



November 13, 2025

Ms. Angela Calvillo, Clerk
Honorable Supervisor Chen
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department Case Number 2025-008704PCA**
Planning, Administrative Codes - Tenant Protections Related to Residential Demolitions and Renovations
Board File No. 250926

Planning Commission Action: Adopted a Recommendation for Approval with Modifications

Dear Ms. Calvillo and Supervisor Chen:

On November 6, 2025, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Chen. The proposed ordinance would amend both the Planning Code and Administrative Code to strengthen residential tenant protections. At the hearing the Planning Commission adopted a recommendation for approval with modifications; those modifications are outlined in the attached adopted resolution.

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Sincerely,

Aaron D. Starr
Manager of Legislative Affairs

cc: Manu Pradhan, Deputy City Attorney
 Audrey Williams Pearson, Deputy City Attorney
 Charlie Sciammas, Aide to Supervisor Chen
 John Carroll, Office of the Clerk of the Board

ATTACHMENTS:

Planning Commission Resolution No. R-21863
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21863

HEARING DATE: November 6, 2025

Project Name: Planning, Administrative Codes - Tenant Protections Related To Residential Demolitions and Renovations
Case Number: 2025-008704PCA [Board File No. 250926]
Initiated by: Supervisor Chyanne Chen / Introduced September 9, 2025 & Substituted October 7, 2025
Staff Contact: Malena Leon-Farrera, Citywide Division
Malena.Leon-Farrera@sfgov.org, 628-652-7474
Reviewed by: Rachael Tanner, Director of Citywide Planning Division
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RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS OF A PROPOSED ORDINANCE AMENDING THE PLANNING CODE TO 1) REQUIRE PROPERTY OWNERS SEEKING TO DEMOLISH RESIDENTIAL UNITS TO REPLACE ALL UNITS THAT ARE BEING DEMOLISHED; 2) REQUIRE RELOCATION ASSISTANCE TO AFFECTED OCCUPANTS OF THOSE UNITS, WITH ADDITIONAL ASSISTANCE AND PROTECTIONS FOR LOWER-INCOME TENANTS; 3) MODIFY THE CONDITIONAL USE CRITERIA THAT APPLY TO PROJECTS TO DEMOLISH RESIDENTIAL UNITS; AMENDING THE ADMINISTRATIVE CODE TO 4) 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; 5) UPDATE THE STANDARDS AND PROCEDURES FOR HEARINGS RELATED TO TENANT HARASSMENT; 6) REQUIRE ADDITIONAL DISCLOSURES IN BUYOUT AGREEMENTS; 7) 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.

WHEREAS, on September 9, 2025 Supervisor Chen introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250926, amending the Planning Code to 1) require property owners seeking to demolish residential units to replace all units that are being demolished; 2) require relocation assistance to affected occupants of those units, with additional assistance and protections for lower-income tenants; 3) modify the conditional use criteria that apply to projects to demolish residential units; amending the Administrative Code to 4) 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; 5) update the standards and procedures for hearings related to tenant harassment; 6)

require additional disclosures in buyout agreements; 7) making various non-substantive changes and clarifications;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on November 6, 2025; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval with modifications** of the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Amend the definition of Existing Occupants in Planning Code Section 317.2 to include tenants displaced by Ellis Act evictions within the past 5 years. Amend the Rent Ordinance so tenants displaced by the Ellis Act are notified of their rights under Planning Code Section 317.2.
2. Amend Planning Code Section 317.2 to clarify that the Planning Code’s “tantamount to demolition” definition in Section 317 is the definition of demolition for the purposes of Section 317.2.
3. Amend the Private Right of Action in Planning Code Section 317.2 to match language that currently exists in the Rent Ordinance for violation of buyout provisions for organizations representing tenants: *any organization with tax exempt status under United States Code Section 501(c)(3) or 501(c)(4) and with a primary mission of protecting the rights of tenants in San Francisco.*
4. Amend Administrative Code Section 317.9(l) to move criteria (C) from subsection (2) to become a finding during tenant harassment hearings.
5. Amend proposed CUA finding in Planning Code Section 317(g)(6)(J) to include more disclosure provisions listed in the Rent Ordinance for Buyout Agreements.
6. Amend Planning Code Section 317(b) definitions, including the definition of “residential demolition”.
7. Amend proposed CUA finding in Planning Code Section 317(g)(6)(B) to read (B) *The project does not*

propose changes to more than 20% of the character defining features of a building that is designated as a landmark under Article 10, is listed as a contributor to an historic district in Article 10, is listed as a Significant or Contributory Building under Article 11, is listed in the California Register of Historical Resources, or is listed on the National Register of Historic Places.

8. Amend proposed CUA finding in Planning Code Section 317(g)(6)(C) to read (C) *The project increases the number of Residential Units subject to the rent increase limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) compared to the existing Residential Units and Unauthorized Units, as defined in Section 317, subject to the same rent increase limitations.*
9. Amend to merge proposed CUA findings in Planning Code Sections 317(g)(6)(D) and (E) to read (D) *The project does not require the Residential Demolition of existing, deed-restricted, affordable and/or below market rate housing, or increases the number of permanently Affordable Units located on the site.*
10. Amend the proposed Planning Code Section 317.2 to ensure that projects provide the relocation benefits required by Section 317.2. Amend the proposed Planning Code Section 317.2 to clarify that project sponsors will be required to contract with a relocation specialist from a list provided by the Department.
11. Amend Planning Code Section 317 to reorganize the proposed CUA findings in Section 317(g)(6). The amendments would move proposed findings (G), (I), and (J) out of Section 317(g)(6) to become requirements for a demolition under Section 317(d). For the remaining nine findings in Section 317(g)(6), the amendments would lower the threshold for avoiding a permit denial from 80% to 70%.
12. Amend the Rent Ordinance requirements for Ellis Act evictions to require landlords filing a Notice of Intent to Withdraw Rental Units to disclose if they have an intent to redevelop the units being withdrawn from the rental market.
13. Amend Planning Code Section 317(c)(2)(B) to have a lookback period of 10 years, not 5 years, for units subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower- or very low-income, and for units subject to limits on rent increases under the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code).
14. Amend with minor edits to fix errors, typos or to ensure internal consistency and clarity.

Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- The Planning Commission finds that the approval with modifications of the proposed ordinance codifies and builds on the Housing Crisis Act, commonly known as SB 330 (referred as “SB 330”

thereafter), to mandate stronger tenant protections.

- The Planning Commission finds that the proposed ordinance with modifications enhances accountability through improved enforcement tools like tying project approvals to verified tenant protections compliance milestones, enhanced noticing, and tracking of replacement units.
- The Planning Commission finds that the proposed ordinance with modifications is consistent with and supports multiple goals, objectives, policies, and implementing actions of the San Francisco General Plan in general, and the San Francisco 2022 Housing Element in particular.
- Finally, the Planning Commission finds that the proposed ordinance with modifications reaffirms San Francisco’s long-standing commitment to preserving both rent-controlled and deed-restricted affordable housing as a vital source of stability and affordability by retaining the city’s Conditional Use Approval requirement and strengthening the definition of “residential demolition” to ensure stronger enforcement and implementation of SB 330 requirements.

General Plan Compliance

The proposed Ordinance and the Commission’s recommended modifications are consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

GOAL 1. RECOGNIZE THE RIGHT TO HOUSING AS A FOUNDATION FOR HEALTH, AND SOCIAL AND ECONOMIC WELL-BEING.

OBJECTIVE 1.A

ENSURE HOUSING STABILITY AND HEALTHY HOMES.

Policy 1

Minimize no-fault and at-fault evictions for all tenants, and expand direct rental assistance as a renter stabilization strategy.

OBJECTIVE 3.C

ELIMINATE THE DISPLACEMENT OF VULNERABLE COMMUNITIES AND COMMUNITIES OF COLOR

Policy 21

Prevent the potential displacement and adverse racial and social equity impacts of zoning changes, planning processes, or public and private investments especially for populations and areas vulnerable to displacement

Policy 28

Affirm Compliance in State housing law, requirements, and intent by strengthening data collection, clarifying definitions, and further supporting implementation.

Policy 33

Prevent the outmigration of families with children and support the needs of families to grow.

IMPLEMENTING PROGRAMS

2.2. Tenant Protections

- 2.2.2.** Increase relocation assistance for tenants experiencing either temporary or permanent evictions, including increasing the time period during which relocation compensation is required for temporary evictions from three to six months. Explore options to ensure long-term affordability of low-income tenants who return to their units.
- 2.2.5.** Proactively enforce eviction protection and avoid predatory practices or tenant harassment by pursuing affirmative litigation models.

2.4. Preserving Rental Unit Availability

- 2.4.9.** Adopt requirements for replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements in state Density Bonus Law (Government Code section 65915(c)(3).) Replacement requirements shall be required for sites identified in the Sites Inventory that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, and:
 - Were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income, or
 - Subject to any other form of rent or price control through a public entity's valid exercise of its police power, or
 - Occupied by low or very low-income households

For the purpose of this action, "previous five years" is based on the date the application for development was submitted.

8.5. Compliance with State Programs and Law

- 8.5.1** Ensure that local adopted rules and procedures that implement future state housing law support and conform with the State's legislative intent.
- 8.5.12** Comply with all state laws including but not limited to SB 35 Streamlined Ministerial Approval Process (Gov. Code, § 65913.4), Housing Crisis Act (Gov. Code, § 66300), Housing Accountability Act (Gov. Code, § 65589.5), Permit Streamlining Act (Gov. Code, §§ 65941.1 and 65943), and CEQA timelines. This will include strengthening data collection, clarifying definitions, revising processes, and other actions to comply with all state housing laws.
Include an analysis of proposed housing projects for potential applicability of the Housing Accountability Act in staff reports and commission resolutions.

The proposed Residential Tenant Protections Ordinance aligns with multiple goals, objectives, policies, and programs in San Francisco's 2022 Housing Element by advancing housing stability, racial and social equity, and compliance with state housing laws. It supports Goals 1 by protecting rent-controlled and deed-restricted units from demolition, extending relocation assistance for both temporary and permanent evictions, and

ensuring a right of first refusal for lower-income tenants. The proposed ordinance fulfills Objective 1.A and Objective 3.C, as well as implementing actions 2.2.2, and 2.2.5, by minimizing displacement, increasing tenant protections, and enabling enforcement against harassment through the permitting process. It also codifies provisions of the Housing Crisis Act, supporting Policy 28 and implementing actions 8.5.1 and 8.5.12. By requiring comparable replacement units and codifying affordability protections consistent with implementing actions 2.4.9, the proposed ordinance preserves family-sized housing and supports Policy 33, helping prevent the outmigration of families and maintaining long-term affordability for vulnerable residents.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed ordinance retains San Francisco's existing regulatory framework which includes some of the strongest demolition and tenant protection controls in the country. Demolition of any rent-controlled building requires a Conditional Use Authorization from the Planning Commission, as well as any projects in Priority Equity Geographies, which makes demolitions rare – on average, 18 units per year are demolished in San Francisco (0.00004% of its housing stock). This framework should continue to work the way it has to prevent the demolition of multifamily units that may contain retail spaces on the ground floor.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed will provide protections against displacement for residential tenants. It also retains the current framework for demolitions which large deters the loss of existing multifamily housing. Additionally, replacement requirements and tenant protections for lower-income households are aimed at preserving cultural and economic diversity of our neighborhoods.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed ordinance requires affordable housing to be replaced at a 1:1 ratio, ensuring that new housing development does not reduce the existing stock of deed-restricted affordable housing. Additionally, the proposed ordinance mandates the replacement of units occupied by lower-income tenants be replaced with affordable housing, which may lead to an increase in the affordable housing stock.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed ordinance consists of protections against tenant displacement and unit demolition, and will not increase commuter traffic.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed ordinance does not incentivize commercial office development. Additionally, where industrial use is in place, the proposed ordinance does not mandate protected housing replacement.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed ordinance would not have an adverse effect on the City's Landmarks and historic buildings. The proposed ordinance does not make changes to current protections for landmarks or historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS of the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on November 6, 2025.



Jonas P. Ionin
Commission Secretary

Jonas P Ionin

Digitally signed by Jonas P Ionin
Date: 2025.11.13 11:39:04 -08'00'

AYES: Campbell, McGarry, Williams, Braun, Imperial, Moore, So
NOES: None
ABSENT: None
ADOPTED: November 6, 2025



EXECUTIVE SUMMARY

PLANNING & ADMINISTRATIVE CODE TEXT AMENDMENT

HEARING DATE: November 6, 2025

90-Day Deadline: Monday, December 8, 2025.

Project Name: Planning, Administrative Codes - Tenant Protections Related To Residential Demolitions and Renovations
Case Number: 2025-008704PCA [Board File No. 250926]
Initiated by: Supervisor Chyanne Chen / Introduced September 9, 2025 & Substituted October 7, 2025
Staff Contact: Malena Leon-Farrera, Citywide Division
malena.leon-farrera@sfgov.org, 628-652-7474
Reviewed by: Rachael Tanner, Director of Citywide Planning Division
rachael.tanner@sfgov.org, 628-652-7471
Environmental Review: Not a Project Under CEQA

RECOMMENDATION: Adopt a Recommendation for Approval with Modifications

Introduction

The proposed ordinance amends the Planning Code to 1) require property owners seeking to demolish residential units to replace all units that are being demolished; 2) require relocation assistance to affected occupants of those units, with additional assistance and protections for lower-income tenants; 3) modify the conditional use criteria that apply to projects to demolish residential.

The proposed ordinance would also amend the Administrative Code Chapter 37 to 1) 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; 2) update the standards and procedures for hearings related to tenant harassment; 3) require additional disclosures in buyout agreements; 4) making various non-substantive changes and clarifications.

Background

San Francisco has a long history of enacting strong tenant protection laws to prevent displacement and preserve affordable housing. The proposed ordinance both codifies current and revised administration of the Housing Crisis Act and enhances its tenant protection provisions.

At a statewide level, the state legislature has adopted several measures in the recent past to enhance tenant protections. The Housing Crisis Act, commonly known as Senate Bill 330 (referred to as “SB 330” thereafter), introduced statewide standards. Its provisions seek to prevent the loss of housing and ensure one-for-one replacement of protected units, and to protect tenants when demolitions occur. SB 330 has since been amended three times; most recently in 2025.

The proposed ordinance goes further than the minimum requirements of SB 330 by adding new local protections, requirements, and enforcement mechanisms. These include stronger replacement and affordability requirements, expanded tenant rights for lower-income tenants, and extensive tenant notification. By adopting and enhancing the SB 330 within the San Francisco Planning and Administrative Codes, the City ensures these safeguards are locally codified and are implemented in a way that reflects local needs and values.

San Francisco’s existing regulatory framework already includes some of the strongest demolition and tenant protection controls in the country. Demolition of any rent-controlled building, the vast majority multi-family housing, or any housing located within Priority Equity Geographies requires a Conditional Use Authorization from the Planning Commission. These controls make demolitions extremely rare: on average, only 18 units per year are demolished in San Francisco (0.00004% of its housing stock). These policies have historically directed new development toward underutilized “soft sites,” such as parking lots or vacant commercial parcels, rather than occupied housing, thereby reducing displacement pressures due to residential demolition. Nonetheless, as the City advances its implementation of the Housing Element through the Family Zoning Plan, community members have raised concerns about potential tenant displacement associated with redevelopment and major rehabilitation projects.

The proposed ordinance – which would strengthen tenant protections citywide – aims to balance housing production with tenant stability. It reinforces the City’s commitment to protecting vulnerable renters while facilitating responsible growth, consistent with regional housing strategies. This ordinance strengthens existing requirements for unit replacement, affordability, and relocation assistance, while introducing additional provisions – such as enhanced notice requirements, a private right of action for tenants, and permanent affordability covenants—to ensure equitable outcomes and lasting protections.

The proposed ordinance was developed collaboratively between multiple stakeholders. Leadership came from Supervisor Chyanne Chen’s office (District 11), the Planning Department, and the Rent Board, in coordination with the Mayor’s Office. Tenant advocacy organizations and housing policy experts, such as the Race and Equity in All Planning Coalition and the San Francisco Anti-displacement Coalition, contributed actively to the legislation. Additional City agencies, such as the Mayor’s Office of Housing and Community Development, also contributed.

The proposed ordinance reflects extensive community engagement and forms part of a broader effort to align San Francisco’s local regulations with state law, while exceeding minimum requirements where necessary to prevent displacement. Together, these updates aim to continue to advance San Francisco’s housing goals while better supporting tenants.

Planning Code and Administrative Code Amendments

The Ordinance includes the following proposed modifications to current regulations:

The Way It Is Now:	The Way It Would be
The Housing Crisis Act of 2019 sets forth requirements for housing replacement and tenant protections for projects that include residential demolition. The Planning Department has been implementing the Housing Crisis Act, commonly known as Senate Bill 330 (referred as “SB 330” thereafter) according to interpretation set forward in Director’s Bulletin No. 7, amended from time to time to reflect new state laws.	The proposed Ordinance would establish Code Section 317.2, which would codify and expand upon SB 330 requirements for housing replacement and tenant protections. Amendments would ensure internal consistency in other sections of the code.
The Planning Department’s policy is to use the Planning Code’s Section 317 definition of Residential Demolition for ministerial program eligibility, including “tantamount to demolition.”	The Planning Code would explicitly require the use of the Planning Code’s definition of Residential Demolition, which includes “tantamount to demolition,” as the definition to be used when implementing state laws. This definition would trigger new Section 317.2 requirements.
The Planning Commission’s Conditional Use Criteria for reviewing applications for Residential Demolitions is found in Section 317(g)(6). Most criteria are not objective, as is required by the Housing Accountability Act.	<p>The Planning Code would require that developments requiring demolition of 2 or more units or the development of 2 or more units are reviewed against 12 objective criteria. Projects would have to meet 80% of the criteria for the Commission to grant approval.</p> <p>For projects that demolish 1 unit and develop 1 unit, the Planning Code would require the use of Section 303(c) criteria instead of Section 317 criteria.</p>
All protected units are replaced with equivalent sized units, meaning same number of bedrooms.	All protected units would be required to be replaced with Comparable Units; meaning units with the same number of bedrooms, same number of full bathrooms and ninety percent of square footage as the protected units being replaced. Replacement

The Way It Is Now:	The Way It Would be
	units would also have to be accessible where applicable.
Tenants occupying units at the time a development application requiring demolition is submitted are considered Existing Occupants for the purposes of SB 330 tenant protection requirements.	<p>The definition of Existing Occupant would be expanded to include:</p> <ul style="list-style-type: none"> households in tenancy at the time of a development application or a preliminary application submission (whichever occurs first), tenants who have temporarily vacated the unit due to a capital improvement, tenants who have vacated the unit within the last 5 years due to tenant harassment, tenants who have vacated the unit within the last 5 years due to a non-compliant Buyout Agreement, and tenants who have vacated a unit within the last three years pursuant an Owner Move In eviction.
Affordable replacement units not classified as inclusionary units are subject to a 55-year affordability restriction.	Affordable replacement units would be required to be affordable for the life of the project, except when funding sources limit the term of affordability.
State Law requires no net loss of residential units. Meaning, generally, any demolished residential units must be replaced in a new housing development.	The Planning Code would be amended to codify the State's No Net Loss of Residential Units requirement.
100% affordable housing developments are required to provide one-to-one replacement of protected units with equivalent-sized units.	For 100% affordable housing developments, replacement would be met if the project includes at least the same total number of units and the same total number of bedrooms.
Current implementation of SB 330 requires replacement units in addition to inclusionary unit requirements, in misalignment with SB 330 requirements.	The Planning Code would allow replacement units to count towards inclusionary to comply with SB 330.
SB 330 requires all protected units to be replaced with either affordable units or rent controlled units.	The Planning Code would be amended to codify SB 330's requirement that all protected units are replaced with either permanently affordable units or rent controlled units.
All tenants get the right to remain up to 6 months prior to demolition; all tenants get relocation payments according to the Rent Ordinance; lower-income households get relocation benefits equivalent to the benefits required by the California Relocation Act, and a right of first refusal to an	<p>These rights would be codified and expanded protections for lower income tenants would include::</p> <ul style="list-style-type: none"> right to remain up to 3 months prior to demolition; additional relocation payment for up to 42

The Way It Is Now:	The Way It Would be
<p>equivalent-sized unit affordable to them; and all tenants get right to return if the unit isn't demolished and the property is returned to the rental market.</p>	<p>months;</p> <ul style="list-style-type: none"> • and right of first refusal at prior rental rate or affordable housing, whichever is lower (when the unit is a rental), or affordable housing cost (when the unit is an ownership unit) for a Comparable Unit. <p>Project sponsors would have options to comply with relocation assistance for lower-income households: substitute housing, standard 42-month payment, or an individualized relocation plan according to state law.</p>
<p>Notice of Right to Remain is the only notice required by SB 330. Project sponsors must comply with any existing Planning Code noticing requirements.</p>	<p>Extensive tenant noticing would be required from project application to project conclusion. Noticing would have to comply with language access requirements and would include:</p> <ul style="list-style-type: none"> • Notice of Right to Remain, • Notice of Right to Relocation Benefits, • Notice of Right of First Refusal, • Notice at Major Milestones for Existing Occupants who Intend to Exercise a Right of First Refusal (when construction starts, every six months during construction, before and when a certificate of occupancy is issued), • Notice of Replacement Unit Availability for Tenants Exercising a Right of First Refusal, • Notice of Right to Return if Demolition Does Not Proceed, and • Extended posted notice at site from application submission to Planning Approval Letter issuance.
<p>There is no private right of action for tenants when a project sponsor does not comply with SB 330 requirements when a residential demolition happens.</p>	<p>Tenants and third parties would have a private right of action if a project sponsor violates any of the requirements of Section 317.2.</p>
<p>For every project application that includes existing or proposed residential uses, Planning staff reviews project applications, Rent Board documents, and other publicly available data sources and conducts a site visit to determine if there are any current or immediate past tenants at the property and past evictions. Project sponsors also sign an affidavit</p>	<p>The Department will continue to review tenant and eviction history as well as require affidavits from Project sponsors. The Department will also request:</p> <ul style="list-style-type: none"> • requirement for relocation plans as part of the development application when there are Existing Occupants; • compliance with relocation assistance as a requirement for demolition permit

The Way It Is Now:	The Way It Would be
testifying to the veracity of the information they provide.	<p>issuance, and</p> <ul style="list-style-type: none"> substantial proof of right of first refusal as a requirement for temporary or final certificate of occupation issuance.
The Planning Code requires the Department to note the existence of a recorded regulatory agreement on the Property Information Map (or other similar, publicly accessible website) whenever the Code requires a property owner to enter into a regulatory agreement with the City subjecting any dwelling units to the San Francisco Residential Rent Stabilization and Arbitration Ordinance.	The Planning Code would be amended to include this requirement for replacement units under Section 317.2 and for any permanently affordable units developed pursuant Section 415.
Chapter 37 of the Administrative Code (Rent Ordinance) provides a just cause for eviction for demolition (Section 37.9(a)(10)) that historically has been used for removal of individual units, not demolition of residential buildings.	Section 37.9(a)(10) just cause for eviction would be amended to be used for the removal of individual rental units “within a building rather than all units”.
The Rent Ordinance currently provides a one-time payment of relocation expenses to tenants temporarily evicted due to capital improvements (Section 37.9(a)(11)). No additional payment is provided if the eviction is extended past three months.	The Rent Ordinance would be amended to require additional monthly payment to lower-income households if a temporary eviction due to capital improvements is extended past three months, and for the duration of the extension up to a total of 42 months.
The Rent Ordinance doesn’t have a just-cause eviction pathway that matches SB 330 requirements.	The Rent Ordinance would be amended to add Section 37.9(a)(17): a new just cause eviction pathway for residential demolitions in alignment with the requirements of the new Planning Code Section 317.2
The Rent Ordinance permits the Rent Board to conduct informal investigative hearings on tenant harassment claims and to refer their findings to the District Attorney and/or City Attorney for further consideration. In practice, these referrals rarely result in any action against the property owner.	The Rent Ordinance would be amended to require the Rent Board to hold hearings on tenant harassment claims in certain situations and, if sufficient evidence is presented, could preserve the tenant rights that might otherwise be lost if the tenant moves out due to harassment and the property is later redeveloped.
Tenants who move out after receiving an Owner Move-In (OMI) eviction notice under Section 37.9(a)(8) that is later withdrawn or rescinded by the landlord are not considered to have been displaced by an OMI eviction.	The Rent Ordinance would be amended to establish a rebuttable presumption that tenants who vacate a unit within one year of receiving an Owner Move-In (OMI) eviction notice did so because of the OMI eviction, even if the notice was later withdrawn or rescinded before the tenant moved out.

The Way It Is Now:	The Way It Would be
Buyout agreements under Rent Ordinance Section 37.9E do not require landlords to disclose information about tenant rights under SB 330 before buyout negotiations or in the agreement itself.	The Rent Ordinance would be amended to require that disclosures provided during buyout negotiations include information on how the agreement could affect a tenant's eligibility for relocation assistance and other benefits if the property is redeveloped. It would also require that the buyout agreement itself include a statement informing tenants that signing the agreement may make them ineligible for relocation assistance and other benefits in the event of redevelopment.

Anticipated Amendments

The Planning Department is continuing to work closely with Supervisor Chen's office on amendments that would further refine the proposed ordinance and its implementation. Supervisor Chen has signaled her intention to introduce the following amendments:

- **Section 317.2 definition amendments:**
 - The definition of Existing Occupants will be amended to include tenants displaced by Ellis Act evictions within the past 5 years.
 - Section 317.2 will be amended to clarify that Planning's definition of Residential Demolition in Section 317 is the definition of demolition for the purposes of Section 317.2 and not the Department of Building Inspection's definition, as Planning's definition is more expansive.
- **Change to Private Right of Action in Section 317.2**
 - The Private Right of Action will be amended to match language that currently exists in the Rent Ordinance for violation of buyout provisions for organizations representing tenants: any organization with tax exempt status under United States Code Section 501(c)(3) or 501(c)(4) and with a primary mission of protecting the rights of tenants in San Francisco...
- **Requirement for a Relocation Specialist**
 - Section 317.2 will be amended to ensure that the project sponsor provides the relocation benefits required in Section 317.2. Project sponsors will be required to contract with a relocation specialist from a list provided by the Department. Relocation specialists support tenants by providing information about tenants' rights, helping with housing searches, and

providing tenant outreach during development.

- **Technical Clarifications**

- Minor edits to fix errors, typos or to ensure internal consistency and clarity

Issues and Considerations

Codifying SB 330 to Better Protect Tenants and Affordable Housing

Overall, the proposed ordinance codifies the replacement unit and tenant protection provisions of SB 330 into local law. The state law serves as a “floor” for tenant protections, ensuring a minimum level of protection is provided to every tenant in the state when a residential demolition occurs. SB 330 allows local jurisdictions to enact policies that are more protective of tenants. Where possible, the proposed ordinance goes beyond the minimum state requirements to enhance protections for tenants.

By embedding these state standards within the Planning and Administrative Codes, the City codifies state law into local law, while ensuring requirements are applied consistently and transparently in San Francisco. This makes the code easier to administer. It also makes the code more easily understood by applicants, tenants, or the general public. The City will need to monitor future updates to the law and update the local codes as needed. Recently the 2030 sunset date of SB 330 was removed, meaning SB 330 will remain as state law unless or until proactively amended by the state legislature.

Clear and Consistent Demolition Definition

SB 330 is groundbreaking in that it requires replacement of residential units if residential units are demolished. By requiring replacement of demolished residential units, the City must rely upon a clear definition of demolition.

Currently, the Planning Department and the Department of Building Inspection (DBI) use different definitions for residential demolition. The Planning Department’s definition is more expansive as it treats certain major alterations as demolitions. Currently, the Planning Department’s definition of demolition is used for ministerial program eligibility.

The proposed ordinance establishes clearly that the definition of “demolition” for the purposes of all State laws is Planning’s more expansive definition as described in Section 317(b)(2). This applies to the new proposed Planning Code Section 317.2, which codifies SB 330.

By explicitly tying the definition of demolition used in Section 317.2 to the existing Planning Code definition, the proposed ordinance ensures that all state and local replacement unit and tenant protection requirements are triggered consistently whenever a residential building is approved for demolition or a substantial alteration. This clarification eliminates ambiguity, simplifies compliance, and strengthens enforcement by preventing attempts to segment or phase demolition work to avoid oversight. It also ensures that the City’s replacement housing and tenant protection requirements apply uniformly to all projects

subject to Section 317.2, reinforcing San Francisco’s long-standing commitment to protecting existing housing and preventing displacement.

By explicitly tying the definition of demolition used in Section 317.2 to the existing Planning Code definition, the proposed ordinance ensures that all state and local replacement unit and tenant protection requirements are triggered consistently whenever a residential building is approved for demolition or a substantial alteration.

Strengthening Demolition Controls Through Objective Criteria

Currently, the Planning Commission evaluates applications for residential demolitions using largely subjective Conditional Use findings. The proposed ordinance introduces a more objective, transparent review process, requiring projects involving the demolition or construction of two or more residential units to meet at least 80 percent of 12 specified criteria.

This shift toward objective findings aligns with state housing law while maintaining San Francisco’s strict demolition controls. Specifically, a project subject to the Housing Accountability Act must only comply with a jurisdiction’s written, objective standards. By adopting objective findings, the City provides clear standards for planners, decision-makers, the public, and applicants. Overall, a move towards objectivity supports consistency in project evaluation and enables the City to appropriately balance housing production goals with the protection of existing tenants and housing stock.

This shift toward objective findings aligns with state housing law while maintaining San Francisco’s strict demolition controls.

Stronger Replacement Requirements for Protected Housing

SB 330 requires that protected units are generally replaced with equivalent sized units, meaning having the same number of bedrooms. SB 330 further provides that lower-income tenants have a right to a replacement unit that is comparable. State law also mandates that units replaced with affordable units remain affordable for at least 55 years.

The proposed ordinance broadens the definition of Comparable Units and mandates that all replacement units are Comparable Units, defined as having the same number of bedrooms and full bathrooms, and at least ninety percent of the original square footage. The proposed ordinance also mandates accessibility of the unit in certain circumstances. Finally, the proposed ordinance specifies that units remain affordable for the life of the project (except where funding sources impose shorter affordability periods). These changes simplify implementation of SB 330 and result in more materially comparable units rather than substantially smaller units or units with fewer features, such as bathrooms.

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While SB 330 requires the replacement of rent-controlled housing, it allows jurisdictions to determine whether units are replaced with affordable units or rent controlled units if those units were last occupied by above lower-income tenants. The proposed ordinance codifies State Law and requires that rent controlled units that are or were presumed to be occupied by above lower-income households be replaced by rent controlled comparable units when the project is a rental project, or at 80% AMI when the project is an ownership project.

Finally, the proposed ordinance calls for replacement units to be tracked on San Francisco's Property Information Map (or other publicly accessible website) to ensure current and future tenants are aware of the rent controlled or affordable status of certain units. Collectively, these provisions preserve affordability for lower income households and, when the project is a rental development, rent-controlled housing is preserved.

Stronger Tenant Protections when Demolitions Happen

SB 330 extends tenant protections to “existing occupants.” The law does not define “existing occupant.” Expanding this definition is important to ensure that all those entitled to rights and assistance are able to exercise their rights. As proposed, the ordinance expansively defines “existing occupant.” The definition includes (a) tenants in place at the time of preliminary application or project application, (b) those who were evicted through the Owner Move-In process within the prior 36 months, (c) those who have substantiated experience of harassment from property owners within the prior 5 years, and (d) those not provided required tenant Buyout Agreement notifications.

| As proposed, the ordinance expansively defines “existing occupant”.

All existing occupants displaced by demolition will be entitled to relocation benefits equivalent to the amount of assistance provided by the Ellis Act relocation payments¹, access to a relocation specialist, and a right of first refusal if the new project is a rental project (lower-income tenants have this right for ownership units at an affordable price). Lower-income tenants will receive additional relocation benefits for up to 39 months. Additional monthly payments for lower-income households would be equivalent to the difference between maximum rent affordable to the household based their income and unit size as defined by the Mayor's Office of Housing and Community Development, and the San Francisco Housing Authority Payment Standard for that unit size². Based on the published standards for 2025, sample monthly payments are as follows:

¹ As of the date of this report, Ellis Act relocation payments are \$10,863.45 per tenant, with a maximum relocation amount due per unit of \$32,590.33. An additional amount of \$7,278.67 is due for each elderly (62 years or older) or disabled tenant.

² See Exhibit E for these values

- 30% AMI: \$2,928 monthly payment, or \$114,192 for 39 months
- 50% AMI: \$2,227 monthly payment, or \$86,853 for 39 months
- 80% AMI: \$1,176 monthly payment, or \$45,864 for 39 months

Lower income tenants have a right of first refusal to a new unit in a rental building at their previous rent or an affordable rent, whichever is lower. Rents are subject to the rent provisions in the Administrative Code during that tenant's tenancy, and thereafter are subject to rent requirements of the Inclusionary Program. Above lower-income tenants have a right of first refusal to a new unit in a rental building at market rent, and because those units are replacement units, they are subject to rent control.

Tenant Notification Specifications

SB 330 only mandates the Notice of Right to Remain. Tenants must receive notice six months prior to the date they must vacate the unit³. With this proposed ordinance the City is requiring additional notification throughout the project lifecycle.

Tenant notification procedures are strengthened through the proposed ordinance to ensure transparency and accessibility at every stage – from project application through the end of construction – and tenant rights are tied directly to permit approvals to guarantee enforcement. Together, these measures establish a comprehensive local standard for tenant protection during redevelopment.

Capital Improvements that Cause Temporary Relocation

In addition to directly addressing demolition of housing units, the proposed ordinance addresses other sources of tenant displacement—such as capital improvements and renovations.

Currently, tenants that are temporarily displaced due to capital improvements get a one-time payment⁴. Project sponsors must seek permission from the Rent Board if a capital improvement takes longer than three months. If the project grows in scope during construction and after the tenant has moved out, the tenants may be displaced for longer than three months. If this displacement continues for a longer duration, in practice, the tenant could be permanently displaced. For projects that may not qualify as demolitions, but will require substantial construction work, the proposed ordinance also amends the Administrative Code to extend relocation payments on a monthly basis for a maximum of 39 months to lower-income tenants who must temporarily vacate their homes for capital improvements or rehabilitation work.

The amount of additional monthly relocation payments would be equivalent to the monthly difference between the rent that the tenant was paying as of the date of the notice to vacate, and the San Francisco Housing Authority Payment Standard⁵ for that unit size (or the amount the tenant is paying for interim

³ The Right to Remain allows tenants to remain in the unit six months prior to the start of construction.

⁴ As of the date of this report, relocation payments due to temporary capital improvement work are \$8,062 per tenant, with a maximum relocation amount due per unit of \$24,184.00. An additional amount of \$5,375 is due for each elderly (62 years or older) or disabled tenant or household with minor child(ren).

⁵ See Exhibit E for these values

housing, whichever is less). This payment would be due every month for 39 months, or until the tenant accepts or rejects an offer to reoccupy the unit.

Tenant Harassment and Buyout Agreements

The proposed ordinance also strengthens the City’s tenant harassment procedures by updating hearing processes related to harassment that may be perpetrated against tenants. The proposed ordinance also adds requirements for tenant buyout agreements to include language notifying tenants of their rights in demolition and replacement housing cases.

These combined updates close gaps between different sections of the Planning and Administrative Codes and improve cross-agency coordination, making enforcement clearer for both tenants and property owners.

Future Considerations

The implementation of different state laws has led to the creation of new affordable units that are not always considered inclusionary units subject to the Inclusionary Ordinance in Planning Code Section 415 et seq.. Replacement units in developments with less than 10 units are not inclusionary units (as the Inclusionary Program does not apply to developments of less than 10 units) and, thus, are not explicitly subject to Section 415 of the Planning Code. Planning has been collaborating with the Mayor’s Office of Housing and Community Development to define the specifics of how these units should be regulated, marketed and managed. This joint work will likely lead to future amendments to the Planning Code. For now, the proposed ordinance mandates that all tenants of replacement units have the same rights and privileges as other tenants in the same building and complex.

General Plan Compliance

The proposed ordinance is consistent with and supports multiple goals, objectives, policies, and implementing actions of the San Francisco General Plan in general, and the San Francisco 2022 Housing Element in particular.

By granting relocation assistance, a right of first refusal for lower-income households, and other tenant protections, the proposed ordinance advances:

- Goal 1, which recognizes housing as a fundamental right essential to residents’ health, stability, and overall well-being. By protecting rent-controlled and deed-restricted units from demolition, the proposed ordinance promotes housing stability and mitigates the risk of displacement resulting from new development. These protections are especially critical for vulnerable tenants—disproportionately American Indian, Black, and Latino(a,e) residents—who face heightened risks of housing instability.
- This approach aligns with Objective 1.A, which seeks to ensure housing stability and healthy homes, and specifically supports Policy 1, which calls for minimizing both no-fault and at-fault evictions.
- The proposed ordinance also furthers Objective 3.C, which aims to eliminate the displacement of vulnerable communities and communities of color, and strengthens tenant protections as outlined in

Implementing Program 2.2.

- Additionally, it advances Policy 21, which emphasizes preventing displacement and mitigating the racial and social equity impacts of zoning changes and planning processes, as achieved through coordination with the Family Zoning Plan.

The proposed ordinance also fulfills Implementing Action 2.2.2, which calls for increased relocation assistance for tenants experiencing temporary or permanent evictions. Specifically, it extends relocation assistance to tenants temporarily displaced due to capital improvements and increases relocation payments for lower-income tenants following a demolition. These provisions ensure that displaced tenants, particularly those with lower incomes, have access to interim housing, can return to their homes, and maintain long-term housing stability, where possible. The proposed ordinance further supports Implementing Action 2.2.5 by strengthening enforcement of tenant protections through integration with the permitting process, and by granting the Rent Board greater authority to hold landlords accountable for tenant harassment.

In addition, the proposed ordinance codifies and expands upon key provisions of SB 330, reinforcing San Francisco's commitment to comply with state housing law. It codifies tenant protection and housing replacement requirements for demolitions and expands the definition of "demolition" to prevent projects from being misrepresented as renovations. These provisions provide greater clarity, consistency, and accountability in local implementation. This aligns with Policy 28, which affirms the City's responsibility to comply with state housing law through improved data collection, clarified definitions, and strengthened implementation. The proposed ordinance also fulfills Implementing Actions 8.5.1 and 8.5.12, which ensure that local regulations align with state housing law and promote compliance with SB 330 through enhanced data practices and process improvements.

Furthermore, the proposed ordinance supports Implementing Action 2.4.9 by codifying SB 330 replacement requirements for protected units. These requirements ensure that any development on non-vacant sites includes replacement units affordable to households at the same or lower income levels as the original units, including those that were subject to affordability restrictions, rent control, or occupancy by low- or very low-income households within the past five years, as well as units with Ellis Act evictions within the past ten years.

Finally, the proposed ordinance requires that all replacement units be comparable to the original units in size and function, including the same number of bedrooms, full bathrooms, and at least 90 percent of the original square footage. These requirements ensure that replacement units continue to serve lower-income families, particularly those with children, thereby reducing displacement pressures. This provision supports Policy 33, which seeks to prevent the outmigration of families with children and to accommodate the needs of growing households.

Racial and Social Equity Analysis

The proposed ordinance is expected to have a positive impact on racial and social equity in San Francisco by addressing long-standing disparities in housing stability and tenant protections. Historically marginalized

communities—particularly Black, Latino(a,e), Native Hawaiian or Pacific Islander, and American Indian or Alaska Native households—have experienced the highest rates of rent burden, eviction risk, and displacement. These groups are disproportionately represented among lower-income renters and residents of multifamily housing, where the risks of housing loss and instability are greatest.

By codifying and strengthening tenant protections at the local level, particularly for lower-income tenants, the proposed ordinance advances equitable access to stable, affordable housing. Its provisions respond directly to the City’s ongoing racial and social equity goals by mitigating systemic inequities in housing security, promoting inclusive development, and preserving access to rent-controlled and deed-restricted housing for communities most at risk of displacement.

1. Effects on Racial and Social Equity

The proposed ordinance incorporates multiple equity-centered provisions that directly benefit equity populations and vulnerable renters. These include:

- Enhanced tenant notification requirements throughout the development process that meet language access standards, ensuring limited English proficient tenants receive timely and comprehensible information about their rights.
- Increased relocation assistance, with additional support for lower-income tenants, ensuring that temporary or permanent displacement does not lead to homelessness or long-term housing loss.
- Right of first refusal for displaced lower-income tenants at their prior rent, an affordable rent (whichever is lower), or an affordable purchase price, promoting continuity of community ties and long-term affordability.
- Strengthened eviction protections in the Rent Ordinance, which would disproportionately benefit lower-income renters, communities of color, seniors, immigrant communities, and female-headed households—all of whom face disproportionate barriers to housing stability and legal recourse.

The proposed ordinance also mandates the replacement of protected units with rent-controlled or below-market-rate housing. This provision mitigates the risk of involuntary displacement and ensures that when demolitions occur, they do not result in a net loss of affordable housing.

Although the proposed ordinance cannot prevent the conversion of approved demolition sites into condominium units, its requirements operate within San Francisco’s existing Conditional Use Authorization (CUA) framework. Demolition remains rare, averaging only 18 units per year (approximately 0.00004% of the city’s housing stock), of which 7 units per year are in multifamily buildings (0.00002% of the city’s housing stock). The proposed ordinance preserves the Planning Commission’s long-standing commitment to preserving rent-controlled housing.

Overall, the proposed ordinance’s combined provisions are designed to advance racial and social equity by embedding tenant protection and anti-displacement measures into the housing development process, ensuring that low-income and BIPOC households retain access to secure, affordable homes.

2. Beneficiaries and Potential Burdens

The primary beneficiaries of the proposed ordinance are lower-income renters, communities of color, immigrant households, seniors, and families with children—populations that face the highest risk of eviction, displacement, and housing instability. By expanding tenant rights and enforcement mechanisms, the proposed ordinance strengthens the housing safety net for these groups.

The proposed ordinance is not expected to impose disproportionate burdens on equity populations, but to alleviate existing burdens. Its requirements target developers and property owners seeking demolition permits, ensuring compliance with existing and state-mandated tenant protection standards. Most additional administrative or compliance obligations primarily fall on development sponsors, not on tenants or vulnerable residents.

3. Mitigation, Monitoring, and Ongoing Strategies

The proposed ordinance includes built-in mitigation strategies by proactively addressing potential displacement and housing insecurity before they occur. These strategies include early tenant notification, guaranteed relocation assistance, enforceable rights of return, and strengthened Rent Board oversight of tenant harassment.

To further advance racial and social equity, implementing agencies and ordinance sponsors should:

- Track and report outcomes related to tenant relocation, right-of-return participation, and income and demographic data of displaced and returning households.
- Monitor compliance with language access requirements to ensure equitable communication with limited English proficient tenants.
- Assess longer-term equity outcomes, including whether displaced households are successfully returning to redeveloped units.

Importantly, the proposed ordinance does not exacerbate burdens on equity populations; rather, it alleviates them by institutionalizing equity-based safeguards into the permitting and development process. By prioritizing tenant protections, minimizing displacement, and reinforcing housing stability for historically marginalized groups, the proposed ordinance represents a meaningful step toward correcting systemic imbalances in San Francisco’s housing landscape.

Implementation

The Department has determined that the proposed ordinance will impact our current implementation procedures. The proposed changes, however, can be implemented without increasing permit costs or review time.

The Department has determined that the proposed ordinance will impact our current implementation procedures in the following ways:

- The Department has determined that implementation of the proposed ordinance can be accomplished within existing administrative procedures and interagency coordination frameworks. This is because many of the requirements formalize practices that are already part of the City's established practice under SB 330.
- The Department closely tracks when publications and forms need to be revised due to changes in local or state legislation and other mandated requirements and has a system in place to efficiently update relevant materials. This system will ensure all existing relevant materials, including application forms and requirements, as well as the Director's Bulletin No. 7 are updated.
- Following adoption, the Planning Department will issue a Replacement Unit Implementation Document for Planning Commission approval. The Implementation Document will contain procedures, regulations, guidelines, notice formats, and application forms, as deemed necessary to ensure project sponsors comply with Section 317.2 requirements. The Implementation Document will include standard notice templates for tenant notifications that satisfy language access requirements, explainer documents that outline the rights and obligations of tenants, landlords, and project sponsors under the proposed ordinance, as well as explain how unit replacement must be met.
- In the immediate term, limited updates to the Project and Permit Tracking System (PPTS) will be made to improve tracking of replacement housing, demolition, and any other requirements. Coordination with Rent Board staff will also be required to enhance information sharing in order to administer the provisions of the proposed ordinance. In the near-term, the integrations will be made into the City's new permit system that is currently being adopted.
- To support consistent implementation and communication, the Department will also update public-facing materials and staff resources. The Department will ensure that all relevant materials are easily accessible to the public through the Department's website and at the Permit Center.
- The proposed ordinance builds upon the City's existing Planning Code Section 317 demolition controls and leverages established review and enforcement systems. While implementation impact is not expected to be significant, the Planning Department is expected to reallocate 0.25 FTE to ramp up implementation. Additional tasks would include reviewing relocation plans against a checklist to ensure compliance when projects have Existing Occupants and monitoring projects through construction. Should more staffing be required, additional staff may need to be reallocated. Staff will require training on the proposed changes which will be incorporated into the existing regular training schedule for Current Planning.

Recommendation

The Department recommends that the **Commission adopt a recommendation for approval with modifications** of the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Amend Planning Code Section 317(b) definitions, including the definition of “residential demolition”.
2. Change proposed finding in Section 317(g)(6)(B) to read (B) *The project does not propose changes to more than 20% of the character defining features of a building that is designated as a landmark under Article 10, is listed as a contributor to an historic district in Article 10, is listed as a Significant or Contributory Building under Article 11, is listed in the California Register of Historical Resources, or is listed on the National Register of Historic Places.*
3. Change proposed finding in Section 317(g)(6)(C) to read (C) *The project increases the number of Residential Units subject to the rent increase limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) compared to the existing Residential Units and Unauthorized Units, as defined in Section 317, subject to the same rent increase limitations.*
4. Merge proposed findings in Sections 317(g)(6)(D) and (E) to read (D) *The project does not require the Residential Demolition of existing, deed-restricted, affordable and/or below market rate housing, or increases the number of permanently Affordable Units located on the site.*
5. Amend the proposed Planning Code Section 317.2 to ensure that projects provide the relocation benefits required by Section 317.2. Project sponsors will be required to contract with a relocation specialist from a list provided by the Department.

Basis for Recommendation

The Department recommends approval with modifications of the proposed ordinance because the proposed ordinance codifies and builds on SB 330 to mandate stronger tenant protections.

The proposed ordinance also enhances accountability through improved enforcement tools like tying project approvals to verified tenant protections compliance milestones, enhanced noticing, and tracking of replacement units. The Department also supports the proposed ordinance’s goal of ensuring that project sponsors do not abuse their right to evict tenants.

Finally, the proposed ordinance reaffirms San Francisco’s long-standing commitment to preserving both rent-controlled and deed-restricted affordable housing as a vital source of stability and affordability by retaining the city’s Conditional Use Approval requirement, while clarifying that the Department’s more expansive definition of “residential demolition” triggers the proposed Section 317.2 requirements for any projects using local or state housing programs. This strengthens oversight of demolitions and ensures protected units are replaced and tenant rights are complied with consistently. Maintaining strict demolition procedures has proven effective. The proposed ordinance thereby advances a balanced approach to housing policy by promoting housing production and growth while maintaining strong protections for existing residents and preventing the loss of affordable housing.

The Department believes that the proposed Ordinance would better protect tenants and be more implementable with the following recommended modifications:

Recommendation 1: Amend Planning Code Section 317(b) definitions, including the definition of “residential demolition”. Staff recommends amending Section 317(b)(2) so that the current definition for “tantamount for demolition” will more closely link the definition to the alteration of existing units. While both the current and amended definitions focus exclusively on the exterior of the buildings, the current definition lacks an identifiable project scope that would trigger the Conditional Use Authorization requirement. As a result, the scopes of projects triggering the requirement vary widely. The amended definition simplifies the definition and is intended to capture alterations with a high likelihood of impacting existing rental units. For example, an existing two-story building that proposes a full rear addition (complete removal of the rear façade) and a full third story vertical addition (complete removal of the existing roof) would be near or exceed the amended threshold for Conditional Use Authorization. In this example, whether the project exceeds the threshold of the current definition would rely on other, less impactful scopes that are often adjusted to avoid exceeding the threshold (such as alterations to side walls). While projects will always be revised to avoid exceeding the threshold regardless of where the threshold is set, by amending the definition to focus on the most impactful parts of projects, these revisions will have a more realistic chance of limiting impacts to existing rental units.

From a practical perspective, the proposed amended definition simplifies the demolition calculation process for both applicants and Planning staff. In particular, the removal of lineal feet as part of the calculation process will eliminate the largest source of confusion. Reliable implementation of this calculation has proven difficult. Focusing on square footage will provide an easily understandable calculation. The proposed amended definition also allows for partial elevations of existing buildings without those projects being considered removal of units, for the purposes of demolition. Currently, elevating a building a whole story is not considered removal, but lifting the building less than a full story does. By focusing on square footage, lifting a building would no longer be considered removal unless there were other alterations to existing facades proposed. Existing tenants displaced by such a project would continue to be protected under the Administrative Code requirements for capital improvements.

The proposed changes to Section 317(b) definitions can be found in Exhibit C. The Department analyzed a series of completed projects that were not previously categorized as “tantamount to demolition” against the proposed definition of residential demolition. The results show that the new definition does recategorize many of those projects as “tantamount to demolition”. Results can be found in Appendix D.

Recommendation 2: Change proposed finding in Section 317(g)(6)(B) to read (B) *The project does not propose changes to more than 20% of the character defining features of a building that is designated as a landmark under Article 10, is listed as a contributor to an historic district in Article 10, is listed as a Significant or Contributory Building under Article 11, is listed in the California Register of Historical Resources, or is listed on the National Register of Historic Places.* This change more closely aligns with the power the Historic Preservation Commission has to allow historic buildings to be modified as long as standards are met that maintain the character-defining features of buildings.

Recommendation 3: Change proposed finding in Section 317(g)(6)(C) to read (C) *The project increases the number of Residential Units subject to the rent increase limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) compared to the existing Residential Units and Unauthorized Units, as defined in Section 317, subject to the same rent increase limitations.* Staff recommend amending Section 317(g)(6)(C) to replace the term “rental unit” to

"Residential Units" to align with Planning Code definitions and avoid unintended outcomes of relying on the Administrative Code definition of a "rental unit." Staff also recommend amending Section 317(g)(6)(C) to ensure the comparison between the development project and the existing units takes into consideration Unauthorized Units.

Recommendation 4: Merge proposed findings in Sections 317(g)(6)(D) and (E) to read (D) The project does not require the Residential Demolition of existing, deed-restricted, affordable and/or below market rate housing, or increases the number of permanently Affordable Units located on the site. This change allows for a smaller project that results in more housing to meet the Planning Commission's 80% finding threshold even if the project is a condominium project. Given that some projects will likely be fewer than 10 units, there could be a situation where an increase in affordable housing is unlikely because no replacement or inclusionary units are required. By merging these two findings, smaller projects that increase housing can meet the Planning Commission finding threshold.

Recommendation 5: Amend the proposed Planning Code Section 317.2 to ensure that projects provide the relocation benefits required by Section 317.2. Project sponsors will be required to contract with a relocation specialist from a list provided by the Department. This recommended modification aligns with the Supervisor's anticipated amendment. The Department wants to ensure that project sponsors satisfy State requirements related to relocations, including a pathway for contracting with a relocation specialist. The Department proposes providing a list of qualified relocation specialists, as well as options for vetting those contracted by project sponsors that are not on the list.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance. However, throughout the development process of this ordinance the Planning Department and Supervisor Chen collaborated with tenant advocacy organizations and housing policy experts, such as the Race and Equity in All Planning Coalition and the San Francisco Anti-displacement Coalition, in the development of the policies and requirements.

ATTACHMENTS:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Board of Supervisors File No. 250926
- Exhibit C: Proposed amendments to Section 317 definitions, including “Residential Demolition”
- Exhibit D: Testing completed projects not previously categorized as “tantamount to demolition” against the proposed “residential demolition” definition.
- Exhibit E: MOHCD 2025 Maximum Monthly Rent by Unit Size & SFHA Payment Standard.

Exhibit A: Draft Planning Commission Resolution



PLANNING COMMISSION DRAFT RESOLUTION

HEARING DATE: November 6, 2025

Project Name: Planning, Administrative Codes - Tenant Protections Related To Residential Demolitions and Renovations
Case Number: 2025-008704PCA [Board File No. 250926]
Initiated by: Supervisor Chyanne Chen / Introduced September 9, 2025 & Substituted October 7, 2025
Staff Contact: Malena Leon-Farrera, Citywide Division
malena.leon-farrera@sfgov.org, 628-652-7474
Reviewed by: Rachael Tanner, Director of Citywide Planning Division
rachael.tanner@sfgov.org, 628-652-7471

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS OF A PROPOSED ORDINANCE AMENDING THE PLANNING CODE TO 1) REQUIRE PROPERTY OWNERS SEEKING TO DEMOLISH RESIDENTIAL UNITS TO REPLACE ALL UNITS THAT ARE BEING DEMOLISHED; 2) REQUIRE RELOCATION ASSISTANCE TO AFFECTED OCCUPANTS OF THOSE UNITS, WITH ADDITIONAL ASSISTANCE AND PROTECTIONS FOR LOWER-INCOME TENANTS; 3) MODIFY THE CONDITIONAL USE CRITERIA THAT APPLY TO PROJECTS TO DEMOLISH RESIDENTIAL UNITS; AMENDING THE ADMINISTRATIVE CODE TO 4) 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; 5) UPDATE THE STANDARDS AND PROCEDURES FOR HEARINGS RELATED TO TENANT HARASSMENT; 6) REQUIRE ADDITIONAL DISCLOSURES IN BUYOUT AGREEMENTS; 7) 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.

WHEREAS, on September 9, 2025 Supervisor Chen introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 250926, amending the Planning Code to 1) require property owners seeking to demolish residential units to replace all units that are being demolished; 2) require relocation assistance to affected occupants of those units, with additional assistance and protections for lower-income tenants; 3) modify the conditional use criteria that apply to projects to demolish residential

units; amending the Administrative Code to 4) 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; 5) update the standards and procedures for hearings related to tenant harassment; 6) require additional disclosures in buyout agreements; 7) making various non-substantive changes and clarifications;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on November 6, 2025; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval with modifications** of the proposed ordinance. The Commission’s proposed recommendations are as follows:

1. Amend Planning Code Section 317(b) definitions, including the definition of “residential demolition”.
2. Change proposed finding in Section 317(g)(6)(B) to read *(B) The project does not propose changes to more than 20% of the character defining features of a building that is designated as a landmark under Article 10, is listed as a contributor to an historic district in Article 10, is listed as a Significant or Contributory Building under Article 11, is listed in the California Register of Historical Resources, or is listed on the National Register of Historic Places.*
3. Change proposed finding in Section 317(g)(6)(C) to read *(C) The project increases the number of Residential Units subject to the rent increase limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the Administrative Code) than the total number Residential Units and Unauthorized Units, as defined in Section 317, subject to the same rent increase limitations.*
4. Merge proposed findings in Sections 317(g)(6)(D) and (E) to read *(D) The project does not require the Residential Demolition of existing, deed-restricted, affordable and/or below market rate housing, or increases the number of permanently Affordable Units located on the site.*
5. Amend the proposed Planning Code Section 317.2 to ensure that projects provide the relocation

benefits required by Section 317.2. Project sponsors will be required to contract with a relocation specialist from a list provided by the Department.

Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

- The Planning Commission finds that the approval with modifications of the proposed ordinance codifies and builds on the Housing Crisis Act, commonly known as SB 330 (referred as “SB 330” thereafter), to mandate stronger tenant protections.
- The Planning Commission finds that the proposed ordinance with modifications enhances accountability through improved enforcement tools like tying project approvals to verified tenant protections compliance milestones, enhanced noticing, and tracking of replacement units.
- The Planning Commission finds that the proposed ordinance with modifications is consistent with and supports multiple goals, objectives, policies, and implementing actions of the San Francisco General Plan in general, and the San Francisco 2022 Housing Element in particular..
- Finally, the Planning Commission find that the proposed ordinance with modifications reaffirms San Francisco’s long-standing commitment to preserving both rent-controlled and deed-restricted affordable housing as a vital source of stability and affordability by retaining the city’s Conditional Use Approval requirement and strengthening the definition of “residential demolition” to ensure stronger enforcement and implementation of SB 330 requirements.

General Plan Compliance

The proposed Ordinance and the Commission’s recommended modifications are consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

GOAL 1. RECOGNIZE THE RIGHT TO HOUSING AS A FOUNDATION FOR HEALTH, AND SOCIAL AND ECONOMIC WELL-BEING.

OBJECTIVE 1.A

ENSURE HOUSING STABILITY AND HEALTHY HOMES.

Policy 1

Minimize no-fault and at-fault evictions for all tenants, and expand direct rental assistance as a renter stabilization strategy.

OBJECTIVE 3.C

ELIMINATE THE DISPLACEMENT OF VULNERABLE COMMUNITIES AND COMMUNITIES OF COLOR

Policy 21

Prevent the potential displacement and adverse racial and social equity impacts of zoning changes, planning processes, or public and private investments especially for populations and areas vulnerable to displacement

Policy 28

Affirm Compliance in State housing law, requirements, and intent by strengthening data collection, clarifying definitions, and further supporting implementation.

Policy 33

Prevent the outmigration of families with children and support the needs of families to grow.

IMPLEMENTING PROGRAMS

2.2. Tenant Protections

- 2.2.2.** Increase [relocation assistance](#) for tenants experiencing either temporary or permanent evictions, including increasing the time period during which [relocation compensation](#) is required for temporary evictions from three to six months. Explore options to ensure long-term affordability of low-income tenants who return to their units.
- 2.2.5.** Proactively enforce eviction protection and avoid predatory practices or tenant harassment by pursuing affirmative litigation models.

2.4. Preserving Rental Unit Availability

- 2.4.9.** Adopt requirements for replacement of units affordable to the same or lower income level as a condition of any development on a nonvacant site consistent with those requirements in state Density Bonus Law (Government Code section 65915(c)(3).) Replacement requirements shall be required for sites identified in the Sites Inventory that currently have residential uses, or within the past five years have had residential uses that have been vacated or demolished, and:
- Were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of low or very low-income, or
 - Subject to any other form of rent or price control through a public entity's valid exercise of its police power, or
 - Occupied by low or very low-income households

For the purpose of this action, "previous five years" is based on the date the application for development was submitted.

8.5. Compliance with State Programs and Law

- 8.5.1** Ensure that local adopted rules and procedures that implement future state housing law support and conform with the State’s legislative intent.
- 8.5.12** Comply with all state laws including but not limited to SB 35 Streamlined Ministerial Approval Process (Gov. Code, § 65913.4), Housing Crisis Act (Gov. Code, § 66300), Housing Accountability Act (Gov. Code, § 65589.5), Permit Streamlining Act (Gov. Code, §§ 65941.1 and 65943), and CEQA timelines., This will include strengthening data collection, clarifying definitions, revising processes, and other actions to comply with all state housing laws.
Include an analysis of proposed housing projects for potential applicability of the Housing Accountability Act in staff reports and commission resolutions.

The proposed Residential Tenant Protections Ordinance aligns with multiple goals, objectives, policies, and programs in San Francisco’s 2022 Housing Element by advancing housing stability, racial and social equity, and compliance with state housing laws. It supports Goals 1 by protecting rent-controlled and deed-restricted units from demolition, extending relocation assistance for both temporary and permanent evictions, and ensuring a right of first refusal for lower-income tenants. The proposed ordinance fulfills Objective 1.A and Objective 3.C, as well as implementing actions 2.2.2, and 2.2.5, by minimizing displacement, increasing tenant protections, and enabling enforcement against harassment through the permitting process. It also codifies provisions of the Housing Crisis Act, supporting Policy 28 and implementing actions 8.5.1 and 8.5.12. By requiring comparable replacement units and codifying affordability protections consistent with implementing actions 2.4.9, the proposed ordinance preserves family-sized housing and supports Policy 33, helping prevent the outmigration of families and maintaining long-term affordability for vulnerable residents.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed ordinance retains San Francisco’s existing regulatory framework which includes some of the strongest demolition and tenant protection controls in the country. Demolition of any rent-controlled building requires a Conditional Use Authorization from the Planning Commission, as well as any projects in Priority Equity Geographies, which makes demolitions rare – on average, 18 units per year are demolished in San Francisco (0.00004% of its housing stock). This framework should continue to work the way it has to prevent the demolition multifamily units that may contain retail spaces on the ground floor.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed will provide protections against displacement for residential tenants. It also retains the current framework for demolitions which large deters the loss of existing multifamily housing. Additionally, replacement requirements and tenant protections for lower-income households are

aimed at preserving cultural and economic diversity of our neighborhoods.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed ordinance requires affordable housing to be replaced at a 1:1 ratio, ensuring that new housing development does not reduce the existing stock of deed-restricted affordable housing. Additionally, the proposed ordinance mandates the replacement of units occupied by lower-income tenants be replaced with affordable housing, which may lead to an increase in the affordable housing stock.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed ordinance consists of protections against tenant displacement and unit demolition, and will not increase commuter traffic.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed ordinance does not incentivize commercial office development. Additionally, where industrial uses are in place, the proposed ordinance does not mandate protected housing replacement.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed ordinance would not have an adverse effect on the City's Landmarks and historic buildings. The proposed ordinance does not make changes to current protections for landmarks or historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS of the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on November 6, 2025.

Jonas P. Ionin
Commission Secretary

AYES:
NOES:
ABSENT:
ADOPTED:

Exhibit B: Board of Supervisors File No. 250926

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

Ordinance amending the Planning Code to 1) require property owners seeking to demolish residential units to replace all units that are being demolished; 2) require relocation assistance to affected occupants of those units, with additional assistance and protections for lower-income tenants; 3) modify the conditional use criteria that apply to projects to demolish residential units; amending the Administrative Code to 4) 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; 5) update the standards and procedures for hearings related to tenant harassment; 6) require additional disclosures in buyout agreements; 7) 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 uncodified 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:

Section 1. Land Use and Environmental Findings.

(a) The Planning Department has determined that the actions contemplated in this

1 ordinance comply with the California Environmental Quality Act (California Public Resources
2 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
3 Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this
4 determination.

5 (b) On _____, the Planning Commission, in Resolution No. _____,
6 adopted findings that the actions contemplated in this ordinance are consistent, on balance,
7 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
8 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
9 the Board of Supervisors in File No. _____, and is incorporated herein by reference.

10 (c) Pursuant to Planning Code Section 302, this Board finds that these Planning Code
11 amendments will serve the public necessity, convenience, and welfare for the reasons set
12 forth in Planning Commission Resolution No. _____, and the Board adopts such
13 reasons as its own. A copy of said resolution is on file with the Clerk of the Board of
14 Supervisors in File No. _____ and is incorporated herein by reference.

15
16 Section 2. Additional Findings.

17 (a) The Housing Crisis Act of 2019, adopted by the California Legislature as Senate
18 Bill 330 (hereafter, "SB 330"), provides that cities may not approve housing development
19 projects that will require the demolition of existing residential units unless the sponsors of
20 those projects agree to certain criteria. Among other things, the project sponsors must allow
21 existing occupants to remain in their units until a certain time before the start of construction
22 activities; replace all protected units; offer displaced lower-income households a right of first
23 refusal to comparable units; and provide lower-income tenants relocation assistance. Further,
24 SB 330 provides that cities may go beyond these minimum requirements to assist displaced
25 households, particularly those who are lower-income.

(b) Consistent with SB 330, this Ordinance adopts a series of tenant protections tailored for San Francisco, with a particular focus on protecting lower-income tenants to whom SB 330 grants a right of return. In many instances, lower-income households displaced by demolition projects have been unable to stay in San Francisco or the Bay Area, due to the property owner's timetable for constructing a new building, contrary to the intent of SB 330 that lower-income tenants shall enjoy a right to occupy a comparable unit in the new building. A similar pattern exists when landlords displace lower-income tenants in order to perform capital improvements and renovation projects. The current rules assume that this work will last for only three months and that the tenant will then be able to reoccupy the unit, but the displacements often last much longer, and lower-income tenants in particular suffer from these impacts and often have no choice but to give up on their right to return altogether. Tenants are also vulnerable to harassment, pretextual owner move-ins, and may be induced to leaving their units under buyout agreements without a full understanding of their rights. It is reasonable, and in the case of lower-income tenants essential, to prevent the potential abuse of evictions, to ensure tenant protections are not undermined, and to require property owners who are pursuing demolition or renovation projects to absorb the impacts that their projects will cause.

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

SEC. 176. ENFORCEMENT AGAINST VIOLATIONS.

* * * *

(c) Penalties.

(1) Administrative Penalties.

1 * * * *

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

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

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

17 * * * *

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

20 * * * *

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

1 including design guidelines for specific areas adopted by the Planning Commission, or with
2 any applicable conditions of previous approvals regarding the project, shall be held until either
3 the application is determined to be in compliance, is disapproved or a recommendation for
4 cancellation is sent to the Department of Building Inspection.

5 * * * *

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

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

1 appeal filed. Approval of the replacement structure shall comply with Section 317.2, as applicable.

2 (4) Buildings Posing a Safety Hazard.—~~(4)~~ The demolition of any building,
3 including but not limited to historically and architecturally important buildings, may be
4 approved administratively when the Director of the Department of Building Inspection, the
5 Chief of the Bureau of Fire Prevention and Investigation, or the Director of Public Works
6 determines, after consultation with the Zoning Administrator, that an imminent safety hazard
7 exists, and the Director of the Department of Building Inspection determines that demolition or
8 extensive alteration of the structure is the only feasible means to secure the public safety.

9 Nothing in this subsection (c)(4) shall relieve a project sponsor from complying with Section 317.2, as
10 applicable. The Zoning Administer may modify the timing of compliance with Section 317.2, as
11 necessary, for demolitions approved under this subsection (c)(4).

12 * * * *

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

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

1 of this Section.

2 (b) **Definitions.** For the purposes of this Section 317, the terms below shall be as
3 defined below. The Planning Department shall use these definitions when implementing state laws
4 that use similar terms if state law does not define such terms. Capitalized terms not defined below
5 are defined in Section 102 of this Code.

6 * * * *

7 (2) "Residential Demolition" shall mean any of the following:

8 (A) Any work on a Residential Building for which the Department of
9 Building Inspection determines that an application for a demolition permit is required, or

10 (B) A major alteration of a Residential Building that proposes the
11 Removal of more than 50% of the sum of the Front Facade and Rear Facade and also
12 proposes the Removal of more than 65% of the sum of all exterior walls, measured in lineal
13 feet at the foundation level, or

14 (C) A major alteration of a Residential Building that proposes the
15 Removal of more than 50% of the Vertical Envelope Elements and more than 50% of the
16 Horizontal Elements of the existing building, as measured in square feet of actual surface
17 area.

18 (D) The Planning Commission may reduce the above numerical
19 elements of the criteria in Subsections (b)(2)(B) and (b)(2)(C), by up to 20% of their values
20 should it deem that adjustment is necessary to implement the intent of this Section 317, to
21 conserve existing sound housing and preserve affordable housing.

22 * * * *

23 (c) **Applicability; Exemptions.**

24 (1) Within the Priority Equity Geographies Special Use District, any Development
25 Application for a permit that ~~would result in the~~ seeks authorization for Removal of one or more

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

2 (2) Outside the Priority Equity Geographies Special Use District, any
3 ~~Development A~~pplication ~~for a permit that would result in the~~ seeks authorization for Removal of
4 one or more Residential ~~Units~~ or Unauthorized Units is required to obtain Conditional Use
5 authorization unless it meets all the following criteria:

6 (A) The project sponsor certifies under penalty of perjury that any ~~The~~ units to
7 be demolished are not tenant occupied and are without a history of evictions under
8 Administrative Code Sections 37.9(a)(8)-(12), ~~or 37.9(a)(14)-(16), or (17)~~ within the last five
9 years, and have not been vacated within the past five years pursuant to a Buyout Agreement,
10 as defined in Administrative Code Section 37.9E, as it may be amended from time to time,
11 regardless of whether the Buyout Agreement was filed with the Rent Board pursuant to
12 Administrative Code 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~~F) 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~~F) 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 the agreement with the City in consideration for other forms of assistance or other direct

1 financial contribution specified in California Government Code Section 65915 et seq.;

2 (ii) A description of the forms of assistance or other direct financial
3 contribution provided to the property owner; and

4 (iii) A description of the remedies for breach of the agreement and
5 other provisions to ensure implementation and compliance with the agreement.

6 * * * *

7 (d) **Demolition.**

8 (1) No permit to Demolish a Residential Building in any zoning district shall be
9 issued until a building permit for the replacement structure is finally approved. Any replacement
10 structure shall comply with Section 317.2 as applicable. A permit to demolish may be approved prior
11 to issuance of a building permit for a replacement structure if ~~unless~~ the building is determined to
12 pose a serious and imminent hazard as defined in the Building Code, but in no case shall the
13 obligation to comply with Section 317.2 be waived. The Zoning Administer may modify the timing of
14 compliance with Section 317.2, as necessary, for demolitions approved prior to issuance of a building
15 permit for a replacement structure due to a determination that the building poses a serious and
16 imminent hazard. A building permit is finally approved if the Board of Appeals has taken final
17 action for approval on an appeal of the issuance or denial of the permit or if the permit has
18 been issued and the time for filing an appeal with the Board of Appeals has lapsed with no
19 appeal filed.

20 * * * *

21 (g) **Conditional Use Criteria.**

22 * * * *

23 (2) **Residential Merger.** The Planning Commission shall consider the following
24 criteria in the review of Development Applications to merge Residential Units or Unauthorized
25 Units:

1 (A) whether the Merger removal of the unit(s) would eliminate only owner
2 occupied housing, and if so, for how long the unit(s) proposed to be removed have been
3 owner occupied;

4 (B) whether ~~removal of the unit(s) and~~ the remaining unit following the
5 Mmerger with another is intended for owner occupancy;

6 (C) whether the Merger removal of the unit(s) will remove an affordable
7 housing unit as defined in Section 401 of this Code or housing subject to the Residential Rent
8 Stabilization and Arbitration Ordinance;

9 (D) if the Merger removal of the unit(s) removes an affordable housing unit
10 as defined in Section 401 of this Code or units subject to the Residential Rent Stabilization
11 and Arbitration Ordinance, whether replacement housing will be provided which is equal or
12 greater in size, number of bedrooms, affordability, and suitability to households with children
13 to the units being removed;

14 (E) how recently the unit being removed through the Merger was occupied
15 by a tenant or tenants;

16 (F) whether the number of bedrooms provided in the merged unit will be
17 equal to or greater than the number of bedrooms in the separate units;

18 (G) whether removal of the unit(s) is necessary to correct design or
19 functional deficiencies that cannot be corrected through interior alterations;

20 (H) the appraised value of the least expensive Residential Unit proposed
21 for Mmerger only when the Mmerger does not involve an Unauthorized Unit.

22 The Planning Commission shall not approve an application for Residential Merger if
23 any tenant has been evicted pursuant to Administrative Code Sections 37.9(a)(9)~~through~~
24 ~~37.9(a)-(12)~~, (14), or (17) where the tenant was served with a notice of eviction after December
25 10, 2013 if the notice was served within 10 years prior to filing the application for merger.

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

11 * * * *

12 (6) **Residential Demolition.** The Planning Commission shall make findings based on
13 the criteria in Section 303(c) when reviewing Development Applications for projects that require both
14 the demolition of a single-family home and construction of a single-family home. The Planning
15 Commission shall make the findings set forth below ~~consider the following additional criteria~~ in the
16 review of Development Applications ~~applications~~ for projects that require either the demolition of two
17 or more Residential Units, or the demolition of a single-family home and construction of two or more
18 Residential Units. ~~Residential Demolition.~~ If the Planning Commission finds the project does not meet
19 at least 80% of these criteria, the application shall be denied. If a criterion does not apply to project,
20 the Commission shall find that criterion to have been met.

21 (A) The property is not subject to an open or unabated notice of violation issued
22 by the Planning Department or Department of Building Inspection at the time the Development
23 Application is submitted.

24 (B) The project does not propose changes to the character defining features of a
25 building that is designated as a landmark under Article 10, is listed as a contributor to an historic

1 district in Article 10, is listed as a Significant or Contributory Building under Article 11, is listed in the
2 California Register of Historical Resources, or is listed on the National Register of Historic Places.

3 (C) The project increases the number of rental units subject to the rent increase
4 limitations of the Residential Rent Stabilization and Arbitration Ordinance (Chapter 37 of the
5 Administrative Code).

6 (D) The project does not require the Residential Demolition of existing, deed-
7 restricted, affordable and/or below market rate housing, or replaces any such housing that is
8 demolished as part of the Development Application.

9 (E) The project increases the number of permanently Affordable Units located
10 on the site.

11 (F) The project, if three units or more, increases the number of two or more
12 bedroom units on-site.

13 (G) The project sponsor has complied with the notice requirements of Section
14 317.2(e)(1) and (e)(2)(i)-(iii), and (vi), and the requirements of Section 317.2(d)(2) to provide a
15 relocation plan for Existing Occupants.

16 (H) The project results in a net increase of Dwelling Units on-site and number
17 of bedrooms on-site.

18 (I) The project site has been free of Rent Board decisions under Administrative
19 Code section 37.9(l) that there was a wrongful endeavor to recover possession of a rental unit through
20 tenant harassment or adjudicated wrongful evictions, for at least five years before the date the
21 Development Application is submitted.

22 (J) As to vacant units where the prior tenant left within five years before the date
23 the Development Application is submitted pursuant to a Buyout Agreement, that the Buyout Agreement
24 complied with the applicable disclosure requirements as set forth in Administrative Code Section
25 37.9E, subdivisions (d)(12) and (f)(5).

1 (K) No tenant has vacated any unit in the building within the previous 36 months
2 pursuant to a notice to vacate under Administrative Code Section 37.9(a)(8) that was served after the
3 effective date of the ordinance in Board of Supervisors File No. _____.

4 (L) The project is a rental project.

5 ~~(A) whether the property is free of a history of serious, continuing Code~~
6 ~~violations;~~

7 ~~(B) whether the housing has been maintained in a decent, safe, and sanitary~~
8 ~~condition;~~

9 ~~(C) whether the property is an "historical resource" under CEQA;~~

10 ~~(D) whether the removal of the resource will have a substantial adverse impact~~
11 ~~under CEQA;~~

12 ~~(E) whether the project converts rental housing to other forms of tenure or~~
13 ~~occupancy;~~

14 ~~(F) whether the project removes rental units subject to the Residential Rent~~
15 ~~Stabilization and Arbitration Ordinance or affordable housing;~~

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

18 ~~(H) whether the project conserves neighborhood character to preserve~~
19 ~~neighborhood cultural and economic diversity;~~

20 ~~(I) whether the project protects the relative affordability of existing housing;~~

21 ~~(J) whether the project increases the number of permanently affordable units as~~
22 ~~governed by Section 415;~~

23 ~~(K) whether the project locates in-fill housing on appropriate sites in~~
24 ~~established neighborhoods;~~

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

~~(M) whether the project creates new supportive housing;~~
~~(N) whether the project is of superb architectural and urban design, meeting all relevant design guidelines, to enhance existing neighborhood character;~~
~~(O) whether the project increases the number of on-site Dwelling Units;~~
~~(P) whether the project increases the number of on-site bedrooms;~~
~~(Q) whether or not the replacement project would maximize density on the subject lot; and~~
~~(R) if replacing a building not subject to the Residential Rent Stabilization and Arbitration Ordinance, whether the new project replaces all of the existing units with new Dwelling Units of a similar size and with the same number of bedrooms.~~

(7) Removal of Unauthorized Units. In addition to the criteria set forth in subsections (g)(1) through (g)(6) above, the Planning Commission shall consider the criteria below in the review of applications for removal of Unauthorized Units:

(A) whether the Unauthorized Unit has been rented within the 10 years preceding the application, excluding any use of the Unauthorized Unit by a blood, adoptive, or step-family relationship, specifically by a grandparent, parent, sibling, child, or grandchild, or the spouse or registered domestic partner of such relations, or by a property owner's spouse or registered domestic partner;

(B) whether the Unauthorized Unit has a history of evictions under Administrative Code Sections 37.9(a)(8)-(12), ~~or 37.9(a)(14), or (17)-(16)~~ within the 10 years preceding the application.

* * * *

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 publish on its website, a Replacement Unit Implementation Document (hereafter, the*
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 Department may update the Implementation*
10 *Document from time to time.*

11 **(b) Definitions.** *In addition to the definitions in California Government Section 66300.5 and*
12 *Planning Code Sections Section 102 or Section 401, the following terms shall have the following*
13 *definitions:*

14 *“Affordable Housing Cost” is defined in California Health and Safety Code section 50052.5.*

15 *“Affordable Rent” is defined in California Health and Safety Code section 50053.*

16 *“Comparable Unit” shall mean a Replacement Unit (and for purposes of subsection*
17 *317.2(d)(2)(C), a substitute unit) that contains at least the same total number of bedrooms, same total*
18 *number of full bathrooms, and at least 90 percent of the square footage of the Protected Unit being*
19 *replaced. However, if one or more single-family homes that qualify as Protected Units are being*
20 *replaced in a Housing Development Project that consists of two or more units, “Comparable Unit”*
21 *shall mean either (1) a unit containing the same number of bedrooms if the single-family home contains*
22 *three or fewer bedrooms, or (2) a unit containing three bedrooms if the single-family home contains*
23 *four or more bedrooms and a Comparable Unit is not required to have the same or similar square*
24 *footage or the same number of total rooms.*

25 *“Existing Occupant” shall mean a tenant, as defined in Administrative Code Section 37.2(t), on*

1 the date the project sponsor submits a Development Application or a preliminary application
2 (whichever occurs first), inclusive of any lawful occupants in the unit, as well as any persons who have
3 vacated a rental unit temporarily while the landlord is carrying out capital improvements or
4 rehabilitation work. If the unit was vacant on such date, the prior tenant shall still qualify as an
5 Existing Occupant for purposes of this Section 317.2 if they vacated the unit in any of the following
6 circumstances: (1) within the last five years, either due to a wrongful endeavor to recover possession of
7 the unit through harassment as determined by the Rent Board under Administrative Code Section
8 37.9(l), or alternatively, where the Rent Board determined there was a wrongful endeavor to recover
9 possession of the unit through harassment and the tenant vacated within 12 months after the date of
10 said determination; (2) within the last five years pursuant to a Buyout Agreement that did not
11 substantially comply with the disclosure requirements set forth in Administrative Code Section 37.9E,
12 subdivisions (d)(12) and (f)(5); or (3) within the last three years pursuant to a notice to vacate under
13 Administrative Code Section 37.9(a)(8).

14 “Housing Development Project” is defined in California Government Code section
15 65905.5(b)(3).

16 “Lower Income Household” is defined in California Health and Safety Code section 50079.5.

17 “Protected Unit” shall mean a Residential Unit, whether authorized or unauthorized, and
18 whether occupied or vacant, that meets any of the following criteria: (1) has been subject to a recorded
19 covenant, ordinance, or law that restricts rents to levels affordable to persons and families of Lower or
20 Very Low-Income within the past five years; (2) has been subject to any form of rent or price control
21 through San Francisco’s valid exercise of its police power within the last five years, including all units
22 subject to the rent increase limitations set forth in Section 37.3 of the Administrative Code; (3) has
23 been rented by a Lower or Very Low-Income Household within the past five years; or (4) was
24 withdrawn from rent or lease in accordance with Chapter 12.75 (commencing with Section 7060) of
25 Division 7 of Title 1 of the California Government Code) within the past 10 years.

1 "Replacement Unit" shall mean a Residential Unit that replaces a demolished Protected Unit in
2 a new Housing Development Project and that complies with the requirements of this Section 317.2.

3 The Department shall note the existence of Replacement Units on a publicly-accessible website.

4 "Very Low Income Household" is defined in California Health and Safety Code section 50105.

5 (c) **No Net Loss of Residential Units.** Notwithstanding any other law including local density
6 requirements, a Housing Development Project that will require the demolition of one or more
7 Residential Units, whether authorized or unauthorized, shall include at least as many Residential Units
8 as will be demolished or as existed on the project site within the last five years preceding the date of the
9 Development Application, whichever is greater.

10 (d) **Projects that Require Demolition of Protected Units.** Notwithstanding any other law
11 including local density requirements, a development project that will require the demolition of
12 occupied or vacant Protected Units, or that is located on a site where Protected Units were demolished
13 in the five years preceding the date the project sponsor submits a Development Application, shall not
14 be approved unless the project meets all of the following requirements:

15 (1) **Replacement of Protected Units.** The project shall replace all existing Protected
16 Units and all Protected Units demolished on or after January 1, 2020 with Comparable Units. Except
17 as otherwise provided in this Section 317.2, for purposes of this subsection (d)(1), the term "replace"
18 shall have the same meaning as provided in Government Code sections 65915(c)(3)(B) and (C) and as
19 further described below. Replacement Units subject to an affordability restriction shall remain
20 affordable for the Life of the Project, as defined in Section 401.

21 (A) **Demolition and Replacement of Units Occupied by Lower-Income**
22 **Households.** Except as provided in subsection 317.2(d)(2)(D), for projects proposing to demolish
23 buildings that include Protected Units that were occupied by Lower-Income Households at the time of
24 the Development Application, the project sponsor shall replace such Protected Units with Comparable
25 Units at an affordable housing cost to persons and families in the same or lower income categories as

1 those households in occupancy or presumed to be in occupancy as described in Section
2 65915(c)(3)(B)(i). Such units shall be occupied by persons and families in the same or lower income
3 categories as those households in occupancy or presumed to be in occupancy as described in Section
4 65915(c)(3)(B)(i). Comparable Units in rental projects must be made available at an affordable rent
5 or the prior rental rate, whichever is lower. Housing Development Projects in which 100 percent of the
6 units, exclusive of a manager's unit or units, are reserved for Lower Income Households, may comply
7 with subsection (d)(1)(A) by providing at least the same total number of units and the total aggregate
8 number of bedrooms as the Protected Units being replaced on the project site.

9 **(B) Demolition and Replacement of Units With Above Lower-Income**

10 **Households.** For projects proposing to demolish buildings with Protected Units that were occupied by
11 above Lower-Income Households, the project sponsor shall replace those units with Comparable Units.
12 Comparable Units in Rental Projects shall be subject to the rent increase limitations of Chapter 37 of
13 the Administrative Code. Comparable Units in Ownership Projects, as defined by Section 401 of this
14 Code, shall be made available to and occupied by Lower-Income Households. The project sponsor
15 shall consent to such restrictions in a Regulatory Agreement approved by the Planning Department.

16 **(C) Vacant or Demolished Units.** If all Protected Units have been vacated or
17 demolished within the five years preceding the Development Application, then the project sponsor shall
18 replace those units with Comparable Units based on the number of Lower-Income Households in
19 occupancy or presumed to be in occupancy at the highpoint in the preceding five years, as described in
20 California Government Code Section 65915(c)(3)(B)(ii). Housing Development Projects in which 100
21 percent of the units, exclusive of a manager's unit or units, are reserved for Lower Income Households,
22 may comply with this subsection (d)(1)(C) by providing at least the same total number of units and the
23 total aggregate number of bedrooms as the Protected Units being replaced on the project site.

24 **(D) Accessibility Requirements.** Any demolished Protected Unit that was an
25 accessible unit under California Building Code Chapter 11A shall be replaced with an accessible

1 Comparable Unit.

2 (E) Inclusionary Requirements. Replacement Units constructed pursuant to
3 this subsection (d)(1) shall be considered in determining whether the Housing Development Project
4 satisfies the requirements of California Government Code Section 65915, or any on-site affordable
5 housing requirements under Section 415 et seq. of this Code.

6 (F) Non-Housing Development Projects. If a project that proposes to demolish
7 Protected Units is not a Housing Development Project, the project sponsor shall ensure that any
8 Replacement Units are developed prior to or concurrently with the non-housing development project.
9 Such Replacement Units shall be Comparable Units, and may be located on a site other than the non-
10 housing development project site but shall be located within San Francisco and within one mile of the
11 project site. The project sponsor may contract with another entity to develop the required Replacement
12 Units. Any Replacement Units developed as part of a separate project under this subsection (d)(1)(F)
13 shall be in addition to any Replacement or Inclusionary Units required for that separate project; and
14 shall be in addition to any Replacement Units included in the separate project to meet the requirements
15 of this subsection (d)(1)(F) for any other project; and shall not be located within any project that
16 receives a public subsidy or that will become property of the San Francisco Housing Authority. The
17 Implementation Document shall contain guidelines as deemed necessary to assist with implementation,
18 monitoring, and enforcement of this subsection (d)(1)(F).

19 (G) Exceptions. Consistent with California Government Code Section
20 66300.6(b)(1)(C), this subsection (d)(1) does not require a Replacement Unit where (i) the project is an
21 industrial use; (ii) the project site is entirely within a zone that does not allow Residential uses; (iii) the
22 zoning applicable to the project site that does not allow Residential uses was adopted prior to January
23 1, 2022; and (iv) the Protected Units that are or were on the project site are or were nonconforming
24 uses.

25 (2) Protections for Existing Occupants. A Development Application shall not be

1 approved unless the project sponsor complies with the requirements of subsections (d)(2)(A)-(D), and
2 has provided all Existing Occupants notice of their rights under subsections (d)(2)(A)-(D). The project
3 sponsor shall include a compliant relocation plan with their Development Application. The
4 Implementation Document shall include minimum standards for notices to be provided informing
5 Existing Occupants of their rights, and a compliant relocation plan, as well as instructions and
6 guidelines on how a project sponsor or a relocation specialist hired by the project sponsor can comply
7 with the requirements in this subsection (d)(2). The Department may impose a fee for the review of a
8 relocation plan.

9 (A) **Right to Remain.** Existing Occupants who are Lower-Income Households
10 shall be allowed to occupy their units until three months before the start of construction activities.
11 Existing Occupants who are not Lower-Income Households shall be allowed to occupy their units until
12 six months before the start of construction activities. A project sponsor may allow an Existing
13 Occupant to remain beyond three or six months before the start of construction activities.

14 (i) The project sponsor shall provide Existing Occupants, with a copy to
15 the Planning Department and Rent Board, written notice of the planned demolition, the date they must
16 vacate, and their rights under this Section 317.2. The notice shall be provided in writing, by certified
17 mail, at least six months in advance of the date that Existing Occupants must vacate, and shall be in
18 addition to any other notices that may be required by law. This notice shall include the following text
19 in at least 14 point bold face type: "This notice is not an eviction notice. It is not notice that you must
20 vacate the building or that your tenancy is being ended. It is to inform you about your rights under
21 Section 317.2 of the San Francisco Planning Code."

22 (ii) The notice in subsection (d)(2)(A)(i) shall be sent by certified mail
23 and provided in the Required languages, and in languages spoken by a Substantial Number of Limited
24 English Speaking Persons, as those terms are defined in Administrative Code Chapter 91.

25 (B) **Right to Return if Demolition Does Not Proceed.** Any Existing Occupants

1 who vacate their units following receipt of the notice required by subsection (A) shall be allowed to
2 return at their prior rental rate, as adjusted in accordance with the provisions of Administrative Code
3 Chapter 37, if the demolition does not proceed and the property is returned to the rental market. The
4 project sponsor shall follow any applicable guidelines in the Implementation Document regarding the
5 offer and acceptance of a right to return if demolition does not proceed.

6 **(C) Right to Relocation Assistance.** Project sponsors shall provide relocation
7 assistance to Existing Occupants as follows:

8 (i) All displaced households regardless of income level shall receive
9 relocation assistance equivalent to the amounts required under Administrative Code Section 37.9A(e).

10 (ii) When the displaced household is Lower-Income, the project sponsor
11 shall provide the additional relocation assistance as set forth in subparagraphs a., b., or c of this
12 subsection (d)(2)(C). The project sponsor shall continue to provide this additional assistance until they
13 have discharged their obligation to offer the household a permanent Comparable Unit under
14 subsection (d)(2)(D), or until 42 months have elapsed since the displacement occurred, whichever
15 comes first. The Department shall review and verify the adequacy of the project sponsor's relocation
16 assistance plan before it finally approves the demolition permit, shall assist project sponsors and
17 displaced households to ensure consistent implementation of the plans, and may contract with third-
18 party relocation specialists to assist with these functions.

19 a. **Substitute Housing.** The project sponsor shall secure a
20 substitute unit for the household that is Comparable and is located in San Francisco, commencing on
21 the date that the household would be required to vacate their original unit. The rent shall be not
22 greater than the rent that the household was paying before the displacement. The project sponsor shall
23 follow any applicable procedures in the Implementation Document regarding the offer and acceptance
24 of the substitute unit. If the household accepts the offer of a substitute unit, their tenancy in that unit
25 shall be subject to all applicable provisions of Administrative Code Chapter 37. If the household does

1 not accept the offer of a substitute unit, the project sponsor shall provide relocation assistance under
2 subparagraphs b. or c.

3 **b. Standardized Payment.** The project sponsor shall provide the
4 household standardized financial payments to assist with the relocation, commencing three months
5 after the date that the household vacated their original unit. The payments shall occur monthly in an
6 amount equivalent to the difference between the maximum monthly rent for that household and unit
7 type as published by MOHCD, and the San Francisco Housing Authority Payment Standard for that
8 unit size (or the amount that the household is paying for interim housing, whichever is less).

9 **c. Individualized Relocation Process.** Consistent with California
10 Government Code Section 66300.6(b)(4)(A), the project sponsor shall provide the household financial
11 payments in the amounts required to be paid by public entities under California Government Code
12 Sections 7260-7277, as amended from time to time. The Department's Implementation Document shall
13 include procedures and guidelines for project sponsors who wish to provide relocation assistance
14 under this option.

15 (iii) The Department shall develop procedures for Lower-Income
16 Households to provide the Department and project sponsor confirmation at least once every twelve
17 months that they remain eligible for the additional relocation assistance described in subparagraphs a.
18 or b. of subsection (ii), as applicable, and that they intend to occupy a Comparable Unit under
19 subsection (d)(2)(D) upon completion, as a condition of receiving the additional relocation assistance.
20 Information related to a displaced household's source of income shall be treated as confidential
21 information.

22 (iv) If paying relocation assistance under subparagraphs a. or b. of
23 subsection (ii) would constitute an undue financial hardship for the project sponsor in light of all of the
24 resources available to them, the project sponsor may file a written request with the Rent Board for a
25 hardship adjustment, on a form provided by the Rent Board and with supporting evidence. The Rent

1 Board, or its designated Administrative Law Judges, may order a payment plan or any other relief they
2 determine is justified following a hearing on the request.

3 (v) The relocation assistance set forth in this Section 317.2(d)(2)(C) is
4 not intended to affect any assistance the displaced household may be entitled to under federal or state
5 law. If a displaced household is also entitled to receive relocation assistance under Chapter 37 of the
6 Administrative Code, then the project sponsor may apply the amounts paid under Chapter 37 as a
7 credit against the amounts required under this Section 317.2(d)(2)(C).

8 **(D) Right of First Refusal For Comparable Units.** The project sponsor shall
9 offer Comparable Units to Existing Occupants of Protect Units as set forth below. The City shall not
10 issue a Temporary or Final Certificate of Occupancy unless the Planning Department has certified that
11 the project sponsor has complied with these requirements, the applicable notice rules under subsection
12 (E), as well as any offer and acceptance procedures and guidelines set forth in the Department's
13 Implementation Document.

14 (i) The project sponsor shall provide above Lower-Income Households a
15 right of first refusal for a Comparable Unit available in the new housing development, or if the
16 development is not a housing development, in a Comparable Unit associated with the new development,
17 provided such development is a rental housing development.

18 (ii) The project sponsor shall provide Lower-Income Households a right
19 of first refusal for a Comparable Unit available in the new housing development, or if the development
20 is not a housing development, in any required Comparable Units associated with the new development
21 at an affordable rent or an affordable housing cost. To ensure the Comparable Unit is affordable to
22 the Lower Income Household, the project sponsor shall offer the unit either at the Existing Occupant's
23 prior rental rate (plus any annual rent increases that may have been allowed under Administrative
24 Code Sections 37.3(a)(1)-(2)) or at an Affordable Rent, whichever is lower; or at an Affordable
25 Housing Cost. If a Lower-Income Household has been accepting relocation assistance in the form of a

1 substitute housing unit, their decision not to accept a Comparable Unit under this subsection (ii) shall
2 not affect their right to continue occupying the substitute housing unit. If a Lower-Income Household
3 accepts a Comparable Unit at their prior rental rate which is lower than the Affordable Rent, any
4 annual rent increase shall be governed by Administrative Code Section 37.3(a)(1)-(2) for the duration
5 of the Lower-Income Household's tenancy. At the conclusion of the tenancy, the Comparable Unit
6 shall be an Affordable Unit subject to the requirements of Section 415 and the Inclusionary Affordable
7 Housing Procedures Manual.

8 (iii) Consistent with California Government Code Sections
9 66300.6(b)(4)(B)(i)-(iii), Existing Occupants shall not have a right of first refusal under this subsection
10 (D) to a Comparable Unit in any of the following circumstances:

11 a. a development project that consists of a single residential unit
12 located on a site where a single Protected Unit is being demolished;

13 b. units in a Housing Development Project in which 100 percent
14 of the units, exclusive of a manager's unit or units, are reserved for Lower-Income Households, except
15 in the case of an Existing Occupant of a Protected Unit who qualifies for residence in the new
16 development and for whom providing a Comparable Unit would not be precluded due to unit size
17 limitations or other requirements of one or more funding source of the housing development; or

18 c. a development project that meets the requirements set forth in
19 California Government Code Section 66300.6(b)(1)(C).

20 (e) **Notice Requirements.** In addition to any other notices required by this Code, a project
21 sponsor shall comply with the notice requirements under subsections (e)(1) and (e)(2), below. The
22 Department shall create forms to assist project sponsors in providing these notices, and may include
23 additional rules and guidelines in the Replacement Unit Implementation Document. The project
24 sponsor shall provide copies of these notices to the Department at the time they provide them to the
25 Existing Occupants, unless otherwise specified. The Department shall also develop forms for Existing

1 Occupants to keep the project sponsor and Department apprised of future changes of physical address,
2 telephone number, and electronic mail.

3 (1) **Posted Notice at Site.** Within seven days of receiving notice that their Development
4 Application is complete or has been deemed complete, the project sponsor shall place posters at the
5 subject property that includes the content set forth in Section 333(d). The posters shall comply with the
6 requirements of Section 333(e)(1), and shall remain at the property until the Department issues a
7 Planning Approval Letter or until the project sponsor withdraws or cancels the application. This
8 notice shall be in addition to any notices required by the Building Code or any other State or local law.
9 In addition to the locations required by Section 333(e)(1), the project sponsor shall also place posters
10 in at least one high-traffic area used by tenant households. The requirements of this subsection
11 317.2(e)(1) may be modified upon a determination by the Zoning Administrator that a different location
12 for the poster would provide better notice or that physical conditions make this requirement impossible
13 or impractical, in which case the notice shall be posted as directed by the Zoning Administrator.

14 (2) **Notifications to Existing Occupants.** Project sponsors must provide notice to
15 Existing Occupants as set forth below, and as further required in the Implementation Document, by
16 certified mail and email, in the Required languages and in languages spoken by a Substantial Number
17 of Limited English Speaking Persons as those terms are defined in Administrative Code Chapter 91.

18 (A) **Notice of Right to Remain.** Project sponsors shall notify all Existing
19 Occupants of their right to remain consistent with Section 317.2(d)(2)(A).

20 (B) **Notice of Right to Relocation Benefits.** Project sponsors shall notify all
21 Existing Occupants of their right to relocation assistance under Section 317.2(d)(2)(C). Such notice
22 shall include information on relocation specialists and relocation payments.

23 (C) **Notice of a Right of First Refusal.** Project sponsors shall notify all
24 Existing Occupants of their right of first refusal for a Comparable Unit under Section 317.2(d)(2)(D).
25 Any household that intends to exercise this right must inform the project sponsor within 180 days of

1 receiving the notice, with a copy to the Planning Department and the Rent Board. The Implementation
2 Document shall include guidelines for satisfying this section, including procedures and timelines for
3 accepting a Replacement Unit.

4 **(D) Notice of Major Milestones for Existing Occupants who Intend to**
5 **Exercise a Right of First Refusal.** Project sponsors shall notify all Existing Occupant of major
6 milestones in the development process, including but not limited to:

- 7 (i) the start of construction;
8 (ii) on at least a bi-annual basis, the anticipated date of when
9 occupancy will be available;
10 (iii) at least 180, 90, and 30 days in advance of the anticipated
11 availability of the unit prior to the issuance of the Temporary or Final Certificate of Occupancy;
12 (iv) when the Temporary Certificate of Occupancy is issued; and
13 (v) when the Final Certificate of Occupancy is issued.

14 **(E) Notice of Replacement Unit Availability for Right of First Refusal.** Project
15 sponsors shall make offers of Replacement Units in writing by certified mail and electronic mail and
16 shall file a copy of the offer with the Planning Department within 15 days of the offer. The Existing
17 Occupant shall have 30 days from receipt of the offer to notify the project sponsor whether they accept
18 or reject the offer, and if they accept, shall occupy the unit within 60 days of receipt of the offer or
19 when the project receives its Temporary or Final Certificate of Occupancy for the Replacement Unit,
20 whichever occurs last. Nothing in this section shall preclude tenants from contacting the project
21 sponsor to inquire about progress throughout the construction period, or the leasing or sales process.

22 **(F) Notice of Right to Return if Demolition Does Not Proceed.** The project
23 sponsor shall notify all Existing Occupants of their right to return to their former rental unit at their
24 prior rental rate if a Development Project does not proceed and the property is returned to the rental
25 market, at least 30 days prior to returning the property to the rental market.

1 **(f) Private Right of Action; Civil Penalties.**

2 (1) An aggrieved tenant, or any non-profit with a primary mission of protecting tenants
3 that is acting on behalf of an aggrieved tenant, may file a civil action for monetary damages and/or
4 injunctive relief against any project sponsor, including any person(s) acting on their behalf and any
5 successors-in-interest, to enforce violations of this Section 317.2.

6 (2) A prevailing tenant may be awarded compensatory damages. In addition, for
7 violations of subsection (d)(2) a court may impose civil penalties up to \$10,000 per violation, treble
8 damages for willful violations, civil penalties up to \$5,000 per violation depending upon the severity of
9 the violation if the tenant is 65 years or older or disabled, and for violations of subsection (d)(2)(B)
10 punitive damages in an amount that does not exceed the total rent the Existing Occupant owed for the
11 six months before they vacated the unit. The prevailing party shall be awarded reasonable attorneys'
12 fees and costs.

13 (3) The remedies in this paragraph are not exclusive and do not preclude any tenant or
14 the City from seeking any other legal or equitable remedies, penalties, or punitive damages as provided
15 by law.

16 (4) This subsection (f) does not impose liability on a party for violating the notification
17 requirements of subsection (e)(2)(D), so long as the party can demonstrate substantial compliance with
18 those requirements.

19 **(g) Other Tenant Rights and Privileges.** All tenants of Replacement Units shall have the same
20 rights and privileges of other tenants in the same building or complex, as applicable and if provided
21 generally in the development, with respect to common space amenities, entry into the building, and
22 building services, including access to laundry facilities, gardens or yards, health facilities and
23 recreational space, property management and security services, repairs and maintenance, access to
24 any parking spaces, access to doors and keys, and building rules and regulations.

1 **SEC. 333. PUBLIC NOTIFICATION PROCEDURES.**

2 * * * *

3 **(d) Content of Notice.**

4 (1) All notices provided pursuant to this Section 333 shall have a format and
5 content determined by the Zoning Administrator, and shall at a minimum include the following:

6 * * * *

7 (C) the basic details of the project, including whether the project is a
8 demolition, new construction, alteration, or change of use; and basic details comparing the
9 existing and proposed conditions at the property including building height, number of stories,
10 dwelling unit count, number of parking spaces, and the use of the building; *and*

11 (D) instructions on how to access the online notice and plan sets for the
12 project, including how to obtain paper copies of the plan sets, and additional information for
13 any public hearings required by the Planning Code and for which public notification is required
14 for a development application: the date, time and location of the hearing; instructions for how
15 to submit comments on the proposed project to the hearing body; and an explanation as to
16 why the hearing is required; *and*

17 (E) if the Project requires the demolition of Residential or Unauthorized Units,
18 as those terms are defined in Sections 102 and 317, the notice shall also include information regarding
19 Section 317.2, including information about the protections for Existing Occupants as described in
20 Section 317.2(d)(2).

21 * * * *

22 **SEC. 415.4. IMPOSITION OF REQUIREMENTS.**

23 * * * *

24 (g) The Planning Department shall note the existence of any units provided under Section
25 415.6 in a Housing Development Project on a publicly-accessible website.

1
2 **SEC. 415.5. AFFORDABLE HOUSING FEE.**

3 The fees set forth in this Section 415.5 will be reviewed when the City completes an
4 Economic Feasibility Study. Except as provided in Section 415.5(g), all development projects
5 subject to this Program shall be required to pay an Affordable Housing Fee subject to the
6 following requirements:

7 (a) Timing of Fee Payments. The fee shall be paid to DBI for deposit into the Citywide
8 Affordable Housing Fund at the time required by Section 402(d).

9 (b) Amount of Fee. The amount of the fee that may be paid by the project sponsor
10 subject to this Program shall be determined by MOHCD utilizing the following factors:

11 * * * *

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

20
21 **SEC 415.6. ON-SITE AFFORDABLE HOUSING ALTERNATIVE.**

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

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

25 * * * *

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

* * * *

SEC 415.7. OFF-SITE AFFORDABLE HOUSING ALTERNATIVE.

If the project sponsor elects pursuant to Section 415.5(g) to provide off-site units to satisfy the requirements of Sections 415.1 et seq., the project sponsor shall notify the Planning Department and MOHCD of its intent prior to approval of the project by the Planning Commission or Department. The Planning Department and MOHCD shall provide an evaluation of the project's compliance with this Section 415.7 prior to approval by the Planning Commission or Planning Department. The development project shall meet the following requirements:

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

* * * *

(7) If the principal project or the off-site project has resulted in demolition, ~~conversion, or removal~~ of affordable housing units that are subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate-, low- or very low-income, or housing that is subject to any form of rent or price control through

1 a public entity's valid exercise of its police power and determined to be affordable housing, the
2 project sponsor shall comply with Section 317.2. ~~the Commission or the Department shall require that~~
3 ~~the project sponsor replace the number of affordable units removed with units of a comparable~~
4 ~~number of bedrooms and sales prices or rents, in addition to compliance with the inclusionary~~
5 ~~requirements set forth in this Section.~~

6 * * * *

7
8 Section 4. Chapter 37 of the Administrative Code is hereby amended by revising
9 Sections 37.2, 37.3, 37.8B, 37.9, and 37.9E, to read as follows:

10 **SEC. 37.2. DEFINITIONS.**

11 * * * *

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

16 * * * *

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

25 * * * *

(D) The term “rental units” shall include (i) Accessory Dwelling Units constructed pursuant to Section 207.1 of the Planning Code and that have received a complete or partial waiver of the density limits and the parking, rear yard, exposure, or open space standards from the Zoning Administrator pursuant to Planning Code Section 307(I); (ii) New Unit(s) constructed and funded pursuant to Administrative Code Chapter 85; (iii) new dwelling units created pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code; (iv) new dwelling units created pursuant to the HOME-SF Program set forth in Section 206.3(c)(1)(B) of the Planning Code; (v) new dwelling units created pursuant to the density exception set forth in Section 249.94(d)(1) of the Planning Code; ~~and~~ (vi) dwelling units that obtain the exemption from the conditional use authorization set forth in Section 317(c)(10) of the Planning Code; and (vii) any unit subject to a Regulatory Agreement imposing the rent increase limitations of this Chapter 37, including Replacement Units created under Planning Code Sections 317.2(d)(1)(B) or (d)(2)(D)(ii).

* * * *

SEC. 37.3. RENT LIMITATIONS.

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

* * * *

(3) **Capital Improvements, Rehabilitation, and Energy Conservation Improvements, and Renewable Energy Improvements.** A landlord may impose rent increases based upon the cost of capital improvements, rehabilitation, energy conservation improvements, or renewable energy improvements, provided that such costs are certified pursuant to Sections 37.7 and 37.8B below; provided further that where a landlord has

1 performed seismic strengthening in accordance with Existing Building Code Chapters 5B and
2 5C16B and 16C, no increase for capital improvements (including but not limited to seismic
3 strengthening) shall exceed, in any 12 month period, 10 percent of the tenant's base rent,
4 subject to rules adopted by the Board to prevent landlord hardship and to permit landlords to
5 continue to maintain their buildings in a decent, safe and sanitary condition. A landlord may
6 accumulate any certified increase which exceeds this amount and impose the increase in
7 subsequent years, subject to the 10 percent limitation. Nothing in this subsection shall be
8 construed to supersede any Board rules or regulations with respect to limitations on increases
9 based upon capital improvements whether performed separately or in conjunction with
10 seismic strengthening improvements pursuant to Existing Building Code Chapters 5B and
11 5C16B and 16C.

12 * * * *

13 (d) **Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).**

14 Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
15 and regardless of whether otherwise provided under Chapter 37:

16 (1) **Property Owner Rights to Establish Initial and All Subsequent Rental**
17 **Rates for Separately Alienable Parcels.**

18 (A) An owner of residential real property may establish the initial and all
19 subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any
20 other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b),
21 (d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's
22 right to establish subsequent rental rates under this subsection (d)(1)(A) shall not apply to a
23 dwelling or unit where either of the following apply:

24 * * * *

25 (ii) The preceding tenancy has been terminated by the owner by

1 notice pursuant to California Civil Code Section 1946.1 or has been terminated upon a change
2 in the terms of the tenancy noticed pursuant to California Civil Code Section 827; in such
3 instances, the rent increase limitation provisions of Chapter 37 shall continue to apply for the
4 duration of the new tenancy in that dwelling or unit.

5 ~~(B)(C)~~ An owner's right to establish subsequent rental rates under
6 Subsection 37.3(d)(1) shall not apply to a dwelling or unit which contains serious health,
7 safety, fire or building code violations, excluding those caused by disasters, for which a
8 citation has been issued by the appropriate governmental agency and which has remained
9 unabated for six months or longer preceding the vacancy.

10 ~~(C)(D)~~ An owner's right to establish subsequent rental rates under
11 subsection 37.3(d)(1) shall not apply to a dwelling or unit that is a new dwelling unit created
12 pursuant to the Code provisions specified in subsection 37.2(r)(4)(D), or a dwelling unit that
13 utilizes the Code provisions specified in subsection 37.2(r)(4)(D).

14 * * * *

15 (f) **Costa-Hawkins Vacancy Control.** Where a landlord has terminated the previous
16 tenancy as stated in either subsection (1), (2) or (3) below, for the next five years from the
17 termination, the initial base rent for the subsequent tenancy shall be a rent not greater than
18 the lawful rent in effect at the time the previous tenancy was terminated, plus any annual rent
19 increases available under this Chapter 37. This Section 37.3(f) is intended to be consistent
20 with California Civil Code Section 1954.53(a)(1)(A)-(B).

21 (1) Where the previous tenancy was terminated by a notice of termination of
22 tenancy issued under California Civil Code Section 1946.1 stating the ground for recovery of
23 possession under Sections 37.9(a)(8), (9), (10), (11), ~~or (14)~~, or (17) of this Code. For
24 purposes of the termination of tenancy under Section 37.9(a)(9), the initial rent for the unit
25 may be set by a subsequent bona fide purchaser for value of the condominium.

1 * * * *

2

3 **SEC. 37.8B. EXPEDITED HEARING AND APPEAL PROCEDURES FOR CAPITAL**
4 **IMPROVEMENTS RESULTING FROM SEISMIC WORK ON UNREINFORCED MASONRY**
5 **BUILDINGS PURSUANT TO BUILDING CODE CHAPTERS 5B AND 5C16B AND 16C**
6 **WHERE LANDLORDS PERFORMED THE WORK WITH A UMB BOND LOAN.**

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

11 (a) **Requirements for Certification.** The landlord must have completed the capital
12 improvements in compliance with the requirements of Existing Building Code Chapters 5B and
13 5C16B and 16C. The certification requirements of Section 37.7(b)(2) and (b)(3) are also
14 applicable.

15 * * * *

16 (c) **Eligible Items; Costs.** Only those items required in order to comply with Existing
17 Building Code Chapters 5B and 5C16B and 16C may be certified. The allowable cost of such
18 items may not exceed the costs set forth in the Mayor's Office of Economic Planning and
19 Development's publication of estimated cost ranges for bolts plus retrofitting by building
20 prototype and/or categories of eligible construction activities.

21 * * * *

22

23 **SEC. 37.9. EVICTIONS.**

24 Notwithstanding Section 37.3, this Section 37.9 shall apply as of August 24, 1980, to all
25 landlords and tenants of rental units as defined in Section 37.2(r).

1 (a) A landlord shall not endeavor to recover possession of a rental unit unless:

2 * * * *

3 (10) The landlord seeks to recover possession in good faith in order to demolish
4 or to otherwise permanently remove ~~the individual~~ rental unit(s) within a building rather than all
5 the units from housing use and has obtained all the necessary permits on or before the date
6 upon which notice to vacate is given, and does so without ulterior reasons and with honest
7 intent; ~~provided that a landlord who seeks to recover possession under this Section 37.9(a)(10) shall~~
8 subject to the payment of relocation expenses as provided in Section 37.9C ~~except that a landlord~~
9 ~~who seeks to demolish an unreinforced masonry building pursuant to Building Code Chapters 16B and~~
10 ~~16C and must provide the tenant with the relocation assistance specified in Section 37.9A(f) below~~
11 ~~prior to the tenant's vacating the premises~~; or

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

20 (A) On or before the date upon which notice to vacate is given, the
21 landlord shall: (i) advise the tenant in writing that the rehabilitation or capital improvement
22 plans are on file with the Central Permit Bureau of the Department of Building Inspection and
23 that arrangements for reviewing such plans can be made with the Central Permit Bureau, and
24 (ii) provide the tenant a disclosure form prepared by the Board that advises the tenant of the
25 tenant's right to return; ~~and~~ (iii) provide the tenant a form prepared by the Board that the

1 tenant can use to keep the Board apprised of any future change in address; and (iv) provide the
2 tenant a form prepared by the Board that lower-income tenants can use to seek additional monthly
3 relocation assistance under subsection (D).

4 * * * *

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

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

15 (ii) Alternatively, if the Board determines that not all of the work is
16 reasonable and necessary to meet state or local requirements concerning the safety or
17 habitability of the building or the unit, the Board shall consider the degree to which the work is
18 elective in nature; whether any tenants have objected that the cost of securing alternative
19 housing during the time extension would cause them a financial hardship, and/or that they are
20 60 years of age or older or disabled; and any other extraordinary circumstances. The Board
21 shall also consider whether the landlord has offered reasonable mitigation, other than the
22 relocation expenses required by subsection (D)~~Section 37.9C~~, to address the hardship imposed
23 upon the tenant, such as additional relocation assistance or temporary occupancy of another
24 vacant unit should one be available.

25 (iii) The Board may grant or deny an application for an extension

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

8 (D) Any landlord who seeks to recover possession under this Section
9 37.9(a)(11) shall pay relocation expenses as provided in Section 37.9C. In addition, if a tenant
10 who is lower-income as defined in California Health and Safety Code section 50079.5 will be required
11 to vacate for in excess of three months pursuant to a notice to vacate under this subsection (a)(11) that
12 was served on or after the effective date of the ordinance in Board of Supervisors File No. _____, then
13 the tenant shall be entitled to receive additional relocation assistance, as set forth below.

14 (i) A lower-income tenant seeking additional relocation assistance on or
15 after the three-month mark shall submit a form to the Board and to the landlord that includes a
16 verification of the tenant's income, the number of persons who resided with them in the unit, and any
17 other information the Board may deem is necessary in order to calculate the amount of additional
18 relocation assistance authorized under this subsection (D). The landlord may also submit information
19 to the Board to assist the Board in making this calculation. The Board shall inform the parties of the
20 additional relocation assistance required within 30 days of receiving the tenant's verification form, or
21 within 45 days if the landlord has also submitted information.

22 (ii) The amount of additional relocation assistance shall be equivalent to
23 the monthly difference between the rent that the tenant was paying as of the date of the notice to vacate,
24 and the San Francisco Housing Authority Payment Standard for that unit size (or the amount the tenant
25 is paying for interim housing, whichever is less). The landlord shall provide the tenant the Board-

1 determined amount each month, until the tenant has accepted or rejected an offer to reoccupy the unit
2 after completion of the work (but in no case for more than 39 months).

3 (iii) The Board shall require tenants to reconfirm their eligibility as
4 described in subsection (i) and to certify their intent to return to the unit upon completion of the work,
5 at least once every twelve months, as a condition of receiving the additional assistance.

6 (iv) Either party may challenge a determination regarding additional
7 relocation assistance by seeking a hearing before a Board Administrative Law Judge. In addition, if
8 the additional assistance would constitute an undue financial hardship for the landlord in light of all of
9 the resources available to them, the landlord also may file a written request for a hardship adjustment,
10 on a form provided by the Board and with supporting evidence. The Board, or its designated
11 Administrative Law Judges, may order a payment plan or any other relief they determine is justified
12 following a hearing on the request.

13 * * * *

14 (17) The landlord seeks to recover possession in good faith in order to complete a
15 development project that will require a Residential Demolition under Section 317 of the Planning
16 Code, and has obtained all the necessary permits on or before the date upon which notice to vacate is
17 given. Consistent with Planning Code Section 317.2(b)(2)(A), the effective date of the notice to vacate
18 for above lower-income tenants shall not fall more than six months before the start of construction
19 activities provided for in the permit, and not more than three months before the start of construction
20 activities in the case of lower-income households. Consistent with Planning Code Section
21 317.2(b)(2)(B), if the landlord does not proceed with the demolition and re-rents any of the units, then
22 the displaced tenant shall be allowed to return to the unit at a rent not greater than that which would
23 have applied had they remained in continuous occupancy.

24 * * * *

25 (c) Notices to Vacate. A landlord shall not endeavor to recover possession of a rental

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

1 vacate is the dominant motive.

2 * * * *

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

6 (1) It shall be a defense to an eviction under Sections 37.9(a)(8), (a)(9), (a)(10),
7 (a)(11), ~~or~~(a)(12), or (a)(17) if a child under the age of 18 or any educator resides in the unit,
8 the child or educator is a tenant in the unit or has a custodial or family relationship with a
9 tenant in the unit, the tenant has resided in the unit for 12 months or more, and the effective
10 date of the notice of termination of tenancy falls during the school year.

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

15 (3) Within 30 days of personal service by the landlord of a written request, or, at
16 the landlord's option, a notice of termination of tenancy under Sections 37.9(a)(8), (a)(9),
17 (a)(10), (a)(11), ~~or~~(a)(12), or (a)(17), the tenant must submit a statement with supporting
18 evidence to the landlord, if the tenant claims to be a member of the class protected from
19 eviction by Section 37.9(j). The landlord's written request or notice shall contain a warning that
20 a tenant's failure to submit a statement within the 30 day period shall be deemed an
21 admission that the tenant is not protected from eviction by Section 37.9(j). The landlord shall
22 file a copy of the landlord's request or notice with the Rent Board within 10 days of service on
23 the tenant. A tenant's failure to submit a statement within the 30 day period shall be deemed
24 an admission that the tenant is not protected from eviction by Section 37.9(j). A landlord may
25 challenge a tenant's claim of protected status either by requesting a hearing with the Rent

1 Board or, at the landlord's option, through commencement of eviction proceedings, including
2 service of a notice of termination of tenancy. In the Rent Board hearing or the eviction action,
3 the tenant shall have the burden of proof to show protected status. No civil or criminal liability
4 under Section 37.9(e) or (f) shall be imposed upon a landlord for either requesting or
5 challenging a tenant's claim of protected status.

6 * * * *

7 (I) Hearings on Alleged Wrongful Endeavor To Recover Possession Through Tenant
8 Harassment.

9 (1) ~~Upon receipt of a~~ A current or former tenant may submit a report to the Rent Board
10 alleging wrongful endeavor to recover possession of the tenant's unit through harassment.
11 Upon receipt of such a report, the Board through its Executive Director shall send a notice to the
12 landlord and the tenant acknowledging receipt of the report, ~~and~~ summarizing the rights and
13 responsibilities of landlords and tenants regarding possession of, and eviction from,
14 residential rental units, and requesting that the landlord submit a written response to the Board
15 within seven days. If the tenant remains in possession of the unit and the harassment is alleged to be
16 ongoing, the Executive Director shall also request that the landlord submit a compliance plan. A
17 compliance plan is not an admission of liability but a plan to avoid future claims of harassment.

18 (2) Upon consideration of such report and any response, the Executive Director
19 ~~shall~~ may schedule an investigative hearing on the allegations before a Board Administrative
20 Law Judge if the Executive Director determines that all of the following apply:

21 (A) The alleged harassment occurred after the effective date of the ordinance in
22 Board File No. _____, and within 12 months of the date of the report;

23 (B) The alleged harassment resulted in the unit becoming uninhabitable, is
24 ongoing against the tenant who submitted the complaint, or is part of a pattern and practice of tenant
25 harassment based on claims previously submitted by other tenants in the building within the last 12

1 months;

2 (C) The alleged harassment is so severe that it has materially impacted a
3 tenant's enjoyment of the unit;

4 (D) The allegations will be supported by documentary evidence, and/or with
5 testimony of a witness other than the complaining tenant; and

6 (E) The allegations are not frivolous.
7 The Rent Board need not hold a hearing if a related civil or criminal action is already pending. The
8 Rent Board may adopt regulations consistent with this Chapter 37 to further define the standards for
9 when the Executive Director shall schedule investigative hearings and the conduct of such hearings.

10 (3) The Executive Director shall schedule any such hearing within 45 days after receipt
11 of the report of alleged harassment, or as soon as practicable thereafter. ~~b~~Both the tenant and the
12 landlord may appear at the hearing and make oral and/or written presentations, including
13 presentation of other witnesses. Following such hearing, the Administrative Law Judge shall
14 issue findings and conclusions in regard to whether harassment occurred, and in the case of a prior
15 tenant whether the prior tenant vacated the unit due to the harassment for purposes of Planning Code
16 Section 317.2. The findings and conclusions may be appealed by either party to ~~provide~~ the Board
17 under Section 37.8. ~~with a summary of evidence produced at the hearing.~~

18 (4)(2) In addition to considering any appeals, ~~Upon review of the evidence,~~ the Board
19 shall ~~also~~ consider whether to undertake any further proceedings such as, but not limited to,
20 civil litigation pursuant to Section 37.9(f), or referral to the District Attorney ~~for potential criminal~~
21 prosecution (see Section 37.9(e)).

22 (5)(3) For purposes of this Subsection 37.9(l), harassment ~~means~~ includes but is
23 ~~not limited to~~ the types of harassment defined in Section 37.10B(a)(1)-(6) and (8)-(14).

24 * * * *

25 (n) A landlord who serves a notice to vacate under Section 37.9(a)(8) for the purpose of

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

9 * * * *

11 **SEC. 37.9E. TENANT BUYOUT AGREEMENTS.**

12 * * * *

13 (c) **Definitions.** For purposes of this Section 37.9E, the following definitions shall
14 apply:

15 “Buyout Agreement” means an agreement wherein the landlord pays the tenant
16 money or other consideration to vacate the rental unit. ~~The term “Buyout Agreement” includes an~~
17 ~~agreement to settle a pending unlawful detainer action if the action was filed within 120 days after~~
18 ~~Buyout Negotiations commenced. In all other instances, a~~ An agreement to settle a pending
19 unlawful detainer action shall not be a “Buyout Agreement.” An agreement for a tenant to move
20 into a substitute unit under Planning Code Section 317.2(d)(2)(D)(ii), subparagraph a., also shall not
21 be a “Buyout Agreement.”

22 * * * *

23 (d) **Disclosure Required Prior to Buyout Negotiations.** Prior to commencing
24 Buyout Negotiations for a rental unit, the landlord shall provide each tenant in that rental unit a
25 written disclosure, on a form developed and authorized by the Rent Board, that shall include

1 the following:

2 * * * *

3 (12) Information provided by the Planning Department regarding the impact of the buyout
4 on the tenant's eligibility for relocation assistance and other benefits if the property is redeveloped.

5 * * * *

6 (f) Requirements for Buyout Agreements. Every Buyout Agreement shall:

7 * * * *

8 (3) Include the following statements in a size equal to at least 14-point type: "You,
9 the tenant, have a right not to enter into a buyout agreement"; "You, the tenant, may choose
10 to consult with an attorney and/or a tenants' rights organization before signing this agreement.
11 You can find a list of tenants' rights organizations on the Rent Board's website –
12 www.sfrb.org"; and "The Rent Board has created a publicly available, searchable database
13 that may include information about other buyout agreements in your neighborhood. You can
14 search this database at the Rent Board's office at 25 Van Ness Avenue, ~~Suite 320.~~"
15 Immediately after each statement, there shall be a line for each tenant to affix their~~his or her~~
16 initials.

17 * * * *

18 (5) With respect to Buyout Agreements entered into on or after the effective date of the
19 ordinance in Board File No. _____, include the following statement in a size equal to at least 14-point
20 type: "Under Section 317.2 of the Planning Code, a tenant who is displaced by a project to demolish
21 their building may be entitled to relocation assistance or other benefits. By entering into this
22 agreement you may be giving up relocation assistance and other benefits that you are or may become
23 entitled to under the law." Immediately after this statement, there shall be a line for each tenant to
24 affix their initials.

25 ~~(6)(5)~~ Include the address of the rental unit in question, as well as the Assessor's

1 Parcel Number (lot and block) of the building where the unit is located.

2 A Buyout Agreement that does not satisfy all the requirements of subsections (f)(1)-
3 ~~(5)(4)~~ shall not be effective and may be rescinded by the tenant at any time. A Buyout
4 Agreement that does not include the initials of each tenant next to each of the statements
5 described in subsections (f)(2)-~~(5)(4)~~, as well as the initials of each tenant next to his or
6 answer to the question listed in subsection (f)(4), shall not be effective and may be rescinded
7 by the tenant at any time.

8 * * * *

9
10 Section 5. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
11 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
12 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
13 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
14 additions, and Board amendment deletions in accordance with the "Note" that appears under
15 the official title of the ordinance.

16
17 Section 6. Severability. If any section, subsection, sentence, clause, phrase, or word of
18 this ordinance, or any application thereof to any person or circumstance, is held to be invalid
19 or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
20 affect the validity of the remaining portions or applications of the ordinance. The Board of
21 Supervisors hereby declares that it would have passed this ordinance and each and every
22 section, subsection, sentence, clause, phrase, and word not declared invalid or
23 unconstitutional without regard to whether any other portion of this ordinance or application
24 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

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Exhibit C: Proposed amendments to Section 317 definitions, including “Residential Demolition”

The following proposed language has not been reviewed or been approved as to form by the City Attorney.

Additions proposed by the Department are underlined and not in italics.

Deletions proposed by the Department are ~~striketrough~~ and not in italics.

(b) **Definitions.** For the purposes of this Section 317, the terms below shall be as defined below. *The Planning Department shall use these definitions when implementing state laws that use similar terms if state law does not define such terms.* Capitalized terms not defined below are defined in Section 102 of this Code.

(1) "Residential Conversion" shall mean the removal of cooking facilities, change of occupancy (as defined and regulated by the Building Code), or change of use (as defined and regulated by the Planning Code), of any Residential Unit or Unauthorized Unit to a Non-Residential or Student Housing use.

(2) "Residential Demolition" shall mean any of the following:

(A) Any work on a Residential Building for which the Department of Building Inspection determines that an application for a demolition permit is required, or

(B) A major alteration of a Residential Building that proposes the Removal of ~~more than~~ 50% or more of the sum of the combined Front Facade and Rear Facade and ~~also proposes the Removal of more than 65% of the sum of all exterior walls, measured in lineal feet at the foundation level, or~~

~~(C) A major alteration of a Residential Building that proposes the Removal of more than 50% of the Vertical Envelope Elements and more than 50% or more~~ of the Horizontal Elements of the existing building, as measured in square feet of actual surface area.

~~(D) The Planning Commission may reduce the above numerical elements of the criteria in Subsections (b)(2)(B) and (b)(2)(C), by up to 20% of their values should it deem that adjustment is necessary to implement the intent of this Section 317, to conserve existing sound housing and preserve affordable housing.~~

(3) "Façade" is defined in Section 102 of this Code.

(4) "Front Façade" is defined in Section 102 of this Code.

(5) "Horizontal Elements" shall mean all roof areas and all floor plates, except floor plates at or below grade.

(6) "Mandatory Discretionary Review" is defined in Section 102 of this Code.

(7) "Residential Merger" shall mean the combining of two or more Residential or Unauthorized Units including the creation of an open connection between Units, resulting in a decrease in the number of Residential Units and Unauthorized Units within a building, or the enlargement of one or more existing units while substantially reducing the size of others by more than 25% of their original floor area, even if the number of units is not reduced. The Planning Commission may reduce the numerical element of this criterion by up to 20% of its value should it deem that adjustment is necessary to implement the intent of this Section 317, to conserve existing housing and preserve affordable housing.

(8) "Rear Façade" is defined in Section 102 of this Code.

(9) "Removal" shall mean, with reference to a wall, roof or floor structure, its dismantling, its relocation or its alteration of the exterior function by construction of a new building element exterior to it. Where an existing exterior opening is infilled, this shall be considered demolished. Where a portion of an exterior wall is removed, any remaining wall above and below that new opening with a height less than the Building Code requirement for legal head room shall be considered demolished. Where exterior elements of a building are

removed and replaced for repair or maintenance as required and documented by the Department of Building Inspection through an issued Notice and after any required building permits are obtained, in like materials, with no increase in the extent of the element or volume of the building, such replacement shall not be considered Removal for the purposes of this Section. The foregoing does not supersede any requirements for or restrictions on noncomplying structures and their reconstruction as governed by [Article 1.7](#) of this Code. Where an entire existing building is elevated, regardless of height, or moved to another location, this shall not, in and of itself, be considered Removal for the purposes of this Section.

(10) "Removal" shall mean, with reference to a Residential or Unauthorized Unit, its Conversion, Demolition, or Merger.

(11) "Residential Building" is defined in Section [102](#) of this Code.

(12) "Residential Unit" shall mean a legal conforming or legal nonconforming Dwelling Unit, a legal nonconforming Live/Work Unit or Group Housing.

(13) "Unauthorized Unit" shall mean one or more rooms within a building that have been used, without the benefit of a building permit, as a separate and distinct living or sleeping space independent from Residential Units on the same property. "Independent" shall mean that (i) the space has independent access that does not require entering a Residential Unit on the property and (ii) there is no open, visual connection to a Residential Unit on the property.

~~—(14) "Vertical Envelope Elements" shall mean all exterior walls that provide weather and thermal barriers between the interior and exterior of the building, or that provide structural support to other elements of the building envelope.~~

Exhibit D: Testing completed projects not previously categorized as “tantamount to demolition” against the proposed “residential demolition” definition.

	>50% Sum of Rear and Front	>65% Sum of Linear Feet at Foundation	>50% Sqft Vertical Envelope Elements	>50% Sqft Horizontal Elements	Old 317(2)(B)	Old 317(2)(C)	New 317(2)(B)
565 29th Street	97.2%	41.6%	47.5%	100%	Not tantamount to demolition	Not tantamount to demolition	Triggers tantamount to demolition and 317.2 requirements
79 28th Street	100%	24.3%	41.8%	71%	Not tantamount to demolition	Not tantamount to demolition	Triggers tantamount to demolition and 317.2 requirements
752 Elizabeth Street	59%	49%	20%	50.40%	Not tantamount to demolition	Not tantamount to demolition	Triggers tantamount to demolition and 317.2 requirements
411 Clipper Street	100%	76.8%	81%	100%	Triggers tantamount to demolition	Triggers tantamount to demolition	Triggers tantamount to demolition and 317.2 requirements
229-233 Whitney Street	33%	56%	73%	100%	Not tantamount to demolition	Triggers tantamount to demolition	Triggers tantamount to demolition and 317.2 requirements
28-30 Day Street	96%	50.6%	60%	97%	Not tantamount to demolition	Triggers tantamount to demolition	Triggers tantamount to demolition and 317.2 requirements
1647 Sanchez/ 290 Day (CORNER PROJECT)	38.29%	42.11%	49.89%	100%	Not tantamount to demolition	Not tantamount to demolition	Not tantamount to demolition
3790-3792 21st Street (CORNER PROJECT)	30%	22%	61%	62%	Not tantamount to demolition	Triggers tantamount to demolition	Not tantamount to demolition

Exhibit E: MOHCD 2025 Maximum Monthly Rent By Unit Size & SFHA Payment Standard.

2025
MAXIMUM MONTHLY RENT BY UNIT TYPE
derived from the
Unadjusted Area Median Income (AMI)
for HUD Metro Fair Market Rent Area (HMFA) that Contains San Francisco
Published by the San Francisco Mayor's Office of Housing and Community Development

		SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
15% OF MEDIAN	Max Gross Rent	\$307	\$409	\$468	\$526	\$585	\$631	\$678
20% OF MEDIAN	Max Gross Rent	\$409	\$545	\$624	\$701	\$779	\$841	\$904
25% OF MEDIAN	Max Gross Rent	\$512	\$683	\$780	\$876	\$974	\$1,053	\$1,130
30% OF MEDIAN	Max Gross Rent	\$614	\$819	\$935	\$1,053	\$1,169	\$1,263	\$1,356
35% OF MEDIAN	Max Gross Rent	\$716	\$955	\$1,091	\$1,228	\$1,364	\$1,473	\$1,583
39% OF MEDIAN	Max Gross Rent	\$798	\$1,064	\$1,216	\$1,368	\$1,520	\$1,641	\$1,763
40% OF MEDIAN	Max Gross Rent	\$818	\$1,091	\$1,248	\$1,403	\$1,559	\$1,683	\$1,808
45% OF MEDIAN	Max Gross Rent	\$921	\$1,228	\$1,403	\$1,578	\$1,754	\$1,894	\$2,034
50% OF MEDIAN	Max Gross Rent	\$1,023	\$1,364	\$1,559	\$1,754	\$1,949	\$2,104	\$2,260
52% OF MEDIAN	Max Gross Rent	\$1,064	\$1,419	\$1,621	\$1,824	\$2,026	\$2,188	\$2,350
55% OF MEDIAN	Max Gross Rent	\$1,125	\$1,500	\$1,715	\$1,929	\$2,143	\$2,314	\$2,486
60% OF MEDIAN	Max Gross Rent	\$1,227	\$1,636	\$1,870	\$2,104	\$2,338	\$2,525	\$2,713
65% OF MEDIAN	Max Gross Rent	\$1,329	\$1,773	\$2,026	\$2,279	\$2,533	\$2,735	\$2,938
70% OF MEDIAN	Max Gross Rent	\$1,432	\$1,909	\$2,183	\$2,455	\$2,728	\$2,945	\$3,164
72% OF MEDIAN	Max Gross Rent	\$1,473	\$1,964	\$2,245	\$2,525	\$2,805	\$3,030	\$3,255
74% OF MEDIAN	Max Gross Rent	\$1,514	\$2,019	\$2,308	\$2,595	\$2,884	\$3,114	\$3,345
75% OF MEDIAN	Max Gross Rent	\$1,535	\$2,046	\$2,339	\$2,630	\$2,923	\$3,156	\$3,390
80% OF MEDIAN	Max Gross Rent	\$1,637	\$2,183	\$2,494	\$2,805	\$3,118	\$3,366	\$3,616
85% OF MEDIAN	Max Gross Rent	\$1,739	\$2,319	\$2,650	\$2,980	\$3,311	\$3,576	\$3,843
90% OF MEDIAN	Max Gross Rent	\$1,841	\$2,455	\$2,806	\$3,156	\$3,506	\$3,786	\$4,068
95% OF MEDIAN	Max Gross Rent	\$1,943	\$2,591	\$2,961	\$3,331	\$3,701	\$3,998	\$4,294
100% OF MEDIAN	Max Gross Rent	\$2,046	\$2,728	\$3,118	\$3,506	\$3,896	\$4,208	\$4,520
105% OF MEDIAN	Max Gross Rent	\$2,148	\$2,864	\$3,274	\$3,681	\$4,091	\$4,418	\$4,746
108% OF MEDIAN	Max Gross Rent	\$2,210	\$2,946	\$3,368	\$3,786	\$4,208	\$4,544	\$4,881
110% OF MEDIAN	Max Gross Rent	\$2,250	\$3,000	\$3,429	\$3,858	\$4,286	\$4,629	\$4,973
120% OF MEDIAN	Max Gross Rent	\$2,454	\$3,273	\$3,741	\$4,208	\$4,675	\$5,049	\$5,424
130% OF MEDIAN	Max Gross Rent	\$2,660	\$3,546	\$4,053	\$4,559	\$5,065	\$5,470	\$5,876
135% OF MEDIAN	Max Gross Rent	\$2,762	\$3,683	\$4,209	\$4,734	\$5,260	\$5,680	\$6,103
140% OF MEDIAN	Max Gross Rent	\$2,864	\$3,819	\$4,365	\$4,909	\$5,455	\$5,890	\$6,328
150% OF MEDIAN	Max Gross Rent	\$3,068	\$4,091	\$4,676	\$5,260	\$5,845	\$6,311	\$6,780
160% OF MEDIAN	Max Gross Rent	\$3,273	\$4,364	\$4,988	\$5,610	\$6,234	\$6,733	\$7,233
175% OF MEDIAN	Max Gross Rent	\$3,580	\$4,774	\$5,456	\$6,136	\$6,819	\$7,364	\$7,910
200% OF MEDIAN	Max Gross Rent	\$4,091	\$5,455	\$6,235	\$7,013	\$7,793	\$8,415	\$9,040

Allowable Annual Rent Increase for existing tenants in projects governed by the above MOHCD Rent Limits:	4.00%
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Calculating Maximum Net Rents for Units with Tenant-Paid Utilities

Refer to San Francisco Housing Authority website to find current utility allowance data by building type:
<https://sfha.org/resources-forms/utility-allowance-hcv-0>

Prior year versions of this Maximum Monthly Rent By Unit Type chart included Utility Allowance data that was available through SFHA at the time when MOHCD created and published the chart, based on Area Median Income data for the year. Because SFHA publishes annual Utility Allowance data on a different timeline than AMI, starting with 2025, MOHCD will no longer include UA data in this chart but instead provide a link to the SFHA website. To determine maximum net rents from maximum gross rents and utility allowances, project sponsors must retrieve UA data directly from SFHA.

The above maximum gross rents apply to units for which the owner pays the cost of all utilities. To calculate maximum rent when the tenant pays for some or all of the utilities, or "net rent," 1) determine which utilities will be the tenant's responsibility, 2) look up the corresponding utility allowances in the applicable UA chart, as published by the San Francisco Housing Authority, 3) calculate the total of those allowances and 4) subtract the total from the maximum gross rent. The following example is for a 3 BR unit restricted to households with incomes at or below 60% AMI and for which the tenants will have to pay the cost of electricity and gas cooking and the owner will pay for heat and hot water, using older UA data.

Cooking - Natural Gas - 3BR	\$13	Maximum Gross Rent - 3BR - 60% AMI	\$2,338
Other Electricity - 3BR	\$44	Total Utility Allowance	-57
Total Utility Allowance	\$57	Maximum Net Rent	\$2,281

	SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
FAIR MARKET RENT:	\$1,706	\$2,275	\$2,780	\$3,318	\$4,138	\$4,399	\$5,059

Source: HUD, effective 10/1/2024

http://www.huduser.gov/portal/datasets/fmr/fmrs/FY2025_code/2025summary.odn?&year=2025&fmrtype=Final&cbsasub=METRO41860MM7360

	SRO	STUDIO	1BR	2BR	3BR	4BR	5BR
SFHA Payment Standard:	\$2,047	\$2,730	\$3,336	\$3,981	\$4,965	\$5,278	\$6,070

*As published by the San Francisco Housing Authority, effective 1/1/2025 for all transactions.

<https://sfha.org/files/documents/Payment%20Standards%202025%20Revised%204.4.2025.pdf>

	STUDIO	1BR	2BR	3BR	4BR	5BR
LOW HOME RENTS	\$1,713	\$1,836	\$2,203	\$2,545	\$2,840	\$3,133
HIGH HOME RENTS	\$2,208	\$2,366	\$2,842	\$3,275	\$3,634	\$3,991

https://www.huduser.gov/portal/datasets/home-datasets/files/HOME_RentLimits_State_CA_2025.pdf

Allowable annual rent increase for project governed by HOME Rent requirements:	0.00%
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Maximum Annual Increase of Gross Rent for projects that are subject to limits set by the San Francisco Rent Board:	1.4%
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<https://www.sf.gov/reports--current-rates-including-rent-increase-relocation-sec-deposit>

Assumptions/Notes:

1. Rents Calculated at 30% of corresponding monthly income limit amount.
2. Occupancy Standard is one person per bedroom plus one additional person.
3. Maximum Rents are derived via application of MOHCD AMI Hold Harmless Policy, effective 05/03/2019: <https://tinyurl.com/SFAMIHoldHarmless>

Effective Date: 05/02/2025