

1 [Rent Ordinance amendments providing additional protection to tenants subject to Ellis Act
2 and other eviction notices, including recordation of owner-move-in notices, future use
3 restrictions on vacated units, waiver protections, prohibiting settlement bars to cooperation
4 with governmental entities, notice of evictions to buyers; and conformation to state law re
5 misdemeanor violations.]

6 **Ordinance amending the Rent Ordinance (Administrative Code Chapter 37, Residential
7 Rent Stabilization and Arbitration Ordinance) by amending Sections 37.9B and 37.10A
8 to provide additional protections to tenants, and to conform to state law regarding
9 misdemeanor violations, as follows: (1) Require the Rent Board to record owner
10 move-in eviction notices with the County Recorder; (2) Require any eviction notice to
11 be in writing and filed with the Rent Board; (3) Subject vacated units to the future use
12 restrictions stated in the Rent Ordinance, regardless of any agreement made between
13 the landlord and the vacating tenant; (4) Require a tenant to be represented by
14 independent counsel in a judicially supervised settlement agreement, in order to waive
15 any tenant rights under the Rent Ordinance; (5) Prohibit settlement agreement clauses
16 that bar an evicted tenant from cooperation with a governmental investigation or
17 proceeding; (6) Require the seller of a property to give written notice to the buyer
18 disclosing the reason for the most recent termination of tenancy for every residential
19 unit to be delivered vacant at the close of escrow; and (7) Conform misdemeanor
20 provisions to state law (\$1,000 fine plus possible imprisonment in County Jail for up to
21 six months).**

21 Note: Additions are *single-underline italics Times New Roman font*;
22 deletions are ~~*strikethrough italics Times New Roman font*~~.
23 Board amendment additions are double underlined Arial font;
24 Board amendment deletions are ~~strikethrough Arial font~~.

24 Be it ordained by the People of the City and County of San Francisco:
25

1 **Section 1.** The San Francisco Administrative Code is hereby amended by amending
2 Section 37.9B, to read as follows:

3 Sec. 37.9B. TENANT RIGHTS IN EVICTIONS UNDER SECTION 37.9(a)(8).

4 (a) Any rental unit which a tenant vacates after receiving a notice to quit
5 based on Section 37.9(a)(8), and which is subsequently no longer occupied as a principal
6 residence by the landlord or the landlord's grandparent, parent, child, grandchild, brother,
7 sister, or the landlord's spouse, or the spouses of such relations must, if offered for rent during
8 the three-year period following service of the notice to quit under Section 37.9(a)(8), be rented
9 in good faith at a rent not greater than at which would have been the rent had the tenant who
10 had been required to vacate remained in continuous occupancy and the rental unit remained
11 subject to this Chapter. If it is asserted that a rent increase could have taken place during the
12 occupancy of the rental unit by the landlord if the rental unit had been subjected to this
13 Chapter, the landlord shall bear the burden of proving that the rent could have been legally
14 increased during the period. If it is asserted that the increase is based in whole or in part upon
15 any grounds other than that set forth in Section 37.3(a)(1), the landlord must petition the Rent
16 Board pursuant to the procedures of this Chapter. Displaced tenants shall be entitled to
17 participate in and present evidence at any hearing held on such a petition. Tenants displaced
18 pursuant to Section 37.9(a)(8) shall make all reasonable efforts to keep the Rent Board
19 apprised of their current address. The Rent Board shall provide notice of any proceedings
20 before the Rent Board to the displaced tenant at the last address provided by the tenant. No
21 increase shall be allowed on account of any expense incurred in connection with the
22 displacement of the tenant.

23 (b) Any landlord who, within three years of the date of service of the notice to
24 quit, offers for rent or lease any unit in which the possession was recovered pursuant to
25

1 Section 37.9(a)(8) shall first offer the unit for rent or lease to the tenants displaced in the same
2 manner as provided for in Sections 37.9A(c) and (d).

3 (c) An owner who endeavors to recover possession under Section 37.9(a)(8)
4 shall, in addition to complying with the requirements of Section 37.9(c), inform the tenant in
5 writing of the following and file any written documents informing the tenant of the following
6 with the Rent Board within 10 days after service of the notice to vacate;

7 (1) The identity and percentage of ownership of all persons holding a full or
8 partial percentage ownership in the property;

9 (2) The dates the percentages of ownership were recorded;

10 (3) The name(s) of the landlord endeavoring to recover possession and, if
11 applicable, the name(s) and relationship of the relative(s) for whom possession is being
12 sought and a description of the current residence of the landlord or relative(s);

13 (4) A description of all residential properties owned, in whole or in part, by
14 the landlord and, if applicable, a description of all residential properties owned, in whole or in
15 part, by the landlord's grandparent, parent, child, grandchild, brother, or sister for whom
16 possession is being sought;

17 (5) The current rent for the unit and a statement that the tenant has the right
18 to re-rent the unit at the same rent, as adjusted by Section 37.9B(a) above;

19 (6) The contents of Section 37.9B, by providing a copy of same; and

20 (7) The right the tenant(s) may have to relocation costs and the amount of
21 those relocation costs.

22 (d) Each individual tenant of any rental unit in a building containing two or
23 more units who receives a notice to quit based upon Section 37.9(a)(8), and who has resided
24 in the unit for 12 or more months, in addition to all rights under any other provision of law,
25 shall be entitled to receive relocation expenses of \$1,000 from the owner, \$500 of which shall

1 be paid at the time of the service of the notice to vacate, and \$500 of which shall be paid
2 when the tenant vacates. An owner who pays relocation costs as required by this subsection
3 in conjunction with a notice to quit need not pay relocation costs with any further notices to
4 quit for the same unit that are served within 180 days of the notice that included the required
5 relocation payment. The relocation costs contained herein are separate from any security or
6 other refundable deposits as defined in California Code Section 1950.5. Further, payment or
7 acceptance of relocation costs shall not waive any other rights a tenant may have under law.

8 (e) Within 30 days after a written notice based on Section 37.9(a)(8) as the purpose for
9 recovery of a rental unit is filed with the Board, the Board shall record a notice of constraints with the
10 County Recorder which describes the property and the dates of applicable restrictions on any unit on
11 the property.

12
13
14 **Section 2.** The San Francisco Administrative Code is hereby amended by amending
15 Section 37.10AB, to read as follows:

16 Sec. 37.10A. MISDEMEANORS.

17 (a) It shall be unlawful for a landlord to increase rent or rents in violation of
18 the decision of an Administrative Law Judge or the decision of the Board on appeal pursuant
19 to the hearing and appeal procedures set forth in Section 37.8 of this Chapter. It shall further
20 be unlawful for a landlord to charge any rent which exceeds the limitations of this Chapter.
21 Any person who increases rents in violation of such decisions or who charges excessive rents
22 shall be guilty of a misdemeanor.

23 (b) It shall be unlawful for an landlord to refuse to rent or lease or otherwise
24 deny to or withhold from any person any rental unit because the age of a prospective tenant
25 would result in the tenant acquiring rights under this Chapter. Any person who refuses to rent

1 in violation of this subsection shall, in addition to any other penalties provide by State or
2 federal law, be guilty of a misdemeanor.

3 (c) ~~Any person convicted of a misdemeanor hereunder shall be punishable by a fine~~
4 ~~of not more than \$2,000 or by imprisonment in the County Jail for a period of not more than six~~
5 ~~months, or by both. Each violation of the decision of an Administrative Law Judge or the decision of~~
6 ~~the Board on appeal and each refusal to rent or denial of a rental unit as set forth above shall~~
7 ~~constitute a separate offense. It shall be unlawful for a landlord or for any person who willfully assists~~
8 ~~a landlord to, either verbally or in writing, request that a tenant move from a rental unit or threaten to~~
9 ~~recover possession of a rental unit unless: (1) the landlord in good faith intends to recover said unit~~
10 ~~for one of the purposes enumerated in Section 37.9(a) or (b); and (2) within 5 days of any such request~~
11 ~~or threat, the landlord serves the tenant with a written notice which states the particular purpose under~~
12 ~~Section 37.9(a) or (b) for which the landlord intends to recover possession of the unit.~~

13 (d) It shall be unlawful for a landlord or for any person who willfully assists a landlord to
14 recover possession of a rental unit unless, prior to recovery of possession of the unit: (1) the landlord
15 filed a copy of the written notice required under Section 37.10A(c) with the Rent Board unless the
16 particular purpose is non-payment of rent; and (2) the landlord satisfied all requirements for recovery
17 of a unit set forth under Section 37.9(a) or (b).

18 (e) In any criminal or civil proceeding based on a violation of Section 37.10A(c) or
19 37.10A(d), the landlord's failure to use a recovered unit for the purpose stated verbally or in writing to
20 the tenant shall give rise to a presumption that the landlord did not have a good faith intention to
21 recover the unit or one of the purposes enumerated in Section 37.9(a) or (b) at the time the statement
22 was made.

23 (f) If possession of a rental unit is recovered as the result of any written or verbal statement
24 that the landlord intends to recover the unit for one of the purposes enumerated in Section 37.9(a) or
25 (b), the unit shall be subject to all restrictions set forth under this Chapter on units recovered for such

1 stated purpose regardless of any agreement made between the landlord or the landlord's agent and the
2 tenant who vacated the recovered unit. Any unit which a tenant has vacated within 120 days after
3 receiving any written or verbal statement that the landlord intends to recover the unit shall be
4 rebuttably presumed to have been recovered by the landlord pursuant to that written or verbal
5 statement.

6 (g) Any waiver by a tenant of rights under this Chapter shall be void as contrary to public
7 policy unless the tenant is represented by independent counsel and the waiver is approved in a
8 judicially supervised settlement agreement. It shall be unlawful for a landlord, or for any person who
9 willfully assists a landlord, including the landlord's attorney or legal representative, to seek or obtain a
10 tenant's waiver of rights under this Chapter except as provided in this Section, or to seek or obtain a
11 tenant's agreement not to cooperate with any investigation or proceeding by any administrative or
12 governmental agency.

13 (h) It shall be unlawful for a landlord to enter into a contract for the sale of any property
14 consisting of two or more residential units without first disclosing in writing to the buyer the reason for
15 the termination of the most recent tenancy for every residential unit to be delivered vacant at the close
16 of escrow.

17 (i) Any person who violates Section 37.10A(a), (b), (c), (d), (g) or (h) is guilty of a
18 misdemeanor, and shall be punished by a mandatory fine of one thousand dollars (\$1,000), and, in
19 addition to such fine, may also be punished by imprisonment in the County Jail for a period of not more
20 than six months. Each violation shall constitute a separate offense.

21
22 APPROVED AS TO FORM:
23 LOUISE H. RENNE, City Attorney

24 By: _____
25 Deputy City Attorney