CITY AND COUNTY OF SAN FRANCISCO BOARD of SUPERVISORS



File 98-1158 HVS OFFICE OF THE LEGISLATIVE ANALYST Gail Feldman, Chief Legislative Analyst



LEGISLATIVE ANALYSIS (Revised)

Committee:

Housing and Neighborhood Services

File Number:

98-1158 Owner Move-In Reform and Senior Housing Protection Act II

Origin: Date:

Supervisor Bierman August 20, 1998

Summary of Requested Action:

The proposed ordinance (File 98-1158) amends Chapter 37 of the San Francisco Administrative Code (the "Rent Ordinance") to provide additional protections and remedies to all residential tenants in San Francisco from evictions based on owner or relative occupancy, commonly known as "owner move-in" (or "OMI"). Amendments proposed by this ordinance require owner or relative occupancy of the vacated unit to occur within 3 months of the eviction and continuous occupancy of that unit for 36 months. If occupancy is not maintained during the 36 months, the owner must provide re-rental rights to the displaced tenant. In addition, the ownership interest for an owner who wishes to evict a tenant is extended to at least 50 percent for property acquired after July 1, 1997. OMI evictions would be prohibited if a comparable unit, in any of the owner's buildings, is vacant and available to the tenant prior to that tenant's vacation of the unit.

Owners would also be required to document evictions as well as provide rights to displaced tenants, including a three-year right of re-rental and limitations of rent increases. This proposed legislation also requires owners to provide relocation payments to displaced tenants with continuous occupancy in multi-unit buildings of 12 months or more prior to eviction.

Further amendments to Section 37 make it a misdemeanor for an owner to refuse to rent a unit to any person protected by the City's OMI restrictions for the purpose of avoiding these protections.

Current OMI Law:

San Francisco Administrative Code (Section 37.9)

The City's Administrative Code contains 14 "just cause" provisions which permit a landlord to evict a residential tenant in order to recover possession of a unit, including evictions for owner or relative occupancy ("OMI evictions"). Currently, landlords pursuing OMI evictions must use the vacated unit, for a period of at least 12 continuous months following the eviction, as a principal residence for the landlord or the landlord's relatives - including the landlord's children, parents, grandparents, grandchildren, brother or sister, spouse or spouse of the landlord's relation.

In order to recover possession, current law mandates that a landlord have a 10 percent interest in property acquired before February 21, 1991, and for properties acquired after that date, ownership interest of at least 25 percent is required. In addition, recovery is prohibited when a comparable unit in the building is already vacant and available, or if that unit becomes available during the period of the eviction notice. Under certain conditions, including evictions based on capital improvements or permanent removal of units from residential housing ("Ellis Act" evictions), landlords must extend rights of re-rental to displaced tenants and/or pay tenants relocation costs.

The OMI Moratorium (Ordinance 98-0805)

The OMI moratorium that was recently approved by the Board of Supervisors (the Board), took effect on August 16, 1998 and applies to buildings with two or more units. It amends the San Francisco Rent and Stabilization Ordinance (the "Rent Ordinance") to prohibit OMI evictions of qualifying seniors who are at least 60 years old with tenancies of 10

years or more in the same property. OMI evictions are also prohibited for disabled tenants with tenancies of 10 years in the same property, and catastrophically-ill tenants with tenancies of 5 years in the same property. Definitions of disabled and catastrophically-ill tenants are contained in Section 37.9 of the Administrative Code.

The provisions of the OMI moratorium will not apply when there is only one rental unit owned by the landlord in the building, or when units owned by the landlord in a building in which the landlord resides, are occupied by tenants belonging to the protected groups described above, or when recovery of the unit would be for the landlord's relative who is at least 60 years of age.

This legislation places the burden of proof on the tenant by requiring that qualifying tenants who may be facing evictions, substantiate their claims of protected status within thirty days of receiving an eviction notice. In addition, provisions in the OMI moratorium provide property owners with procedures they can use to verify or dispute claims of protected status made by tenants. Owners must, in turn, file a copy of the eviction notice with the San Francisco Rent and Stabilization Board (the "Rent Board") within ten days of serving an eviction notice to a tenant.

Evictions: Comparing Current OMI Law and the Proposed Legislation:

The proposed legislation modifies existing provisions regarding OMI evictions in the Rent Ordinance with the intent of restricting evictions and providing additional remedies for all tenants in San Francisco. According to the City Attorney's Office, during the period of the OMI moratorium, qualifying seniors, disabled and catastrophically-ill tenants cannot be evicted for owner or relative-occupancy if they have evidence substantiating their claims of protected status.

This proposed legislation modifies existing provisions in the Rent Ordinance which affect all tenants facing OMI evictions as follows:

- 1) Current provisions in the Rent Ordinance require landlords or their relatives to use vacated units as their primary residence for at least 12 continuous months following an eviction.
 - The proposed amendments modify occupancy requirements by mandating that owners or their relatives assume occupancy of the vacated unit within 3 months of the eviction and in addition, maintain continuous occupancy for at least 36 months in that unit.
- 2) Current provisions in the Rent Ordinance limit OMI evictions to owners with at least 10 percent interest in property acquired before February 21, 1991, and to owners with at least 25 percent interest in property acquired after February 21, 1991.
 - In addition to the 10 percent ownership requirement, OMI evictions would be further restricted to owners with at least 25 percent interest in property acquired before July 1, 1997, and for property acquired after July 1, 1997, owners must have at least 50 percent interest in that property.
- 3) Under current law, recovery of possession is prohibited if a comparable unit, in the building in which the eviction is being pursued, is available during the period of the notice terminating the tenancy.
 - The proposed amendments prohibit OMI evictions if a comparable unit in any building owned by a landlord is vacant and available prior to the tenant's vacancy from the unit. If a non-comparable unit is available and vacant, the owner must offer that unit to a tenant at the same rental amount or with allowable adjustments based on the condition of the unit. The Rent Board would settle disputes over the initial rent of the replacement unit.

- 4) The Rent Ordinance currently requires landlords to pay relocation costs ranging from \$1,500 to \$2,500 based on the size of the unit, for displacements resulting from permanent removal of rental units from the housing market ("Ellis Act" evictions) if displaced tenants are low-income, elderly and disabled tenants.
 - Relocation payments, under the proposed legislation, are established at \$1,000 for tenants living in buildings with 2 or more units and with continuous tenancies of 12 months or more prior to the eviction. Payment terms are \$500 for the initial payment made at the time of the service of the eviction notice, and the remaining \$500 shall be paid when the tenant vacates the unit.
- 5) The Rent Ordinance currently defines "noticing" guidelines for landlords pursuing evictions with just cause, including those based on owner or relative occupancy. Current regulations also permit tenants to exercise tenancy rights permitted under the law, and prohibit any retaliatory action that may be taken by a landlord against tenants who exercise those rights. Tenants or the Rent Board may institute civil proceedings for injunctive relieve against landlords who violate provisions of the Rent Ordinance.
 - The proposed legislation creates a new section on "Tenant Rights in Evictions" which permits tenants to invoke the protection of the law within 30 days of receiving a notice to vacate. The proposed amendments also make it a misdemeanor and a punishable offense when a landlord refuses to rent or withholds a rental unit from a tenant in violation of protections contained in Chapter 37 of the Rent Ordinance.

Background:

The Board of Supervisors (the Board) has passed legislation in the past year which impacts tenants and landlords in residential housing as follows:

- Legislation on the original OMI moratorium legislation was passed by the Board in December 1997. However, following a legal challenge of this legislation, the Superior Court invalidated the OMI moratorium in April 1998.
- In March 1998, legislation on Apartment Unit Conversion (File 97-034.01) was passed, which prohibited unlawful conversions of short term or transient use of apartment units designated for permanent residency. The Board determined that such usage had an adverse impact for tenants with long-term leases, and also took units off the long term rental market.
- In May 1998, the Board amended the Rent Ordinance to allow general obligation bond passthroughs (File 98-0521) for San Francisco's landlords. This legislation allows landlords who incur property tax increases resulting from repayments of bonds approved by voters between November 1996 and November 1998, to pass these increases to their tenants, under certain conditions.
- This past July, the City enacted OMI legislation (Ordinance 98-0805) which revised the original OMI moratorium approved by the Board last December by adding procedures enabling landlords to verify or dispute claims of protected status made by qualifying senior, disabled and catastrophically-ill tenants facing OMI evictions. On August 10, 1998, a local Municipal Court judge upheld this ordinance in a case involving an eviction dispute between a property owner and an elderly tenant.

Regulation of OMI Evictions in Other Jurisdictions:

• New York Rent Stabilization Law

According to the New York Rent Stabilization Association, evictions based on occupancy by the owner or the owner's relatives are generally permitted by the Rent Stabilization Law when the tenant's lease expires in the City and State of New York. However, current law prohibits evictions of seniors who are 62 years or older with occupancy of 20 or more years, and disabled individuals living in rent-controlled or rent stabilized units.

In New York City (NYC), provisions of the Rent Stabilization Law prohibit an owner from evicting a senior or disabled tenant from a rent stabilized apartment, unless a comparable or superior unit can be located in the same or lower regulated rent nearby in the area.

Outside NYC, tenants living in rent stabilized or rent controlled units cannot be evicted if one or more of the tenants is a senior who is 62 years or older, or is disabled, or has maintained occupancy in the building for 20 years or more.

When an eviction is permitted under the Rent Stabilization Law, only one of the individual owners can recover possession of the unit for personal use and occupancy, even if that owner has partial or full ownership of that building. If the vacated unit is not used by the owner or the owner's family as their primary residence for three continuous years, the owner may lose the right to any rent increases for other apartments in that building for three years.

• Los Angeles City Housing Law

In Los Angeles, the Rent Stabilization Ordinance allows landlords, acting in good faith, to recover possession of rental units intended for occupancy by the landlord or the landlord's relatives. However, landlords must provide relocation assistance to qualifying tenants evicted for reasons of owner or relative occupancy. These eligible and qualified tenants include seniors who are 62 years old or older, disabled individuals, or tenants with one or more minor dependent children. Qualifying tenants are entitled to relocation assistance of \$5,000, which must be delivered to the tenant within 15 days of serving them a written notice of eviction.

Other Pending Actions - Proposition G:

The Tenants Union is sponsoring a ballot measure, Proposition G, for the November 1998 elections, that would extend protections for all tenants facing OMI evictions in San Francisco. According to the Tenants Union, Proposition G would also make the current OMI moratorium (Ordinance 98-0805) which expires June 30, 1999, permanent legislation affecting senior, disabled and catastrophically-ill tenants.

Elements of Proposition G include:

- 1) A requirement for landlord or relative move-in within 3 months of an eviction and continuous occupancy for 36 months.
- 2) A restriction limiting evictions for relatives in buildings in which the landlord resides or is trying to occupy. Only one unit could be recovered for owner or relative occupancy in that building, even if there is more than one landlord.
- 3) A prohibition of the OMI eviction when a comparable unit becomes available prior to the eviction. A landlord would also be required to offer any other available units to tenants at rents comparable to those of the original unit.
- 4) Revising the term spouse to include a registered domestic partner for purposes of OMI evictions.
- 5) Making the existing temporary OMI moratorium permanent legislation for long-term senior, disabled or catastrophically-ill tenants.

Court Actions re: San Francisco's OMI Moratorium:

After passage of the OMI legislation (Ordinance 482-97) last December, four landlords filed legal challenges against the City, culminating in a California Superior Court ruling last April supporting the landlords' argument that the OMI moratorium was unconstitutional and operated as an unconstitutional taking. The Superior Court also found that that the moratorium deprived owners of their right to enjoy their own property without due process, and that the Board's passage of the OMI legislation took away the landlords' "fundamental non-economic property right" without providing due process protections.

Following the Superior Court ruling, the City challenged that Court's decision before the San Francisco Court of Appeal. Last May, the Appeals Court denied the City's petition for a writ of mandate, and instead, ruled that the City's OMI moratorium did not provide landlords with procedures for verifying claims of protected status made by tenants.

The current OMI moratorium addresses issues raised by the Appeals Court by providing clarifying procedures for owners who may need to verify or challenge claims of protected status made by tenants.

This August, a Municipal Court judge upheld the City's revised OMI moratorium in a case involving an eviction of a senior tenant by an owner who wanted to move into the tenant's unit. Landlords, including the San Francisco Apartment Association, have indicated that they would seek to overturn the Court's recent decision.

POLICY ANALYSIS:

1. IS THERE A NEED FOR PERMANENT LEGISLATION AND ENHANCED LEGISLATION ADDRESSING OMI EVICTIONS?

The sponsor of this legislation states that there continues to be a housing crisis in San Francisco, which impacts tenants adversely, as demonstrated by the following findings made by the Board:

- 1) An increase in OMI eviction notices since January 1, 1996.
- 2) Even though seniors in San Francisco only comprise 15 percent of the tenant population and maintain, on average, continuous tenancies of more than 20 years, they receive between 25 and 30 percent of the Eviction Notices.
- 3) Seniors are served OMI eviction notices disproportionately than other groups and face fewer options for locating affordable housing that other tenants.
- 4) Vacancy rates in San Francisco are less than 1 percent, and average monthly rent for a vacant two bedroom apartment has increased to \$1,625.

Information released by the Rent Board supports the sponsor's claim of an overall increase in OMI eviction notices. The Rent Board reports that: between March 1995 and February 1996, landlords filed a total of 439 OMI eviction notices; between March 1996 and February 1997, eviction notices had increased to 831; and between March 1997 and February 1998, a total of 1,253 eviction notices had been filed with the Rent Board. According to the Rent Board, by June 1998, landlords had filed 1,400 OMI eviction notices. These figures indicate that in the past two years, OMI evictions have increased substantially - by over 60 percent.

These figures also indicate that between March 1995 and February 1996, average monthly OMI eviction filings were 36, and in the following year, the monthly average had increased to approximately 69, culminating with a monthly average of approximately 104 eviction filings by March 1998. The Rent Board reports that in the past six months following passage of the OMI moratorium legislation last December, the monthly average for OMI eviction notices filed by landlords had increased to 128. However, during this period, legal challenges have prevented this legislation from taking effect, thus making it difficult to fully assess the impact of the OMI moratorium on evictions based on owner or relative occupancy.

The Rent Board states that it will be hiring an individual who will conduct a study of OMI evictions that have occurred since passage of the OMI legislation, and will complete a report on its findings early next year. Additionally, an informal OMI Taskforce which was formed following passage of the OMI moratorium last year, has been monitoring OMI evictions and assessing the impact of the moratorium legislation on rentals affecting senior, disabled and catastrophically-ill tenants. Once the Rent Board's study and findings of the OMI Taskforce are disclosed, the Board of Supervisors would have information on which to base considerations for further OMI legislation when the current moratorium expires next June. The Board may then choose to consider the data and findings prepared by the Rent Board prior to taking further action on OMI legislation.

2. SHOULD SAN FRANCISCO VOTERS, RATHER THAN THE BOARD, DETERMINE THE NEED FOR FURTHER OMI LEGISLATION?

As stated earlier, Proposition G includes provisions similar to those proposed by this legislation and in the revised OMI moratorium. If voters in San Francisco approve this ballot measure, landlords in San Francisco would not be able

to evict qualifying tenants belonging to any of the three protected classes, based on owner or relative occupancy. All other tenants would be covered by the same provisions found in the proposed OMI legislation - such as those restricting occupancy of recovered units by landlords and their relatives, regulations on re-rentals, relocation payments, and comparable units for displaced tenants.

Since the Board has passed various legislation affecting landlords and residential tenants in San Francisco, the Board could forego passage on this proposed item - which closely resembles provisions in Proposition G, by letting voters in San Francisco decide whether to adopt extended protections for tenants in residential housing. The City Attorney's Office states that if voters approve this proposed ballot measure, it would become law, and subsequent actions to repeal or modify it would once again need to be considered by voters through a different ballot measure, whereas ordinances approved by the Board of Supervisors can be amended to address problems related to implementation of public policy goals.

1. DOES THIS LEGISLATION ADDRESS LEGAL ISSUES THAT WERE RAISED PREVIOUSLY REGARDING OMI LEGISLATION?

Landlord associations have challenged the existing OMI moratorium on constitutionality grounds. Some, including the Greater San Francisco Association of Realtors (GSFAR), have suggested that proposed provisions seeking to impose a permanent ban on OMI evictions for certain protected groups, would give some tenants life estates over rental units, and thus force some owners to rent available units only to younger tenants. It should be noted however, that the current provisions of the OMI moratorium, would only be effective until next June, and would conceivably extend long-term protections for qualifying senior, disabled and catastrophically-ill tenants only if Proposition G or other similar legislation seeking a permanent ban on OMI evictions were enacted.

On issues of constitutionality, the City Attorney's Office states that while the City may expect a challenge to the constitutionality of the proposed ordinance, a recent Municipal Court ruling on August 10, 1998 has upheld the City's revised moratorium; thereby, supporting the City's argument that the OMI moratorium and this proposed legislation are constitutional.

4. WOULD NEW REGULATIONS CURB THE PROBLEM OF OMI EVICTIONS?

• Timeframes:

The sponsor has amended occupancy requires by requiring landlords or their relatives to move into recovered units within 3 months of the eviction, and maintain occupancy in those units for at least 36 continuous months, in order to discourage speculation by landlords who want to evict tenants who pay lower rents so that they can re-rent the units at higher rents to other tenants.

The Tenants Union, a tenant advocacy group, states that longer timeframes are not punitive for owners, but rather address the intent of the legislation - to discourage unlawful evictions of seniors.

Landlord groups such as the Coalition for Better Housing and GSFAR argue that the three-year requirement is an unreasonably long time for an owner to be expected to maintain residence in one unit. They add that this requirement is punitive and disregards unforeseen circumstances which can prevent a landlord from completing the three-year occupancy requirement.

As noted earlier, the proposed amendment would extend the current occupancy requirement from 12 months to 3 years. While the 3-month requirement would be similar to New York law which applies to senior and disabled tenants, the legislative analyst has not been able to ascertain the impact of extended timeframes on owner occupancy evictions based on New York's experience, in order to establish a basis for the City's adoption of this requirement.

In regulating occupancy requirements, the Board could consider three options.

- a) Firstly, it could continue using the existing timeframe of 12 months provided in the Rent Ordinance until the Rent Board completes its study.
- b) Secondly, San Francisco could mirror New York's 3-year occupancy requirement which is intended to discourage evictions motivated by real estate speculation by applying this timeframe to members of protected groups only.
- c) Thirdly, as a way of addressing the controversy in this legislation, the Board could seek a compromise that breaches the existing and proposed occupancy timeframes, by imposing a 24-month occupancy requirement for owners or their relatives. Since various federal affordable housing programs impose occupancy requirements for property owners intending to sell their properties, imposing or extending occupancy terms under this proposed legislation would not be out of step with other actions that are routinely undertaken in the residential housing industry.

• Ownership restrictions:

Most tenancies-in-common are usually held in smaller properties of two to four units, with each owner usually holding a 25 percent interest in the property. The sponsor states that the 50 percent requirement for ownership of properties acquired after July 1, 1997 was added to ensure that a tenancy-in-common held in a building with multiple owners is not used to evade laws against unlawful OMI evictions.

The Tenants Union states that the 50 percent ownership requirement is necessary to prohibit evictions motivated by speculation, as may occur in cases involving tenancies-in-common.

GSFAR states that increasing the ownership percentage to 50 percent would adversely impact the real estate market by preventing renters from becoming property owners through tenancies-in-common, which offer an affordable means for individuals to become property owners. Additionally, making the amendments retroactive to July 1, 1997, would create a hardship for owners who have already acquired properties for purposes of forming tenancies-in-common.

Since the current OMI legislation already imposes a 25 percent ownership restriction on property acquired after February 1991, if the Board were to approve the proposed amendments, owners who acquired their properties after July 1, 1997 would be restricted by the 50 percent ownership requirement - a requirement they were not previously aware of when they initially acquired their properties. In addition, this requirement may be construed as a "taking." Instead, the Board may consider eliminating this requirement, and if findings indicate a significant increase in evictions by tenancies-incommon, consider imposing the 50 percent requirement based on a recommendation by the Rent Board.

• Locating Comparable Units

The proposed legislation prohibits tenant evictions if any comparable unit owned by the landlord is vacant and available prior to the tenant's vacation of the unit. In contrast, current provisions in the Rent Ordinance require owners to provide comparable units in the same building occupied by the tenant. Landlord groups oppose this proposed provision by maintaining that it violates the rights of owners to reside in units of their choice and in buildings of their choice.

Additionally, the Rent Board would be required not only to record evictions filed by owners, but would also need to maintain a database of other residential properties owned by landlords. The Rent Board states that while it has not determine the full impact of this action, it does not expect this additional function to burden its operations.

In terms of finding comparable units, in a tough rental market of high rents and vacancy rates that are less than 1 percent, it may not be feasible for displaced tenants to find placement in comparable units, without having to incur higher rental costs for those replacement units. Under those conditions, tenants with limited income may therefore, face financial hardship even when landlords are able to provide them with alternative, but more costly, housing.

• Right to Re-rental

Proposed provisions require that if owners or their relatives do not maintain occupancy of the vacated units during the three-year period following the tenant's eviction, that unit shall be offered to the displaced tenant first for re-rental at an amount that would have been paid by the displaced tenant if occupancy had continued.

Currently, the Rent Ordinance provides re-rental rights for tenant displacements resulting from temporary evictions in order for a landlord to complete capital improvements. Re-rental rights are also provided under "Ellis Act" evictions when landlords remove units permanently from residential housing. Under these two circumstances, owners must first offer available units to displaced tenants when notified by those tenants in writing of their desire to re-rent units, and the offer could be valid for 10 years following vacancy of units by tenants whenever a unit is available for rent or lease.

Inclusion of this provision in the proposed legislation would not be incompatible with other re-rental provisions contained in the Rent Ordinance. However, it may not be feasible for landlords to locate tenants once they have vacated those units. This provision could be improved by stating that tenants may also access the Rent Board's database to check the vacancy status of units owned by their former landlords.

• Terms of Relocation Costs

Proposed provisions state that displaced tenants who had previously occupied buildings with 2 or more units continuously for at least 12 months, would be eligible for relocation payments of \$1,000. The Rent Board states that currently, relocation costs are restricted to "Ellis Act" evictions affecting low-income tenants, and payments are based on unit size as follows: \$1,500 for a studio, \$1,750 for a one-bedroom, and \$2,500 for two or more separate bedrooms.

In addition, the Rent Ordinance permits relocation payments for temporary evictions based on capital improvements. The Rent Board states that landlords are required to pay up to \$1,000 per tenant for actual move in expenses and rent differentials for the duration of the tenant's displacement.

Other relocation payments are provided through Section 50072 of the California Health and Safety Code which qualifies displaced seniors who are at least 62 years of age or disabled individuals for relocation payments of \$3,000, under "Ellis Act" conditions.

Tenant groups, such as the Asian Law Caucus, have challenged the basis for the \$1,000 proposed payment, and stated that it is an unrealistic figure given the high cost of apartment rentals in San Francisco, and since some landlords are already offering tenants higher relocation payments on a voluntarily basis.

Landlords state that the relocation costs proposed in this legislation are arbitrary. In addition, an owner should not be responsible for unrelated costs incurred by renters during relocation.

Since State law already allows landlords to charge an equivalent of 2 months rent as security deposit in addition to the first month's rent, the proposed relocation payment of \$1,000 would be significantly less than the state-permitted payment. In addition, given high rental costs in San Francisco, most tenants would be unable to use the \$1,000 payment to secure new housing. The Board may consider raising the relocation costs to an amount equal to that required for "Ellis Act" evictions or use existing guidelines provided by the State.

OPTIONS:

- 1. Approve the ordinance as proposed to protect tenants from evictions based on owner or relative move-in reasons.
- 2. Amend the ordinance as follows:
- a) Clarify the language in the findings and title section of the legislation to indicate that provisions would affect all residential tenants, and not just senior tenants.
- b) Occupancy timeframes:
 - i) Use the existing timeframe of 12 months provided in the Rent Ordinance until the Rent Board completes its study.
 - ii) Mirror New York's 3-year occupancy requirement in order to discourage evictions motivated by real estate speculation. However, the extended timeframes could apply to members of protected groups only.
 - iii) Seek a compromise that breaches the existing and proposed occupancy timeframes, by imposing a 24-month occupancy requirement for owners or their relatives.
- c) Avoid adverse impacts to landlords whose properties were acquired after July 1, 1997 by:
 - i) imposing the 50 percent requirement on the date that this legislation is passed, if there is demonstrable evidence of increased evictions from tenancies-in-common.
 - ii) Retain current ownership requirements of 10 and 25 percent, until review of the impact of tenancies-in-common on rental housing.
 - iii) Eliminate ownership restrictions on residential property altogether and allow owners, regardless of percentage of ownership, to pursue OMI evictions permitted under regulations of the Rent Ordinance.
- d) Provide a basis for imposing relocation costs, either by adopting the State's requirements, or based on average movein costs for renters in San Francisco, which include first and last month's rent as security deposit and first month's rent.
- e) Clarify the language in the legislation to indicate whether relocation costs would be paid to each tenant or to each unit regardless of the number of tenants occupying that unit.
- 3. Allow the proposed legislation to be considered by voters, and not the Board of Supervisors, regarding the necessity of extending protections for renters facing OMI evictions in San Francisco.
- 4. Extend the OMI moratorium to 3 years to fully assess the impact of the legislation on San Francisco's rental housing affecting senior, disabled and catastrophically-ill tenants.
- 5. Do not approve the proposed ordinance until the Rent Board releases its findings and recommendations. This means that residential tenancies in San Francisco would be regulated through existing provisions in the Rent Ordinance. Qualifying senior, disabled and catastrophically-ill tenant would be protected from evictions through the temporary OMI moratorium which remains in effect until June 30, 1999, unless modified by any subsequently enacted legislation.

[Prepared by Clarice Duma, Legislative Analyst (415/554-7782)]