



June 8, 2023

Ms. Angela Calvillo, Clerk  
Honorable Mayor Breed  
Board of Supervisors  
City and County of San Francisco  
City Hall, Room 244  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102

Re: Transmittal of Planning Department Case Number 2023-003753PCA:  
Planning, Building Codes - Existing Awning Amnesty Program  
Board File No. 230447

**Planning Commission Recommendation: Approval with Modifications**

Dear Ms. Calvillo and Mayor Breed,

On June 1, 2023, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Mayor Breed that would amend the Planning Code the Planning Code to create a temporary amnesty program for unpermitted awnings that streamlines the application process to legalize awnings, waives applicable fees, and confers legal nonconforming status for awnings that do not comply with the Planning Code. At the hearing the Planning Commission recommended approval with modifications.

The Commission's proposed modifications were as follows:

1. Limit the program to Business Signs.
2. Remove the 5-year lookback requirement. Instead, allow all Business Signs or Awnings that existed as of the introduction date of the Ordinance to qualify for the amnesty program (except Awnings/Signs attached to Article 11 buildings).
3. Require any Sign that participates in the amnesty program to comply with all illumination provisions contained in Article 6 of the Planning Code.
4. Expand the types of permits that qualify for a Planning fee waiver during the period of the amnesty program to include any permit whose scope of work is exclusively related to non-residential Awnings or

Business Signs.

5. Make technical amendments to:
  - a. Amend the Ordinance title, long title, and the heading of Subsection 187.3 to clarify that certain Signs are included in the amnesty program, in addition to Awnings.
  - b. Clarify that the amnesty program extends to all Business Signs that *physically* existed as of the introduction date of the Ordinance.
  - c. Clarify that the amnesty program applies to non-Residential Awnings only.
  - d. Change the phrase “professionally prepared” in reference to the drawings required, to “drawings prepared by a state licensed contractor or architect, or registered engineer”.
  - e. Recommend that the sponsor amend the Building Code to clarify that no “drawings prepared by a state licensed contractor or architect, or registered engineer” shall be required for Awning and Sign permit applications that qualify for the amnesty program and are compliant with Building Code standards at the time of application.
  - f. Recommend that the sponsor amend the Building Code to waive DBI fees for Signs that are eligible for the amnesty program and that are compliant with Building Code standards at the time of application.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Mayor Breed, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information, please do not hesitate to contact me.

Sincerely,



Aaron D. Starr  
*Manager of Legislative Affairs*

cc: Robb Kapla, Deputy City Attorney  
Katy Tang, Office of Small Business  
Erica Major, Office of the Clerk of the Board

**Attachments :**

Planning Commission Resolution

Planning Department Executive Summary



# PLANNING COMMISSION RESOLUTION NO. 21328

**HEARING DATE: JUNE 1, 2023**

**Project Name:** Existing Awning Amnesty Program  
**Case Number:** 2023-003753PCA [Board File No. 230447]  
**Initiated by:** Mayor Breed / Introduced May 9, 2023  
**Staff Contact:** Audrey Merlone, Legislative Affairs  
Audrey.merlone@sfgov.org, 628-652-7534  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**RESOLUTION APPROVING A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO CREATE A TEMPORARY AMNESTY PROGRAM FOR UNPERMITTED AWNINGS THAT STREAMLINES THE APPLICATION PROCESS TO LEGALIZE AWNINGS, WAIVES APPLICABLE FEES, AND CONFERS LEGAL NONCONFORMING STATUS FOR AWNINGS THAT DO NOT COMPLY WITH THE PLANNING CODE; 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.**

WHEREAS, on May 9, 2023 the Mayor introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 230447, which would amend the Planning Code to create a temporary amnesty program for unpermitted awnings that streamlines the application process to legalize awnings, waives applicable fees, and confers legal nonconforming status for awnings that do not comply with the Planning Code;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 1, 2023; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Sections 15378 and 15060(c)(2); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The Commission's proposed modifications are as follows:

1. Limit the program to Business Signs.
2. Remove the 5-year lookback requirement. Instead, allow all Business Signs or Awnings that existed as of the introduction date of the Ordinance to qualify for the amnesty program (except Awnings/Signs attached to Article 11 buildings).
3. Require any Sign that participates in the amnesty program to comply with all illumination provisions contained in Article 6 of the Planning Code.
4. Expand the types of permits that qualify for a Planning fee waiver during the period of the amnesty program to include any permit whose scope of work is exclusively related to non-residential Awnings or Business Signs.
5. Make technical amendments to:
  - a. Amend the Ordinance title, long title, and the heading of Subsection 187.3 to clarify that certain Signs are included in the amnesty program, in addition to Awnings.
  - b. Clarify that the amnesty program extends to all Business Signs that *physically* existed as of the introduction date of the Ordinance.
  - c. Clarify that the amnesty program applies to non-Residential Awnings only.
  - d. Change the phrase "professionally prepared" in reference to the drawings required, to "drawings prepared by a state licensed contractor or architect, or registered engineer".
  - e. Recommend that the sponsor amend the Building Code to clarify that no "drawings prepared by a state licensed contractor or architect, or registered engineer" shall be required for Awning and Sign permit applications that qualify for the amnesty program and are compliant with

Building Code standards at the time of application.

- f. Recommend that the sponsor amend the Building Code to waive DBI fees for Signs that are eligible for the amnesty program and that are compliant with Building Code standards at the time of application.

## Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

The Commission understands that non-compliant Awnings and Signs are common in the City. It also recognizes the many economic hardships that our small business community currently faces, and that replacing often long-standing Awnings and Signs only adds to that hardship. At the same time, the Commission also believes some Sign requirements are beneficial to the City for both aesthetic and quality of life reasons. The Commission finds that the proposed amnesty program, with all recommended modifications, balances the City's desire to support small businesses while still promoting vibrant public spaces.

## General Plan Compliance

The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

### COMMERCE AND INDUSTRY ELEMENT

#### OBJECTIVE 2

**MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.**

##### Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

##### Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

*The proposed Ordinance, with all recommended modifications, will help certain businesses stay afloat by establishing a path to legalization for their currently non-compliant Awning or Sign and waiving some fees associated with the permit process and enforcement of illegal Awnings and Signs.*

#### OBJECTIVE 4

**IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY AND THE ATTRACTIVENESS OF THE CITY AS A LOCATION FOR NEW INDUSTRY.**

Policy 4.1

Maintain and enhance a favorable business climate in the city.

*The proposed Ordinance will encourage a positive relationship between city government and private businesses, which is an important factor for many industries in choosing to stay in the City or relocate.*

**Planning Code Section 101 Findings**

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

*The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.*

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

*The proposed Ordinance would not have a negative effect on housing or neighborhood character.*

3. That the City's supply of affordable housing be preserved and enhanced;

*The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.*

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

*The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

*The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.*

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

*The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss*

*of life in an earthquake.*

7. That the landmarks and historic buildings be preserved;

*The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.*

8. That our parks and open space and their access to sunlight and vistas be protected from development;

*The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.*

**Planning Code Section 302 Findings.**

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 1, 2023.



Jonas P Ionin Digitally signed by Jonas P Ionin  
Date: 2023.06.07 13:43:42 -07'00'

Jonas P. Ionin  
Commission Secretary

AYES: Braun, Diamond, Imperial, Koppel, Moore, Tanner

NOES: None

ABSENT: Ruiz

ADOPTED: June 1, 2023





# EXECUTIVE SUMMARY

## PLANNING CODE TEXT AMENDMENT

**HEARING DATE: June 1, 2023**

**90-Day Deadline: August 10, 2023**

**Project Name:** Existing Awning Amnesty Program  
**Case Number:** 2023-003753PCA [Board File No. 230447]  
**Initiated by:** Mayor Breed / Introduced May 9, 2023  
**Staff Contact:** Audrey Merlone, Legislative Affairs  
Audrey.merlone@sfgov.org, 628-652-7534  
**Reviewed by:** Aaron Starr, Manager of Legislative Affairs  
aaron.starr@sfgov.org, 628-652-7533

**Recommendation:** Approval with Modifications

### Planning Code Amendment

The proposed Ordinance would amend the Building and Planning Codes to create a temporary amnesty program for unpermitted awnings and certain unpermitted signs that streamlines the application process to legalize awnings and signs, waives applicable fees, and confers legal nonconforming status for awnings that do not comply with the Planning Code.

#### The Way It Is Now:

1. Awnings, as defined in Planning Code Sec. 102, are considered a permitted obstruction if they comply with the dimensional limitations laid out in Planning Code Sec. 136.1. They must also meet Building Code standards.
  - a. The installation, repair, or replacement of an Awning requires a permit that is reviewed for compliance with both the Building and Planning Codes.
  - b. Both the Planning and Building Departments charge a fee for permits to install, repair, or replace an Awning.

- c. The Department of Building Inspection determines whether drawings prepared by a licensed professional are required. They are usually required for Awning permits.
2. Signs, as defined in Planning Code Section 602, are permitted only if they meet the requirements in Article 6 of the Planning Code. They must also meet Building Code standards.
    - a. The installation, repair, or replacement of a Sign requires a permit that is reviewed for compliance with both the Building and Planning Codes.
    - b. The Planning and Building departments both charge a fee for a permit to install, repair, replace, or change the copy of a Sign.
    - c. The Department of Building Inspection (DBI) determines whether drawings prepared by a licensed professional are required. They are often required for Sign permits.

### **The Way It Would Be:**

1. A temporary amnesty program would be created for certain unpermitted Awnings and Signs that do not comply with the Planning Code. The amnesty program would expire on June 1, 2024.

#### What Would Qualify:

- Awnings installed without a permit that existed as of the active date of the ordinance and that are "generally" the same shape, size, material, and location that they've been for at least 5 years prior; *except that buildings subject to Art. 11 do not qualify.*
- Signs installed without a permit that existed as of the active date of the ordinance that are "generally" the same shape, size, material, and location that they've been for at least 5 years prior; *except that buildings subject to Art. 11 do not qualify.* Signs that do not comply with current Building Code standards also do not qualify.

#### The Amnesty Program:

Qualified Awnings would:

- a. Not be subject to the Planning Code requirements for Awnings but *would* be required to comply with the Building Code.
- b. If DBI determines that changes must be made to comply with their Code, the applicant must replace/repair the Awning so that it complies with the Building Code but may replace the Awning to be the same shape/size/level of nonconforming with the Planning Code that it was prior.
- c. Professional drawings will not be required to accompany the application establishing the Awning as legal, non-conforming IF the existing Awning is compliant with the Building Code.
- d. No fee will be charged for this permit by Planning or DBI (including for permits required by DBI to bring an Awning into compliance with the Building Code).

Qualified Signs would:

- e. Not be subject to Planning Code requirements for Signs *only if* the existing sign currently complies with the Building Code. (*Signs that do not comply with the Building Code must be removed and replaced with a sign that meets both Building and Planning Codes and are not eligible for this amnesty program.*)
  - f. “Professional drawings” will not be required to accompany the application establishing the qualified Sign as legal, non-conforming.
  - g. No fee will be charged for this permit by Planning. DBI will charge their standard permit and inspection fee.
2. No enforcement fees will be charged for Awnings that qualify for the amnesty program, including fees from NOV’s issued by DBI or Planning. No Planning enforcement fees will be charged for Signs that qualify for the amnesty program.

## Background

In recent months, many small business owners faced enforcement for allegedly non-compliant awnings. Between November 1 and February 23, the Department of Building Inspection (DBI) received 179 anonymous complaints about illegally installed awnings in San Francisco. Last year, only five such complaints were received during the same period. In response, Mayor Breed and Board President Peskin introduced this ordinance to create an amnesty program for businesses that may have unauthorized signs and awnings. The amnesty program recognizes the tremendous strain that small businesses have been under in recent years, particularly due to forced closures and loss of business during the COVID pandemic. While this ordinance is working its way through the legislative process, DBI and Planning will pause enforcement against complaints of non-compliant awnings. Exceptions to this pause will be in cases of urgent life safety issues requiring immediate action.

### Small Business Commission

The Small Business Commission heard the proposed Ordinance at their May 22, 2023, hearing. At that hearing, the Commission unanimously voted to support the legislation, and thanked the Office of Small Business for responding to the needs of small businesses who have been struggling.

### Building Inspection Commission

The Building Inspection Commission heard a presentation from DBI staff on both the status of the unpermitted Awning complaints they received, as well as on the proposed Ordinance, at their May 17, 2023, hearing. At the hearing, DBI staff clarified that Fire Department and Public Works fees would also be waived for qualified Awning permits under the legislation; however, several surcharges required by the state or other city codes would still apply. At that hearing, the Commission unanimously voted to support the legislation.

## Small Business Month Fee Waiver

May is Small Business and Building Safety Month (Small Business Month) and the Board of Supervisors adopted legislation to support small businesses by waiving various local permit fees for the month of May. This program began as a pilot program in 2012 and was renewed annually until 2014, at which time the program was made permanent. The fee waiver applies to permits for the replacement of Awnings, Awning Signs, and installation of pedestrian level lighting as these fees have acted as a barrier for many small businesses to improve their building facades and store fronts. The proposed legislation would be a separate, temporary amnesty program for certain Awnings and Signs; providing an additional opportunity for small businesses seeking a fee waiver for permits related to their Awnings and/or Signs.

## Issues and Considerations

### Awnings versus Awning Signs

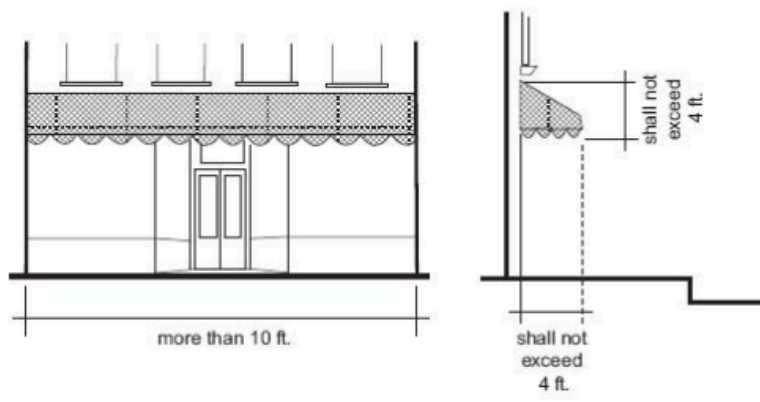
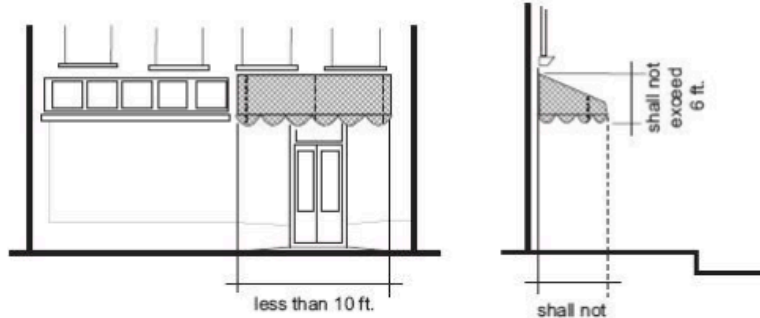
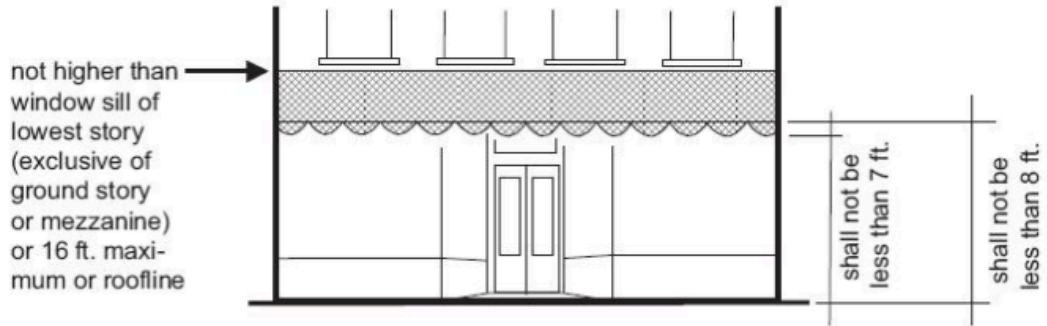
Section 102 of the Planning Code defines an Awning as:

*“A light roof-like structure, supported entirely by the exterior wall of a building; consisting of a fixed or movable frame covered with cloth, plastic, or metal; extending over doors, windows, and/or show windows; with the purpose of providing protection from sun and rain and/or embellishment of the façade; as further regulated in Section 3105 of the Building Code.”*

Section 602(c) further regulates signage that may be placed on an Awning as:

*“The Area of any Sign on an Awning or Marquee shall be the total of all signage on all faces of the structure. All sign copy on each face shall be computed within one rectangular perimeter formed by extending lines around the extreme limits of writing, representation, or any figure of similar character depicted on the surface of the face of the awning or marquee.”*

Awnings, whether they possess signage or not, are considered permitted obstructions under Sec. 136.1. To qualify as a permitted obstruction, in all zoning districts no portion of an awning may be less than 8 feet above the finished grade, nor may it be higher than the windowsill of the second story or extend higher than 16 feet or the roofline of the building; whichever is least (*see illustration on next page*).



There are additional limitations on Awnings in certain districts which are listed below:

SEC. 136.1 AWNINGS	Residential (R) & Residential Enclave (RED)	NC-1, NCT-1 & Limited Commercial Uses	All Other Zoning Districts
Permissibility	Limited Commercial Uses only. Must be cloth covered in R districts.	Allowed	Allowed
Projection from the Building Face Maximum	4'	4'	6' if the width of the awning is >10' 4' if the width is <10'
Height of Awning (vertical distance)	4', in no case may extend above the ground floor	4'	6' if the width of the awning is >10' 4' if the width is <10'

**Types of Signs:**

The sign controls exist to safeguard and enhance property values in residential, commercial, and industrial areas, and protect and enhance the distinctive appearance of San Francisco. To accomplish this, a permit is required to install, replace, reconstruct, expand, intensify, or relocate any sign unless it is specifically exempted from the regulations. Signs must conform to the provisions set forth in Article 6 and other applicable sections of the Planning Code. Article 6 defines a “Sign” as:

*Any structure, part thereof, or device or inscription which is located upon, attached to, or painted, projected or represented on any land or right-of-way, or on the outside of any building or structure including an Awning, Canopy, Marquee or similar appendage, or affixed to the glass on the outside or inside of a window so as to be seen from the outside of the building, and which displays or includes any numeral, letter, word, model, banner, emblem, insignia, symbol, device, light, trademark, or other representation used as, or in the nature of, an announcement, advertisement, attention-arrester, direction, warning, or designation by or of any person, firm, group, organization, place, commodity, product, service, business, profession, enterprise or industry.*

There are many types of signs regulated by the Planning Code, including Identifying Signs, General Advertising Signs, and Business Signs. The proposed Ordinance does not specify the types of signs that would qualify for the amnesty program; however, it is intended to assist small businesses with their storefronts. Section 602 defines a Business Sign as:

*“A Sign which directs attention to the primary business, commodity, service, industry or other activity which is sold, offered, or conducted on the premises upon which such Sign is located, or to which it is affixed.”*

Three of the most common types of Business Signs are Wall Signs, Projecting Signs, and signs on Awnings (also called Awning Signs for this report). A Wall Sign is generally painted directly on the wall or placed flat against a building wall with its copy parallel to the wall to which it is attached and not protruding more than the thickness

of the sign cabinet. The sign cabinet cannot be thicker than necessary to accommodate the electrical box. A Projecting Sign generally extends beyond a street property line or a building setback line. An Awning Sign is comprised of copy that advertises the business located at the site and its offerings. The copy on Awning Signs is often on multiple faces of the Awning.



*Two examples of Wall Signs.*



*Example of a Projecting Sign.*



*Example of an Awning Sign.*

### **Regulating Awning Signs, Projecting Signs, and Wall Signs**

The Planning Code regulates the types and combinations of signage that are allowed based on a site's zoning district and historic status of the building.

PROJECTING SIGNS	NC-1 and NCT-1	RC, NC-2, NCT-2	NCT, NC-3, NCT-3, Chinatown CBD	Chinatown Visitor Retail District	Chinatown Residential NCD
Permissibility	1 max per business	1 max per business	1 max per business	1 max per business	1 max per business
Projection from the Building Face Maximum	6'6" or no more than 75% of distance from property line to curb	6'6" or no more than 75% of distance from property line to curb	6'6" or no more than 75% of distance from property line to curb	6'6" or no more than 75% of distance from property line to curb	6'6" or no more than 75% of distance from property line to curb
Height or Total Area	15' high or height of the wall to which it is attached	24 square feet total area 24' height or height of the wall to which it is attached, or height of lowest residential windowsill of the building	32 square feet total area 24' height or height of the wall to which it is attached, or height of lowest residential windowsill of the building	24 square feet total area 24' height or height of the wall to which it is attached, or height of lowest residential windowsill of the building	15' high or height of the wall to which it is attached
Illumination	Direct or Indirect allowed	Direct or Indirect allowed	Direct or Indirect allowed	Indirect, or direct only during business hours	Indirect, or direct only during business hours

AWNING SIGNS	NC-1 and NCT-1	RC, NC-2, NCT-2	NCT, NC-3, NCT-3, Chinatown CBD	Chinatown Visitor Retail District	Chinatown Residential NCD
Permissibility	In addition to a projecting OR wall sign	In addition to a projecting sign	In addition to a projecting sign	In addition to a projecting sign	In addition to a projecting OR wall sign
Copy Limit	20sqft total across all awnings	30sqft total across all awnings	40sqft total across all awnings	30sqft total across all awnings	20sqft total across all awnings
Illumination	Indirect allowed	Indirect allowed	Indirect allowed	Indirect allowed	Indirect allowed



## Illumination Requirements

Although illuminated signs can attract wanted attention to a business, they can also cause harm to neighboring tenants and residents if not illuminated appropriately. As such, the Planning Code categorizes Signs and specifies their location and lighting based on zoning districts, as shown in previous tables. These restrictions are important for creating a space where a mix of commercial and residential uses may coexist in harmony.

**Directly Illuminated Sign.** A Sign designed to give forth artificial light directly (or through transparent or translucent material) from a source of light within such Sign, including but not limited to neon and exposed lamp signs.

**Indirectly Illuminated Sign.** A Sign illuminated with a light directed primarily toward such Sign and so shielded that no direct rays from the light are visible elsewhere than on the lot where said illumination occurs. If not effectively so shielded, such sign shall be deemed to be a Directly Illuminated Sign.

**Nonilluminated Sign.** A Sign which is not illuminated, either directly or indirectly.



*Directly Illuminated Sign*

*Indirectly Illuminated Sign*

*Nonilluminated Sign*

## Supporting Small Businesses

The Controller's Office of Economic Analysis released a report<sup>1</sup> in October of 2022 on the status of the re-opening of the City's economy. Some of the key findings were:

- San Francisco continued to lag most other metro areas in office attendance, at just 40% of pre-pandemic levels.
- New business formation (tracked by the number of business registration certificates filed) remained far below pre-pandemic rates, especially in the retail trades and restaurant/bar categories.

The report revealed that visitors were beginning to return to San Francisco to shop, eat, and experience the City; however, the lack of daily commuters and lower than normal number of tourists has hurt small businesses. As many businesses are still attempting to recover from the pandemic, the country is also entering a period of economic uncertainty.

<sup>1</sup> [https://sfcontroller.org/sites/default/files/Documents/Economic%20Analysis/October%20Re-Opening%20Report\\_final.pdf](https://sfcontroller.org/sites/default/files/Documents/Economic%20Analysis/October%20Re-Opening%20Report_final.pdf)

## General Plan Compliance

Objective 2 of the Commerce and Industry Element is to “Maintain and enhance a sound and diverse economic base and fiscal structure for the City”. Policy 2.1 of this Objective is to “Seek to retain existing commercial and industrial activity and to attract new such activity to the City”. The proposed Ordinance, with all recommended modifications will help certain businesses stay afloat by establishing a path to legalization for their currently non-compliant Awning or Sign and waiving some fees associated with the permit process and enforcement of illegal Awnings and Signs.

## Racial and Social Equity Analysis

Staff research found some of the highest rates of noncompliance (i.e., businesses that contain either an unpermitted Awning or Sign) are within the City’s Cultural Heritage Districts. These distinctive neighborhoods are the backbone of the City’s economy. Tourists come to San Francisco to immerse themselves in the unique cultures, aesthetic, and artistic tradition of each neighborhood. In 2015 alone, more than 24.6 million visitors contributed an estimated \$9.3 billion to the local economy. This translates to an average visitor spending of \$25.4 million dollars every day; much of which was spent in the City’s restaurants, shops, and services<sup>2</sup>. San Francisco’s culture is also a major contributor to the City’s other economic sectors. Studies show that this strong cultural identity is what attracts a skilled and educated workforce, which in turn attracts innovative companies and firms. Even manufacturing and light industrial sector benefits from the City’s brand and its strong association with diversity, history, and innovation.

At the same time, individual character and culture of Cultural Districts have never been more at risk, and the City’s historic small businesses are especially vulnerable. Prior to the pandemic, commercial rents in most neighborhoods were doubling or tripling. Otherwise, healthy businesses that act as anchors for the City’s commercial corridors were forced to close<sup>3</sup>. The pandemic has only further exacerbated the financial pressures on historic, small businesses.

Looking beyond the financial pressures placed on small businesses, it is important to also acknowledge the origins of many of the City’s design controls, and why certain aesthetics are considered “desirable” over others. Many of the City’s oldest design controls sought to reduce “visual clutter” a term employed often as a proxy to minimize the expression of cultural identity and diversity. More recent design guidelines in the Japantown and Calle 24 cultural districts recognize the importance of enhancing and celebrating these districts’ unique aesthetics, and the diverse qualities of signage.

The proposed amendments will serve as one small but important step in helping preserve long-standing businesses and the pattern of smaller sized retail spaces in the City. This amnesty program will assist businesses that may currently be out of compliance by creating a more affordable (and in some cases cost-free) path to legalization. These amendments help further equity and complement the goal of Cultural Districts to promote and protect businesses and industries that advance the culture and history of said districts.

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<sup>2</sup> <https://oewd.org/tourism>

<sup>3</sup> [https://codelibrary.amlegal.com/codes/san\\_francisco/latest/sf\\_admin/0-0-0-59520](https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_admin/0-0-0-59520)

## Implementation

The Department has determined that this ordinance will not have a material impact on our current implementation procedures.

## Recommendation

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Limit the program to Business Signs.
2. Remove the 5-year lookback requirement. Instead, allow all Business Signs or Awnings that existed as of the introduction date of the Ordinance to qualify for the amnesty program (except Awnings/Signs attached to Article 11 buildings).
3. Require any Sign that participates in the amnesty program to comply with all illumination provisions contained in Article 6 of the Planning Code.
4. Expand the types of permits that qualify for a Planning fee waiver during the period of the amnesty program to include any permit whose scope of work is exclusively related to non-residential Awnings or Business Signs, except for buildings subject to Article 11 or Awning/Sign permits subject to neighborhood notification.
5. Make technical amendments to:
  - a. Amend the Ordinance title, long title, and the heading of Subsection 187.3 to clarify that certain Signs are included in the amnesty program, in addition to Awnings.
  - b. Clarify that the amnesty program extends to all Business Signs that *physically* existed as of the introduction date of the Ordinance.
  - c. Clarify that the amnesty program applies to non-Residential Awnings only.
  - d. Change the phrase "professionally prepared" in reference to the drawings required, to "drawings prepared by a state licensed contractor or architect, or registered engineer".
  - e. Recommend that the sponsor amend the Building Code to clarify that no "drawings prepared by a state licensed contractor or architect, or registered engineer" shall be required for Awning and Sign permit applications that qualify for the amnesty program and are compliant with Building Code standards at the time of application.
  - f. Recommend that the sponsor amend the Building Code to waive DBI fees for Signs that are eligible for the amnesty program and that are compliant with Building Code standards at the

time of application.

### **Basis for Recommendation**

The Department understands that non-compliant Awnings and Signs are common in the City. It also recognizes the many economic hardships that our small business community currently faces, and that replacing often long-standing Awnings and Signs only adds to that hardship. At the same time, the Department also believes some Sign requirements are beneficial to the City for both aesthetic and quality of life reasons. The Department finds that the proposed amnesty program, with all Department recommended modifications, balances the City's desire to support small businesses while still promoting vibrant public spaces.

**Recommendation 1: Limit the program to Business Signs.** The definition of a "Sign" in the Planning Code is very broad, and includes General Advertising Signs, which cannot be legalized due to a voter-initiated ordinance. Limiting the program to "Business Signs" as defined in the Planning Code, will remove ambiguity in the program while ensuring the amnesty program targets the signs it is intended to cover.

**Recommendation 2: Remove the 5-year lookback requirement. Instead, allow all Business Signs or Awnings that existed as of the introduction date of the Ordinance to qualify for the amnesty program.** The pandemic caused storefront turnover to rise at an astonishing rate. Many small businesses have relocated within the last 5 years or have changed their Awnings or Signs in the interim. Whether an Awning or Sign has existed for 5 years versus the introduction date of the legislation should not determine whether it qualifies for the amnesty program. It overly complicates a program designed to aid our small businesses in a struggling, post-pandemic environment.

**Recommendation 3: Require any Sign that participates in the amnesty program to comply with all illumination provisions contained in Article 6 of the Planning Code.** Illumination restrictions are vital to ensuring that Signs do not create a nuisance for surrounding residents and other businesses. It is important that they remain in place, even for Signs in the amnesty program.

**Recommendation 4: Expand the types of permits that qualify for a Planning fee waiver during the period of the amnesty program to include any permit whose scope of work is exclusively related to non-residential Awnings or Business Signs, except for buildings subject to Article 11 or Awning/Sign permits subject to neighborhood notification.** The Department believes that the benefit of providing small businesses with a less complicated amnesty program outweighs the temporary loss of revenue from Awning and Sign permits not currently included in the proposed fee waiver. Additionally, the Department feels that business owners who have legally installed their Awnings and Signs should be extended the same relief if they need to replace or repair their sign while the amnesty program is in effect.

**Recommendation 5: Make technical amendments:**

- Amend the Ordinance title, long title, and the heading of Subsection 187.3 to clarify that certain Signs are included in the amnesty program, in addition to Awnings.
- Clarify that the amnesty program extends to all Business Signs that *physically* existed as of the

introduction date of the Ordinance.

- Clarify that the amnesty program applies to non-Residential Awnings only.
- Change the phrase “professionally prepared” in reference to the drawings required, to “drawings prepared by a state licensed contractor or architect, or registered engineer”.
- Recommend that the sponsor amend the Building Code to clarify that no “drawings prepared by a state licensed contractor or architect, or registered engineer” shall be required for Awning and Sign permit applications that qualify for the amnesty program and are compliant with Building Code standards at the time of application.
- Recommend that the sponsor amend the Building Code to waive DBI fees for Signs that are eligible for the amnesty program and that are compliant with Building Code standards at the time of application.

## Required Commission Action

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

## Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

## Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.