

BOARD of SUPERVISORS



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## MEMORANDUM

TO: Patrick O'Riordan, Director, Department of Building Inspection  
Sonya Harris, Commission Secretary, Building Inspection Commission

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

DATE: June 23, 2023

SUBJECT: AMENDED LEGISLATION

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The Board of Supervisors' Land Use and Transportation Committee amended the following legislation on June 12, 2023:

**File No. 230559-2**

**Ordinance amending the Planning, Building, and Fire Codes to codify the annual waiver of awning replacement fees and awning sign fees applied for during the month of May, to annually waive fees for Business Signs and new awning installations applied for during the months of May 2023 and May 2024, and to indicate that the Planning Code, Building, and Fire Code waivers pertaining to pedestrian street lighting as well as awning replacement, awning installation, and awning sign fees are keyed to permit application in May rather than permit issuance in May; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.**

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](mailto:Erica.Major@sfgov.org).

cc: Patty Lee, Department of Building Inspection

1 [Planning, Building, Fire Codes - Small Business Month Fee Waivers Including for Awning  
2 Installation and Business Signs]

3 **Ordinance amending the Planning, Building, and Fire Codes to codify the annual**  
4 **waiver of awning replacement fees and awning sign fees applied for during the month**  
5 **of May, to annually waive fees for Business Signs and new awning installations applied**  
6 **for during the months of May 2023 and May 2024, and to indicate that the Planning**  
7 **Code, Building, and Fire Code waivers pertaining to pedestrian street lighting as well**  
8 **as awning replacement, awning installation, and awning sign fees are keyed to permit**  
9 **application in May rather than permit issuance in May; affirming the Planning**  
10 **Department’s determination under the California Environmental Quality Act; making**  
11 **findings of consistency with the General Plan and the eight priority policies of Planning**  
12 **Code, Section 101.1; and making findings of public necessity, convenience, and**  
13 **welfare pursuant to Planning Code, Section 302.**

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

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

22 Section 1. Land Use and Environmental Findings.

23 (a) The Planning Department has determined that the actions contemplated in this  
24 ordinance comply with the California Environmental Quality Act (California Public Resources  
25 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of

1 Supervisors in File No. \_\_\_\_ and is incorporated herein by reference. The Board affirms this  
2 determination.

3 (b) On \_\_\_\_\_, the Planning Commission, in Resolution No. \_\_\_\_\_,  
4 adopted findings that the actions contemplated in this ordinance are consistent, on balance,  
5 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The  
6 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of  
7 the Board of Supervisors in File No. \_\_\_\_\_, and is incorporated herein by reference.

8 (c) Pursuant to Planning Code Section 302, the Board finds that this Planning Code  
9 amendment will serve the public necessity, convenience, and welfare for the reasons set forth  
10 in Planning Commission Resolution No. \_\_\_\_\_, and the Board incorporates such  
11 reasons herein by reference. A copy of said resolution is on file with the Clerk of the Board of  
12 Supervisors in File No. \_\_\_\_\_.

13

14 Section 2. Background and Findings.

15 (a) Annually, May is Small Business Month, during which the Board of Supervisors  
16 recognizes the importance of small businesses in San Francisco. As part of this recognition,  
17 each year during Small Business Month, there are waivers of various local permit fees that  
18 have acted as a bar for many small businesses to improve their building facades and store  
19 fronts. Fee waivers include fees for the replacement of awnings, signs on awnings, and  
20 installation of pedestrian level lighting. These existing fee waivers are contained in an  
21 uncodified Section 4 of Ordinance No. 149-16 in Board of Supervisors File No. 160632 and in  
22 Tables 1A-A and 1A-E of the Building Code. This ordinance would codify the existing awning  
23 fee waivers, and, in addition, expand fee waivers to include permits for the installation of  
24 Business Signs and new awnings, where the application for such permit occurs in the month  
25 of May 2023 and May 2024, waive plan review and inspection fees of the aforementioned

1 awning, signage, and lighting permits under the Fire Code, and key the Planning, Building,  
2 and Fire Code fee waivers to application for the permit in May rather than issuance of the  
3 permit in May.

4 (b) On \_\_\_\_\_, at a duly noticed public hearing, the Building Inspection  
5 Commission considered this ordinance in accordance with Charter Section D3.750-5 and  
6 Building Code Section 104A.2.11.1.1. A copy of a letter from the Building Inspection  
7 Commission regarding the Commission’s recommendation is on file with the Clerk of the  
8 Board of Supervisors in File No. \_\_\_\_\_.

9 (c) No local findings are required under California Health and Safety Code Section  
10 17958.7 because the amendments to the Building Code contained in this ordinance do not  
11 regulate materials or manner of construction or repair, and instead relate in their entirety to  
12 administrative procedures for implementing the code, which are expressly excluded from the  
13 definition of a “building standard” by California Health and Safety Code Section 18909(c).

14  
15 Section 3. Article 3.5 of the Planning Code is hereby amended by revising Section  
16 350, to read as follows:

17  
18 **SEC. 350. FEES.**

19 \* \* \* \*

20 (j) **Deferred or Reduced Fee; Fee Waivers.**

21 (1) Any fraternal, charitable, benevolent, or any other nonprofit organization, that  
22 is exempt from taxation under the Internal Revenue laws of the United States and the  
23 Revenue and Taxation Code of the State of California as a bona fide fraternal, charitable,  
24 benevolent, or other nonprofit organization, or public entity, that submits an application for the  
25 development of residential units all of which are affordable to low and moderate income

1 households, as defined by the United States Housing and Urban Development Department,  
2 for a time period that is consistent with the policy of the Mayor's Office of Housing and  
3 Community Development and the Successor to the San Francisco Redevelopment Agency,  
4 may defer payment of the fees except those for discretionary review and appeals to the Board  
5 of Supervisors until (A) before final Planning Department approval of the building permit,  
6 preparatory to issuance of the building permit, before the building permit is released to the  
7 applicant, or (B) within one year of the date of action on the application, whichever comes  
8 first. This ~~exemption~~ deferral provision shall apply notwithstanding the inclusion in the  
9 development of other nonprofit ancillary or accessory uses. Should the project be withdrawn  
10 prior to final Planning approval, the applicant shall pay time and material costs pursuant to  
11 Section 350(g).

12 (2) An exemption from paying the full fees specified for discretionary review or  
13 appeals to the Board of Supervisors may be granted when the requestor's income is not  
14 enough to pay for the fee without affecting ~~his or her abilities~~ their ability to pay for the  
15 necessities of life, provided that ~~they~~ person seeking the exemption demonstrates to the Planning  
16 Director or ~~his/her~~ the Director's designee that ~~he or she~~ they would be substantially affected by  
17 the proposed project.

18 (3) Certain of the fees charged in accordance with subsections (b) and (c) are  
19 subject in some circumstances to waiver, as stated in Section 4 of Ordinance No. 149-16 in  
20 Board of Supervisors File No. 160632, or as stated below. Description of the waivers below does  
21 not affect the other waiver provisions in Section 4 of Ordinance No. 149-16.

22 Small Business Month Fee Waivers: No Planning Department fees shall apply to a Small  
23 Business that applies for a permit for awning replacement, ~~awning installation,~~ or signs on awnings  
24 during the month of May. No Planning Department fees shall apply to a Small Business that  
25 applies for a permit for a new awning installation or a Business Sign pursuant to Section 604

1 during the months of May 2023 and May 2024. For purposes of this subsection (j)(3), a Small  
 2 Business shall be a business with a total workforce of 100 or fewer fulltime employees. To the extent  
 3 this provision for Small Business Month Fee Waivers differs from the description in subsection (f) on  
 4 page 43 of Ordinance No. 149-16, this provision governs.

5 \* \* \* \*

6

7 Section 4. Chapter 110A of the San Francisco Building Code is hereby amended by  
 8 revising Section 110A, to read as follows:

9

10 **SECTION 110A – SCHEDULE OF FEE TABLES**

11 \* \* \* \*

12 **TABLE 1A-A – BUILDING PERMIT FEES**

13

	<b>NEW CONSTRUCTION</b> <sup>1,3</sup>		<b>ALTERATIONS</b> <sup>1,2,3</sup>		<b>NO PLANS</b> <sup>1,2,3</sup>
<b>TOTAL VALUATION</b>	<b>PLAN REVIEW FEE</b>	<b>PERMIT ISSUANCE FEE</b>	<b>PLAN REVIEW FEE</b>	<b>PERMIT ISSUANCE FEE</b>	<b>PERMIT ISSUANCE FEE</b>

18

\* \* \* \*

19

NOTES:

20

21 1. These permit fees do not include other fees that may be required by other  
 22 Departments: Public Works, Planning, Fire, Public Health, etc., nor do they include  
 23 plumbing, electrical or mechanical permit fees unless so stated in the other fee tables.

24

25 2. A surcharge of \$5.00 shall be added to those alteration permits sought for  
 buildings classified as R3 (one/two-family dwelling) and E3 (licensed day care) that were

1 constructed prior to 1979 to implement the interior lead safe work practices provisions of  
2 Section 3407 et seq. of this code.

3 3. All permit fees, including inspection fees, related to reviewing the  
4 structural integrity of awning replacements ~~and awning installations~~ for permits submitted  
5 "over the counter" at the Central Permit Bureau are hereby waived for any *Small Business*  
6 *that applies for a permit issued to a Small Business Enterprise* for such activities during the  
7 month of May. All permit fees, including inspection fees, related to reviewing the structural  
8 integrity of new awning installations and installation of any Business Sign, as that term is  
9 defined in Planning Code Section 602, for permits submitted "over the counter" at the  
10 Central Permit Bureau are hereby waived for any Small Business that applies for a permit  
11 for such activities during the months of May 2023 and May 2024. For purposes of this  
12 Section, a Small Business *Enterprise* shall be a business *with a total workforce of that has* 100  
13 or fewer *fulltime* employees. ~~The Planning Department and the Department of Building Inspection~~  
14 ~~shall establish a process by which those two departments will certify that an applicant is a Small~~  
15 ~~Business Enterprise for the purpose of this Section and Section 355-350 of the Planning Code.~~ To  
16 the extent this provision for Small Business Month Fee Waivers differs from the description in  
17 subsection (f) on page 43 of Ordinance No. 149-16, this provision governs.

18  
19 \* \* \* \*

20 **TABLE 1A-E – ELECTRICAL PERMIT ISSUANCE AND INSPECTION FEE**  
21 **SCHEDULE**

22 A. Permit applicants are required to itemize the proposed scope of work and select  
23 the appropriate category and fee amount.

1 B. Separate permits are required for each structure, condominium unit, existing  
2 dwelling unit (except in R3 occupancies), common area, commercial office floor or individual  
3 tenant space.

4 C. Standard hourly permit issuance and inspection rates shall apply for installations  
5 not covered by this fee schedule.

6 D. Fees shall be paid in full prior to obtaining: occupancy approval, job card signature,  
7 permission to energize, or final signoff, as applicable.

8 E. For the purpose of fee calculation: appliances and utilization equipment each count  
9 as one outlet or device in addition to receptacles, switches, and light outlets.

10 F. All permit fees, including inspection fees, related to reviewing the installation  
11 of pedestrian level lighting are hereby waived for any *Small Business that applies for a permit*  
12 *issued* for such activities ~~for Small Business Enterprises~~ during the month of May. For purposes  
13 of this Section, a Small Business ~~Enterprise~~ shall be a business with a total workforce of that has  
14 100 or fewer fulltime employees. ~~The Planning Department and the Department of Building~~  
15 ~~Inspection shall establish process by which those two departments will certify that an applicant is a~~  
16 ~~Small Business Enterprise for the purpose of this Section and Section 355-350 of the Planning Code.~~  
17 To the extent this provision for Small Business Month Fee Waivers differs from the description in  
18 subsection (f) on page 43 of Ordinance No. 149-16, this provision governs.

19 See Table 1A-R for refund policy.

20 See Table 1A-J for permit extensions.

21 \* \* \* \*

22  
23 Section 5. Chapter 107 of the San Francisco Fire Code is hereby amended by revising  
24 Section 107.17, to read as follows:  
25



1           **107.17. ~~Reserved.~~ [FOR SF] Small Business Month Fee Waivers.**

2           *Notwithstanding the fees established herein, all plan review and inspection fees related to*  
3 *reviewing the structural integrity of awning replacements, ~~awning installations,~~ and installation of*  
4 *pedestrian level lighting for permits submitted "over the counter" at the Central Permit Bureau are*  
5 *hereby waived for any Small Business that applies for a permit for such activities during the month of*  
6 *May. No plan review and inspection fees shall apply to a Small Business that applies for a*  
7 *permit for a new awning installation or installation of a Business Sign, as that term is defined*  
8 *in Planning Code Section 602, during the months of May 2023 and May 2024. For purposes of*  
9 *this Section, a Small Business shall be a business with a total workforce of 100 or fewer fulltime*  
10 *employees.*

11  
12           Section 6. Effective Date; Retroactivity.

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

17           (b) The Board of Supervisors intends that this ordinance be operative during the  
18 entirety of May 2023, which is Small Business Month. To effectuate this intent, the operative  
19 provisions of this ordinance shall be retroactive to May 1, 2023 should the effective date of the  
20 ordinance occur after May 1, 2023. If any fees that are waived by this ordinance have been  
21 collected prior to its effective date, said fees shall be promptly refunded ~~on or after the~~  
22 effective date of the ordinance, without interest, upon request of the payor of the fee. Any  
23 refund request under this subsection (b) must be filed in writing with the Central Permit  
24 Bureau within one year of payment of the fee.

1 Section 7. 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 Municipal  
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 Section 8. Effect of Ordinance on Ordinance No. 149-16; Directions to Clerk of the  
9 Board of Supervisors.

10 (a) This ordinance overlaps with subsection (f) on page 43 of Ordinance No. 149-16,  
11 duplicating some of that subsection’s features but making some changes. To the extent the  
12 provisions of this ordinance differ from those of Ordinance No. 149-16, the provisions of this  
13 ordinance govern. This ordinance therefore supersedes subsection (f) on page 43 of  
14 Ordinance No. 149-16.

15 (b) Upon the effective date of this ordinance, the Clerk of the Board of Supervisors  
16 shall place a copy of this ordinance in Board File No. 160632, the file for Ordinance No. 149-  
17 16. In addition, the Clerk of the Board shall indicate on the Board’s website chart for  
18 ordinances enacted in 2016 that Ordinance No. 149-16 has been superseded in part by this  
19 ordinance.

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

23 By: /s/ Giulia Gualco-Nelson  
24 GIULIA GUALCO-NELSON  
Deputy City Attorney

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**REVISED LEGISLATIVE DIGEST**  
(Amended in Committee, 6/12/2023)

[Planning, Building, Fire Codes - Small Business Month Fee Waivers Including for Awning Installation and Business Signs]

**Ordinance amending the Planning, Building, and Fire Codes to codify the annual waiver of awning replacement fees and awning sign fees applied for during the month of May, to annually waive fees for Business Signs and new awning installations applied for during the months of May 2023 and May 2024, and to indicate that the Planning Code, Building, and Fire Code waivers pertaining to pedestrian street lighting as well as awning replacement, awning installation, and awning sign fees are keyed to permit application in May rather than permit issuance in May; affirming the Planning Department’s determination under the California Environmental Quality Act; making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.**

Existing Law

May is Small Business Month in San Francisco. (See Administrative Code Section 2A.240(a)(7).)

Planning Code Section 350 authorizes the Planning Department to charge fees to compensate the Department for the cost of processing applications, developing and revising land use controls, and performing or providing other activities and services. Currently, such fees are contained in Ordinance No. 149-16.

Planning Code Section 350(j) provides for waivers or reductions of certain fees. Certain waivers are contained in Ordinance No. 149-16, which includes a waiver for permit fees for awning replacement and signs on awnings during the month of May for a Small Business Enterprise.

Building Code Section 110A contains the schedule of fees for building permits. Table 1A-A contains a fee waiver for awning replacements for a Small Business Enterprise during the month of May. Table 1A-E contains a fee waiver for pedestrian-level lighting permits for a Small Business Enterprise during the month of May.

Fire Code Section 107 contains the schedule of fees for plan review and inspection. Table 107-B contains the fee schedule for plan review. Table 107-C contains the schedule of fees for field inspections.

Amendments to Current Law

This ordinance would amend Planning Code Section 350(j) to codify the existing planning fee waivers for Small Businesses. It would also add a fee waiver for Business Signs, as that term is defined in Planning Code Section 602, and new installation of awnings applied for during the months of May 2023 and May 2024.

This ordinance would also amend Building Code Section 110A to add the building permit fee waiver for new installation of awnings and Business Signs for Small Businesses during the months of May 2023 and May 2024, and make additional clarifying edits.

This ordinance would amend Section 107 of the Fire Code to add a waiver of plan review and inspection fees for awning replacements and installation of pedestrian level lighting for Small Businesses during the month of May. Additionally, it would add a waiver for awning installations and Business Signs during the months of May 2023 and May 2024.

This ordinance also clarifies that the fee waivers are available to Small Businesses that apply for a permit during the month of May. The ordinance defines a “Small Business” as one with a total workforce of 100 or fewer fulltime employees.

The operative provisions of this ordinance shall be retroactive to May 1, 2023 should the effective date of the ordinance occur after May 1, 2023.

This ordinance also contains provisions that overlap with subsection (f) on page 43 of Ordinance No. 149-16. To the extent the provisions of this ordinance differ from those of Ordinance No. 149-16, the provisions of this ordinance govern.

#### Background Information

This ordinance is the duplicate of the Ordinance in Board File No. 230212.

This legislative digest reflects amendments made at the Land Use and Transportation Committee on June 12, 2023. Those amendments:

- clarified that the ordinance also waives inspection fees under the Building Code;
- expanded the existing Small Business fee waivers to installation of Business Signs, as that term is defined in Planning Code Section 602, applied for during the months of May 2023 and May 2024.