

File No. 200362 Committee Item No. 1  
Board Item No. \_\_\_\_\_

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date April 20, 2020

Board of Supervisors Meeting Date \_\_\_\_\_

**Cmte Board**

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|-------------------------------------|--------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/> | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Resolution                                   |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Ordinance                                    |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/> | Youth Commission Report                      |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/>            | <input type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/> | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/> | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/> | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/> | Public Correspondence                        |

**OTHER (Use back side if additional space is needed)**

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| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral FYI 041020</u> |
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Completed by: Erica Major Date April 16, 2020  
Completed by: Erica Major Date \_\_\_\_\_

1 [Emergency Ordinance - Administrative Code - Rent Increases During COVID-19 Pandemic]

2

3 **Emergency ordinance to temporarily prohibit rent increases that would otherwise be**  
4 **permitted under the Administrative Code, due to the COVID-19 pandemic.**

5 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
6 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
7 **Deletions to Codes** are in ~~*italics Times New Roman font*~~.  
8 **Board amendment additions** are in Arial font.  
9 **Board amendment deletions** are in ~~Arial font~~.  
10 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
11 subsections or parts of tables.

9

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

11

12 Section 1. Declaration of Emergency under Charter Section 2.107.

13 (a) Section 2.107 of the Charter authorizes passage of an emergency ordinance in  
14 cases of public emergency affecting life, health, or property, or for the uninterrupted operation  
15 of any City or County department or office required to comply with time limitations established  
16 by law. The Board of Supervisors hereby finds and declares that an actual emergency exists  
17 that requires the passage of this emergency ordinance.

18 (b) On February 25, 2020, Mayor London Breed proclaimed a state of emergency  
19 based on the COVID-19 pandemic (hereinafter referred to as “the emergency”). On March 3,  
20 2020, the Board of Supervisors, in Motion No. 200228, concurred in the Proclamation and in  
21 the actions taken by the Mayor to meet the emergency. On March 13, 2020, the Mayor  
22 issued a Second Supplement to the Proclamation, finding that the emergency is causing  
23 severe financial impacts to renters in the City, and providing certain protections to those  
24 renters who will be unable to pay their rent on time due to the emergency, to avoid the further  
25 risks and contamination that will result if they are displaced from their homes. Since March

1 16, 2020, City residents have been subject to the County Health Officer’s “shelter in place”  
2 orders, which require (with certain exceptions) that all San Francisco residents must stay in  
3 their homes until at least May 3, due to the extreme circumstances of the emergency (Order  
4 No. C19-07b). Also, on March 16, 2020, the Governor issued Executive Order N-28-20,  
5 finding that local jurisdictions must take measures to preserve and increase housing security  
6 and that additional measures may be necessary to protect public health and to mitigate the  
7 economic effects of COVID-19.

8 (c) For the same reasons warranting the foregoing orders and directives, the Board of  
9 Supervisors finds it is essential not just to suspend evictions for non-payment, as the City has  
10 already done, but also to impose a temporary moratorium on rent increases. A moratorium on  
11 rent increases will lower the risk of displacement, which is essential for public health; will keep  
12 tenants from falling even further behind during the emergency and help them remain in good  
13 standing after the eviction moratorium is lifted; and will help ameliorate the broader economic  
14 effects of the emergency. Failure to immediately suspend rent increases will worsen the  
15 already severe impacts of COVID-19.

16  
17 Section 2. Moratorium on Rent Increases.

18 (a) Effective April 7, 2020, the right of a landlord to impose rent increases on tenants  
19 in occupancy under Section 37.3(a) of the Administrative Code is temporarily suspended. All  
20 rules and procedures for noticing and petitioning for rent increases shall continue to apply; the  
21 tenant’s anniversary date is not affected by the deferral of the increase, and the Rent Board  
22 may continue to hear and decide petitions in the interim. However, any rent increase that  
23 would otherwise be authorized under Section 37.3(a), whether allowed “as of right” or  
24 following the grant of a petition by the Rent Board, even if properly noticed during this  
25 moratorium period, shall not take effect until after the moratorium has ended.

1 (b) After this moratorium ends, the landlord’s right to impose rent increases on tenants  
2 in occupancy under Section 37.3(a) shall immediately resume. The landlord may reinstate any  
3 rent increase that was deferred as a result of this moratorium by serving a new written notice  
4 on the tenant pursuant to Civil Code Section 827. Rent increases shall apply prospectively  
5 from the date of the notice, without further allowance for additional amounts that the landlord  
6 could have demanded earlier had the moratorium not applied.

7  
8 Section 3. Implementation.

9 The Rent Board’s existing Rules and Regulations shall continue to apply, except to the  
10 extent amended by the Rent Board or to the extent that the Rent Board Executive Director  
11 determines in writing that it is appropriate to modify the Rules and Regulations in order to  
12 implement this emergency ordinance. The Executive Director shall have the authority to  
13 modify the existing Rules and Regulations, and to issue additional guidance and to develop  
14 new forms and procedures to implement this ordinance and effectuate its purposes.

15  
16 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word  
17 of this ordinance, or any application thereof to any person or circumstance, is held to be  
18 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
19 shall not affect the validity of the remaining portions or applications of the ordinance. The  
20 Board of Supervisors hereby declares that it would have passed this ordinance and each and  
21 every section, subsection, sentence, clause, phrase, and word not declared invalid or  
22 unconstitutional without regard to whether any other portion of this ordinance or application  
23 thereof would be subsequently declared invalid or unconstitutional.

1 Section 5. Suspension of Charter Section 14.101.

2 To address the emergency conditions described above, the Board of Supervisors finds  
3 it is necessary to temporarily modify certain provisions of Section 37.3(a) of the Rent  
4 Ordinance that were adopted in whole or in part by the voters, and to suspend Charter  
5 Section 14.101 if and to the extent it would restrict the Board of Supervisors from modifying  
6 those voter-adopted provisions for this limited purpose.

7

8 Section 6. Effective Date; Retroactivity; Expiration.

9 Consistent with Charter Section 2.107, this emergency ordinance shall become  
10 effective immediately upon enactment, but, as stated in subsection (a) of Section 2, shall be  
11 retroactive to April 7, 2020. This ordinance shall expire on the 61st day following enactment  
12 unless reenacted as provided by Section 2.107. Enactment occurs when the Mayor signs the  
13 ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within  
14 ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the  
15 ordinance.

16

17 Section 7. Supermajority Vote Required.

18 In accordance with Charter Section 2.107, passage of this emergency ordinance by the  
19 Board of Supervisors requires an affirmative vote of two-thirds of the Board of Supervisors.

20

21 APPROVED AS TO FORM:  
22 DENNIS J. HERRERA, City Attorney

23

24

By: /s/ \_\_\_\_\_  
MANU PRADHAN  
Deputy City Attorney

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## **LEGISLATIVE DIGEST**

[Emergency Ordinance - Administrative Code - Rent Increases During COVID-19 Pandemic]

**Emergency ordinance to temporarily prohibit rent increases that would otherwise be permitted under the Administrative Code, due to the COVID-19 pandemic.**

### Existing Law

Section 37.3(a) of the Residential Rent Stabilization and Arbitration Ordinance regulates how landlords can raise rents on existing tenants.

### Amendments to Current Law

The ordinance would suspend a landlord's right to raise rents on existing tenants under Section 37.3(a). All other rules and procedures for rent increases would continue to apply. For example, a landlord could still notice an annual increase on the tenant's anniversary date, and could file a rent increase petition with the Rent Board. But, the landlord could not actually impose the rent increase on the tenant until after the ordinance expires. Rent increases could apply going forward. The ordinance is an emergency ordinance, so it would go into effect immediately upon enactment and would expire on the 61st day after enactment, unless renewed.

### Background Information

The ordinance is necessary to address the COVID-19 emergency. The ordinance is not intended to affect a landlord's rights under state law to increase the rent.

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# Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor  inquiries"
- 5. City Attorney Request.
- 6. Call File No.  from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the BOS on

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

For Clerk's Use Only