THE HUB PUBLIC BENEFITS RECOMMENDATIONS

WHAT IS AN IMPACT FEE?

Impact fees are a way of funding community improvements in proportion to the need generated by new development. Developers pay impact fees directly to the City depending on the type and size of the project.

Citywide impact fees are fees that can fund improvements anywhere in the city, while area plan fees are fees that are prioritized for improvements in the area where they were generated.

The maximum legal amount of an impact fee is established by an analysis known as a Nexus Study, and the actual fee amount is determined by the Board of Supervisors and codified in the Planning Code.

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HOW CAN IMPACT FEES BE USED?

This table summarizes how impact fees are used. Fee revenue has been calculated for projects in the Hub based on existing zoning.

<table>
<thead>
<tr>
<th>Citywide Benefits</th>
<th>Plan Area</th>
<th>Who provides the benefit?</th>
<th>What benefits can we fund?</th>
<th>Fees (millions of dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affordable Housing Fee* or off-site inclusionary (office only)</td>
<td>M&amp;O Affordable Housing Fee</td>
<td>MOHCD: Aff. Hsg. Fee, Linkage Fee, M&amp;O. Fee, SUD Fee</td>
<td>Developer: On-site or Off-site inclusionary</td>
<td>Affordable Housing Fee $471,900,000</td>
</tr>
<tr>
<td>Jobs-Housing Linkage</td>
<td>M&amp;O Affordable Housing Program</td>
<td>Developer: On-site Inclusionary</td>
<td>Developer: In-kind Agreement</td>
<td>$1,700,000</td>
</tr>
<tr>
<td>Citywide Childcare Impact Fee</td>
<td>M&amp;O Infrastructure Fee</td>
<td>OECE: all fees</td>
<td>Developer, In-kind Agreement</td>
<td>$48,000,000</td>
</tr>
<tr>
<td>Downtown Park Fee (office only)</td>
<td>SUD Infrastructure Fee</td>
<td>SFMTA, DPW: all fees</td>
<td>Developer, In-kind Agreement</td>
<td>$24,000,000</td>
</tr>
<tr>
<td>M&amp;O Infrastructure Fee</td>
<td>SUD Infrastructure Fee</td>
<td>Developer, In-kind Agreement</td>
<td>$200,000</td>
<td></td>
</tr>
<tr>
<td>In-kind Agreement</td>
<td>In-kind Agreement</td>
<td></td>
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</tr>
</tbody>
</table>

Fee revenue has been calculated based on the existing fee structure. The revenue accounts for recently approved projects and potential future development. Revenue has been calculated for two scenarios, existing zoning and proposed zoning. The proposed scenario also includes a new revenue source, a Mello-Roos Community Facilities District (CFD) which could potentially fund new capital improvements and maintenance in the Plan Area.

**How does the City estimate the impact fee revenue?**

Revenue has been calculated based on the existing fee structure. The revenue accounts for recently approved projects and potential future development. Revenue has been calculated for two scenarios, existing zoning and proposed zoning. The proposed scenario also includes a new revenue source, a Mello-Roos Community Facilities District (CFD) which could potentially fund new capital improvements and maintenance in the Plan Area.

**How are impact fees used?**

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**What benefits can we fund?**

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**How is the City estimating the impact fee revenue?**

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**The proposal represents a 50% increase in public benefit**

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PUBLIC BENEFITS SUMMARY

THE PLAN WOULD CREATE UP TO...

9,050
HOUSING UNITS

2,400
JOBS

$1.2B
PUBLIC BENEFITS

POTENTIAL PROJECTS

- A MODERN VAN NESS STATION WITH IMPROVED CAPACITY, CIRCULATION AND TRANSIT INFORMATION
- IMPROVED TRANSIT SERVICE AND RELIABILITY
- A LARGER FLEET FOR MORE SERVICE OPTIONS AND GREATER CAPACITY
- AUTOMATIC TRAIN CONTROL SYSTEM (ATCS) FOR MORE EFFICIENT SPACING AND CONSISTENT SPEED IN THE SUBWAY
- NEW POCKET TRACKS, PASSING TRACKS & SWITCHES TO ALLOW FOR MORE FLEXIBLE SERVICE AND TO REDUCE DISRUPTIONS CAUSED BY BREAKDOWNS

- 13TH STREET PROTECTED BIKE LANE FROM FOLSOM TO VALENCIA.
- VALENCIA STREET CYCLE TRACK FROM 15TH STREET TO MARKET
- 11TH STREET BICYCLE AND TRANSIT IMPROVEMENTS
- OTIS STREET 2-WAY BETWEEN DUBOCE AVENUE AND GOUGH
- ALLEY IMPROVEMENTS

- NEW PARK ON BRADY STREET
- NEW OPEN SPACES AT 12TH & OTIS AND GOUGH & OTIS
- IMPROVEMENTS TO EXISTING OPEN SPACES