

1 [Administrative Code - Registration of Defaulted or Foreclosed Residential Properties]

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3 **Ordinance amending the Administrative Code to require the registration of defaulted or**  
4 **foreclosed residential properties and payment of a registration fee, and authorizing**  
5 **administrative fines for violation of the registration requirement.**

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

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

14 Section 1. The Administrative Code is hereby amended by adding Chapter 81,  
15 consisting of Sections 81.1 through 81.12, to read as follows:

16 **CHAPTER 81:**

17 **DEFAULTED OR FORECLOSED RESIDENTIAL PROPERTY REGISTRY**

18 **SEC. 81.1 TITLE AND PURPOSE.**

19 *This Chapter shall be known as the “Defaulted or Foreclosed Residential Property Registration*  
20 *Ordinance.” The Chapter establishes a system to register residential properties subject to Foreclosure*  
21 *and sales of such properties or any of their Dwelling Units occurring within five years after a*  
22 *Foreclosure sale, to allow the City to monitor speculation and its effect on San Francisco’s housing*  
23 *inventory, including the withdrawal of affordable rental housing. The registry this Chapter establishes*  
24 *also helps to identify parties responsible for the condition of properties in Foreclosure and prevent*  
25 *neighborhood blight that occurs when those properties are neglected.*

1 **SEC. 81.2. DEFINITIONS.**

2 For purposes of this Chapter 81, the following definitions shall apply:

3 “Beneficiary” means a lender under a note secured by a Deed of Trust.

4 “Beneficiary’s Designated Agent” means a person or entity, including a servicing company,  
5 that has contracted with the Beneficiary to perform duties related to the note secured by a Deed of  
6 Trust, including the collection of installment payments on the note and administration of any default  
7 and Foreclosure process.

8 “City” means City and County of San Francisco.

9 “Deed in Lieu of Foreclosure” means a recorded document that transfers ownership of a  
10 Property from the Trustor to the Trustee upon consent of the Beneficiary of the Deed of Trust.

11 “Deed of Trust” means any instrument by which legal title to real property, or any interest  
12 therein, is transferred to a third party Trustee as security for a real estate loan. This definition applies  
13 to any and all subordinate deeds of trust, including but not limited to a second trust deed or third trust  
14 deed.

15 “Default” means the material breach of a legal or contractual duty arising from or relating to a  
16 Deed of Trust.

17 “Dwelling Unit” means any building or portion thereof that contains living facilities, including  
18 provisions for sleeping, eating, cooking and sanitation as required by the Building Code, for not more  
19 than one family.

20 “Foreclosure” means the reversion or transfer of title to a Property to a lender, mortgagee, or  
21 Beneficiary of a Deed of Trust, or an agent thereof, in full or partial satisfaction of a defaulted  
22 obligation. This definition of "Foreclosure" includes but is not limited to the definitions in California  
23 Civil Code section 2924, as amended, or any successor provision.

24 “Legal Owner” means the person or entity having record title to the Property as shown in the  
25 Office of the Assessor-Recorder.

1           “Legal Owner’s Designated Agent” means a person or entity, including, but not limited to, a  
2 servicing company or property management company, that has contracted with the Legal Owner to  
3 perform duties related to the maintenance and security of the Property.

4           “Notice of Default” means a recorded notice that default has occurred under a Deed of Trust.

5           “Property” means any residential or mixed residential and commercial building located within  
6 the City.

7           “Property in Default” means any Property as to which a Notice of Default has been issued by a  
8 lender, mortgagee, or Beneficiary of any Deed of Trust.

9           “Real-Estate Owned Property” means a Property for which title has transferred to the  
10 Beneficiary of a Deed of Trust or the Beneficiary’s Designated Agent, including, but not limited to, a  
11 lender or servicing company, as the result of a Foreclosure sale or execution of a Deed in Lieu of  
12 Foreclosure.

13           “REO Property” means a Real Estate Owned Property.

14           “Responsible Party” for a Property in Default means the Beneficiary and/or the Beneficiary’s  
15 Designated Agent. “Responsible Party” for an REO Property means the Legal Owner and/or the  
16 Legal Owner’s Designated Agent. If there is more than one Responsible Party for a Property, each  
17 Responsible Party shall be jointly and severally liable for compliance with the provisions of this  
18 Chapter 81.

19           “Single-family Residence” means a building that is comprised of one Dwelling Unit.

20           “Trustee” means the person or entity holding a Deed of Trust on a Property.

21           “Trustor” means a borrower under a Deed of Trust, who deeds Property to a Trustee as  
22 security for the payment of a debt.

23           “Vacant or Abandoned Building” means a building defined as “vacant or abandoned” under  
24 Building Code section 103A.4.1, as amended, or any successor provision.

1 **SEC. 81.3. DUTY TO REGISTER PROPERTY IN DEFAULT OR REO PROPERTY.**

2 (a) The Responsible Party for a Property in Default shall register the Property with the Office  
3 of the Assessor-Recorder within 14 days of the recording of the Notice of Default. If the Notice of  
4 Default was recorded prior to the effective date of this Chapter 81 and has not been rescinded, the  
5 Responsible Party shall register the Property in Default within 30 days of the effective date of this  
6 Chapter.

7 (b) The Responsible Party for a REO Property shall register the Property with the Office of the  
8 Assessor-Recorder within 14 days of the transfer of title to the Beneficiary. If title to an REO Property  
9 was transferred to the Beneficiary prior to the effective date of this Chapter 81, the Responsible Party  
10 shall register the REO Property within 30 days of the effective date of this Chapter.

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12 **SEC. 81.4. REGISTRATION INFORMATION.**

13 The Responsible Party shall register the subject Property on a registration form approved by  
14 the Office of the Assessor-Recorder, which shall require the following information:

15 (a) The name, telephone number, mailing address, and email address of the Responsible Party.

16 (b) Whether the Responsible Party is the Beneficiary, Beneficiary's Designated Agent, Legal  
17 Owner, or Legal Owner's Designated Agent.

18 (c) A direct contact name for the Responsible Party, and telephone number and email address  
19 for that person.

20 (d) Whether the Property is occupied or unoccupied. If the Property is unoccupied, the  
21 Responsible Party shall provide a description of the procedure in place for ongoing maintenance of the  
22 Property.

23 (e) Whether the Property is a Vacant or Abandoned Building and, if so, whether the Property  
24 has been registered pursuant to Building Code Section 103A.4.2.

1           (f) Whether the Property is a residential building or mixed residential and commercial  
2 building.

3           (g) Whether the Property is a single-family residence or a multi-unit building. If the Property  
4 is a multi-unit building, the number of Dwelling Units contained in the Property.

5           (h) Whether the Property is a Below Market Rate (BMR) Unit pursuant to Planning Code  
6 Section 415.

7           (i) Such other information, if any, as the Office of the Assessor-Recorder requests in  
8 furtherance of the purposes of this Chapter.

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10 **SEC. 81.5. ONLINE REGISTRATION AND ACCESS TO REGISTRY.**

11           (a) The registration form described in Section 81.4 shall be available online on the Office of  
12 the Assessor-Recorder's website. Persons shall be permitted to complete and submit the registration  
13 form to the Office of the Assessor-Recorder online.

14           (b) The Defaulted or Foreclosed Property Registry shall be publicly available online on the  
15 Office of the Assessor-Recorder's website.

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17 **SEC. 81.6. DUTY TO UPDATE AND ANNUALLY RENEW REGISTRATION.**

18           (a) The initial registration of a Property in Default or REO Property shall be effective for the  
19 calendar year in which it is filed. For any registered Property that remains subject to the registration  
20 requirements of this Section 81.5 on January 1 of the subsequent year or years, the Responsible Party  
21 shall file a renewed registration form no later than January 31 of each subsequent year.

22           (b) If at any time during a year the information provided on the registration form becomes  
23 inaccurate or outdated, the Responsible Party shall provide the Office of the Assessor-Recorder  
24 accurate and up-to-date information, in the manner prescribed by the Office of the Assessor-Recorder,  
25 within 14 days of when the information on the registration form became inaccurate or outdated.

1           (c) For a Property in Default or REO Property that is Vacant or Abandoned, the Responsible  
2 Party shall update the registration with the date such Property is registered in compliance with  
3 Building Code Section 103A.4.2.

4           (d) The purchaser of a Property in Default at a Foreclosure sale shall report the date of sale,  
5 the purchaser's identity, and the name of any agent who represented the purchaser at the Foreclosure  
6 sale in the manner prescribed by the Office of the Assessor-Recorder within 14 days of the transfer of  
7 title. If the initial purchaser of the Property in Default subsequently sells such Property or any of its  
8 Dwelling Units within five years after the date of purchase at the Foreclosure sale, the initial purchaser  
9 shall report such sale(s) and change in ownership information in the manner prescribed by the Office  
10 of the Assessor-Recorder within 14 days of the transfer of title.

11           (e) The purchaser of an REO Property shall report the date of sale and the identity of the  
12 purchaser in the manner prescribed by the Office of the Assessor-Recorder within 14 days of the  
13 transfer of title. If the purchaser of the REO Property subsequently sells such Property or any of its  
14 Dwelling Units within five years after the date of purchase of the REO Property, the initial purchaser  
15 shall report such sale(s) and change in ownership information in the manner prescribed by the Office  
16 of the Assessor-Recorder within 14 days of the transfer of title.

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18 **SEC. 81.7. REGISTRATION FEE.**

19           A registration fee determined by the Office of the Controller, sufficient to meet but not to exceed  
20 the actual cost to the Office of the Assessor-Recorder to process the registration and administer this  
21 Chapter, shall be paid at the time of initial registration and annually thereafter as long as the Property  
22 remains a Property in Default or an REO Property. The registration fee shall not be prorated.

1 **SEC. 81.8. FAILURE TO REGISTER; ADMINISTRATIVE FINE.**

2 *The Assessor-Recorder or his or her designee may impose administrative fines for violations of*  
3 *Chapter 81, or of any regulations adopted pursuant to this Chapter. Chapter 100 of the Administrative*  
4 *Code is herein incorporated in its entirety and shall govern the amount of the fine and the procedure*  
5 *for imposition, enforcement, and collection of the fine, as well as the procedure for review of*  
6 *administrative citations issued under this Chapter.*

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8 **SEC. 81.9. TERMINATING REGISTRATION OF PROPERTY NO LONGER IN DEFAULT.**

9 *If after registration of a Property in Default, Default is cured or rescinded, the Responsible*  
10 *Party shall report this information to the Office of the Assessor-Recorder in the manner prescribed by*  
11 *that Office within 14 days of the event curing or rescinding Default and request that the Property be*  
12 *removed from the registry.*

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14 **SEC. 81.10. RULEMAKING.**

15 *The Assessor-Recorder shall have authority to issue guidelines and regulations to implement*  
16 *the provisions of this Chapter 81.*

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18 **SEC. 81.11. SEVERABILITY.**

19 *The provisions of this Chapter 81 are declared to be separate and severable. The invalidity of*  
20 *any clause, sentence, paragraph, subdivision, section or portion of this Chapter, or the invalidity of the*  
21 *application thereof to any person or circumstances, shall not affect the validity of the remainder of this*  
22 *Chapter, or the validity of its application to other persons or circumstances.*

1 **SEC. 81.12. UNDERTAKING TO PROMOTE THE GENERAL WELFARE.**

2 *In adopting this Chapter 81, the City is assuming an undertaking only to promote the general*  
3 *welfare. It is not assuming, not is it imposing on its officers and employees, an obligation for breach of*  
4 *which it is liable in money damages to any person who claims that such breach proximately caused*  
5 *injury.*

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

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

14 By: \_\_\_\_\_  
15 Zachary A. Porianda  
16 Deputy City Attorney

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