

1 [Administrative Code - Displaced Tenant Preference in City Affordable Housing]

2

3 **Ordinance amending the Administrative Code to expand the Displaced Tenant**  
4 **Preference in City Affordable Housing Programs to cover tenants where the tenant's**  
5 **unit is ~~no~~ will no longer be restricted by a regulatory agreement or other affordable**  
6 **housing restriction within five years and the landlord has increased the market-rate**  
7 **rent in such tenant's building is to be more than 40% of the tenant's gross household**  
8 **income.**

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

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

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18 Section 1. Chapter 47 of the Administrative Code is hereby amended by revising  
19 Section 47.2, to read as follows:

20 **SEC. 47.2. DEFINITIONS.**

21 \* \* \* \*

22 "Displaced Tenant" shall mean any person who applies to MOHCD and who MOHCD  
23 determines qualifies under any of the categories below. If a person disputes MOHCD's  
24 determination that he or she does not qualify as a "Displaced Tenant" under this Section 47.2,  
25 such person shall have the right to a hearing conducted by a Rent Board Administrative Law  
Judge (as defined in Administrative Code Section 37.2(f)), with MOHCD as the responding  
party:

1           Category 1: A tenant residing in San Francisco who on or after January 1, 2010  
2 receives a Notice of Intent to Withdraw Rental Units ("Notice of Intent to Withdraw") pursuant  
3 to the Ellis Act, California Government Code Section 7060 et seq., and corresponding  
4 provisions of the Rent Ordinance. MOHCD shall establish a process for a tenant to verify his  
5 or her status as a "Displaced Tenant" under Category 1 that, at a minimum, shall require a  
6 tenant to show: (a) the landlord filed with the Rent Board a Notice of Intent to Withdraw; and  
7 (b) the tenant either: (1) is listed on the Notice of Intent to Withdraw; (2) is listed on the lease  
8 for the unit in question; or (3) has other evidence sufficient to establish, in MOHCD's  
9 reasonable discretion, that he or she resided in the unit at the time the Notice of Intent to  
10 Withdraw was filed. If the Rent Board grants a landlord's request to rescind the Notice of  
11 Intent to Withdraw before a tenant moves out of his or her unit, such tenant shall no longer  
12 qualify as a "Displaced Tenant."

13           Category 2: A tenant residing in San Francisco who on or after January 1, 2010  
14 receives a notice that his or her landlord plans to recover possession of the unit under Section  
15 37.9(a)(8) of the Rent Ordinance. MOHCD shall establish a process for a tenant to verify his  
16 or her status as a "Displaced Tenant" under Category 2 that, at a minimum, shall require a  
17 tenant to show: (a) the landlord filed with the Rent Board the notice to vacate, as required  
18 under Rent Ordinance Section 37.9(c); and (b) the tenant either: (1) is listed on the notice to  
19 vacate; (2) is listed on the lease for the unit in question; or (3) has other evidence sufficient to  
20 establish, in MOHCD's reasonable discretion, that he or she resided in the unit at the time the  
21 notice to vacate was filed.

22           Category 3: A tenant residing in San Francisco who is required to vacate his or her  
23 unit by a public safety official due to fire, and who can provide sufficient evidence to MOHCD  
24 that demonstrates that he or she cannot return to the unit within a period of six months from  
25 the date of the order to vacate the unit. MOHCD shall establish a process for a tenant to verify

1 his or her status as a "Displaced Tenant" under Category 3 that, at a minimum, shall require a  
2 tenant to show: (a) a public safety official provided an order to vacate the unit to such tenant  
3 or to the owner of the unit; and (b) the tenant either: (1) is listed on the order to vacate; (2) is  
4 listed on the lease for the unit in question; or (3) has other evidence sufficient to establish, in  
5 MOHCD's reasonable discretion, that he or she resided in the unit at the time the order was  
6 provided. This Category 3 "Displaced Tenant" preference shall expire by operation of law on  
7 December 31, 2020, provided, however, that MOHCD may determine after December 31,  
8 2020 that a person who applied to MOHCD under Category 3 on or prior to December 31,  
9 2020 qualifies as a Displaced Tenant.

10 Category 4: A tenant residing in San Francisco who is vacating the tenant's unit because  
11 MOHCD has verified that a multi-family residential property is will no longer be restricted to ensure  
12 affordability based on income under any regulatory agreement (including a regulatory agreement  
13 based on the issuance of housing mortgage revenue bonds) or other affordable housing agreement  
14 and/or recorded instrument within 5 years, and the landlord of such property has leased  
15 unrestricted residential rental units in the same building at a market rent that is more than  
16 increase such tenant's total annual rent above 40% of the tenant's total annual gross household  
17 income. MOHCD shall establish a process for a tenant to verify the tenant's status as a "Displaced  
18 Tenant" under Category 4 that, at a minimum, shall require the tenant to show: (a) documentation of  
19 the tenant's total gross household income on a form provided by MOHCD in accordance with the  
20 Inclusionary Procedures Manual in effect at the time of application for a "Displaced Tenant" housing  
21 preference; (b) evidence that market rate rent in the tenant's building written documentation  
22 from the landlord, in a form prescribed by MOHCD, that the household will is required to  
23 execute a new lease with a rent amount that exceeds 40% of the tenant's current total annual  
24 gross household income; and (c) the tenant either: (1) is listed on the lease for the unit in question; or  
25

1 (2) has other evidence sufficient to establish, in MOHCD's reasonable discretion, that he or she resides  
2 in the unit at the time the landlord increased the tenant's rent.

3 \* \* \* \*

4 Section 2. Effective Date. This ordinance shall become effective 30 days after  
5 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
6 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
7 of Supervisors overrides the Mayor's veto of the ordinance.

8 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors  
9 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,  
10 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal  
11 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment  
12 additions, and Board amendment deletions in accordance with the "Note" that appears under  
13 the official title of the ordinance.

14  
15 APPROVED AS TO FORM:  
16 DENNIS J. HERRERA, City Attorney

17  
18 By: \_\_\_\_\_  
19 KEITH NAGAYAMA  
Deputy City Attorney  
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