BOARD of SUPERVISORS



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MEMORANDUM

	Date:	C . 1 40 000F
		September 18, 2025
	То:	Planning Department/Planning Commission
	From:	John Carroll, Assistant Clerk, Land Use and Transportation Committee
	Subject:	Board of Supervisors Legislation Referral - File No. 250926 Planning, Administrative Codes - Tenant Protections Related To Residential Demolitions and Renovations
\boxtimes	(Californi ⊠	a Environmental Quality Act (CEQA) Determination a Public Resources Code, Sections 21000 et seq.) Ordinance / Resolution Ballot Measure
		nent to the Planning Code, including the following Findings: *Code, Section 302(b): 90 days for Planning Commission review)* *eral Plan **Delanning Code, Section 101.1 **Delanning Code, Section 302
		nent to the Administrative Code, involving Land Use/Planning ule 3.23: 30 days for possible Planning Department review)
	(Charter, (Requires subdivision relocation public ho the annu	Plan Referral for Non-Planning Code Amendments Section 4.105, and Administrative Code, Section 2A.53) d for legislation concerning the acquisition, vacation, sale, or change in use of City property; on of land; construction, improvement, extension, widening, narrowing, removal, or n of public ways, transportation routes, ground, open space, buildings, or structures; plans for busing and publicly-assisted private housing; redevelopment plans; development agreements; all capital expenditure plan and six-year capital improvement program; and any capital ment project or long-term financing proposal such as general obligation or revenue bonds.)
		Preservation Commission Landmark (Planning Code, Section 1004.3) Cultural Districts (Charter, Section 4.135 & Board Rule 3.23) Mills Act Contract (Government Code, Section 50280) Designation for Significant/Contributory Buildings (Planning Code, Article 11)

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

1	L 0,	ministrative Codes - Tenant Protections Related To Residential Demolitions and
2	Renovations]	
3	Ordinance ame	nding the Planning Code to require property owners seeking to
4	demolish reside	ential units to replace all units that are being demolished; require
5	relocation assis	tance to affected occupants of those units, with additional assistance
6	and protections	for lower-income tenants; modify the criteria for approval of such
7	projects, with a	36-month prohibition on such approvals after owner move-in evictions
8	and tenant hara	ssment; amending the Administrative Code to require landlords to
9	provide addition	nal relocation assistance to lower-income tenants who are being
10	required to vaca	ate temporarily due to capital improvements or rehabilitation work;
11	update the stan	dards and procedures for hearings related to tenant harassment; and
12	making various	non-substantive changes and clarifications; affirming the Planning
13	Department's d	etermination under the California Environmental Quality Act; making
14	public necessity	y, convenience, and welfare findings under Planning Code, Section 302;
15	and making find	lings of consistency with the General Plan, and the eight priority
16	policies of Plan	ning Code, Section 101.1.
17		Unchanged Code text and uncodified text are in plain Arial font.
Deletions to Codes are in strikethrough italics Times New Board amendment additions are in double-underlined Board amendment deletions are in strikethrough Aria	Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italics Times New Roman font.	
	Board amendment deletions are in strikethrough Arial font.	
20		Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
21	Po it ordo	ned by the Deeple of the City and County of San Francisco:
22	be it orda	ned by the People of the City and County of San Francisco:
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1	Section 1. Land Use and Environmental Findings.
2	(a) The Planning Department has determined that the actions contemplated in this
3	ordinance comply with the California Environmental Quality Act (California Public Resources
4	Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
5	Supervisors in File No and is incorporated herein by reference. The Board affirms this
6	determination.
7	(b) On, the Planning Commission, in Resolution No,
8	adopted findings that the actions contemplated in this ordinance are consistent, on balance,
9	with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
10	Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
11	the Board of Supervisors in File No, and is incorporated herein by reference.
12	(c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
13	amendments will serve the public necessity, convenience, and welfare for the reasons set
14	forth in Planning Commission Resolution No, and the Board adopts such
15	reasons as its own. A copy of said resolution is on file with the Clerk of the Board of
16	Supervisors in File No and is incorporated herein by reference.
17	
18	Section 2. Additional Findings.
19	(a) The Housing Crisis Act of 2019, adopted by the California Legislature as Senate
20	Bill 330 (hereafter, "SB 330"), provides that cities may not approve housing development
21	projects that will require the demolition of existing residential units unless the sponsors of
22	those projects agree to certain criteria. Among other things, the project sponsors must allow
23	existing occupants to remain in their units until a certain time before the start of construction
24	activities; replace all protected units; offer displaced lower-income households a right of first

refusal to comparable units; and provide lower-income tenants relocation assistance. Further,

1	SB 330 provides that cities may go beyond these minimum requirements to assist displaced
2	households, particularly those who are lower-income.

(b) Consistent with SB 330, this Ordinance adopts a series of tenant protections tailored for San Francisco, with a particular focus on protecting lower-income tenants to whom SB 330 grants a right of return. In many instances, lower-income households displaced by demolition projects have been unable to stay in San Francisco or the Bay Area, due to the property owner's timetable for constructing a new building, contrary to the intent of SB 330 that lower-income tenants shall enjoy a right to occupy a comparable unit in the new building. A similar pattern exists when landlords displace lower-income tenants in order to perform capital improvements and renovation projects. The current rules assume this work will last for only three months and that the tenant will then be able to reoccupy the unit, but the displacements often last much longer, and lower-income tenants in particular suffer from these impacts and often have no choice but to give up on their right to return altogether. It is reasonable, and in the case of lower-income tenants essential, to ensure these tenant protections are not undermined, and to require property owners who are pursuing demolition or renovation projects to absorb the impacts that their projects will cause.

Section 3. Articles 1.7, 3, and 4 of the Planning Code are hereby amended by revising Sections 176, 311, 317, 333, 415.4, 415.5, 415.6, 415.7, and adding Section 317.2 to read as follows

SEC. 176. ENFORCEMENT AGAINST VIOLATIONS.

(c) Penalties.

(1) Administrative Penalties.

* * * *

(C) Penalties for Specified Violations.

(i) Alteration, Merger, Construction, or Demolition of Residential Units without a Permit. For any unpermitted alteration, merger, construction, or demolition of any building or structure containing one or more Residential Units, including work that takes place in violation of Section 317 of this Code, on or after March 1, 2023, resulting in the addition of more than three unauthorized Residential Units, or the loss of one or more Residential Units, (1) the owner of that building shall be required to apply for a replacement project under *section* Section* 317 of this Code, *that complies with Section 317.2, if applicable,* and (2) the Responsible Party shall be liable for a penalty of up to \$250,000 upon issuance of a Notice of Violation for each Residential Unit added or lost through such alteration, merger, or demolition. *Within 12 months of the effective date of the ordinance in Board File No. 220878 amending this Section 176, *tThe Planning Commission shall adopt factors and criteria for consideration, to be updated from time to time, to provide guidance to the Zoning Administrator when determining the appropriate penalty amount for violations subject to this subsection (c)(1)(C)(i).

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SEC. 311. PERMIT REVIEW PROCEDURES.

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(c) Planning Entitlement Application Review for Compliance. Upon acceptance of any application subject to this Section, the Planning Department shall review the proposed project for compliance with the Planning Code and any applicable design guidelines approved by the Planning Commission. Applications determined not to *be in compliance comply* with the standards of Articles 1.2, 1.5, 2 and 2.5 of the Planning Code, Residential Design Guidelines, including design guidelines for specific areas adopted by the Planning Commission, or with

any applicable conditions of previous approvals regarding the project, shall be held until either the application is determined to be in compliance, is disapproved or a recommendation for cancellation is sent to the Department of Building Inspection.

* * * *

- (2) Removal of Residential Units. When removal or elimination of a#

 Residential Unit authorized or #Unauthorized residential #Unit, as defined in Sections 102 and 317 of this Code, is proposed, the Applicant shall provide notice as required in this Section 311, and as required by Section 317.2, and such notice shall include contact information for the appropriate City agency or resource for assistance in securing tenant counseling or legal services, as applicable. The Applicant shall post a notice of the application at least 30 inches by 30 inches in a conspicuous common area of the subject property, and such sign shall be posted no later than the start date of the notification period required by this Section 311 and shall remain posted until the conclusion of any hearings on the permit before the Planning Commission, the Zoning Administrator, the Board of Supervisors or the Board of Appeals. The Zoning Administrator shall determine any additional notification procedures to be applied in such a case.
- (3) **Replacement Structure Required.** Unless the building is determined to pose a serious and imminent hazard as defined in the Building Code, an application authorizing a project that will require the demolition of one or more Residential or Unauthorized Units and/or the demolition of an historic or architecturally important building or of a dwelling, shall be conditioned upon the City granting final approval of a building permit for construction of the replacement building. A building permit is finally approved if the Board of Appeals has taken final action for approval on an appeal of the issuance or denial of the permit or if the permit has been issued and the time for filing an appeal with the Board has lapsed with no appeal filed. Approval of the replacement structure shall comply with Section 317.2, as applicable.

SEC. 317. LOSS OF RESIDENTIAL AND UNAUTHORIZED UNITS THROUGH DEMOLITION, MERGER, AND CONVERSION.

(a) **Findings.** San Francisco faces a continuing shortage of affordable housing. There is a high ratio of rental to ownership tenure among the City's residents. The General Plan recognizes that existing housing is the greatest stock of rental and financially accessible residential units, and is a resource in need of protection. Therefore, a public hearing will be held prior to approval of any <u>Development Application permit</u> that would <u>allow</u> remov<u>ale of</u> existing housing, with certain exceptions, as described below. The Planning Commission <u>shall has</u> develop<u>ed</u> a Code Implementation Document setting forth procedures and regulations for the implementation of this Section 317 as provided further below. The Zoning Administrator shall modify economic criteria related to property values and construction costs in the Implementation Document as warranted by changing economic conditions to meet the intent of this Section.

1	(b) Definitions. For the purposes of this Section 317, the terms below shall be as
2	defined below. The Planning Department shall use these definitions when implementing state laws
3	that use similar terms if state law does not define such terms. Capitalized terms not defined below
4	are defined in Section 102 of this Code.
5	* * * *
6	(2) "Residential Demolition" shall mean any of the following:
7	(A) Any work on a Residential Building for which the Department of
8	Building Inspection determines that an application for a demolition permit is required, or
9	(B) A major alteration of a Residential Building that proposes the
10	Removal of more than 50% of the sum of the Front Facade and Rear Facade and also
11	proposes the Removal of more than 65% of the sum of all exterior walls, measured in lineal
12	feet at the foundation level, or
13	(C) A major alteration of a Residential Building that proposes the
14	Removal of more than 50% of the Vertical Envelope Elements and more than 50% of the
15	Horizontal Elements of the existing building, as measured in square feet of actual surface
16	area.
17	(D) The Planning Commission may reduce the above numerical
18	elements of the criteria in Subsections (b)(2)(B) and (b)(2)(C), by up to 20% of their values
19	should it deem that adjustment is necessary to implement the intent of this Section 317, to
20	conserve existing sound housing and preserve affordable housing.
21	* * * *
22	(c) Applicability; Exemptions.
23	(1) Within the Priority Equity Geographies Special Use District, any <u>Development</u>
24	<u>A</u> application for a permit that would result in the seeks authorization for Removal of one or more

Residential *Units* or Unauthorized Units is required to obtain Conditional Use authorization.

1	(2) Outside the Priority Equity Geographies Special Use District, any
2	Development Aapplication for a permit that would result in the seeks authorization for Removal of
3	one or more Residential <i>Units</i> or Unauthorized Units is required to obtain Conditional Use
4	authorization unless it meets all the following criteria:
5	(A) <i>The project sponsor certifies under penalty of perjury that any The</i> units to
6	be demolished are <u>or were</u> not tenant occupied <u>at the time the project sponsor submits a</u>
7	<u>Development Application,</u> and are without a history of evictions under Administrative Code
8	Sections 37.9(a)(8)-(12), or 37.9(a)(14)-(16), or (17) within the last five years, and have not
9	been vacated within the past five years pursuant to a Buyout Agreement, as defined in
10	Administrative Code Section 37.9E, as it may be amended from time to time, regardless of
11	whether the Buyout Agreement was filed with the Rent Board pursuant to Administrative Code
12	Section 37.9 _(E) (h);
13	(B) No units would be removed or demolished that are:
14	(i) subject to a recorded covenant, ordinance, or law that restricts
15	rents to levels affordable to persons and families of lower- or very low-income within the past
16	five years; or
17	(ii) subject to limits on rent increases under the Residential Rent
18	Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) within the past
19	five years; or
20	(iii) rented by lower- or very low-income households within the
21	past five years;
22	(C) The building proposed for demolition is not an Historic Building as
23	defined in Section 102, and further provided that if the building proposed for demolition was
24	built before 1923, the Planning Department has determined that it does not meet the criteria
25	for designation as an Historic Building as defined in Section 102;

1	(D) The proposed project is adding at least one more Residential Unit
2	than would be demolished;
3	(E) The proposed project complies with the requirements of Section
4	317.2; 66300(d) of the California Government Code, as may be amended from time to time, including
5	but not limited to requirements to replace all protected units, and to offer existing occupants of any
6	protected units that are lower income households relocation benefits and a right of first refusal for a
7	comparable unit, as those terms are defined therein; and
8	(F) The project sponsor certifies under penalty of perjury that any units to be
9	demolished are not tenant occupied and are without a history of evictions under Administrative Code
10	Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) within last five years, and have not been vacated within the
11	past five years pursuant to a Buyout Agreement, as defined in Administrative Code Section 37.9E, as it
12	may be amended from time to time, regardless of whether the Buyout Agreement was filed with the Rent
13	Board pursuant to Administrative Code Section 37.9E(h); and
14	$(G\underline{F})$ The project sponsor has conducted one meeting prior to or within
15	20 days of filing a development application Development Application. Following submission of a
16	$\frac{development}{development}$ and $\frac{development}{development}$
17	application Development Application to be complete without confirmation that the project
18	sponsor has held at least one meeting conforming to the requirements of this subsection
19	(c)(2)(GF) and any additional procedures the Planning Department may establish. The project
20	sponsor shall provide mailed notice of the meeting to the individuals and neighborhood
21	organizations specified in Planning Code Section 333(e)(2)(A) and (C), as well as posted
22	notice as set forth in Planning Code Section 333(e)(1).
23	* * * *
24	(10) Exception for Certain Unauthorized Units with No Tenant Occupant
25	for 10 Years. The Conditional Use requirement of subsections (c)(1) and (c)(2) shall not apply

to an application for a permit that would result in the Removal of an Unauthorized Unit in a
one-family dwelling where all of the conditions in subsection (c)(10)(A) are met. To establish
eligibility, the owner shall furnish a declaration under penalty of perjury on a form prescribed
by the Department, attesting to compliance with all of the conditions in subsection (c)(10)(A)
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(B) Regulatory Agreement. Sponsors of projects utilizing the Conditional Use Authorization exception in subsection (c)(10) of this Section 317 shall enter into a regulatory agreement with the City subjecting the one-family dwelling to the rent increase limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code), as amended from time to time, as a condition of approval of the permit to remove the Unauthorized Unit ("Regulatory Agreement"). The property owner and the Planning Director, or the Director's designee, on behalf of the City, shall execute the Regulatory Agreement, which is subject to review and approval by the City Attorney's Office. The Regulatory Agreement shall be executed prior to the City's issuance of the permit to remove the Unauthorized Unit. Following execution of the Regulatory Agreement by all parties and approval by the City Attorney, the Regulatory Agreement or a memorandum thereof shall be recorded in the title records in the Office of the Assessor-Recorder against the property and the Regulatory Agreement shall be binding on all future owners and successors in interest. The Planning Department shall note the existence of any recorded Regulatory Agreement applicable to the Housing Development Project on a publicly-accessible website. At a minimum, the Regulatory Agreement shall contain the following:

(i) A statement that the one-family dwelling is not subject to the Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.50 et seq.) Further, that under Section 1954.52(b), the property owner has entered into and agreed to the terms of

1	the agreement with the City in consideration for other forms of assistance or other direct
2	financial contribution specified in California Government Code Section 65915 et seq.;
3	(ii) A description of the forms of assistance or other direct financial
4	contribution provided to the property owner; and
5	(iii) A description of the remedies for breach of the agreement and
6	other provisions to ensure implementation and compliance with the agreement.
7	* * * *
8	(d) Demolition.
9	(1) No permit to Demolish a Residential Building in any zoning district shall be
10	issued until a building permit for the replacement structure is finally approved, Any replacement
11	structure shall comply with Section 317.2 as applicable. A permit to demolish may be approved prior
12	to issuance of a building permit for a replacement structure if unless the building is determined to
13	pose a serious and imminent hazard as defined in the Building Code, but in no case shall the
14	obligation to comply with Section 317.2 be waived. The Zoning Administer may modify the timing of
15	compliance with Section 317.2, as necessary, for demolitions approved prior to issuance of a building
16	permit for a replacement structure due to a determination that the building poses a serious and
17	imminent hazard. A building permit is finally approved if the Board of Appeals has taken final
18	action for approval on an appeal of the issuance or denial of the permit or if the permit has
19	been issued and the time for filing an appeal with the Board of Appeals has lapsed with no
20	appeal filed.
21	* * * *
22	(6) Any authorization for the demolition of a Residential or Unauthorized Unit in a
23	building in which a tenant has vacated any unit pursuant to Administrative Code Section 37.9(a)(8)
24	shall be conditioned on the expiration of at least 36 months from the date the tenant has vacated the

1	unit, unless otherwise required by law or where the building is determined to pose a serious and
2	imminent hazard as defined in the Building Code.
3	(7) If the Rent Board has issued a decision under Section 37.9(l) of the Administrative
4	Code that there was a wrongful endeavor to recover possession of a rental unit through tenant
5	harassment, then any authorization to demolish the building shall be conditioned on the expiration of
6	36 months from the date the decision became final, unless otherwise required by law or where the
7	building is determined to pose a serious and imminent hazard as defined in the Building Code.
8	* * * *
9	(g) Conditional Use Criteria.
10	* * *
11	(2) Residential Merger. The Planning Commission shall consider the following
12	criteria in the review of $\underline{\textit{Development}}$ $\underline{\textit{Aa}}$ pplications to merge Residential $\underline{\textit{Units}}$ or Unauthorized
13	Units:
14	(A) whether the Merger removal of the unit(s) would eliminate only owner
15	occupied housing, and if so, for how long the unit(s) proposed to be removed have been
16	owner occupied;
17	(B) whether <i>removal of the unit(s) and</i> the <i>remaining unit following the</i>
18	$\underline{\mathit{M}}_{m}$ erger with another is intended for owner occupancy;
19	(C) whether the Merger removal of the unit(s) will remove an affordable
20	housing unit as defined in Section 401 of this Code or housing subject to the Residential Rent
21	Stabilization and Arbitration Ordinance;
22	(D) if the Merger removal of the unit(s) removes an affordable housing unit
23	as defined in Section 401 of this Code or units subject to the Residential Rent Stabilization
24	and Arbitration Ordinance, whether replacement housing will be provided which is equal or
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1	greater in size, number of bedrooms, affordability, and suitability to households with children
2	to the units being removed;

- (E) how recently the unit being removed <u>through the Merger</u> was occupied by a tenant or tenants;
- (F) whether the number of bedrooms provided in the merged unit will be equal to or greater than the number of bedrooms in the separate units;
- (G) whether removal of the unit(s) is necessary to correct design or functional deficiencies that cannot be corrected through interior alterations;
- (H) the appraised value of the least expensive Residential Unit proposed for \underline{Mm} erger only when the \underline{Mm} erger does not involve an Unauthorized Unit.

The Planning Commission shall not approve an application for Residential Merger if any tenant has been evicted pursuant to Administrative Code Sections 37.9(a)(9) through 37.9(a)-(12), (14), or (17) where the tenant was served with a notice of eviction after December 10, 2013 if the notice was served within 10 years prior to filling the application for merger. Additionally, the Planning Commission shall not approve an application for Residential Merger if any tenant has been evicted pursuant to Administrative Code Section 37.9(a)(8) where the tenant was served with a notice of eviction after December 10, 2013 if the notice was served within five (5) years prior to filing the application for merger. This subsection (g)(2)(H) shall not apply if the tenant was evicted under Section 37.9(a)(11) or 37.9(a)(14) and the applicant(s) either (A) have certified that the original tenant reoccupied the unit after the temporary eviction or (B) have submitted to the Planning Commission a declaration from the property owner or the tenant certifying that the property owner or the Rent Board notified the tenant of the tenant's right to reoccupy the unit after the temporary eviction and that the tenant chose not to reoccupy it.

* * * *

1	(6) Residential Demolition. The Planning Commission shall consider the
2	following additional criteria in the review of <u>Development Applications applications</u> for <u>projects than</u>
3	require the demolition of Residential Units. Residential Demolition. Projects shall meet at least 70% of
4	the following criteria that are applicable to the project, or the application shall be denied.
5	(A) The property has not been subject to a notice of violation issued by the
6	Planning Department or Department of Building Inspection in the 12 months preceding filing the
7	Conditional Use authorization application;
8	(B) The project does not propose changes to the character defining features of a
9	building that is designated as a landmark under Article 10, is listed as a contributor to an historic
10	district in Article 10, is listed as a Significant or Contributory Building under Article 11, is listed in the
11	California Register of Historical Resources, or is listed on the National Register of Historic Places.
12	(C) The project preserves rental units known to be subject to the rent increase
13	limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the
14	Administrative Code), as determined by the Rent Board;
15	(D) The project consists of multi-family housing;
16	(E) The project does not require the Residential Demolition of existing, deed-
17	restricted, affordable and/or below market rate housing, or replaces any such housing that is
18	demolished as part of the Development Application;
19	(F) The project increases the number of permanently Affordable Units located
20	on the site;
21	(G) The project increases the number of two or more bedroom units on-site;
22	(H) The project complies with all other provisions of the Planning Code and
23	meets all applicable objective design standards;
24	(I) The project results in a net increase of Dwelling Units on-site;
25	(J) The project results in a net increase of on-site bedrooms; and

1		(K) The project site has been free of adjudicated wrongful evictions for at least
2	five years.	
3		(A) whether the property is free of a history of serious, continuing Code
4	violations;	
5		(B) whether the housing has been maintained in a decent, safe, and sanitary
6	condition;	
7		(C) whether the property is an "historical resource" under CEQA;
8		(D) whether the removal of the resource will have a substantial adverse impact
9	under CEQA;	
10		(E) whether the project converts rental housing to other forms of tenure or
11	occupancy;	
12		(F) whether the project removes rental units subject to the Residential Rent
13	Stabilization and Ar	bitration Ordinance or affordable housing;
14		(G) whether the project conserves existing housing to preserve cultural and
15	economic neighborh	nood diversity;
16		(H) whether the project conserves neighborhood character to preserve
17	neighborhood cultui	ral and economic diversity;
18		(I) whether the project protects the relative affordability of existing housing;
19		(J) whether the project increases the number of permanently affordable units as
20	governed by Section	: 415;
21		(K) whether the project locates in fill housing on appropriate sites in
22	established neighbo	rhoods;
23		(L) whether the project increases the number of family-sized units on-site;
24		(M) whether the project creates new supportive housing;
25		

1	(N) whether the project is of superb architectural and urban design, meeting all
2	relevant design guidelines, to enhance existing neighborhood character;
3	(O) whether the project increases the number of on-site Dwelling Units;
4	(P) whether the project increases the number of on site bedrooms;
5	(Q) whether or not the replacement project would maximize density on the
6	subject lot; and
7	(R) if replacing a building not subject to the Residential Rent Stabilization and
8	Arbitration Ordinance, whether the new project replaces all of the existing units with new Dwelling
9	Units of a similar size and with the same number of bedrooms.
10	(7) Removal of Unauthorized Units. In addition to the criteria set forth in
11	subsections (g)(1) through (g)(6) above, the Planning Commission shall consider the criteria
12	below in the review of applications for removal of Unauthorized Units:
13	(A) whether the Unauthorized Unit has been rented within the 10 years
14	preceding the application, excluding any use of the Unauthorized Unit by a blood, adoptive, or
15	step-family relationship, specifically by a grandparent, parent, sibling, child, or grandchild, or
16	the spouse or registered domestic partner of such relations, or by a property owner's spouse
17	or registered domestic partner;
18	(B) whether the Unauthorized Unit has a history of evictions under
19	Administrative Code Sections 37.9(a)(8)-(12), or 37.9(a)(14), or (17)-(16) within the 10 years
20	preceding the application.
21	* * * *
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1	SEC. 317.2. CONDITIONS OF APPROVAL FOR PROJECTS THAT REQUIRE THE
2	DEMOLITION OF RESIDENTIAL UNITS.
3	(a) Purpose; Implementation. This Section 317.2 is intended to implement and shall be
4	construed consistent with the provisions of California Government Code sections 66300.5 and 66300.6
5	as they may be amended from time to time. The Planning Commission shall approve, and the Planning
6	Department shall periodically publish, a Replacement Unit Implementation Document
7	("Implementation Document") containing procedures, regulations, guidelines, notice formats, and
8	application forms, as deemed necessary to assist with implementation, monitoring, and enforcement of
9	the policies and procedures of this Section 317.2. The Implementation Document shall be made
10	available on the Department's website, and may be amended from time to time, with approval of the
11	Commission.
12	(b) Definitions. In addition to the definitions in California Government Section 66300.5 and
13	Planning Code Sections Section 102 or Section 401, the following terms shall have the following
14	definitions:
15	"Affordable Housing Cost" is defined in California Health and Safety Code section 50052.5.
16	"Affordable Rent" is defined in California Health and Safety Code section 50053.
17	"Comparable Unit" shall mean a Replacement Unit that contains at least the same total
18	number of bedrooms, same total number of full bathrooms, and at least 90 percent of the square
19	footage of the Protected Unit being replaced. However, if one or more single-family homes that qualify
20	as Protected Units are being replaced in a Housing Development Project that consists of two or more
21	units, "Comparable Unit" shall mean either (1) a unit containing the same number of bedrooms if the
22	single-family home contains three or fewer bedrooms, or (2) a unit containing three bedrooms if the
23	single-family home contains four or more bedrooms and a Comparable Unit is not required to have the
24	same or similar square footage or the same number of total rooms.
25	

1	"Existing Occupant" shall mean a tenant, as defined in Administrative Code Section 37.2(t), on
2	the date the project sponsor submits a Development Application or a preliminary application
3	(whichever occurs first), inclusive of any lawful occupants in the unit, as well as any persons who have
4	vacated a rental unit temporarily while the landlord is carrying out capital improvements or
5	rehabilitation work. The occupant of a lawful short-term rental does not qualify as an Existing
6	Occupant for purposes of this Section 317.2.
7	"Housing Development Project" is defined in California Government Code section
8	65905.5(b)(3).
9	"Lower Income Household" is defined in California Health and Safety Code section 50079.5.
10	"Protected Unit" shall mean a Residential Unit, whether authorized or unauthorized, that
11	meets any of the following criteria: (1) has been subject to a recorded covenant, ordinance, or law that
12	restricts rents to levels affordable to persons and families of lower or very low income within the past
13	five years; (2) has been subject to any form of rent or price control through San Francisco's valid
14	exercise of its police power within the last five years, including all units subject to the rent increase
15	limitations set forth in Section 37.3 of the Administrative Code; (3) has been rented by a Lower or Very
16	Low-Income Household within the past five years; or (4) was withdrawn from rent or lease in
17	accordance with Chapter 12.75 (commencing with Section 7060) of Division 7 of Title 1 of the
18	California Government Code) within the past 10 years.
19	"Replacement Unit" shall mean a Residential Unit that replaces a demolished Protected Unit
20	in a new Housing Development Project and that complies with the requirements of this Section 317.2.
21	The Planning Department shall note the existence of Replacement Units on a publicly-accessible
22	website.
23	"Very Low Income Household" is defined in California Health and Safety Code section 50105.
24	(c) No Net Loss of Residential Units. Notwithstanding any other law including local density
25	requirements, a Housing Development Project that will require the demolition of one or more

1	Residential Units, whether authorized or unauthorized, shall include at least as many Residential Units
2	as will be demolished or as existed on the project site within the last five years preceding the date of the
3	Development Application, whichever is greater.
4	(d) Projects that Require Demolition of Protected Units. Notwithstanding any other law
5	including local density requirements, a development project that will require the demolition of
6	occupied or vacant Protected Units, or that is located on a site where Protected Units were demolished
7	in the five years preceding the date the project sponsor submits a Development Application, shall not
8	be approved unless the project meets all of the following requirements:
9	(1) Replacement of Protected Units. The project shall replace all existing Protected
10	Units and all Protected Units demolished on or after January 1, 2020 with Comparable Units. Except
11	as otherwise provided in this Section 317.2, for purposes of this subsection (d)(1), the term "replace"
12	shall have the same meaning as provided in Government Code sections 65915(c)(3)(B) and (C) and as
13	further described below.
14	(A) Demolition of Units Occupied by Lower-Income Households. Except as
15	provided in subsection $317.2(d)(2)(D)$, for projects proposing to demolish buildings that include
16	Protected Units that were occupied at the time of the Development Application, the project sponsor
17	shall replace all Protected Units occupied by Lower-Income Households by making Comparable Units
18	available at an affordable rent or the prior rental rate, whichever is lower, or at an affordable housing
19	cost to persons and families in the same or lower income categories as those households in occupancy
20	or presumed to be in occupancy as described in Section 65915(c)(3)(B)(i). Such units shall be
21	occupied by persons and families in the same or lower income categories as those households in
22	occupancy or presumed to be in occupancy as described in Section 65915(c)(3)(B)(i). Housing
23	Development Projects in which 100 percent of the units, exclusive of a manager's unit or units, are
24	reserved for Lower Income Households, may comply with subsection (d)(1) by providing at least the
25	

1	same total number of units and the total aggregate number of bedrooms as the Protected Units being
2	replaced on the project site.
3	(B) Demolition of Units With Above Lower-Income Households. For projects
4	proposing to demolish buildings that include units subject to the rent increase limitations of Chapter 37
5	of the Administrative Code that were occupied by or presumed to be occupied by above Lower-Income
6	Households, the project sponsor shall replace those units with Comparable Units and subject those
7	units to the rent increase limitations of Chapter 37 of the Administrative Code if the Housing
8	Development Project is a Rental Project. If the project is an Ownership Project, as defined by Section
9	401 of this Code, the project sponsor shall replace the units with Comparable Units that are made
10	available to and occupied by Lower-Income Households. The project sponsor shall consent to such
11	restrictions in a Regulatory Agreement approved by the Planning Department.
12	(C) Vacant or Demolished Units. If all Protected Units have been vacated or
13	demolished within the five years preceding the Development Application, then the project sponsor shall
14	replace those units with Comparable Units based on the number of Lower-Income Households in
15	occupancy or presumed to be in occupancy at the highpoint in the preceding five years, as described in
16	California Government Code Section 65915(c)(3)(B)(ii).
17	(D) Accessibility Requirements. Any demolished Protected Unit that was an
18	accessible unit under California Building Code Chapter 11A shall be replaced with an accessible
19	Comparable Unit.
20	(E) Inclusionary Requirements. Replacement Units constructed pursuant to
21	this subsection (d)(1) shall be considered in determining whether the Housing Development Project
22	satisfies the requirements of California Government Code Section 65915, or any on-site affordable
23	housing requirements under Section 415 et seq. of this Code.
24	(F) Non-Housing Development Projects. If a project that proposes to demolish
25	Protected Units is not a Housing Development Project, the project sponsor shall ensure that any

1	Replacement Units are developed prior to or concurrently with the non-housing development project.
2	Such Replacement Units shall be Comparable Units, and may be located on a site other than the non-
3	housing development project site but shall be located within San Francisco and within one mile of the
4	project site. The project sponsor may contract with another entity to develop the required Replacement
5	Units. Any Replacement Units developed as part of a separate project under this subsection (d)(1)(F)
6	shall be in addition to any Replacement or Inclusionary Units required for that separate project; and
7	shall be in addition to any Replacement Units included in the separate project to meet the requirements
8	of this subsection (d)(1)(F) for any other project; and shall not be located within any project that
9	receives a public subsidy or that will become property of the San Francisco Housing Authority. The
10	Replacement Unit Implementation Document shall contain guidelines as deemed necessary to assist
11	with implementation, monitoring, and enforcement of this subsection $(d)(1)(F)$.
12	(G) Exceptions. Consistent with California Government Code Section
13	66300.6(b)(1)(C), this subsection (d)(1) does not require a Replacement Unit where (i) the project is an
14	industrial use; (ii) the project site is entirely within a zone that does not allow Residential uses; (iii) the
15	zoning applicable to the project site that does not allow Residential uses was adopted prior to January
16	1, 2022; and (iv) the Protected Units that are or were on the project site are or were nonconforming
17	<u>uses.</u>
18	(2) Protections for Existing Occupants. A Development Application shall not be
19	approved unless the project sponsor agrees to comply with the requirements of subsections $(d)(2)(A)$ -
20	(D). The project sponsor shall include a compliant relocation plan with their Development
21	Application. The Replacement Unit Implementation Document shall include minimum standards for a
22	compliant relocation plan, as well as instructions and guidelines on how a project sponsor or a
23	relocation specialist hired by the project sponsor can comply with the requirements in this subsection
24	(d)(2). The Department may impose a fee for the review of a relocation plan.
25	

1	(A) Right to Remain. Existing Occupants who are Lower-Income Households
2	shall be allowed to occupy their units until three months before the start of construction activities.
3	Existing Occupants who are not Lower-Income Households shall be allowed to occupy their units until
4	six months before the start of construction activities. A project sponsor may allow an Existing
5	Occupant to remain beyond three or six months before the start of construction activities.
6	(i) The project sponsor shall provide Existing Occupants, with a copy to
7	the Planning Department, written notice of the planned demolition, the date they must vacate, and their
8	rights under this Section 317.2. The notice shall be provided in writing, by certified mail, at least six
9	months in advance of the date that Existing Occupants must vacate, and shall be in addition to any
10	other notices that may be required by law. This notice shall include the following text in at least 14
11	point bold face type: "This notice is not an eviction notice. It is not notice that you must vacate the
12	building or that your tenancy is being ended. It is to inform you about your rights under Section 317.2
13	of the San Francisco Planning Code."
14	(ii) If the rental agreement with the Existing Occupant was negotiated in
15	a language other than English, the written notice required by subsection $(d)(2)(A)(i)$ shall be issued in
16	that language and in English.
17	(B) Right to Return if Demolition Does Not Proceed. Any Existing Occupants
18	who vacate their units following receipt of the notice required by subsection (A) shall be allowed to
19	return at their prior rental rate, as adjusted in accordance with the provisions of Administrative Code
20	Chapter 37, if the demolition does not proceed and the property is returned to the rental market. The
21	project sponsor shall follow any applicable guidelines in the Replacement Unit Implementation
22	Document regarding the offer and acceptance of a right to return if demolition does not proceed.
23	(C) Relocation Assistance. Project sponsors shall provide relocation assistance
24	to Existing Occupants as follows:
25	

1	(i) Above Lower-Income Households shall receive relocation assistance
2	equivalent to the amounts required under Administrative Code Section 37.9A(e).
3	(ii) Lower-Income Households shall receive relocation assistance
4	equivalent to the amounts required to be paid by public entities as specified in California Government
5	Code Section 66300.6(b)(4)(A), or as set forth in subsection (iii), whichever is greater.
6	(iii) Under this subsection (iii), Lower-Income Households shall initially
7	receive relocation assistance equivalent to the amounts required under Administrative Code Section
8	37.9A(e), with additional relocation assistance commencing three months after the unit was vacated.
9	The additional assistance shall be paid each month, for up to 39 months or until the project sponsor
10	has offered the Lower-Income Household a Comparable Unit (either in the new development or
11	elsewhere in San Francisco), whichever comes first. The amount of the monthly payment shall be
12	equivalent to the difference between the maximum monthly rent for that household and unit type as
13	published by MOHCD, and the San Francisco Housing Authority Payment Standard for that unit size
14	(or the amount that the household is paying for interim housing, whichever is less). The Department
15	shall require displaced Lower-Income Households to re-verify the information needed to calculate this
16	assistance, and their intent to return to a Comparable Unit, every three months as a condition of
17	receiving this additional assistance.
18	(iv) If paying relocation assistance under subsection (iii) would
19	constitute an undue financial hardship for the project sponsor in light of all of the resources available
20	to them, the project sponsor may file a written request with the Rent Board for a hardship adjustment,
21	on a form provided by the Rent Board and with supporting evidence. The Rent Board, or its designated
22	Administrative Law Judges, may order a payment plan or any other relief they determine is justified
23	following a hearing on the request.
24	(v) The relocation assistance set forth in this Section 317.2(d)(2)(C) is
25	not intended to affect any assistance the displaced household may be entitled to under federal or state

1	law. If a displaced household is also entitled to receive relocation assistance under Chapter 37 of the
2	Administrative Code, then the project sponsor may apply the amounts paid under Chapter 37 as a
3	credit against the amounts required under Section 317.2(d)(2)(C).
4	(D) Right of First Refusal For Comparable Units. The project sponsor shall
5	agree to provide Existing Occupants of Protected Units who are Lower-Income Households a right of
6	first refusal for a Comparable Unit available in the new housing development, or if the development is
7	not a housing development, in any required Comparable Units associated with the new development.
8	To ensure the Comparable Unit is affordable to the household, the project sponsor shall offer the unit
9	either at the prior rental rate (plus any annual rent increases that may have been allowed under
10	Administrative Code Sections 37.3(a)(1)-(2)) or at an Affordable Rent, whichever is lower; or at an
11	Affordable Housing Cost.
12	(i) The project sponsor shall follow any applicable procedures and
13	guidelines in the Replacement Unit Implementation Document regarding the offer and acceptance of a
14	Comparable Unit to an Existing Occupant who is a Lower-Income Household. No Temporary or Final
15	Certificate of Occupancy shall be issued unless the Planning Department certifies that the project
16	sponsor has complied with the offer and acceptance procedures and guidelines set forth in the
17	Replacement Unit Implementation Document.
18	(ii) Consistent with California Government Code Sections
19	66300.6(b)(4)(B)(i)-(iii), Existing Occupants who are Lower-Income Households shall not have a right
20	of first refusal under this subsection (D) to a Comparable Unit in any of the following circumstances:
21	a. a development project that consists of a single residential unit
22	located on a site where a single Protected Unit is being demolished;
23	b. units in a Housing Development Project in which 100 percent
24	of the units, exclusive of a manager's unit or units, are reserved for Lower-Income Households, except
25	in the case of an Existing Occupant of a Protected Unit who qualifies for residence in the new

1	development and for whom providing a Comparable Unit would not be precluded due to unit size
2	limitations or other requirements of one or more funding source of the housing development; or
3	c. a development project that meets the requirements set forth in
4	California Government Code Section 66300.6(b)(1)(C).
5	(e) Notice Requirements. In addition to any other notices required by this Code, a project
6	sponsor shall comply with the notice requirements under subsections (e)(1) and (e)(2) of this Section
7	317.2. The Planning Department shall include any additional guidelines in the Replacement Unit
8	Implementation Document. The Planning Department shall create a form or forms to assist project
9	sponsors in providing these notices. The Replacement Unit Implementation Document shall include
10	guidelines for satisfying this section, including procedures for accepting a Replacement Unit under
11	subsection (e)(4). The project sponsor shall provide copies of all notices in this subsection (e) to the
12	Department at the time they are provided to the Existing Occupants.
13	(1) Posted Notice at Site. Within seven days of receiving notice that their Development
14	Application is complete or has been deemed complete, the project sponsor shall post a poster or posters
15	with minimum dimensions of 11 x 17 inches, that includes the content set forth in Section 333(d). The
16	poster or posters shall comply with the requirements in Section 333(e)(1) and shall be placed by the
17	project sponsor at the subject property and shall remain posted until the Department issues a Planning
18	Approval Letter, or the project sponsor withdraws or cancels the application. This notice shall be in
19	addition to any notices required by the Building Code, and any other State or local law. In addition to
20	the locations required by Section 333(e)(1), the posters shall be posted in at least one high traffic area
21	used by tenant households. The requirements of this subsection 317.2(e)(1) may be modified upon a
22	determination by the Zoning Administrator that a different location for the poster would provide better
23	notice or that physical conditions make this requirement impossible or impractical, in which case the
24	notice shall be posted as directed by the Zoning Administrator.
25	

1	(2) Notifications to Existing Occupants. Project sponsors must provide notice to
2	Existing Occupants as required by this Section 317.2(e)(2), and as further required in the Replacement
3	Unit Implementation Document. All forms of notice provided pursuant to this Section 317.2(e)(2) shall
4	be provided in the Required languages, and in languages spoken by a Substantial Number of Limited
5	English Speaking Persons, as those terms are defined in Administrative Code Chapter 91.
6	(i) Notice of Right to Remain. Project sponsors shall notify all Existing
7	Occupants of their right to remain consistent with Section 317.2(d)(2)(A).
8	(ii) Notice of Right to Relocation Benefits. Project sponsors shall notify any
9	Existing Occupants of their right to relocation benefits under Section 317.2(d)(2)(C). Such notice shall
10	include information on relocation specialists and relocation payments.
11	(iii) Notice of a Right of First Refusal. Project sponsors shall notify any
12	Lower-Income Households of their right of first refusal for a Comparable Unit under Section
13	317.2(d)(2)(D). Any household that intends to exercise this right must inform the project sponsor
14	within 180 days of receiving the notice, with a copy to the Planning Department and the Rent Board.
15	The Replacement Unit Implementation Document shall include guidelines for satisfying this section,
16	including procedures and timelines for accepting a Replacement Unit.
17	(iv) Notice of Major Milestones for Existing Tenants who Intend to Exercise a
18	Right of First Refusal. Project sponsors shall notify any Existing Occupant who intends to exercise a
19	Right of First Refusal of major milestones in the development process, including but not limited to:
20	a. the start of construction;
21	b. on at least a bi-annual basis, the anticipated date of when occupancy
22	will be available;
23	c. at least 180, 90, and 30 days in advance of the anticipated availability
24	of the unit prior to the issuance of the Temporary or Final Certificate of Occupancy;
25	d. when the Temporary Certificate of Occupancy is issued; and

1	e. when the Final Certificate of Occupancy is issued.
2	When creating the notices described in this subsection (2), the Department shall also develop forms for
3	Existing Occupants to keep the project sponsor and the Planning Department apprised of future
4	changes of physical address, telephone number, and electronic mail. If the project sponsor is required
5	to offer the Existing Occupant a Replacement Unit, the project sponsor shall make that offer in writing,
6	and shall file a copy of the offer with the Planning Department within 15 days of the offer. The Existing
7	Occupant shall have 30 days from receipt of the offer of notify the project sponsor whether they accept
8	or reject the offer, and if they accept, shall occupy the unit within 60 days of receipt of the offer or
9	when the project receives its Temporary or Final Certificate of Occupancy for the Replacement Unit,
10	whichever occurs last. Nothing in this section shall preclude tenants from contacting the project
11	sponsor to inquire about progress throughout the construction period, or the leasing or sales process.
12	(v) Notice of Right to Return. The project sponsor shall notify all Existing
13	Occupants of their right to return to their former rental unit at the rental rate at the time they vacated
14	their unit if a Development Project does not proceed and the property is returned to the rental market
15	at least 30 days prior to returning the property to the rental market.
16	(f) Private Right of Action; Civil Penalties.
17	(1) An aggrieved tenant, or any non-profit with a primary mission of protecting tenants
18	that is acting on behalf of an aggrieved tenant, may file a civil action for monetary damages and/or
19	injunctive relief against any project sponsor, including any person(s) acting on their behalf and any
20	successors-in-interest, to enforce violations of this Section 317.2.
21	(2) A prevailing tenant may be awarded compensatory damages. A court may impose
22	civil penalties up to \$10,000 per violation of subsections (d)(2). Treble damages may also be awarded
23	for willful violations. If a tenant prevailing under this subsection (f) article is 65 years or older or
24	disabled, the court may impose additional civil penalties up to \$5,000 per violation depending upon the
25	severity of the violation. The prevailing party shall be awarded reasonable attorneys' fees and costs.

ı	(3) The remedies in this paragraph are not exclusive and do not preclude any tenant or
2	the City from seeking any other legal or equitable remedies, penalties, or punitive damages as provided
3	<u>by law.</u>
4	(4) This subsection (f) does not impose liability on a party for violating the notification
5	requirements of subsection (e), so long as the party can demonstrate substantial compliance with those
6	<u>requirements.</u>
7	(g) Other Tenant Rights and Privileges. All tenants of Replacement Units shall have the same
8	rights and privileges of other tenants in the same building or complex, as applicable and if provided
9	generally in the development, with respect to common space amenities, entry into the building, and
10	building services, including access to laundry facilities, gardens or yards, health facilities and
11	recreational space, property management and security services, repairs and maintenance, access to
12	any parking spaces, access to doors and keys, and building rules and regulations.
13	
14	SEC. 333. PUBLIC NOTIFICATION PROCEDURES.
15	* * * *
16	(d) Content of Notice.
17	(1) All notices provided pursuant to this Section 333 shall have a format and
18	content determined by the Zoning Administrator, and shall at a minimum include the following:
19	* * * *
20	(C) the basic details of the project, including whether the project is a
21	demolition, new construction, alteration, or change of use; and basic details comparing the
22	existing and proposed conditions at the property including building height, number of stories,
23	dwelling unit count, number of parking spaces, and the use of the building; and
24	(D) instructions on how to access the online notice and plan sets for the
25	project, including how to obtain paper copies of the plan sets, and additional information for

any public hearings required by the Planning Code and for which public notification is required
for a development application: the date, time and location of the hearing; instructions for how
to submit comments on the proposed project to the hearing body; and an explanation as to
why the hearing is required.; and
(E) if the Project requires the demolition of Residential or Unauthorized Units,
as those terms are defined in Sections 102 and 317, the notice shall also include information regarding
Section 317.2, including information about the protections for Existing Occupants as described in
Section 317.2(d)(2).
* * * *
SEC. 415.4. IMPOSITION OF REQUIREMENTS.
* * * *
(g) The Planning Department shall note the existence of any units provided under Section
415.6 in a Housing Development Project on a publicly-accessible website.
SEC. 415.5. AFFORDABLE HOUSING FEE.
The fees set forth in this Section 415.5 will be reviewed when the City completes an
Economic Feasibility Study. Except as provided in Section 415.5(g), all development projects
subject to this Program shall be required to pay an Affordable Housing Fee subject to the
following requirements:
(a) Timing of Fee Payments. The fee shall be paid to DBI for deposit into the Citywide
Affordable Housing Fund at the time required by Section 402(d).
(b) Amount of Fee. The amount of the fee that may be paid by the project sponsor
subject to this Program shall be determined by MOHCD utilizing the following factors:
* * * *

(7) If the principal project has resulted in demolition, *conversion, or removal* of affordable housing units that are subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate-, low- or very low-income, or housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power and determined to be affordable housing, *the project sponsor* shall comply with Section 317.2. the Commission or the Department shall require that the project sponsor pay the Inclusionary Affordable Housing Fee equivalent for the number of affordable units removed, in addition to compliance with the inclusionary requirements set forth in this Section.

SEC 415.6. ON-SITE AFFORDABLE HOUSING ALTERNATIVE.

If a project sponsor elects to provide on-site units pursuant to Section 415.5(g), the development project shall meet the following requirements:

(a) **Number of Units.** The number of units constructed on-site shall be as follows:

14 * * * *

(12) If the Principal Project has resulted in demolition, conversion, or removal of affordable housing units that are subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate-, low- or very-low-income, or housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power and determined to be affordable housing, the project sponsor shall comply with Section 317.2. the Commission or the Department shall require that the project sponsor replace the number of Affordable Units removed with units of a comparable number of bedrooms and sales prices or rents, in addition to compliance with the requirements set forth in this Section.

24 * * * *

1 SEC 415.7. OFF-SITE AFFORDABLE HOUSING ALTERNATIVE. 2 If the project sponsor elects pursuant to Section 415.5(g) to provide off-site units to 3 satisfy the requirements of Sections 415.1 et seq., the project sponsor shall notify the 4 Planning Department and MOHCD of its intent prior to approval of the project by the Planning 5 Commission or Department. The Planning Department and MOHCD shall provide an 6 evaluation of the project's compliance with this Section 415.7 prior to approval by the Planning 7 Commission or Planning Department. The development project shall meet the following 8 requirements: 9 (a) Number of Units: The number of units constructed off-site shall be as follows: 10 11 (7) If the principal project or the off-site project has resulted in demolition, 12 conversion, or removal of affordable housing units that are subject to a recorded covenant, 13 ordinance, or law that restricts rents to levels affordable to persons and families of moderate-, 14 low- or very low-income, or housing that is subject to any form of rent or price control through 15 a public entity's valid exercise of its police power and determined to be affordable housing, the 16 project sponsor shall comply with Section 317.2. the Commission or the Department shall require that 17 the project sponsor replace the num-ber of affordable units removed with units of a comparable 18 number of bedrooms and sales prices or rents, in addition to compliance with the inclusionary 19 requirements set forth in this Section. 20 21 22 Section 4. Chapter 37 of the Administrative Code is hereby amended by revising 23 Sections 37.2, 37.3, 37.8B, and 37.9, to read as follows: 24 SEC. 37.2. DEFINITIONS.

(r) Rental Units. All residential dwelling units in the City together with the land and appurtenant buildings thereto, and all housing services, privileges, furnishings, and facilities supplied in connection with the use or occupancy thereof, including garage and parking facilities.

* * * *

(4) Except as provided in subsections (A)-(D), dwelling units whose rents are controlled or regulated by any government unit, agency, or authority, excepting those unsubsidized and/or unassisted units which are insured by the United States Department of Housing and Urban Development; provided, however, that units in unreinforced masonry buildings which have undergone seismic strengthening in accordance with *Existing* Building Code Chapters *5B and 5C16B and 16C* shall remain subject to the Rent Ordinances to the extent that the ordinance is not in conflict with the seismic strengthening bond program or with the program's loan agreements or with any regulations promulgated thereunder;

* * * *

(D) The term "rental units" shall include (i) Accessory Dwelling Units constructed pursuant to Section 207.1 of the Planning Code and that have received a complete or partial waiver of the density limits and the parking, rear yard, exposure, or open space standards from the Zoning Administrator pursuant to Planning Code Section 307(I); (ii) New Unit(s) constructed and funded pursuant to Administrative Code Chapter 85; (iii) new dwelling units created pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code; (iv) new dwelling units created pursuant to the HOME-SF Program set forth in Section 206.3(c)(1)(B) of the Planning Code; (v) new dwelling units created pursuant to the density exception set forth in Section 249.94(d)(1) of the Planning Code; and (vii) dwelling units that obtain the exemption from the conditional use authorization set forth in Section 317(c)(10) of the Planning Code; and (vii) any unit subject to a Regulatory Agreement imposing the

rent increase limitations of this Chapter 37, including Replacement Units created under Planning Code Section 317.2(b)(1)(B).

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SEC. 37.3. RENT LIMITATIONS.

(a) **Rent Increase Limitations for Tenants in Occupancy.** Landlords may impose rent increases upon tenants in occupancy only as provided below and as provided by subsections 37.3(d) and 37.3(g):

* * * *

(3) Capital Improvements, Rehabilitation, and Energy Conservation Improvements, and Renewable Energy Improvements. A landlord may impose rent increases based upon the cost of capital improvements, rehabilitation, energy conservation improvements, or renewable energy improvements, provided that such costs are certified pursuant to Sections 37.7 and 37.8B below; provided further that where a landlord has performed seismic strengthening in accordance with Existing Building Code Chapters 5B and 5C16B and 16C, no increase for capital improvements (including but not limited to seismic strengthening) shall exceed, in any 12 month period, 10 percent of the tenant's base rent. subject to rules adopted by the Board to prevent landlord hardship and to permit landlords to continue to maintain their buildings in a decent, safe and sanitary condition. A landlord may accumulate any certified increase which exceeds this amount and impose the increase in subsequent years, subject to the 10 percent limitation. Nothing in this subsection shall be construed to supersede any Board rules or regulations with respect to limitations on increases based upon capital improvements whether performed separately or in conjunction with seismic strengthening improvements pursuant to Existing Building Code Chapters 5B and 5C16B and 16C.

1	* * *
2	(d) Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).
3	Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
4	and regardless of whether otherwise provided under Chapter 37:
5	(1) Property Owner Rights to Establish Initial and All Subsequent Rental
6	Rates for Separately Alienable Parcels.
7	(A) An owner of residential real property may establish the initial and all
8	subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any
9	other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
10	(d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's
11	right to establish subsequent rental rates under this subsection (d)(1)(A) shall not apply to a
12	dwelling or unit where either of the following apply:
13	* * * *
14	(ii) The preceding tenancy has been terminated by the owner by
15	notice pursuant to California Civil Code Section 1946. 1 or has been terminated upon a change
16	in the terms of the tenancy noticed pursuant to California Civil Code Section 827; in such
17	instances, the rent increase limitation provisions of Chapter 37 shall continue to apply for the
18	duration of the new tenancy in that dwelling or unit.
19	(B)(C) An owner's right to establish subsequent rental rates under
20	Subsection 37.3(d)(1) shall not apply to a dwelling or unit which contains serious health,
21	safety, fire or building code violations, excluding those caused by disasters, for which a
22	citation has been issued by the appropriate governmental agency and which has remained
23	unabated for six months or longer preceding the vacancy.
24	(C)(D) An owner's right to establish subsequent rental rates under
25	subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created

1	pursuant to the Code provisions specified in subsection 37.2(r)(4)(D), or a dwelling unit that
2	utilizes the Code provisions specified in subsection 37.2(r)(4)(D).
3	* * * *
4	(f) Costa-Hawkins Vacancy Control. Where a landlord has terminated the previous
5	tenancy as stated in either subsection (1), (2) or (3) below, for the next five years from the
6	termination, the initial base rent for the subsequent tenancy shall be a rent not greater than
7	the lawful rent in effect at the time the previous tenancy was terminated, plus any annual rent
8	increases available under this Chapter 37. This Section 37.3(f) is intended to be consistent
9	with California Civil Code Section 1954.53(a)(1)(A)-(B).
10	(1) Where the previous tenancy was terminated by a notice of termination of
11	tenancy issued under California Civil Code Section 1946.1 stating the ground for recovery of
12	possession under Sections 37.9(a)(8), (9), (10), (11), <i>or</i> (14), <i>or</i> (17) of this Code. For
13	purposes of the termination of tenancy under Section 37.9(a)(9), the initial rent for the unit
14	may be set by a subsequent bona fide purchaser for value of the condominium.
15	* * * *
16	
17	SEC. 37.8B. EXPEDITED HEARING AND APPEAL PROCEDURES FOR CAPITAL
18	IMPROVEMENTS RESULTING FROM SEISMIC WORK ON UNREINFORCED MASONRY
19	BUILDINGS PURSUANT TO BUILDING CODE CHAPTERS 5B AND 5C16B AND 16C

This section contains the exclusive procedures for all hearings concerning certification of the above-described capital improvements. Landlords who perform such work without a UMB bond loan are subject to the capital improvement certification procedures set forth in Section 37.7 above.

WHERE LANDLORDS PERFORMED THE WORK WITH A UMB BOND LOAN.

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1	(a) Requirements for Certification. The landlord must have completed the capital
2	improvements in compliance with the requirements of <i>Existing</i> Building Code Chapters <i>5B and</i>
3	5C16B and 16C. The certification requirements of Section 37.7(b)(2) and (b)(3) are also
4	applicable.
5	* * * *
6	(c) Eligible Items; Costs. Only those items required in order to comply with <u>Existing</u>
7	Building Code Chapters 5B and 5C 16B and 16C may be certified. The allowable cost of such
8	items may not exceed the costs set forth in the Mayor's Office of Economic Planning and
9	Development's publication of estimated cost ranges for bolts plus retrofitting by building
10	prototype and/or categories of eligible construction activities.
11	* * * *
12	
13	SEC. 37.9. EVICTIONS.
14	Notwithstanding Section 37.3, this Section 37.9 shall apply as of August 24, 1980, to all
15	landlords and tenants of rental units as defined in Section 37.2(r).
16	(a) A landlord shall not endeavor to recover possession of a rental unit unless:
17	* * * *
18	(10) The landlord seeks to recover possession in good faith in order to demolish
19	or to otherwise permanently remove the individual rental unit(s) within a building rather than all
20	the units from housing use and has obtained all the necessary permits on or before the date
21	upon which notice to vacate is given, and does so without ulterior reasons and with honest
22	intent; provided that a landlord who seeks to recover possession under this Section 37.9(a)(10) shall
23	subject to the payment of relocation expenses as provided in Section 37.9C-except that a landlord

who seeks to demolish an unreinforced masonry building pursuant to Building Code Chapters 16B and

24

16C and must provide the tenant with the relocation	on assistance specified in Section 37 01/f) below
100 and must provide the tenant with the relocation	on assistance specifica in section 37.71(j) below
<i>prior to the tenant's vacating the premises</i> ; or	

(11) The landlord seeks in good faith to remove temporarily the unit from housing use in order to be able to carry out capital improvements or rehabilitation work that would make the unit hazardous, unhealthy, and/or uninhabitable while work is in progress, and has obtained all the necessary permits on or before the date upon which notice to vacate is given, and does so without ulterior reasons and with honest intent. Any tenant who vacates the unit under such circumstances shall have the right to reoccupy the unit at the prior rent adjusted in accordance with the provisions of this Chapter 37. The landlord may require the tenant to vacate the unit only for the minimum time required to do the work.

(A) On or before the date upon which notice to vacate is given, the landlord shall: (i) advise the tenant in writing that the rehabilitation or capital improvement plans are on file with the Central Permit Bureau of the Department of Building Inspection and that arrangements for reviewing such plans can be made with the Central Permit Bureau, and (ii) provide the tenant a disclosure form prepared by the Board that advises the tenant of the tenant's right to return; *and* (iii) provide the tenant a form prepared by the Board that the tenant can use to keep the Board apprised of any future change in address; *and* (iv) provide the tenant a form prepared by the Board that lower-income tenants can use to seek additional monthly relocation assistance under subsection (D).

20 * * * *

(C) The tenant shall not be required to vacate pursuant to this Section 37.9(a)(11), for a period in excess of three months; provided, however, that such time period may be extended by the Board (including its Administrative Law Judges) upon application by the landlord.

1	(i) In reviewing an application for an extension of time, the Board
2	shall first determine whether the landlord has demonstrated that all of the work is reasonable
3	and necessary to meet state or local requirements concerning the safety or habitability of the
4	building or the unit, rather than elective in nature. If so, the Board shall only consider whether
5	the landlord has delayed in seeking the extension; and the reasonableness of the landlord's

(ii) Alternatively, if the Board determines that not all of the work is reasonable and necessary to meet state or local requirements concerning the safety or habitability of the building or the unit, the Board shall consider the degree to which the work is elective in nature; whether any tenants have objected that the cost of securing alternative housing during the time extension would cause them a financial hardship, and/or that they are 60 years of age or older or disabled; and any other extraordinary circumstances. The Board shall also consider whether the landlord has offered reasonable mitigation, other than the relocation expenses required by <u>subsection (D)Section 37.9C</u>, to address the hardship imposed upon the tenant, such as <u>additional relocation assistance or</u> temporary occupancy of another vacant unit should one be available.

(iii) The Board may grant or deny an application for an extension of time or may approve a shorter period of time, based upon the consideration of the facts of the case. The Board shall adopt rules and regulations to implement the application procedure. If the landlord does not timely allow the tenant to reoccupy the unit, and upon completion of the work the subsequent occupant is someone other than the original tenant, there shall be a rebuttable presumption that the original tenant did not reoccupy the unit due to the delay and therefore, for purposes of restricting the rent as set forth in Section 37.3(f)(1), that the original tenancy was terminated by the landlord.

time estimate.

1	(D) Any landlord who seeks to recover possession under this Section
2	37.9(a)(11) shall pay relocation expenses as provided in Section 37.9C. <u>In addition, if a tenant</u>
3	who is lower-income as defined in California Health and Safety Code section 50079.5 will be required
4	to vacate for in excess of three months pursuant to a notice to vacate under this subsection (a)(11) that
5	was served on or after the effective date of the ordinance in Board of Supervisors File No. , then
6	the tenant shall be entitled to receive additional relocation assistance, as set forth below.
7	(i) A lower-income tenant seeking additional relocation assistance on or
8	after the three-month mark shall submit a form to the Board and to the landlord that includes a
9	verification of the tenant's income, the number of persons who resided with them in the unit, and any
10	other information the Board may deem is necessary in order to calculate the amount of additional
11	relocation assistance authorized under this subsection (D). The landlord may also submit information
12	to the Board to assist the Board in making this calculation. The Board shall inform the parties of the
13	additional relocation assistance required within 30 days of receiving the tenant's verification form, or
14	within 45 days if the landlord has also submitted information.
15	(ii) The amount of additional relocation assistance shall be equivalent to
16	the monthly difference between the rent that the tenant was paying as of the date of the notice to vacate
17	and the San Francisco Housing Authority Payment Standard for that unit size (or the amount the tenan
18	is paying for interim housing, whichever is less). The landlord shall provide the tenant the Board-
19	determined amount each month, until the tenant has accepted or rejected an offer to reoccupy the unit
20	after completion of the work (but in no case for more than 39 months).
21	(iii) The Board shall require tenants to re-verify the information
22	described in subsection (i) and to certify their intent to return to the unit upon completion of the work,
23	every three months, as a condition of receiving the additional assistance.
24	(iv) Either party may challenge a determination regarding additional
25	relocation assistance by seeking a hearing before a Board Administrative Law Judge. In addition, if

the additional assistance would constitute an undue financial hardship for the landlord in light of all of the resources available to them, the landlord also may file a written request for a hardship adjustment, on a form provided by the Board and with supporting evidence. The Board, or its designated Administrative Law Judges, may order a payment plan or any other relief they determine is justified following a hearing on the request.

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(17) The landlord seeks to recover possession in good faith in order to complete a development project that will require the demolition of the entire building containing the rental unit, and has obtained all the necessary permits under Planning Code Section 317.2. Consistent with Planning Code Section 317.2(b)(2)(A), the effective date of the notice to vacate for above lower-income tenants shall not fall more than six months before the start of construction activities provided for in the permit, and not more than three months before the start of construction activities in the case of lowerincome households. Consistent with Planning Code Section 317.2(b)(2)(B), if the landlord does not proceed with the demolition and re-rents any of the units, then the displaced tenant shall be allowed to return to the unit at a rent not greater than that which would have applied had they remained in continuous occupancy.

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(c) Notices to Vacate. A landlord shall not endeavor to recover possession of a rental unit unless at least one of the grounds enumerated in Section 37.9(a) or (b) above is (1) the landlord's dominant motive for recovering possession and (2) unless the landlord informs the tenant in writing on or before the date upon which notice to vacate is given of the grounds under which possession is sought. For notices to vacate under Sections 37.9 (a)(1), (2), (3), (4), (5), or (6), the landlord shall prior to serving the notice to vacate provide the tenant a written warning and an opportunity to cure as set forth in Section 37.9 (o). For notices to vacate under Sections 37.9 (a)(8), (9), (10), (11), or (17), the landlord shall state in the

notice to vacate the lawful rent for the unit at the time the notice is issued, before endeavoring
to recover possession. The Board shall prepare a written form that (1) states that a tenant's
failure to timely act in response to a notice to vacate may result in a lawsuit by the landlord to
evict the tenant, and that advice regarding the notice to vacate is available from the Board;
and (2) includes information provided by the Mayor's Office of Housing and Community
Development regarding eligibility for affordable housing programs. The Board shall prepare
the form in English, Chinese, Spanish, Vietnamese, Tagalog, and Russian and make the form
available to the public on its website and in its office. A landlord shall attach a copy of the form
that is in the primary language of the tenant to a notice to vacate before serving the notice,
except that if the tenant's primary language is not English, Chinese, Spanish, Vietnamese,
Tagalog, or Russian, the landlord shall attach a copy of the form that is in English to the
notice. A copy of all notices to vacate except three-day notices to pay rent or quit and a copy
of any additional written documents informing the tenant of the grounds under which
possession is sought shall be filed with the Board within 10 days following service of the
notice to vacate. In any action to recover possession of the rental unit under Section 37.9-, the
landlord must plead and prove that at least one of the grounds enumerated in Section 37.9-(a)
or (b) and also stated in the notice to vacate is the dominant motive for recovering
possession. Tenants may rebut the allegation that any of the grounds stated in the notice to
vacate is the dominant motive.

20 *

- (j) The following additional provision shall apply to a landlord who seeks to recover a rental unit by utilizing the grounds enumerated in Sections 37.9(a)(8), (a)(9), (a)(10), or(a)(17).
- (1) It shall be a defense to an eviction under Sections 37.9(a)(8), (a)(9), (a)(10), (a)(11), or (a)(12), or (a)(17) if a child under the age of 18 or any educator resides in the unit,

- the child or educator is a tenant in the unit or has a custodial or family relationship with a tenant in the unit, the tenant has resided in the unit for 12 months or more, and the effective date of the notice of termination of tenancy falls during the school year.
 - (2) Section 37.9(j)(1) shall not apply where the landlord is seeking to temporarily evict or temporarily sever housing services in order to perform seismic work required by Building Code Chapter 34B and has provided notice and compensation as required by Administrative Code Chapter 65A.
 - (3) Within 30 days of personal service by the landlord of a written request, or, at the landlord's option, a notice of termination of tenancy under Sections 37.9(a)(8), (a)(9), (a)(10), (a)(11), or (a)(12), or (a)(17), the tenant must submit a statement with supporting evidence to the landlord, if the tenant claims to be a member of the class protected from eviction by Section 37.9(j). The landlord's written request or notice shall contain a warning that a tenant's failure to submit a statement within the 30 day period shall be deemed an admission that the tenant is not protected from eviction by Section 37.9(j). The landlord shall file a copy of the landlord's request or notice with the Rent Board within 10 days of service on the tenant. A tenant's failure to submit a statement within the 30 day period shall be deemed an admission that the tenant is not protected from eviction by Section 37.9(i). A landlord may challenge a tenant's claim of protected status either by requesting a hearing with the Rent Board or, at the landlord's option, through commencement of eviction proceedings, including service of a notice of termination of tenancy. In the Rent Board hearing or the eviction action, the tenant shall have the burden of proof to show protected status. No civil or criminal liability under Section 37.9(e) or (f) shall be imposed upon a landlord for either requesting or challenging a tenant's claim of protected status.

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(I) Hearings on Alleged Wron	gful Endeavor To Reco	ver Possession Th	rough Tenant
Harassment.			

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(1) Upon receipt of a tenant report alleging wrongful endeavor to recover possession of the tenant's unit through harassment, the Board through its Executive Director shall send a notice to the landlord and the tenant acknowledging receipt of the report, and summarizing the rights and responsibilities of landlords and tenants regarding possession of. and eviction from, residential rental units, and requesting that the landlord send the Board a written response to the tenant's report within seven days. Upon consideration of such report and any response, the Executive Director shallmay schedule an investigative hearing on the allegations before a Board Administrative Law Judge if the Executive Director determines that the alleged harassment occurred within the last 90 days, is sufficiently severe and pervasive, and that the tenant is likely to prevail on their claim of harassment, based on factors such as the amount of documentary or other evidentiary support for the tenant's claims, whether the landlord's response is likely to rebut that claim, if the alleged harassment has recurred or is ongoing, whether the landlord will agree to a compliance plan to cease the conduct at issue, and such other factors as the Executive Director may deem appropriate. bBoth the tenant and the landlord may appear at any such hearing and make oral and/or written presentations, including presentation of other witnesses. The Executive Director shall schedule any such hearing within 45 days or as soon as practicable thereafter. Following such hearing, the Administrative Law Judge shall issue findings and conclusions, which may be appealed by either party to provide the Board under Section 37.8. with a summary of evidence produced at the hearing.

(2) <u>In addition to considering any appeals, Upon review of the evidence</u>, the Board shall <u>also</u> consider whether to undertake any further proceedings such as, but not limited to, civil litigation pursuant to Section 37.9(f), or referral to the District Attorney <u>for potential criminal</u> prosecution (see Section 37.9(e)).

(3) For purposes of this Subsection 37.9(I), harassment includes but is not
limited to the types of harassment defined in Section 37.10B(a)(1)-(6) and (8)-(14).
* * *
(n) A landlord who serves a notice to vacate under Section 37.9(a)(8) for the purpose of
recovering possession of the unit for their own use or occupancy or for their family members may seek
approval from the Rent Board to rescind the notice or stop eviction proceedings at any time, but if the
tenant vacates within one year of the date of service of the notice, the tenancy is rebuttably presumed to
have been terminated by the landlord pursuant to the notice for purposes of Planning Code Section
317(d)(6) and Administrative Code Section $37.3(f)(1)(A)(ii)$. This presumption shall apply even if the
tenant vacates the unit after the notice has been rescinded, and a written statement from the tenant that
they are leaving the unit of their own volition signed as part of a settlement whereby the tenant is
required to vacate the unit is insufficient to rebut this presumption.
* * *
Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
additions, and Board amendment deletions in accordance with the "Note" that appears under
the official title of the ordinance.

Section 6. Severability. If any section, subsection, sentence, clause, phrase, or word of

this ordinance, or any application thereof to any person or circumstance, is held to be invalid

or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not

affect the validity of the remaining portions or applications of the ordinance. The Board of

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1	Supervisors hereby declares that it would have passed this ordinance and each and every
2	section, subsection, sentence, clause, phrase, and word not declared invalid or
3	unconstitutional without regard to whether any other portion of this ordinance or application
4	thereof would be subsequently declared invalid or unconstitutional.
5	
6	Section 7. No Conflict with Federal or State Law. Nothing in this ordinance shall be
7	interpreted or applied so as to create any requirement, power, or duty in conflict with any
8	federal or state law.
9	
10	Section 8. Undertaking for the General Welfare. In enacting and implementing this
11	ordinance, the City is assuming an undertaking only to promote the general welfare. It is not
12	assuming, nor is it imposing on its officers and employees, an obligation for breach of which it
13	is liable in money damages to any person who claims that such breach proximately caused
14	injury.
15	
16	Section 9. Effective Date. This ordinance shall become effective 30 days after
17	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
18	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
19	of Supervisors overrides the Mayor's veto of the ordinance.
20	
21	APPROVED AS TO FORM:
22	DAVID CHIU, City Attorney
23	By: <u>/s/</u>
24	MANU PRADHAN Deputy City Attorney
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LEGISLATIVE DIGEST

[Planning, Administrative Codes - Tenant Protections Related To Residential Demolitions and Renovations]

Ordinance amending the Planning Code to require property owners seeking to demolish residential units to replace all units that are being demolished; require relocation assistance to affected occupants of those units, with additional assistance and protections for lower-income tenants; modify the criteria for approval of such projects, with a 36-month prohibition on such approvals after owner move-in evictions and tenant harassment; amending the Administrative Code to require landlords to provide additional relocation assistance to lower-income tenants who are being required to vacate temporarily due to capital improvements or rehabilitation work; update the standards and procedures for hearings related to tenant harassment; and making various non-substantive changes and clarifications; affirming the Planning Department's determination under the California Environmental Quality Act; making public necessity, convenience, and welfare findings under Planning Code, Section 302; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.

Existing Law

Under the Planning Code, and subject to state law, the Planning Commission may approve, or may approve with conditions, requests to demolish residential units. One of those state laws, generally known as "SB 330", mandates that the City may not approve housing development projects that will require the demolition of existing residential units unless the projects will create at least as many residential units as will be demolished. In addition, SB 330 generally requires that projects that require the demolition of units that have been occupied by lower-income households must be replaced with units that are affordable to lower-income households, whereas units subject to rent-control that have been occupied by above lower-income households must be replaced with either affordable units or rent-controlled units. The existing occupants of units being demolished have a right to remain in their units until at least six months before the start of construction. Also, SB 330 requires that existing occupants who are lower-income households must receive relocation assistance, and a right of first refusal for a comparable unit in the new development at an affordable rent or cost.

The City's Rent Ordinance grants tenants a right to relocation assistance if the landlord is requiring them to vacate their units permanently in order to demolish the unit, or temporarily in connection with capital improvements and renovations. The Rent Ordinance also prohibits harassment of tenants. The Rent Board may conduct hearings on tenant harassment claims.

BOARD OF SUPERVISORS Page 1

Amendments to Current Law

This ordinance would amend the Planning Code in several respects related to the Planning Commission's review of permits to demolish residential units and to implement SB 330. In particular, it would:

- require the Planning Commission to make certain findings before authorizing housing development projects that would require the demolition of existing residential units.
- prohibit the demolition of residential units within 36 months after owner move-in
 evictions or adjudicated cases of tenant harassment, unless otherwise required by law
 or where the building posed a serious and imminent hazard.
- establish procedures for the sponsors of such projects to keep the City and any
 existing occupants informed regarding key project milestones.
- grant tenants whose units are being demolished a right to remain in their units until at least six months before the start of construction activities, or three months if the tenant is a lower-income household.
- require project sponsors to provide relocation assistance to tenants as a condition of receiving approval to demolish their units.
- require project sponsors to provide lower-income tenants further relocation assistance starting three months after the tenant is required to vacate, payable each month until the sponsor has offered the tenant a comparable unit.
- provide that a lower-income tenant shall be provided a comparable replacement unit at their previous rental rate or an affordable rent, whichever is lower, or at an affordable housing cost.
- impose requirements on what qualifies as a comparable replacement unit, with regard to the size and configuration of the unit.

Project sponsors would need to submit information with their development applications to demonstrate how they would comply with these provisions, and the approval of a demolition permit would include these provisions as conditions of approval. The ordinance would also authorize private lawsuits against property owners who failed to comply with these rules.

The ordinance would also make various changes to the Rent Ordinance:

• it would require increased relocation assistance for lower-income tenants who have been displaced for more than three months by renovation projects, similar to the

BOARD OF SUPERVISORS Page 2

additional relocation assistance that could apply to lower-income tenants displaced by demolition projects.

- codify a rebuttable presumption that tenants who vacate their units following receipt of an owner move-in notice were required to vacate due to that notice.
- establish standards and guidelines to assist the Rent Board in determining whether to set hearings on tenant harassment claims.

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BOARD OF SUPERVISORS Page 3

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I here	eby subr	nit the following item for introduction (select only one):		
	1.	For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)		
	2.	Request for next printed agenda (For Adoption Without Committee Reference) (Routine, non-controversial and/or commendatory matters only)		
	3.	Request for Hearing on a subject matter at Committee		
	4.	Request for Letter beginning with "Supervisor inquires"		
	5.	City Attorney Request		
	6.	Call File No. from Committee.		
	7.	Budget and Legislative Analyst Request (attached written Motion)		
	8.	Substitute Legislation File No.		
	9.	Reactivate File No.		
	10.	Topic submitted for Mayoral Appearance before the Board on		
	ral Plan	anning Commission Building Inspection Commission Human Resources Department Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53): es No superative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)		
Spon	sor(s):			
Subje	ect:			
Long	Title or	text listed:		
		Signature of Sponsoring Supervisor:		