

BOARD of SUPERVISORS



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## MEMORANDUM

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Date: February 9, 2024  
To: Planning Department/Planning Commission  
From: Monique Crayton, Assistant Clerk, Government Audit and Oversight Committee  
Subject: Board of Supervisors Legislation Referral - File No. 231255  
Public Works Code - Neighborhood Commercial Districts Banner Fee Waiver

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- California Environmental Quality Act (CEQA) Determination  
(*California Public Resources Code, Sections 21000 et seq.*)
  - Ordinance / Resolution
  - Ballot Measure
  
- Amendment to the Planning Code, including the following Findings:  
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
  - General Plan     Planning Code, Section 101.1     Planning Code, Section 302
  
- Amendment to the Administrative Code, involving Land Use/Planning  
(*Board Rule 3.23: 30 days for possible Planning Department review*)
  
- General Plan Referral for Non-Planning Code Amendments  
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)  
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
  
- Historic Preservation Commission
  - Landmark (*Planning Code, Section 1004.3*)
  - Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
  - Mills Act Contract (*Government Code, Section 50280*)
  - Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to Monique Crayton at [Monique.crayton@sfgov.org](mailto:Monique.crayton@sfgov.org).

1 [Public Works Code - Neighborhood Commercial Districts Banner Fee Waiver]

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3 **Ordinance amending the Public Works Code to waive the banner and inspection fees**  
 4 **for nonprofit organizations in certain Neighborhood Commercial Districts (NCDs) and**  
 5 **Neighborhood Commercial Transit Districts (NCTDs) through December 31, 2026; and**  
 6 **affirming the Planning Department’s determination under the California Environmental**  
 7 **Quality Act.**

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

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

16 Section 1. Findings. The Planning Department has determined that the actions  
 17 contemplated in this ordinance comply with the California Environmental Quality Act  
 18 (California Public Resources Code Sections 21000 et seq.). Said determination is on file with  
 19 the Clerk of the Board of Supervisors in File No. \_\_\_\_\_ and is incorporated herein by  
 20 reference. The Board affirms this determination.

21 Section 2. Article 5.7 of the Public Works Code is hereby amended by revising Section  
 22 184.78, to read as follows:

23 **(q) Fee Exemptions for Certain Cultural Districts.**

24 (1) The Cultural Districts specified in this subsection (q) (each an “Exempt  
 25 Cultural District”) shall be exempt from banner permit fees and inspection fees set forth in

1 Section 184.78 with respect to the Exempt Cultural District’s installation of one banner  
 2 featuring that Exempt Cultural District on one City-owned utility pole (each an “Exempt Banner  
 3 Location”) within the geographic boundaries of that Exempt Cultural District, on up to a  
 4 prescribed number of Exempt Banner Locations; provided, however, the Exempt Cultural  
 5 District may modify the content or design of the banners installed under this subsection (q)  
 6 and remove and replace such banners without incurring banner permit fees and inspection  
 7 fees for up to two times per year at each Exempt Banner Location. The Exempt Cultural  
 8 District shall be required to pay the banner permit fees and inspection fees for the removal  
 9 and replacement of each banner more than two times per year at each Exempt Banner  
 10 Location. All other provisions of Public Works Code Section 184.78 shall remain in full effect  
 11 and shall apply to these banners.

12 (2) The Exempt Cultural Districts shall consist of the following Cultural Districts,  
 13 each as defined in Section 107.3 of the Administrative Code, and shall be exempted for the  
 14 number of Banner Locations specified below.

<b><i>Exempt Cultural District</i></b>	<b><i>Number of Exempt Banner Locations</i></b>
Leather and Lesbian, Gay, Bisexual, Transgender, Queer Cultural District	200
SoMa Pilipinas – Filipino Cultural Heritage District	300

21  
 22 **(r) Fee Exemptions for Certain Nonprofit Organizations in Certain Neighborhood**  
 23 **Commercial Districts and Neighborhood Commercial Transit Districts.**

24 **(1) Exempt Nonprofit Organization.** *For purposes of this subsection 184.78(r),*  
 25 *“Exempt Nonprofit Organization” shall mean any organization that (A) is exempt from income taxation*

1 under the Internal Revenue Code of 1986, as amended; (B) has an annual budget of no more than  
2 \$250,000; and (C) is located in a Neighborhood Commercial District or Neighborhood Commercial  
3 Transit District specified in subsection (r)(3) or primarily serves one or more of the districts specified  
4 in subsection (r)(3).

5 (2) An Exempt Nonprofit Organization shall be exempt from banner permit fees and  
6 inspection fees set forth in Section 184.78 with respect to the Exempt Nonprofit Organization's  
7 installation of banners sharing the same content and design on City-owned utility poles within the  
8 geographic boundaries of the Neighborhood Commercial or Neighborhood Commercial Transit  
9 District(s) that the Exempt Nonprofit Organization primarily serves, or in which the Exempt Nonprofit  
10 Organization is located. The Exempt Nonprofit Organization may modify the content or design of the  
11 banners installed in conformance with this subsection (r) and remove and replace such banners without  
12 incurring banner permit fees and inspection fees for up to two times per year per banner permit. The  
13 Exempt Nonprofit Organization shall be required to pay the banner permit fees and inspection fees for  
14 the removal and replacement of each banner more than two times per year. All other provisions of  
15 Public Works Code Section 184.78, including the investigation fees set forth in subsection (n), shall  
16 remain in full effect and shall apply to these banners.

17 (3) The Neighborhood Commercial or Neighborhood Commercial Transit Districts to  
18 which this subsection (r) applies are: Divisadero Street NCTD; Haight Street NCD; Lower Haight  
19 Street NCD; Fillmore Street NCTD; Upper Fillmore NCD; Hayes NCT; Japantown NCD; and Lower  
20 Polk Street NCD.

21 (4) This subsection (r) shall remain in effect through December 31, 2026. This  
22 subsection (r) shall expire by operation of law on January 1, 2027, after which the City Attorney is  
23 authorized to cause the subsection to be removed from the Public Works Code.

1 Section 3. Effective Date; Retroactivity.

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

6 (b) If the effective date of this ordinance is after January 1, 2024, this ordinance shall  
7 upon its effective date be retroactive to January 1, 2024. Exempt Nonprofit Organizations that  
8 obtained a banner permit under Public Works Code Section 184.78 between January 1, 2024  
9 and the effective date of this ordinance shall receive a refund of any banner permit fees and  
10 inspection fees paid to the Department of Public Works that meet the requirements for the fee  
11 waivers set forth in Public Works Code subsection 184.78(r).

12  
13 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
14 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
15 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
16 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
17 additions, and Board amendment deletions in accordance with the “Note” that appears under  
18 the official title of the ordinance.

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20 APPROVED AS TO FORM:  
21 DAVID CHIU, City Attorney

22 By: /s/ Peter R. Miljanich  
23 PETER R. MILJANICH  
24 Deputy City Attorney

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**LEGISLATIVE DIGEST**

[Public Works Code - Neighborhood Commercial Districts Banner Fee Waiver]

**Ordinance amending the Public Works Code to waive the banner and inspection fees for nonprofit organizations in certain Neighborhood Commercial Districts (NCDs) and Neighborhood Commercial Transit Districts (NCTDs) through December 31, 2026; and affirming the Planning Department's determination under the California Environmental Quality Act.**

Existing Law

Public Works Code Section 184.78 specifies a process and conditions under which banners may be placed on City-owned utility poles. Applicants for banner permits must pay permit and inspection fees. The Board of Supervisors has approved various waivers of the banner permit and inspection fees under the Public Works Code.

Amendments to Current Law

This ordinance would amend Public Works Code Section 184.78 to waive permit and inspection fees for certain Exempt Nonprofit Organizations for the installation of banners sharing the same content and design within the geographic boundaries of certain Neighborhood Commercial or Neighborhood Commercial Transit District(s) that the Exempt Nonprofit Organization primarily serves, or in which the Exempt Nonprofit Organization is located. For purposes of this fee waiver, Exempt Nonprofit Organization means any organization that (A) is exempt from income taxation under the Internal Revenue Code of 1986, as amended; (B) has an annual budget of no more than \$250,000; and (C) is located in or primarily serves certain Neighborhood Commercial or Neighborhood Commercial Transit Districts.

In addition, this ordinance would authorize Exempt Nonprofit Organizations to modify the content or design of the banners, and to remove and replace such banners, without incurring banner permit fees and inspection fees up to two times per year per banner permit.

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