

May 15, 2025

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

Transmittal of Planning Department Case Number 2025-001748PCA: Re:

> Amnesty for Properties in the Department of Building Inspection's Internal Quality Control Audit Board File No. 250191

**Planning Commission Recommendation: Adopt a Recommendation for Approval** 

Dear Ms. Calvillo and Supervisor Mandelman,

On May 1, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Mandelman. The proposed Ordinance would amend the Planning Code to create a time-limited amnesty program for properties listed on the Department of Building Inspection's (DBI's) Internal Quality Control Audit (hereinafter "Audit") and subject to a Notice of Violation (NOV). Such properties would be considered as noncomplying structures and nonconforming uses following certification. Additionally, the proposed Ordinance would amend the Building Code to require certification of existing conditions for amnesty projects and a streamlined process for reviewing amnesty project applications. The proposed Ordinance would waive fees and penalties associated with both Planning Department's and DBI's review of requests for amnesty, and refund any fees and penalties already paid by amnesty projects.

At the hearing the Planning Commission adopted a recommendation for approval excluding persons listed on the Expanded Compliance Control program from the proposed amnesty program.

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.

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,

Veronica Flores

Veronica Flores for Aaron D. Starr Manager of Legislative Affairs

cc: Austin Yang Deputy City Attorney
Calvin Ho, Aide to Supervisor Mandelman
Brent Jalipa, Office of the Clerk of the Board

#### **ATTACHMENTS:**

Planning Commission Resolution
Planning Department Executive Summary





# PLANNING COMMISSION RESOLUTION NO. 21729

**HEARING DATE:** May 1, 2025

Project Name: Amnesty for Properties in the Department of Building Inspection's Internal Quality Control

Audit

*Case Number:* 2025-001748PCA [Board File No. 250191]

Initiated by: Supervisor Mandelman / Introduced February 25, 2025

Staff Contact: Veronica Flores Legislative Affairs

veronica.flores@sfgov.org, 628-652-7525

Reviewed by: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL OF A PROPOSED ORDINANCE (EXCLUDING PERSONS LISTED ON THE EXPANDED COMPLIANCE CONTROL PROGRAM FROM THE PROPOSED AMNESTY PROGRAM) THAT WOULD AMEND THE PLANNING CODE TO: CREATE A TIME-LIMITED AMNESTY PROGRAM FOR PROPERTIES LISTED ON THE DEPARTMENT OF BUILDING INSPECTION'S INTERNAL QUALITY CONTROL AUDIT AND SUBJECT TO A NOTICE OF VIOLATION; CONSIDER THOSE PROPERTIES AS NONCOMPLYING STRUCTURES AND NONCONFORMING USES FOLLOWING CERTIFICATION; AND WAIVE FEES AND PENALTIES ASSOCIATED WITH THE PLANNING DEPARTMENT'S REVIEW OF REQUESTS FOR AMNESTY, AND REFUND ANY FEES AND PENALTIES ALREADY PAID BY AMNESTY PROJECTS; AMEND THE BUILDING CODE TO: REQUIRE CERTIFICATION OF EXISTING CONDITIONS FOR AMNESTY PROJECTS; PROHIBIT EXPANSION OR INTENSIFICATION OF NON-COMPLYING AMNESTY STRUCTURES; CREATE A STREAMLINED PROCESS FOR REVIEWING AMNESTY PROJECT APPLICATIONS; AND WAIVE FEES ASSOCIATED WITH AMNESTY PROJECTS, AND REFUND ANY FEES AND PENALTIES ALREADY PAID BY AMNESTY PROJECTS; 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 UNDER PLANNING CODE, SECTION 302.

WHEREAS, on February 25, 2025 Supervisor Mandelman introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250191, which would amend the Planning Code to: create a time-limited amnesty program for properties listed on the Department of Building Inspection's Internal Quality Control Audit and subject to a Notice of Violation; consider those properties as noncomplying

structures and nonconforming uses following certification; and waive fees and penalties associated with the Planning Department's review of requests for amnesty, and refund any fees and penalties already paid by amnesty projects. Additionally, the proposed Ordinance would amend the Building Code to: require certification of existing conditions for amnesty projects; prohibit expansion or intensification of noncomplying amnesty structures; create a streamlined process for reviewing amnesty project applications; and waive fees associated with amnesty projects, and refund any fees and penalties already paid by amnesty projects;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on May 1, 2025; and,

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

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

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

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

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

MOVED, that the Planning Commission hereby adopts a **recommendation for approval** of the proposed ordinance excluding persons listed on the Expanded Compliance Control Program from the proposed Amnesty Program.

# **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 would waive Planning Code requirements for this NOV properties resulting from the Department of Building Inspection's (DBI's) Internal Quality Control Audit (hereinafter "Audit") to not further punish these property owners. This is especially important as many of the owners were innocent parties and not aware of the unauthorized work, missing inspections, etc.

#### **General Plan Compliance**

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:



#### **HOUSING ELEMENT**

#### Policy 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

The proposed Ordinance supports the Housing Element goals of housing stability and health homes. Specifically, the proposed Ordinance directly aligns with Policy 26, which seeks to streamline and simplify permit processes. The proposed Ordinance would create an amnesty program that would waive Planning Code requirements for eligible NOV properties identified through the DBI's Audit. This path requires the property owner to retrieve a certification of existing conditions, rather than pursuing a permit and any relevant Planning entitlements to legalize any unpermitted work. This saves the property owner time and money. It also creates a clear path on how to move forward with these NOV properties. Additionally, it would waive or refund all Planning and DBI fees and penalties. This removes the uncertainty in terms of how much additional funds the NOV property owners would have to pay. This also supports the second part of Policy 26 related to more equitable application processes and improving the certainty of outcomes.

#### **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 ADOPTS A RECOMMENDATION FOR APPROVAL the proposed Ordinance excluding persons listed on the Expanded Compliance Control Program from the proposed Amnesty Program as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on May 1, 2025.

Jonas P Ionin Digitally signed by Jonas P Ionin Date: 2025.05.13 13:14:01 -07'00'

Jonas P. Ionin

**Commission Secretary** 

AYES: Campbell, McGarry, Williams, Braun, Imperial, So

NOES: Moore ABSENT: None

ADOPTED: May 1, 2025





# **EXECUTIVE SUMMARY**PLANNING CODE TEXT AMENDMENT

**HEARING DATE: May 1, 2025** 

**90-Day Deadline:** June 1, 2025

Project Name: Amnesty for Properties in the Department of Building Inspection's Internal Quality Control Audit

Case Number: 2025-001748PCA [Board File No. 250191]

Initiated by: Supervisor Mandelman / Introduced February 25, 2025

Staff Contact: Veronica Flores Legislative Affairs

veronica.flores@sfgov.org, 628-652-7525

Reviewed by: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

**Environmental** 

Review: Not a Project Under CEQA

**RECOMMENDATION:** Adopt of Recommendation for Approval

# **Planning Code Amendment**

The proposed Ordinance would amend the Planning Code to create a time-limited amnesty program for properties listed on the Department of Building Inspection's (DBI's) Internal Quality Control Audit (hereinafter "Audit") and subject to a Notice of Violation (NOV). Such properties would be considered as noncomplying structures and nonconforming uses following certification.

Additionally, the proposed Ordinance would amend the Building Code to require certification of existing conditions for amnesty projects and a streamlined process for reviewing amnesty project applications. The proposed Ordinance would waive fees and penalties associated with both Planning Department's and DBI's review of requests for amnesty, and refund any fees and penalties already paid by amnesty projects.

#### The Way It Is Now:

Property owners in receipt of NOVs for unpermitted work are required to abate the NOV. This may be done by either correcting the violation or legalizing the unpermitted work through a building permit application and any relevant Planning entitlements. There are also penalties associated for a lack of or a delayed response to abating NOVs.

#### The Way It Would Be:

The proposed Ordinance would create a time-limited amnesty program for properties subject to NOVs issued as part of DBI's Audit. The amnesty program would provide relief from strict compliance with the Planning Code for this specific subset of NOVs. This amnesty program would not relieve any property owners from complying with the Building Code or obtaining final legal inspection work subject to the Audit. Additionally, all DBI and Planning fees and penalties would be waived or refunded for these NOV Properties. More information on the process and timeliness of this amnesty program are detailed in *Issues and Considerations*.

## **Background**

In 2021, DBI began the Audit of properties linked to building engineer Rodrigo Santos and former DBI Inspector Bernie Curran. The Audit included over 5,000 properties and resulted in 100 NOVs. Many property owners who received NOVs were unaware of the unauthorized work when they purchased their properties. As a result, these owners now face costly renovations to correct the violations. To assist them, President Mandelman introduced the proposed Ordinance to alleviate impacted property owners through a time-limited amnesty program. This amnesty program would waive Planning Code requirements and related application fees and penalties for these NOV Properties.

The Building Inspection Commission (BIC) heard this item on April 16, 2025, and unanimously recommended approval.

#### **Issues and Considerations**

## **DBI's Internal Quality Control Audit**

In January 2023, Rodrigo Santos, a building and construction engineer who did business in San Francisco and former Building Inspection Commission President was found guilty of leading multiple fraud schemes, tax evasion, and providing falsified documents to the Federal Bureau of Investigations. Santos defrauded his clients, submitted false plans to DBI, and worked beyond the scope of his permits dozens of times.

In July 2023, former DBI Inspector Bernie Curran was found guilty of accepting illegal gratuities for personal gain in connection with building inspections he performed, including payments from Santos to approve illegal work. Some of this work included unauthorized demolitions and unpermitted construction.

In May 2021, DBI initiated the Audit that reviewed properties that were associated with Santos and Curran. DBI identified more than 5,000 properties for review. DBI completed the Audit in January 2025 and did not



find any imminent life-safety hazards. As of January 2025, DBI issued approximately 100 NOVs. Many of these property owners that received these NOVs purchased the property after renovations were completed and were unaware of the unauthorized work that had been done. These property owners now face costly renovations to abate these violations, while being unaware of the violation in the first place. The proposed Ordinance seeks to support these property owners by waiving these specific Planning Code violations and related application fees and penalties.

DBI has referred 12 NOV Properties to the Planning Department to date. The Enforcement Team is still clarifying whether this number of NOV Property referrals is expected to increase or not. According to DBI, the maximum number of NOV Properties they are aware of is 175. However, this number may decrease as DBI is able to conduct more site visits and clarify if there is a violation or not.

#### **Proposed Amnesty Program**

The goal of the amnesty program is to support property owners affected by unpermitted work performed by Santos and Curran. Many of these owners appear to have been unaware that the work completed—and in some cases approved—by Santos and Curran lacked proper permits. While DBI's Audit found no major life-safety concerns associated with the unpermitted work, some of the outstanding violations remain subject to Planning Code requirements. Given the lack of active participation by many of these property owners, and the absence of significant safety concerns, strict enforcement of all Planning Code requirements may be unduly burdensome and punitive. The amnesty program provides a balanced approach by acknowledging the unique circumstances of these cases while still upholding core planning principles.

Without the proposed Ordinance, the Audit properties would need to abate NOV's for Planning Code noncompliance. The proposed Ordinance would waive these Planning Code requirements and allow these properties to continue as noncomplying structures.

#### **Process**

NOV Properties shall seek a Planning Determination of noncompliance or nonconformance. The Planning Director or designee needs to document the degree of nonconformity or noncompliance for each NOV property that is granted amnesty under this program. The following resources may be used in making this determination:

- historical photographs;
- publicly available info such as NOVs;
- current photographs provided by the applicant;
- drawings provided by the application prepared by a state licensed contractor, architect, or registered engineer;
- site inspections by Planning Department, DBI, or other department with jurisdiction; and
- any other document or information the Director deems relevant.

The proposed Ordinance requires the Planning Director or designee to clarify the degree of nonconformity in writing. This can be done through the standard Planning Approval Letter (PAL) process and forwarded to DBI. Upon receipt, DBI will issue a certificate of the existing conditions and specify the NOV Property shall be



considered an existing noncomplying structure or nonconforming use subject to Article 1.7 of the Planning Code.

#### **Limited Time of Amnesty Program**

NOV Properties will have three years from the effective date of the proposed Ordinance to apply for a certificate documenting the existing conditions. Many of these property owners are already aware of the proposed changes and are eagerly awaiting the next steps.

The amnesty program will sunset five years after the Ordinance takes effect. Under the proposed Ordinance, DBI is required to implement a streamlined application process for expedited review. Given this, the Department believes the five-year sunset period is sufficient.

#### Fee Waiver

The proposed amnesty program would also require the Planning Department to waive all fees for applications or other actions under this amnesty program. This includes any enforcement fees, and any additional fees related to additional time and materials for review. Additionally, the Department would also be required to refund any permit fees or enforcement fees and penalties related to abating an NOV issued per the Audit.

#### **Noncomplying Structures**

After deemed noncomplying or nonconforming through this amnesty program, the NOV Properties may not be enlarged, modified, or further intensify the noncompliance or nonconformity.

The amnesty program alleviates these property owners from the identified Planning Code requirements and would be considered existing noncomplying structures and/or nonconforming uses. However, NOV Properties may not enlarge, modify or otherwise intensify the noncomplying structures and/or nonconforming uses. This means that any future changes to the properties would need to comply with all Planning Code requirements in effect at the time of the application.

#### **General Plan Compliance**

The proposed Ordinance supports the Housing Element goals of housing stability and health homes. Specifically, the proposed Ordinance directly aligns with Policy 26, which seeks to streamline and simplify permit processes. The proposed Ordinance would create an amnesty program that would waive Planning Code requirements for eligible NOV properties identified through the DBI's Audit. This path requires the property owner to retrieve a certification of existing conditions, rather than pursuing a permit and any relevant Planning entitlements to legalize any unpermitted work. This saves the property owner time and money. It also creates a clear path on how to move forward with these NOV properties. Additionally, it would waive or refund all Planning and DBI fees and penalties. This removes the uncertainty in terms of how much additional funds the NOV property owners would have to pay. This also supports the second part of Policy 26 related to more equitable application processes and improving the certainty of outcomes.



#### **Racial and Social Equity Analysis**

The proposed Ordinance offers necessary relief to property owners impacted by unpermitted work linked to misconduct by Rodrigo Santos and former DBI Inspector Bernard Curran. Many owners were unaware of the violations and now face significant financial and regulatory burdens through no fault of their own.

#### 1. Mitigating Disproportionate Burden

While the proposed Ordinance does not identify where affected properties are located, it is reasonable to anticipate that some are in historically underserved neighborhoods, where residents—particularly working-class and BIPOC homeowners—may lack the resources to navigate costly compliance processes. Without amnesty, these homeowners could face tens of thousands of dollars in unexpected fees, potentially leading to displacement.

#### 2. Promoting Housing Stability

By waiving fees and providing a path to compliance, the proposed Ordinance helps prevent involuntary displacement and supports long-term housing stability—particularly for vulnerable homeowners who did not initiate or benefit from the unpermitted work.

#### 3. Advancing Procedural Fairness

The proposed Ordinance acknowledges the power imbalance between professional permit expediters and everyday property owners. Providing amnesty ensures that enforcement does not disproportionately penalize those least equipped to challenge or correct violations.

#### 4. Protecting Safety Without Penalizing the Innocent

DBI's Audit found no imminent life-safety hazards. The proposed Ordinance maintains all Building Code requirements while offering targeted relief from Planning Code penalties, striking a fair balance between safety, equity, and accountability.

#### **Implementation**

The Department has determined that this Ordinance will impact our current implementation procedures on staff review time and the Department budget.

The Department believes that staff time would be minimally impacted. Staff anticipate that NOV Properties can go through the PAL process as they normally would. The Planning Director or designee would reference this proposed amnesty program under Section 187 and document the degree of noncompliance and/or nonconformity directly in the PAL. The proposed Ordinance requires that this determination is sent to DBI. Planning already sends all PALs to DBI; thus, there is no additional impact there.

The Department is still assessing the budget impacts of the proposed Ordinance. The Department received 12 referrals from DBI's Audit. However, the Department understands that there may be additional properties added to this list. Based on the 12 known NOV Properties, the Department collected approximately \$20,000 in fees and penalties that would need to be refunded. NOVs of this extent typically result in more penalties; however, once the Department was aware that certain properties were included in the Audit, staff put the enforcement cases on hold and did not collect any additional penalties. However, the Department would still



need to refund the completed work and application fees submitted prior to the amnesty program/ordinance introduced.

#### Recommendation

The Department recommends that the Commission *adopt a recommendation for approval* of the proposed Ordinance and adopt the attached Draft Resolution to that effect.

#### **Basis for Recommendation**

The Department supports the proposed time-limited amnesty program as a necessary and equitable response to the fallout from the misconduct of Rodrigo Santos and former DBI Inspector Bernie Curran. DBI's Audit, which examined over 5,000 properties, found no imminent life-safety hazards. However, many property owners—who were unaware of the unpermitted or falsified work—now face significant financial and legal burdens through no fault of their own.

This amnesty program aims to provide relief to these property owners by waiving certain Planning Code requirements and associated fees. While the properties will be considered noncomplying, they may not be enlarged, modified, or otherwise intensify the noncompliance in the future. Any future expansions will be subject to the Planning Code requirements in effect at the time of the new permit.

Although the proposed Ordinance may impact the Department's budget, the Department supports waiving application fees and penalties for the affected properties. Requiring full Planning Code compliance to abate these violations could impose substantial, unanticipated costs on property owners who were not responsible for the unauthorized work. This approach aligns with the Department's commitment to procedural fairness and housing stability, ensuring that enforcement actions do not disproportionately penalize innocent homeowners.

## **Required Commission Action**

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

#### **Environmental Review**

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

#### **Public Comment**

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



#### **ATTACHMENTS:**

Exhibit A: Draft Planning Commission Resolution Exhibit B: Board of Supervisors File No. 250191







49 South Van Ness Avenue, Suite 1400 San Francisco, CA 94103 628.652.7600 www.sfplanning.org

# PLANNING COMMISSION DRAFT RESOLUTION

**HEARING DATE: May 1, 2025** 

Project Name: Amnesty for Properties in the Department of Building Inspection's Internal Quality Control

Audit

Case Number: 2025-001748PCA [Board File No. 250191]

Initiated by: Supervisor Mandelman / Introduced February 25, 2025

Staff Contact: Veronica Flores Legislative Affairs

veronica.flores@sfgov.org, 628-652-7525

Reviewed by: Aaron Starr, Manager of Legislative Affairs

aaron.starr@sfgov.org, 628-652-7533

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL OF A PROPOSED ORDINANCE THAT WOULD AMEND THE PLANNING CODE TO: CREATE A TIME-LIMITED AMNESTY PROGRAM FOR PROPERTIES LISTED ON THE DEPARTMENT OF BUILDING INSPECTION'S INTERNAL QUALITY CONTROL AUDIT AND SUBJECT TO A NOTICE OF VIOLATION; CONSIDER THOSE PROPERTIES AS NONCOMPLYING STRUCTURES AND NONCONFORMING USES FOLLOWING CERTIFICATION; AND WAIVE FEES AND PENALTIES ASSOCIATED WITH THE PLANNING DEPARTMENT'S REVIEW OF REQUESTS FOR AMNESTY, AND REFUND ANY FEES AND PENALTIES ALREADY PAID BY AMNESTY PROJECTS; AMEND THE BUILDING CODE TO: REQUIRE CERTIFICATION OF EXISTING CONDITIONS FOR AMNESTY PROJECTS; PROHIBIT EXPANSION OR INTENSIFICATION OF NON-COMPLYING AMNESTY STRUCTURES; CREATE A STREAMLINED PROCESS FOR REVIEWING AMNESTY PROJECT APPLICATIONS; AND WAIVE FEES ASSOCIATED WITH AMNESTY PROJECTS, AND REFUND ANY FEES AND PENALTIES ALREADY PAID BY AMNESTY PROJECTS; 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 NECCESSITY, CONVENIENCE, AND WELFARE UNDER PLANNING CODE, SECTION 302.

WHEREAS, on February 25, 2025 Supervisor Mandelman introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250191, which would amend the Planning Code to: create a time-limited amnesty program for properties listed on the Department of Building Inspection's Internal

Quality Control Audit and subject to a Notice of Violation; consider those properties as noncomplying structures and nonconforming uses following certification; and waive fees and penalties associated with the Planning Department's review of requests for amnesty, and refund any fees and penalties already paid by amnesty projects. Additionally, the proposed Ordinance would amend the Building Code to: require certification of existing conditions for amnesty projects; prohibit expansion or intensification of noncomplying amnesty structures; create a streamlined process for reviewing amnesty project applications; and waive fees associated with amnesty projects, and refund any fees and penalties already paid by amnesty projects;

WHEREAS, the Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on May 1, 2025; and,

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

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

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

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

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

MOVED, that the Planning Commission hereby adopts a **recommendation for approval** of the proposed ordinance.

## **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 would waive Planning Code requirements for this NOV properties resulting from the Department of Building Inspection's (DBI's) Internal Quality Control Audit (hereinafter "Audit") to not further punish these property owners. This is especially important as many of the owners were innocent parties and not aware of the unauthorized work, missing inspections, etc.

#### **General Plan Compliance**

The proposed Ordinance is consistent with the following Objectives and Policies of the General Plan:



#### HOUSING ELEMENT

#### Policy 26

Streamline and simplify permit processes to provide more equitable access to the application process, improve certainty of outcomes, and ensure meeting State- and local-required timelines, especially for 100% affordable housing and shelter projects.

The proposed Ordinance supports the Housing Element goals of housing stability and health homes. Specifically, the proposed Ordinance directly aligns with Policy 26, which seeks to streamline and simplify permit processes. The proposed Ordinance would create an amnesty program that would waive Planning Code requirements for eligible NOV properties identified through the DBI's Audit. This path requires the property owner to retrieve a certification of existing conditions, rather than pursuing a permit and any relevant Planning entitlements to legalize any unpermitted work. This saves the property owner time and money. It also creates a clear path on how to move forward with these NOV properties. Additionally, it would waive or refund all Planning and DBI fees and penalties. This removes the uncertainty in terms of how much additional funds the NOV property owners would have to pay. This also supports the second part of Policy 26 related to more equitable application processes and improving the certainty of outcomes.

### **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.

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 ADOPTS A RECOMMENDATION FOR APPROVAL 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 1, 2025.

Jonas P. Ionin

Commission Secretary



AYES: NOES: ABSENT:

ADOPTED: May 1, 2025





## **EXHIBIT B**

1	[Planning and Building Codes - Amnesty for Properties in the Department of Building Inspection's Internal Quality Control Audit]
2	moposition of memory control reading
3	Ordinance amending the Planning Code to: create a time-limited amnesty program for
4	properties listed on the Department of Building Inspection's Internal Quality Control
5	Audit and subject to a Notice of Violation; consider those properties as noncomplying
6	structures and nonconforming uses following certification; and waive fees and
7	penalties associated with the Planning Department's review of requests for amnesty,
8	and refund any fees and penalties already paid by amnesty projects; amending the
9	Building Code to: require certification of existing conditions for amnesty projects;
10	prohibit expansion or intensification of non-complying amnesty structures; create a
11	streamlined process for reviewing amnesty project applications; and waive fees
12	associated with amnesty projects, and refund any fees and penalties already paid by
13	amnesty projects; affirming the Planning Department's determination under the
14	California Environmental Quality Act; making findings of consistency with the General
15	Plan, and the eight priority policies of Planning Code, Section 101.1; and making
16	findings of necessity and convenience under Planning Code, Section 302.
17	NOTE: Unchanged Code text and uncodified text are in plain Arial font.
18	Additions to Codes are in <u>single-underline italics Times New Roman font</u> .  Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .
19	Board amendment additions are in double-underlined Arial font.  Board amendment deletions are in strikethrough Arial font.
20	<b>Asterisks (* * * *)</b> indicate the omission of unchanged Code subsections or parts of tables.
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22	Be it ordained by the People of the City and County of San Francisco:
23	Section 1. Environmental and General Findings.
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1	(a) The Planning Department has determined that the actions contemplated in this
2	ordinance comply with the California Environmental Quality Act (California Public Resources
3	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
4	Supervisors in File No and is incorporated herein by reference. The Board affirms
5	this determination.
6	(b) On, the Planning Commission, in Resolution No,
7	adopted findings that the actions contemplated in this ordinance are consistent, on balance,
8	with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
9	Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
10	the Board of Supervisors in File No, and is incorporated herein by reference.
11	(c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that the
12	Planning Code amendments in this ordinance will serve the public necessity, convenience,
13	and welfare for the reasons set forth in Planning Commission Resolution No,
14	and the Board incorporates such reasons herein by reference.
15	(d) On, at a duly noticed public hearing, the Building Inspection Commission
16	considered this ordinance in accordance with Charter Section 4.121 and Building Code
17	Section 104A.2.11.1.1. A copy of a letter from the Secretary of the Building Inspection
18	Commission regarding the Commission's recommendation is on file with the Clerk of the
19	Board of Supervisors in File No
20	(e) No local findings are required under California Health and Safety Code Section
21	17958.7 because the amendments to the Building Code contained in this ordinance do not
22	regulate materials or manner of construction or repair, and instead relate in their entirety to
23	administrative procedures for implementing the code, which are expressly excluded from the
24	definition of a "building standard" by California Health and Safety Code Section 18909(c).

Section 2. Legislative Findings.

- (a) In January 2023, Rodrigo Santos, a building and construction engineer who did business in San Francisco, was found guilty of leading multiple fraud schemes, tax evasion, and providing falsified documents to the Federal Bureau of Investigations. Santos had defrauded his clients, submitted false plans to the Department of Building Inspection ("DBI") and worked beyond the scope of his permits dozens of times. He also stole money from his clients by misrepresenting the fees that were due to DBI and keeping the difference.
- (b) In July 2023, former DBI Inspector Bernie Curran was found guilty of accepting illegal gratuities for personal gain in connection with building inspections he performed. Santos had made payments to Curran to approve illegal work including unauthorized demolitions and unpermitted construction.
- (c) In May 2021, DBI initiated the Internal Quality Control Audit ("Audit") a review of properties that were associated with Rodrigo Santos and former Inspector Bernard Curran.
- (d) DBI identified 5,445 properties for review ("Audit Properties"). The Audit identified three Tiers of properties: (1) Tier 1: those that were associated with both Santos and Curran 119 properties; (2) Tier 2: those associated with Santos or Curran and in a slope protection area 158 properties; and (3) Tier 3: those associated with Santos or Curran but not in a slope protection area 5,168 properties.
- (e) Within the scope of the audit, DBI auditors have looked for evidence of work beyond the scope of the permit, unpermitted work, missing inspections, missing slope protection review, missing trade permits, missing special inspections, and complaints that were not investigated.
- (f) DBI completed the Audit in January 2025, and did not find any imminent life-safety hazards. Most of the Audit Properties, were cleared without DBI issuing a Notice of Violation

1 ("NOV"), including all Audit Properties in Tier 3. As of January 2025, DBI had issued NOVs 2 for approximately 100 Audit Properties in Tiers 1 and 2. 3 (g) Many owners of the Audited Properties that received NOVs purchased the property 4 after renovations had been completed and were unaware that unauthorized work had been 5 done. 6 (h) For some of these properties, the work needed to abate a violation can be costly. 7 leaving these owners responsible for tens of thousands of dollars in unanticipated permit and 8 architectural fees. 9 (i) To provide relief for these property owners, this ordinance amends the Planning and 10 Building Codes to create a time-limited amnesty program for properties that have been issued 11 NOVs pursuant to the Audit. 12 13 Section 3. Article 1.7 of the Planning Code is hereby amended by adding Section 187, 14 to read as follows: 15 SEC. 187. AUDIT PROPERTIES; AMNESTY PROGRAM. 16 (a) Intent. The purpose of this amnesty program is to provide relief from strict compliance 17 with the Planning Code for properties subject to Notices of Violation ("NOV") issued by the 18 Department of Building Inspection as part of its Internal Quality Control Audit ("Audit"). The Audit 19 identified approximately 5,500 properties that could have been subject to permitting and inspection 20 irregularities. Pursuant to the Audit procedures, these properties were subject to additional review by 21 DBI. As of January 1, 2025, DBI had issued approximately 100 NOVs as a result of the Audit. 22 (b) Limitations. This Section 187 does not alter, modify, waive, or otherwise change the City's

legal defenses to and immunity from any responsibility or liability for harm caused by the conduct of

Santos, or inspections by City employees, such as Bernard Curran, or anyone acting on behalf of or in

any permit expediter, engineer, architect of record, or other design professional, such as Rodrigo

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1	concert with those individuals. The amnesty provided in this Section 187 does not relieve any property
2	owner from complying with the Building Code or obtaining final legal inspection for any work subject
3	to the Audit.
4	(c) <b>Definitions.</b> For purposes of this Section 187 the following definitions shall apply:
5	"Audit" means the Department of Building Inspection's Internal Quality Control Audit, as it
6	may be updated.
7	"NOV Property" means any property identified in the Audit that is or has been subject to a
8	NOV arising from the Audit.
9	(d) Amnesty Determination. Notwithstanding any other provision of this Code, upon a written
10	determination of the existing conditions made by the Planning Director ("Director") or the Director's
11	designee pursuant to subsection (e), the physical condition and use of any NOV Property shall be
12	considered an existing noncomplying structure and/or nonconforming use subject to this Article 1.7,
13	after the property owner abates the NOV by obtaining a final certification of noncomplying conditions
14	from the Department of Building Inspection pursuant to Building Code Section 106A.6, or a Building
15	<u>Permit.</u>
16	(e) Planning Determination of Nonconformity and Noncompliance. The Director or their
17	designee shall document the degree of nonconformity or noncompliance for each NOV Property that is
18	granted amnesty under this Section 187. The Director's determination of the degree of nonconformity
19	and/or noncompliance shall be based on any of the following: (1) historical photographs; (2) publicly
20	available information, including any NOVs; (3) current photographs provided by the applicant,
21	including photographs showing the NOV Property; (4) drawings provided by the applicant prepared by
22	a state licensed contractor, architect, or registered engineer depicting the width, depth, height,
23	projection, elevation, and other key characteristics of the NOV Property; (5) site inspections by the
24	Planning Department, Department of Building Inspection, or other department having jurisdiction to
25	perform such an inspection, if requested; and (6) any other document or information the Director

1	deems relevant. Such determination shall be provided to the Department of Building Inspection under
2	Building Code Section 106A.6. It shall be the obligation of the property owner to demonstrate
3	eligibility for amnesty under this Section 187. The Director's determination regarding the degree of
4	nonconformity or noncompliance shall not be subject to appeal.
5	(f) Waiver of Fees. The Planning Department shall waive all fees for applications or other
6	actions under this Section 187. The Planning Department shall also refund any permit fees or
7	enforcement fees and penalties related to abating a NOV issued pursuant to the Audit, regardless of
8	whether the fees or penalties were paid prior to the effective date of the ordinance in Board File
9	<u>No. 250191.</u>
10	(g) Relationship to Planning Code. Pursuant to the provisions of this Section 187 and Building
11	Code Section 106A.6, NOV Properties subject to the Audit may receive amnesty from the Planning
12	Code and be considered existing noncomplying structures and/or nonconforming uses. Although NOV
13	Properties may receive amnesty from strict compliance with the Planning Code for work subject to the
14	Audit, NOV Properties may not enlarge, modify or otherwise intensify the noncomplying structures
15	and/or nonconforming uses. Following receipt by property owner of a certification of existing
16	conditions pursuant to Building Code Section 106A or a Building Permit to abate a NOV, any changes
17	to the property shall be subject to the requirements of the Planning Code in effect as of the date of the
18	subsequent work.
19	(h) Application deadline. Any NOV Property must submit a complete amnesty application no
20	later than three years after the effective date of the ordinance in Board File No. 250191.
21	(i) Sunset. This Section 187 shall expire by operation of law five years after the effective date
22	of the ordinance in Board File No. 250191, following which the City Attorney is authorized to cause it
23	to be removed from the Planning Code.
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1	Section 4. Chapter 1A of the Building Code is hereby amended by adding Section
2	106A.6, consisting of Sections 106A.6.1 to 106A.6.6, to read as follows:
3	106A.6 Internal Quality Control Audit Amnesty Program. This Section 106A.6 applies to
4	Notices of Violation ("NOV") Properties, as defined in Planning Code Section 187. Planning Code
5	Section 187 creates an amnesty program for properties subject to NOVs resulting from the
6	Department's Internal Quality Control Audit ("Audit") by exempting those NOV Properties from strict
7	compliance with the Planning Code, provided that the property owner obtains certification from the
8	Department documenting the status of the noncomplying conditions. The Department shall implement
9	the amnesty program outlined in this Section 106A.6 to document the noncomplying conditions, and
10	expedite the abatement of NOVs associated with Audit.
11	106A.6.1 Certification of Existing Conditions and Necessary Repairs: No New Construction
12	or Intensification of Non-Conformity. The Department shall provide a streamlined process to verify
13	existing conditions and abate any Building Code issues; provided that the application for certification
14	of existing conditions shall be consistent with the Information on Plans and Specification requirements
15	provided in Section 106A.3.3, and require the property owner to designate an architect or engineer of
16	record. The amnesty program shall not authorize new construction, additions, or any intensification of
17	structural non-conformity beyond what is determined by the Planning Department to be a
18	noncomplying structure and/or nonconforming use pursuant to Planning Code Section 187.
19	106A.6.2 Abatement of Notices of Violation. A certification pursuant to this Section 106A.6
20	shall be sufficient to abate a pending NOV related to failure to comply with the Planning Code.
21	Building Code violations must be brought into compliance with all applicable building standards.
22	106A.6.3 No Relaxation of Building Standards. The certification process in this Section
23	106A.6.3 may be used to abate a NOV based on failure to comply with the Planning Code, but nothing
24	in this Section 106A.6 relaxes or suspends any building standards or the obligation to obtain a Building
25	Permit to abate a NOV premised upon violations of the Building Code.

1	106A.6.4 Waiver of Fees. Notwithstanding any other provision of the Building Code, the
2	Department shall waive all fees for applications and inspections necessary to obtain a certification
3	pursuant to this Section 106A.6 and building permits necessary to abate any NOV issued pursuant to
4	the Audit, including the application fee for plan review, permit issuance fee for inspections, and any
5	enforcement fees and penalties, such as inspection fees required under Section 107A.5 for work without
6	a permit. The Department shall refund any permit fees and any related enforcement fees and penalties
7	associated with abating a NOV for failure to comply with the Building Code issued pursuant to the
8	Audit, regardless of whether the fees were paid prior to the effective date of the ordinance in Board
9	File No. 250191.
10	106A.6.5 Streamlined Application Process. The Department shall develop a streamlined
11	application process to facilitate and expedite review of applications filed under this Section 106A.6.
12	106A.6.6 Sunset. This Section 106A.6 shall expire by operation of law five years after the
13	effective date of the ordinance in Board File No. 250191, following which the City Attorney is
14	authorized to cause it to be removed from the Building Code.
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16	Section 5. Effective Date. This ordinance shall become effective 30 days after
17	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
18	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
19	of Supervisors overrides the Mayor's veto of the ordinance.
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1	Section 6. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2	intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3	numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4	Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5	additions, and Board amendment deletions in accordance with the "Note" that appears under
6	the official title of the ordinance.
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8	APPROVED AS TO FORM:
9	DAVID CHIU, City Attorney
10	By: <u>/s/</u>
11	Austin M. Yang Deputy City Attorney
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