

INFORMATION SHEET

NO. G-13

DATE

: November 8, 2023

CATEGORY

: General

SUBJECT

: Construction Cost Estimate for Determination of Permit Fee or Refund

PURPOSE

: The purpose of this information sheet is to establish a procedure for construction cost estimates to determine permit fees or refunds.

REFERENCE

: San Francisco Building Code, Current Edition

San Francisco Building Code, Section 101A.20 Central Permit Bureau

San Francisco Building Code, Section 104A.2.6 Liability

San Francisco Building Code, Section 107A.2 Permit Issuance Fees San Francisco Building Code, Section 110A Schedule of Fee Tables

DISCUSSION

Per SFBC Section 107A.2, building permit fees are determined by Section 110A Table 1A-A, and are based on the construction valuation. The construction valuation shall be calculated at the time of permit issuance according to the cost schedule posted on the DBI website or by actual construction cost, whichever is greater. "The value to be used in computing the permit issuance and plan review fees shall be the final valuation upon completion of all construction work for which the permit is issued, as well as all finish work, painting, roofing, mechanical, electrical, plumbing, heating, air conditioning, elevators, fire-extinguishing systems and all other permanently installed equipment and construction, even though other permits to perform such work may be required."

Determination of Construction Cost Estimates. The process for determination of construction cost estimates for the calculation of permit fees are as follows:

- 1. The applicant provides the "Estimated Cost Of Job" on the Permit Application Form.
- 2. The plan reviewer provides a "Revised Cost" on the Permit Application Form by calculating the estimated construction cost based on the latest DBI Cost Schedule and the submitted plans.
- 3. If applicable, the construction cost estimate may be modified during the site addenda permit review, when more information is available.

Additional Notes:

a. The "Estimated Cost of Job" entered on the building permit application form may exclude the

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estimated cost of work associated with deferred submittal building permits such as Mechanical, Electrical, or Plumbing work, or Fire Sprinklers, etc. The amounts to be excluded may be calculated using the DBI Cost Schedule unit costs per square foot for the deferred submittals listed for Tenant Improvement projects.

Appealing of Construction Cost Estimates. The process for appealing the construction cost estimates for determining permit fees is as follows:

- 1. Where there is a substantial difference between the applicant's "Estimated Cost Of Job" and the plan reviewer's "Revised Cost", the applicant can appeal to the plan reviewer, who will re-calculate in more detail the estimated construction cost based on the latest DBI Cost Schedule and the submitted plans. Upon completion of the calculation, the plan reviewer may revise the "Revised Cost" on the Permit Application Form.
- 2. If the plan reviewer and the applicant cannot agree on the "Revised Cost" entered on the Permit Application Form, the applicant may appeal to the Plan Review Supervisor, the Manager of Plan Review Services, or, for projects being reviewed over-the-counter, the Over-the-Counter Manager or supervisor on duty, who will review the "Revised Cost" estimate and may perform an independent calculation if necessary. Upon completion of this additional review, the supervisor or manager may revise the "Revised Cost" on the Permit Application Form.

Appealing of Construction Cost Estimates for Refunds. The process for appealing construction cost estimates for refunds after permit applications are approved and permits are issued is as follows:

- For building permits other than site permits, if the applicant disagrees with the final "Revised Cost" on the Permit Application, and the permit has been issued, the applicant may complete a "Request For Refund Form" and file the refund request with a set of plans with DBI's Refund Unit.
- 2. Once a site permit is issued, the "Revised Cost" on the site permit application cannot be changed. In order to modify the valuation of a site permit after the site permit is issued, the applicant must apply for a new site permit. The applicant cannot request a refund until all site permit addenda are issued, since the details of the work on the site permit application are not considered finalized. After all site permit addenda are issued, the applicant may complete a "Request For Refund Form" and file the refund request with a set of plans with DBI's Refund Unit.
- 3. Inquiries for refund requests may be submitted to the Refund Unit by e-mail at dbi.refund@sfgov.org, or made by telephone at (628) 652-3555.
- 4. The Refund Unit may forward for review any refund requests involving construction cost valuations to the Manager of Plan Review Services, who will oversee an independent calculation of the estimated construction cost based on the latest DBI Cost Schedule and the approved permit plans. Upon completion of the calculations, the Manager of Plan Review Services will recommend the construction cost valuation to the Refund Unit for processing the refund request.

Additional Notes:

a. In order to justify a request to refund permit fees for issued permits due to reduced scopes of work, an additional building permit with plans is required as documentation. The valuation of the reduced scope of work will be determined by the plan reviewer of the original permitted work, the plan reviewer of the permit application documenting the

- reduced scoped of work, or a plan reviewer assigned under the direction of the Manager of Plan Review Services or Over-the-Counter Manager.
- b. Permit fee refunds cannot be made solely on the basis that the actual cost of construction was less than the "Estimated Cost" or "Revised Cost of Job" as stated on the approved permit application form.
- c. Other conditions will be evaluated on a case-by-case basis by the Manager of Plan Review Services.

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Director

Department of Building Inspection

Date

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