

File No. 240665

Committee Item No. 2

Board Item No. 5

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee

Date July 24, 2024

Board of Supervisors Meeting

Date September 3, 2024

Cmte Board

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| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
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| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>FYI Referral – MTA TTX CON OEWD DPH FIR POL ENT</u> |
| | | <u>4/29/2024 and 5/29/2024</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>SBC Referral 4/29/2024 and 5/29/2024</u> |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>OEWD Presentation 6/5/2024</u> |
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Completed by: Brent Jalipa

Date July 18, 2024

Completed by: Brent Jalipa

Date July 25, 2024

1 [Transportation Code - Fee Waivers for Qualifying Neighborhood Outdoor Events - Certain
2 Sunset District Streets]

3 **Ordinance amending the Transportation Code to waive fees related to the temporary**
4 **closure of streets for events on Irving, Noriega and Taraval Streets, from 19th Avenue**
5 **to the Great Highway, that are organized by community-serving nonprofit arts and**
6 **culture organizations, small businesses, merchant associations, neighborhood**
7 **resident associations, and property and business improvement districts, and to set a**
8 **sunset date of June 30, 2027 for the program waiving fees related to such street**
9 **closures throughout the City.**

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

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

18 Section 1. Findings.

19 (a) Outdoor neighborhood events foster a sense of belonging and community cohesion
20 among City residents by providing opportunities for social interaction and celebration in their
21 communities.

22 (b) Such events contribute to the cultural vibrancy of the City by showcasing local
23 performers, arts, and crafts to audiences of residents, workers, and visitors.

24 (c) These events provide important opportunities for local arts, food, retail, and other
25 entrepreneurs to showcase and sell their products, and serve as a critical platform to grow
small businesses.

1 (d) Waiving City fees for outdoor neighborhood events will encourage community-
2 based arts organizations, nonprofits, small businesses, community benefit districts, and
3 merchant associations to organize such events, thereby empowering these stakeholders to
4 launch new community-building activities.

5 (e) Waiving fees will make it more financially viable for events to continue to contribute
6 to San Francisco's vibrancy. With fees waived, community groups and nonprofits will be able
7 to allocate more resources towards event programming and community engagement.

8 (f) Outdoor neighborhood events serve as economic catalysts by attracting visitors to
9 local businesses, thereby stimulating economic activity and generating revenue for the city
10 through increased tourism and commerce.

11 (g) Outdoor neighborhood events provide opportunities for cultural exchange and
12 celebration of diversity, fostering greater understanding and appreciation among residents
13 from different backgrounds and promoting social inclusion.

14 (h) Waiving City fees for outdoor neighborhood events demonstrates the City's
15 commitment to stimulating economic recovery through arts and culture, including the
16 launching of new events to catalyze economic activity downtown and in neighborhoods across
17 San Francisco.

18 (i) For these reasons, the Board of Supervisors supports the waiver of fees described
19 herein for Qualifying Neighborhood Outdoor Events.

20 (j) The Board of Supervisors also urges the San Francisco Municipal Transportation
21 Agency (SFMTA) to waive any and all SFMTA fees associated with Qualifying Neighborhood
22 Outdoor Events, including but not limited to fees for temporary use or occupancy of public
23 streets under Transportation Code Section 6.2, fees associated with street fairs under
24 Transportation Code Section 6.6, and temporary street closures for Roadway Shared Spaces
25 Activities under Transportation Code Section 6.16.

1 Section 1. The Transportation Code is hereby amended by revising Division 1, Section
2 6.6 and adding Division 1, Section 6.17, to read as follows:

3 **SEC. 6.6. TEMPORARY USE OF STREETS FOR STREET FAIRS.**

4 * * *

5 (f) Fee. No later than 60 days prior to the proposed date of the street fair and in
6 consultation with other City departments, ISCOTT shall determine the fee to be charged for
7 the permit according to the schedule below, subject to the any operative fee waiver provisions for
8 Qualifying Neighborhood Outdoor Events under Section 6.17. No other fee for conducting a street
9 fair shall be required or assessed. All fees paid by the sponsors for street fair permits shall be
10 deposited in the City Treasury and allocated by the Controller to the appropriate City
11 departments. The fee shall be based on the actual costs to the City of temporarily closing the
12 street for the street fair, pursuant to the following fee schedule:

13 * * *

14 **SEC. 6.17. EXEMPTION FROM FEES FOR QUALIFYING NEIGHBORHOOD**
15 **OUTDOOR EVENTS.**

16 (a) A “Qualifying Neighborhood Outdoor Event” is an event under this Article 6 for the
17 temporary use or occupancy of a public street that meets all the following criteria:

- 18 (1) The sponsor of the event (“Sponsor”) is one or more of the following: (i) a non-
19 profit arts and culture organization that provides programming in San Francisco, that is exempt from
20 taxation under Internal Revenue Code Section 501(c)(3), and that is in compliance with all applicable
21 requirements to register with the California Attorney General’s Registry of Charities and Fundraisers;
22 (ii) a business with less than \$5 million in annual gross revenue that has a physical place of business
23 within or adjacent to the area in which the proposed event would take place; (iii) a merchant or
24 neighborhood resident association that represents the area in which the proposed event would take
25

1 place; or (iv) a property and business improvement district that serves the area in which the proposed
2 event would take place;

3 (2) The event is primarily intended to attract residents and workers from neighboring
4 areas;

5 (3) The event is free and open to the public;

6 (4) If incorporating amplified sound, the event does so for a maximum of six hours;

7 (5) The event occupies a maximum of three continuous blocks ~~or~~; occupies streets in a
8 hub-and-spoke pattern within a one block radius from a central intersection; or is a night market
9 occupying up to six continuous blocks along Irving Street between 19th Avenue and Great
10 Highway, Noriega Street between 19th Avenue and Great Highway, or Taraval Street
11 between 19th Avenue and Great Highway;

12 (6) The event is a single-day event that involves a street closure for no longer than 24
13 hours for all event activities, with public programming taking place outdoors within the hours of 8:00
14 am to 10:00 pm;

15 (7) As determined by the San Francisco Municipal Transportation Agency (SFMTA),
16 the event does not impact light rail, street car, or cable car operations; impact major streets; require
17 the rerouting of a SFMTA Rapid Line; unduly disrupt vehicle or pedestrian traffic; require substituting
18 trolley buses or rail cars with motor coaches; restrict direct access by SFMTA vehicles to rail stations;
19 or require the SFMTA to shut down electrification of overhead wires; and

20 (8) For an event that primarily takes place on Recreation and Park Department
21 property, the event does not involve the closure of any street that would not contain public-facing
22 programming during the event.

23 (b) Application for a Fee Exemption Waiver.

24 (1) A Sponsor seeking a determination of eligibility for a waiver of fees under this
25 Section 6.17 shall file an application with, and on a form provided by, the SFMTA. The SFMTA will

1 determine eligibility based on whether the event is a Qualifying Neighborhood Outdoor Event prior to
2 issuance of an ISCOTT street closure permit.

3 (2) In order to receive a fee waiver, a Sponsor shall apply for and must receive a
4 determination of eligibility for the fee waiver under this Section 6.17 before applying for an ISCOTT
5 street closure permit. Any Sponsor that has applied for or obtained an ISCOTT street closure permit
6 prior to the effective date of this Section 6.17 will not qualify for a retroactive waiver of any associated
7 fees.

8 (3) A Sponsor is eligible for fee waivers for up to 12 recurring events over the
9 course of a calendar year, subject to any other applicable limitations in this Section 6.17.

10 (3A) Determination of eligibility for a waiver of fees under this Section 6.17 shall be
11 final and not subject to appeal.

12 (c) Waiver of Fees.

13 (1) Upon a determination by the SFMTA that a Sponsor is eligible for one or more fee
14 waivers under this Section 6.17, the Sponsor shall be entitled to such waivers.

15 (2) Notwithstanding ~~subsection (c)(1)~~ any other provision of this Section 6.17, the
16 proposed closure of a block that requires the rerouting of SFMTA transit service shall only be eligible
17 for three fee waivers per calendar year, regardless of the Sponsor.

18 (3) Fees subject to waiver include any and all application, permit, staffing, and
19 inspection fees associated with a Qualifying Neighborhood Outdoor Event issued by any of the
20 following departments, excluding fees imposed for a broader purpose beyond the Qualifying
21 Neighborhood Outdoor Event and any fees imposed by the SFMTA.

22 (A) Department of Public Health, including but not limited to fees for
23 Temporary Food Facility permits under Article 8, Section 452 of the Health Code and fees imposed
24 pursuant to Transportation Code Section 6.6;

1 (B) Fire Department, including but not limited to fees imposed pursuant to
2 Transportation Code Section 6.6 and fees for Fire Department permits;

3 (C) Entertainment Commission, including but not limited to One Time Event
4 Permits, One Time Outdoor Amplified Sound Permits, and Sound Truck Permits; and

5 (D) Police Department, including but not limited to fees imposed pursuant to
6 Transportation Code Section 6.6.

7 (d) Administration and Implementation.

8 (1) The SFMTA shall inform relevant City departments of its waiver determinations
9 under this Section 6.17.

10 (2) The SFMTA may develop rules and/or regulations to implement this program.

11 (3) Each City department whose fees are waived under this Section 6.17 shall report
12 annually to the SFMTA the events for which fees were waived and the amount of fees waived for each
13 event. The SFMTA shall compile this information and report it annually to the Board of Supervisors
14 and the Mayor.

15 (e) Sunset Date.

16 This Section 6.17 shall expire by operation of law on June 30, 2027. Upon expiration
17 of this Section 6.17, the City Attorney is authorized to cause this Section 6.17 to be removed
18 from the Transportation Code.

19
20 Section 3. Effective Date. This ordinance shall become effective 30 days after
21 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
22
23
24
25

1 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
2 of Supervisors overrides the Mayor's veto of the ordinance.

3

4 APPROVED AS TO FORM:
5 DAVID CHIU, City Attorney

6 By: /s/ Victoria Wong
7 VICTORIA WONG
8 Deputy City Attorney

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REVISED LEGISLATIVE DIGEST
(Amended in Committee, 7/24/2024)

[Transportation Code - Fee Waivers for Qualifying Neighborhood Outdoor Events in Sunset District]

Ordinance amending the Transportation Code to waive fees related to the temporary closure of streets for events on Irving, Noriega and Taraval Streets that are organized by community-serving nonprofit arts and culture organizations, small businesses, merchant associations, neighborhood resident associations, and property and business improvement districts, and to set a sunset date for the Citywide program waiving fees related to such street closures.

Existing Law

Transportation Code Division 1, Section 6.6 governs the regulation of street fairs, including the processing of permit applications by the Interdepartmental Staff Committee on Traffic and Transportation and the payment of associated fees to the City. Such permit fees reflect the cost to the City of temporarily closing streets for the event, including fees for the Fire Department, Department of Public Health, and the Police Department. Section 6.6 states that the San Francisco Municipal Transit Agency may also impose fees related to these events, and that the Fire Department may impose additional fees for Fire Department permits required for these events.

Transportation Code Division 1, Section 6.17 waives all fees associated with a temporary street closure under Transportation Code Division 1, Article 6, for street fairs and other events (1) for which the sponsor is one or more of the following: (a) a non-profit arts and culture organization that provides programming in San Francisco, that is exempt from taxation under Internal Revenue Code Section 501(c)(3), and that is in compliance with all applicable requirements to register with the California Attorney General's Registry of Charities and Fundraisers; (b) a business with less than \$5 million in annual gross revenue that has a physical place of business within or adjacent to the area in which the proposed event would take place; (c) a merchant or neighborhood resident association that represents the area in which the proposed event would take place; or (d) a property and business improvement district that serves the area in which the proposed event would take place; and (2) that meet specified criteria for size, accessibility to the public, and limited impacts caused by the street closures, among other things.

Waived fees include those that would otherwise be imposed on permits issued under Transportation Code Division 1, Article 6, as well as fees that would otherwise be imposed by the Fire Department and the Entertainment Commission for those departments' separate permits.

Section 6.17 also designates the San Francisco Municipal Transportation Agency as the department responsible for administering the fee waiver program. The SFMTA makes non-appealable determinations of eligibility for fee waivers based on criteria in the ordinance, and may adopt rules and regulations for the program.

Section 6.17 limits the number of fee waivers for closure of a street block to three per year, regardless of sponsor, if the closure would require rerouting of MUNI transit service, limits a given sponsor's eligibility to twelve waivers for recurring events per calendar year, and prohibits retroactive waivers for event sponsors who have previously applied for and/or obtained a street closure permit for an event.

Amendments to Current Law

This ordinance would amend Transportation Code Division 1, Section 6.17 to make night markets of up to six continuous blocks along Irving Street between 19th Avenue and Great Highway, Noriega Street between 19th Avenue and Great Highway, and Taraval Street between 19th Avenue and Great Highway eligible for fee waivers. The ordinance would also set a sunset date for the fee waiver program of June 30, 2027.

Background Information

This ordinance contains amendments to Board File No. 240665, which was duplicated from Board File No. 240408. Amendments made by the Budget and Finance Committee to Board File No. 240408 and amendments made by the Budget and Finance Committee to Board File No. 240665 are shown in Arial double-underlined font.

Amendments shown in Times New Roman Italic underlined font were made in Board File No. 240408 when that ordinance was introduced.

The ordinance in Board File No. 240408 was finally passed by the Board on June 18, 2024 and was approved by the Mayor on June 27, 2024.

Item 2 File 24-0665	Department: Municipal Transportation Agency, Public Health, Fire, Police, Entertainment Commission
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EXECUTIVE SUMMARY

Legislative Objectives

- The proposed ordinance would amend Article 6 of the Transportation Code to provide fee waivers for night markets in the Sunset neighborhood.

Key Points

- Article 6 of Division I of the Transportation Code defines procedures and requirements for street closures for special events, which are reviewed and approved by the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT). Special events permitted via ISCOTT may require additional permitting and support by various city departments, for which fees and costs might be invoiced, including “no parking” signage, Fire Department permits, police officers retained through the 10-B program, and temporary food facility permits from Public Health.
- In June 2024, the Board of Supervisors amended the Transportation Code (File 24-0408) to provide fee waivers for certain street event sponsors. The proposed ordinance builds on that legislation and now includes night markets in the Sunset.

Fiscal Impact

- The Citywide revenue loss amounts to \$2.2 million, or approximately \$326,000 more than event fee waivers approved in June 2024. A portion of the change is due to revisions in revenue loss estimates that were included in our prior report.

Recommendation

- Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

MANDATE STATEMENT

City Charter Section 2.105 states that all legislative acts shall be by ordinance, approved by a majority of the members of the Board of Supervisors.

BACKGROUND

Article 6 of Division I of the Transportation Code defines procedures and requirements for street closures for special events, which are reviewed and approved by the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT). ISCOTT is administered and chaired by the Municipal Transportation Agency (MTA), and includes Police, Fire, Public Works, Public Health, Planning and Entertainment Commission as voting members. Special events permitted via ISCOTT may require additional permitting and support by various City departments, for which fees and costs might be invoiced, including “no parking” signage, Fire Department permits, police officers retained through the 10-B program, and temporary food facility permits from Public Health.

DETAILS OF PROPOSED LEGISLATION

In June 2024, the Board of Supervisors amended the Transportation Code (File 24-0408) to provide fee waivers for certain street event sponsors that meet one or more of the following criteria:

- 1. a non-profit arts and culture organization that provides programming in San Francisco;
- 2. a business with less than \$5 million in gross receipts that has a place of business within the proposed event area;
- 3. a merchant or neighborhood association that represents the area; or
- 4. a property or business improvement district that represents the area.

Fees would only be waived for single-day events that are open to the public, occupy no more than three blocks, and that do not impact rail service or major streets. Events sponsors would be eligible for waivers for up to 12 recurring events. MTA would be responsible for determining whether event sponsors and events qualify for fee waivers.

In the findings of the proposed ordinance, the Board of Supervisors urges MTA to waive all MTA fees for qualifying events. According to MTA staff, the Mayor’s Office has requested the MTA Board of Directors to waive the associated fees.

The File was duplicated at the June 5, 2024 Budget & Finance meeting to create this ordinance, File 24-0665. This proposed ordinance expands the fee waiver for night markets occupying up to six continuous blocks in the Sunset neighborhood.¹

¹ The specified area is Irving Street between 19th Avenue and Great Highway, Noriega Street between 19th Avenue and Great Highway, or Taraval Street between 19th Avenue and Great Highway

FISCAL IMPACT

Exhibit 1 below shows the estimated costs of the proposed fee waivers for each department, including the Municipal Transportation Agency. The table shows the fiscal impact of the previously approved event fee waivers (File 24-0408) and the proposed expansion (File 24-0655) to include night markets in the Sunset. The table also includes estimates for the annual increase in events as well as increases in the size and number of events due to the fees for them being waived.

Exhibit 1: IScott-Permitted Event Fee Waivers and Associated Costs

Department	File 24-0408	File 24-0655	Change
Municipal Transportation Agency	\$770,000	\$870,000	\$100,000
Fire	\$60,000	\$65,000	\$5,000
Police	\$166,960	\$175,308	\$8,348
Public Health	\$177,000	\$281,000	\$104,000
Entertainment Commission	\$50,000	\$50,000	\$0
Subtotal, Known Costs	\$1,223,960	\$1,441,308	\$217,348
Annual Increase in Events (20%)	\$244,792	\$288,262	\$43,470
Increase in Events Due to Fee Waivers (20%)	\$244,792	\$288,262	\$43,470
Change in Event Character (10%)	\$122,396	\$144,131	\$21,735
Subtotal, Change in Events	\$611,980	\$720,654	\$108,674
Total Estimated Costs	\$1,835,940	\$2,161,962	\$326,022

Source: MTA, FIR, POL, DPH, BLA

Notes: MTA costs include fee revenue loss as well as staff and signage costs. Police costs only include street fair fee revenue losses, do not include 10B revenues, and may be higher due to more General Fund overtime needed to maintain public safety as the number events increases. DPH costs increased by \$104,000 due to the proposed night market fee waiver and a revised estimate of the revenue loss from the previously approved fee waiver ordinance.

The total estimated cost of the proposed ordinance is \$2.2 million, of which \$857,000 would be a loss to the General Fund and \$1.3 million would be a loss for the MTA operating fund. Due to uncertainty regarding the actual number of qualifying events and how event sponsors will respond to no longer having to pay fees, the estimates above are high-level.

RECOMMENDATION

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

<p>Item 20 File 24-0408</p>	<p>Department: Municipal Transportation Agency, Public Health, Fire, Police, Entertainment Commission</p>
<p>EXECUTIVE SUMMARY</p>	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> The proposed ordinance would amend Article 6 of the Transportation Code to provide fee waivers for certain street event sponsors. Fees would only be waived for single-day events that are open to the public, occupy no more than three blocks, and that do not impact rail service or major streets. MTA would be responsible for determining whether event sponsors and events qualify for fee waivers. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> Article 6 of Division I of the Transportation Code defines procedures and requirements for street closures for special events, which are reviewed and approved by the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT). Special events permitted via ISCOTT may require additional permitting and support by various city departments, for which fees and costs might be invoiced, including “no parking” signage, Fire Department permits, police officers retained through the 10-B program, and temporary food facility permits from Public Health. According to MTA, there were 535 events permitted via ISCOTT in CY 2023, of which at least 292 (or 55 percent) would likely be eligible for fee waivers. <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> The Citywide revenue loss amounts to \$1.3 million or approximately \$4,500 per event. However, the size and number of events may increase due to the proposed fee waivers, which could increase Citywide revenue loss to \$1.98 million. Of that amount, \$830,000 would be a loss to the General Fund and \$1.15 million would be a loss for the MTA operating fund. <p style="text-align: center;">Policy Consideration</p> <ul style="list-style-type: none"> According to the findings of the proposed ordinance, reducing event fees will “foster a sense of belonging” and stimulate economic growth. The Board could consider limiting the scope of the ordinance by adding a sunset date for the fee waivers, limiting the number of fee waivers per sponsor or block per year, or limiting the neighborhoods that are eligible for fee waivers. According to the City’s Sales Tax Economic Recovery Dashboard, neighborhoods have experienced a range of sales tax changes between 2019 and 2023, from -63 percent to +92 percent. <p style="text-align: center;">Recommendation</p> <ul style="list-style-type: none"> Approval of the proposed ordinance is a policy matter for the Board of Supervisors. 	

MANDATE STATEMENT

City Charter Section 2.105 states that all legislative acts shall be by ordinance, approved by a majority of the members of the Board of Supervisors.

BACKGROUND

Article 6 of Division I of the Transportation Code defines procedures and requirements for street closures for special events, which are reviewed and approved by the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT). ISCOTT is administered and chaired by the Municipal Transportation Agency (MTA), and includes Police, Fire, Public Works, Public Health, Planning and Entertainment Commission as voting members. Special events permitted via ISCOTT may require additional permitting and support by various City departments, for which fees and costs might be invoiced, including “no parking” signage, Fire Department permits, police officers retained through the 10-B program, and temporary food facility permits from Public Health.

DETAILS OF PROPOSED LEGISLATION

The proposed ordinance would amend Article 6 of the Transportation Code to provide fee waivers for certain street event sponsors that meet one or more of the following criteria:

- 1. a non-profit arts and culture organization that provides programming in San Francisco;
- 2. a business with less than \$5 million in gross receipts that has a place of business within the proposed event area;
- 3. a merchant or neighborhood association that represents the area; or
- 4. a property or business improvement district that represents the area.

Fees would only be waived for single-day events that are open to the public, occupy no more than three blocks, and that do not impact rail service or major streets. MTA would be responsible for determining whether event sponsors and events qualify for fee waivers.

In the findings of the proposed ordinance, the Board of Supervisors urges MTA to waive all MTA fees for qualifying events. According to MTA staff, the Mayor’s Office has requested the MTA Board of Directors to waive the associated fees.

According to MTA, there were 535 events permitted via ISCOTT in CY 2023, of which at least 292 (or 55 percent) would likely be eligible for fee waivers.

FISCAL IMPACT

Exhibit 1 below shows the estimated costs of the proposed fee waivers for each department, including the Municipal Transportation Agency. The Citywide revenue loss amounts to \$1.3 million or approximately \$4,500 per event. The table also includes estimates for the annual increase in events as well as increases in the size and number of events due to the fees for them being waived, all of which total an additional \$661,980 in Citywide costs.

Exhibit 1: ISCOTT-Permitted Event Fee Waivers and Associated Costs

Department	Estimated Revenue Loss
Municipal Transportation Agency	\$770,000
Fire	\$60,000
Police	\$166,960
Public Health	\$177,000
Entertainment Commission	\$150,000
Subtotal, Known Costs	\$1,323,960
Annual Increase in Events (20%)	\$264,792
Increase in Events Due to Fee Waivers (20%)	\$264,792
Change in Event Characteristics (10%)	\$132,396
Subtotal, Change in Events	\$661,980
Total Estimated Costs	\$1,985,940

Source: MTA, FIR, POL, DPH, BLA

Notes: MTA costs include \$280,000 in fee revenue loss and \$490,000 in staff and signage costs. Police costs only include street fair fee revenue losses, do not include 10B revenues, and may be higher due to more General Fund overtime needed to maintain public safety as the number events increases.

The total estimated cost of the proposed ordinance is \$1.98 million, of which \$830,000 would be a loss to the General Fund and \$1.15 million would be a loss for the MTA operating fund. Due to uncertainty regarding the actual number of qualifying events and how event sponsors will respond to no longer having to pay fees, the estimates above are high-level and subject to change.

POLICY CONSIDERATION

According to the findings of the proposed ordinance, reducing event fees will “foster a sense of belonging” and stimulate economic growth. The Board could consider limiting the scope of the ordinance by adding a sunset date for the fee waivers, limiting the number of fee waivers per sponsor or block per year, or limiting the neighborhoods that are eligible for fee waivers. According to the City’s Sales Tax Economic Recovery Dashboard, neighborhoods have experienced a range of sales tax changes between 2019 and 2023, from -63 percent to +92 percent.¹

RECOMMENDATION

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

¹ <https://www.sf.gov/data/san-francisco-sales-tax>

Fee Waivers for Qualifying Neighborhood Outdoor Events

Alesandra Lozano
Legislative & Government Affairs Manager
Office of Economic and Workforce Development

Background

- Arts and culture play a critical role in our citywide economic recovery
- Outdoor events support local merchants, artists and vendors, provide space for cultural celebrations, and attract tourists
 - Fees can be challenging, especially for smaller community events
 - Waiving fees can strengthen returning community events and incentivize new events

Qualifying Neighborhood Outdoor Events

- Single-day event between 8am-10pm
- Maximum of three continuous blocks
- Sponsored by an arts nonprofit, small business in the area, merchant/resident association, or CBD/BID
- Free and open to the public
- Maximum of six hours of amplified sound
- Without substantial transit/traffic impacts as determined by SFMTA

Fees Eligible for Waiver

- Any application, permit, inspection, or staffing fees from any of the following departments:
 - Department of Public Health
 - Fire Department
 - Entertainment Commission
 - Police Department
- Legislation encourages SFMTA Board to waive SFMTA fees
- Would require annual reporting to the Board and the Mayor about impacts

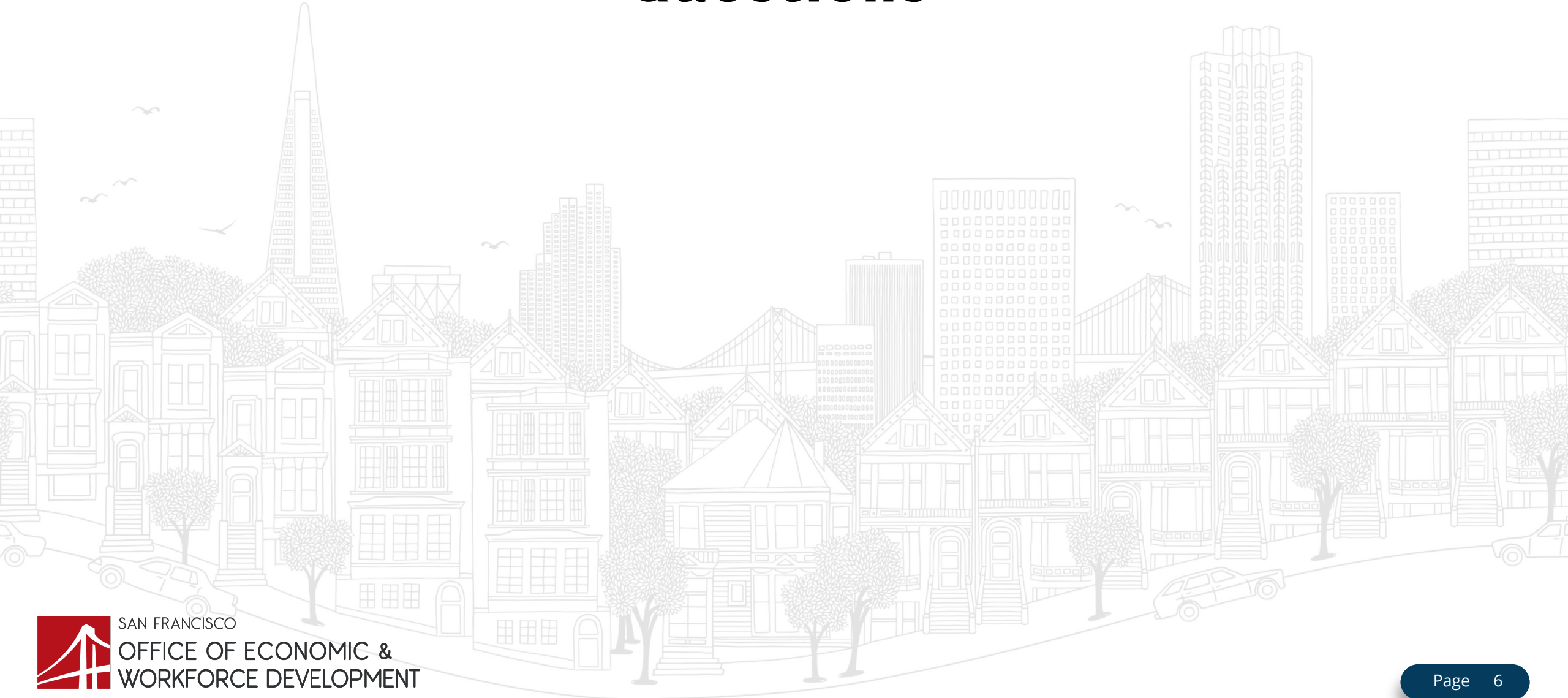
Additional Limitations

- Blocks requiring transit rerouting only eligible for three waivers per calendar year
- Requesting amendment to restore limit of 12 events per applicant per year (unintentionally removed in substitute legislation)
- Does not apply retroactively

Implementation

- SFMTA would be empowered to implement this waiver and adopt any rules, regulations, forms
- Applicant would need to seek fee waiver from SFMTA prior to applying for ISCOTT street closure permit
- SFMTA would then inform relevant departments of waiver eligibility

Questions



BOARD of SUPERVISORS



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

MEMORANDUM

TO: Jeffrey Tumlin, Executive Director, Municipal Transportation Agency
José Cisneros, Treasurer, Office of the Treasurer and Tax Collector
Greg Wagner, City Controller, Office of the Controller
Dr. Grant Colfax, Director, Department of Public Health
Jeanine Nicholson, Fire Chief, Fire Department
Maggie Weiland, Executive Director, Entertainment Commission
William Scott, Police Chief, Police Department
Sarah Dennis-Phillips, Executive Director, Office of Economic and Workforce Development

FROM: Brent Jalipa, Assistant Clerk, Budget and Finance Committee

DATE: May 29, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Budget and Finance Committee has received the following substitute of proposed legislation, introduced by Mayor London Breed:

File No. 240408-2

Ordinance amending the Transportation Code to waive fees related to the temporary closure of streets for events organized by community-serving nonprofit arts and culture organizations, small businesses, merchant associations, neighborhood resident associations, and property and business improvement districts.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Janet Martinsen, Municipal Transportation Agency
Joel Ramos, Municipal Transportation Agency
Amanda Kahn Fried, Office of the Treasurer and Tax Collector
Todd Rydstrom, Office of the Controller
Dr. Naveena Bobba, Department of Public Health
Sneha Patil, Department of Public Health
Ana Validzic, Department of Public Health
Theresa Ludwig, Fire Department
May Liang, Entertainment Commission
Lisa Ortiz, Police Department
Lili Gamero, Police Department
Rima Malouf, Police Department
Diana Oliva-Aroche, Police Department
Carl Nicita, Police Department
Anne Taupier, Office of Economic and Workforce Development
Alesandra Lozano, Office of Economic and Workforce Development

BOARD of SUPERVISORS



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MEMORANDUM

TO: Katy Tang, Director, Office of Small Business
Small Business Commission, City Hall, Room 448
FROM: Brent Jalipa, Assistant Clerk
Budget and Finance Committee
DATE: May 29, 2024
SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Budget and Finance Committee

The Board of Supervisors' Budget and Finance Committee has received the following substitute legislation, introduced by Mayor London Breed on May 21,2024, which is being referred to the Small Business Commission for comment and recommendation.

File No. 240408-2

Ordinance amending the Transportation Code to waive fees related to the temporary closure of streets for events organized by community-serving nonprofit arts and culture organizations, small businesses, merchant associations, neighborhood resident associations, and property and business improvement districts.

Please return this cover sheet with the Commission's response to Brent Jalipa, Budget and Finance Clerk, by email to: brent.jalipa@sfgov.org.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

- No Comment
Recommendation Attached

Chairperson, Small Business Commission

BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244
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MEMORANDUM

TO: Jeffrey Tumlin, Executive Director, Municipal Transportation Agency
José Cisneros, Treasurer, Office of the Treasurer and Tax Collector
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Maggie Weiland, Executive Director, Entertainment Commission
William Scott, Police Chief, Police Department
Sarah Dennis-Phillips, Executive Director, Office of Economic and Workforce Development

FROM: Brent Jalipa, Assistant Clerk, Budget and Finance Committee

DATE: April 29, 2024

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Budget and Finance Committee has received the following proposed legislation, introduced by Mayor London Breed:

File No. 240408

Ordinance amending the Transportation Code to waive fees related to the temporary closure of streets for street fairs for nonprofit organizations, small businesses, merchant associations and neighborhood resident associations.

If you have any comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Janet Martinsen, Municipal Transportation Agency
Joel Ramos, Municipal Transportation Agency
Amanda Kahn Fried, Office of the Treasurer and Tax Collector
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MEMORANDUM

TO: Katy Tang, Director, Office of Small Business
Small Business Commission, City Hall, Room 448

FROM: Brent Jalipa, Assistant Clerk
Budget and Finance Committee

DATE: April 29, 2024

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Budget and Finance Committee

The Board of Supervisors' Budget and Finance Committee has received the following legislation, introduced by Mayor London Breed on April 23, 2024, which is being referred to the Small Business Commission for comment and recommendation.

File No. 240408

Ordinance amending the Transportation Code to waive fees related to the temporary closure of streets for street fairs for nonprofit organizations, small businesses, merchant associations and neighborhood resident associations.

Please return this cover sheet with the Commission's response to Brent Jalipa, Budget and Finance Clerk, by email to: brent.jalipa@sfgov.org.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

No Comment

Recommendation Attached

Chairperson, Small Business Commission

From: [Trejo, Sara \(MYR\)](#)
To: [BOS Legislation, \(BOS\)](#)
Cc: [Paulino, Tom \(MYR\)](#); [WONG, VICTORIA \(CAT\)](#); [VanHouten, Ben \(ECN\)](#); [Ruiz-Cornejo, Victor \(MYR\)](#); [Ho, Calvin \(BOS\)](#)
Subject: Mayor -- Ordinance -- Fee Waivers for Qualifying Neighborhood Outdoor Events
Date: Tuesday, May 21, 2024 2:39:20 PM
Attachments: [01759908.DOCX](#)
[01753951.docx](#)
[RE Fee Waiver Substitute Legislation 5 20 2024 - time sensitive.msg](#)

Hello Clerks,

Attached is a substitute Ordinance for file 240408, amending the Transportation Code to waive fees related to the temporary closure of streets for events organized by community-serving nonprofit arts and culture organizations, small businesses, merchant associations, neighborhood resident associations, and property and business improvement districts.

Please note, Supervisor Mandelman is cosponsor of this item.

Best regards,

Sara Trejo

Legislative Aide

Office of the Mayor

City and County of San Francisco

415.554.6141 | sara.trejo@sfgov.org