

1 [Residential Rent Ordinance: Prohibit rent increases and evictions based on additional
occupants where total number is within Housing Code Section 503 occupancy limits.]

2 **Ordinance amending Administrative Code Chapter 37 “Residential Rent Stabilization**
3 **and Arbitration Ordinance” by amending Sections 37.3 and 37.9: to prohibit rent**
4 **increases based on the addition of occupants, even where a pre-existing rental**
5 **agreement or lease otherwise permits a rent increase for additional occupants, except**
6 **that a landlord may petition for and be granted a rent increase based on increased**
7 **costs caused by the additional occupant(s), and except that rent increases otherwise**
8 **permitted by California Civil Code Section 1954.53(d)(1) are not prohibited (Section**
9 **37.3(a)(11)); and to prohibit evictions based on the addition of occupants, so long as**
10 **the total number of occupants does not exceed the maximum number of occupants per**
11 **sleeping room set by San Francisco Housing Code §503(b) "superficial floor area"**
12 **standards (Section 37.9(a)(2)).**

13 NOTE: Additions are *single-underline italics Times New Roman*;
14 deletions are ~~*strike-through italics Times New Roman*~~.
15 Board amendment additions are double-underlined Arial;
16 Board amendment deletions are ~~strike-through Arial~~.

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

18 Section 1. The San Francisco Administrative Code is hereby amended by amending
19 Section 37.3, to read as follows:

20 SEC. 37.3. RENT LIMITATIONS.

21 (a) Rent Increase Limitations for Tenants in Occupancy. Landlords may impose rent
22 increases upon tenants in occupancy only as provided below and as provided by Subsection
23 37.3(d):

24 (1) Annual Rent Increase. On March 1st of each year, the Board shall publish the
25

1 increase in the CPI for the preceding 12 months, as made available by the U.S. Department of
2 Labor. A landlord may impose annually a rent increase which does not exceed a tenant's
3 base rent by more than 60 percent of said published increase. In no event, however, shall the
4 allowable annual increase be greater than seven percent.

5 (2) Banking. A landlord who refrains from imposing an annual rent increase or any
6 portion thereof may accumulate said increase and impose that amount on the tenant's
7 subsequent rent increase anniversary dates. A landlord who, between April 1, 1982, and
8 February 29, 1984, has banked an annual seven percent rent increase (or rent increases) or
9 any portion thereof may impose the accumulated increase on the tenant's subsequent rent
10 increase anniversary dates.

11 (3) Capital Improvements, Rehabilitation, and Energy Conservation Improvements,
12 and Renewable Energy Improvements. A landlord may impose rent increases based upon the
13 cost of capital improvements, rehabilitation, energy conservation improvements, or renewable
14 energy improvements, provided that such costs are certified pursuant to Sections 37.7 and
15 37.8B below; provided further that where a landlord has performed seismic strengthening in
16 accordance with Building Code Chapters 16B and 16C, no increase for capital improvements
17 (including but not limited to seismic strengthening) shall exceed, in any 12 month period, 10
18 percent of the tenant's base rent, subject to rules adopted by the Board to prevent landlord
19 hardship and to permit landlords to continue to maintain their buildings in a decent, safe and
20 sanitary condition. A landlord may accumulate any certified increase which exceeds this
21 amount and impose the increase in subsequent years, subject to the 10 percent limitation.
22 Nothing in this subsection shall be construed to supersede any Board rules or regulations with
23 respect to limitations on increases based upon capital improvements whether performed
24 separately or in conjunction with seismic strengthening improvements pursuant to Building
25 Code Chapters 16B and 16C.

1 (4) Utilities. A landlord may impose increases based upon the cost of utilities as
2 provided in Section 37.2(q) above.

3 (5) Water: Charges Related to Excess Water Use, and 50% Passthrough of Water Bill
4 Charges Attributable to Water Rate Increases Resulting From Issuance of Water System
5 Improvement Revenue Bonds Authorized at the November 2002 Election.

6 (A) Charges Related to Excess Water Use. A landlord may impose increases not to
7 exceed 50 percent of the excess use charges (penalties) levied by the San Francisco Water
8 Department on a building for use of water in excess of Water Department allocations under
9 the following conditions:

10 (i) The landlord provides tenants with written certification that the following have been
11 installed in all units: (1) permanently installed retrofit devices designed to reduce the amount
12 of water used per flush or low-flow toilets (1.6 gallons per flush); (2) low-flow showerheads
13 which allow a flow of no more than 2.5 gallons per minute; and (3) faucet aerators (where
14 installation on current faucets is physically feasible); and

15 (ii) The landlord provides the tenants with written certification that no known plumbing
16 leaks currently exist in the building and that any leaks reported by tenants in the future will be
17 promptly repaired; and

18 (iii) The landlord provides the tenants with a copy of the water bill for the period in
19 which the penalty was charged. Only penalties billed for a service period which begins after
20 the effective date of the ordinance [April 20, 1991] may be passed through to tenants. Where
21 penalties result from an allocation which does not reflect documented changes in occupancy
22 which occurred after March 1, 1991, a landlord must, if requested in writing by a tenant, make
23 a good-faith effort to appeal the allotment. Increases based upon penalties shall be prorated
24 on a per-room basis provided that the tenancy existed during the time the penalty charges
25 accrued. Such charges shall not become part of a tenant's base rent. Where a penalty in any

1 given billing period reflects a 25 percent or more increase in consumption over the prior billing
2 period, and where that increase does not appear to result from increased occupancy or any
3 other known use, a landlord may not impose any increase based upon such penalty unless
4 inspection by a licensed plumber or Water Department inspector fails to reveal a plumbing or
5 other leak. If the inspection does reveal a leak, no increase based upon penalties may be
6 imposed at any time for the period of the unrepaired leak.

7 (B) Fifty Percent (50%) Passthrough of Water Bill Charges Attributable to Water
8 Increases Resulting From Issuance of Water System Improvement Revenue Bonds
9 Authorized at the November 2002 Election. A landlord may pass through fifty percent (50%) of
10 the water bill charges attributable to water rate increases resulting from issuance of Water
11 System Improvement Revenue Bonds authorized at the November 2002 election (Proposition
12 A), to any unit that is in compliance with any applicable laws requiring water conservation
13 devices. The landlord is not required to file a petition with the Board for approval of such a
14 cost passthrough. Such cost passthroughs are subject to the following:

15 (i) Affected tenants shall be given notice of any such passthrough as provided by
16 applicable notice of rent increase provisions of this Chapter 37, including but not limited to
17 Section 37.3(b)(3).

18 (ii) A tenant may file a hardship application with the Board, and be granted relief from
19 all or part of such a cost passthrough.

20 (iii) If a tenant's hardship application is granted, the tenant's landlord may utilize any
21 available Public Utilities Commission low-income rate discount program or similar program for
22 water bill reduction, based on that tenant's hardship status.

23 (iv) A landlord shall not impose a passthrough pursuant to Section 37.3(a)(5)(B) if the
24 landlord has filed for or received Board approval for a rent increase under Section 37.8(e)(4)
25 for increased operating and maintenance expenses in which the same increase in water bill

1 charges attributable to water rate increases resulting from issuance of any water revenue
2 bonds authorized at the November 5, 2002 election was included in the comparison year cost
3 totals.

4 (v) Where a tenant alleges that a landlord has imposed a water revenue bond
5 passthrough that is not in compliance with Section 37.3(a)(5)(B), the tenant may petition for a
6 hearing under the procedures provided by Section 37.8. In such a hearing the landlord shall
7 have the burden of proving the accuracy of the calculation that is the basis for the increase.
8 Any tenant petition challenging such a passthrough must be filed within one year of the
9 effective date of the passthrough.

10 (vi) A tenant who has received a notice of passthrough or a passthrough under this
11 Section 37.3(a)(5)(B) shall be entitled to receive a copy of the applicable water bill from the
12 landlord upon request.

13 (vii) The amount of permissible passthrough per unit under this Section 37.3(a)(5)(B)
14 shall be determined as follows:

15 (1) The San Francisco Public Utilities Commission will determine the charge per unit
16 of water, if any, that is attributable to water rate increases resulting from issuance of water
17 system improvement revenue bonds authorized at the November 5, 2002 election.

18 (2) The charge identified in Section 37.3(a)(5)(B)(vii)(1) shall be multiplied by the total
19 units of water used by each customer, for each water bill. The result is the total dollar amount
20 of the water bill that is attributable to water rate increases resulting from issuance of water
21 system improvement revenue bonds authorized at the November 5, 2002 election. That
22 charge shall be a separate line item on each customer's water bill.

23 (3) The dollar amount calculated under Section 37.3(a)(5)(B)(vii)(2) shall be divided
24 by two (since a 50% passthrough is permitted), and then divided by the total number of units
25 covered by the water bill, including commercial units. The resulting dollar figure shall be

1 divided by the number of months covered by the water bill cycle (most are two-month bill
2 cycles), to determine the amount of that water bill that may be passed through to each
3 residential unit for each month covered by that bill.

4 (4) These passthroughs may be imposed on a monthly basis. These passthroughs
5 shall not become part of a tenant's base rent. The amount of each passthrough may vary from
6 month to month, depending on the amount calculated under Sections 37.3(a)(5)(B)(vii)(1)
7 through (3).

8 (viii) The Board may amend its rules and regulations as necessary to implement this
9 Section 37.3(a)(5)(B).

10 (6) Property Tax. A landlord may impose increases based upon a 100% passthrough
11 of the change in the landlord's property tax resulting from the repayment of general obligation
12 bonds of the City and County of San Francisco approved by the voters between November 1,
13 1996, and November 30, 1998 as provided in Section 37.2(q) above.

14 A landlord may impose increases based upon a 50% passthrough of the change in the
15 landlord's property tax resulting from the repayment of San Francisco Unified School District
16 or San Francisco Community College District general obligation bonds approved by the voters
17 after November 1, 2006, as provided in Section 37.2(q) above.

18 The amount of such increases shall be determined for each tax year as follows:

19 (A) For general obligation bonds of the City and County of San Francisco approved by
20 the voters between November 1, 1996 and November 30, 1998:

21 (i) The Controller and the Board of Supervisors will determine the percentage of the
22 property tax rate, if any, in each tax year attributable to general obligation bonds approved by
23 the voters between November 1, 1996, and November 30, 1998, and repayable within such
24 tax year.

25 (ii) This percentage shall be multiplied by the total amount of the net taxable value for

1 the applicable tax year. The result is the dollar amount of property taxes for that tax year for a
2 particular property attributable to the repayment of general obligation bonds approved by the
3 voters between November 1, 1996, and November 30, 1998.

4 (iii) The dollar amount calculated under Subsection (ii) shall be divided by the total
5 number of all units in each property, including commercial units. That figure shall be divided
6 by 12 months, to determine the monthly per unit costs for that tax year of the repayment of
7 general obligation bonds approved by the voters between November 1, 1996, and November
8 30, 1998.

9 (B) For general obligation bonds of the City and County of San Francisco approved by
10 the voters after November 14, 2002 where any rent increase has been disclosed and
11 approved by the voters:

12 (i) The Controller and the Board of Supervisors will determine the percentage of the
13 property tax rate, if any, in each tax year attributable to general obligation bonds approved by
14 the voters after November 14, 2002 and repayable within such tax year.

15 (ii) This percentage shall be multiplied by the total amount of the net taxable value for
16 the applicable tax year. The result is the dollar amount of property taxes for that tax year for a
17 particular property attributable to the repayment of general obligation bonds approved by the
18 voters after November 14, 2002.

19 (iii) The dollar amount calculated under Subsection (ii) shall be divided by two, and
20 then by the total number of all units in each property, including commercial units. That figure
21 shall be divided by 12 months, to determine the monthly per unit costs for that tax year of the
22 repayment of general obligation bonds approved by the voters after November 14, 2002.

23 (C) For general obligation bonds of the San Francisco Unified School District or San
24 Francisco Community College District approved by the voters after November 1, 2006:

25 (i) The Controller and the Board of Supervisors will determine the percentage of the

1 property tax rate, if any, in each tax year attributable to San Francisco Unified School District
2 or San Francisco Community College District general obligation bonds approved by the voters
3 after November 1, 2006 and repayable within such tax year.

4 (ii) This percentage shall be multiplied by the total amount of the net taxable value for
5 the applicable tax year. The result is the dollar amount of property taxes for that tax year for a
6 particular property attributable to the repayment of San Francisco Unified School District or
7 San Francisco Community College District general obligation bonds approved by the voters
8 after November 1, 2006.

9 (iii) The dollar amount calculated under Subsection (ii) shall be divided by two, and
10 then by the total number of all units in each property, including commercial units. That figure
11 shall be divided by 12 months, to determine the monthly per unit costs for that tax year of the
12 repayment of San Francisco Unified School District or San Francisco Community College
13 District general obligation bonds approved by the voters after November 1, 2006.

14 (D) Landlords may pass through to each unit in a particular property the dollar amount
15 calculated under these Subsections 37.3(a)(6)(A) and (B) and (C). These passthroughs may
16 be imposed only on the anniversary date of each tenant's occupancy of the property. These
17 passthroughs shall not become a part of a tenant's base rent. The amount of each annual
18 passthrough imposed pursuant to this Subsection (6) may vary from year-to-year, depending
19 on the amount calculated under Subsections (A) and (B) and (C). Each annual passthrough
20 shall apply only for the 12 month period after it is imposed. A landlord may impose the
21 passthroughs described in this Subsection (6) for a particular tax year only with respect to
22 those tenants who were residents of a particular property on November 1st of the applicable
23 tax year. A landlord shall not impose a passthrough pursuant to this Subsection (6) if the
24 landlord has filed for or received Board approval for a rent increase under Section 37.8(e)(4)
25 for increased operating and maintenance expenses in which the same increase in property

1 taxes due to the repayment of general obligation bonds was included in the comparison year
2 cost totals.

3 (E) The Board will have available a form which explains how to calculate the
4 passthrough.

5 (F) Landlords must provide to tenants, on or before the date that notice is served on
6 the tenant of a passthrough permitted under this Subsection (6), a copy of the completed form
7 described in Subsection (E). This completed form shall be provided in addition to the Notice of
8 Rent Increase required under Section 37.3(b)(5). Where a tenant alleges that a landlord has
9 imposed a charge which exceeds the limitations set forth in this Subsection (6), the tenant
10 may petition for a hearing under the procedures provided by Section 37.8. In such a hearing,
11 the landlord shall have the burden of proving the accuracy of the calculation that is the basis
12 for the increase. Any tenant petitions challenging such a passthrough must be filed within one
13 year of the effective date of the passthrough.

14 (G) The Board may amend its rules and regulations as necessary to implement this
15 Subsection (6).

16 (7) RAP Loans. A landlord may impose rent increases attributable to the City
17 Administrator's amortization of the RAP loan in an area designated on or after July 1, 1977,
18 pursuant to Chapter 32 of the San Francisco Administrative Code.

19 (8) Additional Increases. A landlord who seeks to impose any rent increase which
20 exceeds those permitted above shall petition for a rental arbitration hearing pursuant to
21 Section 37.8 of this Chapter.

22 (9) A landlord may impose a rent increase to recover costs incurred for the
23 remediation of lead hazards, as defined in San Francisco Health Code Article 11 or 26. Such
24 increases may be based on changes in operating and maintenance expenses or for capital
25 improvement expenditures as long as the costs which are the basis of the rent increase are a

1 substantial portion of the work which abates or remediates a lead hazard, as defined in San
2 Francisco Health Code Article 11 or 26, and provided further that such costs are approved for
3 operating and maintenance expense increases pursuant to Section 37.8(e)(4)(A) and certified
4 as capital improvements pursuant to Section 37.7 below.

5 When rent increases are authorized by this Subsection 37.3(a)(9), the total rent
6 increase for both operating and maintenance expenses and capital improvements shall not
7 exceed 10 percent in any 12 month period. If allowable rent increases due to the costs of lead
8 remediation and abatement work exceed 10 percent in any 12 month period, an
9 Administrative Law Judge shall apply a portion of such excess to approved operating and
10 maintenance expenses for lead remediation work, and the balance, if any, to certified capital
11 improvements, provided, however, that such increase shall not exceed 10 percent. A landlord
12 may accumulate any approved or certified increase which exceeds this amount, subject to the
13 10 percent limit.

14 (10) With respect to units occupied by recipients of tenant-based rental assistance:

15 (A) If the tenant's share of the base rent is not calculated as a fixed percentage of the
16 tenant's income, such as in the Section 8 voucher program and the Over-FMR Tenancy
17 Program, then:

18 (i) If the base rent is equal to or greater than the payment standard, the rent increase
19 limitations in Sections 37.3(a)(1) and (2) shall apply to the entire base rent, and the arbitration
20 procedures for those increases set forth in Section 37.8 and 37.8A shall apply.

21 (ii) If the base rent is less than the payment standard, the rent increase limitations of
22 this Chapter shall not apply; provided, however, that any rent increase which would result in
23 the base rent being equal to or greater than the payment standard shall not result in a new
24 base rent that exceeds the payment standard plus the increase allowable under Section
25 37.3(a)(1).

1 (B) If the tenant's share of the base rent is calculated as a fixed percentage of the
2 tenant's income, such as in the Section 8 certificate program and the rental subsidy program
3 for the HOPWA program, the rent increase limitations in Section 37.3(a)(1) and (2) shall not
4 apply. In such circumstances, adjustments in rent shall be made solely according to the
5 requirements of the tenant-based rental assistance program.

6 (11) No extra rent may be charged solely for an additional occupant to an existing tenancy
7 (including, but not limited to, a newborn child or family member as defined by Section 401 of the
8 Housing Code), notwithstanding a rental agreement or lease that specifically permits a rent increase
9 for additional tenants, so long as one or more of the occupants of the unit pursuant to the agreement
10 with the owner remains an occupant in lawful possession of the unit, or so long as a lawful sublessee or
11 assignee who resided in the unit prior to January 1, 1996 remains in possession of the unit. Such
12 "extra rent" provisions in written or oral rental agreements or leases are deemed to be contrary to
13 public policy. Except that, a landlord may petition the Rent Board for a rent increase pursuant
14 to Section 37.8(e)(4) based on increased costs, and the petition may be granted, where such
15 an additional occupant causes an increase in costs. Rent increases otherwise permitted by
16 California Civil Code Section 1954.53(d)(1) (as it may be amended from time to time) or any
17 successor section are not prohibited or limited by this Administrative Code Section
18 37.3(a)(11).

19 (b) Notice of Rent Increase for Tenants in Occupancy. On or before the date upon
20 which a landlord gives a tenant legal notice of a rent increase, the landlord shall inform the
21 tenant, in writing, of the following:

22 (1) Which portion of the rent increase reflects the annual increase, and/or a banked
23 amount, if any;

24 (2) Which portion of the rent increase reflects costs for increased operating and
25 maintenance expenses, rents for comparable units, and/or capital improvements,

1 rehabilitation, energy conservation measures improvements, or renewable energy
2 improvements certified pursuant to Section 37.7. Any rent increase certified due to increases
3 in operating and maintenance costs shall not exceed seven percent;

4 (3) Which portion of the rent increase reflects the passthrough of charges for: gas and
5 electricity; or the passthrough of increased water bill charges attributable to water rate
6 increases resulting from issuance of water revenue bonds authorized at the November 2002
7 election as provided by Section 37.3(a)(5)(B), which charges and calculations of charges shall
8 be explained in writing on a form provided by the Board; or the passthrough of general
9 obligation bond measure costs as provided by Section 37.3(a)(6), which charges shall be
10 explained in writing on a form provided by the Board as described in Section 37.3(a)(6)(E);

11 (4) Which portion of the rent increase reflects the amortization of the RAP loan, as
12 described in Section 37.3(a)(7) above.

13 (5) Nonconforming Rent Increases. Any rent increase which does not conform with
14 the provisions of this Section shall be null and void.

15 (6) With respect to rental units occupied by recipients of tenant-based rental
16 assistance, the notice requirements of this Subsection (b) shall be required in addition to any
17 notice required as part of the tenant-based rental assistance program.

18 (c) Initial Rent Limitation for Subtenants. A tenant who subleases his or her rental unit
19 may charge no more rent upon initial occupancy of the subtenant or subtenants than that rent
20 which the tenant is currently paying to the landlord.

21 (d) Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
22 Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)
23 and regardless of whether otherwise provided under Chapter 37:

24 (1) Property Owner Rights to Establish Initial and All Subsequent Rental Rates for
25 Separately Alienable Parcels.

1 (A) An owner or residential real property may establish the initial and all subsequent
2 rental rates for a dwelling or a unit which is alienable separate from the title to any other
3 dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b), (d), or
4 (f) of Section 11004.5 of the California Business and Professions Code. The owner's right to
5 establish subsequent rental rates under this paragraph shall not apply to a dwelling or unit
6 where the preceding tenancy has been terminated by the owner by notice pursuant to
7 California Civil Code Section 1946 or has been terminated upon a change in the terms of the
8 tenancy noticed pursuant to California Civil Code Section 827; in such instances, the rent
9 increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new
10 tenancy in that dwelling or unit.

11 (B) Where the initial or subsequent rental rates of a Subsection 37.3(d)(1)(A) dwelling
12 or unit were controlled by the provisions of Chapter 37 on January 1, 1995, the following shall
13 apply:

14 (i) A tenancy that was in effect on December 31, 1995, remains subject to the rent
15 control provisions of this Chapter 37, and the owner may not otherwise establish the
16 subsequent rental rates for that tenancy.

17 (ii) On or after January 1, 1999, an owner may establish the initial and all subsequent
18 rental rates for any tenancy created on or after January 1, 1996.

19 (C) An owner's right to establish subsequent rental rates under Subsection 37.3(d)(1)
20 shall not apply to a dwelling or unit which contains serious health, safety, fire or building code
21 violations, excluding those caused by disasters, for which a citation has been issued by the
22 appropriate governmental agency and which has remained unabated for six months or longer
23 preceding the vacancy.

24 (2) Conditions for Establishing the Initial Rental Rate Upon Sublet or Assignment.
25 Except as identified in this Subsection 37.3(d)(2), nothing in this Subsection or any other

1 provision of law of the City and County of San Francisco shall be construed to preclude
2 express establishment in a lease or rental agreement of the rental rates to be applicable in the
3 event the rental unit subject thereto is sublet, and nothing in this Subsection shall be
4 construed to impair the obligations of contracts entered into prior to January 1, 1996, subject
5 to the following:

6 (A) Where the original occupant or occupants who took possession of the dwelling or
7 unit pursuant to the rental agreement with the owner no longer permanently reside there, an
8 owner may increase the rent by any amount allowed by this Subsection to a lawful sublessee
9 or assignee who did not reside at the dwelling or unit prior to January 1, 1996. However, such
10 a rent increase shall not be permitted while:

11 (i) The dwelling or unit has been cited in an inspection report by the appropriate
12 governmental agency as containing serious health, safety, fire, or building code violations, as
13 defined by Section 17920.3 of the California Health and Safety Code, excluding any violation
14 caused by a disaster; and,

15 (ii) The citation was issued at least 60 days prior to the date of the vacancy: and,

16 (iii) The cited violation had not been abated when the prior tenant vacated and had
17 remained unabated for 60 days or for a longer period of time. However, the 60-day time
18 period may be extended by the appropriate governmental agency that issued the citation.

19 (B) This Subsection 37.3(d)(2) shall not apply to partial changes in occupancy of a
20 dwelling or unit where one or more of the occupants of the premises, pursuant to the
21 agreement with the owner provided for above (37.3(d)(2)), remains an occupant in lawful
22 possession of the dwellings or unit, or where a lawful sublessee or assignee who resided at
23 the dwelling or unit prior to January 1, 1996, remains in possession of the dwelling or unit.
24 Nothing contained in this Subsection 37.3(d)(2) shall be construed to enlarge or diminish an
25 owner's right to withhold consent to a sublease or assignment.

1 (C) Acceptance of rent by the owner shall not operate as a waiver or otherwise
2 prevent enforcement of a covenant prohibiting sublease or assignment or as a waiver of an
3 owner's rights to establish the initial rental rate unless the owner has received written notice
4 from the tenant that is party to the agreement and thereafter accepted rent.

5 (3) Termination or Nonrenewal of a Contract or Recorded Agreement with a
6 Government Agency Limiting Rent. An owner who terminates or fails to renew a contract or
7 recorded agreement with a governmental agency that provides for a rent limitation to a
8 qualified tenant, shall be subject to the following:

9 (A) The tenant(s) who were beneficiaries of the contract or recorded agreement shall
10 be given at least 90 days' written notice of the effective date of the termination and shall not
11 be obligated to pay more than the tenant's portion of the rent, as calculated under that
12 contract or recorded agreement, for 90 days following receipt of the notice of termination or
13 nonrenewal.

14 (B) The owner shall not be eligible to set an initial rent for three years following the
15 date of the termination or nonrenewal of the contract or agreement.

16 (C) The rental rate for any new tenancy established during the three-year period in
17 that vacated dwelling or unit shall be at the same rate as the rent under the terminated or
18 nonrenewed contract or recorded agreement, plus any increases authorized under this
19 Chapter 37 after the date of termination/non renewal.

20 (D) The provisions of Subsections 37.3(d)(3)(B) and (C) shall not apply to any new
21 tenancy of 12 months or more duration established after January 1, 2000, pursuant to the
22 owner's contract or recorded agreement with a governmental agency that provides for a rent
23 limitation to a qualified tenant unless the prior vacancy in that dwelling or unit was pursuant to
24 a nonrenewed or canceled contract or recorded agreement with a governmental agency that
25 provides for a rent limitation to a qualified tenant.

1 (4) Subsection 37.3(d) does not affect the authority of the City and County of San
2 Francisco to regulate or monitor the basis or grounds for eviction.

3 (5) This Subsection 37.3(d) is intended to be and shall be construed to be consistent
4 with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.).

5 (e) Effect of Deferred Maintenance on Passthroughs for Lead Remediation
6 Techniques.

7 (1) When lead hazards are remediated or abated pursuant to San Francisco Health
8 Code Articles 11 or 26, are violations of State or local housing health and safety laws, there
9 shall be a rebuttable presumption that the lead hazards are caused or created by deferred
10 maintenance as defined herein of the current or previous landlord. If the landlord fails to rebut
11 the presumption, the costs of such work shall not be passed through to tenants as either a
12 capital improvement or an operating and maintenance expense. If the landlord rebuts the
13 presumption, he or she shall be entitled to a rent increase if otherwise justified by the
14 standards set forth in this Chapter.

15 (2) For purposes of the evaluation of petitions for rent increases for lead remediation
16 work, maintenance is deferred if a reasonable landlord under the circumstances would have
17 performed, on a regular basis, the maintenance work required to keep the premises from
18 being in violation of housing safety and habitability standards set forth in California Civil Code
19 Section 1941 and the San Francisco Municipal Code. In order to prevail on a deferred
20 maintenance defense, a tenant must show that the level of repair or remediation currently
21 required would have been lessened had maintenance been performed in a more timely
22 manner.

23
24 Section 2. The San Francisco Administrative Code is hereby amended by amending
25 Section 37.9, to read as follows:

1 SEC. 37.9. EVICTIONS.

2 Notwithstanding Section 37.3, this Section shall apply as of August 24, 1980, to all
3 landlords and tenants of rental units as defined in Section 37.2(r).

4 (a) A landlord shall not endeavor to recover possession of a rental unit unless:

5 (1) The tenant:

6 (A) Has failed to pay the rent to which the landlord is lawfully entitled under the oral or
7 written agreement between the tenant and landlord:

8 (i) Except that a tenant's nonpayment of a charge prohibited by Section 919.1 of the
9 Police Code shall not constitute a failure to pay rent; and

10 (ii) Except that, commencing August 10, 2001, to and including February 10, 2003, a
11 landlord shall not endeavor to recover or recover possession of a rental unit for failure of a
12 tenant to pay that portion of rent attributable to a capital improvement passthrough certified
13 pursuant to a decision issued after April 10, 2000, where the capital improvement passthrough
14 petition was filed prior to August 10, 2001, and a landlord shall not impose any late fee(s)
15 upon the tenant for such non-payment of capital improvements costs; or

16 (B) Habitually pays the rent late; or

17 (C) Gives checks which are frequently returned because there are insufficient funds in
18 the checking account; or

19 (2) The tenant has violated a lawful obligation or covenant of tenancy other than the
20 obligation to surrender possession upon proper notice or other than an obligation to pay a
21 charge prohibited by Police Code Section 919.1, and failure to cure such violation after having
22 received written notice thereof from the landlord. In addition, a landlord shall not endeavor to
23 recover possession of a rental unit as a result of the addition by the tenant of additional occupants to
24 the rental unit, if the total number of occupants occupying a room for sleeping purposes does not
25 violate the superficial floor area standards prescribed in Subsection (b) of Housing Code Section 503;

1 (A) Provided that notwithstanding any lease provision to the contrary, a landlord shall
2 not endeavor to recover possession of a rental unit as a result of subletting of the rental unit
3 by the tenant if the landlord has unreasonably withheld the right to sublet following a written
4 request by the tenant, so long as the tenant continues to reside in the rental unit and the
5 sublet constitutes a one-for-one replacement of the departing tenant(s). If the landlord fails to
6 respond to the tenant in writing within fourteen (14) days of receipt of the tenant's written
7 request, the tenant's request shall be deemed approved by the landlord.

8 (B) Provided further that where a rental agreement or lease provision limits the
9 number of occupants or limits or prohibits subletting or assignment, a landlord shall not
10 endeavor to recover possession of a rental unit as a result of the addition to the unit of a
11 tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic
12 partner (as defined in Administrative Code Sections 62.1 through 62.8) of such relatives, or as
13 a result of the addition of the spouse or domestic partner of a tenant, so long as the maximum
14 number of occupants stated in Section 37.9(a)(2)(B)(i) and (ii) is not exceeded, if the landlord
15 has unreasonably refused a written request by the tenant to add such occupant(s) to the unit.
16 If the landlord fails to respond to the tenant in writing within fourteen (14) days of receipt of the
17 tenant's written request, the tenant's request shall be deemed approved by the landlord. A
18 landlord's reasonable refusal of the tenant's written request may not be based on the
19 proposed additional occupant's lack of creditworthiness, if that person will not be legally
20 obligated to pay some or all of the rent to the landlord. A landlord's reasonable refusal of the
21 tenant's written request may be based on, but is not limited to, the ground that the total
22 number of occupants in a unit exceeds (or with the proposed additional occupant(s) would
23 exceed) the lesser of (i) or (ii):

24 (i) Two persons in a studio unit, three persons in a one-bedroom unit, four persons in
25 a two-bedroom unit, six persons in a three-bedroom unit, or eight persons in a four-bedroom

1 unit; or

2 (ii) The maximum number permitted in the unit under state law and/or other local
3 codes such as the Building, Fire, Housing and Planning Codes; or

4 (3) The tenant is committing or permitting to exist a nuisance in, or is causing
5 substantial damage to, the rental unit, or is creating a substantial interference with the
6 comfort, safety or enjoyment of the landlord or tenants in the building, and the nature of such
7 nuisance, damage or interference is specifically stated by the landlord in writing as required
8 by Section 37.9(c).

9 (3.1) Eviction Protection for Victims of Domestic Violence or Sexual Assault or
10 Stalking:

11 (A) It shall be a defense to an action for possession of a unit under Subsection
12 37.9(a)(3) if the court determines that:

13 (i) The tenant or the tenant's household member is a victim of an act or acts that
14 constitute domestic violence or sexual assault or stalking; and

15 (ii) The notice to vacate is substantially based upon the act or acts constituting
16 domestic violence or sexual assault or stalking against the tenant or a tenant's household
17 member, including but not limited to an action for possession based on complaints of noise,
18 disturbances, or repeated presence of police.

19 (B) Evidence Required. In making the determination under Section 37.9(a)(3.1)(A)
20 the court shall consider evidence, which may include but is not limited to:

21 (i) A copy of a temporary restraining order or emergency protective order issued
22 pursuant to Part 3 (commencing with Section 6240) or Part 4 (commencing with Section 6300)
23 or Part 5 (commencing with Section 6400) of the Family Code, Section 136.2 of the Penal
24 Code, Section 527.6 of the Code of Civil Procedure, or Section 213.5 of the Welfare and
25 Institutions Code, that protects the tenant or tenant's household member from further

1 domestic violence, sexual assault, or stalking. And/or,

2 (ii) A copy of a written report by a peace officer employed by a state or local law
3 enforcement agency acting in his or her official capacity, stating that the tenant or tenant's
4 household member has filed a report alleging that he or she is a victim of domestic violence,
5 sexual assault, or stalking. And/or,

6 (iii) Other written documentation from a qualified third party of the acts constituting
7 domestic violence or sexual assault or stalking.

8 (C) Mutual Allegations of Abuse Between Parties. If two or more co-tenants are
9 parties seeking relief under Subsection 37.9(a)(3.1)(A), and each alleges that he or she was a
10 victim of domestic violence or sexual assault or stalking perpetrated by another co-tenant who
11 is also a party, the court may determine whether a tenant acted as the dominant aggressor in
12 the acts constituting a domestic violence or sexual assault or stalking offense. In making the
13 determination, the court shall consider the factors listed in Section 13701(b)(1) of the Penal
14 Code. A tenant who the court determines was the dominant aggressor in the acts constituting
15 a domestic violence or sexual assault or stalking offense is not entitled to relief under
16 Subsection 37.9(a)(3.1)(A).

17 (D) Limitations on Relief. Unless the tenant or the tenant's household member has
18 obtained a protective order against the alleged abuser to vacate or stay from the unit as a
19 result of acts constituting domestic violence or sexual assault or stalking against the tenant or
20 tenant's household member, the tenant may not obtain relief under Subsection 37.9(a)(3.1) if:

21 (i) The tenant was granted relief under Subsection 37.9(a)(3.1) in an action for
22 possession of the unit within the previous five years; and

23 (ii) A subsequent action for possession of the unit has now been filed; and

24 (iii) The notice to vacate in this subsequent action for possession is substantially
25 based upon continuing acts constituting domestic violence or sexual assault or stalking by the

1 same person alleged to be the abuser in the previous action for possession.

2 (E) Nothing in this Subsection 37.9(a)(3.1) shall be construed to affect the tenant's
3 liability for delinquent rent or other sums owed to the landlord, or the landlord's remedies in
4 recovering against the tenant for such sums.

5 (F) The provisions of Subsection 37.9(a)(3.1) are intended for use consistent with
6 Civil Code Section 1946.7.

7 (3.2) Confidentiality of Information Received from Victims of Domestic Violence or
8 Sexual Assault or Stalking. A landlord shall retain in strictest confidence all information that is
9 received in confidence from a tenant or a tenant's household member who is a victim of
10 domestic violence or sexual assault or stalking, regarding that domestic violence or sexual
11 assault or stalking, except to the extent that such disclosure (A) is necessary to provide for a
12 reasonable accommodation for the victim, or (B) is otherwise required pursuant to applicable
13 federal, state or local law. The victim may authorize limited or general release of any
14 information otherwise deemed confidential under this Subsection 37.9(a)(3.2).

15 Or,

16 (4) The tenant is using or permitting a rental unit to be used for any illegal purpose; or

17 (5) The tenant, who had an oral or written agreement with the landlord which has
18 terminated, has refused after written request or demand by the landlord to execute a written
19 extension or renewal thereof for a further term of like duration and under such terms which are
20 materially the same as in the previous agreement; provided, that such terms do not conflict
21 with any of the provisions of this Chapter; or

22 (6) The tenant has, after written notice to cease, refused the landlord access to the
23 rental unit as required by State or local law; or

24 (7) The tenant holding at the end of the term of the oral or written agreement is a
25 subtenant not approved by the landlord; or

1 (8) The landlord seeks to recover possession in good faith, without ulterior reasons
2 and with honest intent:

3 (i) For the landlord's use or occupancy as his or her principal residence for a period of
4 at least 36 continuous months;

5 (ii) For the use or occupancy of the landlord's grandparents, grandchildren, parents,
6 children, brother or sister, or the landlord's spouse, or the spouses of such relations, as their
7 principal place of residency for a period of at least 36 months, in the same building in which
8 the landlord resides as his or her principal place of residency, or in a building in which the
9 landlord is simultaneously seeking possession of a rental unit under Section 37.9(a)(8)(i). For
10 purposes of this Section 37.9(a)(8)(ii), the term spouse shall include domestic partners as
11 defined in San Francisco Administrative Code Sections 62.1 through 62.8.

12 (iii) For purposes of this Section 37.9(a)(8) only, as to landlords who become owners
13 of record of the rental unit on or before February 21, 1991, the term "landlord" shall be defined
14 as an owner of record of at least 10 percent interest in the property or, for Section 37.9(a)(8)(i)
15 only, two individuals registered as domestic partners as defined in San Francisco
16 Administrative Code Sections 62.1 through 62.8 whose combined ownership of record is at
17 least 10 percent. For purposes of this Section 37.9(a)(8) only, as to landlords who become
18 owners of record of the rental unit after February 21, 1991, the term "landlord" shall be
19 defined as an owner of record of at least 25 percent interest in the property or, for Section
20 37.9(a)(8)(i) only, two individuals registered as domestic partners as defined in San Francisco
21 Administrative Code Sections 62.1 through 62.8 whose combined ownership of record is at
22 least 25 percent.

23 (iv) A landlord may not recover possession under this Section 37.9(a)(8) if a
24 comparable unit owned by the landlord is already vacant and is available, or if such a unit
25 becomes vacant and available before the recovery of possession of the unit. If a comparable

1 unit does become vacant and available before the recovery of possession, the landlord shall
2 rescind the notice to vacate and dismiss any action filed to recover possession of the
3 premises. Provided further, if a noncomparable unit becomes available before the recovery of
4 possession, the landlord shall offer that unit to the tenant at a rent based on the rent that the
5 tenant is paying, with upward or downward adjustments allowed based upon the condition,
6 size, and other amenities of the replacement unit. Disputes concerning the initial rent for the
7 replacement unit shall be determined by the Rent Board. It shall be evidence of a lack of good
8 faith if a landlord times the service of the notice, or the filing of an action to recover
9 possession, so as to avoid moving into a comparable unit, or to avoid offering a tenant a
10 replacement unit.

11 (v) It shall be rebuttably presumed that the landlord has not acted in good faith if the
12 landlord or relative for whom the tenant was evicted does not move into the rental unit within
13 three months and occupy said unit as that person's principal residence for a minimum of 36
14 continuous months.

15 (vi) Once a landlord has successfully recovered possession of a rental unit pursuant
16 to Section 37.9(a)(8)(i), then no other current or future landlords may recover possession of
17 any other rental unit in the building under Section 37.9(a)(8)(i). It is the intention of this
18 Section that only one specific unit per building may be used for such occupancy under Section
19 37.9(a)(8)(i) and that once a unit is used for such occupancy, all future occupancies under
20 Section 37.9(a)(8)(i) must be of that same unit, provided that a landlord may file a petition with
21 the Rent Board, or at the landlord's option, commence eviction proceedings, claiming that
22 disability or other similar hardship prevents him or her from occupying a unit which was
23 previously occupied by the landlord.

24 (vii) If any provision or clause of this amendment to Section 37.9(a)(8) or the
25 application thereof to any person or circumstance is held to be unconstitutional or to be

1 otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other
2 chapter provisions, and clauses of this Chapter are held to be severable; or

3 (9) The landlord seeks to recover possession in good faith in order to sell the unit in
4 accordance with a condominium conversion approved under the San Francisco subdivision
5 ordinance and does so without ulterior reasons and with honest intent; or

6 (10) The landlord seeks to recover possession in good faith in order to demolish or to
7 otherwise permanently remove the rental unit from housing use and has obtained all the
8 necessary permits on or before the date upon which notice to vacate is given, and does so
9 without ulterior reasons and with honest intent; provided that a landlord who seeks to recover
10 possession under this Section 37.9(a)(10) shall pay relocation expenses as provided in
11 Section 37.9C except that a landlord who seeks to demolish an unreinforced masonry building
12 pursuant to Building Code Chapters 16B and 16C must provide the tenant with the relocation
13 assistance specified in Section 37.9A(f) below prior to the tenant's vacating the premises; or

14 (11) The landlord seeks in good faith to remove temporarily the unit from housing use
15 in order to be able to carry out capital improvements or rehabilitation work and has obtained
16 all the necessary permits on or before the date upon which notice to vacate is given, and does
17 so without ulterior reasons and with honest intent. Any tenant who vacates the unit under such
18 circumstances shall have the right to reoccupy the unit at the prior rent adjusted in
19 accordance with the provisions of this Chapter. The tenant will vacate the unit only for the
20 minimum time required to do the work. On or before the date upon which notice to vacate is
21 given, the landlord shall advise the tenant in writing that the rehabilitation or capital
22 improvement plans are on file with the Central Permit Bureau of the Department of Building
23 Inspection and that arrangements for reviewing such plans can be made with the Central
24 Permit Bureau. In addition to the above, no landlord shall endeavor to recover possession of
25 any unit subject to a RAP loan as set forth in Section 37.2(m) of this Chapter except as

1 provided in Section 32.69 of the San Francisco Administrative Code. The tenant shall not be
2 required to vacate pursuant to this Section 37.9(a)(11), for a period in excess of three months;
3 provided, however, that such time period may be extended by the Board or its Administrative
4 Law Judges upon application by the landlord. The Board shall adopt rules and regulations to
5 implement the application procedure. Any landlord who seeks to recover possession under
6 this Section 37.9(a)(11) shall pay relocation expenses as provided in Section 37.9C or

7 (12) The landlord seeks to recover possession in good faith in order to carry out
8 substantial rehabilitation, as defined in Section 37.2(s), and has obtained all the necessary
9 permits on or before the date upon which notice to vacate is given, and does so without
10 ulterior reasons and with honest intent. Notwithstanding the above, no landlord shall endeavor
11 to recover possession of any unit subject to a RAP loan as set forth in Section 37.2(m) of this
12 Chapter except as provided in Section 32.69 of the San Francisco Administrative Code; Any
13 landlord who seeks to recover possession under this Section 37.9(a)(12) shall pay relocation
14 expenses as provided in Section 37.9C; or

15 (13) The landlord wishes to withdraw from rent or lease all rental units within any
16 detached physical structure and, in addition, in the case of any detached physical structure
17 containing three or fewer rental units, any other rental units on the same lot, and complies in
18 full with Section 37.9A with respect to each such unit; provided, however, that guestrooms or
19 efficiency units within a residential hotel, as defined in Section 50519 of the Health and Safety
20 Code, may not be withdrawn from rent or lease if the residential hotel has a permit of
21 occupancy issued prior to January 1, 1990, and if the residential hotel did not send a notice of
22 intent to withdraw the units from rent or lease (Administrative Code Section 37.9A(f),
23 Government Code Section 7060.4(a)) that was delivered to the Rent Board prior to January 1,
24 2004; or

25 (14) The landlord seeks in good faith to temporarily recover possession of the unit

1 solely for the purpose of effecting lead remediation or abatement work, as required by San
2 Francisco Health Code Articles 11 or 26. The tenant will vacate the unit only for the minimum
3 time required to do the work. The relocation rights and remedies, established by San
4 Francisco Administrative Code Chapter 72, including but not limited to, the payment of
5 financial relocation assistance, shall apply to evictions under this Section 37.9(a)(14).

6 (15) The landlord seeks to recover possession in good faith in order to demolish or to
7 otherwise permanently remove the rental unit from housing use in accordance with the terms
8 of a development agreement entered into by the City under Chapter 56 of the San Francisco
9 Administrative Code.

10 (b) A landlord who resides in the same rental unit with his or her tenant may evict said
11 tenant without just cause as required under Section 37.9(a) above.

12 (c) A landlord shall not endeavor to recover possession of a rental unit unless at least
13 one of the grounds enumerated in Section 37.9(a) or (b) above is the landlord's dominant
14 motive for recovering possession and unless the landlord informs the tenant in writing on or
15 before the date upon which notice to vacate is given of the grounds under which possession is
16 sought and that advice regarding the notice to vacate is available from the Residential Rent
17 Stabilization and Arbitration Board, before endeavoring to recover possession. A copy of all
18 notices to vacate except three-day notices to vacate or pay rent and a copy of any additional
19 written documents informing the tenant of the grounds under which possession is sought shall
20 be filed with the Board within 10 days following service of the notice to vacate. The District
21 Attorney shall determine whether the units set forth on the list compiled in accordance with
22 Section 37.6(k) are still being occupied by the tenant who succeeded the tenant upon whom
23 the notice was served. In cases where the District Attorney determines that Section 37.9(a)(8)
24 has been violated, the District Attorney shall take whatever action he deems appropriate
25 under this Chapter or under State law.

1 (d) No landlord may cause a tenant to quit involuntarily or threaten to bring any action
2 to recover possession, or decrease any services, or increase the rent, or take any other action
3 where the landlord's dominant motive is retaliation for the tenant's exercise of any rights under
4 the law. Such retaliation shall be a defense to any action to recover possession. In an action
5 to recover possession of a rental unit, proof of the exercise by the tenant of rights under the
6 law within six months prior to the alleged act of retaliation shall create a rebuttable
7 presumption that the landlord's act was retaliatory.

8 (e) It shall be unlawful for a landlord or any other person who wilfully assists the
9 landlord to endeavor to recover possession or to evict a tenant except as provided in Section
10 37.9(a) and (b). Any person endeavoring to recover possession of a rental unit from a tenant
11 or evicting a tenant in a manner not provided for in Section 37.9(a) or (b) without having a
12 substantial basis in fact for the eviction as provided for in Section 37.9(a) shall be guilty of a
13 misdemeanor and shall be subject, upon conviction, to the fines and penalties set forth in
14 Section 37.10A. Any waiver by a tenant of rights under this Chapter except as provided in
15 Section 37.10A(g), shall be void as contrary to public policy.

16 (f) Whenever a landlord wrongfully endeavors to recover possession or recovers
17 possession of a rental unit in violation of Sections 37.9 and/or 37.10 as enacted herein, the
18 tenant or Board may institute a civil proceeding for injunctive relief, money damages of not
19 less than three times actual damages, (including damages for mental or emotional distress),
20 and whatever other relief the court deems appropriate. In the case of an award of damages
21 for mental or emotional distress, said award shall only be trebled if the trier of fact finds that
22 the landlord acted in knowing violation of or in reckless disregard of Section 37.9 or 37.10A
23 herein. The prevailing party shall be entitled to reasonable attorney's fees and costs pursuant
24 to order of the court. The remedy available under this Section 37.9(f) shall be in addition to
25 any other existing remedies which may be available to the tenant or the Board.

1 (g) The provisions of this Section 37.9 shall apply to any rental unit as defined in
2 Sections 37.2(r)(4)(A) and 37.2(r)(4)(B), including where a notice to vacate/quit any such
3 rental unit has been served as of the effective date of this Ordinance No. 250-98 but where
4 any such rental unit has not yet been vacated or an unlawful detainer judgment has not been
5 issued as of the effective date of this Ordinance No. 250-98.

6 (h) With respect to rental units occupied by recipients of tenant-based rental
7 assistance, the notice requirements of this Section 37.9 shall be required in addition to any
8 notice required as part of the tenant-based rental assistance program, including but not limited
9 to the notice required under 24 CFR Section 982.310(e)(2)(ii).

10 (i) The following additional provisions shall apply to a landlord who seeks to recover a
11 rental unit by utilizing the grounds enumerated in Section 37.9(a)(8):

12 (1) A landlord may not recover possession of a unit from a tenant under Section
13 37.9(a)(8) if the landlord has or receives notice, any time before recovery of possession, that
14 any tenant in the rental unit:

15 (A) Is 60 years of age or older and has been residing in the unit for 10 years or more;

16 or

17 (B) Is disabled within the meaning of Section 37.9(i)(1)(B)(i) and has been residing in
18 the unit for 10 years or more, or is catastrophically ill within the meaning of Section
19 37.9(i)(1)(B)(ii) and has been residing in the unit for five years or more:

20 (i) A "disabled" tenant is defined for purposes of this Section 37.9(i)(1)(B) as a person
21 who is disabled or blind within the meaning of the federal Supplemental Security
22 Income/California State Supplemental Program (SSI/SSP), and who is determined by
23 SSI/SSP to qualify for that program or who satisfies such requirements through any other
24 method of determination as approved by the Rent Board;

25 (ii) A "catastrophically ill" tenant is defined for purposes of this Section 37.9(i)(1)(B) as

1 a person who is disabled as defined by Section 37.9(i)(1)(B)(i), and who is suffering from a life
2 threatening illness as certified by his or her primary care physician.

3 (2) The foregoing provisions of Sections 37.9(i)(1)(A) and (B) shall not apply where
4 there is only one rental unit owned by the landlord in the building, or where each of the rental
5 units owned by the landlord in the same building where the landlord resides (except the unit
6 actually occupied by the landlord) is occupied by a tenant otherwise protected from eviction by
7 Sections 37.9(i)(1)(A) or (B) and where the landlord's qualified relative who will move into the
8 unit pursuant to Section 37.9(a)(8) is 60 years of age or older.

9 (3) The provisions established by this Section 37.9(i) include, but are not limited to,
10 any rental unit where a notice to vacate/quit has been served as of the date this amendment
11 takes effect but where the rental unit has not yet been vacated or an unlawful detainer
12 judgment has not been issued.

13 (4) Within 30 days of personal service by the landlord of a written request, or, at the
14 landlord's option, a notice of termination of tenancy under Section 37.9(a)(8), the tenant must
15 submit a statement, with supporting evidence, to the landlord if the tenant claims to be a
16 member of one of the classes protected by Section 37.9(i). The written request or notice shall
17 contain a warning that a tenant's failure to submit a statement within the 30 day period shall
18 be deemed an admission that the tenant is not protected by Section 37.9(i). The landlord shall
19 file a copy of the request or notice with the Rent Board within 10 days of service on the tenant.
20 A tenant's failure to submit a statement within the 30 day period shall be deemed an
21 admission that the tenant is not protected by Section 37.9(i). A landlord may challenge a
22 tenant's claim of protected status either by requesting a hearing with the Rent Board or, at the
23 landlord's option, through commencement of eviction proceedings, including service of a
24 notice of termination of tenancy. In the Rent Board hearing or the eviction action, the tenant
25 shall have the burden of proof to show protected status. No civil or criminal liability under

1 Section 37.9(e) or (f) shall be imposed upon a landlord for either requesting or challenging a
2 tenant's claim of protected status.

3 (5) This Section 37.9(i) is severable from all other sections and shall be of no force or
4 effect if any temporary moratorium on owner/relative evictions adopted by the Board of
5 Supervisors after June 1, 1998 and before October 31, 1998 has been invalidated by the
6 courts in a final decision.

7 (j) Disclosure of Rights to Tenants Before and After Sale of Rental Units Subject to
8 Section 37.9.

9 (1) Disclosure to Tenants By Seller of the Property. Before property containing rental
10 units subject to Section 37.9 may be sold, the owner/seller shall disclose to tenants of the
11 property the rights of tenants during and after the sale of the property. This disclosure shall be
12 in writing and shall include:

13 (A) A statement in bold type of at least 12 points that tenants can not be evicted or
14 asked to move solely because a property is being sold or solely because a new owner has
15 purchased that property.

16 (B) A statement in bold type of at least 12 points that tenants cannot have their rent
17 increased above that permitted by Chapter 37 solely because a property is being sold or
18 solely because a new owner has purchased that property.

19 (C) A statement in bold type of at least 12 points that the rental agreements of tenants
20 cannot be materially changed solely because a property is being sold or solely because a new
21 owner has purchased that property.

22 (D) A statement that the owner's right to show units to prospective buyers is governed
23 by California Civil Code section 1954, including a statement that tenants must receive notice
24 as provided by Section 1954, and a statement that a showing must be conducted during
25 normal business hours unless the tenant consents to an entry at another time.

1 (E) A statement that tenants are not required to complete or sign any estoppel
2 certificates or estoppel agreements, except as required by law or by that tenant's rental
3 agreement. The statement shall further inform tenants that tenant rights may be affected by
4 an estoppel certificate or agreement and that the tenants should seek legal advice before
5 completing or signing an estoppel certificate or agreement.

6 (F) A statement that information on these and other tenant's rights are available at the
7 San Francisco Rent Board, 25 Van Ness Ave, San Francisco, California, and at the
8 counseling telephone number of the Rent Board and at its web site.

9 (2) Disclosure to Tenants by Purchaser of the Property. Within 30 days of acquiring
10 title to rental units subject to Section 37.9, the new purchaser/owner shall disclose to tenants
11 of the property the rights of tenants following this sale of the property. This disclosure shall be
12 in writing and shall include:

13 (A) A statement in bold type of at least 12 points that tenants cannot be evicted or
14 asked to move solely because a new owner has purchased that property.

15 (B) A statement in bold type of at least 12 points that tenants cannot have their rent
16 increased above that permitted by Chapter 37 solely because a new owner has purchased
17 that property.

18 (C) A statement in bold type of at least 12 points that the rental agreements of tenants
19 cannot be materially changed solely because a new owner has purchased that property.

20 (D) A statement in bold type of at least 12 points that any tenants, sub-tenants or
21 roommates who were lawful occupants at the time of the sale remain lawful occupants.

22 (E) A statement in bold type of at least 12 points: that tenants' housing services as
23 defined in Section 37.2(r) first paragraph cannot be changed or severed from the tenancy
24 solely because a new owner has purchased that property; and that tenants' housing services
25 as defined in Section 37.2(r) second paragraph that were supplied in connection with the use

1 or occupancy of a unit at the time of sale (such as laundry rooms, decks, or storage space)
2 cannot be severed from the tenancy by the new purchaser/owner without just cause as
3 required by Section 37.9(a).

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6
7 APPROVED AS TO FORM:
8 DENNIS J. HERRERA, City Attorney

9 By: _____
10 MARIE C. BLITS
11 Deputy City Attorney
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