

***BIC Regular Meeting  
of  
June 21, 2023***

***Agenda Item 7  
Summary***

# Vacant Storefront Program

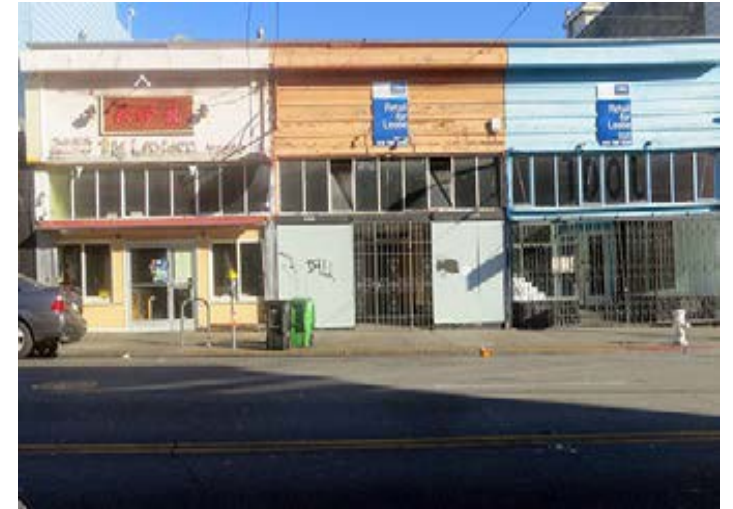
Building Inspection Commission – Agenda Item #7

June 21, 2023

# Vacant Commercial Storefront (VCS)

According to Section 103A.5.1, a building shall be defined as vacant or abandoned:

- Unoccupied and **unsecured**
- Unoccupied and **secured by boarding or similar means**
- Unoccupied and **unsafe** as defined in Section 102 of the SF Building Code
- Unoccupied and **multiple code violations**
- Unoccupied for more than **30 days**



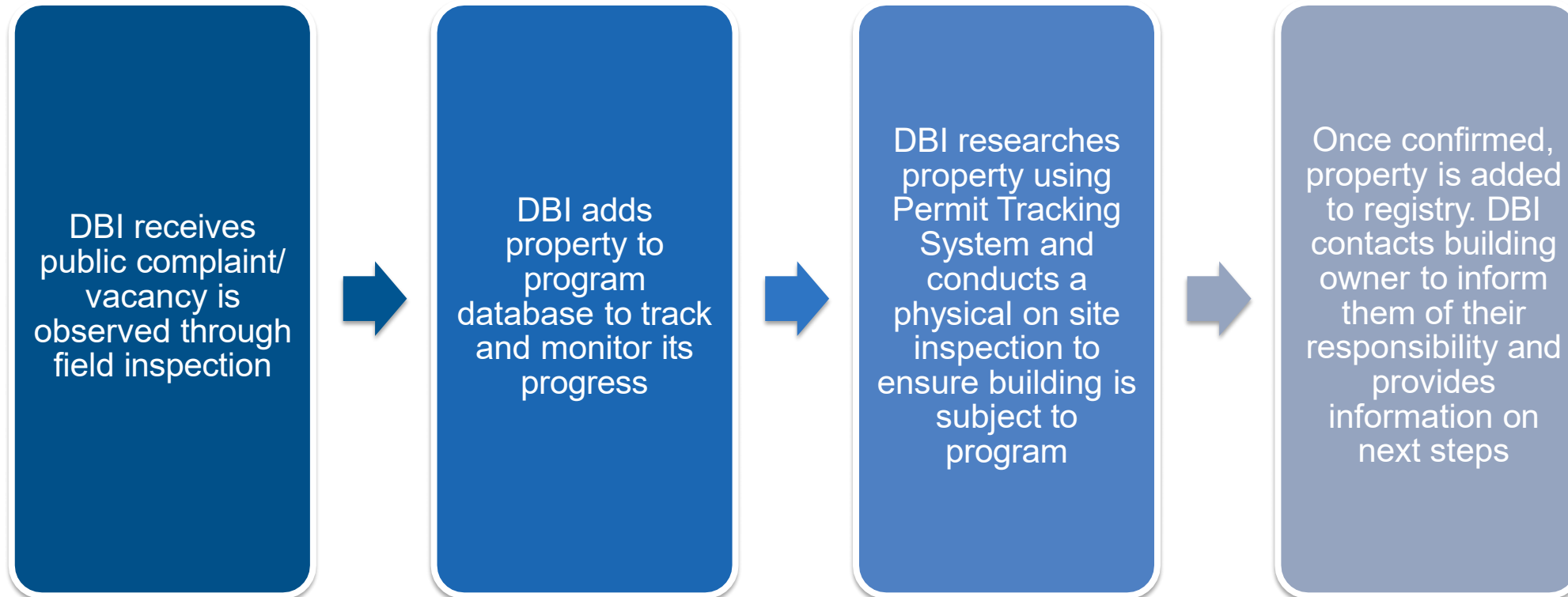
# Overview

The legislation authorizing the Vacant Commercial Storefront program was created in 2014 and then updated in March 2019

The program requires commercial property owners to actively **report**, **register** and **maintain** vacant storefronts

- Registration required **within 30 days** of storefront becoming vacant, even if offered for rent or lease
- Annual **registration fee of \$711**
- Annual report from a licensed professional confirming storefront has been **maintained according to code**
- **Penalty of 4x** the registration fee if they fail to register within 30 days of receiving notice from DBI

# DBI's Process



# Commercial Vacancy Tax

Proposition D in March 2020; **administered by the Treasurer & Tax Collector**

- A tax imposed on keeping certain commercial space vacant for more than **182 days in a calendar year**
- **Taxable Commercial Space** is defined as the ground floor of any building (not residential):
  - Located in one of the Named Neighborhood Commercial Districts (NCD) or Named Neighborhood Commercial Transit Districts (NCT)
  - Adjacent to a Public Right of Way
- **Exceptions** include:
  - Construction or applying/holding building permit for construction
  - Conditional Use Application
  - Disaster
- Tax calculated by linear foot of frontage and number of calendar years vacant


# DBI improvements to VCS process

- Developing application to streamline and automate the management of the program
  - Project launched several months ago
  - Robust and dynamic database for record-keeping, billing and reporting
- Coordinating with Treasurer Tax Collector/Office of Economic and Workforce Development on data-sharing

# New Vacancy Registry

DBI creating new data infrastructure to track when addresses move between being vacant and occupied over time

- Improved ability to report on properties we know are vacant at any given time
- Ability to automate reminders to register each year and track payment
- Better linkage to vacancy complaints and proactive registrations
- Ability to create live data feed for OEWD

 Vacant Building StoreFront kedwards

[Import New Complaints](#)

BASE RECORDS   REGISTRATIONS   COMPLAINTS   CONTACTS   PAYMENTS   NEW AND MODIFIED RECORDS

[Delete](#)   [Move To Valid Address](#)

Q  Go 1. Primary Report Actions

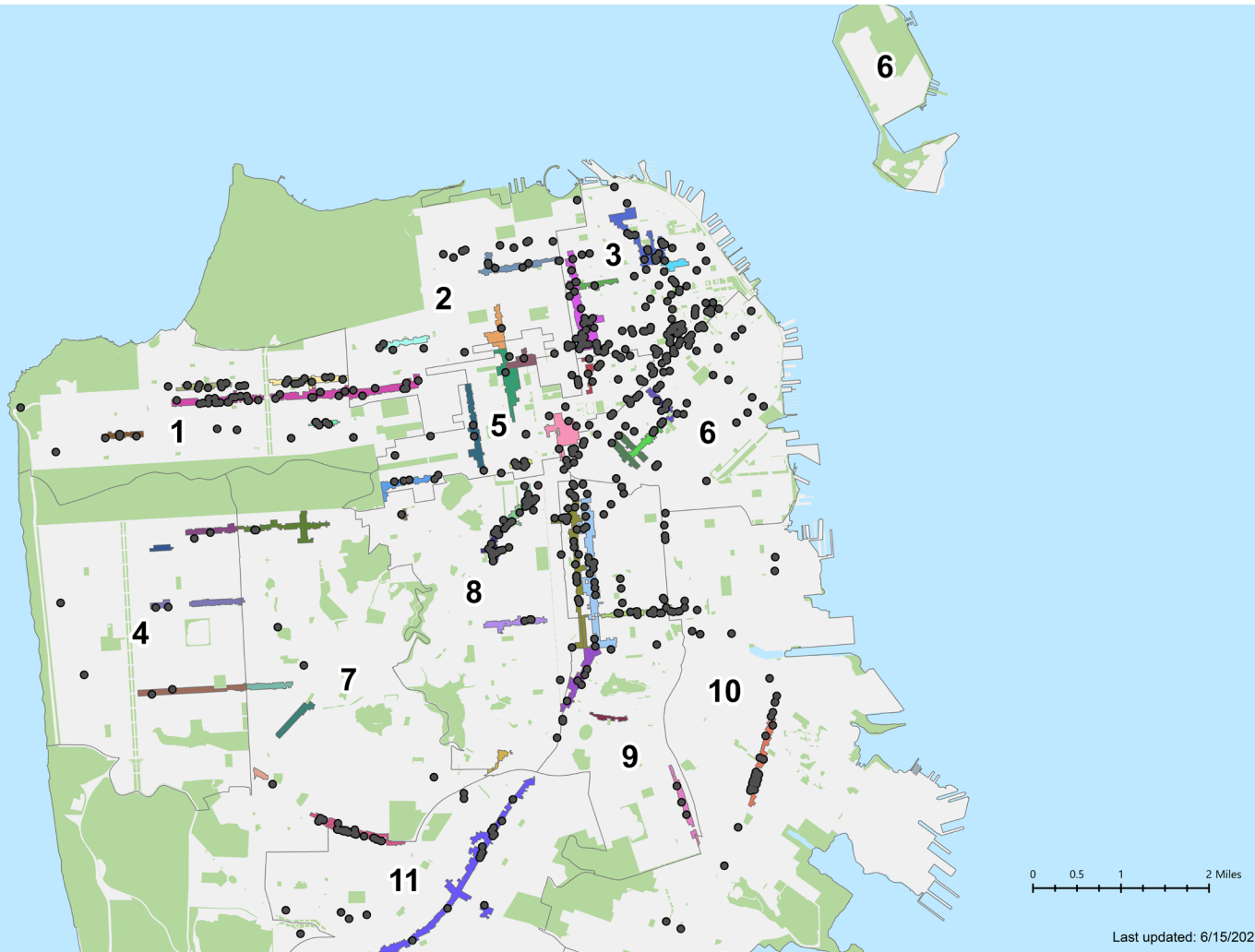
Select	Vc Application Number	Obs Year	Obs Type	Floor	Suite	Block	Lot	Street Number	Street Number Sfx	Avs Street Name	Avs Street Sfx	Unit	Unit Sfx	Addr Status	Status	Contacts	Number Of Complaints
<input type="checkbox"/>	VC20230227608	2019	YS	100	AAB	5362	004	5201		03RD	ST				Status: Vacant	Contacts:	No of Complaints: 2
<input type="checkbox"/>	VC20230227728	2019	VB	100		5431A	001	5900		03RD	ST				Status: Vacant	Contacts:	No of Complaints: 1
<input type="checkbox"/>	VC20230227664	2019	VB	100		3753	122	301		06TH	ST				Status: Vacant	Contacts:	No of Complaints: 2
<input type="checkbox"/>	VC20230227184	2019	VB	100		3728	006	156		08TH	ST				Status: Vacant	Contacts:	No of Complaints: 2
<input type="checkbox"/>	VC20230227120	2019	VB	100		3578	075	3515		17TH	ST				Status: Vacant	Contacts:	No of Complaints: 2
<input type="checkbox"/>	VC20230227054	2019	VB	100		3645	009	3526		24TH	ST				Status: Vacant	Contacts:	No of Complaints: 3
<input type="checkbox"/>	VC20230227841	2019	VB	100		8635	022	16		30TH	ST	0			Status: Vacant	Contacts:	No of Complaints: 1
<input type="checkbox"/>	VC20230227701	2019	VB	100		6402	032	915		ATHENS	ST				Status: Vacant	Contacts:	No of Complaints: 2



# Storefront Vacancy by Commercial District



Storefront Vacancies and Named Neighborhood Commercial Districts, 2022-2023



In 2022 and 2023, DBI has recorded **670 addresses with storefront vacancies**

Top 10 Corridors	Vacancies
GEARY BOULEVARD NCD	38
OCEAN AVENUE NCT	29
UPPER MARKET NCT	27
POLK STREET NCD	25
BAYVIEW NCD	23
24TH-MISSION NCT	22
VALENCIA STREET NCT	22
MISSION STREET NCT	18
NORTH BEACH NCD	17
EXCELSIOR OUTER MISSION STREET NCD	14



**THANK YOU**