



May 11, 2023

Ms. Angela Calvillo, Clerk
Honorable Supervisor Engardio
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 2023-002633PCA:
Small Business Month Fee Waivers Including for Awning Installation
Board File No. 230212

Planning Commission Recommendation: **Approval with Modification**

Dear Ms. Calvillo and Supervisor Engardio,

On May 4, 2023, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Engardio that would amend Planning Code Section 350. At the hearing the Planning Commission recommended approval with modification.

The Commission's proposed modifications were as follows:

1. Expand the fee waiver program to apply to all sign permits applied for in May.

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.

Supervisor, 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,

A handwritten signature in black ink, appearing to read "Aaron D. Starr". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc: Giulia Gualco-Nelson, Deputy City Attorney
Tita Bell, Aide to Supervisor Engardio
Erica Major, Office of the Clerk of the Board

Attachments :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21318

HEARING DATE: MAY 4, 2023

Project Name: Small Business Month Fee Waivers Including for Awning Installation
Case Number: 2023-002633PCA [Board File No. 230212]
Initiated by: Supervisor Engardio / Introduced March 21, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD THE PLANNING, BUILDING, AND FIRE CODES TO CODIFY THE ANNUAL WAIVER OF AWNING REPLACEMENT FEES AND AWNING SIGN FEES APPLIED FOR DURING THE MONTH OF MAY, TO ANNUALLY WAIVE FEES FOR NEW AWNING INSTALLATIONS APPLIED FOR DURING THE MONTH OF MAY, AND TO INDICATE THAT THE PLANNING CODE, BUILDING, AND FIRE CODE WAIVERS PERTAINING TO PEDESTRIAN STREET LIGHTING AS WELL AS AWNING REPLACEMENT, AWNING INSTALLATION, AND AWNING SIGN FEES ARE KEYED TO PERMIT APPLICATION IN MAY RATHER THAN PERMIT ISSUANCE IN MAY; 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 February 14, 2023 Supervisor Engardio introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 230212, which would the Planning, Building, and Fire Codes to codify the annual waiver of awning replacement fees and awning sign fees applied for during the month of May, to annually waive fees for new awning installations applied for during the month of May, and to indicate that the Planning Code, Building, and Fire Code waivers pertaining to pedestrian street lighting as well as awning replacement, awning installation, and awning sign fees are keyed to permit application in May rather than permit issuance in May;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on May 4, 2023; and,

WHEREAS, the proposed Ordinance is not defined as a project under the California Environmental Quality Act Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment; 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 modification** the proposed ordinance. The Commission’s proposed recommendation is as follows:

1. Expand the fee waiver program to apply to all sign permits applied for in May.

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 proposed Ordinance will codify an existing fee waiver program for small businesses seeking permits during the month of May to legalize awnings, signs on awnings, or pedestrian lighting.

The proposed Ordinance expands the existing fee waiver program to also waive permit fees for new awning installations and all signs.

General Plan Compliance

The proposed Ordinance and the Commission’s recommended modification is 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 2.3

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

OBJECTIVE 4

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY, THE EQUITABLE DISTRIBUTION OF INFRASTRUCTURE, 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.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

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.

URBAN DESIGN ELEMENT

OBJECTIVE 4

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY

Policy 4.7

Encourage and assist in voluntary programs for neighborhood improvement.

The proposed Ordinance provides a gesture of goodwill for small businesses by waiving certain permit fees during the month of May. The program was made permanent in May 2014 and has since been relocated to an uncodified section of the Building Code. Codifying this fee waiver program supports the Commerce and Industry Element's goals of maintaining and enhancing a favorable business climate in the city. Additionally, the proposed Ordinance also supports the Urban Design Element's policy to encourage and assist with voluntary programs for neighborhood improvement.

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 May 4, 2023.



Jonas P Ionin | Digitally signed by Jonas P Ionin
Date: 2023.05.10 10:46:01 -0700

Jonas P. Ionin
Commission Secretary

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

NOES: None

ABSENT: Ruiz

ADOPTED: May 4, 2023

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EXECUTIVE SUMMARY

PLANNING, BUILDING, AND FIRE CODE TEXT AMENDMENT

HEARING DATE: May 4, 2023

90-Day Deadline: June 22, 2023

Project Name: Small Business Month Fee Waivers Including for Awning Installation
Case Number: 2023-002633PCA [Board File No. 230212]
Initiated by: Supervisor Engardio / Introduced March 21, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D 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 Planning, Building, and Fire Codes to codify the annual waiver of awning replacement fees and awning sign fees applied for during the month of May, to annually waive fees for new awning installations applied for during the month of May, and to indicate that the Planning Code, Building, and Fire Code waivers pertaining to pedestrian street lighting as well as awning replacement, awning installation, and awning sign fees are keyed to permit application in May rather than permit issuance in May.

The Way It Is Now:	The Way It Would Be:
The Small Business Month Fee Waiver Program is currently listed in the Building Code’s Fee Table, an uncodified section of the Code.	This fee waiver program would be codified in the Planning, Building, and Fire Codes.
This program applies to permit fees related to awning replacements, sign copy on awnings, and pedestrian street lighting for permits issued in the month of May.	This program would also apply to permits for <u>new</u> awnings. The Fee Waiver Program would apply to awning permits that are <i>applied for</i> in May, regardless of when the permit is issued. This Ordinance would be retroactive to May 1, 2023.

The Way It Is Now:	The Way It Would Be:
Small businesses are eligible for this fee waiver program if they have 100 or fewer employees, as verified jointly by the Planning Department and Department of Building Inspection.	Small businesses would be eligible for this fee waiver program if they have 100 or fewer <u>full-time</u> employees.

Background

The proposed Ordinance seeks to codify an existing program-wide fee waiver within the Planning, Building, and Fire Codes. This fee waiver program first started in 2012¹ and renewed annually until 2014, during which time it was made permanent.² It was previously included in Planning Code Section 355. In 2016, Section 355 was repealed and the fee waiver program was then moved to [Table 1A-A – Building Permits Fees](#) of the Building Code,³ which is an uncodified section of the Code. The proposed Ordinance seeks to codify and expand this existing fee waiver program again for transparency.

Small Business and Building Inspection Commissions

The Small Business Commission held a public hearing on March 13, 2023 and unanimously recommended approval of the Ordinance. As part of their approval, the Small Business Commission noted that this will help businesses that may not have permits for their awnings or that have received Notices of Violation for noncompliant awnings by waiving costly permitting fees. Additionally, the Building Inspection Commission held a public hearing on March 15, 2023, and also unanimously recommended approval of the proposed Ordinance.

Issues and Considerations

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, signs on awnings, 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.

Small Business Verification

The original Ordinance required the Planning Department and the Department of Building Inspection to verify qualifying small businesses based on the total number of employees. Currently, there is no such process in place because these two Departments do not have access to employee information. The proposed Ordinance removes this responsibility from the Planning Department and the Department of Building Inspection. Instead, Supervisor

¹ [Board File No. 120188, Ordinance 63-12](#)

² [Board File No. 140312, Ordinance 63-14](#)

³ [Board File No. 160632, Ordinance 149-16](#)

Engardio is working with the Department of Building Inspection to revise the applicable permit forms so that the applicant is responsible for disclosing, under penalty of perjury, whether or not they qualify for the program.

Fiscal Impact

Since the Small Business Fee Waiver program was made permanent, approximately 50 qualifying awning permits had their fees waived. Table 1 shows this is approximately 7.8% of the total awning permits applied for during this same timeframe.

Table 1: Awning Permits Since 2014

Year	Total Permits for Awnings	Number of Awning Permits in May
2014 Q2-Q4	22	0
2015	84	12
2016	71	3
2017	78	11
2018	94	10
2019	75	4
2020	50	1
2021	67	3
2022	76	6
2023	27	TBD
TOTAL:	644	50

Source: Planning Department data pulled on March 28, 2023.

Based on today's permit fees listed in Table 1A-A – Building Permits Fees of the Building Code, this resulted in approximately \$8,370 permit fees waived under this program for 50 signs. This assumes the construction cost of all the awning permits is \$1; however, permit fees would be greater if construction costs are greater than \$500 based on today's Fee Schedule. The Department noted that the month of May does not always have a greater number of awning permits compared to other months of the year. If more small businesses take advantage of this program during the month of May, the Department believes the fiscal impact will increase but still be minimally impactful on fee revenues collected.

General Plan Compliance

The proposed Ordinance provides a gesture of goodwill for small businesses by waiving certain permit fees during the month of May. The program was made permanent in May 2014 and has since been relocated to an uncodified section of the Building Code. Codifying this fee waiver program supports the Commerce and Industry Element's goals of maintaining and enhancing a favorable business climate in the city. Additionally, the proposed Ordinance also supports the Urban Design Element's policy to encourage and assist with voluntary programs for neighborhood improvement.

Racial and Social Equity Analysis

The Planning Code amendments in the proposed Ordinance support racial and social equity by expanding an existing fee waiver program benefiting small businesses. Many small businesses have unpermitted awnings and signs. If they are reported to the City, the City issues a Notice of Violation for noncompliance. Oftentimes, small business owners are not aware of permitting requirements and find themselves in a confusing, and sometimes expensive, process to come into compliance.

The proposed Ordinance alleviates some of the financial burden by waiving permit fees for qualifying small businesses during Small Business Month in May. The Department notes that the program is not widely used right now based on the low number of awning permits issued during the month of May. Further, data shows that there are sometimes other months of the year with a greater number of awning permits. The City should better advertise this program because not many small businesses seem to be benefitting from it right now.

While the existing Small Business Fee Waiver Program and the proposed Ordinance's expansion of the program supports small businesses, more can be done to further racial and social equity. Article 6 of the Planning Code, which outlines all the sign regulations, does not account for different communities with specific aesthetical preferences, some of which do not fit within the existing sign regulations. Future Ordinances and other efforts should consider amendments to the awning and sign controls that are more cognizant of different cultural preferences because one size or one design does not fit all. Because of this, small businesses participating in the Small Business Month Fee Waiver Program may still have to revise the existing awning or sign to comply with the Code resulting in additional costs to bring the awning or sign into compliance. In some cases, some of these small business owners have had their current sign up for 30+ years without any complaints or forcing any undue harm to the community.

The Department of Building Inspection recently received a large batch of awning and sign complaints targeting certain neighborhoods such as Chinatown or Richmond, both historically communities of color. The City has reached out to these communities where there are prolific awning or sign permit violations to help them abate the violation as quickly as possible. The City also hopes to prevent any enforcement issues for these small business owners in these targeted communities, and ensuring the sign regulations are responsive to different cultural aesthetics could be a first step.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures. Planning Department review of awnings and signs will continue in the same manner at the Permit Center. Additionally, the Department of Building Inspection still issues permits and calculates and collects (or waives) permit fees.

The proposed Ordinance improves the Department's current implementation process by eliminating a determination process jointly required of Planning Department and the Department of Building Inspection with respect to verifying the number of employees for the small businesses. This is information that neither department has readily available and is better suited for other agencies to assess or for the applicant to verify during the permit application process.

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 recommendation is as follows:

1. Expand the fee waiver program to apply to all sign permits applied for in May.

Basis for Recommendation

The Department supports the overall goals of this Ordinance because it provides an incentive to improve business facades at what would be a minimal cost to the City but would provide certainty of fee waivers for such scopes of work during Small Business Month each year. Additionally, the Department believes the proposed Ordinance would benefit from the following recommended modification:

Recommendation 1: Expand the fee waiver program to apply to all sign permits applied for in May.

The Department assessed the potential fees waived if signs were included as part of program since 2014, only during the month of May. Table 2 shows that approximately 7.2% of signs permits since 2014 were filed during the month of May. Based on today’s permit fees listed in Table 1A-A – Building Permits Fees of the Building Code, this would have resulted in approximately \$54,405 permit fees waived under this program. This again assumes the construction cost of all the sign permits is \$1 yielding minimal permit fees; however, permit fees would be greater if construction costs are greater than \$500 based on today’s Fee Schedule. Based on this approach, approximately \$62,775 in permit fees would have been waived since 2014 if signs were also included. However, the Department of Building Inspection would have the most accurate fee information since they are the lead agency in collecting (or waiving) permit fees. That said, the Department still believes the additional fees waived under this recommended modification are immaterial and balances out the need to support small businesses.

Table 2: Sign Permits Since 2014

Year	Total Permits for Signs	Number of Sign Permits in May
2014 Q2-Q4	135	0
2015	556	45
2016	477	76
2017	550	52
2018	626	59
2019	561	48
2020	425	9
2021	516	26
2022	564	43
2023	126	TBD
TOTAL:	4,536	325

Source: Planning Department data pulled on March 28, 2023.

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 California Environmental Quality Act Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect 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.

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 230212



PLANNING COMMISSION DRAFT RESOLUTION

HEARING DATE: MAY 4, 2023

Project Name: Small Business Month Fee Waivers Including for Awning Installation
Case Number: 2023-002633PCA [Board File No. 230212]
Initiated by: Supervisor Engardio / Introduced March 21, 2023
Staff Contact: Veronica Flores, Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, (628) 652-7533

RESOLUTION APPROVING WITH MODIFICATION A PROPOSED ORDINANCE THAT WOULD THE PLANNING, BUILDING, AND FIRE CODES TO CODIFY THE ANNUAL WAIVER OF AWNING REPLACEMENT FEES AND AWNING SIGN FEES APPLIED FOR DURING THE MONTH OF MAY, TO ANNUALLY WAIVE FEES FOR NEW AWNING INSTALLATIONS APPLIED FOR DURING THE MONTH OF MAY, AND TO INDICATE THAT THE PLANNING CODE, BUILDING, AND FIRE CODE WAIVERS PERTAINING TO PEDESTRIAN STREET LIGHTING AS WELL AS AWNING REPLACEMENT, AWNING INSTALLATION, AND AWNING SIGN FEES ARE KEYED TO PERMIT APPLICATION IN MAY RATHER THAN PERMIT ISSUANCE IN MAY; 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 February 14, 2023 Supervisor Ronen introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 230212, which would the Planning, Building, and Fire Codes to codify the annual waiver of awning replacement fees and awning sign fees applied for during the month of May, to annually waive fees for new awning installations applied for during the month of May, and to indicate that the Planning Code, Building, and Fire Code waivers pertaining to pedestrian street lighting as well as awning replacement, awning installation, and awning sign fees are keyed to permit application in May rather than permit issuance in May;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on May 4, 2023; and,

WHEREAS, the proposed Ordinance is not defined as a project under the California Environmental Quality Act Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment; 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 modification** the proposed ordinance. The Commission’s proposed recommendation is as follows:

1. Expand the fee waiver program to apply to all sign permits applied for in May.

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 proposed Ordinance will codify an existing fee waiver program for small businesses seeking permits during the month of May to legalize awnings, signs on awnings, or pedestrian lighting.

The proposed Ordinance expands the existing fee waiver program to also waive permit fees for new awning installations and all signs.

General Plan Compliance

The proposed Ordinance and the Commission’s recommended modification is 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 2.3

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

OBJECTIVE 4

IMPROVE THE VIABILITY OF EXISTING INDUSTRY IN THE CITY, THE EQUITABLE DISTRIBUTION OF INFRASTRUCTURE, 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.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

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.

URBAN DESIGN ELEMENT

OBJECTIVE 4

IMPROVEMENT OF THE NEIGHBORHOOD ENVIRONMENT TO INCREASE PERSONAL SAFETY, COMFORT, PRIDE AND OPPORTUNITY

Policy 4.7

Encourage and assist in voluntary programs for neighborhood improvement.

The proposed Ordinance provides a gesture of goodwill for small businesses by waiving certain permit fees during the month of May. The program was made permanent in May 2014 and has since been relocated to an uncodified section of the Building Code. Codifying this fee waiver program supports the Commerce and Industry Element's goals of maintaining and enhancing a favorable business climate in the city. Additionally, the proposed Ordinance also supports the Urban Design Element's policy to encourage and assist with voluntary programs for neighborhood improvement.

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 May 4, 2023

Jonas P. Ionin
Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED: May 4, 2023

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1 [Planning, Building, Fire Codes - Small Business Month Fee Waivers Including for Awning
Installation]

2
3 **Ordinance amending the Planning, Building, and Fire Codes to codify the annual**
4 **waiver of awning replacement fees and awning sign fees applied for during the month**
5 **of May, to annually waive fees for new awning installations applied for during the**
6 **month of May, and to indicate that the Planning Code, Building, and Fire Code waivers**
7 **pertaining to pedestrian street lighting as well as awning replacement, awning**
8 **installation, and awning sign fees are keyed to permit application in May rather than**
9 **permit issuance in May; affirming the Planning Department’s determination under the**
10 **California Environmental Quality Act; making findings of consistency with the General**
11 **Plan, and the eight priority policies of Planning Code, Section 101.1; and making**
12 **findings of public necessity, convenience, and welfare pursuant to Planning Code,**
13 **Section 302.**

14 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
15 **Additions to Codes** are in *single-underline italics Times New Roman font*.
16 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
17 **Board amendment additions** are in double-underlined Arial font.
18 **Board amendment deletions** are in ~~strikethrough Arial font~~.
19 **Asterisks (* * * *)** indicate the omission of unchanged Code
20 subsections or parts of tables.

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

22 Section 1. Land Use and Environmental Findings.

23 (a) The Planning Department has determined that the actions contemplated in this
24 ordinance comply with the California Environmental Quality Act (California Public Resources
25 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of

1 Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this
2 determination.

3 (b) On _____, the Planning Commission, in Resolution No. _____,
4 adopted findings that the actions contemplated in this ordinance are consistent, on balance,
5 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
6 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
7 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

8 (c) Pursuant to Planning Code Section 302, the Board finds that this Planning Code
9 amendment will serve the public necessity, convenience, and welfare for the reasons set forth
10 in Planning Commission Resolution No. _____, and the Board incorporates such
11 reasons herein by reference. A copy of said resolution is on file with the Clerk of the Board of
12 Supervisors in File No. _____.

13

14 Section 2. Background and Findings.

15 (a) Annually, May is Small Business Month, during which the Board of Supervisors
16 recognizes the importance of small businesses in San Francisco. As part of this recognition,
17 each year during Small Business Month, there are waivers of various local permit fees that
18 have acted as a bar for many small businesses to improve their building facades and store
19 fronts. Fee waivers include fees for the replacement of awnings, signs on awnings, and
20 installation of pedestrian level lighting. These existing fee waivers are contained in an
21 uncodified Section 4 of Ordinance No. 149-16 in Board of Supervisors File No. 160632 and in
22 Tables 1A-A and 1A-E of the Building Code. This ordinance would codify the existing awning
23 fee waivers, and, in addition, expand fee waivers to include the installation of new awnings,
24 waive plan review and inspection fees of the aforementioned awning and lighting permits

25

1 under the Fire Code, and key the Planning, Building, and Fire Code fee waivers to application
2 for the permit in May rather than issuance of the permit in May.

3 (b) On _____, at a duly noticed public hearing, the Building Inspection
4 Commission considered this ordinance in accordance with Charter Section D3.750-5 and
5 Building Code Section 104A.2.11.1.1. A copy of a letter from the Building Inspection
6 Commission regarding the Commission’s recommendation is on file with the Clerk of the
7 Board of Supervisors in File No. _____.

8 (c) No local findings are required under California Health and Safety Code Section
9 17958.7 because the amendments to the Building Code contained in this ordinance do not
10 regulate materials or manner of construction or repair, and instead relate in their entirety to
11 administrative procedures for implementing the code, which are expressly excluded from the
12 definition of a “building standard” by California Health and Safety Code Section 18909(c).

13
14 Section 3. Article 3.5 of the Planning Code is hereby amended by revising Section
15 350, to read as follows:

16
17 **SEC. 350. FEES.**

18 * * * *

19 (j) **Deferred or Reduced Fee; Fee Waivers.**

20 (1) Any fraternal, charitable, benevolent, or any other nonprofit organization, that
21 is exempt from taxation under the Internal Revenue laws of the United States and the
22 Revenue and Taxation Code of the State of California as a bona fide fraternal, charitable,
23 benevolent, or other nonprofit organization, or public entity, that submits an application for the
24 development of residential units all of which are affordable to low and moderate income
25 households, as defined by the United States Housing and Urban Development Department,

1 for a time period that is consistent with the policy of the Mayor's Office of Housing and
2 Community Development and the Successor to the San Francisco Redevelopment Agency,
3 may defer payment of the fees except those for discretionary review and appeals to the Board
4 of Supervisors until (A) before final Planning Department approval of the building permit,
5 preparatory to issuance of the building permit, before the building permit is released to the
6 applicant, or (B) within one year of the date of action on the application, whichever comes
7 first. This ~~exemption~~ deferral provision shall apply notwithstanding the inclusion in the
8 development of other nonprofit ancillary or accessory uses. Should the project be withdrawn
9 prior to final Planning approval, the applicant shall pay time and material costs pursuant to
10 Section 350(g).

11 (2) An exemption from paying the full fees specified for discretionary review or
12 appeals to the Board of Supervisors may be granted when the requestor's income is not
13 enough to pay for the fee without affecting ~~his or her abilities~~ their ability to pay for the
14 necessities of life, provided that ~~they~~ the person seeking the exemption demonstrates to the Planning
15 Director or ~~his/her~~ the Director's designee that ~~he or she~~ they would be substantially affected by
16 the proposed project.

17 (3) Certain of the fees charged in accordance with subsections (b) and (c) are
18 subject in some circumstances to waiver, as stated in Section 4 of Ordinance No. 149-16 in
19 Board of Supervisors File No. 160632, or as stated below. Description of the waivers below does
20 not affect the other waiver provisions in Section 4 of Ordinance No. 149-16.

21 Small Business Month Fee Waivers: No Planning Department fees shall apply to a Small
22 Business that applies for a permit for awning replacement, awning installation, or signs on awnings
23 during the month of May. For purposes of this subsection (j)(3), a Small Business shall be a business
24 with a total workforce of 100 or fewer fulltime employees. To the extent this provision for Small
25

1 Business Month Fee Waivers differs from the description in subsection (f) on page 43 of Ordinance No.
 2 149-16, this provision governs.

3 * * * *

4
 5 Section 4. Chapter 110A of the San Francisco Building Code is hereby amended by
 6 revising Section 110A, to read as follows:

7
 8 **SECTION 110A – SCHEDULE OF FEE TABLES**

9 * * * *

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

	<i>NEW CONSTRUCTION</i> ^{1,3}		<i>ALTERATIONS</i> ^{1,2,3}		<i>NO PLANS</i> ^{1,2,3}
TOTAL VALUATION	PLAN REVIEW FEE	PERMIT ISSUANCE FEE	PLAN REVIEW FEE	PERMIT ISSUANCE FEE	PERMIT ISSUANCE FEE

17 * * * *

18 **NOTES:**

19 1. These permit fees do not include other fees that may be required by other
 20 Departments: Public Works, Planning, Fire, Public Health, etc., nor do they include
 21 plumbing, electrical or mechanical permit fees unless so stated in the other fee tables.

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

1 3. All permit fees related to reviewing the structural integrity of awning
2 replacements and awning installations for permits submitted "over the counter" at the Central
3 Permit Bureau are hereby waived for any Small Business that applies for a permit issued to a
4 Small Business Enterprise for such activities during the month of May. For purposes of this
5 Section, a Small Business Enterprise shall be a business with a total workforce of that has 100
6 or fewer fulltime employees. ~~The Planning Department and the Department of Building Inspection~~
7 ~~shall establish a process by which those two departments will certify that an applicant is a Small~~
8 ~~Business Enterprise for the purpose of this Section and Section 355-350 of the Planning Code. To~~
9 ~~the extent this provision for Small Business Month Fee Waivers differs from the description in~~
10 ~~subsection (f) on page 43 of Ordinance No. 149-16, this provision governs.~~

11
12 * * * *

13 **TABLE 1A-E – ELECTRICAL PERMIT ISSUANCE AND INSPECTION FEE**
14 **SCHEDULE**

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

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

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

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

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

1 F. All permit fees related to reviewing the installation of pedestrian level lighting
2 are hereby waived for any Small Business that applies for a permit issued for such activities ~~for~~
3 ~~Small Business Enterprises~~ during the month of May. For purposes of this Section, a Small
4 Business ~~Enterprise~~ shall be a business with a total workforce of that has 100 or fewer fulltime
5 employees. ~~The Planning Department and the Department of Building Inspection shall establish~~
6 ~~process by which those two departments will certify that an applicant is a Small Business Enterprise for~~
7 ~~the purpose of this Section and Section 355-350 of the Planning Code. To the extent this provision for~~
8 Small Business Month Fee Waivers differs from the description in subsection (f) on page 43 of
9 Ordinance No. 149-16, this provision governs.

10 See Table 1A-R for refund policy.

11 See Table 1A-J for permit extensions.

12 * * * *

13
14 Section 5. Chapter 107 of the San Francisco Fire Code is hereby amended by revising
15 Section 107.17, to read as follows:

16
17 **107.17. Reserved. [FOR SF] Small Business Month Fee Waivers.**

18 Notwithstanding the fees established herein, all plan review and inspection fees related to
19 reviewing the structural integrity of awning replacements, awning installations, and installation of
20 pedestrian level lighting for permits submitted "over the counter" at the Central Permit Bureau are
21 hereby waived for any Small Business that applies for a permit for such activities during the month of
22 May. For purposes of this Section, a Small Business shall be a business with a total workforce of 100 or
23 fewer fulltime employees.

24
25 Section 6. Effective Date; Retroactivity.

1 (a) This ordinance shall become effective 30 days after enactment. Enactment occurs
2 when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not
3 sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the
4 Mayor’s veto of the ordinance.

5 (b) The Board of Supervisors intends that this ordinance be operative during the
6 entirety of May 2023, which is Small Business Month. To effectuate this intent, the operative
7 provisions of this ordinance shall be retroactive to May 1, 2023 should the effective date of the
8 ordinance occur after May 1, 2023. If any fees that are waived by this ordinance have been
9 collected prior to its effective date, said fees shall be promptly refunded on or after the
10 effective date of the ordinance.

11
12 Section 7. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
13 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
14 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
15 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
16 additions, and Board amendment deletions in accordance with the “Note” that appears under
17 the official title of the ordinance.

18
19 Section 8. Effect of Ordinance on Ordinance No. 149-16; Directions to Clerk of the
20 Board of Supervisors.

21 (a) This ordinance overlaps with subsection (f) on page 43 of Ordinance No. 149-16,
22 duplicating some of that subsection’s features but making some changes. To the extent the
23 provisions of this ordinance differ from those of Ordinance No. 149-16, the provisions of this
24 ordinance govern. This ordinance therefore supersedes subsection (f) on page 43 of
25 Ordinance No. 149-16.

1 (b) Upon the effective date of this ordinance, the Clerk of the Board of Supervisors
2 shall place a copy of this ordinance in Board File No. 160632, the file for Ordinance No. 149-
3 16. In addition, the Clerk of the Board shall indicate on the Board's website chart for
4 ordinances enacted in 2016 that Ordinance No. 149-16 has been superseded in part by this
5 ordinance.

6
7 APPROVED AS TO FORM:
8 DAVID CHIU, City Attorney

9 By: /s/ Giulia Gualco-Nelson
10 GIULIA GUALCO-NELSON
11 Deputy City Attorney

12 n:\legana\as2023\2300233\01664247.docx