

BOARD of SUPERVISORS



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

MEMORANDUM

Date: September 18, 2025
To: 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

- ☒ California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
 - ☒ Ordinance / Resolution
 - ☐ Ballot Measure
- ☒ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
 - ☒ General Plan ☒ Planning Code, Section 101.1 ☒ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic 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.

[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.

NOTE: **Unchanged Code text and uncoded text** are in plain Arial font.
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 additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

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

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
25 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.

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

17
18 Section 3. Articles 1.7, 3, and 4 of the Planning Code are hereby amended by revising
19 Sections 176, 311, 317, 333, 415.4, 415.5, 415.6, 415.7, and adding Section 317.2 to read as
20 follows

21 **SEC. 176. ENFORCEMENT AGAINST VIOLATIONS.**

22 * * * *

23 (c) **Penalties.**

24 (1) **Administrative Penalties.**

25 * * * *

1 (C) **Penalties for Specified Violations.**

2 (i) **Alteration, Merger, Construction, or Demolition of**

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

16 * * * *

17
18 **SEC. 311. PERMIT REVIEW PROCEDURES.**

19 * * * *

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

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

4 * * * *

5 (2) **Removal of Residential Units.** When removal or elimination of a
6 ~~Residential Unit authorized~~ or ~~Unauthorized residential~~ Unit, as defined in Sections 102 and 317 of
7 this Code, is proposed, the Applicant shall provide notice as required in this Section 311, and as
8 required by Section 317.2, and such notice shall include contact information for the appropriate
9 City agency or resource for assistance in securing tenant counseling or legal services, as
10 applicable. The Applicant shall post a notice of the application at least 30 inches by 30 inches
11 in a conspicuous common area of the subject property, and such sign shall be posted no later
12 than the start date of the notification period required by this Section 311 and shall remain
13 posted until the conclusion of any hearings on the permit before the Planning Commission,
14 the Zoning Administrator, the Board of Supervisors or the Board of Appeals. The Zoning
15 Administrator shall determine any additional notification procedures to be applied in such a
16 case.

17 (3) **Replacement Structure Required.** Unless the building is determined to
18 pose a serious and imminent hazard as defined in the Building Code, an application
19 authorizing a project that will require the demolition of one or more Residential or Unauthorized
20 Units and/or the demolition of an historic or architecturally important building ~~or of a dwelling~~,
21 shall be conditioned upon the City granting final approval of a building permit for construction
22 of the replacement building. A building permit is finally approved if the Board of Appeals has
23 taken final action for approval on an appeal of the issuance or denial of the permit or if the
24 permit has been issued and the time for filing an appeal with the Board has lapsed with no
25 appeal filed. Approval of the replacement structure shall comply with Section 317.2, as applicable.

1 (4) Buildings Posing a Safety Hazard.——~~(4)~~ The demolition of any building,
2 including but not limited to historically and architecturally important buildings, may be
3 approved administratively when the Director of the Department of Building Inspection, the
4 Chief of the Bureau of Fire Prevention and Investigation, or the Director of Public Works
5 determines, after consultation with the Zoning Administrator, that an imminent safety hazard
6 exists, and the Director of the Department of Building Inspection determines that demolition or
7 extensive alteration of the structure is the only feasible means to secure the public safety.
8 Nothing in this subsection (c)(4) shall relieve a project sponsor from complying with Section 317.2, as
9 applicable. The Zoning Administer may modify the timing of compliance with Section 317.2, as
10 necessary, for demolitions approved under this subsection (c)(4).

11 * * * *

12
13 **SEC. 317. LOSS OF RESIDENTIAL AND UNAUTHORIZED UNITS THROUGH**
14 **DEMOLITION, MERGER, AND CONVERSION.**

15 (a) **Findings.** San Francisco faces a continuing shortage of affordable housing. There
16 is a high ratio of rental to ownership tenure among the City's residents. The General Plan
17 recognizes that existing housing is the greatest stock of rental and financially accessible
18 residential units, and is a resource in need of protection. Therefore, a public hearing will be
19 held prior to approval of any Development Application ~~permit~~ that would allow ~~removale of~~
20 existing housing, with certain exceptions, as described below. The Planning Commission ~~shall~~
21 has developed a Code Implementation Document setting forth procedures and regulations for
22 the implementation of this Section 317 as provided further below. The Zoning Administrator
23 shall modify economic criteria related to property values and construction costs in the
24 Implementation Document as warranted by changing economic conditions to meet the intent
25 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 Development
24 Application for a permit that ~~would result in the~~ seeks authorization for Removal of one or more
25 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 Application for a permit that would result in the seeks authorization for Removal of
3 one or more Residential ~~Units~~ or Unauthorized Units is required to obtain Conditional Use
4 authorization unless it meets all the following criteria:

5 (A) The project sponsor certifies under penalty of perjury that any ~~The~~ units to
6 be demolished are or were not tenant occupied at the time the project sponsor submits a
7 Development Application, 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;

(D) The proposed project is adding at least one more Residential Unit than would be demolished;

(E) The proposed project complies with the requirements of Section 317.2; 66300(d) of the California Government Code, as may be amended from time to time, including but not limited to requirements to replace all protected units, and to offer existing occupants of any protected units that are lower income households relocation benefits and a right of first refusal for a comparable unit, as those terms are defined therein; and

~~(F) The project sponsor certifies under penalty of perjury that any units to be demolished are not tenant occupied and are without a history of evictions under Administrative Code Sections 37.9(a)(8)-(12) or 37.9(a)(14)-(16) within last five years, and have not been vacated within the past five years pursuant to a Buyout Agreement, as defined in Administrative Code Section 37.9E, as it may be amended from time to time, regardless of whether the Buyout Agreement was filed with the Rent Board pursuant to Administrative Code Section 37.9E(h); and~~

~~(G)~~ The project sponsor has conducted one meeting prior to or within 20 days of filing a ~~development application~~ Development Application. ~~Following submission of a development application, t~~The Planning Department shall not determine a ~~development application~~ Development Application to be complete without confirmation that the project sponsor has held at least one meeting conforming to the requirements of this subsection (c)(2)(~~G~~) and any additional procedures the Planning Department may establish. The project sponsor shall provide mailed notice of the meeting to the individuals and neighborhood organizations specified in Planning Code Section 333(e)(2)(A) and (C), as well as posted notice as set forth in Planning Code Section 333(e)(1).

* * * *

(10) Exception for Certain Unauthorized Units with No Tenant Occupant for 10 Years. The Conditional Use requirement of subsections (c)(1) and (c)(2) shall not apply

1 to an application for a permit that would result in the Removal of an Unauthorized Unit in a
2 one-family dwelling where all of the conditions in subsection (c)(10)(A) are met. To establish
3 eligibility, the owner shall furnish a declaration under penalty of perjury on a form prescribed
4 by the Department, attesting to compliance with all of the conditions in subsection (c)(10)(A).

5 * * * *

6 (B) **Regulatory Agreement.** Sponsors of projects utilizing the
7 Conditional Use Authorization exception in subsection (c)(10) of this Section 317 shall enter
8 into a regulatory agreement with the City subjecting the one-family dwelling to the rent increase
9 limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the
10 Administrative Code), as amended from time to time, as a condition of approval of the permit
11 to remove the Unauthorized Unit ("Regulatory Agreement"). The property owner and the
12 Planning Director, or the Director's designee, on behalf of the City, shall execute the
13 Regulatory Agreement, which is subject to review and approval by the City Attorney's Office.
14 The Regulatory Agreement shall be executed prior to the City's issuance of the permit to
15 remove the Unauthorized Unit. Following execution of the Regulatory Agreement by all parties
16 and approval by the City Attorney, the Regulatory Agreement or a memorandum thereof shall
17 be recorded in the title records in the Office of the Assessor-Recorder against the property
18 and the Regulatory Agreement shall be binding on all future owners and successors in
19 interest. The Planning Department shall note the existence of any recorded Regulatory Agreement
20 applicable to the Housing Development Project on a publicly-accessible website. At a minimum, the
21 Regulatory Agreement shall contain the following:

22 (i) A statement that the one-family dwelling is not subject to the
23 Costa-Hawkins Rental Housing Act (California Civil Code Section 1954.50 et seq.) Further,
24 that under Section 1954.52(b), the property owner has entered into and agreed to the terms of
25

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
25

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 Development Applications to merge Residential ~~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 ~~removal of the unit(s) and~~ the remaining unit following the
18 Mmerger 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
25

greater in size, number of bedrooms, affordability, and suitability to households with children to the units being removed;

(E) how recently the unit being removed through the Merger 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 Merger only when the Merger 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 filing 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 Development Applications~~applications~~ for projects that
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 Arbitration Ordinance or affordable housing;~~

14 ~~(G) whether the project conserves existing housing to preserve cultural and~~
15 ~~economic neighborhood diversity;~~

16 ~~(H) whether the project conserves neighborhood character to preserve~~
17 ~~neighborhood cultural 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 neighborhoods;~~

23 ~~(L) whether the project increases the number of family sized units on-site;~~

24 ~~(M) whether the project creates new supportive housing;~~

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 * * * *

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.*

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 uses.

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.

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:*

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.

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.

1 (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 by law.

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 requirements.

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:

* * * *

1 (7) If the principal project has resulted in demolition, ~~conversion, or removal~~ of
2 affordable housing units that are subject to a recorded covenant, ordinance, or law that
3 restricts rents to levels affordable to persons and families of moderate-, low- or very low-
4 income, or housing that is subject to any form of rent or price control through a public entity's
5 valid exercise of its police power and determined to be affordable housing, the project sponsor
6 shall comply with Section 317.2. ~~the Commission or the Department shall require that the project~~
7 ~~sponsor pay the Inclusionary Affordable Housing Fee equivalent for the number of affordable units~~
8 ~~removed, in addition to compliance with the inclusionary requirements set forth in this Section.~~
9

10 **SEC 415.6. ON-SITE AFFORDABLE HOUSING ALTERNATIVE.**

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

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

14 * * * *

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

25 * * * *

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

5 * * * *

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

14 * * * *

15 (D) The term "rental units" shall include (i) Accessory Dwelling Units
16 constructed pursuant to Section 207.1 of the Planning Code and that have received a
17 complete or partial waiver of the density limits and the parking, rear yard, exposure, or open
18 space standards from the Zoning Administrator pursuant to Planning Code Section 307(I); (ii)
19 New Unit(s) constructed and funded pursuant to Administrative Code Chapter 85; (iii) new
20 dwelling units created pursuant to the density exception set forth in Section 207(c)(8) of the
21 Planning Code; (iv) new dwelling units created pursuant to the HOME-SF Program set forth in
22 Section 206.3(c)(1)(B) of the Planning Code; (v) new dwelling units created pursuant to the
23 density exception set forth in Section 249.94(d)(1) of the Planning Code; ~~and~~ (vi) dwelling
24 units that obtain the exemption from the conditional use authorization set forth in Section
25 317(c)(10) of the Planning Code; and (vii) any unit subject to a Regulatory Agreement imposing the

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

3 * * * *

4
5 **SEC. 37.3. RENT LIMITATIONS.**

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

9 * * * *

10 (3) **Capital Improvements, Rehabilitation, and Energy Conservation**
11 **Improvements, and Renewable Energy Improvements.** A landlord may impose rent
12 increases based upon the cost of capital improvements, rehabilitation, energy conservation
13 improvements, or renewable energy improvements, provided that such costs are certified
14 pursuant to Sections 37.7 and 37.8B below; provided further that where a landlord has
15 performed seismic strengthening in accordance with Existing Building Code Chapters 5B and
16 5C16B and 16C, no increase for capital improvements (including but not limited to seismic
17 strengthening) shall exceed, in any 12 month period, 10 percent of the tenant's base rent,
18 subject to rules adopted by the Board to prevent landlord hardship and to permit landlords to
19 continue to maintain their buildings in a decent, safe and sanitary condition. A landlord may
20 accumulate any certified increase which exceeds this amount and impose the increase in
21 subsequent years, subject to the 10 percent limitation. Nothing in this subsection shall be
22 construed to supersede any Board rules or regulations with respect to limitations on increases
23 based upon capital improvements whether performed separately or in conjunction with
24 seismic strengthening improvements pursuant to Existing Building Code Chapters 5B and
25 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), ~~or (14)~~, or (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 5C~~16B AND 16C~~**
20 **WHERE LANDLORDS PERFORMED THE WORK WITH A UMB BOND LOAN.**

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

1 (a) **Requirements for Certification.** The landlord must have completed the capital
2 improvements in compliance with the requirements of Existing Building Code Chapters 5B and
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 Existing
7 Building Code Chapters 5B and 5C16B 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~~
24 ~~who seeks to demolish an unreinforced masonry building pursuant to Building Code Chapters 16B and~~

1 ~~16C and must provide the tenant with the relocation assistance specified in Section 37.9A(f) below~~
2 ~~prior to the tenant's vacating the premises; or~~

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

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

20 * * * *

21 (C) The tenant shall not be required to vacate pursuant to this Section
22 37.9(a)(11); for a period in excess of three months; provided, however, that such time period
23 may be extended by the Board (including its Administrative Law Judges) upon application by
24 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
6 time estimate.

7 (ii) Alternatively, if the Board determines that not all of the work is
8 reasonable and necessary to meet state or local requirements concerning the safety or
9 habitability of the building or the unit, the Board shall consider the degree to which the work is
10 elective in nature; whether any tenants have objected that the cost of securing alternative
11 housing during the time extension would cause them a financial hardship, and/or that they are
12 60 years of age or older or disabled; and any other extraordinary circumstances. The Board
13 shall also consider whether the landlord has offered reasonable mitigation, other than the
14 relocation expenses required by subsection (D)Section 37.9C, to address the hardship imposed
15 upon the tenant, such as additional relocation assistance or temporary occupancy of another
16 vacant unit should one be available.

17 (iii) The Board may grant or deny an application for an extension
18 of time or may approve a shorter period of time, based upon the consideration of the facts of
19 the case. The Board shall adopt rules and regulations to implement the application procedure.
20 If the landlord does not timely allow the tenant to reoccupy the unit, and upon completion of
21 the work the subsequent occupant is someone other than the original tenant, there shall be a
22 rebuttable presumption that the original tenant did not reoccupy the unit due to the delay and
23 therefore, for purposes of restricting the rent as set forth in Section 37.3(f)(1), that the original
24 tenancy was terminated by the landlord.
25

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. In addition, if a tenant
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 tenant
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

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

6 * * * *

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

17 * * * *

18 (c) Notices to Vacate. A landlord shall not endeavor to recover possession of a rental
19 unit unless at least one of the grounds enumerated in Section 37.9(a) or (b) above is (1) the
20 landlord's dominant motive for recovering possession and (2) unless the landlord informs the
21 tenant in writing on or before the date upon which notice to vacate is given of the grounds
22 under which possession is sought. For notices to vacate under Sections 37.9 (a)(1), (2), (3),
23 (4), (5), or (6), the landlord shall prior to serving the notice to vacate provide the tenant a
24 written warning and an opportunity to cure as set forth in Section 37.9 (o). For notices to
25 vacate under Sections 37.9 (a)(8), (9), (10), (11), ~~or (14)~~, or (17), the landlord shall state in the

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

20 * * * *

21 (j) The following additional provision shall apply to a landlord who seeks to recover a
22 rental unit by utilizing the grounds enumerated in Sections 37.9(a)(8), (a)(9), (a)(10), (a)(11),
23 ~~or (a)(12), or (a)(17).~~

24 (1) It shall be a defense to an eviction under Sections 37.9(a)(8), (a)(9), (a)(10),
25 (a)(11), ~~or (a)(12), or (a)(17)~~ if a child under the age of 18 or any educator resides in the unit,

1 the child or educator is a tenant in the unit or has a custodial or family relationship with a
2 tenant in the unit, the tenant has resided in the unit for 12 months or more, and the effective
3 date of the notice of termination of tenancy falls during the school year.

4 (2) Section 37.9(j)(1) shall not apply where the landlord is seeking to
5 temporarily evict or temporarily sever housing services in order to perform seismic work
6 required by Building Code Chapter 34B and has provided notice and compensation as
7 required by Administrative Code Chapter 65A.

8 (3) Within 30 days of personal service by the landlord of a written request, or, at
9 the landlord's option, a notice of termination of tenancy under Sections 37.9(a)(8), (a)(9),
10 (a)(10), (a)(11), ~~or (a)(12)~~, or (a)(17), the tenant must submit a statement with supporting
11 evidence to the landlord, if the tenant claims to be a member of the class protected from
12 eviction by Section 37.9(j). The landlord's written request or notice shall contain a warning that
13 a tenant's failure to submit a statement within the 30 day period shall be deemed an
14 admission that the tenant is not protected from eviction by Section 37.9(j). The landlord shall
15 file a copy of the landlord's request or notice with the Rent Board within 10 days of service on
16 the tenant. A tenant's failure to submit a statement within the 30 day period shall be deemed
17 an admission that the tenant is not protected from eviction by Section 37.9(j). A landlord may
18 challenge a tenant's claim of protected status either by requesting a hearing with the Rent
19 Board or, at the landlord's option, through commencement of eviction proceedings, including
20 service of a notice of termination of tenancy. In the Rent Board hearing or the eviction action,
21 the tenant shall have the burden of proof to show protected status. No civil or criminal liability
22 under Section 37.9(e) or (f) shall be imposed upon a landlord for either requesting or
23 challenging a tenant's claim of protected status.

24 * * * *

1 (I) Hearings on Alleged Wrongful Endeavor To Recover Possession Through Tenant
2 Harassment.

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

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

1 (3) For purposes of this Subsection 37.9(l), harassment includes but is not
2 limited to the types of harassment defined in Section 37.10B(a)(1)-(6) and (8)-(14).

3 * * * *

4 (n) A landlord who serves a notice to vacate under Section 37.9(a)(8) for the purpose of
5 recovering possession of the unit for their own use or occupancy or for their family members may seek
6 approval from the Rent Board to rescind the notice or stop eviction proceedings at any time, but if the
7 tenant vacates within one year of the date of service of the notice, the tenancy is rebuttably presumed to
8 have been terminated by the landlord pursuant to the notice for purposes of Planning Code Section
9 317(d)(6) and Administrative Code Section 37.3(f)(1)(A)(ii). This presumption shall apply even if the
10 tenant vacates the unit after the notice has been rescinded, and a written statement from the tenant that
11 they are leaving the unit of their own volition signed as part of a settlement whereby the tenant is
12 required to vacate the unit is insufficient to rebut this presumption.

13 * * * *

14
15 Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
16 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
17 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
18 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
19 additions, and Board amendment deletions in accordance with the "Note" that appears under
20 the official title of the ordinance.

21
22 Section 6. Severability. If any section, subsection, sentence, clause, phrase, or word of
23 this ordinance, or any application thereof to any person or circumstance, is held to be invalid
24 or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
25 affect the validity of the remaining portions or applications of the ordinance. The Board of

Supervisors hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this ordinance or application thereof would be subsequently declared invalid or unconstitutional.

Section 7. No Conflict with Federal or State Law. Nothing in this ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

Section 8. Undertaking for the General Welfare. In enacting and implementing this ordinance, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

Section 9. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/
MANU PRADHAN
Deputy City Attorney

n:\legana\as2025\2500272\01867217.docx

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.

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

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.

n:\legana\as2025\2500272\01867222.docx

Introduction Form

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

I hereby submit 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

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Subject:

Long Title or text listed:

Signature of Sponsoring Supervisor: