BOARD of SUPERVISORS



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MEMORANDUM

TO: Rich Hillis, Director, Planning Department

Dennis Herrera, General Manager, Public Utilities Commission

Carla Short, Interim Director, Public Works

Dr. Grant Colfax, Director, Department of Public Health

Jeanine Nicholson, Chief, Fire Department

Julie Rosenberg, Executive Director, Board of Appeals Patrick O'Riordan, Director, Building Inspection Department

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: November 17, 2022

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Peskin on November 8, 2022.

File No. 221146

Ordinance amending the Public Works Code to create the Legacy Pushcart Peddler designation, provide that utility access in the public right-of-way for Legacy Pushcart Peddlers is a minor encroachment, and clarify the revocation and restoration requirements for all minor encroachment permits; and affirming the Planning Department's determination under the California Environmental Quality Act.

If you have 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 or by email at: Erica.Major@sfgov.org.

Referral from the Board of Supervisors Land Use and Transportation Committee Page 2

CC:

Tina Tam, Planning Department Corey Teague, Planning Department Lisa Gibson, Planning Department Devyani Jain, Planning Department AnMarie Rodgers, Planning Department Dan Sider, Planning Department Aaron Starr, Planning Department Joy Navarrete, Planning Department Elizabeth Watty, Planning Department Masood Ordikhani, Public Utilities Commission Jeremy Spitz, Public Utilities Commission Donna Hood, Public Utilities Commission David Steinberg, Public Works Ian Schneider, Public Works John Thomas, Public Works Lena Liu, Public Works Greg Wagner, Department of Public Health Dr. Naveena Bobba, Department of Public Health Sneha Patil, Department of Public Health Ana Validzic, Department of Public Health Theresa Ludwig, Fire Department Patty Lee, Building Inspection Department

1	[Public Works Code - Minor Encroachment Permits for Legacy Pushcart Peddlers]
2	
3	Ordinance amending the Public Works Code to create the Legacy Pushcart Peddler
4	designation, provide that utility access in the public right-of-way for Legacy Pushcart
5	Peddlers is a minor encroachment, and clarify the revocation and restoration
6	requirements for all minor encroachment permits; and affirming the Planning
7	Department's determination under the California Environmental Quality Act.
8	NOTE: Unchanged Code text and uncodified text are in plain Arial font.
9	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> .
10	Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font.
11	Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
12	
13	Be it ordained by the People of the City and County of San Francisco:
14	
15	Section 1. Environmental Findings.
16	The Planning Department has determined that the actions contemplated in this
17	ordinance comply with the California Environmental Quality Act (California Public Resources
18	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
19	Supervisors in File No and is incorporated herein by reference. The Board affirms this
20	determination.
21	
22	Section 2. General Findings.
23	(a) San Francisco has an interest in protecting and preserving historical businesses
24	that meet the criteria of "Legacy Businesses" under the provisions of the Legacy Business
25	Program. Administrative Code Section 2A.242 sets forth the criteria and process to qualify as

1	a Legacy Business. The Office of Small Business maintains a registry of Legacy Businesses
2	in San Francisco. The Legacy Business Registry includes certain pushcart peddlers, a type of
3	mobile food vendor regulated under Article 5.8 of the Public Works Code. This ordinance
4	does not amend or alter any of the criteria or other requirements that govern the Legacy
5	Business Registry in Administrative Code Section 2A.242.
6	(b) Legacy Pushcart Peddlers have contributed to the pedestrian-oriented
7	streetscapes of the City for decades, invested in the City and its diverse communities, created
8	unique employment opportunities, and built long-standing businesses that draw locals,
9	shoppers, and tourists from around the world.
10	(c) To continue attracting a wide base of customers, Legacy Pushcart Peddlers will
11	need to modernize their operations and expand their menu offerings. Enabling Legacy
12	Pushcart Peddlers to access water and electrical utility service at their pushcart locations will
13	ensure the continued contributions of these businesses to the City.
14	
15	Section 3. Articles 5.8 and 15 of the Public Works Code are hereby amended by
16	revising Sections 184.80, 723.2, and 786, to read as follows:
17	
18	SEC. 184.80. DEFINITIONS.
19	* * * *
20	Director of Health. The Director of the Public Health Department of the City and
21	County of San Francisco or a designated representative of the Director of Health.
22	Legacy Pushcart Peddler. Any Pushcart Peddler that has been added to the City's Legacy
23	Business Registry pursuant to Administrative Code Section 2A.242, as amended from time to time.
24	* * * *

Pushcart. Any wagon, cart, or any other food-serving device, whether stationary or movable, wherein or wherefrom any food or foodstuffs are sold, served, distributed, offered for sale at retail, or given away to the public, whether consumed at said pushcart or elsewhere.

Pushcart Peddler. Any person or entity engaged in the business of operating a pushcart within the City and County of San Francisco. <u>Pushcart Peddler shall include "Legacy</u>"

Pushcart Peddler" unless otherwise stated in this Article.

SEC. 723.2. MINOR SIDEWALK ENCROACHMENTS.

(a)(1) The Director of Public Works ("Director") may grant permission, revocable at the Director's his or her will, to an owner of property abutting any court, alley, or street to install and maintain minor encroachments such as fences, retaining walls, steps or stairways, and other minor structures in the sidewalk fronting such property where such encroachments are desirable or convenient in conjunction with the owner's use and enjoyment of the property, or required for the safety, convenience, and comfort of the public using the sidewalk. Pipelines or other portions of an alternate water source system constructed within the public right-of-way for the purposes set forth in Article 12C of the Health Code and in accordance with Health Code Section 12C.6 are minor encroachments subject to the requirements of this Section 723.2.

(2) Notwithstanding this Section 723.2 or Section 786, the Director may, in the Director's sole discretion, grant permission, revocable at the Director's will, to a Legacy Pushcart Peddler, as that term is defined in Section 184.80 of the Public Works Code, to install and maintain encroachments for the purpose of obtaining water or electric utility service, in any court, alley, or street, where such encroachments satisfy criteria for such Legacy Pushcart Peddlers established by the Director and the City Engineer. The encroachments authorized by this subsection (a)(2) shall be limited to those necessary to obtain water or electric utility service, including flush-mounted fixtures, pushcarts, or

1	other pushcart components and infrastructure that must be hardwired to the fixture on a 24-hour basis.
2	Prior to issuing a minor encroachment permit pursuant to this subsection (a)(2), the Department shall
3	ensure that the applicant has obtained approval to access water or electric utility service from the
4	applicable authorities, including but not limited to the San Francisco Public Utilities Commission.
5	Nothing in this subsection (a)(2) shall limit the Legacy Pushcart Peddler's obligation to obtain any
6	additional permits, licenses, or approvals of any agencies required to commence and complete
7	construction and to operate the pushcart. Revocation or suspension of the Legacy Pushcart Peddler's
8	permit under section 184.97 shall also constitute grounds for revocation of a minor encroachment
9	permit pursuant to subsection $(c)(1)$.
10	(b) Requirements and Conditions. Such encroachments shall not occupy more than 10%

(b) <u>Requirements and Conditions.</u> Such encroachments shall not occupy more than 10% percent of the area of the sidewalk fronting the property nor more than 25% percent of the width of the sidewalk (together, "Dimensional Requirements"), unless the Director of Public Works determines that such restrictions are not applicable due to the nature of the encroachment. The Director may shall require further restrictions or modifications and impose such conditions as he or she the Director deems necessary or appropriate to protect the public peace, safety, health, and welfare of pedestrians and other users of the sidewalks, public right-of-way, and public property ("Conditions of Approval"). No advertisement shall be permitted on the encroachments.

The Dimensional Requirements in this subsection (b) shall not apply to a minor encroachment permit sought by a Legacy Pushcart Peddler, provided that the encroachment shall leave an unobstructed pedestrian path of travel on any sidewalk a space not less than six feet wide.

(c) *Permit Issuance and Revocation*. In considering the issuance of permits under the provisions of this Section 723.2, the Director *of Public Works* shall give due regard to the location, neighborhood pattern, anticipated pedestrian traffic, *and* access requirements of the Fire Department, and to the convenience and necessities of the owners, occupants, or tenants of offices, stores, or shops in the vicinity.

1	(1) Upon the Director's determination that the permittee has failed to comply with the
2	Conditions of Approval, or that a Legacy Pushcart has failed to comply with the provisions of Section
3	723.2(a)(2), or that all or a portion of the public right-of-way is required for a different public purpose,
4	the Director shall provide the permittee with written notification of the time and date of a public
5	hearing to consider the grounds for revoking, modifying, or suspending the minor encroachment
6	permit. Following the public hearing, the Director may issue an order revoking or modifying the minor
7	encroachment permit for good cause. If the failure to comply with the Conditions of Approval poses an
8	imminent threat to public safety, health, or welfare, the Director shall immediately suspend the permit
9	pending a final decision to revoke or modify the permit. The Director's modification, revocation, or
10	suspension of a minor encroachment permit may be appealed under subsection (e).
11	(2) Following the revocation of a minor encroachment permit, the former permittee shall
12	restore the public right-of-way to a condition satisfactory to the Director at the permittee's sole and
13	absolute expense.
14	(d) Permittee's Indemnity.
15	(1) For minor encroachment permits issued pursuant to Section 723.2(a)(1), the The
16	owner of the real property or the owner's authorized agent applying for a permit under the
17	provisions of $\frac{def}{def}$ Section 723.2 $\frac{de}{de}$ shall agree to hold harmless, $\frac{de}{de}$ and $\frac{de}{de}$ the
18	City and County of San Francisco, including, without limitation, each of its commissions,
19	departments, its officers, agents, and employees, from and against any damage or injury all losses,
20	liabilities, expenses, actions, claims, demands, injuries, damages, fines, penalties, suits, costs, or
21	judgements, including, without limitation, attorneys' fees and costs (collectively, "claims"), caused by
22	reason of the installation or maintenance of the encroachment in the sidewalk, and the owner
23	or owners or subsequent owner or owners of the respective real property shall be solely liable
24	for any damage or loss claims occasioned by any act or neglect in respect to the installation or
25	maintenance of the encroachments in the sidewalk.

1	(2) For minor encroachment permits issued pursuant to Section 723.2(a)(2), the permittee
2	shall agree on its behalf and that of any successor or assignee to hold harmless, defend, and indemnify
3	the City and County of San Francisco, including, without limitation, each of its commissions,
4	departments, officers, agents, and employees (collectively referred to as the "City") from and against
5	all losses, liabilities, expenses, actions, claims, demands, injuries, damages, fines, penalties, suits, costs
6	or judgments including, without limitation, attorneys' fees and costs (collectively, "claims") of any
7	kind allegedly arising directly or indirectly from (i) any act by, omission by, or negligence of, the
8	permittee or its subcontractors, or the officers, agents, or employees of either, while engaged in the
9	activities authorized by the minor encroachment permit, (ii) any accident, damage, death, or injury to
10	any contractor or subcontractor, or any officer, agent, or employee of either of them, while engaged in
11	the performance of the activities authorized by the minor encroachment permit, (iii) any accident,
12	injuries, or damages to any person(s) or accident, damage or injury to any real or personal property,
13	good will, in, upon, or in any way allegedly connected with the activities authorized by this minor
14	encroachment permit from any cause or claims arising at any time, and potentially falls within this
15	indemnity provision, even if the allegations are or may be groundless, false, or fraudulent, which
16	obligations arise at the time such claim is tendered to permittee by the City and continues at all times
17	thereafter. The permittee agrees that the indemnification obligations assumed under this Section 723.2
18	shall survive expiration, relinquishment, or revocation of the minor encroachment permit. The
19	permittee shall assume all maintenance and liability associated with the items allowed to be placed in
20	the public right-of-way under this Section 723.2.
21	(3) Before the Director may issue a minor encroachment permit pursuant to Section
22	723.2(a)(2), the permittee shall furnish a bond, or other form of security that is acceptable to the
23	Director, in an amount required to complete the installation of the encroachment remove the
24	encroachments, and restore the public right-of-way to a condition satisfactory to the Director based on

Supervisor Peskin **BOARD OF SUPERVISORS**

1	a cost that the City Engineer determines. The permittee shall provide evidence to the Department of
2	Public Works ("Department") that the bond or other security is operative on an annual basis.
3	(4) Before the Director may issue a minor encroachment permit pursuant to this Section
4	723.2, the permittee must furnish evidence of an insurance policy that is satisfactory to the City's Risk
5	Manager. Such insurance shall in no way relieve or decrease a permittee's or its agents' obligation to
6	indemnify the City under this subsection(d).
7	(e) Each permit issued under the provisions of $\frac{1}{2}$ Section 723.2 $\frac{(a)(1)}{2}$ shall not
8	become effective until the permit has been signed by the owner or the owner's authorized
9	agent and a copy thereof has been recorded in the office of the <u>Assessor-</u> Recorder of the City
10	and County of San Francisco. <u>Each permit issued under the provisions of Section 723.2(a)(2) shall</u>
11	not become effective until the permit has been signed by the Legacy Pushcart Peddler or the Legacy
12	Pushcart Peddler's authorized agent and a copy thereof has been posted at the location of the
13	encroachment.
14	(f) Appeals. Within 15 days following the approval, denial, or revocation of a minor
15	encroachment permit by the Director, any person may file a notice of appeal as follows:
16	(1) Appeals of the revocation or denial of a permit issued by the Director for the
17	following encroachments that impede or otherwise impact the Central Subway Corridor, as
18	defined in Section 723.3(a)(3) of this Code; subsidewalk encroachments below the public
19	right-of-way or other encroachments in, on, and/or below the public right-of-way may be
20	appealed to the Board of Supervisors by filing a notice of appeal with the Clerk of the Board of
21	Supervisors.
22	(2) Appeals of the approval, denial, or revocation of all other permits may be

(3) In the alternative, when the encroachment is related to building construction,

rehabilitation, or maintenance, any person may appeal the encroachment permit decision to

appealed by filing a notice of appeal with the Board of Appeals.

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- the Building Inspection Commission. A person waives *his or hertheir* right to appeal to the
 Building Inspection Commission encroachment permit decisions relating to building
 construction, rehabilitation, or maintenance by instead filing the appeal with the Board of
 Supervisors or the Board of Appeals. No encroachment permit decision may be appealed to
 both bodies.
 - (gf) For purposes of this Section 723.2, an encroachment permit is related to building construction, rehabilitation, or maintenance when the object of the encroachment permit affects the applicant's ability to construct, repair, or maintain the building.
 - $(h_{\mathcal{E}})$ Pending decision by the Board of Supervisors, the Board of Appeals, or the Building Inspection Commission, the permit decision by the Director shall be suspended.
 - (*i*₊) Before issuance of the permit, the applicant shall be required to pay to the Department *of Public Works* a fee as set forth in Section 2.1.1 et seq. and a public right-of-way occupancy assessment fee as set forth in subsection (*k*_!).
 - (*ii*) Nothing in this Section 723.2 shall be construed as authorizing the Director of Public Works to grant a permit for any encroachment which the Director he or she determines to be inimical to the health, welfare, safety, and best interest of the general public, or in violation of the Charter or laws of the City and County of San Francisco or laws of the State of California.
 - (kj) The Board of Supervisors, the Board of Appeals or the Building Inspection

 Commission may affirm, reverse, or modify any permit decision made by the Director of Public

 Works under the provisions of this Section 723.2. The decision by the Board of Supervisors, the Board of Appeals or the Building Inspection Commission is final.
 - (<u>lk</u>) The <u>Department Board of Supervisors reserves the right to exact shall collect</u> a public right-of-way occupancy assessment fee for the use of the sidewalk or other public right-of-way space permitted under the provisions of this Section 723.2.

- (1) In accordance with this subsection ($\underline{l}\underline{k}$) the public right-of-way occupancy
- assessment fee for minor sidewalk encroachments, whether permitted or unpermitted and as
- specified in subsection ($\underline{l}k$)(2), shall be an annual fee of \$3.00 per square foot of occupancy of
 - the sidewalk or other public right-of-way space. For purposes of calculating the assessment
 - fee, the Department shall charge no less than \$100.00 per year even though the calculated
 - square footage charge for the encroachment may result in a smaller assessment fee.
 - (2) The following categories of minor sidewalk encroachments are subject to the public right-of-way occupancy assessment fee:
 - affixed or appurtenant to any building whose owner obtained a site permit for new construction on or after August 29, 2005. This subsection ([]+)(2)(A) also shall apply to any commercial, industrial, or mixed-use building whose owner obtained a site permit for new construction prior to August 29, 2005; provided, however, that such building is not located in any Neighborhood Commercial District as designated in Planning Code Article 7 and that the encroachment associated with such building was installed or encroachment permit obtained prior to August 29, 2005. This subsection ([]+)(2)(A) shall specifically include, but not be limited to, doors that open over the public right-of-way and subsidewalk basements; provided, however, that this subsection shall exclude encroachments for shoring and tiebacks. This subsection ([]+)(2)(A) shall not apply to a building that has been converted from a commercial, industrial, or mixed-use building into a building containing only residential use.
 - (B) Encroachments associated with a commercial, industrial, or mixed-use building that change the vertical or horizontal plane of an existing sidewalk and modify the existing sidewalk slope pattern in order to provide access necessary to comply with the Americans with Disabilities Act; provided, however, that the building obtained a site permit for new construction on or after August 29, 2005.

- (C) Any enclosure of the public right-of-way that is used exclusively for private benefit and was installed on or after August 29, 2005. This subsection ([]**)(2)(C) also shall apply to any enclosure installed prior to August 29, 2005 that is associated with a commercial, industrial, or mixed-use building; provided, however, that the building is not located in any Neighborhood Commercial District as designated in Planning Code Article 7.
 - (D) Underground storage tanks.

- (3) For purposes of subsection (\underline{lk})(2), the term "site permit" also shall mean "building permit."
- (4) Notwithstanding subsection ([]*(2), no public right-of-way occupancy assessment fee shall be charged against the owner of an historic or architecturally significant building who has installed or seeks a permit to install a minor sidewalk encroachment for the sole purpose of in order to-conforming with an applicable Municipal Code requirement; provided, however that this exception shall not apply if the encroachment is a sub-sidewalk basement. For purposes of this subsection ([])(4), an historic or architecturally significant building shall be a building so designated pursuant to Planning Code Article 10 or specifically identified as an architecturally significant building on the Planning Department's database or on a list maintained by the Planning Department.
- (5) Notwithstanding subsection ($\underline{l}k$)(2), no public right-of-way occupancy assessment fee shall be charged against the owner of a property for elements installed as a requirement under Planning Code Section 138.1.
- (6) Notwithstanding subsection ([]+)(2), if a minor sidewalk encroachment permit is necessary for the development of a project including residential units, all of which are affordable to low_ or moderate_income households as defined by the United States Housing and Urban Development Department, then such project shall be exempt from payment of the public right-of-way occupancy assessment fee.

1 (7) The public right-of-way occupancy assessment fee shall be subject to the 2 review and adjustment procedures as set forth in Sections 2.1.1 et seg. 3 The public right-of-way occupancy assessment fee shall not be charged to any federal, state, or local governmental agencies, commissions, or departments. 4 5 (9) Notwithstanding this subsection (1/k), the public right-of-way assessment fee for 6 underground vaults shall be as specified in Section 2.1.1 et seg. 7 (10) Notwithstanding subsection ($l \neq 0$), no public right-of-way occupancy 8 assessment fee shall be charged for pipelines or other portions of an alternate water source 9 system constructed within the public right-of-way for the purposes set forth in Article 12C of the Health Code and in accordance with Health Code Section 12C.6. 10 (11) Notwithstanding subsection ($l \neq 0$), no public right-of-way occupancy 11 12 assessment fee shall be charged to an owner of property that obtains a minor encroachment 13 permit to construct and maintain a floodwater management project that is located in public rights of way and funded with San Francisco Public Utilities Commission grant funds. 14 15 (12) Notwithstanding subsection (l_{\star})(2), no public right-of-way occupancy assessment fee 16 shall be charged to a Legacy Pushcart Peddler that obtains a minor encroachment permit pursuant to 17 this Section 723.2(a)(2). 18 (mt) Notwithstanding the fees specified herein in this Section 723.2, if a project involves voluntary seismic retrofit upgrades to soft-story, wood-frame buildings, as defined by the 19 20 Director of the Department of Building Inspection, such project applicant shall be exempt from 21 the proportionate share of fees specified under this Section 723.2 and Sections 2.1.1 et seq. 22 that is related to such retrofit work. 23 (n) The Director may issue regulations setting forth standard design and operating

requirements for any minor sidewalk encroachment permit including minor sidewalk encroachment

permits issued to a Legacy Pushcart Peddler. The Director may, in the Director's discretion, require

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1	an encroachment agreement that provides additional detail on the permittee's rights and obligations
2	under the permit, including maintenance of the encroachment, and establishes the regulatory
3	relationship between Public Works and the permittee for implementation of the permit.
4	
5	SEC. 786. STREET (MAJOR) ENCROACHMENT PERMIT.
6	* * * *
7	(g) For purposes of Sections 786- et seq., a street encroachment permit shall include,
8	but is not limited to, an encroachment above and/or below ground that extends beyond the
9	centerline of the public right-of-way, one or more encroachments that occupy the public right-
0	of-way adjacent to more than one property owner and the applicant(s)/permittee(s) proposes it
1	collectively as a single permit, an encroachment where the applicant/permittee is not the
2	property owner adjacent to the encroachment, an encroachment that exceeds one or both of
3	the occupation limits specified in Section 723.2 governing minor sidewalk encroachments or
4	its successor Section, and any encroachment that the Director determines to have significant
5	impacts to the public right-of-way. Notwithstanding this Section 786, encroachments as defined in
6	Section 723.2(a)(2) shall be processed according to the procedures set forth in Section 723.2.
7	* * * *
8	
9	Section 4. Effective Date. This ordinance shall become effective 30 days after
20	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
21	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
22	of Supervisors overrides the Mayor's veto of the ordinance.
23	

Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors

intends to amend only those words, phrases, paragraphs, subsections, sections, articles,

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1	numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
2	Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
3	additions, and Board amendment deletions in accordance with the "Note" that appears under
4	the official title of the ordinance.
5	
6	Section 6. Undertaking for the General Welfare. In enacting and implementing this
7	ordinance, the City is assuming an undertaking only to promote the general welfare. It is not
8	assuming, nor is it imposing on its officers and employees, an obligation for breach of which it
9	is liable in money damages to any person who claims that such breach proximately caused
10	injury.
11	
12	APPROVED AS TO FORM:
13	DAVID CHIU, City Attorney
14	By: /s/ Giulia Gualco-Nelson
15	GIULIA GUALCO-NELSON Deputy City Attorney
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