

BOARD of SUPERVISORS



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

October 7, 2015

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On July 14, 2015, the following legislation was duplicated as amended by Supervisor Christensen:

File No. 150752

Ordinance amending the Administrative Code to revise the Residential Unit Conversion Ordinance to: limit short-term rental of a residential unit to no more than 120 days per calendar year; revise the definition of interested parties who may enforce the provisions of Chapter 41A, through a private right of action to include permanent residents residing within 100 feet of the residential unit; create an additional private right of action under certain circumstances; change the administrative hearing process from mandatory to at the request of any party found in violation of this Chapter; create an Office of Short-Term Residential Rental Administration and Enforcement staffed by the Planning Department, Department of Building Inspection, and Tax Collector's Office; and affirming the Planning Department's determination under the California Environmental Quality Act.

The proposed ordinance is being transmitted pursuant to Planning Code Section 302(b) for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Derek Evans".

By: Derek Evans, Assistant Clerk

cc: John Rahaim, Director of Planning
Aaron Starr, Acting Manager of Legislative Affairs
AnMarie Rodgers, Senior Policy Manager
Scott Sanchez, Zoning Administrator
Sarah Jones, Chief, Major Environmental Analysis
Jeanie Poling, Environmental Planning
Joy Navarrete, Environmental Planning

1 [Administrative Code – Short-Term Residential Rentals]

2
3 **Ordinance amending the Administrative Code to revise the Residential Unit Conversion**
4 **Ordinance to: limit short-term rental of a Residential Unit to no more than 120 days per**
5 **calendar year; revise the definition of Interested Parties who may enforce the**
6 **provisions of Chapter 41A through a private right of action to include Permanent**
7 **Residents residing within 100 feet of the Residential Unit; create an additional private**
8 **right of action under certain circumstances; change the administrative hearing process**
9 **from mandatory to at the request of any party found in violation of this Chapter; and**
10 **direct the Mayor to create an Office of Short-Term Residential Rental Administration**
11 **and Enforcement staffed by the Planning Department and other departments as**
12 **needed; and affirming the Planning Department’s determination under the California**
13 **Environmental Quality Act.**

14
15 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
16 **Additions to Codes** are in *single-underline italics Times New Roman font*.
17 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
18 **Board amendment additions** are in double-underlined Arial font.
19 **Board amendment deletions** are in ~~Arial font~~.
20 **Asterisks (* * * *)** indicate the omission of unchanged Code
21 subsections or parts of tables.

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

23 Section 1. Environmental Findings. The Planning Department has determined that the
24 actions contemplated in this ordinance comply with the California Environmental Quality Act
25 (California Public Resources Code Sections 21000 et seq.). Said determination is on file with

1 the Clerk of the Board of Supervisors in File No. _____ and is incorporated herein
2 by reference. The Board affirms this determination.

3
4 Section 2. The Administrative Code is hereby amended by revising Sections 41A.4,
5 41A.5, 41A. 6, adding a new Section 41A.7, and renumbering existing Section 41A.7 as
6 41A.8, to read as follows:

7
8 **SEC. 41A.4. DEFINITIONS.**

9 Whenever used in this Chapter 41A, the following words and phrases shall have the
10 definitions provided in this Section:

11 * * * *

12 **Director.** The Director of the Planning Department, or his or her designee.

13 * * * *

14 **Interested Party.** A Permanent Resident of the building in which the Tourist or
15 Transient Use is alleged to occur, any homeowner association associated with the Residential
16 Unit in which the Tourist or Transient Use is alleged to occur, the Owner of the Residential
17 Unit in which the Tourist or Transient Use is alleged to occur, a Permanent Resident or Owner of
18 a property within 100 feet of the property containing the Residential Unit in which the Tourist or
19 Transient Use is alleged to occur, the City and County of San Francisco, or any non-profit
20 organization exempt from taxation pursuant to Title 26, Section 501 of the United States
21 Code, which has the preservation or improvement of housing as a stated purpose in its
22 articles of incorporation or bylaws.

23 * * * *

24 **Short-Term Residential Rental.** A Tourist or Transient Use where all of the following
25 conditions are met:

1 (a) the Residential Unit is offered for Tourist or Transient Use by the Permanent
2 Resident of the Residential Unit;

3 (b) the Permanent Resident is a natural person;

4 (c) the Permanent Resident has registered the Residential Unit and maintains good
5 standing on the Department's Short-Term Residential Rental Registry; and

6 (d) the Residential Unit: is not subject to the Inclusionary Affordable Housing Program
7 set forth in Planning Code Section 415et seq.; is not a residential hotel unit subject to the
8 provisions of Chapter 41, unless such unit has been issued a Permit to Convert under Section
9 41.12; is not otherwise designated as a below market rate or income-restricted Residential
10 Unit under City, state, or federal law; has not been the subject of an eviction pursuant to the
11 Ellis Act and Administrative Code Section 37.9(a)(13) within the five year period prior to
12 applying for the Registry if such eviction occurred after November 1, 2014; and no other
13 requirement of federal or state law, this Municipal Code, or any other applicable law or
14 regulation prohibits the permanent resident from subleasing, renting, or otherwise allowing
15 Short-Term Residential Rental of the Residential Unit.

16 **Short-Term Residential Rental Registry or Registry.** A database of information
17 maintained by the Department that includes information regarding Permanent Residents who
18 are permitted to offer Residential Units for Short-Term Residential Rental. Only one
19 Permanent Resident per Residential Unit may be included on the Registry at any given time.
20 The Registry shall be available for public review to the extent required by law, except that, to
21 the extent permitted by law, the Department shall redact any Permanent Resident names *and*
22 *street and unit numbers* from the records available for public review.

23 * * * *

24 **SEC. 41A.5. UNLAWFUL CONVERSION; REMEDIES.**

1 (a) **Unlawful Actions.** Except as set forth in subsection 41A.5(g), it shall be unlawful
2 for

3 (1) any Owner to offer a Residential Unit for rent for Tourist or Transient Use;

4 (2) any Owner to offer a Residential Unit for rent to a Business Entity that will
5 allow the use of a Residential Unit for Tourist or Transient Use; or

6 (3) any Business Entity to allow the use of a Residential Unit for Tourist or
7 Transient Use.

8 (b) **Records Required.** The Owner and Business Entity, if any, shall retain and make
9 available to the Department records to demonstrate compliance with this Chapter 41A upon
10 written request as provided herein. ~~Any Permanent Resident offering his or her Primary Residence
11 as a Short-Term Residential Rental shall retain and make available to the Department records to
12 demonstrate compliance with this Chapter 41A, including but not limited to records demonstrating
13 Primary Residency, the number of days per calendar year he or she has occupied the Residential Unit,
14 and the number of days per calendar year, with dates and duration of each stay, the Residential Unit
15 has been rented for Short-Term Residential Rental Use.~~

16 (c) **Determination of Violation.** Upon the filing of a written Complaint that an Owner
17 or Business Entity has engaged in an alleged unlawful Conversion or that a Hosting Platform
18 is not complying with the requirements of subsection (g)(4)(A), the Director shall take
19 reasonable steps necessary to determine the validity of the Complaint. The Director may
20 independently determine whether an Owner or Business Entity may be renting a Residential
21 Unit for Tourist or Transient Use in violation of this Chapter 41A or whether a Hosting Platform
22 has failed to comply with the requirements of subsection (g)(4)(A). To determine if there is a
23 violation of this Chapter 41A, the Director may initiate an investigation of the subject property
24 or Hosting Platform's allegedly unlawful activities. This investigation may include, but is not
25 limited to, an inspection of the subject property and/or a request for any pertinent information

1 from the Owner, Business Entity, or Hosting Platform, such as leases, business records, or
2 other documents. The Director shall have discretion to determine whether there is a potential
3 violation of this Chapter 41A and whether to conduct an administrative review hearing as set
4 forth below. Notwithstanding any other provision of this Chapter 41A, any alleged violation
5 related to failure to comply with the requirements of the Business and Tax Regulations Code
6 shall be enforced by the Treasurer/Tax Collector under the provisions of that Code.

7 (d) **Civil Action.**

8 (1) The City may institute civil proceedings for injunctive and monetary relief, including
9 civil penalties, against an Owner, Business Entity, or Hosting Platform for violations of this Chapter
10 41A under any circumstances, without regard to whether a Complaint has been filed or the Director
11 has made a determination of a violation through an administrative review hearing as set forth in
12 this Chapter 41A.

13 (2) **Private Rights of Action.**

14 (A) Following the filing of a Complaint and the final determination of a
15 violation by the Director, through an administrative review hearing as set forth in this Chapter
16 41A, the City may institute civil proceedings for injunctive and monetary relief against a Hosting
17 Platform for violation of subsection (g)(4)(A) or the City or any other Interested Party may institute
18 civil proceedings for injunctive and monetary relief against an Owner or Business Entity.

19 (B) An Interested Party who is a Permanent Resident of the building in which
20 the Tourist or Transient Use is alleged to occur, is a Permanent Resident of a property within 100 feet
21 of the property containing the Residential Unit in which the Tourist or Transient Use is alleged to
22 occur, or is a homeowner association associated with the Residential Unit in which the Tourist or
23 Transient Use is alleged to occur may institute a civil action for injunctive and monetary relief against
24 an Owner or Business Entity if:

25 (i) The Interested Party has filed a Complaint with the Department;

1 (ii) The Director has not made a written determination pursuant to subsection
2 41A.6(a) that there is no violation of this Chapter 41A or basis for an investigation for an unlawful
3 activity:

4 (iii) An administrative hearing officer has not issued a final determination
5 pursuant to subsection 41A.6(b)(c) regarding the Complaint within 405135 days of the filing of the
6 Complaint with the Department:

7 (iv) After such 405135-day period has passed, the Interested Party has
8 provided 30 days' written notice to the Department and the City Attorney's Office of its intent to initiate
9 civil proceedings: and

10 (v) The City has not initiated civil proceedings by the end of that 30-day notice
11 period.

12 Under this subsection 41A.5(d)(2)(B), the prevailing party shall be entitled to the costs of suit,
13 including reasonable attorneys' fees, pursuant to an order of the Court.

14 (3) ~~In addition,~~ **Civil Penalties.** If the City is the prevailing party in any civil action
15 under this subsection (d): an Owner or Business Entity in violation of this Chapter 41A or a
16 Hosting Platform in violation of subsection (g)(4)(A) may be liable for civil penalties of not
17 more than \$1,000 per day for the period of the unlawful activity. Interested Parties other than the
18 City may not seek or obtain civil penalties.

19 (4) **Attorneys' Fees and Costs.** If the City or any other ~~the~~ Interested Party is the
20 prevailing party, the City or the Interested Party shall be entitled to the costs of enforcing this
21 Chapter 41A, including reasonable attorneys' fees, pursuant to an order of the Court.

22 (5) Any monetary award obtained by the City and County of San Francisco in
23 such a civil action shall be deposited in the Department to be used for enforcement of Chapter
24 41A. The Department, through the use of these funds, shall reimburse City departments and
25

1 agencies, including the City Attorney's Office, for all costs and fees incurred in the
2 enforcement of this Chapter 41A.

3 (e) **Criminal Penalties.** Any Owner or Business Entity who rents a Residential Unit
4 for Tourist or Transient Use in violation of this Chapter 41A without correcting or remedying
5 the violation as provided for in subsection 41A.6~~(b)(7)(c)(6)~~ shall be guilty of a misdemeanor.
6 Any person convicted of a misdemeanor hereunder shall be punishable by a fine of not more
7 than \$1,000 or by imprisonment in the County Jail for a period of not more than six months, or
8 by both. Each Residential Unit rented for Tourist or Transient Use shall constitute a separate
9 offense.

10 * * * *

11 (g) **Exception for Short-Term Residential Rental.**

12 (1) Notwithstanding the restrictions set forth in this Section 41A.5, a Permanent
13 Resident may offer his or her Primary Residence as a Short-Term Residential Rental if:

14 (A) *The Permanent Resident occupies the Residential Unit for no less than 275*
15 *days out of the calendar year in which the Residential Unit is rented as a Short-Term Residential*
16 *Rental or, if the Permanent Resident has not rented or owned the Residential Unit for the full preceding*
17 *calendar year, for no less than 75% of the days he or she has owned or rented the Residential Unit The*
18 *Residential Unit is rented for Tourist or Transient Use for no more than 120 days during any calendar*
19 *year;*

20 (B) The Permanent Resident maintains records for two years
21 demonstrating compliance with this Chapter 41A, including but not limited to information
22 demonstrating Primary Residency, *the number of days per calendar year he or she has occupied the*
23 *Residential Unit*, the number of days per calendar year the Residential Unit has been rented as
24 a Short-Term Residential Rental, and compliance with the insurance requirement in
25 Subsection (D). These records shall be made available to the Department upon request;

1 * * * *

2 **(3) Short-Term Residential Rental Registry Applications, Fee, and**
3 **Reporting Requirement.**

4 **(A) Application.** Registration shall be for a two-year term, which may be
5 renewed by the Permanent Resident by filing a completed renewal application. Initial and
6 renewal applications shall be in a form prescribed by the Department. The Department shall
7 determine, in its sole discretion, the completeness of an application. Upon receipt of a
8 complete initial application, the Department shall send mailed notice to the owner of record of
9 the Residential Unit, informing the owner that an application to the Registry for the unit has
10 been received. If the Residential Unit is in a RH-1(D) zoning district, the following additional
11 requirements shall apply: the Department shall also send mailed notice to any directly
12 associated homeowner association that has previously requested such notice and to any
13 owners and occupants within 300 feet of the property; the Department shall hold the
14 application for 45 days after sending such notice; and the Department shall review and
15 consider any information submitted by any such homeowner association, neighboring owner
16 or occupant, or member of the public regarding the eligibility of the permanent resident and/or
17 the residential unit for listing on the Registry received during the 45-day hold period.

18 Both the initial application and any renewal application shall contain information
19 sufficient to show that the Residential Unit is the Primary Residence of the applicant, that the
20 applicant is the unit's Permanent Resident, and that the applicant has the required insurance
21 coverage and business registration certificate. In addition to the information set forth here, the
22 Department may require any other additional information necessary to show the Permanent
23 Resident's compliance with this Chapter 41A. Primary Residency shall be established by
24 showing the Residential Unit is listed as the applicant's residence on at least two of the
25 following: motor vehicle registration; driver's license; voter registration; tax documents

1 showing the Residential Unit as the Permanent Resident's Primary Residence for home
2 owner's tax exemption purposes; or utility bill. A renewal application shall contain sufficient
3 information to show that the applicant is the Permanent Resident and has occupied the unit
4 for at least 275 days of each of the two preceding calendar years. Upon the Department's
5 determination that an application is complete, the unit shall be entered into the Short-Term
6 Residential Rental Registry and assigned an individual registration number.

7 * * * *

8 **(4) Requirements for Hosting Platforms.**

9 **(A) Notice to Users of Hosting Platform.** All Hosting Platforms shall
10 provide the following information in a notice to any user listing a Residential Unit located
11 within the City and County of San Francisco through the Hosting Platform's service. The
12 notice shall be provided prior to the user listing the Residential Unit and shall include the
13 following information: that Administrative Code Chapters 37 and 41A regulate Short-Term
14 Rental of Residential Units; the requirements for Permanent Residency and registration of the
15 unit with the Department; and the transient occupancy tax obligations to the City.

16 **(B)** A Hosting Platform shall comply with the requirements of the
17 Business and Tax Regulations Code by, among any other applicable requirements, collecting
18 and remitting all required Transient Occupancy Taxes, and this provision shall not relieve a
19 Hosting Platform of liability related to an occupant's, resident's, Business Entity's, or Owner's
20 failure to comply with the requirements of the Business and Tax Regulations Code. A Hosting
21 Platform shall maintain a record demonstrating that the taxes have been remitted to the Tax
22 Collector and shall make this record available to the Tax Collector upon request.

23 **(C)** Any violation of a Hosting Platform's responsibilities under
24 subsection (g)(~~54~~)(A) shall subject the Hosting Platform to the administrative penalties and
25 enforcement provisions of this Chapter 41A, including but not limited to payment of civil

1 penalties of up to \$1,000 per day for the period of the failure to comply, with the exception that
2 any violation related to failure to comply with the requirements of the Business and Tax
3 Regulations Code shall be enforced by the Treasurer/Tax Collector under that Code.

4 * * * *

5 **SEC. 41A.6. ADMINISTRATIVE ENFORCEMENT PROCEDURES FOR**
6 **DETERMINING ADMINISTRATIVE PENALTIES.**

7 (a) **Determination and Notice of Complaint Violation.**

8 ~~(1) Within 30 days of the filing of a Complaint and upon After the Director's~~
9 ~~independent finding has determined that there may be a violation of this Chapter 41A exists,~~
10 ~~the Director shall notify the responsible Owner, Business Entity, or Hosting Platform of the~~
11 ~~determination of violation by certified mail and shall post the notice of violation in a~~
12 ~~conspicuous location on, or if access to the property is not available in a conspicuous location~~
13 ~~as close as practicable to, the building or property where the Residential Unit is located that~~
14 ~~the Owner's Residential Unit is the subject of an investigation for an unlawful use and provide~~
15 ~~the date, time, and place of an administrative review hearing in which the Owner can respond~~
16 ~~to the Complaint. *If the Director finds there is no violation of this Chapter or basis for an*~~
17 ~~*investigation for an unlawful activity, the Director shall so inform the complainant within 30 days of*~~
18 ~~*the filing of the Complaint.*~~

19 ~~(2) If the Complaint concerns the failure of a Hosting Platform to comply with the~~
20 ~~requirements of subsection 41A.5 (g)(4)(A), within 30 days of the filing of the Complaint and~~
21 ~~upon the Director's independent finding that there may be a violation of this Chapter, the~~
22 ~~Director shall notify the Hosting Platform by certified mail that the Hosting Platform is the~~
23 ~~subject of an investigation for failure to comply with the requirements of that subsection and~~
24 ~~provide the date, time, and place of an administrative review hearing in which the Hosting~~
25 ~~Platform can respond to the Complaint.~~

1 ~~(3) Once a Complaint has been filed or once the Director has made a~~
2 determination of violation in the absence of a Complaint, the Department shall include
3 information regarding the Complaint or violation, including whether the Complaint is pending or
4 resolved and, if resolved, any final determination, on the Department's website.

5 (43) Contents of Notice. The notice shall cite to this Chapter 41A and describe
6 the violation(s) with specificity. The notice of violation shall: state that the responsible party
7 shall immediately correct all violations; and assess any applicable administrative penalties as
8 set forth in Subsection 41A.6(d)(1). The notice of violation shall also inform the responsible
9 party of the right to request a Director's hearing under Subsection 41A.6(b) to appeal the
10 determination of violation and any assessed administrative penalties.

11 ~~(54) If the Director finds there is no violation of this Chapter or basis for an~~
12 investigation for an unlawful activity, the Director shall so inform the complainant within 3060 days of
13 the filing of the any Complaint.

14 (b) **Request for Hearing.** Within 30 days of the notice of violation, the responsible
15 party may request a Director's hearing to appeal the determination of violation and any
16 assessed administrative penalties. The Director shall send a notice of the date, hour, and
17 place of the hearing to the responsible party at the address specified in the request for
18 hearing and to any member of the public who has expressed an interest in the matter.

19 (c) **Administrative Review Hearings.** ~~In the event the Director determines that an~~
20 administrative review hearing shall be conducted, †The Director may designate a member of
21 Department staff to act in his or her place as the hearing officer. The Director's appointed
22 hearing officer will shall hold an administrative review hearing within 45 days of the Director's
23 finding that there may be a violation of this Chapter 41A request for hearing to review all
24 information provided by the Interested Party, members of the public, City staff, and the Owner,
25 Business Entity, or Hosting Platform for the investigation, and the hearing officer shall

1 thereafter make a determination whether the Owner, Business Entity, or Hosting Platform has
2 violated this Chapter 41A.

3 ~~(1) For hearings regarding alleged unlawful conversions, notice of the hearing~~
4 ~~shall be conspicuously posted on the building that is the subject of the hearing. The Director~~
5 ~~shall appoint a hearing officer to conduct the hearing.~~

6 ~~(2) Pre-hearing Submission.~~ No less than ten days prior to the administrative
7 review hearing, parties to the hearing shall submit written information to the Director including,
8 but not limited to, the issues to be determined by the hearing officer and the evidence to be
9 offered at the hearing. Such information shall be forwarded to the hearing officer prior to the
10 hearing along with any information compiled by the Director.

11 ~~(3) Hearing Procedure.~~ If more than one hearing is requested for Residential
12 Units located in the same building at or about the same time, the Director shall consolidate all
13 of the hearings into one hearing. The hearing shall be recorded. Any party to the hearing may
14 at his or her own expense cause the hearing to be recorded by a certified court reporter.
15 Parties may be represented by counsel and shall have the right to cross-examine witnesses.
16 All testimony shall be given under oath. Written decisions and findings shall be rendered by
17 the hearing officer within 30 days of the hearing. Copies of the findings and decision shall be
18 served upon the parties by certified mail. A notice that a copy of the findings and decision is
19 available for inspection between the hours of 9:00 a.m. and 5:00 p.m. Monday through Friday
20 shall be posted by the Owner or the Director in the building in the same location in which the
21 notice of the administrative review hearing was posted.

22 ~~(4) Failure to Appear.~~ In the event the Owner, authorized Hosting Platform
23 representative, or an interested party fails to appear at the hearing, the hearing officer may
24 nevertheless make a determination based on the evidence in the record and files at the time
25 of the hearing, and issue a written decision and findings.

1 (54) **Finality of the Hearing Officer's Decision and Judicial Review.** The
2 decision of the hearing officer shall be final. Within 20 days after service of the hearing
3 officer's decision, any party may seek judicial review of the hearing officer's decision.

4 (65) **Hearing Officer Decision and Collection of Penalties.** Upon the
5 Hhearing Officer's decision, or if no hearing is requested upon the expiration of the appeal
6 period, the Director may proceed to collect the penalties and costs pursuant to the lien
7 procedures set forth in Subsection 41A.6(~~de~~), consistent with the Hhearing Officer's decision
8 or the determination of violation if no hearing is requested.

9 (76) **Remedy of Violation.** If the Hhearing Officer determines that a violation
10 has occurred, the Hhearing Officer's ~~D~~decision shall:

11 (A) Specify a reasonable period of time during which the Owner,
12 Business Entity, or Hosting Platform must correct or otherwise remedy the violation;

13 (B) Detail the amount of any administrative penalties the Owner or
14 Hosting Platform shall be required to pay as set forth in Subsection 41A.6(~~ed~~); and,

15 (C) For violations by Owners, state that if the violation is not corrected or
16 otherwise remedied within this period, the Department shall remove or prohibit the registration
17 of the Residential Unit from the Short-Term Residential Registry for one year even if the
18 Residential Unit otherwise meets the requirements for Short-Term Residential Rental.

19 (87) If the Hhearing Officer determines that no violation has occurred, the
20 determination is final.

21 (~~ed~~) **Imposition of Administrative Penalties for Violations and Enforcement Costs.**

22 (1) **Administrative Penalties.** ~~If the Hearing Officer determines that a violation~~
23 ~~has occurred, an a~~Administrative ~~penaltyies~~ shall be assessed as follows:

24 (A) ~~f~~For the initial violation, not more than four times the standard hourly
25 administrative rate of \$121.00 for each unlawfully converted unit, or for each identified failure

1 of a Hosting Platform to comply with the requirements of subsection 41A.5(g)(4)(A), per day
2 from the notice of ~~Complaint~~violation until such time as the unlawful activity terminates;

3 (B) ~~f~~For the second violation by the same Owner(s), Business Entity, or
4 Hosting Platform, not more than eight times the standard hourly administrative rate of \$121.00
5 for each unlawfully converted unit, or for each identified failure of a Hosting Platform to comply
6 with the requirements of subsection 41A.5 (g)(4)(A), per day from the day the unlawful activity
7 commenced until such time as the unlawful activity terminates; and

8 (C) ~~f~~For the third and any subsequent violation by the same Owner(s),
9 Business Entity, or Hosting Platform, not more than twelve times the standard hourly
10 administrative rate of \$121.00 for each unlawfully converted unit or for each identified failure
11 of a Hosting Platform to comply with the requirements of subsection 41A.5 (g)(4)(A) per day
12 from the day the unlawful activity commenced until such time as the unlawful activity
13 terminates.

14 (2) **Prohibition on Registration and Listing Unit(s) on Any Housing**
15 **Platform.** In the event of multiple violations, the Department shall remove the Residential
16 Unit(s) from the Registry for one year and include the Residential Unit(s) on a list maintained
17 by the Department of Residential Units that may not be listed on any Hosting Platform until
18 compliance. Any Owner or Business Entity who continues to list a Residential Unit in violation
19 of this ~~s~~Section shall be liable for additional administrative penalties and civil penalties of up to
20 \$1,000 per day of unlawful inclusion.

21 (~~d~~e) **Notice of Violation and Imposition of Penalties.** The Director shall notify the
22 Owner or Hosting Platform by certified mail of the violation and that administrative penalties
23 shall be imposed pursuant to this Chapter 41A. The notice shall state the time of the existence
24 of the violation and the resulting imposition of penalties. Payment of the administrative
25 penalties and enforcement costs shall be made within 30 days of the certified mailed notice to

1 the Owner or Hosting Platform. If the administrative penalties and enforcement costs are not
2 paid, the Director shall refer the matter to the Treasurer/Tax Collector and/or initiate lien
3 procedures to secure the amount of the penalties and costs against the real property that is
4 subject to this Chapter, under Article XX of Chapter 10 of the Administrative Code to make the
5 penalty, plus accrued interest, a lien against the real property regulated under this Chapter.
6 Except for the release of the lien recording fee authorized by Administrative Code Section
7 10.237, all sums collected by the Tax Collector pursuant to this ordinance shall be deposited
8 as set forth in subsection (ef) below.

9 (ef) **Deposit of Penalties.** Any fees and penalties collected pursuant to this Chapter
10 41A shall be deposited in the Department, which shall reimburse City departments and
11 agencies, including the City Attorney's Office, for all costs and fees incurred in the
12 enforcement of this Chapter 41A.

13 **SEC. 41A.7. OFFICE OF SHORT-TERM RESIDENTIAL RENTAL ADMINISTRATION**
14 **AND ENFORCEMENT.**

15 *The Mayor shall establish an Office of Short-Term Residential Rental Administration and*
16 *Enforcement, which shall provide a single location to receive and process applications for the Registry*
17 *and Complaints regarding violations of this Chapter 41A. ~~and which~~ This office shall be staffed*
18 *by the Department and other departments as appropriate, with participation from the Department*
19 *of Building Inspection, ~~and the Treasurer/Tax Collector's Office,~~ and other departments as needed,*
20 *to process applications for the Registry and enforce the requirements of this Chapter 41A in a timely*
21 *and efficient manner. It is the intent of this Board in directing the establishment of this office to*
22 *streamline both the process of administering the Registry and enforcing the requirements of this*
23 *Chapter 41A to protect residential housing from unlawful conversion to Tourist or Transient Use.*

24 **SEC. 41A.8 CONSTRUCTION.**

1 (a) Nothing in this Chapter 41A may be construed to supersede any other lawfully
2 enacted ordinance of the City and County of San Francisco.

3 (b) Clauses of this Chapter 41A are declared to be severable and if any provision or
4 clause of this eChapter 41A or the application thereof is held to be unconstitutional or to be
5 otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other
6 provisions of this Chapter 41A.

7
8 Section 3. Effective Date. This ordinance shall become effective 30 days after
9 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
10 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
11 of Supervisors overrides the Mayor's veto of the ordinance.

12
13 Section 4. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
14 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
15 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
16 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
17 additions, and Board amendment deletions in accordance with the "Note" that appears under
18 the official title of the ordinance.

19 APPROVED AS TO FORM:
20 DENNIS J. HERRERA, City Attorney

21 By:


22 MARLENA BYRNE
23 Deputy City Attorney

24 n:\legana\as2015\1500635\01031024.doc
25