

1 [Business and Tax Regulations, Police Codes - Parking Tax Exemption for Special Parking  
2 Events Operated by Volunteers on SFUSD Property]

3 **Ordinance amending: the San Francisco Business and Tax Regulations Code Article 9,**  
4 **Section 604, and adding Section 608, to exempt a limited number of special parking**  
5 **events operated by the volunteers of non-profit organizations on SFUSD property for**  
6 **the sole benefit of San Francisco public schools and earning less than \$10,000 in gross**  
7 **revenue per event from Rent, from the requirement to pay parking tax and other**  
8 **requirements; and 2) the San Francisco Police Code Section 1215 to exempt said**  
9 **organizations from the requirement to obtain a commercial parking permit, establishing**  
10 **an alternative permitting process, and establishing a sunset date.**

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12 Note: Additions are *single-underline italics Times New Roman*;  
13 deletions are ~~*strikethrough italics Times New Roman*~~.  
14 Board amendment additions are double underlined.  
Board amendment deletions are ~~strikethrough normal~~.

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

16 Section 1. The San Francisco Business and Tax Regulations Code is hereby amended  
17 by amending Article 9, Section 604 and adding Section 608, to read as follows:

18 **SEC. 604. COLLECTION OF TAX BY OPERATOR; RECEIPT TO OCCUPANT; RULES**  
19 **FOR COLLECTION SCHEDULES.**

20 (a) Every Operator maintaining a place of business in this City and County as provided  
21 in Section 603 herein, and Renting parking space in a Parking Station in this City and County  
22 to an Occupant who is not exempted under Section 606 or Section 608 of this Article or  
23 elsewhere in this Code, shall at the time of collecting the Rent from the Occupant, collect the  
24 Parking Tax from the Occupant and on demand shall give to the Occupant a Receipt that  
25 meets the requirements of Article 22 of this Code. In all cases in which the Parking Tax is not

1 collected by the Operator, as aforesaid, the Operator shall be liable to the Tax Collector of the  
2 City and County for the amount of Parking Tax due on the amount of taxable Rent collected  
3 from the Occupant under the provisions of this Article the same as though the Parking Tax  
4 were paid by the Occupant. In all cases of transactions upon credit or deferred payment, the  
5 remittance or payment of Parking Tax to the Tax Collector may be deferred in accordance  
6 therewith, and the Operator shall be liable therefore at the time and to the extent that such  
7 credits are paid or deferred payments are made in accordance with the rate of tax owing on  
8 the amount thereof.

9 (b) Unless the Operator can provide an explanation or other sufficient proof that the  
10 Enforcing Agency in its sole discretion deems to be credible to establish the validity of a claim  
11 for a Lost Ticket or an otherwise Unaccounted Ticket (as those terms are defined in Section  
12 2201 of Article 22 of this Code), every Lost Ticket and Unaccounted Ticket shall be  
13 considered as a full value Parking Ticket for which the Operator is liable for transmitting to the  
14 City the full value of the Parking Tax and surcharge required under this Code applicable to the  
15 highest maximum daily rate charged for any parking space without discount, except that an  
16 Operator shall be allowed an Unaccounted Ticket Ratio of 1.5 percent for each Parking  
17 Station that it operates (as that term is defined and used in Article 22 of this Code) in a  
18 reporting period, for which the Operator may not be liable for failure to remit the Parking Tax.

19 (c) The Operator shall have the burden of explaining and establishing the validity of  
20 Lost Tickets and Cancelled Transactions, as those terms are defined in Article 22 of this  
21 Code. The Enforcing Agency may consider a verifiable statement signed by the Occupant  
22 claiming a Lost Ticket that includes the Occupant's name, address, telephone number, the  
23 Occupant's Motor Vehicle license plate number, the time of entry and the time of exit as  
24 sufficient proof of a valid Lost Ticket transaction. An Operator shall maintain a log of all Lost  
25 Tickets and Cancelled Transactions. The Enforcing Agency may consider in its sole and

1 absolute discretion an Operator's log of Cancelled Transactions or Lost Ticket transactions  
2 that includes the cashier or attendant's name and/or Log File identification number who  
3 processed the Transaction, the date and time of the Transaction, and a credible reason for  
4 processing the transaction as a Lost Ticket transaction.

5 (d) The Tax Collector shall have the power to adopt rules and regulations prescribing  
6 methods and schedules for the collection and payment of the tax and such methods and  
7 schedules shall provide that the fractional part of 1 cent shall be disregarded unless it  
8 amounts to 1/2 of 1 cent or more, in which case the amount (determined without regard to the  
9 fractional part of 1 cent) shall be increased by 1 cent.

10 **SEC. 608. SPECIAL SCHOOL PARKING EVENT PERMITS.**

11 (a) No tax shall be imposed hereunder on Rent for the occupancy of parking space in parking  
12 stations at special school parking events, provided that the following requirements are met:

13 (1) The parking activity is conducted on San Francisco Unified School District  
14 ("SFUSD") property.

15 (2) The parking activity is conducted by the volunteers of an organization having a  
16 formally recognized exemption from income taxation pursuant to Section 501(c)(3) of the Internal  
17 Revenue Code of 1986, as amended.

18 (3) One hundred percent of the earnings from the parking activity are for the sole  
19 benefit of San Francisco public schools. No part of the organization's earnings from the parking  
20 activity may inure to the benefit of any private shareholder or individual.

21 (4) The organization holds a permit issued by the Chief of Police to conduct the parking  
22 activity that it shall publicly display during the operation of the parking activity.

23 (5) The gross revenue from the special school parking event does not exceed \$10,000.

24 (b) The Chief of Police or designee may issue up to a maximum of 150 special school parking  
25 event permits annually to the President, Chief Administrative Officer, or the equivalent of eligible non-

1 profit organizations in the City, for distribution to their members, for the purpose of conducting special  
2 school parking events that meet the requirements of this Section. School Parking Permits are not  
3 transferrable and shall be valid only during the calendar year in which they are issued.

4 (1) Organizations that are issued permits under this Section 608 shall keep and  
5 preserve business records, and make them available to the Tax Collector and Chief of Police, or their  
6 designees, as may be necessary to determine the organization's eligibility and use of the special school  
7 parking event permits, including all local, state and federal tax returns of any kind, for a period of 5  
8 years from the date the permit is issued.

9 (2) Organizations that are issued permits under this Section shall submit annual returns  
10 on a form prescribed by the Tax Collector. Required data shall include the number of permits received  
11 from the Chief of Police, the number of special school parking events conducted and the date of each  
12 event, the rate charged for parking at each event, and the dollar value of gross revenues for each event.

13 (3) Upon the request of the Tax Collector or the Chief of Police, or their designees, an  
14 organization shall produce such business records at the Tax Collector's Office or Police Department,  
15 as applicable, during normal business hours for inspection, examination, and copying. Refusal to  
16 allow full inspection, examination, or copying of such records shall subject the organization to  
17 revocation of any existing permits and disqualify it from eligibility for special school parking event  
18 permits in the future.

19 (c) An organization that collects rent for occupancy of parking space for a special school  
20 parking event pursuant to this Section 608 shall also be exempt from the requirement to obtain a  
21 certificate of authority from the Tax Collector pursuant to Section 6.6-1 (a) of this Article, or to execute  
22 a parking tax bond pursuant to Section 6.6-1 (g) of this Article, provided that the Operator  
23 demonstrates to the satisfaction of the Tax Collector that it meets all of the requirements in Section  
24 608(a).

1           (d) An organization that collects rent for occupancy of parking space for a special school  
2 parking event pursuant to this Section 608 shall be exempted from the Revenue Control Equipment  
3 requirements in Article 22 of this Code, except that such organizations must comply with the  
4 requirements of Section 2204 (b)(1)-(6).

5           (e) For each year for which the special school parking event permits authorized under this  
6 Section 608 are available, the Tax Collector shall submit an annual report to the Board of Supervisors  
7 that sets forth aggregate information regarding the dollar value of the gross revenues taken in each  
8 year, the number of permits issued, and the parking tax revenue foregone.

9           (f) Termination Date. The exemption granted in this Ordinance shall expire by operation of  
10 law on December 31, 2015, and the City Attorney shall cause it to be removed from future editions of  
11 the Business and Tax Regulations Code unless the Board of Supervisors or the voters extends the  
12 exemption prior to December 31, 2015.

13           (g) Severability. If any provision of this Ordinance or the application thereof to any person or  
14 circumstance is held invalid, the remainder of the Ordinance and the application of such provision to  
15 other persons or circumstances shall not be affected thereby.

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17           Section 2. The San Francisco Police Code is hereby amended by amending Section  
18 1215, to read as follows:

19 **SEC. 1215. COMMERCIAL PARKING PERMITS.**

20           (a) Definitions. The following definitions shall apply in Police Code Sections 2.9, 2.26  
21 and 1215 through 1215.6 and Business and Tax Regulations Code Section 22.

22           (1) Chief of Police. The Chief of the San Francisco Police Department, or  
23 designee.

24           (2) Commercial parking permit. A permit the Chief of Police issues under this  
25 Section to operate a parking garage or parking lot.

1 (3) Covered crimes. The crimes of assault, battery, burglary, robbery, theft  
2 including identity theft, receipt of stolen property, breaking or removing parts from a vehicle,  
3 malicious mischief to a vehicle, unlawful use or tampering by bailee of a vehicle, altering a  
4 vehicle identification, tax fraud or evasion, and any offense related to the use of alcohol,  
5 narcotics or controlled substances while operating or in connection with a vehicle, committed  
6 anywhere in the United States of America.

7 (4) Parking garage. Any building or structure, or any portion of a building or  
8 structure, where members of the public may park or store motor vehicles for a charge. This  
9 definition does not include any parking garage in a residential building or development that  
10 provides parking for a charge as a convenience or amenity for residents or their guests only.

11 (5) Parking lot. Any outdoor or uncovered space, including any plot, place, lot,  
12 parcel, yard or enclosure, or any portion of such a space, where members of the public may  
13 park or store motor vehicles for a charge. This definition does not include any outdoor or  
14 uncovered space that is part of a residential building or development that provides parking for  
15 a charge as a convenience or amenity for residents or their guests only.

16 (6) Person. Any individual, firm, company, corporation, partnership, joint  
17 venture, association, organization or other legal entity. When Sections 1215 through 1215.6  
18 require a person to provide or list a name, the person must provide or list any prior names and  
19 aliases.

20 (b) Permit Requirement. A person may not operate a parking garage or parking lot,  
21 directly or indirectly, unless the person holds a commercial parking permit issued by the Chief  
22 of Police. This Section requires a separate commercial parking permit for each parking  
23 garage and parking lot. The Chief of Police shall close immediately any parking garage or  
24 parking lot operating without the required commercial parking permit.

1 (c) Annual Permit. Each commercial parking permit shall authorize the permittee to  
2 operate the permitted parking garage or parking lot for one year from the date the Chief of  
3 Police issues the permit, unless the Chief of Police suspends or revokes the permit. Each  
4 commercial parking permit shall expire by operation of law at the end of the one-year period.  
5 Notwithstanding Section 2.10 of the Police Code, a permittee wishing to operate beyond the  
6 one-year permit term must obtain a new commercial parking permit before the existing permit  
7 expires.

8 (d) Any organization that meets the requirements of Section 608 of Article 9 of the Business and  
9 Tax Regulations Code shall be exempt from the requirement to obtain a commercial parking permit  
10 under this Section 1215, for each special school parking event conducted by its members for which it  
11 has applied for and obtained a special school parking event permit ("School Parking Permit") from the  
12 Chief of Police or his or her designee. It shall be unlawful for any organization or its members to hold  
13 a special school parking event in the City and County of San Francisco without first obtaining a School  
14 Parking Permit from the Chief of Police or his or her designee.

15 (1) The form of such School Parking Permit application shall be prescribed by the Chief  
16 of Police or his or her designee and be consistent with this Ordinance and Section 608 of Article 9 of  
17 the Business and Tax Regulations Code.

18 (2) The Chief of Police or his or her designee shall determine whether an organization  
19 meets the requirements of Section 608 of Article 9 of the Business and Tax Regulations Code.

20 (3) The Chief of Police or his or her designee shall issue no more than 150 School  
21 Parking Permits annually, on a first-come first-serve basis. More than one School Parking Permit can  
22 be issued to an organization at a time.

23 (4) There shall be no fee charged to apply for or obtain a School Parking Permit.  
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1                   (5) No School Parking Permit shall be issued under this Section subsequent to the  
2 expiration of Section 608 of Article 9 of the Business and Tax Regulations Code. All School Parking  
3 Permits issued under this Section shall expire and become void when Section 608 expires.

4                   (6) This subsection (d) shall expire by operation of law on December 31, 2015 and the  
5 City Attorney shall cause it to be removed from future editions of the Police Code unless the Board of  
6 Supervisors or the voters extends the exemption in Section 608 prior to December 31, 2015.

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8                   Section 3. Effective Date. This ordinance shall become effective 30 days from the  
9 date of passage.

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11                   Section 4. This section is uncodified. In enacting this ordinance, the Board intends to  
12 amend only those words, phrases, paragraphs, subsections, sections, articles, numbers,  
13 punctuation, charts, diagrams, or any other constituent part of the Business and Tax  
14 Regulations Code and the Police Code that are explicitly shown in this legislation as additions,  
15 deletions, Board amendment additions, and Board amendment deletions in accordance with  
16 the "Note" that appears under the official title of the legislation.

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18 APPROVED AS TO FORM:  
19 DENNIS J. HERRERA, City Attorney

20 By: \_\_\_\_\_  
21       JEAN H. ALEXANDER  
22       Deputy City Attorney