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# S.F. builders will be allowed to defer impact fees

San Francisco Business Times - by [Eric Young](#)

San Francisco's mayor on Tuesday signed legislation allowing developers to defer impact fees in hopes that will spur more construction in the city.

The city's impact fee deferral program allows developers to defer payment of 80 percent of impact fees from the beginning of construction to just prior to completion, which is between ten to 30 months.

The fee deferment decreases the amount of up-front costs developers must finance through debt or equity and reduces the amount of interest paid over the construction period.

"The fee deferment legislation will radically simplify the collection, enforcement and notice procedures for all city development impact fees," said Mayor Gavin Newsom. "Deferring up front costs for developers will speed local economic recovery, generating construction jobs and general fund revenues."

The city estimates that the legislation could infuse \$894 million in spending and almost 4,800 construction-related jobs. If construction-starts are accelerated by two years, the city would receive over \$22 million of additional property tax revenues that would otherwise be lost due to later start-times and lower property values, Newsom said.



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