

1 [Subdivision Code – 100% owner-occupied TICs.]

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3 **Ordinance amending the Subdivision Code with an uncodified section that provides a**  
4 **grandfather provision for 2-6 unit buildings that are eligible to participate in the 2005**  
5 **condominium conversion lottery and where the building was owned as a tenancy-in-**  
6 **common on January 20, 2005 and was 100% owner-occupied on January 20, 2005 and**  
7 **making environmental findings.**

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

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

12 Section 1. Findings.

13 A. The proposed legislation encourages and ensures the orderly development of  
14 residential subdivisions consistent with the objectives of the California Subdivision Map Act  
15 and the San Francisco General Plan.

16 B. Through this legislation the Board of Supervisors seeks to promote the  
17 meaningful expansion of true homeownership opportunities for existing owners of buildings in  
18 a tenancy-in-common ownership where the condominium form of ownership is more desirable  
19 and no tenants are negatively affected. The condominium form of ownership provides greater  
20 protection and financial security to the separate owners of individual units, better management  
21 tools for areas of the property held in common ownership, and other benefits. Many of these  
22 owners have long been thwarted by the limited number of conversions allowed under the  
23 annual condominium conversion process when few, if any, of the public benefits of the  
24 conversion lottery are served. Particularly in those instances where the buildings are entirely  
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1 100% owner-occupied and no non-owning tenants are involved, the financial impact on such  
2 owners has been significant.

3 C. The number of permitted condominium conversions is low compared to the  
4 current demand for home ownership in the City. This ordinance promotes the health, safety  
5 and welfare of residents to expand home ownership opportunities on a one-time basis above  
6 and beyond the conversion limits for the year 2005. The ordinance requires the tenancy-in-  
7 common to be formed on or before January 20, 2005 and the buildings to be entirely owner-  
8 occupied on January 20, 2005. January 20, 2005 was the date selected for this legislation's  
9 requirements because it was the final date to register for the 2005 condominium conversion  
10 lottery. Tying the legislation's requirements to the final day to register for the 2005 lottery is  
11 an effort to limit any unintended displacement of non-owning tenants. In addition, buildings  
12 that meet the above requirements are already eligible to participate in the 2005 condominium  
13 conversion lottery. Consequently, this legislation should have no direct effect on existing non-  
14 owning tenants.

15 Section 2. Environmental Findings.

16 The Planning Department has determined that the actions contemplated in this  
17 Ordinance are in compliance with the California Environmental Quality Act (California Public  
18 Resources Code sections 21000 et seq.). Said determination is on file with the Clerk of the  
19 Board of Supervisors in File No. \_\_\_\_\_ and is incorporated herein by reference.

20 Section 3. The Subdivision Code is hereby amended with an uncodified section to  
21 read as follows:

22 (a) Notwithstanding the limitation for the conversion of residential units in 2005 as set  
23 forth in Sections 1396 and 1396.1, if the owner(s) of a 2-6 unit building is eligible to participate  
24 in the 2005 lottery, the owner(s) may convert the building pursuant to the provisions of the  
25 Subdivision Code if all the following requirements are satisfied:

1 (1) the building shall be owned as a tenancy-in-common that was formed on or  
2 before January 20, 2005;

3 (2) the building shall be 100% owner-occupied on January 20, 2005; and

4 (3) the applicant owner(s) must submit a complete subdivision application to the  
5 Department of Public Works on or before the final date to register for the 2006 condominium  
6 conversion lottery.

7 (b) In order to satisfy the requirements of Subsection (a), the owner(s) are not required  
8 to have participated in prior condominium conversion lotteries or the 2005 condominium  
9 conversion lottery.

10 (c) This legislation shall have no effect on the provisions of Subdivision Code Sections  
11 1341, 1341A, 1385, and 1385A.

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13 APPROVED AS TO FORM:  
14 DENNIS J. HERRERA, City Attorney

15 By: \_\_\_\_\_  
16 John D. Malamut  
17 Deputy City Attorney

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