
ARTICLE 12C:

ALTERNATE WATER SOURCES FOR NON-POTABLE APPLICATIONS

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Editor's Note:

The sections of this Article are numbered out of sequence with the other articles of this Code.

SEC. 12C.1. PURPOSE AND FINDINGS.

The Board of Supervisors finds that:

- (a) All California water users are responsible for making effective use of the available water resources.
- (b) The development of alternate water source systems will assist in meeting future water requirements of the City and lessen the impacts of new developments on the City's sewer system.
- (c) Establishing a regulatory structure that provides administrative efficiency and a streamlined project approval process will assist developers who opt to design, install, operate, and maintain alternate water source systems.
- (d) Adoption of Article 12C by the Board of Supervisors and adoption of rules and regulations by the Department of Public Health will help achieve the City's goals for water supply use and preservation by:
 - (1) Promoting the values and benefits of non-potable water use while recognizing the need to invest water and other resources as efficiently as possible;
 - (2) Encouraging the use of non-potable water for non-potable applications; and
 - (3) Replacing potable water use for toilet and urinal flushing and irrigation to the maximum extent possible with alternative water sources.
- (e) It shall be City policy that within five years of the effective date of Ordinance No. 109-15,¹ adding this subsection (e) to Article 12C, the City shall use only non-potable water for the purpose of irrigating and cleaning parks, streets, and other public spaces. Within two years of the effective date of that ordinance, the City Administrator, in consultation as appropriate with other City departments, boards, and commissions, including, among others, the Recreation and Park Department, Department of Public Works, Port of San Francisco, San Francisco International Airport, Division of Real Estate, and Capital Planning Committee, shall study what will be required to accomplish this policy, including associated costs, and report the results of the study to the Mayor and Board of Supervisors. Upon receiving this study, the Board of Supervisors intends to evaluate any changes to the law and Capital Plan needed to implement this policy.
- (f) The General Manager of the San Francisco Public Utilities Commission shall submit a report to the Board of Supervisors by December 31, 2021, evaluating the challenges of, and opportunities for requiring the construction, operation and maintenance of Non-potable District Systems at District Development Projects. The report shall also identify the opportunities for the expansion of water heating systems including, but not limited to thermal solar hot water preheating systems, graywater preheating systems, wastewater heat recovery systems, and geo-thermal hot water preheating systems.
- (g) In order to further determine opportunities to maximize and expand the use of nonpotable sources of water, the General Manager of the San Francisco Public Utilities Commission shall submit to the Board of Supervisors by June 1, 2022, a report evaluating opportunities to develop a recycled water and purified water supply for San Francisco.
- (h) The General Manager of the San Francisco Public Utilities Commission shall submit a report to the Board of Supervisors by

December 31, 2022, identifying the opportunities for biogas utilization and energy recovery from the San Francisco Public Utilities Commission's Biosolids Digester Facilities Project.

(Added as Sec. 850 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

CODIFICATION NOTE

- 1. Blank in Ord. [109-15](#). Ordinance number inserted by the codifier.

SEC. 12C.2. DEFINITIONS.

The terms used in this Article 12C have the meaning set forth below:

100% Affordable Housing Project: a building where 100% of the residential units (not including a manager's unit) have (1) a maximum affordable purchase price or affordable rent set at 120% of the unadjusted area median family income as determined by the Mayor's Office of Housing and Community Development on an annual basis and derived from the HUD Metro Fair Market Rent Area that contains San Francisco; (2) a rent that does not exceed 30% of the applicable household income limit for a rental unit, or a purchase price with an annual housing cost that does not exceed 33% of the applicable income limit for an owner-occupied unit, as may be adjusted for household size and bedroom count; and (3) a recorded regulatory agreement, consistent with any applicable federal, state, or City government regulatory requirements, to assure that the residential units are sold or rented in accordance with the above criteria for the life of the project or a minimum of 55 years, whichever is shorter.

100% Permanent Supportive Housing Project: a new building where 100% of the residential units (not including a manager's unit) are (1) owned by a nonprofit charitable organization or qualified related legal entity, (2) used for permanent supportive housing to formerly homeless households subject to a recorded declaration of restriction, and (3) funded through a subsidy agreement with the Department of Homelessness and Supportive Housing.

Alternate Water Source: a source of Non-potable water that includes Graywater, on-site treated Non-potable water, Rainwater, Stormwater, Foundation Drainage, Blackwater, and any other source approved by the Director.

Alternate Water Source System: The system of facilities necessary for providing Non-potable Water for use in a Development Project, including but not limited to all collection, treatment, storage, and distribution facilities. Non-potable Water System shall have the same meaning.

Blackwater: wastewater containing bodily or other biological wastes, as from toilets, dishwashers, kitchen sinks, and utility sinks.

City: the City and County of San Francisco.

Commercial Building: a building with a commercial use as defined in Planning Code Section 102, amended from time to time.

Condensate: water vapor collected from air conditioning systems.

Development Project: Construction of a new building or buildings. Development Projects are Large Development Projects and Small Development Projects. Development Project does not include rehabilitation of buildings constructed prior to August 1, 2015. Development Project does not include (1) any 100% Affordable Housing Project, 100% Permanent Supportive Housing Project, housing project funded or constructed pursuant to the HOPE SF Program sponsored and developed by the San Francisco Housing Authority and either the Mayor's Office of Housing and Community Development or the Office of Community Investment and Infrastructure, or housing project that is issued a First Construction Document, as that term is defined in Building Code Section 107A.13.1, prior to July 1, 2025, uses California Debt Limit Allocation Committee tax-exempt bond financing and tax credits under the Tax Credit Allocation Committee, as set forth in Planning Code Section 415.6(h)(2)(B), and provides at least 100 total on-site affordable units; (2) Hospital Buildings, Health Service Buildings, and Institutional Healthcare Use Buildings; (3) Industrial Use Buildings; (4) Production, Distribution, and Repair Use Buildings; (5) construction of a new building that will receive water service from the San Francisco Public Utilities Commission through no larger than a 5/8" domestic water meter or a 5/8" recycled water domestic meter, as determined in accordance with the San Francisco Public Utilities Commission's rules for water service; (6) for District projects located within the boundaries of the Reclaimed Water Use Map, construction of new buildings subject to a disposition and development agreement or similar contractual agreement approved before November 1, 2015, that includes in its applicable infrastructure plan the construction and operations of water treatment facilities within the project boundaries that would provide recycled water to the project; (7) for District projects located within the boundaries of the Reclaimed Water Use Map, construction of new buildings subject to a development agreement or similar contractual agreement, within a development phase or subphase, a street improvement plan, or a tentative map or vesting tentative map approved before November 1, 2015; or (8) for District projects located outside the boundaries of the Reclaimed Water Use Map, construction of new buildings subject to a development agreement or similar contractual agreement, within a development phase or subphase, a street improvement plan, or a tentative map or vesting tentative map approved before November 1, 2017.

Director: the Director of Health or any individual designated by the Director to act on the Director's behalf.

District Development Project: a Large Development Project consisting of two or more buildings.

District System: An Alternate Water Source System serving a District Development Project.

First Certificate of Occupancy: either a temporary certificate of occupancy or a Certificate of Final Completion and Occupancy as defined in San Francisco Building Code Section 109A, whichever is issued first.

Foundation Drainage: nuisance groundwater that is extracted to maintain a building's or facility's structural integrity and would

otherwise be discharged to the City's sewer system. Foundation Drainage does not include non-potable groundwater extracted for a beneficial use that is subject to City groundwater well regulations.

General Manager: the General Manager of the San Francisco Public Utilities Commission, or any individual designated by the General Manager to act on his or her behalf.

Graywater: untreated wastewater that has not been contaminated by any toilet discharge, has not been affected by infectious, contaminated, or unhealthy bodily wastes, and does not present a threat from contamination by unhealthful processing, manufacturing, or operating wastes. Graywater includes, but is not limited to, wastewater from bathtubs, showers, bathroom sinks, lavatories, clothes washing machines, and laundry tubs, but does not include wastewater from toilets, kitchen sinks, utility sinks, or dishwashers.

Gross Floor Area: The floor area of a Development Project as defined in Planning Code Section 102, as amended from time to time.

Health Service Building: A building with a health service use as defined in Planning Code Section 102, as amended from time to time.

Hospital Building: A building with a hospital use as defined in Planning Code Section 102, as amended from time to time.

Industrial Use Building: A building with an industrial use as defined in Planning Code Section 102, as amended from time to time.

Institutional Healthcare Use Building: A building with an institutional healthcare Use as defined in Planning Code Section 102, as amended from time to time.

Large Development Project:

(a) Prior to January 1, 2022, a Large Development Project is the construction of a single building, or construction of multiple buildings on one or more parcels in accordance with a phased plan or approval, with a total Gross Floor Area for the single building or the multiple buildings of 250,000 square feet or more:

(1) located within the boundaries of the Reclaimed Water Use Map designated in accordance with Sections 1203 and 1209 of the Public Works Code and subject to a site permit or building permit that is final and effective after November 1, 2015; or

(2) located outside the boundaries of the Reclaimed Water Use Map designated in accordance with Sections 1203 and 1209 of the Public Works Code and subject to a site permit or building permit that is final and effective after November 1, 2016.

(b) On or after January 1, 2022, a Large Development Project is the construction of a single building, or construction of multiple buildings on one or more parcels in accordance with a phased plan or approval, with a total Gross Floor Area for the single building or the multiple buildings of 100,000 square feet or more.

(c) Large Development Projects include, to the extent allowed by law, buildings constructed and operated by any local, state, or federal government entity, including the City.

Large Development Project Applicant: The person or entity applying for authorization to construct and operate a Large Development Project.

Mixed-Use Residential Building: A building with both a residential use and a commercial use as defined in Planning Code Section 102.

Multi-Family Residential Building: A building that contains three or more dwelling units.

Non-potable Water: water collected from Alternate Water Sources.

Non-potable Water Engineering Report: Report submitted by the Project Applicant to the Director describing the Alternate Water Source System in accordance with the rules and regulations adopted by the Department of Health.

Nonpotable Water System: The same meaning as Alternate Water Source System.

Non-Residential Building: A building with a non-residential use as defined in Planning Code Section 102.

Permittee: The Project Applicant, or any subsequent owner, assignee, successor in interest or any other transferee subject to this Article 12C, including, but not limited to, operations and maintenance of an Alternative Water Source System. Permittee includes, but is not limited to, the owner of the common areas within a District Development Project and any homeowners association or similar entity that maintains the common areas within a District Development Project. Permittee does not include the Project Applicant, subsequent owners, assignees, successors in interests, transferees, owners of a common area, homeowners associations, or any other person or entity associated with a Development Project serviced by an Alternative District System dedicated to the City in accordance with Section 12C.4(h) of this Article 12C.

Production, Distribution, Repair Use Building: A building with production, distribution, repair Use as defined in Planning Code Section 102.

Project Applicant: the person or entity applying for authorization to install and use an Alternate Water Source System.

Rainwater: precipitation collected from roof surfaces or other manmade, aboveground collection surfaces.

Small Development Project:

(a) Prior to January 1, 2022, a Small Development Project is the construction of a single building, or construction of multiple buildings on one or more parcels in accordance with a phased plan or approval, with a total Gross Floor Area for the single building or the multiple buildings of 40,000 square feet or more, but less than 250,000 square feet.

(b) On or after January 1, 2022, a Small Development Project is the construction of a single building, or construction of multiple buildings on one or more parcels in accordance with a phased plan or approval, with a total Gross Floor Area for the single building or the multiple buildings of 40,000 square feet or more, but less than 100,000 square feet.

(c) Small Development Projects include, to the extent allowed by law, buildings constructed and operated by any local, state, or federal government entity, including the City.

Small Development Project Applicant: The person or entity applying for authorization to construct and operate a Small Development Project.

Small Residential Building: A building that contains no more than two dwelling units.

Stormwater: Precipitation collected from at-grade or below-grade surfaces.

Water Budget: The calculation of the potential volume of onsite Alternate Water Source supplies and demands of a Development Project and any other building subject to this Article 12C.

Water Budget Calculator: The water use calculation tool approved by the General Manager that provides for the assessment of a proposed onsite water system, Alternate Water Sources, and the end uses of the Alternate Water Source.

Water Budget Documentation: An in- depth assessment of the Project Applicant's non-potable water use, including survey information, water meter readings, water service billing information, Alternate Water Source schematic drawings, or any other information deemed necessary by the General Manager. For proposed District Systems, Water Budget Documentation shall include implementation information that, at a minimum, shall address potential infrastructure and public right of way conflicts, demonstrate compliance with all applicable requirements, and establish the capabilities of the Development Project Applicant to effectively operate the District System.

(Added as Sec. 851 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; amended by Ord. [208-13](#), File No. 130765, App. 10/11/2013, Eff. 11/10/2013; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [246-16](#), File No. 161069, App. 12/16/2016, Eff. 1/15/2017; Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021; Ord. [19-25](#), File No. 240873, App. 3/4/2025, Eff. 4/4/2025)

SEC. 12C.3. APPLICABILITY

(a) This Article 12C shall apply to the installation and operation of the Alternate Water Source Systems at Large Development Projects, and to the voluntary installation and operation of the Alternate Water Source Systems at sites containing Multi-Family Residential Building and Non-Residential buildings. This Article does not apply to:

- (1) Systems at Small Residential Buildings.
- (2) Graywater systems where Graywater is collected solely for subsurface irrigation and does not require disinfection, as determined by the Director.
- (3) Rainwater systems where Rainwater is collected solely for subsurface irrigation, drip irrigation, or non-sprinkled surface applications and does not require disinfection, as determined by the Director.

(b) Nothing in the ordinance in Board File No. 201536¹ amending this Article 12C is intended to impair or limit any contract right that exists as of the effective date of said ordinance. In connection with the application of Article 12C as it relates to development agreements or similar development contracts, or approved development plans administered by the Office of Community Investment and Infrastructure, the General Manager shall consult with the City Attorney to determine whether the application of this Article 12C to a specific Development Project will violate the terms of contracts that the City entered into before the aforementioned effective date.

(Added as Sec. 852 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

CODIFICATION NOTE

- ¹ So in Ord. [155-21](#).

SEC. 12C.4. DEVELOPMENT PROJECT REQUIREMENTS.

(a) Large Development Projects shall be constructed, operated, and maintained in compliance with the following:

(1) For Large Development Projects and District Development Projects that submit an application for a site permit on or prior to January 1, 2022, an Alternate Water Source System shall be constructed, operated, and maintained. All toilet and urinal flushing and irrigation demands shall be met through the collection and reuse of available onsite Rainwater, Graywater, and Foundation Drainage, to the extent required by application of the Water Budget Documentation developed for each Development Project.

(2) For Large Development Projects and District Development Projects consisting solely of Commercial Buildings that submit an application for a site permit after January 1, 2022, an Alternate Water Source System shall be constructed, operated, and maintained. Toilet and urinal flushing demands and drain trap priming are required non-potable uses. The collection and reuse of Blackwater and Condensate (required Alternate Water Sources) shall be used for required non-potable uses to the extent required by application of the Water Budget Documentation.

(3) For Large Development Projects and District Development Projects consisting solely of Multi-Family Residential Buildings or Mixed-Use Residential Buildings that submit an application for a site permit after January 1, 2022, an Alternate Water Source System

shall be constructed, operated, and maintained. Toilet and urinal flushing, clothes washing, drain trap priming, and irrigation demands are required non-potable uses. The collection and reuse of Graywater and Condensate (required Alternate Water Sources) shall be used for required non-potable uses to the extent required by application of the Water Budget Documentation.

(4) For District Development Projects that consist of any combination of Commercial, Residential and Mixed-Use Residential Buildings, and that install a District System, toilet and urinal flushing, clothes washing, drain trap priming, and irrigation demands are required non-potable uses. The collection and reuse of Graywater and Condensate (required Alternate Water Sources) shall be used for required non-potable uses to the extent required by application of the Water Budget Documentation.

(5) For District Development Projects that consist of any combination of Commercial, Residential and Mixed-Use Residential Buildings, and that install building-by-building Alternate Water Source Systems, the required non-potable uses and required Alternate Water Sources shall be the uses and sources for each category of building type describe in subsections (a)(2) and (a)(3) of this section.

(b) A Large Development Project Applicant shall use the Water Budget Calculator as follows:

(1) For Large Development Projects that submit an application for a site permit on or prior to January 1, 2022, a Large Development Project Applicant shall use the Water Budget Calculator, as provided by the General Manager's rules, to prepare a Water Budget assessing the amount of Rainwater, Graywater, and Foundation Drainage produced on site, and the planned toilet and urinal flushing and irrigation demands.

(2) For Large Development Projects that submit an application for a site permit after January 1, 2022, a Large Development Project Applicant shall use the Water Budget Calculator, as provided by the General Manager's rules, to prepare a Water Budget assessing the amount of Alternate Water produced on site by the required Alternate Water Sources, and the amount of Alternate Water needed to supply the required non-potable uses.

(c) (3)¹

(1) For Large Development Projects that submit an application for a site permit on or prior to January 1, 2022, if, based on the Water Budget Documentation, the available supply from onsite sources exceeds the demands for toilet and urinal flushing and irrigation, 100% of those demands shall be met by using the available onsite sources. If, based on the Water Budget Documentation, the available supply from onsite sources is less than the demands for toilet and urinal flushing and irrigation, 100% of the available onsite supply shall be used to meet the demands for toilet and urinal flushing and irrigation. Available Blackwater or Stormwater supplies may be used instead of, or in addition to Rainwater, Graywater, and Foundation Drainage to meet the available onsite supply requirements calculated in accordance with the Water Budget Documentation requirements of this section 12C.4(c)(1).

(2)¹ For Large Development Projects that submit an application for a site permit after January 1, 2022, if, based on the Water Budget Documentation, the available supply from required Alternate Water Sources exceeds the demand from required non-potable uses, 100% of that demand shall be met by using the required Alternate Water Sources. If, based on the Water Budget Documentation, the available supply from required Alternate Water Sources is less than the demand from required non-potable uses, 100% of the available supply from required Alternate Water Sources shall be used to meet the demand from required non-potable uses.

(bd)¹ Small Development Project Applicants shall be as follows:

(1) For Small Development Projects that submit an application for a site permit on or prior to January 1, 2022, Small Development Project Applicants shall use the Water Budget Calculator, as provided by the General Manager's rules, to prepare a Water Budget assessing the amount of Rainwater, Graywater and Foundation Drainage produced on site, and the planned toilet and urinal flushing and irrigation demands.

(2) For Small Development Projects that submit an application for a site permit after January 1, 2022, Small Development Project Applicants shall use the Water Budget Calculator, as provided by the General Manager's rules, to prepare a Water Budget assessing the supply from Alternate Water Sources available on site, and the demand from non-potable uses on site.

(e) Large Development Projects and District Development Projects shall be subject to excess use charges for exceeding potable water allocations determined in accordance with rules adopted by the General Manager. If a Large Development Project or District Development Project exceeds its allocation of potable water, the Permittee for the Large Development Project or District Development Project shall be subject to excess use charges on each unit of potable water exceeding the allocation at 300% (or 3x) the applicable water and wastewater rates.

(f) Large Development Projects and District Development Projects shall not provide Non-potable Water to water users or for purposes located outside the boundaries of the Large Development Project or District Development Project, except (1) as permitted in the sole discretion of the General Manager, or (2) when the water users or other purposes are located on property contiguous to, or across a public right of way from the boundaries of the Large Development Project or District Development Project, and the total amount of Non-potable Water produced by the Alternate Water Source System will not exceed 125% of the Large Development Project's or District Development Project's required non-potable demands as determined by the approved Water Budget Documentation.

(g) **Additional Requirements for District Systems.** All District Systems shall conform to the following requirements: ¹

(1) In addition to preparation of the Water Budget, Project Applicants for District Systems shall submit implementation plans to the General Manager for review and approval, in accordance with guidelines and rules established by the General Manager.

(2) District Systems shall be constructed in accordance with all applicable City utility standards and specifications.

(3) Individual buildings within a District Development Project shall not be required to demonstrate compliance as long as the individual ¹ are provided service by an approved District System.

(h) The General Manager may approve Alternate District Systems that will achieve compliance with the purposes and objectives of this Article 12C, in accordance with guidelines and rules established by the General Manager. Alternative District Systems may include, but are not limited to, the dedication to the City, without cost to the City, of a District System's treatment and/or conveyance system that is constructed in accordance with all applicable utility standards and specifications.

(i) City departments shall not issue an encroachment permit, a site permit, or a plumbing permit for a Large Development Project or a Small Development Project, or approve a Non-potable Water Engineering Report, prior to the General Manager's determination that the Water Budget Documentation has been prepared in accordance with the General Manager's rules for Water Budget calculations.

(j) Subdivision Approvals.

(1) **Parcel Map or Tentative Subdivision Map Conditions.** The Director of Public Works shall not approve a tentative subdivision map or a parcel map for any property unless a condition is imposed requiring compliance with this Article 12C to serve the potential uses of the property covered by the parcel map or tentative subdivision map, as specified in the provisions of this Article.

(2) **Subdivision Regulations.** The Director of Public Works shall adopt regulations consistent with, and in furtherance of this Article 12C .

(3) **Final Maps.** The Director of Public Works shall not endorse and file a final map for property within the boundaries of the City without first determining that:

(A) The subdivider has complied with the conditions imposed on the tentative subdivision map or parcel map, pursuant to this Article 12C; and

(B) For any such conditions not fully satisfied prior to the recordation of the final map, the subdivider has signed a certificate of agreement and/or improvement agreement, to ensure compliance with such conditions.

(4) This subsection (j) shall not apply to tentative subdivision maps or parcel maps submitted solely for the purposes of condominium conversion, as defined in Subdivision Code Section 1308(d).

(g)¹ In the event that a privately owned Alternate Water Supply System approved by the General Manager is subsequently determined by the California Public Utilities Commission to be subject to that agency's jurisdiction and regulation, the San Francisco Public Utilities Commission may, with the consent of the affected owner, acquire and operate the facilities.

(Added by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [246-16](#), File No. 161069, App. 12/16/2016, Eff. 1/15/2017; Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

CODIFICATION NOTE

- 1. So in Ord. [155-21](#).

SEC. 12C.5. REGULATION OF ALTERNATE WATER SOURCES.

(a) Any person or entity who installs and operates an Alternate Water Source system shall comply with this Article 12C, the rules and regulations adopted by the Department of Public Health, and all applicable City, state, and federal laws.

(b) The Director shall issue rules and regulations regarding the operation of Alternate Water Source systems necessary to effectuate the purposes of this Article 12C and to protect public health and safety. These regulations shall address, at a minimum:

- (1) Water quality criteria;
- (2) Monitoring and reporting content and frequencies; and
- (3) Operation and maintenance requirements.

(c) The Director shall review applications for Alternative Water Sources systems and may issue or deny such applications, in accordance with applicable laws and regulations.

(d) The Department of Building Inspection shall review plans and issue or deny plumbing permits for the construction, installation, or modification of Alternate Water Source systems, in accordance with applicable laws and regulations.

(Added as Sec. 853 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.6. PROJECT APPLICANT AND/OR PERMITTEE DESIGN AND CONSTRUCTION REQUIREMENTS.

(a) Prior to initiating installation of any Alternate Water Source project, Project Applicants shall submit to the Director an application for permits to operate Alternate Water Source systems. Such applications shall comply with the requirements of this Article 12C and any regulations the Director has issued. Project Applicants shall pay a non-refundable permit application fee to cover the costs of investigation and processing the application and issuing the permit. Each project application submitted to the Director shall include a Non-potable Water Engineering Report that provides project information the Director determines to be necessary for complete review of the proposed project. City departments may not approve or issue permits for any site installing an Alternate Water Source system unless and until the Director has approved the Non-potable Water Engineering Report.

The Non-potable Water Engineering Report for District systems must include information on the permanent legal agreements between property owners, and provide documentation that each party is a willing and responsible participant in the District Non-potable Water use.

(b) **System Design.** All buildings using Non-potable Water from Alternate Water Source systems shall include:

- (1) A flow meter on the non-potable distribution system to account for Non-potable Water use;
- (2) A flow meter on the potable make-up water pipeline to the Alternate Water Source System;
- (3) A reduced pressure backflow assembly (RP) within 25 feet of the downstream side of the point of connection or meter to protect the City's public water and/or recycled water system;
- (4) Signage that state law and the Department of Public Health's rules and regulations require;
- (5) Cross connection control in accordance with California Code of Regulations Titles 17 and 22 and the San Francisco Public Utilities Commission's Cross Connection Control Program; and
- (6) Any other requirements the Director determines are necessary to protect public health.

(c) **Plumbing Permit.** A Project Applicant shall obtain from the Department of Building Inspection an appropriate plumbing permit and any other building or installation permit required to construct, install, alter, an Alternate Water Source system. Each parcel within a District shall obtain appropriate plumbing and any other building or installation permits required.

(d) **Encroachment Permit.** A Project Applicant shall obtain from the Department of Public Works appropriate authorization for placement of any pipelines or other portions of an Alternate Water Source system within the public right-of-way.

(e) **Construction Certification Letter.** Project Applicants shall certify to the Director that Alternate Water Source system construction is complete and consistent with the approved Non-potable Water Engineering Report in accordance with the provisions of this Article 12C and any implementing rules and regulations. City departments may not approve or issue a First Certificate of Occupancy or approval for any Alternate Water Source system until the Director has reviewed and verified the Construction Certification Letter.

(Added as Sec. 854 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; amended by Ord. [208-13](#), File No. 130765, App. 10/11/2013, Eff. 11/10/2013; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.7. FEES.

(a) The non-refundable application fees for alternative source water system permits are:

(1)	Rainwater, Stormwater, Foundation Drainage	\$2,616.28
(2)	Graywater	\$8,142.66
(3)	Blackwater	\$13,958.84
(4)	Transfer of any permit	\$226
(5)	District Scale, the applicable amount above, plus	\$226 per hour for plan review and/or on-site inspection.

(b) The fees set forth in this Section 12C.7 may be adjusted each year, without further action by the Board of Supervisors.

Not later than April 1, the Director shall report to the Controller the revenues generated by the fees for the prior fiscal year and the prior fiscal year's costs of operation, as well as any other information that the Controller determines appropriate to the performance of the duties set forth in this Section 12C.7.

Not later than May 15, the Controller shall determine whether the current fees produce, or are projected to produce, revenues sufficient to support the costs of providing the services for which the fees are assessed and that the fees will not produce revenue that significantly exceed more than the costs of providing the services for which the fees are assessed.

The Controller shall if necessary, adjust the fees upward or downward for the upcoming fiscal year as appropriate to ensure that the program recovers the costs of operation without producing revenue which is significantly more than such costs. The adjusted rates shall become operative on July 1.

(c) Every permit holder shall also pay an annual license fee as provided in the Business and Tax Regulations Code Section 249.24.

(Added as Sec. 855 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; amended by Ord. [208-13](#), File No. 130765, App. 10/11/2013, Eff. 11/10/2013; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.8. OPERATING REQUIREMENTS.

When the Director determines the Project Applicant has satisfied all the requirements of this Article 12C, the Director may issue an operations permit for an Alternative Water Source system. Permittees shall timely submit all water quality monitoring information required by the provisions of this Article and the Department of Public Health's rules and regulations. Permittees shall conduct ongoing backflow prevention and cross connection testing in accordance with this Article, the rules and regulations of the Department of Public

Health, and all applicable City, state, and federal laws.

(Added as Sec. 856 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.9. NON-POTABLE WATER USE AUDITS.

When required by the General Manager, the Permittee shall conduct a Non-potable Water use audit describing the extent of Non-potable Water use in accordance with requirements provided by the General Manager.

(Added as Sec. 857 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.10. SALE OR TRANSFER.

Permittees shall notify the Director of any intent to sell or transfer the building or facility containing an Alternate Water Source system within 30 days following the sale or transfer of property, in accordance with regulations adopted by the Director.

(Added as Sec. 858 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [246-16](#), File No. 161069, App. 12/16/2016, Eff. 1/15/2017)

SEC. 12C.11. INSPECTION.

The Director may inspect any Alternate Water Source system subject to the requirements of this Article 12C to determine compliance with the provisions of this Article and applicable regulations.

(Added as Sec. 859 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.12. VIOLATION AND PENALTIES.

Administrative penalties shall be assessed and collected by the Department of Public Health as set forth in this Section 12C.12.

(a) Any Permittee, or other person otherwise subject to the requirements of this Article 12C, who violates any provision of this Article or any applicable rule or regulation shall be subject to an administrative penalty imposed by order of the Director, not to exceed \$1,000. Each day or portion thereof that a violation exists constitutes a separate and distinct violation for which an administrative penalty may be imposed. In assessing the amount of the administrative penalty, the Director may consider any one or more of the following: the nature and seriousness of the misconduct, the number of violations, the persistence of the misconduct, the length of time over which the misconduct occurred, and the willfulness of the violator's misconduct.

(b) If the Director determines that any Permittee, or other person otherwise subject to the requirements of this Article 12C, is in violation of any provision of this Article or any applicable rule or regulation, the Director shall issue a Notice of Violation to the person. The Notice of Violation shall contain the following information: a description of circumstances or condition constituting the violation; the date by which the person must correct the violation; the amount of the administrative penalty that the Director will impose daily until such time as the person has demonstrated to the satisfaction of the Director that the violation has been corrected; and the right to seek administrative review of the Notice of Violation by filing an appeal within 30 days of the date that the Notice of Violation is served to challenge the Director's determination and/or the proposed administrative penalty.

(c) If no request for administrative review is timely made, the right to request a hearing shall be waived, and the Director's determination shall become final. The failure to timely request a hearing shall constitute a failure to exhaust administrative remedies and shall preclude judicial review of the validity of the enforcement action. The Director shall issue an order imposing the administrative penalties, which shall be due and payable within 15 days of the date of the order.

(d) Administrative penalties assessed by the Director shall be paid to the Treasurer of the City and County of San Francisco and credited to the Public Health Environmental Health Code Compliance Fund, authorized by Administrative Code Section 10.100-193.

(Added as Sec. 860 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 12C.13. REVOCATION AND SUSPENSION OF PERMIT.

The Director may order a Permittee to cease operation of an Alternate Water Source system, or may revoke or suspend the permit to operate if the Director determines that:

(a) The Permittee or its managers, operators or any employees has violated any provision of this Article 12C or any regulation issued pursuant to this Article;

(b) The Alternate Water Source system is being operated or maintained in a manner threatening the public health or health of patrons and/or residents; or

(c) The Permittee has refused to allow any duly authorized City official to inspect the premises or the operations of the Alternate Water Source system.

(Added as Sec. 861 by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015; amended by Ord. [155-21](#), File No. 210536, App. 10/8/2021, Eff. 11/8/2021)

SEC. 850. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.1 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 851. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; amended by Ord. [208-13](#), File No. 130765, App. 10/11/2013, Eff. 11/10/2013; redesignated as Sec. 12C.2 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 852. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.3 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 853. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.5 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 854. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; amended by Ord. [208-13](#), File No. 130765, App. 10/11/2013, Eff. 11/10/2013; redesignated as Sec. 12C.6 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 855. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; amended by Ord. [208-13](#), File No. 130765, App. 10/11/2013, Eff. 11/10/2013; redesignated as Sec. 12C.7 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 856. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.8 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 857. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.9 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 858. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.10 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 859. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.11 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 860. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.12 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

SEC. 861. [REDESIGNATED.]

(Added by Ord. [195-12](#), File No. 120717, App. 9/17/2012, Eff. 10/17/2012; redesignated as Sec. 12C.13 and amended by Ord. [109-15](#), File No. 150350, App. 7/2/2015, Eff. 8/1/2015)

ARTICLE 13:

[RESERVED]
