FILE NO. 240456

ORDINANCE NO. 127-24

[Administrative Code - Board of Appeals Surcharges on Fees]

Ordinance amending the Administrative Code to adjust surcharges on fees imposed under Planning Code, Section 350, and Building Code, Section 110A, for actions that may be appealed to the Board of Appeals; authorizing the Controller to make future adjustments to ensure that the costs of the Board of Appeals' services are recovered without producing revenue which is significantly more than such costs; and affirming the Planning Department's determination under the California Environmental Quality

Act.

NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u>. Deletions to Codes are in <u>strikethrough italics Times New Roman font</u>. Board amendment additions are in <u>double-underlined Arial font</u>. Board amendment deletions are in <u>strikethrough Arial font</u>. Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

Section 1. The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 240456 and is incorporated herein by reference. The Board affirms this determination.

Section 2. Chapter 10G of the Administrative Code is hereby amended by revising Sections 10G.1 and 10G.2, to read as follows:

Mayor Breed BOARD OF SUPERVISORS

SEC. 10G.1. SURCHARGE IMPOSED; CATEGORIES OF PERMITS AND FEES.

In order to recover the cost to the City and County for the Board of Appeals permit review functions, at the time a fee for permit application, issuance, or review is collected, and at the time an annual fee for renewal of the permit or license associated with the permit is collected, a surcharge in the amount specified shall be charged and collected for the following categories of permits and fees.

(a) Surcharges on fees imposed by the Department of City Planning pursuant to Planning Code Section 350 for review of actions and permits that may be appealed to the Board of Appeals are identified in Section 4 of Ordinance No. 149-16, referenced in Planning Code Section 350(d). Notwithstanding the dollar amount stated in Ordinance No. 149-16 for these surcharges, all Board of Appeals surcharges identified in Ordinance No. 149-16 shall be $\frac{4437}{37}$;

(b) For permits issued pursuant to San Francisco Building Code Section 110A: Tables 1A-A; 1A-F, Item 3; 1A-H; 1A-K, Item 8; or 1A-Q, Item 5; that may be appealed to the Board of Appeals pursuant to Charter Section 4.106, a surcharge of \$<u>44</u>37;

(c) For permits issued pursuant to the Public Works Code that may be appealed to the Board of Appeals pursuant to Charter Section 4.106, a surcharge of \$9;

(d) For permits specified in Police Code Section 2.26 that may be appealed to the Board of Appeals pursuant to Charter Section 4.106, a surcharge of \$3 for such permits issued by the Police Department, and a surcharge of \$2 for such permits issued by the Entertainment Commission;

(e) For annual license fees specified in Police Code Section 2.27 for permits that may be appealed to the Board of Appeals pursuant to Charter Section 4.106, a surcharge of \$3 for such permits issued by the Police Department and a surcharge of \$2 for such permits issued by the Entertainment Commission; *and*

Mayor Breed BOARD OF SUPERVISORS (f) For permits issued pursuant to Health Code Section 19H.4 that may be appealed to the Board of Appeals pursuant to Charter Section 4.106, and annual permit fees pursuant to Health Code Section 19H.7 and Business and Tax Regulations Code Section 249.16, a surcharge of \$45.

SEC. 10G.2. ANNUAL ADJUSTMENT OF SURCHARGE RATE.

(a) Beginning with fiscal year 20<u>2504</u>-20<u>2605</u>, the Controller shall each year adjust the surcharges set in <u>Section 10G.1</u> this Chapter 10G_without further action by the Board of Supervisors to reflect changes in the relevant Consumer Price Index, and to produce revenues sufficient to support the costs of providing the services for which the surcharges are assessed, but which will not produce revenue which is significantly more than the cost of providing services for which the surcharges are assessed.

(b) Not later than January 31 of each year, the Board of Appeals shall submit to the Controller data showing the allocation by department of origin for permits heard by the Board of Appeals during the previous fiscal year, *as well as any other information that the Controller determines appropriate to the performance of the Controller's duties set forth in this Section 10G.2.*

(c) No later than April 15*th* of each year, each department authorized to collect the surcharge pursuant to this Chapter <u>10G</u> shall submit its current surcharge schedule and, if applicable, the number of appealable permits filed during the prior fiscal year to the Controller, <u>as well as any other information that the Controller determines appropriate for the performance of the Controller's duties set forth in this Section 10G.2. The Controller who shall apply the price index adjustment, <u>and if necessary, adjust the surcharges upward or downward for the upcoming fiscal year as appropriate to ensure that costs of providing the services are recovered without producing revenue which is significantly more than such costs, to produce a new fee schedule for the following <u>fiscal</u> year. In no event may the <u>price index</u>-adjustment authorized by this Section cause the</u></u>

surcharge authorized by this Chapter to exceed the department's allocable share of Board of Appeals costs.

(d) No later than May 15th of each year, the Controller shall <u>file a report with the</u> <u>Board of Supervisors reporting the new surcharges and certifyingadjust the surcharge to ensure</u> that: (1) each surcharge produces sufficient revenue to support each fee category's allocable share of Board of Appeals costs, and (2) each surcharge does not produce revenue which is projected to materially exceed each fee category's allocable share of Board of Appeals costs. *If the Controller determines that the surcharge and applicable price index adjustment will either (1) not adequately cover, or (2) exceed the projected cost of Board of Appeals review subject to the surcharge, the affected department shall file legislation that would adjust the surcharge for the affected department(s) to the appropriate level.*<u>The adjusted surcharges shall become operative on July 1 of</u> <u>each year.</u>

Section 3. The Planning Department Fee Schedule, referenced in Section 4 of Ordinance No. 149-16, shall be modified to reflect the Board of Appeals surcharge of \$44 established in Administrative Code Section 10G.1(a).

Section 4. The fees amended by this Ordinance are exempt from the definition of tax under California Constitution Article XIIIC, Section 1(e)(2).

Section 5. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance. Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: /s/ JEN HUBER Deputy City Attorney

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Mayor Breed BOARD OF SUPERVISORS



City and County of San Francisco Tails Ordinance

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 240456

Date Passed: June 11, 2024

Ordinance amending the Administrative Code to adjust surcharges on fees imposed under Planning Code, Section 350, and Building Code, Section 110A, for actions that may be appealed to the Board of Appeals; authorizing the Controller to make future adjustments to ensure that the costs of the Board of Appeals' services are recovered without producing revenue which is significantly more than such costs; and affirming the Planning Department's determination under the California Environmental Quality Act.

May 22, 2024 Budget and Appropriations Committee - RECOMMENDED

June 04, 2024 Board of Supervisors - PASSED ON FIRST READING

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

June 11, 2024 Board of Supervisors - FINALLY PASSED

Ayes: 10 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Stefani and Walton Excused: 1 - Safai

File No. 240456

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 6/11/2024 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

1.

London N. Breed Mayor

Date Approved