



AARON PESKIN

## MEMORANDUM

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Date: September 10, 2021

To: Rich Hillis, Planning Department, Director  
Robert Collins, Rent Board, Director

CC: Angela Calvillo, Clerk of the Board of Supervisors

From: Aaron Peskin, District 3 Supervisor *AP*

RE: Letter of Inquiry on STR/ILO Permitting & Enforcement, File No. 210844

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Directors,

In preparation for the hearing on September 27, 2021 at Land Use & Transportation Committee (File No. 210844), I am submitting the following queries to your respective Departments under the Board's chartered unlimited powers of inquiry. Please be prepared to speak to the following:

### Office of Short Term Rentals

- 1) Please speak to the history of permit applications and enforcement since the Office of Short-Term Rentals (OSTR) was established.
  - a. What is OSTR's total annual budget and how many staff are currently employed at the office? What is OSTR's organizational structure and process for permit review and applications?
  - b. How many permit applications have been filed and how many permits have been renewed? How many have been denied? How many have been withdrawn?
  - c. Has OSTR documented any upticks or declines, particularly in certain neighborhood, during the COVID-19 pandemic?
  - d. What is the price of an application and how many application fees in total have been collected to date?

- 2) Please speak to the notifications that OSTR has received over the life of the program regarding illegal operations. Is OSTR only responding to complaints formally filed with the office or routed through 311, or have there been complaints or formal investigations pursued through the City Attorney's Office?
- 3) When a complaint about an illegal STR is filed, how long does it take for a complaint to be investigated?
  - a. How many permits have been revoked?
  - b. How many individual enforcement cases have been resulted in fines and what is the total amount of fines assessed, collected and still outstanding since the inception of the program? Do the fines go back to the cost recovery operations of OSTR or are they earmarked for some other purpose?
  - c. How many violations have been abated?
  - d. Please provide a map and/or list of all STR complaints that have been filed since the inception of the program, including the status of their resolution (closed, cured, pending investigation, etc.)
- 4) What is the standardized course of action that OSTR implements after verifying that a STR has been operating illegally, and what criteria do staff evaluate to confirm these types of allegations?
- 5) Per Administrative Code 41A, the OSTR is required to maintain a Short Term Rental Registry to be available for public review, but the OSTR may redact "any Permanent Resident names and streets and unit numbers from the records available for public review."
  - a. Please provide a map with geo-dots showing generally where each permitted STR is located, along with the prices of all STR's.
  - b. Have there been conversations with the online platforms to discuss streamlining this process and more easily sharing information and data between the City and participating platforms?
- 6) What are the top issues that the OSTR continues to hear (including new challenges) from both permittees, rental applicants/STR users and local neighbors? Has OSTR seen a shift in issues since the program was first established, with less complaints or new kinds of complaints?
- 7) Has the OSTR fielded any complaints that were later found to be corporate rentals as opposed to illegal STR's? What does the Office do in that situation, and who do staff refer the complaint to?
- 8) Why have STR's not been included in the annual Housing Inventory, particularly given that the data is readily available and there have

been many documented cases of the impacts of STR's on the affordable housing market?

- 9) How has the 4<sup>th</sup> District Court of Appeals ruling on the intent and enforceability of Civil Code Section 4740 impacted the City Attorney's and OSTR's review and enforcement of STR applications, if at all?

### **Intermediate Length Occupancy/Corporate Rentals**

- 1) With respect to rent-controlled housing and the rights afforded to tenants under Chapter 37 of the Administrative Code, the corporate rental legislation merely reinforced existing law affirming that "fixed-term" rentals are illegal and tenants assume legal residency and all rights afforded under the law after 30 days. What is the Rent Board's current role in enforcing this prohibition on fixed-term rentals in rent-controlled housing stock in San Francisco?
- 2) How many complaints has the Rent Board responded to since the corporate rental legislation took effect and more explicitly emphasized this prohibition? How many complaints are still unresolved and outstanding? How many have been cured?
- 3) How many applications to legalize existing Intermediate Length Occupancy (ILO) or "corporate rentals" in post-1979 buildings has the Planning Department received to date?
- 4) Given the circumstances of the COVID-19 shutdown, the Controller's Office was given an additional six months to begin work on analysis of "the impacts created by the development of new Intermediate Length Occupancy units on the City and relevant City services." Who in the Controller's Office is Planning working with to initiate this analysis and are there updates and a projected date for a final report to the Board of Supervisors? Are there other City agencies that should be included in this data collection process?
- 5) Is Planning, particularly the Equity Team within the Planning Department, considering how to include ILO's in the annual Housing Inventory, including distribution and average unit price by neighborhood and unit type?
- 6) Please share an up-to-date and comprehensive list of all online platforms currently managing STR and ILO/corporate rental listings in San Francisco.
- 7) In addition to the original Budget and Legislative Analyst Report filed with the corporate rental legislation, what other resources and data points can the Board of Supervisors help provide to the Planning Department? How is geographic equity being evaluated?
- 8) Is there a City Planner assigned specifically to ILO's that the public can route feedback and input to?