

Ordinance: One-Year Temporary Suspension of Vacant Commercial Storefront Registration and Fee

Budget & Finance Committee

January 10, 2024

Background

- The San Francisco Building Code (SFBC) sets forth controls for vacant or abandoned commercial storefronts, requiring the owner of a vacant or abandoned commercial storefront to:
 - Register the commercial storefront with the Department of Building Inspection (DBI) within 30 days after it has become vacant or abandoned
 - Renew the registration annually
 - Pay annual registration fee
 - Submit an annual report to DBI confirming maintenance of the property
- SFBC also requires DBI to maintain a registry of vacant or abandoned commercial storefronts.

Proposed Ordinance

- The Mayor's Office has proposed an ordinance to temporarily suspend the registration, fee and annual report requirements of the SFBC.
- The suspension would be for one year, from January 1, 2024 through December 31, 2024.

What Would be Suspended

- Property owner's obligation to register a vacant or abandoned commercial storefront and pay the registration fee. (SFBC 103A.5.2)
- Annual report from a licensed professional confirming storefront's interior/exterior has been maintained. (SFBC 103A.5.3)
- DBI's vacant storefront registry. (SFBC 103A.5.4)
- NOVs issued because a property owner hasn't registered, paid the registration fee, and/or filed an annual report. (SFBC 103A.5.5)

What Would Not be Suspended

- All sign posting, maintenance, security and insurance requirements listed in SFBC 103A.4.4 – 103A.4.6:
 - Sign posting in a conspicuous location that provides contact information
 - Exterior maintenance of the building so it does not contribute to blight
 - Interior maintenance to keep the building safe from the elements
 - Secured against unauthorized entry
 - Fire and liability insurance coverage
- NOVs issued and enforcement for public nuisance for failure to comply with the sign posting, maintenance, security and insurance requirements.

Other Factors

- DBI staff would use the one-year suspension period to create a better data-capture and reporting system based on the existing list of vacant commercial storefronts.
- In FY 2022-23, DBI received approximately \$364,000 in registration fees for the 513 storefronts that registered.
- DBI would welcome General Fund reimbursement for lost revenue from registration fees (similar to First Year Free).
- DBI's vacant commercial storefront registry and registration fee is separate from the tax assessed on vacant commercial storefronts by the Treasurer & Tax Collector.

Building Inspection Commission Recommendation

- The Building Inspection Commission met on December 13, 2023 and voted to make a recommendation of approval of the proposed ordinance to the Board of Supervisors.



THANK YOU