



# SAN FRANCISCO PLANNING DEPARTMENT

**MEMO**

**DATE:** January 29, 2020  
**TO:** Members, Historic Preservation Commission  
**FROM:** Thomas DiSanto, Director of Administration  
Deborah Landis, Deputy Director of Administration  
**RE:** Department's Proposed Fiscal Years 2020-22 Budget  
2019-023608CRV - FY20-22 Department Budget

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 January 15, 2020 presentation at the Historic Preservation Commission and our January 23, 2020 presentation at the Planning Commission, the Department is preparing to submit a budget for Fiscal Years 2020-21 and 2021-22 on February 21, 2020. This memo outlines the current proposed budget and requests your recommendation for the Planning Commission to recommend its approval and submission to the Mayor's Office.

## Cultural Districts

The Planning Commission requested additional detail on the Department's cultural district work at its January 23<sup>rd</sup> budget hearing. That information is provided to you here.

The Board of Supervisors passed legislation in 2018 creating a new Cultural Districts Program by amending the Administrative Code. The Program established a process to designate Cultural Districts in the City and grandfathered five (5) existing Districts. This work program is growing. An additional three (3) Districts have been legislated since the program was established, bringing the total to eight (8) districts, and an additional 2-3 neighborhoods are contemplating Cultural District designation.

The Program requires that SF Planning and other city Departments, coordinated and led by the Mayor's Office of Housing and Community Development (MOHCD), prepare strategic reports for each of the districts, in collaboration with the community, for approval by the Board. Once designated a District, these strategic plans/reports must be completed and are due to the Board within a year of designation. These reports are required to include: analysis and recording the tangible and intangible elements of the District's cultural heritage, identification of areas of concern that could inhibit the preservation of the District's unique culture, and legislative, economic and other

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FY 2020-2022 Budget – Updates From Initial Hearing

solutions and strategies proposed to support the District in the areas of preservation, land use, housing, arts and culture, economic development and other areas.

Planning’s role includes data collection and sharing, data and policy/recommendations analysis, supporting community engagement, and supporting the Cultural Districts with strategy/legislative development as it relates to land use, housing, historic/cultural preservation and other planning areas. The proposed budget includes dedicating 1.5 FTE to this work. With current staffing, the Department is able to support the Districts with community engagement and strategy development and to support some of the historic preservation data collection.

### **Budget Summary**

As we reviewed at the January 15<sup>th</sup> 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 slightly higher than expected levels, but with slightly lower associated revenue than previous high-volume years. The proposed budget represents a steady state projection of the current year. We propose to adjust the General Fund “charges for services” (fees collected) budget line only by applying the 3.91% two-year average Consumer Price Index (CPI) in anticipation that the current trend may continue.

The differences you see between the tables below and what we presented at the January 15<sup>th</sup> Commission Hearing total just under \$90,000. The prior presentation’s budget was just under \$61.8M and this one is just over \$61.8M. The main revenue changes are an \$80,000 decrease in impact fee funding and an increase of \$200,000 in building permit and planning fee charges based on an updated CPI percentage. The expenditure changes are adjustments to and between all expenditure categories. This budget is fundamentally the same as the one presented to you on January 15<sup>th</sup>.

The proposed budgets are outlined on the following page:

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<b>Revenues (All Funds)</b>	<b>FY19-20 Adopted Budget</b>	<b>FY20-21 Proposed Budget</b>	<b>FY21-22 Proposed Budget</b>
Charges for Services	\$42,890,072	\$45,101,622	\$45,377,749
Grants & Special Revenues	\$1,938,500	\$2,560,000	\$1,030,600
Development Impact Fees	\$3,191,392	\$4,187,150	\$3,887,302
Expenditure Recovery	\$2,132,371	\$2,194,937	\$2,163,891
General Fund Support (GFS)	\$5,513,149	\$7,802,784	\$8,598,402
<b>Total Revenues</b>	<b>\$55,665,484</b>	<b>\$61,846,493</b>	<b>\$61,057,944</b>
<b>Expenditures (All Funds)</b>	<b>FY19-20 Adopted Budget</b>	<b>FY20-21 Proposed Budget</b>	<b>FY21-22 Proposed Budget</b>
Salary & Fringe	\$38,655,168	\$40,725,334	\$41,851,053
Overhead	\$656,755	\$656,755	\$656,755
Non-Personnel Services	\$3,139,484	\$4,273,127	\$4,563,687
Materials & Supplies	\$555,065	\$621,065	\$471,065
Capital Outlay & Equipment	\$10,475	\$10,220	\$0
Projects	\$5,366,988	\$7,663,140	\$5,614,768
Services of Other Departments	\$7,281,549	\$7,896,852	\$7,900,616
<b>Total Expenditures</b>	<b>\$55,665,484</b>	<b>\$61,846,493</b>	<b>\$61,057,944</b>

### Moving Forward

The Department must submit its budget to the Mayor's Office by February 21<sup>st</sup>. 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 present to you on February 5<sup>th</sup> 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

Subject to: (Select only if applicable)

- Affordable Housing (Sec. 415)
- Jobs Housing Linkage Program (Sec. 413)
- Downtown Park Fee (Sec. 412)
- First Source Hiring (Admin. Code)
- Child Care Requirement (Sec. 414)
- Other

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## Historic Preservation Commission Draft Resolution No. xxxxx Planning Department Budget - Fiscal Years 2020-2022

HEARING DATE: FEBRUARY 5, 2020

Date: January 29, 2020  
Staff Contact: Deborah Landis – (415) 575-9118  
[Deborah.Landis@sfgov.org](mailto:Deborah.Landis@sfgov.org)

RESOLUTION OF THE HISTORIC PRESERVATION COMMISSION RECOMMENDING THAT THE PLANNING COMMISSION RECOMMEND THE APPROVAL OF THE PLANNING DEPARTMENT’S FISCAL YEARS 2020 – 2022 BUDGET.

### RECITALS

1. **WHEREAS**, The Planning Department presented the Department’s proposed revenue and expenditure budget and work program activities for FY20-21 and FY21-22 to the Historic Preservation Commission on January 15, 2020 and to the Planning Commission on January 23, 2020.
2. **WHEREAS**, The Planning Department will have presented the final proposed budget and work program for FY20-21 and FY21-22 to the Historic Preservation Commission on February 5, 2020 and the Planning Commission on February 13, 2020.
3. **WHEREAS**, The Planning Department’s proposed revenue and expenditure budget for FY20-21 and FY21-22 is in line with the mission and vision of the department in achieving its work program. Overall volume of planning cases and building permits is projected to remain steady in FY20-21 and FY21-22. Planning application and permit review fee revenues are anticipated to be \$42,166,921 in FY20-21 and \$43,516,263 in FY21-22. The total budget proposed FY20-21 budget is \$61,846,493 and FY21-22 budget is \$61,057,944.

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

**Resolution No.**  
**February 5, 2020**

**Planning Department Budget - Fiscal Year 2020-2022**

Fiscal Years 2020 – 2022 budget be recommended for recommending the 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 5, 2020.

Jonas P. Ionin  
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: February 5, 2020