

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

TO: Katy Tang, Director
Small Business Commission, City Hall, Room 448
FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee
DATE: March 24, 2023
SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 230212-2

Ordinance amending 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.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

\*\*\*\*\*

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: \_\_\_\_\_

- No Comment
Recommendation Attached

Chairperson, Small Business Commission

c: Kerry Birnbach

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**

	<b>NEW CONSTRUCTION</b> <sup>1,3</sup>		<b>ALTERATIONS</b> <sup>1,2,3</sup>		<b>NO PLANS</b> <sup>1,2,3</sup>
<b>TOTAL VALUATION</b>	<b>PLAN REVIEW FEE</b>	<b>PERMIT ISSUANCE FEE</b>	<b>PLAN REVIEW FEE</b>	<b>PERMIT ISSUANCE FEE</b>	<b>PERMIT ISSUANCE FEE</b>

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

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**LEGISLATIVE DIGEST**  
(Substituted, 03/21/2023)

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

**Ordinance amending 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.**

Existing Law

May is Small Business Month in San Francisco. (See Administrative Code Section 2A.240(a)(7).)

Planning Code Section 350 authorizes the Planning Department to charge fees to compensate the Department for the cost of processing applications, developing and revising land use controls, and performing or providing other activities and services. Currently, such fees are contained in Ordinance No. 149-16.

Planning Code Section 350(j) provides for waivers or reductions of certain fees. Certain waivers are contained in Ordinance No. 149-16, which includes a waiver for permit fees for awning replacement and signs on awnings during the month of May for a Small Business Enterprise.

Building Code Section 110A contains the schedule of fees for building permits. Table 1A-A contains a fee waiver for awning replacements for a Small Business Enterprise during the month of May. Table 1A-E contains a fee waiver for pedestrian-level lighting permits for a Small Business Enterprise during the month of May.

Fire Code Section 107 contains the schedule of fees for plan review and inspection. Table 107-B contains the fee schedule for plan review. Table 107-C contains the schedule of fees for field inspections.

Amendments to Current Law

This ordinance would amend Planning Code Section 350(j) to codify the existing planning fee waivers for Small Businesses. It would also add a fee waiver for new installation of awnings during the month of May.

This ordinance would also amend Building Code Section 110A to add the building permit fee waiver for new installation of awnings for Small Businesses during the month of May and make additional clarifying edits.

This ordinance would amend Section 107 of the Fire Code to add a waiver of plan review and inspection fees for awning replacements, awning installations, and installation of pedestrian level lighting for Small Businesses during the month of May.

This ordinance also clarifies that the fee waivers are available to Small Businesses that apply for a permit during the month of May. The ordinance defines a “Small Business” as one with a total workforce of 100 or fewer fulltime employees.

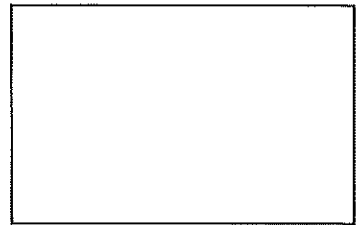
The operative provisions of this ordinance shall be retroactive to May 1, 2023 should the effective date of the ordinance occur after May 1, 2023.

This ordinance also contains provisions that overlap with subsection (f) on page 43 of Ordinance No. 149-16. To the extent the provisions of this ordinance differ from those of Ordinance No. 149-16, the provisions of this ordinance govern.

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**Introduction Form**

*(by a Member of the Board of Supervisors or the Mayor)*



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

- 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- 2. Request for next printed agenda (For Adoption Without Committee Reference)  
*(Routine, non-controversial and/or commendatory matters only)*
- 3. Request for Hearing on a subject matter at Committee
- 4. Request for Letter beginning with "Supervisor [ ] inquires..."
- 5. City Attorney Request
- 6. Call File No. [ ] from Committee.
- 7. Budget and Legislative Analyst Request (attached written Motion)
- 8. Substitute Legislation File No. [230212]
- 9. Reactivate File No. [ ]
- 10. Topic submitted for Mayoral Appearance before the Board on [ ]

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission     Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- Yes                       No

*(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)*

Sponsor(s):

Engardio

Subject:

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

Long Title or text listed:

Ordinance amending 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.

Signature of Sponsoring Supervisor:

