



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: January 30, 2019

TO: Members, Historic Preservation Commission

FROM: Thomas DiSanto, Director of Administration
Deborah Landis, Deputy Director of Administration

RE: Department's Proposed Fiscal Years 2019-21 Budget
2018-015471CRV

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

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Introduction

As conveyed in our presentation at the January 16, 2019 Historic Preservation Commission, the Department is preparing to submit a budget for Fiscal Years 2019-20 and 2020-21. This memo outlines the current proposed budget in anticipation of our second presentation on February 6, 2019 to request your recommendation of the proposed budget to the Planning Commission.

Budget Summary

As we reviewed at the January 16th 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 "charges for services" (fees collected) budget line by approximately \$1M next fiscal year in anticipation that the current trend may continue.

The proposed budgets are outlined below:

Revenues (All Funds)	FY18-19 Adopted Budget	FY19-20 Proposed Budget	FY20-21 Proposed Budget
Charges for Services	\$43,519,481	\$42,598,988	\$42,892,945
Grants & Special Revenues	\$2,075,000	\$2,005,000	\$345,000
Development Impact Fees	\$2,380,131	\$2,137,722	\$1,365,035
Expenditure Recovery	\$1,532,645	\$2,100,125	\$1,914,495
General Fund Support (GFS)	\$3,848,730	\$5,108,576	\$5,846,300
Total Revenues	\$53,355,987	\$53,950,411	\$52,363,775

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Expenditures (All Funds)	FY18-19 Adopted Budget	FY19-20 Proposed Budget	FY20-21 Proposed Budget
Salary & Fringe	\$35,895,959	\$38,501,478	\$39,826,484
Overhead	\$980,944	\$980,944	\$980,944
Non-Personnel Services	\$3,647,609	\$3,366,687	\$3,020,687
Materials & Supplies	\$448,145	\$671,065	\$671,065
Capital Outlay & Equipment	\$73,196	\$10,475	\$0
Projects	\$5,873,913	\$4,465,836	\$1,930,669
Services of Other Departments	\$6,436,221	\$5,953,926	\$5,933,926
Total Expenditures	\$53,355,987	\$53,950,411	\$52,363,775

Moving Forward

At the January 16th hearing, the Commission expressed interest in obtaining additional grant funding for historic preservation work. We will continue to research what grant funds might be available to further the work of the Commission. Grant sources might include federal, state, local, or private funding opportunities.

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 16th 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.

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Budget Resolution Language

A draft of the resolution proposed for your support of this budget reads as follows:

RESOLUTION OF THE HISTORIC PRESERVATION COMMISSION RECOMMENDING THE RECOMMENDATION OF THE PLANNING DEPARTMENT’S FISCAL YEARS 2019 – 2021 BUDGET.

RECITALS

1. **WHEREAS**, The Planning Department presented the Department’s proposed revenue and expenditure budget and work program activities for FY19-20 and FY20-21 to the Historic Preservation Commission on January 16, 2019 and to the Planning Commission on January 24, 2019.
2. **WHEREAS**, The Planning Department will have presented the final proposed budget and work program for FY19-20 and FY20-21 to the Historic Preservation Commission on February 6, 2019 and the Planning Commission on February 14, 2019.
3. **WHEREAS**, 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. Overall volume growth of planning cases and building permits is projected to decrease slightly in FY19-20 and remain steady into FY20-21. Planning application and permit review fee revenues are anticipated to be \$42,598,988 due to the continuation of actual volume and fee revenue trends currently being realized in FY18-19. The General Fund Support of \$5,108,576 in FY19-20 and \$5,846,300 in FY20-21 meets the target set by the Mayor’s Office. The total budget proposed FY19-20 budget is \$53,871,706 and FY20-21 budget is \$52,363,775.
4. **WHEREAS**, The Planning Department’s position count will grow by 1.78 full-time equivalent (FTE) positions in FY19-20 from the FY18-19 budget from the expiration of one-time attrition adjustments in FY18-19.

NOW, THEREFORE BE IT RESOLVED THAT, the Commission recommends, based upon the entire Record, the staff of the Department, and other interested parties, the oral testimony presented to the Commission at the public hearings, and all other written materials submitted by all parties, that the Planning Department’s Fiscal Years 2019 – 2021 budget be recommended for approval by the Planning Commission.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission at its regular meeting on February 6, 2019.