

File No. 181213 Committee Item No. 1
 Board Item No. 34

COMMITTEE/BOARD OF SUPERVISORS
 AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date February 25, 2019

Board of Supervisors Meeting

Date March 5, 2019

Cmte Board

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form |
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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | SBC Response 011419 |
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Completed by: Erica Major Date February 21, 2019
 Completed by: Erica Major Date March 5, 2019

1 [Building Code - Vacant or Abandoned Commercial Storefronts]

2
3 **Ordinance amending the Building Code to require vacant or abandoned commercial**
4 **storefront owners to pay annual registration fees at the time of registration, require**
5 **annual inspections of registered vacant or abandoned storefronts, and update the**
6 **penalty for violations of the requirement to register vacant or abandoned commercial**
7 **storefronts; and affirming the Planning Department's determination under the**
8 **California Environmental Quality Act.**

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

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

17 Section 1. Findings.

18 (a) The Planning Department has determined that the actions contemplated in this
19 ordinance comply with the California Environmental Quality Act (California Public Resources
20 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
21 Supervisors in File No. 181213 and is incorporated herein by reference. The Board affirms
22 this determination.

23 (b) The Building Inspection Commission considered this ordinance on January 14,
24 2019, at a duly noticed public hearing, pursuant to Charter Section D3.750-5.
25

1 Section 2. Chapter 1A of the Building Code is hereby amended by revising Sections
2 103A (more particularly Section 103A.5 and its subparts) and 110A (more particularly Table
3 1A-K), to read as follows:

4 * * * *

5 **SEC. 103A – VIOLATIONS**

6 * * * *

7 **103A.5 Vacant or Abandoned Commercial Storefronts – Annual Registration;**
8 **Registration Fees; Maintenance and Security Requirements.**

9 **103A.5.1 Definitions.** For the purposes of Section 103A.5, including Sections
10 103A.5.1-103A.5.3.67:

11 * * * *

12 **VACANT OR ABANDONED.** A Commercial Storefront shall be Vacant or
13 Abandoned if it (1) is unoccupied and unsecured; or (2) is unoccupied and secured by
14 boarding or other similar means; or (3) is unoccupied and unsafe as defined in Section 102A
15 of this Code; or (4) is unoccupied and has multiple code violations; or (5) has been
16 unoccupied for over 30 days. Notwithstanding the foregoing sentence, a Commercial
17 Storefront shall not be considered Vacant or Abandoned if

18 (1) There is a valid building permit for repair, rehabilitation, or construction of the
19 Commercial Storefront and the owner completes the repair, rehabilitation, or construction
20 within one year from the date the initial permit was issued, unless the Department, in its sole
21 discretion, determines that the owner needs additional time to complete the repair,
22 rehabilitation, or construction of the Commercial Storefront; or

23 (2) The owner or leaseholder has filed an application for, and is actively seeking to
24 obtain, authorization, permits, or a license required by state or local law permitting the lawful
25 use and occupancy of the Commercial Storefront; ~~or~~

1 ~~(3) The Commercial Storefront complies with all provisions of state and local law, does not~~
2 ~~contribute to blight as defined in Chapter 80 of the Administrative Code, is ready for occupancy, and~~
3 ~~the owner provides evidence satisfactory to the Department that the Commercial Storefront is actively~~
4 ~~being offered for sale, lease, or rent. Satisfactory evidence shall include, but is not limited to, evidence~~
5 ~~that the owner has hired a real estate agent or other rental agent who advertises and promotes the~~
6 ~~Commercial Storefront for rent, lease or sale, or proof that the Commercial Storefront is offered for~~
7 ~~sale on the Multiple Listing Service or any other comparable real estate listing service.~~

8 **103A.5.2 Property owner's obligation to register a vacant or abandoned**
9 **commercial storefront; registration fee.** The owner of a Vacant or Abandoned Commercial
10 Storefront shall, within 30 days after it has become vacant or abandoned, register the
11 Commercial Storefront with the Department on a form provided by the Department. The form
12 shall describe the methods by which the owner has secured the Commercial Storefront
13 against unauthorized entry, provide a contact phone number for the Commercial Storefront
14 owner or party responsible for maintenance of the Commercial Storefront, state the most
15 recent legal use of the Commercial Storefront, state the square footage of the Commercial
16 Storefront, declare any future plans for the Commercial Storefront, state whether there is fire
17 and liability insurance coverage, and provide such other information as the Department may
18 require. The owner shall pay an annual A-registration fee, which shall be due when the owner
19 submits the registration form to the Department shall be due 270 days after the Commercial Storefront
20 has become vacant or abandoned, unless the Director has issued a notice to register under Section
21 103A.5.4, in which case the registration fee shall be due 270 days after the issuance of the notice
22 ("registration payment deadline"). The registration payment deadline will serve as the date for
23 subsequent calculating an annual renewals of registration each fee which shall be paid every year
24 the Commercial Storefront remains Vacant or Abandoned ("annual renewal date"). The annual
25 registration fee shall be paid on or before the annual renewal date. However, if the owner rents the

1 Commercial Storefront to a tenant who occupies the premises in a manner that complies with
2 all provisions of state and local law prior to the registration payment deadline, the Commercial
3 Storefront shall be removed from the Department's registry and the owner shall be refunded up
4 to half a prorated amount of the registration fee based on any remaining days before the Commercial
5 Storefront's annual renewal date. need not pay the registration fee. The registration fee shall be
6 equal to the amount due under Section 103A.4.2 of this Code. See Section 110A, Table 1A-J
7 for applicable fees.

8 103A.5.3 Annual Report inspections. The owner of a registered Vacant or Abandoned
9 Commercial Storefront Department shall provide a report from a licensed professional
10 confirming the storefront's interior and exterior has been maintained, as specified in Sections
11 103A.4.5.1 and 103A.4.5.2 perform, pursuant to Section 102A.3 of this Code ("annual report").
12 annual inspections of registered Vacant or Abandoned Commercial Storefronts to confirm
13 they remain safe and do not pose a hazard ("annual inspection"). The annual report inspection
14 shall be performed within 60 days of a registered Vacant or Abandoned Commercial
15 Storefront's annual renewal date be provided to the Department when the owner renews the
16 storefront's registration and pays the annual renewal fee. See Section 110A, Table 1A-G,
17 Inspections, Surveys and Reports, Survey of nonresidential buildings, for the applicable fee.

18 **103A.5.34 Maintenance of vacant or abandoned commercial storefront registry.**

19 The Department shall maintain a registry of all Vacant or Abandoned Commercial Storefronts
20 within the City and shall furnish a copy of the registry to the Office of Economic and Workforce
21 Development at least once per fiscal quarter.

22 **103A.5.45 Notice.** Whenever the Director has probable cause to believe, based upon
23 an inspection, complaint, or report from another agency of the City or other governmental
24 agency, that a Commercial Storefront is Vacant or Abandoned and has not been registered as
25 required by Section 103A.5.2, the Director shall serve the owner of record, as shown on the

1 Assessor's Records, or authorized agent with a written notice requiring the owner to register
2 the Commercial Storefront with the Department as Vacant or Abandoned and pay the
3 registration fee within the period of time specified in the notice, which shall be no greater than
4 30 days. The Department shall issue a Notice of Violation ("NOV") pursuant to Section 102A.4 of this
5 Code to owners that fail to register within the period of time specified in the notice. See Section 110,
6 Table 1A-K, Failure to register vacant commercial storefront, for the applicable penalty. Additionally,
7 the owner shall pay the associated registration fee within 270 days of the issuance of the notice to
8 register if required by Section 103A.5.2.

9 **103A.5.56 Sign posting, maintenance, security, and insurance.** All requirements
10 listed in Sections 103A.4.4-103A.4.6 of this Code shall also apply to Vacant or Abandoned
11 Commercial Storefronts. All such requirements shall be fulfilled by the owner within 30 days of
12 the Commercial Storefront becoming Vacant or Abandoned, or within 30 days of the issuance
13 of notice to register, ~~regardless of the owner's intentions to rent the Commercial Storefront before~~
14 ~~the registration payment deadline lapses.~~

15 **103A.5.67 Violation a public nuisance; enforcement.** A Commercial Storefront in
16 violation of this Section 103A.5, including Sections 103A.5.1-103A.5.76, is deemed to be a
17 public nuisance and subject to enforcement by the Department and penalties under Sections
18 102A and 103A and Section 110, Table 1A-K of this Code or other applicable sections of the
19 Municipal Code.

20
21 **SEC. 110A – SCHEDULE OF FEE TABLES**

22 * * * *

23 **TABLE 1A-K – PENALTIES, HEARINGS, CODE ENFORCEMENT ASSESSMENTS**

24
25 1. Abatement Appeals Board hearing, filing fee \$158.10 per case

1 ****

2 12. Failure to register vacant commercial storefront 4 times the registration fee

3 ****

4 Section 3. Effective Date. This ordinance shall become effective 30 days after
5 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
6 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
7 of Supervisors overrides the Mayor's veto of the ordinance.

8
9 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
10 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
11 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
12 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
13 additions, and Board amendment deletions in accordance with the "Note" that appears under
14 the official title of the ordinance.

15
16 APPROVED AS TO FORM:
17 DENNIS J. HERRERA, City Attorney

18 By: 
19 ROBB W. KAPLA
20 Deputy City Attorney

21 n:\leganalas2018\1800494\01330231.docx

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 2/4/2019)

[Building Code - Vacant or Abandoned Commercial Storefronts]

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration, require annual inspections of registered vacant or abandoned storefronts, and update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

Existing Law

Building Code Section 103A.5 *et. seq.*, Vacant or Abandoned Commercial Storefronts Ordinance ("VSO"), establishes a registry for vacant or abandoned commercial storefronts, mandates that owners register storefronts within 30 days of vacancy and pay a registration fee 270 days after vacancy, and requires owners to comply with maintenance and insurance provisions for vacant buildings outlined in Building Code Section 103A.4.4 - 103A.4.6. The VSO provides that owners do not need to register vacant storefronts that are actively being offered for rent or lease.

Amendments to Current Law

The Proposed Legislation would amend the VSO to:

1. Require registration of vacant or abandoned commercial storefronts regardless of whether the storefront is actively being offered for rent or lease;
2. Require payment of the annual registration fee at the time of registration and provide a refund of up to half of the annual registration fee for storefronts that are occupied prior to expiration of their annual registration;
3. Require owners that seek to renew their annual registration to provide an annual inspection report from a licensed professional verifying the storefront remains in compliance with maintenance requirements; and
4. Set the Notice of Violation penalty for failure to register a vacant commercial storefront at four times the annual registration fee.

Background Information

The purpose of the Proposed Legislation is to make the registry of vacant storefronts more comprehensive, accurate, and effective so the City can properly assess the number and

geographic scope of vacancies, ensure vacant storefronts are monitored to maintain safety and avoid blight, and to evaluate options for assisting owners that wish to find commercial tenants. By mandating that vacant storefronts register, even if they are being offered for rent, the Proposed Legislation would better capture the full number of storefront vacancies in the City. By requiring payment of the annual registration fee at the time of registration and setting the penalty for violating the registration requirement, the Proposed Legislation would compensate the Department of Building Inspection for time and resources used to implement, enforce, and monitor the VSO. And by requiring annual reports, the Proposed Legislation would ensure that storefronts that remain vacant do not pose safety concerns.

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BOARD of SUPERVISORS



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

December 17, 2018

File No. 181213

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On December 11, 2018, Supervisor Fewer introduced the following proposed legislation:

File No. 181213

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

Attachment

c: Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Joy
Navarrete

Digitally signed by Joy Navarrete
DN: cn=Joy Navarrete, o=Planning,
ou=Environmental Planning,
email=joy.navarrete@sfgov.org, c=US
Date: 2019.01.22 09:27:42 -0800

2664



BUILDING INSPECTION COMMISSION (BIC)

Department of Building Inspection Voice (415) 558-6164 - Fax (415) 558-6509
1660 Mission Street, San Francisco, California 94103-2414

January 18, 2019

London N. Breed
Mayor

COMMISSION

Angus McCarthy
President

Debra Walker
Vice-President

Kevin Clinch
John Konstin
Frank Lee
Sam Moss
James Warshell

Sonya Harris
Secretary

Shirley Wong
Assistant
Secretary

Tom C. Hui
S.E.,
C.B.O., Director

Ms. Angela Calvillo
Clerk of the Board
Board of Supervisors, City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4694

Dear Ms. Calvillo:

RE: File No. 181213

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration, require annual inspections of registered vacant or abandoned storefronts, and update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

This amendment was heard at the Code Advisory Committee (CAC) meeting on December 12, 2018. The CAC recommended the adoption of ordinance File No. 181213 as written with the amendments suggested by the Administrative & General Design and Disability Access Subcommittee.

- 1) Page 4, Line 4- Remove prorate amount and replace with one half the amount of the registration fee.
- 2) Page 4, Line 8- Remove the Building Department from annual inspection and replace with private inspection.
- 3) The ability to shut off utilities that are not necessary for upkeep and maintenance of the building.

The Building Inspection Commission met and held a public hearing on January 16, 2019 regarding File No. 181213 on the proposed amendment to the San Francisco Building Code referenced above. The Commissioners voted unanimously to **recommend approval** of the proposed Ordinance **with suggested modification** as follows: A friendly amendment that Commercial Storefront Owners who have self-reported have 30 days to register as a vacant or abandoned property, but also have a pro-rated amount of money returned if they rent/lease the property sooner.

A few Commissioners also raised the following concerns:

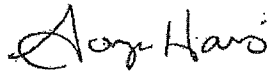
- 1) Agreed with the Small Business Commission that 30 days is a reasonable amount of time for Commercial Storefront property owners to register their vacant or abandoned property, but they were not in

- support of requiring owners to immediately pay a registration fee.
- 2) Concern about having the Commercial Storefront property owners enlist a "licensed professional" to conduct the required annual inspection. Questioned if they would be honest in their reporting, and mentioned DBI Inspectors following up with annual inspections to make sure conditions were adequate.
 - 3) Concern that for sale/lease sign remains in the window for extended period of time, but blight of the property exists and when neighbors contact 311 their calls may not be directed to the appropriate person/department.
 - 4) Process should be easier for new businesses to come in and rent spaces, perhaps change the zoning in certain areas.

President McCarthy	Yes	Vice-President Walker	Yes
Commissioner Clinch	Yes	Commissioner Konstin	Yes
Commissioner Lee	Yes	Commissioner Moss	Excused
Commissioner Warshell	Yes		

Should you have any questions, please do not hesitate to call me at 558-6164.

Sincerely,



Sonya Harris
Commission Secretary

cc: Tom C. Hui, S.E., C.B.O., Director
Mayor London N. Breed
Supervisor Sandra Lee Fewer
Board of Supervisors



OFFICE OF SMALL BUSINESS

CITY AND COUNTY OF SAN FRANCISCO
LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS
REGINA DICK-ENDRIZZI, DIRECTOR

January 15, 2019

Ms. Angela Calvillo, Clerk of the Board
City Hall Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: BOS File No. 181213 – Building Code - Vacant or Abandoned Commercial Storefronts

Small Business Commission Recommendation to the Board of Supervisors: **Approval with Three Amendments and One Suggestion.**

This motion passed unanimously (7 to 0).

Dear Ms. Calvillo,

On January 14, 2019 the Small Business Commission (SBC) heard BOS File No. 181213 – Building Code - Vacant or Abandoned Commercial Storefronts. Ms. Chelsea Boilard, aide to Supervisor Sandra Fewer, provided the SBC with an overview of the legislation and two amendments that resulted from her presentation to the Code Advisory Committee.

The SBC heartily agrees with the intent of the legislation to have a more accurate accounting of the City's actual vacancies, and to close the "For Sale"/"For Lease" loophole by requiring Commercial Storefront to register the property as vacant or abandoned, regardless of whether the property is actively being offered for sale, lease, or rent. The SBC also agrees that closing this loophole will contribute positively towards increasing safety for the building and surrounding area, avoiding blight, and assisting owners that wish to find tenants, which will ultimately increase the economic vitality of San Francisco's neighborhood commercial corridors. Having the ability to directly connect property owners that are interested in receiving support from OEWD will help inform any common issues property owners may have in leasing their space that the City can address. However, there were few items of concern that the SBC deliberated on.

The SBC expressed concern with allowing the Commercial Storefront property owners to enlist a "licensed professional" to conduct the required annual inspection (Page 4, line 8 of the ordinance). Specifically, the SBC asked if there would be any recourse that the Department of Building Inspection (DBI) could administer should they be compelled to re-inspect a vacant or abandoned storefront in the event that their self-submitted annual inspection fails, is inadequate, or is falsified. The SBC did not object to placing this responsibility on the property owner.

Regarding the registration and fee requirements outlined in the ordinance, the SBC concurred that 30 days is a reasonable amount of time for Commercial Storefront property owners to register their vacant or abandoned property. However, the SBC is not supportive of requiring Commercial Storefront property owners, particularly those who have self-reported, pay a registration fee at the time of their registration. The SBC noted that this requirement is punitive to those administering due diligence in reporting their

vacant or abandoned Commercial Storefront. The SBC stressed that this ordinance should hold the most prolific violators accountable and that self-reporters would not generally fall into that category.

The SBC also noted that, vacancies and abandonments are sometimes beyond the control of the Commercial Storefront property owner. Specifically, a business renting or leasing from a Commercial Storefront property owner will sometimes unexpectedly terminate their rental or lease agreement early. In these examples, the Commercial Storefront property owner is left with a vacancy or abandonment that was not planned for. As such, 30 days may be an insufficient amount of time for a responsible Commercial Storefront property owner to secure a new rental or lease agreement. Additionally, there are certain Commercial Storefront properties that may cater to temporary pop-ups. In these instances, it is possible that a Commercial Storefront would be vacant for 30 or more days due to the nature of the typical use of the space. While the SBC agrees that a vacant or abandoned storefront fee should be paid to DBI, it is recommended that it be after a grace period of 270 days or otherwise reasonable amount of time after registration so that a property owner is afforded an opportunity to rent or lease their space.

Additionally, a member of the public recommended that the City maintain an online list of vacant or abandoned Commercial Storefronts to deter duplicative complaints. While not in the formal motion, the SBC concurred and recommends that DataSF may be an option for hosting that information. A publicized and regularly monitored registry of vacant or abandoned storefront properties could be used to relocate businesses affected by Soft Story or are otherwise dislocated for reasons beyond their control.

The SBC recommends the approval of the proposed ordinance as written with three (3) amendments:

For Property owners that proactively register their storefront(s):

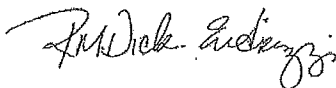
- 1) Maintain the requirement that a vacant or abandoned Commercial Storefront shall, within 30 days after it has become vacant or abandoned, register the Commercial Storefront with DBI but strike the requirement that the registration fee be paid immediately, (which should further incentivize self-reporting);
- 2) Retain that a registration fee be paid after a grace period of 270 days or an otherwise reasonable amount of time, in which the Commercial Storefront property owner is afforded an opportunity to rent or lease the vacant or abandoned storefront; and,

For Property owners that do not proactively register their storefront(s):

- 3) If a Notice of Violation is issued to a Commercial Storefront property owner for failing to register within the period of time specified on an initial written notice requiring the owner to register the Commercial Storefront with the Department as vacant or abandoned, mandate that the fee paid to the City be nonrefundable.

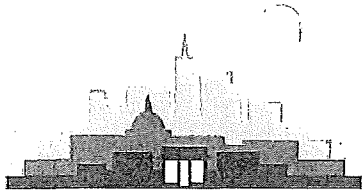
Please feel free to contact me should you have any questions.

Sincerely,



Regina Dick-Endrizzi
Director, Office of Small Business

cc: Sandra Fewer, Member, Board of Supervisors,
Kanishka Karunaratne Cheng, Mayor's Liaison to the Board of Supervisors
Tom Hui, Director, Department of Building Inspections
Lisa Pagan, Office of Economic and Workforce Development
Erica Major, Clerk, Land Use and Transportation Committee



SAN FRANCISCO

OFFICE OF SMALL BUSINESS

CITY AND COUNTY OF SAN FRANCISCO
LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS
REGINA DICK-ENDRIZZI, DIRECTOR

January 15, 2019

Ms. Angela Calvillo, Clerk of the Board
City Hall Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: BOS File No. 181213 – Building Code - Vacant or Abandoned Commercial Storefronts

Small Business Commission Recommendation to the Board of Supervisors: **Approval with Three Amendments and One Suggestion.**

This motion passed unanimously (7 to 0).

Dear Ms. Calvillo,

On January 14, 2019 the Small Business Commission (SBC) heard BOS File No. 181213 – Building Code - Vacant or Abandoned Commercial Storefronts. Ms. Chelsea Boillard, aide to Supervisor Sandra Fewer, provided the SBC with an overview of the legislation and two amendments that resulted from her presentation to the Code Advisory Committee.

The SBC heartily agrees with the intent of the legislation which is to close the “For Sale”/“For Lease” loophole by requiring Commercial Storefront to register the property as vacant or abandoned, regardless of whether the property is actively being offered for sale, lease, or rent. The SBC also agrees that closing this loophole will contribute positively towards increasing safety for the building and surrounding area, avoiding blight, and assisting owners that wish to find tenants. However, there were few items of concern that the SBC deliberated on.

The SBC expressed concern with allowing the Commercial Storefront property owners to enlist a “licensed professional” to conduct the required annual inspection (Page 4, line 8 of the ordinance). Specifically, the SBC asked if there would be any recourse that the Department of Building Inspection (DBI) could administer should they be compelled to re-inspect a vacant or abandoned storefront in the event that their self-submitted annual inspection fails, is inadequate, or is falsified.

Regarding the registration and fee requirements outlined in the ordinance, the SBC concurred that 30 days is a reasonable amount of time for Commercial Storefront property owners to register their vacant or abandoned property. However, the SBC is not supportive of requiring Commercial Storefront property owners, particularly those who have self-reported, pay a registration fee at the time of their registration. The SBC noted that this requirement is punitive to those administering due diligence in reporting their vacant or abandoned Commercial Storefront. The SBC stressed that this ordinance should hold the most prolific violators accountable and that self-reporters would not generally fall into that category.

The SBC also noted that, vacancies and abandonments are sometimes beyond the control of the Commercial Storefront property owner. Specifically, a business renting or leasing from a Commercial

OFFICE OF SMALL BUSINESS • SMALL BUSINESS COMMISSION
1 DR. CARLTON B. GOODLETT PLACE, ROOM 110, SAN FRANCISCO, CALIFORNIA 94102-4681
(415) 554-6408

Storefront property owner will sometimes unexpectedly terminate their rental or lease agreement early. In these examples, the Commercial Storefront property owner is left with a vacancy or abandonment that was not planned for. As such, 30 days may be an insufficient amount of time for a responsible Commercial Storefront property owner to secure a new rental or lease agreement. Additionally, there are certain Commercial Storefront properties that may cater to temporary pop-ups. In these instances, it is possible that a Commercial Storefront would be vacant for 30 or more days due to the nature of the typical use of the space. While the SBC agrees that a vacant or abandoned storefront fee should be paid to DBI, it is recommended that it be after a grace period of 270 days or otherwise reasonable amount of time after registration so that a property owner is afforded an opportunity to rent or lease their space.

Additionally, a member of the public recommended that the City maintain an online list of vacant or abandoned Commercial Storefronts to deter duplicative complaints. While not in the formal motion, the SBC concurred and recommends that DataSF may be an option for hosting that information.

The SBC recommends the approval of the proposed ordinance as written with three (3) amendments:

- 1) Maintain the requirement that a vacant or abandoned Commercial Storefront shall, within 30 days after it has become vacant or abandoned, register the Commercial Storefront with DBI but strike the requirement that the registration fee be paid immediately;
- 2) Retain that a registration fee be paid after a grace period of 270 days or an otherwise reasonable amount of time, in which the Commercial Storefront property owner is afforded an opportunity to rent or lease the vacant or abandoned storefront; and,
- 3) If a Notice of Violation is issued to a Commercial Storefront property owner for failing to register within the period of time specified on an initial written notice requiring the owner to register the Commercial Storefront with the Department as vacant or abandoned, mandate that the fee paid to the City be nonrefundable.

Please feel free to contact me should you have any questions.

Sincerely,



Regina Dick-Endrizzi
Director, Office of Small Business

cc: Sandra Fewer, Member, Board of Supervisors,
Kanishka Karunaratne Cheng, Mayor's Liaison to the Board of Supervisors
Tom Hui, Director, Department of Building Inspections
Lisa Pagan, Office of Economic and Workforce Development
Erica Major, Clerk, Land Use and Transportation Committee

**GOLDEN GATE
RESTAURANT
ASSOCIATION**

est. 1936

February 25, 2019

Land Use and Transportation Committee
San Francisco City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: File # 181213 Vacant or Abandoned Commercial Storefronts Ordinance,

Dear Supervisors Peskin, Safai, and Haney,

The Golden Gate Restaurant Association urges the Committee to approve the Ordinance amending the Building Code by updating the requirements for vacant or abandoned commercial storefront owners. We believe the best way to get an accurate number of vacant storefronts is requiring building owners to register even if they are being offered for rent.

The current regulation doesn't provide a complete picture of what many of the City's residents and business owners see in our neighborhoods. While rising rents can be attributed to many reasons, one is clearly the ability to enter in rental agreements with building owners not 'actively' seeking tenants. We know a simple sign in the window currently allows building owners to bypass the \$700 fine imposed by the City. This does not create enough of an incentive to fill their vacant spaces.

Restaurants play a vital role in community building and placemaking. Often a pioneering restaurant moves into a neighborhood and attracts other businesses to follow. Much of the economic development in the last 10 years has been related to restaurants and other related food businesses. By having accurate data and hopefully opening up more vacant storefronts, restaurants can continue to be anchors in our neighborhoods. On behalf of the thousands of businesses operating in San Francisco, we thank you for working to find solutions to the challenges we face.

Sincerely,



Gwyneth Borden
Executive Director

Cc: Clerk of the Board, to be distributed to all Supervisors

From: Chhavi Sahni <chhavi@ggra.org>
Sent: Monday, February 25, 2019 12:23 AM
To: Major, Erica (BOS)
Subject: GGRA Support Letter: File #181213 Vacant or Abandoned Commercial Storefronts Ordinance
Attachments: GGRA Support Letter_ File #181213 Vacant or Abandoned Commercial Storefronts Ordinance.pdf

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Hi Erica,

Please find the Golden Gate Restaurant Support Letter for File #181213 attached.

Best,
Chhavi

--
Chhavi Sahni
Policy and Education Program Manager
Golden Gate Restaurant Association

The Mills Building
220 Montgomery Street, Suite 990
San Francisco, CA 94104
p (415) 781-5349
f (844) 270-1769
e chhavi@ggra.org
www.ggra.org @ggrasf
www.eatdrink-sf.com @eatdrinksf
www.sfrestaurantweek.com @SFRW2019 #SFRW

181213

From: John Bozeman <johnb@boma.com>
Sent: Monday, February 04, 2019 1:10 PM
To: Haney, Matt (BOS); Peskin, Aaron (BOS); Safai, Ahsha (BOS)
Cc: RivamonteMesa, Abigail (BOS); Sandoval, Suhagey (BOS); Angulo, Sunny (BOS); Major, Erica (BOS); Fewer, Sandra (BOS); Yu, Angelina (BOS)
Subject: Land Use and Transportation Committee Meeting Today - Item 1 (#181213) Building Code - San Francisco Vacant or Abandoned Commercial Storefront Ordinance
Importance: High

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Good Afternoon Honorable Land Use and Transportation Committee Members,

At today's meeting, you will consider amendments to the San Francisco Vacant or Abandoned Commercial Storefront Ordinance.

BOMA San Francisco worked on the original measure in 2009 – the intent of the ordinance at the time was to limit urban blight – and again on amendments to the law in 2014 (Details on our efforts can be found here: <https://bomasanfrancisco.blogspot.com/2014/05/update-registration-of-vacant-or.html>.) Our membership of high-rise commercial building owners are primarily located in the C-3 downtown and SoMa Districts of San Francisco. The smaller building owners in the various (and wonderful) commercial corridors in San Francisco are, generally, not a member of BOMA San Francisco.

Even so, the members of BOMA want the neighborhood commercial districts to be successful over the long-term. Many BOMA members live in San Francisco; thousands more who work for companies that lease space in our member buildings do so as well. It's important that they – and anyone who lives or visits our great city – enjoy what these areas have to offer. As such, we recommend that you consider creating a task force to identify the root causes of vacancies in various areas of San Francisco. This would be an excellent opportunity for a public/private partnership that would involve various City Departments, BOMA and other business community organizations.

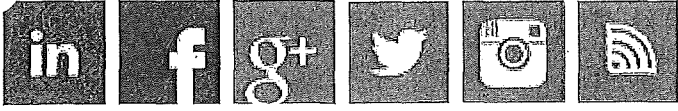
The retail environment in San Francisco, and in other area's of the country, is going through challenging times. A task force will be able to help identify why vacant storefronts in neighborhood commercial districts occur. Possible findings might include: the internet, rapidly changing consumer habits, code issues, e.g., Formula Retail restrictions, burdensome regulatory requirements on the building owner and possible tenant that leases space, amongst others. Recommended policy actions identified by the group would shape legislation or regulations that could assist small building owners and future tenants of available spaces.

When our retail corridors thrive, so does the City and County of San Francisco. Let's work together to ensure their collective success.

Respectfully,

John M. Bozeman, CAE
Director, Government and Industry Affairs
Building Owners and Managers Association of San Francisco

233 Sansome Street, 8th Floor
San Francisco, CA 94104
Cell: (415) 686-9652



181213

From: Board of Supervisors, (BOS)
Sent: Wednesday, January 23, 2019 12:46 PM
To: BOS-Supervisors; Major, Erica (BOS)
Subject: FW: Tax on vacant housing and storefronts

From: Allen Jones <jones-allen@att.net>
Sent: Wednesday, January 23, 2019 8:29 AM
To: Board of Supervisors, (BOS) <board.of.supervisors@sfgov.org>
Subject: Tax on vacant housing and storefronts

This message is from outside the City email system. Do not open links or attachments from untrusted sources.

Attention: All Members of the San Francisco Board of Supervisors,

People!! This is a terrible idea. It will backfire when people figure out they can just wait out landlords to get a better lease/rent. The result will drive the smaller property owners to sell.

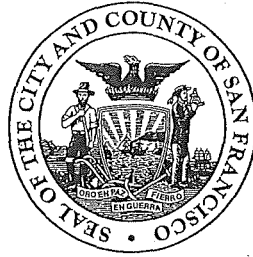
Then big investors, who could afford to pay the \$250.00 a day long enough to pay off (through campaign donations) future board members into repealing this tax. Then they will have once again done a no-brainer; game the system. The last thing San Francisco needs is to turn over small property to the richest people or businesses.

But once again, SF Board of Supervisors did not fail to live up to their motto: The city that knows how... to make a bad thing worse.

Allen Jones
jones-allen@att.net
(415) 756-7733
@NBADoesNotCare
#BlackPowerMonth

The only thing I love more than justice is the freedom to fight for it.
--Allen Jones--

BOARD of SUPERVISORS



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

MEMORANDUM

TO: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

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

DATE: January 2, 2019

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, which is being referred to the Small Business Commission for comment and recommendation.

File No. 181213

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

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

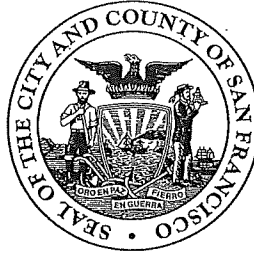
RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

No Comment
 Recommendation Attached

Chairperson, Small Business Commission

cc: Dominica Donovan

BOARD of SUPERVISORS



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

December 17, 2018

File No. 181213

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On December 11, 2018, Supervisor Fewer introduced the following proposed legislation:

File No. 181213

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

Attachment

c: Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

BOARD of SUPERVISORS



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

December 17, 2018

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On December 11, 2018, Supervisor Fewer introduced the following legislation:

File No. 181213

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

- c: John Rahaim, Director of Planning
- Dan Sider, Director of Executive Programs
- Aaron Starr, Manager of Legislative Affairs
- AnMarie Rodgers, Director of Citywide Planning
- Scott Sanchez, Zoning Administrator
- Lisa Gibson, Environmental Review Officer
- Joy Navarrete, Environmental Planning
- Laura Lynch, Environmental Planning

BOARD of SUPERVISORS



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

MEMORANDUM

TO: Tom Hui, Director, Department of Building Inspection
Sonya Harris, Secretary, Building Inspection Commission

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

DATE: December 17, 2018

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, introduced by Supervisor Fewer on December 11, 2018:

File No. 181213

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

The proposed ordinance is being transmitted pursuant to Charter, Section D3.750-5, for public hearing and recommendation. It is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Please forward me the Commission's recommendation and reports 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.

c: William Strawn, Department of Building Inspection
Carolyn Jayin, Department of Building Inspection

BOARD of SUPERVISORS



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

NOTICE OF PUBLIC HEARING

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

LAND USE AND TRANSPORTATION COMMITTEE


NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

- Date:** Monday, February 4, 2019
- Time:** 1:30 p.m.
- Location:** Legislative Chamber, Room 250, located at City Hall
1 Dr. Carlton B. Goodlett Place, San Francisco, CA
- Subjects:** **File No. 181213.** Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

If this legislation passes, property owners will be obligated to register Vacant or Abandoned Commercial Storefronts, regardless of whether the storefronts are actively being offered for rent or lease, and shall pay annual inspection fee. The owner of a Vacant or Abandoned storefront shall register the Commercial Storefront with the Department of Building Inspection within 30 days after it has become vacant or abandoned. The owner shall pay the annual registration fee, which shall be due when the owner submits the registration form to the Department of Building Inspection. The registration fee shall be equal to the established amount due under Building Code, Section 103A.4.2, Table 1A-J.

Under Building Code, Section 103A.5.3, the Department of Building Inspection shall perform annual inspections of registered Vacant or Abandoned Commercial Storefronts to confirm they remain safe and do not pose a hazard. The annual inspection shall be performed within 60 days of a registered Vacant or Abandoned Commercial Storefront's annual renewal date. The established applicable fee is listed under Building Code, Section 110A, Table 1A-G.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on these matters may submit written comments to the City prior to the time the hearing begins. These comments will be made part of the official public record in these matters, and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Information relating to these matters are available in the Office of the Clerk of the Board. Agenda information relating to these matters will be available for public review on Friday, February 1, 2019.


Angela Calvillo, Clerk of the Board

DATED/POSTED: January 25, 2019
PUBLISHED: January 25, 2019 and January 30, 2019

BOARD of SUPERVISORS



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

NOTICE OF PUBLIC HEARING

BOARD OF SUPERVISORS OF THE CITY AND COUNTY OF SAN FRANCISCO

LAND USE AND TRANSPORTATION COMMITTEE

NOTICE IS HEREBY GIVEN THAT the Land Use and Transportation Committee will hold a public hearing to consider the following proposal and said public hearing will be held as follows, at which time all interested parties may attend and be heard:

Date: Monday, February 25, 2019

Time: 1:30 p.m.

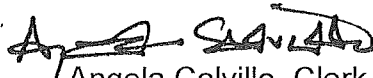
Location: Legislative Chamber, Room 250, located at City Hall
1 Dr. Carlton B. Goodlett Place, San Francisco, CA

Subjects: **File No. 181213.** Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration; require annual inspections of registered vacant or abandoned storefronts; update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

If this legislation passes, property owners will be obligated to register vacant or abandoned commercial storefronts, regardless of whether the storefronts are actively being offered for rent or lease, and shall pay an annual inspection fee. The owner of a vacant or abandoned storefront shall register the commercial storefront with the Department of Building Inspection ("Department") within 30 days after it has become vacant or abandoned. The owner shall pay the annual registration fee, which shall be due when the owner submits the registration form to the Department. The registration fee shall be equal to the established amount due under Building Code, Section 103A.4.2, Table 1A-J. If the owner rents the commercial storefront to a tenant who occupies the premises in a manner that complies with all provisions of state and local law prior to the registration payment deadline, the commercial storefront shall be removed from the Department's registry and the owner shall be refunded up to half of the registration fee based on the remaining days before the commercial storefront's annual renewal date.

Under Building Code, Section 103A.5.3, the owner of a registered vacant or abandoned commercial storefront shall provide a report from a licensed professional confirming the storefront's interior and exterior has been maintained, as specified in Building Code, Sections 103A.4.5.1 and 103A.4.5.2. The annual report shall be provided to the Department when the owner renews the storefront's registration and pays the annual renewal fee.

In accordance with Administrative Code, Section 67.7-1, persons who are unable to attend the hearing on these matters may submit written comments to the City prior to the time the hearing begins. These comments will be made part of the official public record in these matters, and shall be brought to the attention of the members of the Committee. Written comments should be addressed to Angela Calvillo, Clerk of the Board, City Hall, 1 Dr. Carlton B. Goodlett Place, Room 244, San Francisco, CA 94102. Information relating to these matters are available in the Office of the Clerk of the Board. Agenda information relating to these matters will be available for public review on Friday, February 22, 2019.



Angela Calvillo, Clerk of the Board

DATED/POSTED: February 11, 2019
PUBLISHED: February 15 and 20, 2019

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

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

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor [] inquiries"
- 5. City Attorney Request.
- 6. Call File No. [] from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No. []
- 9. Reactivate File No. []
- 10. Topic submitted for Mayoral Appearance before the BOS on []

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

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

Sponsor(s):

Fewer, Yee, Mandelman, Peskin, Stefani, Safai

Subject:

[Building Code - Vacant or Abandoned Commercial Storefronts]

The text is listed:

Ordinance amending the Building Code to require vacant or abandoned commercial storefront owners to pay annual registration fees at the time of registration, require annual inspections of registered vacant or abandoned storefronts, and update the penalty for violations of the requirement to register vacant or abandoned commercial storefronts; and affirming the Planning Department's determination under the California Environmental Quality Act.

Signature of Sponsoring Supervisor: *[Handwritten Signature]*

For Clerk's Use Only

