

1 [Residential Housing Purchaser Protection Ordinance.]

2

3 **Ordinance amending Administrative Code Section 37.10A to require property owners**  
4 **and their agents to disclose to prospective buyers of residential property consisting of**  
5 **two or more units, the legal ground(s) for the termination of a tenancy and whether any**  
6 **units were occupied by elderly and or disabled tenants at the time of termination of**  
7 **tenancy.**

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

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

13 Section 1. *Findings. It shall be official policy of the City and County of San Francisco to*  
14 *protect potential purchasers of residential property from purchasing residential property without*  
15 *knowing that a tenancy was terminated by the landlord or owner, in that:*

16 (a) *Certain terminations of tenancy, such as an owner move in eviction or the eviction of an*  
17 *elderly or disabled tenant, create restrictions on the residential property that may impact a buyer; and,*

18 (b) *Potential purchasers of residential property in San Francisco include conscientious*  
19 *buyers concerned about displacing tenants from residential buildings.*

20

21 //

22 //

23 //

24 //

25

1 Section 2. The San Francisco Administrative Code is hereby amended by amending Section  
2 37.10A, to read as follows:

3 SEC. 37.10A. MISDEMEANORS, AND OTHER ENFORCEMENT PROVISIONS.

4 (a) It shall be unlawful for a landlord to increase rent or rents in violation of the  
5 decision of an Administrative Law Judge or the decision of the Board on appeal pursuant to  
6 the hearing and appeal procedures set forth in Section 37.8 of this Chapter. It shall further be  
7 unlawful for a landlord to charge any rent which exceeds the limitations of this Chapter. Any  
8 person who increases rents in violation of such decisions or who charges excessive rents  
9 shall be guilty of a misdemeanor.

10 (b) It shall be unlawful for an landlord to refuse to rent or lease or otherwise deny to  
11 or withhold from any person any rental unit because the age of a prospective tenant would  
12 result in the tenant acquiring rights under this Chapter. Any person who refuses to rent in  
13 violation of this subsection shall, in addition to any other penalties provide by State or federal  
14 law, be guilty of a misdemeanor.

15 (c) It shall be unlawful for a landlord or for any person who willfully assists a  
16 landlord to request that a tenant move from a rental unit or to threaten to recover possession  
17 of a rental unit, either verbally or in writing, unless:

18 (1) The landlord in good faith intends to recover said unit under one of the grounds  
19 enumerated in Section 37.9(a) or (b); and

20 (2) Within five days of any such request or threat the landlord serves the tenant with  
21 a written notice stating the particular ground under Section 37.9(a) or (b) that is the basis for  
22 the landlord's intended recovery of possession of the unit.

23 (d) It shall be unlawful for a landlord or for any person who willfully assists a  
24 landlord to recover possession of a rental unit unless, prior to recovery of possession of the  
25

1 unit:

2 (1) The landlord files a copy of the written notice required under Section 37.10A(c)  
3 with the Board together with any preceding warning or threat to recover possession, unless  
4 the particular ground for recovery is non-payment of rent; and

5 (2) The landlord satisfies all requirements for recovery of the unit under Section  
6 37.9(a) or (b).

7 (e) In any criminal or civil proceeding based on a violation of Section 37.10A(c) or  
8 37.10A(d), the landlord's failure to use a recovered unit for the Section 37.9(a) or (b) ground  
9 stated verbally or in writing to the tenant from whom the unit was recovered shall give rise to a  
10 presumption that the landlord did not have a good faith intention to recover the unit for the  
11 stated ground.

12 (f) If possession of a rental unit is recovered as the result of any written or verbal  
13 statement to the tenant that the landlord intends to recover the unit under one of the grounds  
14 enumerated in Section 37.9(a) or (b), the unit shall be subject to all restrictions set forth under  
15 this Chapter on units recovered for such stated purpose regardless of any agreement made  
16 between the landlord or the landlord's agent and the tenant who vacated the recovered unit.  
17 Any unit vacated by a tenant within 120 days after receiving any written or verbal statement  
18 from the landlord stating that the landlord intends to recover the unit under Section 37.9(a) or  
19 (b), shall be rebuttably presumed to have been recovered by the landlord pursuant to the  
20 grounds identified in that written or verbal statement.

21 (g) Except as provided in this subsection, it shall be unlawful for a landlord, or for  
22 any person who willfully assists a landlord, including the landlord's attorney or legal  
23 representative, to seek or obtain a tenant's agreement not to cooperate with any investigation  
24 or proceeding by any administrative or law enforcement or other governmental agency under  
25

1 this Chapter, or to otherwise seek or obtain a tenant's waiver of rights under this Chapter.  
2 Any waiver of rights by a tenant under this Chapter shall be void as contrary to public policy  
3 unless the tenant is represented by independent counsel and the waiver is approved in a  
4 Court-supervised settlement agreement, or by a retired judge of the California Superior Court  
5 sitting as a mediator or arbitrator by mutual agreement of the tenant represented by  
6 independent counsel and the landlord. Any settlement agreement shall identify the judge,  
7 mediator, or arbitrator reviewing the settlement, all counsel representing the parties, and any  
8 other information as required by the Board. The landlord shall file a signed copy of the  
9 settlement agreement with the Board within ten days of execution. Unless otherwise required  
10 by the Board, the copy of the agreement filed with the Board shall redact the amount of  
11 payments to be made to tenants.

12 (h) It shall be unlawful for ~~a landlord~~ an owner or an owner's agent to knowingly fail to  
13 disclose in writing to the buyer, prior to entering into a contract for the sale of any property  
14 consisting of two or more residential units, the specific legal ground(s) for the termination of  
15 the tenancy of each residential unit to be delivered vacant at the close of escrow.

16 (i) It shall be unlawful for an owner or an owner's agent when showing or offering a  
17 property for sale in the City and County of San Francisco that includes two or more residential units, to  
18 knowingly fail to disclose in writing to any prospective purchaser, including but not limited to  
19 disclosure on papers describing the property to prospective purchasers at open houses:

20 (1) The specific legal ground(s) for the termination of the tenancy of each residential unit to  
21 be delivered vacant at the close of escrow; and,

22 (2) Whether the unit was occupied by an elderly or disabled tenant at the time the tenancy  
23 was terminated. For purposes of this section 37.10A(i), "elderly" means a tenant defined as elderly by  
24 San Francisco Administrative Code section 37.9(i)(1)(A), 37.9A(e)(1)(C), 37.9(e)(2)(D), or

25

1 37.9(e)(3)(C), or a tenant defined as "senior" by San Francisco Subdivision Code section 1359(d). For  
2 purposes of this section 37.10A(i), "disabled" means a tenant defined as disabled by San Francisco  
3 Administrative Code section 37.9(i)(1)(B)(i), 37.9A(e)(1)(C), 37.9(e)(2)(D), or 37.9(e)(3)(C), or by San  
4 Francisco Subdivision Code section 1359(d).

5 (i) Any person who violates Section 37.10A(a), (b), (c), (d), (g) or (h) is guilty of a  
6 misdemeanor and shall be punished by a mandatory fine of one thousand dollars (\$1,000),  
7 and in addition to such fine may be punished by imprisonment in the County Jail for a period  
8 of not more than six months. Each violation shall constitute a separate offense.

9

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

12 By: \_\_\_\_\_  
13 MARIE CORLETT BLITS  
14 Deputy City Attorney

15

16

17

18

19

20

21

22

23

24

25