

1 [Subdivision Code – definition of conversion.]

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3 **Ordinance amending the San Francisco Subdivision Code Section 1308 to modify the**
4 **definition of conversion to include specified air space subdivisions of existing**
5 **residential structures; and making environmental findings.**

6 Note: Additions are single-underline italics Times New Roman;
7 Deletions are ~~strikethrough italics Times New Roman~~.
8 Board amendment additions are double underlined.
9 Board amendment deletions are ~~strikethrough normal~~.

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

10 Section 1. The San Francisco Subdivision Code is hereby amended by amending
11 Section 1308, to read as follows:

12 SEC. 1308. SUBDIVISIONS.

13 (a) "Common areas" shall mean an entire project excepting all units therein granted or
14 reserved.

15 (b) "Community Apartments" shall mean an estate in real property consisting of an
16 undivided interest in common in a parcel of real property and the improvements thereon
17 coupled with the right of exclusive occupancy of any apartment located therein.

18 (c) "Condominium" shall mean an estate in real property consisting of an undivided
19 interest in common in a portion of a parcel of real property together with a separate interest in
20 space in a residential, industrial, or commercial building on such real property, such as an
21 apartment, office, or store. A Condominium may include in addition a separate interest in
22 other portions of such real property. Such estate may, with respect to the duration of its
23 enjoyment, be either (1) an estate of inheritance or perpetual estate, (2) an estate for life, or
24 (3) and estate for years, such as a leasehold or subleasehold. This definition is intended to
25 conform to Section 783 of the California Civil Code and any other section of California law.

1 (d) "Conversion" shall mean a subdivision which changes the type of ownership of
2 real property to that defined as a Condominium project, Community Apartment project or
3 Stock Cooperative and in which two or more condominiums, community apartments or units in
4 a stock cooperative are newly created wholly or in substantial part within an existing residential
5 structure or structures, regardless of the present or prior use of such structures and of
6 whether substantial improvements have been made to such structures. A conversion also shall
7 include a subdivision that: (1) is created wholly or in substantial part within an existing residential
8 structure or structures, regardless of the present or prior use of such structures and of whether
9 substantial improvements have been made to such structures and (2) divides one or more of the existing
10 residential dwelling units into separate lots, ~~or~~ parcels, or units.

11 (e) "Project" shall mean the entire parcel or real property divided or to be divided in
12 any of the methods defined as a subdivision.

13 (f) "Stock Cooperative" shall mean a corporation formed or availed of primarily for the
14 purpose of holding title to, either in fee simple or for a term of years, improved real property, if
15 all or substantially all of the shareholders of such corporation receive a right of exclusive
16 occupancy in a portion of the real property, title to which is held by the corporation, which right
17 of occupancy is transferable only concurrently with the transfer of the share or shares of stock
18 in the corporation held by the person having such right of occupancy.

19 (g) "Subdivider" shall mean a person, firm, corporation, partnership or association
20 who proposes to divide, divides or causes to be divided real property into a subdivision for
21 himself or for others. City agencies, including the San Francisco Redevelopment Agency, are
22 exempted from this definition.

23 (h) "Subdivision" shall mean the division of any improved or unimproved land, shown
24 on the latest equalized County assessment roll as a unit or as contiguous units, for the
25 purpose of sale, lease or financing, whether immediate or future. Property shall be considered

1 as contiguous units even if it is separated by roads, streets, utility easements or railroad
2 rights-of-way. This definition shall specifically but not exclusively include Condominiums,
3 Community Apartments, Stock Cooperatives and Conversions.

4 (i) "Unit" shall mean the elements of a project which are to be owned individually and
5 not in common with the owners of other elements of the project.

6 (j) "Tenant" shall mean a person or persons entitled under a lease, rental agreement
7 or other agreement with the owner of record of the property or his or her agent to occupy a
8 dwelling unit. A "tenant" can be an owner or a shareholder of the owner of record who resides
9 in the property. For purposes of this definition, "Tenant" shall mean "Subtenant" as defined in
10 Section 1308(k) where the subtenant occupies and resides in the unit in agreement with and
11 to the exclusion of the tenant and with the consent of the owner.

12 (k) "Subtenant" shall mean a person or persons whose rights to occupy a dwelling are
13 derived from the tenant rather than from the property owner or his or her agent.

14 (l) "Low-Income Housing Stock" shall mean those rental dwelling units in buildings
15 being proposed for conversion for which the rent, at the time the application for conversion is
16 filed, does not exceed 25 percent of the gross monthly income of a low-income household as
17 defined in Section 1309(e). For purposes of applying this Section and Section 1309(e), a
18 studio apartment shall be deemed to be a one-person household, a one-bedroom apartment
19 shall be deemed to be a two-person household, a two-bedroom apartment shall be deemed to
20 be a three-person household, and a three-bedroom apartment shall be deemed to be a four-
21 person household.

22 (m) "Moderate-Income Housing Stock" shall mean those rental dwelling units in
23 buildings being proposed for condominium conversion, the rental for which at the time of filing
24 the application for conversion exceeds the amount which would cause the unit to be defined
25 as low-income housing stock pursuant to Section 1308(l), but does not exceed 25 percent of

1 the gross monthly income of a moderate-income household as defined in Section 1309(f). In
2 relating the size of the unit to household size, the same relationships set forth for low-income
3 housing shall apply.

4 (n) "Gross Income" shall mean all income from whatever source derived as provided
5 in the Internal Revenue Code (26 U.S.C. Section 61) whether or not exempt from federal
6 income tax.

7 (o) "Household" shall mean any person or persons who reside or intend to reside in
8 the same housing unit.

9 (p) "Household of median income" shall mean a household whose combined annual
10 gross income for all members does not exceed one hundred (100) percent of the median
11 income for the San Francisco Metropolitan Statistical Area, as calculated by the United States
12 Department of Housing and Urban Development (HUD) and adjusted for household size.

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18 APPROVED AS TO FORM:
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