

1 [Regulation of Permit Expeditors]

2

3 **Ordinance amending the San Francisco Campaign and Governmental Conduct Code by**
4 **adding Article V, sections 5.100 to 5.135 to impose registration and disclosure**
5 **requirements on permit expeditors.**

6 Note: Additions are *single-underline italics Times New Roman*;
7 deletions are *strikethrough italics Times New Roman*.
8 Board amendment additions are double underlined.
9 Board amendment deletions are ~~strikethrough normal~~.

9 Be it ordained by the People of the City and County of San Francisco:

10 Section 1. The San Francisco Campaign and Governmental Conduct Code is hereby
11 amended by adding Article V, sections 5.100 through 5.135 to read as follows:

12 **Article V**
13 **Regulation of Permit Expeditors**

14 **Sec. 5.100. FINDINGS.**

15 *(a) The Board of Supervisors finds that the people of the City and County of San Francisco are*
16 *entitled to fair and equitable processes for the review and approval of permit applications by City and*
17 *County departments.*

18 *(b) The people of the City and County of San Francisco have a right to expect that City and*
19 *County departments will provide the same high level of service to all customers with properly filled-out*
20 *and filed permit applications regardless of whether they hire permit expeditors to facilitate approval of*
21 *their permit applications.*

22 *(c) The Board of Supervisors finds that public disclosure of the identity and extent of efforts of*
23 *permit expeditors to obtain permits issued by City departments on behalf of clients is essential to*
24 *protect public confidence in the responsiveness and integrity of government and will limit the ability of*
25

1 permit expeditors to obtain or create the appearance of obtaining preferential treatment from City and
2 County officers and employees during permit review and approval processes.

3 (d) It is the purpose and intent of the Board of Supervisors to impose reasonable registration
4 and disclosure requirements on permit expeditors that will protect the public's confidence in the
5 integrity of the permitting processes of City and County departments.

6 **Sec. 5.105. DEFINITIONS.**

7 Whenever used in this Chapter, the following definitions shall apply:

8 (a) "City and County" means the City and County of San Francisco.

9 (b) "Client" means the person for whose benefit permit expediting services are performed by a
10 permit expeditor.

11 (c) "Department" means any department of the City and County of San Francisco.

12 "Department" does not include any other local agency or any federal or state agency, including but not
13 limited to the San Francisco School District, the San Francisco Community College District, the San
14 Francisco Redevelopment Agency, the San Francisco Parking Authority, the San Francisco Health
15 Authority, and the San Francisco Housing Authority.

16 (d) "Domestic partners" means persons who register their partnerships pursuant to the voter-
17 approved Domestic Partnership Ordinance, San Francisco Administrative Code Chapter 62 or
18 pursuant to California Family Code Sections 297 to 298.5.

19 (e) "Economic consideration" means any payments, fees, commissions, reimbursements for
20 expenses, gifts, or anything else of value.

21 (f) "Licensed" means licensed by the State of California.

22 (g) "Permit" means any permit issued by a City and County of San Francisco department.

23 (h) "Permit expeditor" means any person or entity that receives or is promised economic
24 consideration equaling \$1,000 or more in a calendar year for permit expediting services. The term
25 "permit expeditor" does not include the permit applicant or the permit applicant's spouse or domestic

1 partner, the permit applicant's licensed contractor for the project, the permit applicant's licensed
2 architect for the project, the permit applicant's registered engineer for the project, the permit
3 applicant's lawyer if the lawyer provides only legal services, the permit applicant's employees if the
4 employee(s) provide services in addition to permit expediting services, or employees of a permit
5 expediter.

6 (i) "Permit expediting services" means assisting a client obtain approval of a permit through
7 any of the following means: providing information and advice to a client regarding the permit
8 application process and procedure; preparing, completing, submitting or making changes to a permit
9 application; paying permit application fees on behalf of a client; communicating with department
10 officers or employees regarding the contents, procedure or status of a permit application; conveying
11 the permit application through the requisite steps or stages of the permit process; picking up a permit
12 from a department; requesting that a permit be denied for purposes of filing an appeal with the Appeals
13 Board; and representing or assisting a client in an appeal to the Appeals Board from a denial of a
14 permit application.

15 (j) "Registered" means registered by the State of California.

16 **Sec. 5.110. PROHIBITIONS.**

17 (a) REGISTRATION AND REPORTING. It shall be unlawful for any permit expediter to
18 provide permit expediting services without first registering with the Ethics Commission and complying
19 with the reporting requirements specified in Section 5.115.

20 (b) EVASION OF OBLIGATIONS. No permit expediter shall attempt to evade the obligations
21 imposed by this Chapter through indirect efforts or through the use of agents, associates or employees.

22 **Sec. 5.115. REGISTRATION, REREGISTRATION, and FEES.**

23 (a) REGISTRATION REPORTS. At the time of initial registration, each permit expediter shall
24 report to the Ethics Commission the following information:

1 (1) The name, business address, business phone number and email address of the permit
2 expediter;

3 (2) Former service or employment, if any, with the City and County, the department for which
4 he or she served or was employed, and the period of service or employment;

5 (3) The names of any individuals employed by the permit expediter to assist in providing permit
6 expediting services;

7 (4) The names of any former officers or employees of the City and County who are employed by
8 the permit expediter, the departments for which they served or were employed, and the period of
9 service or employment;

10 (5) The name, address and telephone number of each client for whom the permit expediter
11 provided permit expediting services during the preceding calendar year;

12 (6) A description of the type of permit(s) sought by each client; the department responsible for
13 its issuance; the date the permit application(s) was filed and the date the permit(s) was issued;

14 (7) For each client, the total economic consideration promised by or received from the client in
15 exchange for the provision of permit expediting services during the preceding calendar year;

16 (8) Any other information required by the Ethics Commission consistent with the purposes and
17 provisions of this Chapter.

18 (b) REREGISTRATION REPORTS. Each permit expediter shall reregister annually no later
19 than January 1st. Each reregistration report shall include all information required by Subsection (a).

20 (c) FEES.

21 (1) At the time of the initial registration and reregistration, each permit expediter shall pay to
22 the Ethics Commission a fee of \$100.

23 (2) In addition, at the time of registration and reregistration, each permit expediter shall pay a
24 fee of \$50 for each client. When a client is acquired subsequent to initial registration or reregistration,
25 the per client fee shall be paid at the time of filing the information required by Subsection (d). The

1 Ethics Commission shall deposit fees collected pursuant to this Section in the General Fund of the City
2 and County of San Francisco.

3 (d) PERMIT EXPEDITER TERMINATION STATEMENTS. A permit expediter shall comply
4 with all the requirements of this Chapter until the permit expediter ceases all activity as a permit
5 expediter and files a statement of termination with the Ethics Commission.

6 (e) ACCURACY AND COMPLETENESS. Each permit expediter shall verify, under penalty of
7 perjury, the accuracy and completeness of the information provided pursuant to this Section.

8 (f) RETENTION OF BOOKS, PAPERS AND DOCUMENTS. Each permit expediter shall
9 retain for a period of five years all books, papers and documents necessary to substantiate the reports
10 and statements required under this Chapter.

11 **Sec 5.120. POWERS AND DUTIES OF THE ETHICS COMMISSION.**

12 (a) The Ethics Commission shall provide forms for the reporting of all information required by
13 this Chapter.

14 (b) The Ethics Commission shall issue a registration number to each registered permit
15 expediter.

16 (c) At the time of initial registration and reregistration, the Ethics Commission shall provide
17 the permit expediter with a copy of the City's law regulating permit expediters and any related material
18 the Commission determines will serve the purposes of this Chapter. Each permit expediter must sign a
19 statement acknowledging receipt of these materials.

20 (d) The Ethics Commission shall compile the information provided in registration and
21 reregistration reports filed pursuant to this Chapter as soon as practicable and shall forward a report
22 of the compiled information to the Board of Supervisors and the Mayor.

23 (e) The Ethics Commission shall preserve all original reports, statements, and other records
24 required to be kept or filed under this Chapter for a period of five years. Such reports, statements, and
25

1 reports shall constitute a part of the public records of the Ethics Commission and shall be open to
2 public inspection.

3 (f) The Ethics Commission shall provide formal and informal advice regarding the duties under
4 this Chapter of a person or entity pursuant to the procedures specified in San Francisco Charter
5 Section C3.699-12.

6 (g) The Ethics Commission shall have the power to adopt all reasonable and necessary rules
7 and regulations not inconsistent with the provisions of this Chapter for the implementation of this
8 Chapter pursuant to the procedures specified in Chapter pursuant to the procedure specified in San
9 Francisco Charter Section 15.102.

10 **Sec. 5.125. ADMINISTRATIVE AND CIVIL ENFORCEMENT, AND PENALTIES.**

11 (a) If any permit expediter files an original statement or report after any deadline imposed by
12 this Chapter, the Ethics Commission shall, in addition to any other penalties or remedies established in
13 this Chapter, fine the permit expediter \$50 per day after the deadline until the statement or report is
14 received by the Ethics Commission. The Ethics Commission may reduce or waive a fine if the
15 Commission determines that the late filing was not willful and that enforcement will not further the
16 purposes of this Chapter. The Ethics Commission shall deposit funds collected under this Section in the
17 General Fund of the City and County of San Francisco.

18 (b) Any person who believes that Section 5.110 has been violated may file a complaint with the
19 Ethics Commission. Upon receipt of a complaint, or upon its own initiative, the Ethics Commission
20 may investigate allegations of a violation of Section 5.110 and enforce the provisions of Section 5.110
21 pursuant to the procedures established in San Francisco Charter Section C3.699-13, and the
22 Commission's rules and regulations adopted pursuant to San Francisco Charter Section 15.102.
23 The Commission may cancel for up to one year the registration of any permit expediter who has
24 violated Section 5.110. A permit expediter whose registration has been canceled pursuant to this
25 Section may not provide permit expediting services for the period that the registration is canceled.

1 When the period of cancellation ends, the permit expediter may reregister pursuant to Section 5.115(a)
2 and (c).

3 (c) Any person or entity which violates Section 5.110 may be liable in a civil action brought by
4 the City Attorney for an amount up to \$1,000 per violation.

5 (d) No administrative or civil action shall be maintained to enforce Section 5.110 unless
6 brought within four years after the date the cause of action accrued or the date that the facts
7 constituting the cause of action were discovered by the Ethics Commission or City Attorney, whichever
8 is later.

9 (e) In investigating any alleged violation of Section 5.110, the Ethics Commission and City
10 Attorney shall have the power to inspect, upon reasonable notice, all documents required to be
11 maintained under Section 5.115. This power to inspect documents is in addition to other powers
12 conferred on the Ethics Commission and City Attorney by the Charter, or by ordinance, including the
13 power of subpoena.

14 **Sec. 5.130. ELECTRONIC FILING OF STATEMENTS AND REPORTS.**

15 (a) ELECTRONIC FILING REQUIRED. Whenever permit expediters are required by this
16 Chapter to file an original statement or report, the Ethics Commission may require a permit expediter
17 to file an electronic copy of the statement or report. The electronic copy shall be due no later than the
18 deadline imposed by this Chapter for filing the original statement or report.

19 **(b) POWERS AND DUTIES OF THE ETHICS COMMISSION**

20 (i) Pursuant to San Francisco Charter Section 15.102, the Ethics Commission shall adopt
21 regulations specifying the electronic filing requirements applicable to permit expediters. The Ethics
22 Commission shall adopt these regulations no fewer than 120 days before the electronic filing
23 requirements are effective.

24 (ii) The Ethics Commission shall prescribe the format for electronic copies of statements and
25 reports no fewer than 90 days before the statements and reports are due to be filed.

1 (c) PENALTIES. If any permit expediter files an electronic copy of a statement or report after
2 the deadline imposed by this Section, the Ethics Commission shall, in addition to any other penalties or
3 remedies established in this Chapter, fine the permit expediter \$50 per day after the deadline until the
4 electronic copy is received by the Ethics Commission. The Ethics Commission may reduce or waive a
5 fine if the Commission determines that the late filing was not willful and that enforcement will not
6 further the purposes of this Chapter. The Ethics Commission shall deposit funds collected under this
7 section in the General Fund of the City and County of San Francisco.

8 **Sec. 5.135. SEVERABILITY**

9 If any provision of this Article is held invalid or unconstitutional, such invalidity or
10 unconstitutionality shall not affect other provisions or applications which can be given effect without
11 the invalidated provision, and to this end the provisions of this Article are severable.

12
13 APPROVED AS TO FORM:
14 DENNIS J. HERRERA, City Attorney

15
16 By: _____
17 Theodore R. Lakey
18 Deputy City Attorney