

BOARD of SUPERVISORS



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MEMORANDUM

TO: Jeff Kositsky, Director
Department of Homelessness and Supportive Housing

Sam Dodge, Director
Housing Opportunity, Partnership and Engagement

Barbara Smith, Executive Director
Housing Authority

Kate Hartley, Director
Mayor's Office of Housing and Community Development

FROM: Victor Young, Assistant Clerk *VY*
Rules Committee

DATE: February 8, 2019

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Rules Committee has received the following proposed legislation, introduced by Mayor Breed on February 5, 2019:

File No. 190140

Ordinance amending the Administrative Code to expand the Displaced Tenant Preference in City Affordable Housing Programs to cover tenants where the tenant's unit is no longer restricted by a regulatory agreement or other affordable housing restriction and the landlord has increased the rent to be more than 40% of the tenant's gross household income.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: victor.young@sfgov.org.

c: Emily Cohen, Department of Homelessness and Supportive Housing
Dee Schexnayder, Housing Opportunity, Partnership and Engagement
Christine Keener, Housing Opportunity, Partnership and Engagement
Cindy Gamez, Housing Authority

Dariush Kayhan, Housing Authority
Linda Martin-Mason, Housing Authority
Amy Chan, Mayor's Office of Housing and Community Development

[Administrative Code - Displaced Tenant Preference in City Affordable Housing]

Ordinance amending the Administrative Code to expand the Displaced Tenant Preference in City Affordable Housing Programs to cover tenants where the tenant’s unit is no longer restricted by a regulatory agreement or other affordable housing restriction and the landlord has increased the rent to be more than 40% of the tenant’s gross household income.

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 ~~*italics Times New Roman font*~~. **Board amendment additions** are in double-underlined Arial font. **Board amendment deletions** are in ~~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. Chapter 47 of the Administrative Code is hereby amended by revising Section 47.2, to read as follows:

SEC. 47.2. DEFINITIONS.

* * * *

"Displaced Tenant" shall mean any person who applies to MOHCD and who MOHCD determines qualifies under any of the categories below. If a person disputes MOHCD's determination that he or she does not qualify as a "Displaced Tenant" under this Section 47.2, such person shall have the right to a hearing conducted by a Rent Board Administrative Law Judge (as defined in Administrative Code Section 37.2(f)), with MOHCD as the responding party:

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1 Category 1: A tenant residing in San Francisco who on or after January 1, 2010
2 receives a Notice of Intent to Withdraw Rental Units ("Notice of Intent to Withdraw") pursuant
3 to the Ellis Act, California Government Code Sections 7060 et seq., and corresponding
4 provisions of the Rent Ordinance. MOHCD shall establish a process for a tenant to verify his
5 or her status as a "Displaced Tenant" under Category 1 that, at a minimum, shall require a
6 tenant to show: (a) the landlord filed with the Rent Board a Notice of Intent to Withdraw; and
7 (b) the tenant either: (1) is listed on the Notice of Intent to Withdraw; (2) is listed on the lease
8 for the unit in question; or (3) has other evidence sufficient to establish, in MOHCD's
9 reasonable discretion, that he or she resided in the unit at the time the Notice of Intent to
10 Withdraw was filed. If the Rent Board grants a landlord's request to rescind the Notice of
11 Intent to Withdraw before a tenant moves out of his or her unit, such tenant shall no longer
12 qualify as a "Displaced Tenant."

13 Category 2: A tenant residing in San Francisco who on or after January 1, 2010
14 receives a notice that his or her landlord plans to recover possession of the unit under Section
15 37.9(a)(8) of the Rent Ordinance. MOHCD shall establish a process for a tenant to verify his
16 or her status as a "Displaced Tenant" under Category 2 that, at a minimum, shall require a
17 tenant to show: (a) the landlord filed with the Rent Board the notice to vacate, as required
18 under Rent Ordinance Section 37.9(c); and (b) the tenant either: (1) is listed on the notice to
19 vacate; (2) is listed on the lease for the unit in question; or (3) has other evidence sufficient to
20 establish, in MOHCD's reasonable discretion, that he or she resided in the unit at the time the
21 notice to vacate was filed.

22 Category 3: A tenant residing in San Francisco who is required to vacate his or
23 her unit by a public safety official due to fire, and who can provide sufficient evidence to
24 MOHCD that demonstrates that he or she cannot return to the unit within a period of six
25 months from the date of the order to vacate the unit. MOHCD shall establish a process for a

1 tenant to verify his or her status as a "Displaced Tenant" under Category 3 that, at a
2 minimum, shall require a tenant to show: (a) a public safety official provided an order to
3 vacate the unit to such tenant or to the owner of the unit; and (b) the tenant either: (1) is listed
4 on the order to vacate; (2) is listed on the lease for the unit in question; or (3) has other
5 evidence sufficient to establish, in MOHCD's reasonable discretion, that he or she resided in
6 the unit at the time the order was provided. This Category 3 "Displaced Tenant" preference
7 shall expire by operation of law on December 31, 2020, provided, however, that MOHCD may
8 determine after December 31, 2020 that a person who applied to MOHCD under Category 3
9 on or prior to December 31, 2020 qualifies as a Displaced Tenant.

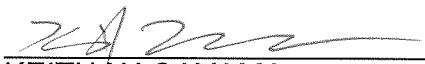
10 Category 4: A tenant residing in San Francisco who is vacating the tenant's unit
11 because MOHCD has verified that a multi-family residential property is no longer restricted to ensure
12 affordability based on income under any regulatory agreement (including a regulatory agreement
13 based on the issuance of housing mortgage revenue bonds) or other affordable housing agreement
14 and/or recorded instrument, and the landlord of such property has increased such tenant's total annual
15 rent above 40% of the tenant's total annual gross household income. MOHCD shall establish a process
16 for a tenant to verify the tenant's status as a "Displaced Tenant" under Category 4 that, at a minimum,
17 shall require the tenant to show: (a) documentation of the tenant's total gross household income on a
18 form provided by MOHCD in accordance with the Inclusionary Procedures Manual in effect at the time
19 of application for a "Displaced Tenant" housing preference; (b) written documentation from the
20 landlord, in a form prescribed by MOHCD, that the household is required to execute a new lease with
21 a rent amount that exceeds 40% of the tenant's current total annual gross household income; and (c)
22 the tenant either: (1) is listed on the lease for the unit in question; or (2) has other evidence sufficient to
23 establish, in MOHCD's reasonable discretion, that he or she resides in the unit at the time the landlord
24 increased the tenant's rent.

25 * * * *

1 Section 2. Effective Date. This ordinance shall become effective 30 days after
2 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
3 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
4 of Supervisors overrides the Mayor's veto of the ordinance.

5 Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
6 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
7 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
8 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
9 additions, and Board amendment deletions in accordance with the "Note" that appears under
10 the official title of the ordinance.

11
12 APPROVED AS TO FORM:
13 DENNIS J. HERRERA, City Attorney

14
15 By: 
16 KEITH NAGAYAMA
17 Deputy City Attorney
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