



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: February 7, 2019
TO: Members, Planning Commission
FROM: Thomas DiSanto, Director of Administration
Deborah Landis, Deputy Director of Administration
RE: Department's Proposed Fiscal Years 2019-21 Budget
2018-015471CRV

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Introduction

As conveyed in our January 24, 2019 presentation at the Planning Commission, the Department is preparing to submit a budget for Fiscal Years 2019-20 and 2020-21 on February 21, 2019. This memo outlines the current proposed budget and requests your recommendation for its approval and submission to the Mayor's Office.

Budget Summary

As we reviewed at the January 24th meeting, the current proposed budgets for the next two fiscal years are based on the first half of this fiscal year's volume and revenue. We have seen building permits and planning applications come in at lower than expected levels, and we propose to reduce the General Fund "charges for services" (fees collected) budget line by approximately \$1M next fiscal year in anticipation that the current trend may continue.

The differences you see between the tables below and what we presented at the January 24th Commission Hearing total less than \$70,000. The main revenue changes are a decrease in grant funding of \$350,000 based on grant guidelines that were released since the last hearing and an increase of \$360,000 in enforcement fees (non-General Fund) based on current year revenue. The two expenditure changes of note are a decrease in the programmatic projects line of \$350,000, which is where we typically budget funding related to grants, and an increase of approximately \$350,000 in City Attorney funding.

The proposed budgets are outlined on the following page:

February 7, 2019

Planning Commission
 FY 2019-2021 Budget – Updates From Initial Hearing

Revenues (All Funds)	FY18-19 Adopted Budget	FY19-20 Proposed Budget	FY20-21 Proposed Budget
Charges for Services	\$43,519,481	\$42,943,684	\$43,042,934
Grants & Special Revenues	\$2,075,000	\$1,655,000	\$430,000
Development Impact Fees	\$2,380,131	\$2,057,722	\$1,285,035
Expenditure Recovery	\$1,532,645	\$2,078,765	\$1,911,787
General Fund Support (GFS)	\$3,848,730	\$5,096,916	\$6,177,938
Total Revenues	\$53,355,987	\$53,832,087	\$52,847,694
Expenditures (All Funds)	FY18-19 Adopted Budget	FY19-20 Proposed Budget	FY20-21 Proposed Budget
Salary & Fringe	\$35,895,959	\$38,491,080	\$39,856,002
Overhead	\$980,944	\$980,944	\$980,944
Non-Personnel Services	\$3,647,609	\$3,319,687	\$3,004,687
Materials & Supplies	\$448,145	\$671,065	\$671,065
Capital Outlay & Equipment	\$73,196	\$10,475	\$0
Projects	\$5,873,913	\$4,095,944	\$2,091,944
Services of Other Departments	\$6,436,221	\$6,262,892	\$6,243,052
Total Expenditures	\$53,355,987	\$53,832,087	\$52,847,694

Moving Forward

The Department must submit its budget to the Mayor’s Office by February 21st. Some modifications to the numbers above will continue between now and then as we finalize the budget. However, the substance of the budget will remain what we presented to you on January 24th and what is contained in the above tables. We expect the Mayor’s Office and the Board of Supervisors to make some adjustments to the budget. We do not expect large changes from what we propose now. A final budget will be adopted in July. As always, we are available to answer any questions throughout the budget cycle.

Attachment A – Draft Resolution



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Draft Resolution

HEARING DATE FEBRUARY 14, 2019

Project Name: FY 2019/20-2020/21 Proposed Department Budget and Work Program
Case Number: 2018-015471CRV
Staff Contact: Deborah Landis, Deputy Director of Administration
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RESOLUTION RECOMMENDING THE APPROVAL OF THE PLANNING DEPARTMENT'S FISCAL YEARS' 2019-2021 BUDGET; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on January 24, 2019 and February 14, 2019; and,

WHEREAS, the proposed budget is not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because it does not result in a physical change in the environment; and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearings and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed budget; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed budget; and

WHEREAS, the Planning Commission has received a Resolution dated February 6, 2019 from the Historic Preservation Commission with the Historic Preservation Commission's recommendation of approval of the department's FY18-19 and FY19-20 budget.

MOVED, that the Commission hereby approves the proposed budget.

BE IT FURTHER MOVED, that the Commission recommends that the Planning Director submit the Planning Department's Fiscal Year 2019 – 2021 budget to the Mayor and Controller on February 21, 2019, in accordance with San Francisco Administrative Code Section 3.3(a).

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:

1. The Planning Department's proposed revenue and expenditure budget for FY19-20 and FY20-21 is in line with the mission and vision of the department in achieving its work program. The total budget proposed FY19-20 budget is \$53,832,087 and FY20-21 budget is \$52,847,694.
2. Overall volume of planning cases and building permits is projected to decrease slightly in FY19-20 and FY20-21. Planning application and permit review fee revenues are anticipated to be \$42,943,684 in FY19-20 and \$43,042,934 in FY20-21 due to the softening of actual volume and fee revenue currently being realized in FY18-19.
3. **General Plan Compliance.** While there are no Goals or Policies that directly address the proposed budget in the General Plan, the proposed budget is not inconsistent with the General Plan. The proposed budget does not change any policies with an effect on the General Plan and does not change planning, zoning, or other physical aspects of the City. The proposed budget does not have a direct physical impact on the City.
4. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:
 1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;
The proposed budget would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.
 2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;
The proposed budget would not have a negative effect on housing or neighborhood character.
 3. That the City's supply of affordable housing be preserved and enhanced;
The proposed budget would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed budget would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed budget would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed budget would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed budget would not have an adverse effect on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed budget would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

5. **Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES the proposed budget as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on February 14, 2019.

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: