

File No. 140312

Committee Item No. 6

Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Land Use and Economic Development Date April 14, 2014

Board of Supervisors Meeting Date \_\_\_\_\_

#### Cmte Board

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| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
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Completed by: Andrea Ausberry Date April 10, 2014

Completed by: \_\_\_\_\_ Date \_\_\_\_\_

[Planning, Building Codes - Small Business Month Fee Waiver]

1  
2 **Ordinance recognizing ~~Small Business Month in May 2014~~; retroactively waiving fees in**  
3 **the Planning and Building Codes for certain façade improvements during the month of**  
4 **May every year; ~~2014~~; affirming the Planning Department's determination under the**  
5 **California Environmental Quality Act; and making findings of consistency with the**  
6 **General Plan, and eight priority policies of Planning Code, Section 101.1.**

7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
9 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.  
10 **Board amendment additions** are in double-underlined Arial font.  
11 **Board amendment deletions** are in ~~strikethrough Arial font~~.  
12 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
13 subsections or parts of tables.

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

15 Section 1. Findings and Purpose.

16 (a) May is Small Business Month, and the Board of Supervisors desires to recognize  
17 the importance of small businesses in San Francisco. As part of this recognition, the Board  
18 elects to waive various local permit fees for the month of May each year 2014 for the  
19 replacement of awnings and signs on awnings and installation of pedestrian level lighting, as  
20 these fees have acted as a bar for many small businesses to improve their building facades  
21 and store fronts.

22 (b) On March 27, 2014, the Planning Commission adopted Resolution No. 19106  
23 recommending adoption of this ordinance, and adopted findings that the ordinance is  
24 consistent, on balance, with the City's General Plan and eight priority policies of Planning  
25 Code Section 101.1(b). The Board of Supervisors adopts these findings as it own. A copy of

1 this Commission Resolution is on file with the Clerk of the Board in File No. 140312, and is  
2 incorporated herein by reference.

3 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this  
4 ordinance will promote the public necessity, convenience, safety and welfare for the reasons  
5 set forth in Commission Resolution No. 19106, which is incorporated herein by reference.

6 (d) The Planning Department has determined that the actions contemplated in this  
7 ordinance comply with the California Environmental Quality Act ("CEQA", California Public  
8 Resources Code Section 21000 et seq.). The Board of Supervisors affirms the Department's  
9 CEQA determination. Said determination is on file with the Clerk of the Board in File No.  
10 140312 and is incorporated herein by reference.

11 (e) On March 19, 2014, the Building Inspection Commission conducted a public  
12 hearing on this ordinance and recommended approval of this ordinance. On March 24, 2014,  
13 the Building Inspection Commission Secretary submitted a letter to the Board of Supervisors  
14 describing the Commission's action. Said letter is on file with the Clerk of the Board in File  
15 No. 140312 and is incorporated herein by reference.

16  
17 Section 2. The Planning Code is hereby amended by revising Section 355, to read as  
18 follows:

19 \*\*\*

20 (f) **Small Business Month Fee Waiver.** No Planning Department fees shall apply for  
21 permits issued to Small Business Enterprises in the month of May for awning replacement  
22 and for signs on awnings. For purposes of this Subsection (f), a Small Business Enterprise  
23 shall be a business that has 100 or fewer employees. The Planning Department and the  
24 Department of Building Inspection shall establish process by which those two departments will  
25

1 certify that an applicant is a Small Business Enterprise for the purpose of this Subsection and  
 2 Section 110A, Tables 1A-A and 1A-E of the Building Code.

3  
 4 Section 3. The Building Code is hereby amended by revising Section 110A, Tables  
 5 1A-A and 1A-E, to read as follows:

6 **TABLE 1A-A – BUILDING PERMIT FEES**

	<i>NEW CONSTRUCTION</i> <sup>1,3</sup>		<i>ALTERATIONS</i> <sup>1,2,3</sup>		<i>NO PLANS</i> <sub>1,2,3</sub>
<i>TOTAL VALUATION</i>	<i>PLAN REVIEW FEE</i>	<i>PERMIT ISSUANCE FEE</i>	<i>PLAN REVIEW FEE</i>	<i>PERMIT ISSUANCE FEE</i>	<i>PERMIT ISSUANCE FEE</i>
\$1.00 to \$2,000.00	\$141.17 for the first \$500.00 plus \$5.83 for each additional \$100.00 or fraction thereof, to and including \$2,000.00	\$60.50 for the first \$500.00 plus \$2.50 for each additional \$100.00 or fraction thereof, to and including \$2,000.00	\$155.75 for the first \$500.00 plus \$3.15 for each additional \$100.00 or fraction thereof, to and including \$2,000.00	\$66.75 for the first \$500.00 plus \$1.35 for each additional \$100.00 or fraction thereof, to and including \$2,000.00	\$180.00 for the first \$500.00 plus \$4.00 for each additional \$100.00 or fraction thereof, to and including \$2,000.00

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<p>\$2,001.00 to \$50,000.00</p>	<p>\$228.62 for the first \$2,000.00 plus \$14.00 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00</p>	<p>\$98.00 for the first \$2,000.00 plus \$6.00 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00</p>	<p>\$203.00 for the first \$2,000.00 plus \$19.11 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00</p>	<p>\$87.00 for the first \$2,000.00 plus \$8.19 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00</p>	<p>\$240.00 for the first \$2,000.00 plus \$5.83 for each additional \$1,000.00 or fraction thereof, to and including \$50,000.00</p>
<p>\$50,001.00 to \$200,000.00</p>	<p>\$900.62 for the first \$50,000.00 plus \$9.33 for each additional \$1000.00 or fraction thereof, to and including \$200,000.00</p>	<p>\$386.00 for the first \$50,000.00 plus \$4.00 for each additional \$1000.00 or fraction thereof, to and including \$200,000.00</p>	<p>\$1,120.28 for the first \$50,000.00 plus \$11.43 for each additional \$1000.00 or fraction thereof, to and including \$200,000.00</p>	<p>\$480.12 for the first \$50,000.00 plus \$4.90 for each additional \$1000.00 or fraction thereof, to and including \$200,000.00</p>	<p>\$519.84 for the first \$50,000.00 plus \$2.86 for each additional \$1000.00 or fraction thereof, to and including \$200,000.0</p>

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\$200,001.00 to \$500,000.00	\$2,300.12 for the first \$200,000.00 plus \$6.53 for each additional \$1000.00 or fraction thereof, to and including \$500,000.00	\$986.00 for the first \$200,000.00 plus \$2.80 for each additional \$1000.00 or fraction thereof, to and including \$500,000.00	\$2,834.78 for the first \$200,000.00 plus \$9.33 for each additional \$1000.00 or fraction thereof, to and including \$500,000.00	\$1,215.12 for the first \$200,000.00 plus \$4.00 for each additional \$1000.00 or fraction thereof, to and including \$500,000.00	Plans Required for Submittal
\$500,001.00 to \$1,000,000.0 0	\$4,259.12 for the first \$500,000.00 plus \$5.83 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0	\$1,826.00 for the first \$500,000.00 plus \$2.50 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0	\$5,633.78 for the first \$500,000.00 plus \$6.42 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0	\$2,415.12 for the first \$500,000.00 plus \$2.75 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0	Plans Required for Submittal

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<p>\$1,000,001.0 0 to \$5,000,000.0 0</p>	<p>\$7,174.12 for the first \$1,000,000.0 0 plus \$5.13 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0</p>	<p>\$3,076.00 for the first \$1,000,000.0 0 plus \$2.20 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0</p>	<p>\$8,843.78 for the first \$1,000,000.0 0 plus \$5.83 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0</p>	<p>\$3,790.12 for the first \$1,000,000.0 0 plus \$2.50 for each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.0 0</p>	<p>Plans Required for Submittal</p>
<p>\$5,000,001.0 0 and up</p>	<p>\$27,694.12 for the first \$5,000,000.0 0 plus \$4.90 for each additional \$1,000.00 or fraction hereof</p>	<p>\$11,876.00 for the first \$5,000,000.0 0 plus \$2.10 for each additional \$1,000.00 or fraction thereof</p>	<p>\$32,163.78 for the first \$5,000,000.0 0 plus \$5.48 for each additional \$1,000.00 or fraction thereof</p>	<p>\$13,790.12 for the first \$5,000,000.0 0 plus \$2.35 for each additional \$1,000.00 or fraction thereof</p>	<p>Plans Required for Submittal</p>

**NOTES:**

1. These permit fees do not include other fees that may be required by other  
Departments: Public Works, Planning, Fire, Public Health, etc., nor do they include plumbing,

1 electrical or mechanical permit fees unless so stated in the other fee tables.

2 2. A surcharge of \$5.00 shall be added to those alteration permits sought for buildings  
3 classified as R3 (one/two-family dwelling) and E3 (licensed day care) that were constructed  
4 prior to 1979 to implement the interior lead safe work practices provisions of Section 3407 *et*  
5 *seq.* of this code.

6 3. All permit fees related to reviewing the structural integrity of awning replacements  
7 for permits submitted "over the counter" at the Central Permit Bureau are hereby waived for  
8 any permit issued to a Small Business Enterprise for such activities during the month of May.  
9 For purposes of this Section, a Small Business Enterprise shall be a business that has 100 or  
10 fewer employees. The Planning Department and the Department of Building Inspection shall  
11 establish process by which those two departments will certify that an applicant is a Small  
12 Business Enterprise for the purpose of this Section and Section 355 of the Planning Code.

13  
14 \* \* \* \*

15 **TABLE 1A-E – ELECTRICAL PERMIT ISSUANCE AND INSPECTION FEE**  
16 **SCHEDULE**

17 A. Permit applicants are required to itemize the proposed scope of work and select  
18 the appropriate category and fee amount.

19 B. Separate permits are required for each structure, condominium unit, existing  
20 dwelling unit (except in R3 occupancies), common area, commercial office floor or individual  
21 tenant space.

22 C. Standard hourly permit issuance and inspection rates shall apply for installations  
23 not covered by this fee schedule.

24 D. Fees shall be paid in full prior to obtaining: occupancy approval, job card signature,  
25 permission to energize, or final signoff, as applicable.



1 E. For the purpose of fee calculation: appliances and utilization equipment each count  
2 as one outlet or device in addition to receptacles, switches, and light outlets.

3 F. All permit fees related to reviewing the installation of pedestrian level lighting are  
4 hereby waived for any permit issued for such activities for Small Business Enterprises during  
5 the month of May. For purposes of this Section, a Small Business Enterprise shall be a  
6 business that has 100 or fewer employees. The Planning Department and the Department of  
7 Building Inspection shall establish process by which those two departments will certify that an  
8 applicant is a Small Business Enterprise for the purpose of this Section and Section 355 of the  
9 Planning Code.

10 \* \* \* \*

11 Section 2. Fee Waivers.

12 ~~(a) Notwithstanding any provision of the Planning Code, including the fee schedule~~  
13 ~~associated with Sections 355(a) and 355(e), the permit fee for awning replacement and for~~  
14 ~~signs on awnings, respectively, are hereby waived for any permit issued for such activities~~  
15 ~~during the month of May 2014.~~

16 ~~(b) Notwithstanding any provision of the Building Code, including the fee schedules of~~  
17 ~~Tables 1A A and 1A E, the permit fees related to reviewing the structural integrity of awning~~  
18 ~~replacements for those permits submitted "over the counter" at the Central Permit Bureau and~~  
19 ~~installation of pedestrian level lighting, respectively, are hereby waived for any permit issued~~  
20 ~~for such activities during the month of May 2014.~~

21 ~~(c) The fee waivers set forth in Section 2 shall apply only to small business~~  
22 ~~enterprises. For purposes of this Section 2 a small business enterprise shall be one that has~~  
23 ~~100 or fewer employees. The Board of Supervisors hereby delegates to the Department of~~  
24 ~~Building Inspection and the Planning Department the establishment of a process by which the~~  
25 ~~respective departments will certify that an applicant is a small business enterprise.~~

1  
2 Section 34. Effective and Operative Dates. This ordinance shall become effective 30  
3 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor  
4 returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it,  
5 or the Board of Supervisors overrides the Mayor's veto of the ordinance. ~~However, in order to~~  
6 ~~effectuate the intent of this ordinance, the operative provisions of this ordinance shall be~~  
7 ~~retroactive to May 1, 2014 should the effective date of the ordinance occur after May 1, 2014.~~  
8

9 APPROVED AS TO FORM:  
10 DENNIS J. HERRERA, City Attorney

11 By:   
12 JON GIVNER  
Deputy City Attorney

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**LEGISLATIVE DIGEST**  
(Amended in Committee, 3/31/14)

[Planning, Building Codes - Small Business Month Fee Waiver]

**Ordinance waiving fees in the Planning and Building Codes for certain façade improvements during the month of May every year; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and priority policies of Planning Code Section 101.1.**

Existing Law

The Planning Code establishes permit fees for certain applications, including awning replacement and for signs. The Building Code establishes permit fees to review the structural integrity of awning replacements among other types of permit review.

Amendments to Current Law

In recognition of Small Business Month, this legislation would waive Planning Code fees for awning replacement and for signs on awnings for small businesses during the month of May every year. The Ordinance also would waive Building Code fees related to review of the structural integrity of awning replacements for small businesses during the month of May every year. The legislation would define small businesses to be those with 100 or fewer employees and delegate to the Directors of City Planning and Building Inspection the ability to establish a process to certify that a business meets this definition. The Ordinance would affirm the Planning Department's California Environmental Quality Act determination and make findings of consistency with the City's General Plan and priority policies of Planning Code Section 101.1.

Background Information

This Legislative Digest reflects amendments adopted by the Land Use and Economic Development Committee at its meeting on March 31, 2014, to apply the fee waivers every May instead of only in May 2014.

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## SAN FRANCISCO PLANNING DEPARTMENT

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March 28, 2014

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

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

Reception:  
415.558.6378

Fax  
415.558.6409

Planning  
Information:  
415.558.6377

Re: Transmittal of Planning Department Case Number 2014.0290T  
Waiving Certain Fees for Small Business Month  
Board File No. 14-0122  
Planning Commission Recommendation: Approval with Modifications

Dear Ms. Calvillo and Supervisor Tang,

On March 27, 2014, the Planning Commission conducted a duly noticed public hearing at regularly scheduled meetings to consider the proposed Ordinance that would recognize Small Business Month in May 2014 and amend the San Francisco Planning Code, and the San Francisco Building Code to waive fees for the month of May for certain façade improvements introduced by Supervisor Tang. At the hearing, the Planning Commission recommended approval with modifications.

The proposed modifications include:

- Making permanent the annual waiver of Planning Department fees for permits issued for awning replacement and for signs on awnings as well as the Central Permit Bureau fees for review of awning replacements and the installation of pedestrian level lighting each May during Small Business Month.
- Amending Planning Code Section 355 to add a subsection (f) as follows: Small Business Month Fee Waiver. Planning Department fees for permits issued for awning replacement and for signs on awnings shall be waived each May during Small Business Month.
- Amending the fee schedules of Tables 1A-A and 1A-E of the Building Code to state: Permit Fees related to reviewing the structural integrity of awning replacements for those permits submitted "over the counter" at the Central Permit Bureau and installation of pedestrian level lighting, respectively, are waived for any permit issued for such activities each May during Small Business Month.

The proposed amendments to the Planning Code has been reviewed and found exempt from CEQA per Section 15273, Rates, Tolls, Fares and Charges.

Transmittal Materials

CASE NO. 2013.0464T  
Small Business Month

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commissions.

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,



AnMarie Rodgers  
Manager of Legislative Affairs

cc:

John D. Malamut, Deputy City Attorney  
Ashley Summers, Aide to Supervisor Tang  
Alisa Miller, Office of the Clerk of the Board

Attachments

Planning Commission Resolution  
Planning Department Executive Summary



## SAN FRANCISCO PLANNING DEPARTMENT

### Planning Commission Resolution No.19106

HEARING DATE: MARCH 27, 2014

1650 Mission St.  
Suite 400  
San Francisco,  
CA 94103-2479

*Project Name:* Waiving Certain Fees for Small Business Month  
*Case Number:* 2014.0290T [Board File No. 14-0122]  
*Initiated by:* Supervisor Tang / Introduced February 11, 2014  
*Staff Contact:* Diego R Sánchez, Legislative Affairs  
diego.sanchez@sfgov.org, 415.558.6362  
*Reviewed by:* AnMarie Rodgers, Manager Legislative Affairs  
anmarie.rodgers@sfgov.org, 415.558.6395

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RECOMMENDING THAT THE BOARD OF SUPERVISORS PASS AN ORDINANCE THAT WOULD 1) RECOGNIZE SMALL BUSINESS MONTH IN MAY 2014; 2) AMEND THE SAN FRANCISCO PLANNING CODE AND THE SAN FRANCISCO BUILDING CODE TO WAIVE FEES FOR CERTAIN FAÇADE IMPROVEMENTS DURING SMALL BUSINESS MONTH, AS DECLARED BY THE SMALL BUSINESS COMMISSION; AND 3) MAKE ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND THE PRIORITY POLICIES OF PLANNING CODE SECTION 101.1

#### PREAMBLE

Whereas, this is the ninth year in a row that the City of San Francisco has celebrated Small Business Week during the month of May; and

Whereas, small businesses are the backbone of the American economy, representing 99.7 percent of all employer firms; and

Whereas, on March 27, 2014 the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance; and

Whereas, the proposed Ordinance have been found exempt from the California Environmental Quality Act per Section 15273, Rates, Tolls, Fares and Charges; and

Whereas, the Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented by Department staff, and other interested parties; and

Whereas, the all pertinent documents may be found in the files of the Department, as the custodian of records, at 1650 Mission Street, Suite 400, San Francisco; and

Whereas, the Commission has reviewed the proposed Ordinance; and

MOVED, that the Commission hereby recommends that the Board of Supervisors recommend *approval with modifications* of the proposed Ordinance and adopts the Draft Resolution to that effect.

The Commission recommended modification would make permanent the waiver of Planning Department fees for permits issued for awning replacement and for signs on awnings as well as the Central Permit Bureau fees for review of awning replacements and the installation of pedestrian level lighting during Small Business Month each year, as declared by the Small Business Commission.

Specifically, the Commission recommended

- Making permanent the annual waiver of Planning Department fees for permits issued for awning replacement and for signs on awnings as well as the Central Permit Bureau fees for review of awning replacements and the installation of pedestrian level lighting each May during Small Business Month.
- Amending Planning Code Section 355 to add a subsection (f) as follows: Small Business Month Fee Waiver. Planning Department fees for permits issued for awning replacement and for signs on awnings shall be waived each May during Small Business Month.
- Amending the fee schedules of Tables 1A-A and 1A-E of the Building Code to state: Permit Fees related to reviewing the structural integrity of awning replacements for those permits submitted "over the counter" at the Central Permit Bureau and installation of pedestrian level lighting, respectively, are waived for any permit issued for such activities each May during Small Business Month.

## 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:

1. As amended, this Ordinance would provide an incentive to improve business facades at what is projected to be minimal cost to the City and would provide certainty of fee waivers for such scope of work during Small Business Month each year. Therefore, we recommend support of this proposed Ordinance as a gesture of goodwill during Small Business Month 2014.
2. **General Plan Compliance.** The proposed Ordinance is, on balance, consistent with the following Objectives and Policies of the General Plan:

## COMMERCE AND INDUSTRY ELEMENT

### POLICY 2.3

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

**POLICY 4.1**

Maintain and enhance a favorable business climate in the city.

**POLICY 6.2**

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to economic and technological innovation in the marketplace and society.

*The proposed Ordinance would provide a gesture of goodwill for Small Business Month 2014 and for each subsequent year.*

**URBAN DESIGN ELEMENT**

**POLICY 4.7**

Encourage and assist in voluntary programs for neighborhood improvement.

*The proposed Ordinance would assist building owners in voluntary façade upgrades.*

1. The proposed replacement project is generally consistent with the eight General Plan priority policies set forth in Section 101.1 in that:
  - A) The existing neighborhood-serving retail uses will be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses will be enhanced:

*The proposed Ordinance will assist neighborhood-serving retail uses in renovation of facades.*
  - B) The existing housing and neighborhood character will be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods:

*The proposed Ordinance will have no adverse impact on housing and will encourage improvements to neighborhood commercial corridors.*
  - C) The City's supply of affordable housing will be preserved and enhanced:

*The proposed Ordinance will have no adverse effects on the City's supply of affordable housing.*
  - D) The commuter traffic will not impede MUNI transit service or overburden our streets or neighborhood parking:

*The proposed Ordinance will not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.*
  - E) A diverse economic base will be maintained by protecting our industrial and service sectors from displacement due to commercial office development. And future opportunities for resident employment and ownership in these sectors will be enhanced:



*The proposed Ordinance would have no negative effects on industry or the service sector.*

- F) The City will achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

*The proposed Ordinance would not affect the preparedness against injury and loss of life in an earthquake is unaffected.*

- G) That landmark and historic buildings will be preserved:

*The proposed Ordinance would not adversely affect landmark and historic buildings as it would encourage renovations and would not exempt any project from historic resource or other required review.*

- H) Parks and open space and their access to sunlight and vistas will be protected from development:

*The proposed Ordinance would not adversely affect parks and open spaces in terms of their access to sunlight and vistas.*

I hereby certify that the Planning Commission ADOPTED the foregoing Resolution on March 27, 2014

Jonas P. Ionin  
Commission Secretary

AYES: Commissioners Antonini, Borden, Fong, Hillis, Moore, Sugaya and Wu

NAYS: none

ABSENT: none

ADOPTED: March 27, 2014



# SAN FRANCISCO PLANNING DEPARTMENT

## Executive Summary Conditional Use

HEARING DATE: MARCH 27, 2014

*Project Name:* Small Business Month May 2014  
*Case Number:* 2014.0290T [Board File No.14-0122]  
*Initiated by:* Supervisor Tang / Introduced February 11, 2014  
*Staff Contact:* Diego R Sánchez, Legislative Affairs  
[diego.sanchez@sfgov.org](mailto:diego.sanchez@sfgov.org) (415) 575-9082  
*Reviewed by:* AnMarie Rodgers, Manager Legislative Affairs  
[anmarie.rodgers@sfgov.org](mailto:anmarie.rodgers@sfgov.org) (415) 558-6395  
*Recommendation:* Approval with Modifications

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415.558.6377

### PLANNING AND BUILDING CODE AMENDMENTS

The proposed Ordinance would 1) recognize May as Small Business Month 2) amend the San Francisco Planning Code and the San Francisco Building Code to waive various local permit fees for the month of May 2014 for the replacement of awnings and signs on awnings and the installation of pedestrian level lighting; and 3) make environmental findings, Planning Code Section 302 findings and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1.

#### The Way It Is Now

Planning Code (hereinafter "Code") Section 355(a) establishes fees for alterations to existing buildings based upon the cost of construction of the work. The current fees are as follows:

Estimated Construction Cost	Initial Fee
\$0.00 to \$9,999.00	\$342
\$10,000.00 to \$49,999.00	\$350 + 3.580% of cost over \$10,000.00
\$50,000.00 to \$99,999.00	\$2,605 + 2.392% of cost over \$50,000.00
\$100,000.00 to \$499,999.00	\$3,827 + 2.619% of cost over \$100,000.00
\$500,000.00 to \$999,999.00	\$14,501 + 0.662% of cost over \$500,000.00
\$1,000,000.00 to \$4,999,999.00	\$17,875 + 0.261% of cost over \$1,000,000.00
\$5,000,000.00 to \$99,999,999.00	\$28,473 + .004% of cost over \$5,000,000.00
\$100,000,000.00 or more	\$32,813

Planning Code Section 355(e) establishes a flat fee for Sign Permit Applications; this includes the replacement of signage on awnings. The current fee is \$161.

#### The Way It Would Be

The Ordinance proposes to waive Planning Department fees for permits issued during the Month of May 2014 for awning replacement and for signs on awnings. The Ordinance also proposes to waive Central

Permit Bureau fees for the review of awning replacements and the installation of pedestrian level lighting during the Month of May 2014.

## ISSUES AND CONSIDERATIONS

- **Continuity with Previous Ordinances for Fee Waivers during Small Business Month.** The proposed Ordinance is exactly the same, in content, as the Ordinance that the Board of Supervisors passed in May 2013. The proposed Ordinance includes the revisions made to the 2013 Ordinance after its introduction, such as a refinement to the definition of a Small Business and a waiver of fees for permits to replace both awnings and signs on awnings.
- **Small Business Commission (SBC).** The SBC will be voting on the Ordinance at their March 24, 2014 meeting. In 2013 the SBC voted 6-0 to recommend approval of the 2013 Ordinance.
- **Department of Building Inspection Review of Both Awning Replacement and Pedestrian Lighting Permits.** The Department of Building Inspection (hereinafter "DBI") reviews both pedestrian-oriented lighting and awning replacement permits. The Planning Department is not typically involved in the review of pedestrian-oriented lighting. DBI's Central Permit Bureau accepts and issues construction permits for buildings located within the City and County of San Francisco. For May 2012, DBI reviewed and waived fees for 11 awning permits, four of which included signs and the Ordinance cost DBI approximately \$20,000. The same data for May 2013 could not be secured from DBI in time for the publication of this report.
- **Planning Department Review of Awning and Sign Replacement Permits.** The proposed Ordinance would waive fees for replacement of awnings as well as a change in signage on awnings. During last year's Small Business Month, the Planning Department reports that fees were waived for less than 15 awning replacement permits. It is not known how many of those permits for awning replacement included a change of signage. The Planning Department fee for review of awning replacement is dependent on two factors: 1) the cost of construction and 2) whether or not the awning contains signage. The cost of construction for an awning replacement is typically under \$10,000 and therefore the fee for the awning replacement alone would be \$326. If signage on the awning were to change, a flat fee of \$155 is added for review of the signage, bringing the total Planning fees for awning and signage review to \$481. Therefore last year the proposal cost the Planning Department at least \$4,890, plus a lesser, but unknown amount for some awnings which may have included changes of signage.
- **Full Review Provided.** The proposed Ordinance does not circumvent any the City or State requirements. Any building permit which needed review for historic resources, CEQA, public notice or other issue would be reviewed consistent with current City practice. The fee waiver only applies to permits which can be issued during the month of May 2014. The fee waiver does not require expediting or truncating of the current permit review process.
- **Definition of Small Business.** The proposed Ordinance only applies to *Small Business Enterprises*. The proposed Ordinance defines a *Small Business Enterprise* as one that has 100 or fewer employees. The proposed Ordinance also delegates to the Department of Building Inspection and the Planning

Department the establishment of a process by which to certify that an applicant is a *Small Business Enterprise*.

### REQUIRED COMMISSION ACTION

The proposed Resolution is before the Planning Commission so that it may it may recommend adoption, rejections or adoption with modifications to the Board of Supervisors.

### RECOMMENDATION

The Planning Department recommends that the Planning Commission recommend approval with modifications. Planning Department Staff recommends the following modification:

- Make permanent the annual waiver of Planning Department fees for permits issued for awning replacement and for signs on awnings as well as the Central Permit Bureau fees for review of awning replacements and the installation of pedestrian level lighting each May during Small Business Month.
- Amend Planning Code Section 355 to add a subsection (f) as follows: Small Business Month Fee Waiver. Planning Department fees for permits issued for awning replacement and for signs on awnings shall be waived each May during Small Business Month.
- Amend the fee schedules of Tables 1A-A and 1A-E of the Building Code to state: Permit Fees related to reviewing the structural integrity of awning replacements for those permits submitted "over the counter" at the Central Permit Bureau and installation of pedestrian level lighting, respectively, are waived for any permit issued for such activities each May during Small Business Month.

**Basis for Recommendation:** With the proposed modification the Planning Department believes that the proposed Ordinance would not only provide an incentive to improve business facades at what is projected to be minimal cost to the City but would provide certainty of fee waivers for such scope of work during Small Business Month each year. Therefore, the Planning Department recommends support of this proposed Ordinance as a gesture of goodwill during Small Business Month 2014, consistent with the Commission's recommendations from 2013.

### ENVIRONMENTAL REVIEW

The proposed amendments to the Planning Code have been reviewed and found exempt from the California Environmental Quality Act ("CEQA") per Section 15273, Rates Tolls, Fares and Charges.

### PUBLIC COMMENT

As of the date of this report, Planning Department staff has not received input from the public regarding the proposed Ordinance.

Executive Summary  
Hearing Date: March 27, 2014

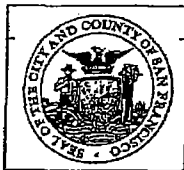
CASE NO. 2014.0290T  
Small Business Month May 2014

<b>RECOMMENDATION:</b> Approval with Conditions
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**Attachments:**

Draft Planning Commission Resolution

Draft Board of Supervisors Ordinance [Board File No. 140122]



**BUILDING INSPECTION COMMISSION (BIC)**

Department of Building Inspection . Voice (415) 558-6164 - Fax (415) 558-6509  
1660 Mission Street, San Francisco, California 94103-2414

March 24, 2014

Edwin M. Lee  
Mayor

**COMMISSION**

Angus McCarthy  
President

Warren Mar  
Vice-President

Kevin Clinch  
Frank Lee  
Dr. James McCray, Jr.  
Myrna Melgar  
Debra Walker

Sonya Harris  
Secretary

Tom C. Hui  
Director

Ms. Angela Calvillo  
Clerk of the Board  
Board of Supervisors, City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4694

**RE: Proposed Ordinance (File No. 140122)** recognizing Small Business Month in May 2014; amending the Planning Code and the Building Code to retroactively waive fees for the month of May for certain façade improvements; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings, including environmental findings and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Dear Ms. Calvillo:

On March 19, 2014 the Building Inspection Commission held a public hearing on the proposed amendment to the San Francisco Building Code referenced above. The Commissioners voted unanimously to support this proposed amendment.

The Commissioners voted as follows:

President McCarthy	Yes	Vice-President Mar	Yes
Commissioner Clinch	Yes	Commissioner Lee	Yes
Commissioner Melgar	Yes	Commissioner McCray	Yes
Commissioner Walker	Yes		

Should you have any questions, please do not hesitate to call me at 558-6164.

Sincerely,

Sonya Harris  
Commission Secretary

cc: Tom C. Hui, S.E., Director  
Supervisor Katy Tang

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

February 21, 2014

Planning Commission  
Attn: Jonas Ionin  
1660 Mission Street, 5<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Commissioners:

On February 11, 2014, Supervisor Tang introduced the following proposed legislation:

**File No. 140122**

Ordinance recognizing Small Business Month in May 2014; amending the Planning Code and the Building Code to retroactively waive fees for the month of May for certain façade improvements; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings, including environmental findings and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

The proposed ordinance is being transmitted pursuant to Planning Code Section 302(b) for public hearing and recommendation. The ordinance is pending before the Budget and Finance Commission and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

  
By: Linda Wong, Committee Clerk  
Budget and Finance Committee

c: John Rahaim, Director of Planning  
Scott Sanchez, Zoning Administrator  
Sarah Jones, Chief, Major Environmental Analysis  
AnMarie Rodgers, Legislative Affairs  
Monica Pereira, Environmental Planning  
Joy Navarrete, Environmental Planning

*NOT A PROJECT UNDER CEQA  
GUIDELINES SECTIONS 15060(C)  
AND 15378 BECAUSE THERE IS  
NO DIRECT OR INDIRECT PHYSICAL  
CHANGE IN THE ENVIRONMENT.*

*Annexed  
February 21, 2014*

BOARD of SUPERVISORS



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San Francisco 94102-4689  
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Fax No. 554-5163  
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## MEMORANDUM

TO: Tom Hui, Acting Director, Department of Building Inspection  
Sonya Harris, Secretary, Building Inspection Commission

FROM: Linda Wong, Clerk, Budget & Finance Committee  
Board of Supervisors

DATE: February 20, 2014

SUBJECT: LEGISLATION INTRODUCED: BUILDING CODE AMENDMENT

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The Board of Supervisors' Budget and Finance Committee has received the following legislation, introduced by Supervisor Tang on February 11, 2014:

**File No. 140122**

Ordinance recognizing Small Business Month in May 2014; amending the Planning Code and the Building Code to retroactively waive fees for the month of May for certain façade improvements; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings, including environmental findings and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

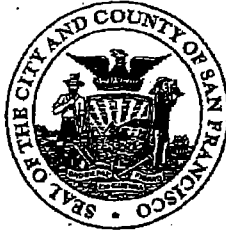
The proposed Ordinance is being transmitted pursuant to Charter Section D3.750-5 for public hearing and recommendation. It is pending before the Budget and Finance Committee and will be scheduled for hearing upon receipt of your response.

Please forward me the Commission's recommendation and reports at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: William Strawn, Department of Building Inspection  
Carolyn Jayin, Department of Building Inspection



BOARD of SUPERVISORS



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San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

February 21, 2014

Planning Commission  
Attn: Jonas Ionin  
1660 Mission Street, 5<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Commissioners:


On February 11, 2014, Supervisor Tang introduced the following proposed legislation:

**File No. 140122**

Ordinance recognizing Small Business Month in May 2014; amending the Planning Code and the Building Code to retroactively waive fees for the month of May for certain façade improvements; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings, including environmental findings and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

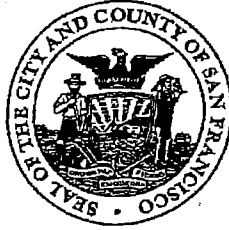
The proposed ordinance is being transmitted pursuant to Planning Code Section 302(b) for public hearing and recommendation. The ordinance is pending before the Budget and Finance Commission and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

  
By: Linda Wong, Committee Clerk  
Budget and Finance Committee

c: John Rahaim, Director of Planning  
Scott Sanchez, Zoning Administrator  
Sarah Jones, Chief, Major Environmental Analysis  
AnMarie Rodgers, Legislative Affairs  
Monica Pereira, Environmental Planning  
Joy Navarrete, Environmental Planning

BOARD of SUPERVISORS



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TDD/TTY No. 554-5227

February 21, 2014

File No. 140122

Sarah Jones  
Environmental Review Officer  
Planning Department  
1650 Mission Street, 4<sup>th</sup> Floor  
San Francisco, CA 94103

Dear Ms. Jones:

On February 11, 2014, Supervisor Tang introduced the following legislation:

**File No. 140122**

Ordinance recognizing Small Business Month in May 2014; amending the Planning Code and the Building Code to retroactively waive fees for the month of May for certain façade improvements; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings, including environmental findings and findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Linda Wong".

By: Linda Wong, Committee Clerk  
Land Use & Economic Development Committee

**Attachment**

c: Nannie Turrell, Environmental Planning  
Jeanie Poling, Environmental Planning

Print Form

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee.  
An ordinance, resolution, motion, or charter amendment.
- 2. Request for next printed agenda without reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Request for Closed Session (attach written motion).
- 10. Board to Sit as A Committee of the Whole.
- 11. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative

Sponsor(s):

Katy Tang

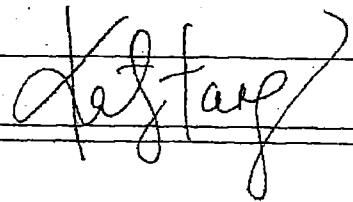
Subject:

Small Business Month May 2014 – Fee Waiver Program

The text is listed below or attached:

See Attached

Signature of Sponsoring Supervisor:



For Clerk's Use Only:

