

***Regular Meeting of the
Building Inspection Commission
November 14, 2025***

Agenda Item 6



October 08, 2025

Building Inspection Commission
49 South Van Ness Avenue
San Francisco, CA 94103

Re: Planning, Building Codes – Accessory Dwelling Unit Fee Deferral

Honorable Members of the Commission:

On October 8, 2025, the full Code Advisory Committee (CAC) met to consider adoption of File No. 250718, amending the Building Code deferring fees for Accessory Dwelling Units (ADU). During a power point presentation, Tate Hanna pointed out that the fees would be due at the issuance of First Certificate of Occupancy or a date no later than twenty-four months after the approval of the First Construction Document, whichever is earlier. He went on to state, additional language will be added requiring 20% of the required fees be paid at time of application.

The CAC went on to vote unanimously to recommend the Building Inspection Commission approve File No.250718 including the additional 20% fee language.

Respectfully submitted,

Thomas Fessler
DBI Technical Services
Secretary to the Code Advisory Committee

cc. Patrick O'Riordan, C.B.O. Director
David Kane, Deputy Director
Mary Wilkinson-Church, Permit Services Manager
Christine Gasparac, Assistant Director
Tate Hanna, Legislative Affairs Manager
J. Edgar Fennie, Chair, Code Advisory Committee

Attach: File No. 250718

[Planning, Building Codes - Accessory Dwelling Unit Fee Deferral]

Ordinance amending the Planning and Building Codes to allow project sponsors to defer payment of certain fees for Accessory Dwelling Units; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~Arial font~~.
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. Environmental and Land Use Findings.

(a) 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. 250718 and is incorporated herein by reference. The Board affirms this determination.

(b) On September 11, 2025, the Planning Commission, in Resolution No. 21804, adopted findings that the actions contemplated in this ordinance are consistent, on balance, with the City's General Plan and eight priority policies of Planning Code Section 101.1. The

1 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
2 the Board of Supervisors in File No. 250718, and is incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
4 amendments will serve the public necessity, convenience, and welfare for the reasons set
5 forth in Planning Commission Resolution No. 21804, and the Board adopts such reasons as
6 its own. A copy of said resolution is on file with the Clerk of the Board of Supervisors in File
7 No. 250718 and is incorporated herein by reference.

8 (d) Pursuant to Charter Section 4.121 and Building Code Section 104A.2.11.1.1, the
9 Building Inspection Commission considered this ordinance at a duly noticed public hearing
10 held on _____ 2025.

11 (e) No local findings are required for this ordinance under California Health and Safety
12 Code Section 17958.7 because the amendments to the Building Code contained in this
13 ordinance do not regulate materials or manner of construction or repair, and instead relate in
14 their entirety to administrative procedures for implementing the code, which are expressly
15 excluded from the definition of a “building standard” by California Health and Safety Code
16 Section 18909(c).

17
18 Section 2. Article 3 of the Planning Code is hereby amended by revising Section 350,
19 to read as follows:

20
21 **SEC. 350. FEES.**

22 * * * *

23 **(j) Deferred or Reduced Fee; Fee Waivers.**

24 (1) Any fraternal, charitable, benevolent, or any other nonprofit organization,
25 that is exempt from taxation under the Internal Revenue laws of the United States and the

1 Revenue and Taxation Code of the State of California as a bona fide fraternal, charitable,
2 benevolent, or other nonprofit organization, or public entity, that submits an application for the
3 development of residential units all of which are affordable to low and moderate income
4 households, as defined by the United States Housing and Urban Development Department,
5 for a time period that is consistent with the policy of the Mayor's Office of Housing and
6 Community Development and the Successor to the San Francisco Redevelopment Agency,
7 may defer payment of the fees except those for discretionary review and appeals to the Board
8 of Supervisors until (A) before final Planning Department approval of the building permit,
9 preparatory to issuance of the building permit, before the building permit is released to the
10 applicant, or (B) within one year of the date of action on the application, whichever comes
11 first. This deferral provision shall apply notwithstanding the inclusion in the development of
12 other nonprofit ancillary or accessory uses. Should the project be withdrawn prior to final
13 Planning approval, the applicant shall pay time and material costs pursuant to Section 350(g).

14 (2) An exemption from paying the full fees specified for discretionary review or
15 appeals to the Board of Supervisors may be granted when the requestor's income is not
16 enough to pay for the fee without affecting their ability to pay for the necessities of life,
17 provided that they demonstrate to the Planning Director or the Director's designee that they
18 would be substantially affected by the proposed project.

19 (3) Certain of the fees charged in accordance with subsections (b) and (c) are
20 subject in some circumstances to waiver, as stated in Section 4 of Ordinance No. 149-16 in
21 Board of Supervisors File No. 160632, or as stated below in subsections (4) and (5). Description
22 of the waivers below does not affect the other waiver provisions in Section 4 of Ordinance No.
23 149-16.:

24 ~~(4) Small Business Month Fee Waivers:~~ Small Business Month Fee Waivers. No
25 Planning Department fees shall apply to a Small Business that applies for a permit for awning

1 replacement or signs on awnings during the month of May. No Planning Department fees
2 shall apply to a Small Business that applies for a permit for a new awning installation or a
3 Business Sign pursuant to Section 604 during the months of May 2023 and May 2024. For
4 purposes of this subsection (j)(34), a Small Business shall be a business with a total workforce
5 of 100 or fewer fulltime employees. To the extent this provision for Small Business Month Fee
6 Waivers differs from the description in subsection (f) on page 43 of Ordinance No. 149-16, this
7 provision governs.

8 (5) Accessory Dwelling Units. Sponsors of Accessory Dwelling Unit projects may defer
9 payment of any fees required by this Section 350 until issuance of the First Certificate of Occupancy for
10 the project, as defined in Section 107A.13.1 of the San Francisco Building Code, or a date no later than
11 twenty-four months after approval of the First Construction Document, as defined in Section 107A.13.1
12 of the San Francisco Building Code, for said Accessory Dwelling Unit project, whichever is earlier.
13 This option to defer payment may be exercised by submitting a deferral request to the Department on a
14 form provided by the Department prior to issuance of the First Construction Document.

15 * * * *

16
17 Section 3. Chapter 1A of the Building Code, Section 107A, is hereby amended by
18 revising Section 107A.4, to read as follows:

19
20 ~~**107A.4 Expiration of plan review.** (See Section 106A.3.7.)~~

21 **107A.4 Accessory Dwelling Unit Administrative Fee Deferral Program.** The sponsor of an
22 Accessory Dwelling Unit project approved under Planning Code Sections 207.1 or 207.2 may elect to
23 defer payment of any fees required pursuant to Sections 107A.2, 107A.3, 107A.3.1, and 107A.3.4 to a
24 date no later than issuance of the First Certificate of Occupancy for the project, as defined in Section
25 107A.13.1, or a date no later than twenty-four months after approval of the First Construction

1 Document, as defined in Section 107A.13.1, for said Accessory Dwelling Unit project, whichever is
2 earlier. This option to defer payment may be exercised by submitting a deferral request to the
3 Department on a form provided by the Department prior to issuance of the First Construction
4 Document.

5
6 Section 4. Effective Date. This ordinance shall become effective 30 days after
7 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
8 ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board
9 of Supervisors overrides the Mayor's veto of the ordinance.

10
11 Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
12 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
13 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
14 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
15 additions, and Board amendment deletions in accordance with the "Note" that appears under
16 the official title of the ordinance.

17
18 APPROVED AS TO FORM:
19 DAVID CHIU, City Attorney

20 By: /s/ Peter Miljanich
21 PETER MILJANICH
Deputy City Attorney

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File No. 250718 – ADU Fee Deferral

Department of Building Inspection
November 14, 2025

Existing Law

Currently, development projects in San Francisco can utilize a variety of local and state-mandated fee deferral programs.

These programs all vary, including which fees they apply to, which projects are eligible, and if the program is indefinite or temporary.

File No. 250718

File No. 250718 seeks to add additional fee deferral options for local and state Accessory Dwelling Units (ADUs).

Under this ordinance, an applicant could defer **permit issuance fees, plan review fees, and site permit and addenda fees** for eligible ADUs until the certificate of occupancy, or 24 months after approval of the first construction document, whichever comes first.

File No. 250718

Additionally, the ordinance seeks to waive relevant Planning Department fees, in accordance with the timeline provided for DBI fees.

For an applicant to utilize the program, they must provide a fee deferral request prior to the issuance of the first construction document.

Department Recommendation

DBI recommends two amendments at this time:

First, allow for 20% of fees to be collected at time of application, rather than a full fee deferral.

Second, adjust the payment timing of deferred fees to permit issuance, rather than at certificate of occupancy or 24 months post-issuance.

These changes will allow the department to implement the ordinance without undue burden on staff, as well as allow partial cost recovery in instances where an application is abandoned.

CAC Recommendation

On October 8, 2025, the Code Advisory Committee (plus Administrative and General Design and Disability Access Subcommittees), reviewed the ordinance and provided a **unanimous recommendation of approval**.

In addition, the CAC and subcommittees supported DBI's proposed amendment for 20% of DBI fees to be collected at time of application.



THANK YOU