Work Order)		0.10		

Attachment E

**PLANNING DEPARTMENT PROPOSED WORK PROGRAM
FY 2011-12**

<i>Activity</i>	<i>2010-11 FTEs</i>	<i>Proposed FY 2011-12 FTEs</i>	<i>Grant Funded</i>	<i>Change</i>
4. Partner with Other City Agencies (Select, Non-Work-Order)		0.10		
5. City Design Program	5.00	11.42	4.80	6.42
A. City Design Program: Urban Design, Street and Public Realm Design, and Public Life Program		1.00		
B. SoMa Streets and Public Realm Plan/Mission Bay Interface		1.50		
C. Central Subway Downtown Corridor Public Realm Design (see also plan, above)		0.46	0.23	
D. Jefferson Street Design		0.10		
E. Cesar Chavez Redesign Phase II: Freeway East		0.50	0.50	
F. Broadway Street Redesign: Columbus to Tunnel		0.55	0.55	
G. Market Street Redesign (Better Market Street)		1.36		
H. Pavement to Parks Program, Phase II		1.00		
I. Embarcadero Open Space Design Concepts		0.18		
J. Green Connections		1.30	1.30	
K. Urban Forest Master Plan		1.51	1.51	
L. Pedestrian Network Planning		0.71	0.71	
M. Design Program (RDC, UDAT, Project Reviews, Temp III Architect)		1.15		
N. Urban Design Support to Other Agencies (Select, Non-Work-Order)		0.10		
6. Information and Analysis Program	3.70	4.00	0.00	0.30
A. Information and Analysis Program		0.50		
B. Census Bureau Local Affiliate		0.50		
C. Socio-Economic Analysis		0.50		
D. GIS Cartography and Spatial Analysis		1.00		
E. Land Use Database and Growth Forecast Modeling		0.50		
F. Reports		1.00		
7. Management	6.60	6.27	0.50	-0.33
A. Staff Training and Professional Development		0.50		
A. Staff Performance Evaluations		0.42		
B. Management (incl. CW Director and portion PIV)		3.00	0.50	
C. Administrative Staff		2.35		
III. MAJOR ENVIRONMENTAL ANALYSIS	24.90	28.65		3.75
1. Training and support.	0.90	0.75		-0.15
A. Training for environmental staff regarding legislative and procedural changes, consultant	0.10	0.10		0.00
B. Training for transportation staff regarding professional practices, general quality assurance,	0.35	0.20		-0.15
C. Training and support for environmental review activities performed by other Department	0.35	0.35		0.00
D. Coordinate with other City agencies contemplating plans and development projects that will	0.10	0.10		0.00
2. Prepare complex environmental documents.	18.10	22.10		4.00

**PLANNING DEPARTMENT PROPOSED WORK PROGRAM
FY 2011-12**

<i>Activity</i>	<i>2010-11 FTEs</i>	<i>Proposed FY 2011-12 FTEs</i>	<i>Grant Funded</i>	<i>Change</i>
A. Funded Environmental Impact Reports (EIRs) for projects other than Planning Dept and	7.45	7.45		0.00
B. Public Agency EIRs for Planning Dept and Board of Supervisors projects without dedicated	1.40	1.40		0.00
B.1 America's Cup EIR (unfunded)	0.00	2.50		2.50
B.1 Health Care Master Plan EIR (unfunded)	0.00	1.50		1.50
C. Appeal Hearings. CEQA Documents can be appealed to the Board of Supervisors. Staff time	2.00	2.00		0.00
D. Funded Negative Declarations. Complex Negative Declarations are those: for which	2.50	2.50		0.00
E. Negative Declarations and environmental review for City-sponsored projects without	1.00	1.00		0.00
F. Other Transportation Studies. Planning staff participates in studies by undertaken by other	1.00	1.00		0.00
G. Transportation Impact Studies. Transportation Impact Studies are required for projects with	2.75	2.75		0.00
3. Update internal procedures for citywide CEQA compliance.	0.40	0.40		0.00
A. Continue effort to adopt significance standards as suggested in revised CEQA Guidelines.	0.10	0.10		0.00
B. Continue efforts to refine the guidelines for transportation studies as necessary to reflect the	0.10	0.10		0.00
C. Continue efforts to update EIR consultant instructions and guidelines, reviewer's instructions,	0.10	0.10		0.00
D. Continue efforts to establish consistent guidance and procedures for mitigation monitoring	0.10	0.10		0.00
4. Development and Implementation of the Action Plan 2008-2010 (New Section)	0.20	0.10		-0.10
A. Action Plan Implementation: Case closure policies; forms, applications and handouts; and	0.20	0.10		-0.10
5. Other environmental applications, performance evaluations, public information, support to	2.30	2.30		0.00
A. Categorical Exemptions: Class 1 and 3 Categorical Exemptions and HRER reports shifted to	1.40	1.40		0.00
B. Other environmental documents (e.g. Addenda). <i>Ongoing.</i>	0.20	0.20		0.00
C. Performance Evaluations for all MEA staff. Reflects staff not management effort. <i>Ongoing.</i>	0.10	0.10		0.00
D. Public Information Counter Staffing	0.30	0.30		0.00
E. High Speed Rail	0.10	0.10		0.00
F. Support to Citywide for Growth Dialogue	0.10	0.10		0.00
G. Procedures	0.10	0.10		0.00
6. Management	3.00	3.00		0.00
IV. ZONING ADMINISTRATION	10.00	9.00		-1.00
A. Zoning Administrator functions (Variances, Letters of Determination, Board of Appeals) and	2.00	2.00		0.00
B. Support to the ZA	0.75	1.00		0.25
C. General Code Enforcement	5.00	5.00		0.00
D. General Advertising Sign Program	2.25	1.00		-1.25
V. ADMINISTRATION	30.25	30.50		0.25
1. Director's Office	6.25	6.50		0.25
A. Department Head functions and Executive Assistant. <i>Ongoing.</i>	2.00	2.00		0.00
B. Assistant Director: staff management, process improvement management, area plan	1.50	1.50		0.00
C. Management and development of Legislation. <i>Ongoing.</i>	2.00	2.00		0.00

**PLANNING DEPARTMENT PROPOSED WORK PROGRAM
FY 2011-12**

<i>Activity</i>	<i>2010-11 FTEs</i>	<i>Proposed FY 2011-12 FTEs</i>	<i>Grant Funded</i>	<i>Change</i>
D. Communications	0.75	1.00		0.25
2. Administrative Services	10.00	10.00		0.00
A. Chief Administrative Officer function: Provide oversight and direction to the Finance,	1.50	1.50		0.00
B. Under Assistant Director - Human Resources: Provide recruitment, employee relations,	1.00	1.00		0.00
C. Under Assistant Director - Training: Provide effective training programs to promote staff	0.50	0.50		0.00
D. Finance: Provide effective resource management and budget development in support of the	1.00	1.00		0.00
E. Accounting, Budget: Handles accounting, audits, and invoice payments; perform financial	2.00	2.00		0.00
F. Contract Administration: Administer requests for proposals and requests for quotes; ensure	1.00	1.00		0.00
G. Revenue/Collections: Seek methods for cost recovery, track applicant fees to capture payment;	2.00	2.00		0.00
H. Grants: Seek grant opportunities and coordinate grant applications: <i>Grant funded position in</i>	1.00	1.00		0.00
4. Information Technology	5.50	5.50		0.00
4.1 Strengthen the Department's Information Technology function.	1.00	1.00		0.00
A. Integrated Permit Tracking System: <i>Project funded</i>	1.00	1.00		0.00
4.2 Provide effective Information Technology resource management	4.50	4.50		0.00
A. Network Maintenance and Enhancement. <i>Ongoing.</i>	1.00	1.00		0.00
B. Information Systems Development and Maintenance	0.75	0.75		0.00
C. Continue staff computer training program. <i>Ongoing.</i>	0.25	0.25		0.00
D. Help Desk support.	1.00	1.00		0.00
E. Develop GIS infrastructure and build GIS capacity in-house.	1.00	1.00		0.00
F. Information Technology Management	0.50	0.50		0.00
5. Operations	5.50	5.50		0.00
(1) Maintain coverage for reception desk for Planning Department <i>Ongoing</i>	1.00	1.00		0.00
(2) Maintain records center with support for all record requests . <i>Ongoing.</i>	1.00	1.00		0.00
(3) Maintain inventory of all office supplies and coordinate distribution. <i>Ongoing.</i>	1.00	1.00		0.00
(4) Maintain delivery of all in/out mail services, commission packets and material.	1.00	1.00		0.00
(5) Maintain support of all phone systems, staff moves, property management and Repro	1.00	1.00		0.00
(6) Operations Management	0.50	0.50		0.00
6. Commissions	3.00	3.00		0.00
A. Commission Secretary for Planning Commission and Historic Preservation Commission, and	3.00	3.00		0.00
DEPARTMENT TOTALS -- ALL DIVISIONS	146.91	161.92	9.20	15.01