BOARD of SUPERVISORS



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

April 9, 2021

SENT CERTIFIED MAIL (Return Receipt Requested)

California Building Standards Commission State of California 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

SUBJECT: Building Code - Fee Waiver for Accessory Dwelling Units

To Whom It May Concern:

Pursuant to California Health & Safety Code, Section 17958.7, enclosed please find a certified copy of the following legislation, which was finally passed by the Board of Supervisors of the City and County of San Francisco, and approved by the Mayor, on the dates specified below:

Ordinance No. 31-21 (File No. 210030) - Ordinance amending the Building Code to waive specified fees for certain accessory dwelling unit projects through June 30, 2023; requiring the Department of Building Inspection to annually report on such waivers; and affirming the Planning Department's determination under the California Environmental Quality Act. (Board of Supervisors - Finally Passed on 03/09/2021) (Mayor - Approved on 03/19/2021)

If you have any questions or require additional information, please contact Linda Wong, Assistant Clerk, at (415) 554-7719 or email <u>Linda.Wong@sfgov.org</u>.

Sincerely,

lw:jec:ams

Angela Calvillo Clerk of the Board



City and County of San Francisco Certified Copy

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Ordinance

210030

[Building Code - Fee Waiver for Accessory Dwelling Units]

Sponsors: Mar; Melgar, Chan and Haney

Ordinance amending the Building Code to waive specified fees for certain accessory dwelling unit projects through June 30, 2023; requiring the Department of Building Inspection to annually report on such waivers; and affirming the Planning Department's determination under the California Environmental Quality Act.

2/23/2021 Board of Supervisors - CONTINUED ON FIRST READING

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Stefani and Walton

Excused: 1 - Safai

3/2/2021 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Stefani and Walton

Excused: 1 - Safai

3/2/2021 Board of Supervisors - PASSED ON FIRST READING AS AMENDED

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Stefani and Walton

Excused: 1 - Safai

3/9/2021 Board of Supervisors - FINALLY PASSED

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Stefani and Walton

Excused: 1 - Safai

3/19/2021 Mayor - APPROVED

STATE OF CALIFORNIA CITY AND COUNTY OF SAN FRANCISCO

CLERK'S CERTIFICATE

I do hereby certify that the foregoing Ordinance is a full, true, and correct copy of the original thereof on file in this office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the offical seal of the City and County of San Francisco.

April 12, 2021

Date

Angela Calvillo

Clerk of the Board

1	[Building Code - Fee Waiver for Accessory Dwelling Units]
2	
3	Ordinance amending the Building Code to waive specified fees for certain accessory
4	dwelling unit projects through June 30, 2023; requiring the Department of Building
5	Inspection to annually report on such waivers; and affirming the Planning
6	Department's determination under the California Environmental Quality Act.
7	NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in <u>single-underline italics Times New Roman font</u> .
8	Deletions to Codes are in <u>strikethrough italies Times New Roman font</u> . Board amendment additions are in <u>double-underlined Arial font</u> .
9	Board amendment additions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code
10	subsections or parts of tables.
11	
12	Be it ordained by the People of the City and County of San Francisco:
13	
14	Section 1. Background and Findings.
15	(a) The Planning Department has determined that the actions contemplated in this
16	ordinance comply with the California Environmental Quality Act (California Public Resources
17	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
18	Supervisors in File No. 210030 and is incorporated herein by reference. The Board affirms
19	this determination.
20	(b) On February 10, 2021, at a duly noticed public hearing, the Building Inspection
21	Commission considered this ordinance in accordance with Charter Section D3.750-5 and
22	Building Code Section 104A.2.11.1.1. A copy of a letter from the Secretary of the Building
23	Inspection Commission regarding the Commission's recommendation is on file with the Cler
24	of the Board of Supervisors in File No. 210030, and is incorporated herein by reference.
25	

(c) The State of California recognizes that construction of accessory dwelling units is
part of a suite of strategies to address housing challenges in the state. In 2019, state
legislators passed Senate Bill 13, Assembly Bill 68, Assembly Bill 881, and Assembly Bill 671
among several bills designed to facilitate the construction of accessory dwelling units, clarify
their contribution toward Regional Housing Needs Assessments allocations for local agencies
and require that local agencies' General Plan Housing Elements incentivize construction of
accessory dwelling units as affordable units for tenants with very low, low, and moderate
incomes.

(d) San Francisco's housing affordability crisis impacts tenants with very low, low, and moderate incomes. These tenants could benefit from the addition of accessory dwelling units to the City's affordable housing stock. In districts containing a greater proportion of single-family homes, accessory dwelling units can increase housing density within the current zoning limits. Property owners have described a number of reasons for constructing accessory dwelling units, including creating space for multigenerational living, addressing mobility issues for seniors, and adding rental income streams. For some single-family homeowners of limited or modest means that lack access to significant capital, the cost of constructing accessory dwelling units, including Building Code fees, can be a barrier to construction of accessory dwelling units.

Section 2. The San Francisco Building Code is hereby amended by deleting existing Section 107A.15, and adding new Section 107A.15, to read as follows:

107.A.15 Building Code fee waivers for 100% affordable housing projects and accessory dwelling unit projects. Notwithstanding any fee provision of the Building Code to the contrary, the following provisions shall apply to 100% affordable housing projects and accessory dwelling unit

1	projects where the subject accessory dwelling unit property is: (1) within a building or on a property
2	containing four or fewer dwelling units or (2) located on a nonprofit charitable organization's
3	residential project.
4	(a) Building inspection fees, plan review fees, records retention fees, and site surcharge fees
5	shall be waived. For purposes of this subsection (a), building inspection fees do not include electrical
6	and plumbing fees.
7	(b) For purposes of this Section 107A.15, affordable housing shall mean a multi-family
8	residential building, including any ancillary commercial space, where 100% of the residential units
9	(not including a manager's unit) will be subject to a recorded regulatory restriction to ensure
10	affordability based on income, or where 100% of the residential units (not including a manager's unit)
11	are funded by a nonprofit charitable organization and will provide permanent housing for homeless or
12	formerly homeless persons.
13	(c) For purposes of this Section 107A.15, accessory dwelling unit shall have the meaning set
14	forth in Planning Code Section 102. The applicant for the accessory dwelling unit is eligible for a fee
15	waiver (or proportionate fee waiver) solely for the establishment or modification of the accessory
16	dwelling unit and no other work on the applicant's property that is subject to the Building Code.
17	(d) Upon the effective date of the ordinance establishing Section 107A.15, which is on file with
18	the Clerk of the Board of Supervisors in File No. 190214, the fee waiver shall apply as of the date of
19	retroactivity stated in the ordinance establishing this Section.
20	(e) The fee waiver provisions also shall apply to 100% affordable housing projects and
21	accessory dwelling unit projects that have applied for building permits on or before the date of
22	retroactivity as stated in the ordinance identified in subsection (d) but have yet to receive a final
23	certificate of occupancy on the date of retroactivity; provided however, that the fee waiver shall apply
24	only to applicable Building Code fees that have not been paid as of the date of retroactivity. The

25

1	Department of Building Inspection shall not refund any fees paid for such projects prior to the date of
2	retroactivity.
3	(f) Subject to the exception in subsection (g), the fee waiver provisions shall apply for one year
4	from the effective date of the ordinance on file with the Clerk of the Board of Supervisors in File No.
5	190214: One year from the effective date of the aforementioned ordinance, this Section 107A.15 shall
6	expire by operation of law, except as stated in subsection (g).
7	(g) Any 100% affordable housing projects and accessory dwelling unit projects that apply for
8	a building permit on or after the date of retroactivity as stated in the ordinance identified in subsection
9	(d) are eligible for all applicable fee waivers even if such fees are due after this Section 107A.15
10	expires as set forth in subsection (f).
11	(h) To the extent the Department is aware that a project qualifies for a fee waiver under this
12	Section 107A.15, the Department shall inform the applicant about the fee waiver. The Department also
13	shall post notice of the fee waiver program on its website and at various locations in its offices where
14	the notice will be visible to applicants.
15	
16	107A.15 Building Code fee waivers for accessory dwelling unit projects on lots containing
17	single-family homes. Notwithstanding any fee provision of the Building Code to the contrary, the
18	following provisions shall apply to accessory dwelling unit projects located on a lot containing a
19	single-family home.
20	(a) Building inspection fees, plan review fees, records retention fees, and site surcharge fees
21	shall be waived. For purposes of this subsection (a), building inspection fees do not include electrical
22	and plumbing fees.
23	(b) For purposes of this Section 107A.15, "accessory dwelling unit" shall have the meaning
24	set forth in Planning Code Section 102, as amended from time to time. The applicant for the accessory
25	dwelling unit is eligible under subsection (a) for fee waivers or proportionate fee waivers, if applicable

1	(collectively, "fee waivers") solely for the establishment or modification of the accessory dwelling unit,
2	and not for any other work on the applicant's property that is subject to the Building Code.
3	(c) Upon the operative date of the ordinance establishing this Section 107A.15 to provide fee
4	waivers forcertain accessory dwelling unit projects, which is on file with the Clerk of the Board of
5	Supervisors in File No. 210030, the fee waivers provided for under subsection (a) shall apply
6	retroactively as of January 1, 2021. The Department of Building Inspection shall refund any applicable
7	fees paid after January 1, 2021 for projects eligible under subsection (a) for fee waivers or
8	proportionate fee waivers. The fee waivers also shall apply to accessory dwelling unit projects that
9	applied for building permits on or before January 1, 2021 but did not receive a final certificate of
10	occupancy by January 1, 2021; provided, however, that the fee waivers shall apply only to applicable
11	Building Code fees that have not been paid as of January 1, 2021. The Department of Building
12	Inspection shall not refund any fees paid for such projects prior to January 1, 2021.
13	(d) Subject to the exception in subsection (e), this Section 107A.15 shall expire by operation of
14	law on either (1) July 1, 2023, or (2) the first day of any fiscal year for which the Board of Supervisors
15	has not appropriated monies or authorized expenditures necessary to fund the fee waivers established
16	by this Section 107A.15, whichever is earlier. Upon its expiration, the City Attorney shall cause this
17	Section 107A.15 to be removed from the Building Code.
18	(e) Any accessory dwelling unit projects that apply for a building permit during the period
19	beginning on January 1, 2021 and ending on the date that this Section 107A.15 expires are eligible for
20	all applicable fee waivers, even if such fees are due after this Section 107A.15 expires as set forth in
21	subsection (d).
22	(f) To the extent the Department is aware that a project qualifies for a fee waiver under this
23	Section 107A.15, the Department shall individually inform the applicant about the fee waiver. The
24	Department also shall post notice, on its website and at various locations in its offices where the notice
25	will be visible to applicants, of the fee waivers available under this Section 107A.15.

1	(g) Department of Building Inspection Reports. On March 1, 2022, the Department of Building
2	Inspection shall submit a report to the Board of Supervisors and the Building Inspection Commission
3	on the operation of the fee waiver program established by this Section 107A.15 for the period of
4	calendar year 2021. On March 1, 2023, the Department of Building Inspection shall submit a report to
5	the Board of Supervisors and the Building Inspection Commission on the operation of the fee waiver
6	program established by this Section 107A.15 for the period of calendar year 2022. The reports shall
7	include, but need not be limited to, the number of projects taking advantage of one or more fee waivers,
8	the type and location of such projects, the total amount of fees waived or projected to be waived during
9	the term of this Section 107A.15, and any administrative impacts associated with the Department's
10	processing of such waivers. The report also shall include the following information in regard to an
11	ADU: (a) the length of time the applicant has owned the property; (b) whether the applicant is an
12	individual or a business; (c) whether the applicant intends to rent the ADU, and if so, whether the
13	applicant has under consideration a price range for rent; (d) whether the applicant has submitted
14	building permit applications for other residential properties in the City within the last 10 years; (e)
15	whether the ADU received a waiver of code requirements and is subject to the San Francisco
16	Residential Rent Stabilization and Arbitration Ordinance pursuant to Planning Code Section
17	$\underline{207(c)(4)(G)}$, and $\underline{(ef)}$ whether the applicant owns, in whole or in part, any other residential property
18	in San Francisco either as an individual or as part of a partnership or corporation. The Director of the
19	Department of Building Inspection shall decide how best to obtain the information required by this
20	subsection (g), which may include self-reporting by applicants.

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Section 3. Expiration by Law of Prior Fee Waiver Pilot Program. On September 13, 2019, the City enacted Ordinance No. 207-19, which added Building Code Section 107A.15 to establish an approximately one-year pilot program to waive specified fees for 100% affordable housing projects and certain accessory dwelling units ("Fee Waiver Pilot Program").

Ordinance No. 207-19 is available in Clerk of the Board of Supervisors File No. 190214. The Fee Waiver Pilot Program expired by operation of law on October 14, 2020. However, any 100% affordable housing projects and accessory dwelling unit projects that applied for a building permit on or after June 1, 2019 and before October 14, 2020 remain eligible for all applicable fee waivers under the Fee Waiver Pilot Program, even if such fees are due after expiration of the Fee Waiver Pilot Program. Notwithstanding that the Building Code Section 107A.15 set forth in Ordinance No. 207-19, is being deleted and replaced by a new Section 107A.15, the fee waivers under Ordinance No. 207-19 shall remain available to applicants for building permits in the June 1, 2019 through October 13, 2020 time frame, according to the terms of Ordinance No. 207-19, until there are no more eligible projects that qualify for a fee waiver under Ordinance No. 207-19.

Section 4. Effective and Operative Dates.

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

(b) Operative Date. This ordinance shall become operative on the date that the Controller certifies, in writing, to the Director of the Department of Building Inspection that either (1) the Board of Supervisors has enacted an ordinance appropriating monies necessary to fund the fee waivers established by this ordinance, (2) the Board of Supervisors has authorized expenditures under Article XIII of Administrative Code Chapter 10 necessary to fund such fee waivers, or a combination of options (1) and (2).

1	Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2	intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3	numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipa
4	Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5	additions, and Board amendment deletions in accordance with the "Note" that appears under
6	the official title of the ordinance.
7	
8	APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney
10	By: /s/ Peter R. Miljanich PETER R. MILJANICH
11	Deputy City Attorney
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City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

Ordinance

File Number: 210030

Date Passed: March 09, 2021

Ordinance amending the Building Code to waive specified fees for certain accessory dwelling unit projects through June 30, 2023; requiring the Department of Building Inspection to annually report on such waivers; and affirming the Planning Department's determination under the California Environmental Quality Act.

February 17, 2021 Budget and Finance Committee - RECOMMENDED

February 23, 2021 Board of Supervisors - CONTINUED ON FIRST READING

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Stefani and Walton

Excused: 1 - Safai

March 02, 2021 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen,

Stefani and Walton Excused: 1 - Safai

March 02, 2021 Board of Supervisors - PASSED ON FIRST READING AS AMENDED

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen,

Stefani and Walton Excused: 1 - Safai

March 09, 2021 Board of Supervisors - FINALLY PASSED

Ayes: 10 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen,

Stefani and Walton Excused: 1 - Safai File No. 210030

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 3/9/2021 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

Mayor

Date Approved

Office of BOARD OF SUPERVISORS

City Hall 1 Dr. Carlton B. Goodlett Place, Room 244 San Francisco, CA 94102-4689 Bakualab WAL



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California Building Standards Commission State of California 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

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