

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

LAND USE AND TRANSPORTATION COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Aaron Peskin, Chair, Land Use and Transportation Committee

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: July 6, 2020

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, July 7, 2020

The following file should be presented as a **COMMITTEE REPORT** at the Board meeting, Tuesday, July 7, 2020. This item was acted upon at the Committee Meeting on Monday, July 6, 2020, at 1:30 p.m., by the votes indicated.

Item No. 5 **File No. 200578**

Reenactment of emergency ordinance (Ordinance No. 68-20) to temporarily prohibit rent increases that would otherwise be permitted under the Administrative Code, due to the COVID-19 pandemic.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Aaron Peskin - Aye
Supervisor Ahsha Safai - Aye
Supervisor Dean Preston - Aye

c: Board of Supervisors
Angela Calvillo, Clerk of the Board
Alisa Somera, Legislative Deputy
Anne Pearson, Deputy City Attorney
Kristen Jensen, Deputy City Attorney

File No. 200578 Committee Item No. 2
Board Item No. 5

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date July 6, 2020

Board of Supervisors Meeting Date July 7, 2020

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
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OTHER (Use back side if additional space is needed)

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| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>BOS Ord No. 068-20</u> |
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Completed by: Erica Major Date July 2, 2020
Completed by: Erica Major Date July 6, 2020

1 [Emergency Ordinance - Administrative Code - Rent Increases During COVID-19 Pandemic]

2

3 **Reenactment of emergency ordinance (Ordinance No. 68-20) to temporarily prohibit**
4 **rent increases that would otherwise be permitted under the Administrative Code, due**
5 **to the COVID-19 pandemic.**

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. Declaration of Emergency under Charter Section 2.107.

15 (a) Section 2.107 of the Charter authorizes passage of an emergency ordinance in
16 cases of public emergency affecting life, health, or property, or for the uninterrupted operation
17 of any City or County department or office required to comply with time limitations established
18 by law. An emergency ordinance enacted under Charter Section 2.107 automatically
19 terminates on the 61st day after passage, but may be reenacted upon the same terms and
20 conditions applicable to its initial enactment.

21 (b) Pursuant to Charter Section 2.107, the City enacted Ordinance No. 68-20, an
22 emergency ordinance, the Rent Increases During COVID-19 Pandemic Ordinance, which
23 temporarily prohibits certain rent increases that would otherwise be permitted under the
24 Administrative Code. The emergency ordinance became effective when it was enacted, on
25 April 24, 2020, and will terminate automatically on June 23, 2020, unless it is reenacted.

1 (c) The Board of Supervisors hereby finds that the findings declared in Section 1 of
2 Ordinance No. 68-20 remain valid and compelling, and declares further that an actual
3 emergency continues to exist that requires the reenactment of the Rent Increases During
4 COVID-19 Pandemic Ordinance, to lower the risk of displacement and mitigate the economic
5 harm for renters who have lost income due to the COVID-19 pandemic. The pandemic is
6 continuing to have severe and lasting economic effects, despite the gradual reopening of the
7 City's economy. As stated in the Governor's Executive Order N-66-20, which was issued on
8 May 29, 2020, many Californians (including San Francisco residents) are continuing to
9 experience substantial losses of income, hindering their ability to keep up with their rent, and
10 there is an ongoing need to promote housing security and stability.

11
12 Section 2. Reenactment of Emergency Ordinance.

13 Consistent with Charter Section 2.107, this emergency ordinance reenacts for an
14 additional 60 days the emergency ordinance temporarily prohibiting certain rent increases that
15 would otherwise be permitted under the Administrative Code (Ordinance No. 68-20).

16
17 Section 3. Effective Date; Expiration.

18 This reenacted emergency ordinance shall become effective immediately upon the
19 date of expiration of Ordinance No. 68-20, and shall itself expire on the 61st day following its
20 effective date unless reenacted as provided by Charter Section 2.107, or upon the termination
21 of the emergency, whichever occurs first.

22
23 Section 4. Directions to Clerk.

24 The Clerk of the Board of Supervisors is hereby directed to place a copy of this
25 reenacted emergency ordinance in File No. 200362 for Ordinance No. 68-20, and to make a

1 notation cross-referencing this emergency ordinance where Ordinance No. 68-20 appears on
2 the Board of Supervisors website as legislation passed.

3

4 Section 5. Supermajority Vote Required.

5 In accordance with Charter Section 2.107, passage of this reenacted emergency
6 ordinance by the Board of Supervisors requires an affirmative vote of two-thirds of the Board
7 of Supervisors.

8

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

11

12 By: /s/
13 MANU PRADHAN
14 Deputy City Attorney
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LEGISLATIVE DIGEST

[Emergency Ordinance - Administrative Code - Rent Increases During COVID-19 Pandemic]

Reenactment of emergency ordinance (Ordinance No. 68-20) to temporarily prohibit rent increases that would otherwise be permitted under the Administrative Code, due to the COVID-19 pandemic.

Existing Law

Section 37.3(a) of the Residential Rent Stabilization and Arbitration Ordinance regulates how landlords of rent-controlled properties can raise rents on existing tenants. On April 24, 2020, the Board of Supervisors enacted Ordinance No. 68-20, an emergency ordinance, to suspend a landlord's right to raise rents on existing tenants under Section 37.3(a). Because Ordinance No. 68-20 is an emergency ordinance, it went into effect immediately upon enactment and will expire on the 61st day after enactment, or June 23, 2020, unless it is reenacted.

Amendments to Current Law

The ordinance would reenact Ordinance No. 68-20, so that the temporary suspension of rent increases would last for an additional 60 days. Following the 60th day, the suspension would expire, unless it is reenacted again.

Background Information

The reenactment is necessary to address the COVID-19 emergency. The ordinance is not intended to affect a landlord's rights under state law to increase the rent.

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1 [Emergency Ordinance - Administrative Code - Rent Increases During COVID-19 Pandemic]

2
3 **Emergency ordinance to temporarily prohibit rent increases that would otherwise be**
4 **permitted under the Administrative Code, due to the COVID-19 pandemic.**

5 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
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11 subsections or parts of tables.

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

13 Section 1. Declaration of Emergency under Charter Section 2.107.

14 (a) Section 2.107 of the Charter authorizes passage of an emergency ordinance in
15 cases of public emergency affecting life, health, or property, or for the uninterrupted operation
16 of any City or County department or office required to comply with time limitations established
17 by law. The Board of Supervisors hereby finds and declares that an actual emergency exists
18 that requires the passage of this emergency ordinance.

19 (b) On February 25, 2020, Mayor London Breed proclaimed a state of emergency
20 based on the COVID-19 pandemic (hereinafter referred to as "the emergency"). On March 3,
21 2020, the Board of Supervisors, in Motion No. 200228, concurred in the Proclamation and in
22 the actions taken by the Mayor to meet the emergency. On March 13, 2020, the Mayor
23 issued a Second Supplement to the Proclamation, finding that the emergency is causing
24 severe financial impacts to renters in the City, and providing certain protections to those
25 renters who will be unable to pay their rent on time due to the emergency, to avoid the further
risks and contamination that will result if they are displaced from their homes. Since March

1 16, 2020, City residents have been subject to the County Health Officer's "shelter in place"
2 orders, which require (with certain exceptions) that all San Francisco residents must stay in
3 their homes until at least May 3, due to the extreme circumstances of the emergency (Order
4 No. C19-07b). Also, on March 16, 2020, the Governor issued Executive Order N-28-20,
5 finding that local jurisdictions must take measures to preserve and increase housing security
6 and that additional measures may be necessary to protect public health and to mitigate the
7 economic effects of COVID-19.

8 (c) For the same reasons warranting the foregoing orders and directives, the Board of
9 Supervisors finds it is essential not just to suspend evictions for non-payment, as the City has
10 already done, but also to impose a temporary moratorium on rent increases. A moratorium on
11 rent increases will lower the risk of displacement, which is essential for public health; will keep
12 tenants from falling even further behind during the emergency and help them remain in good
13 standing after the eviction moratorium is lifted; and will help ameliorate the broader economic
14 effects of the emergency. Failure to immediately suspend rent increases will worsen the
15 already severe impacts of COVID-19.

16
17 Section 2. Moratorium on Rent Increases.

18 (a) Effective April 7, 2020, the right of a landlord to impose rent increases on tenants
19 in occupancy under Section 37.3(a) of the Administrative Code is temporarily suspended. All
20 rules and procedures for noticing and petitioning for rent increases shall continue to apply; the
21 tenant's anniversary date is not affected by the deferral of the increase, and the Rent Board
22 may continue to hear and decide petitions in the interim. However, any rent increase that
23 would otherwise be authorized under Section 37.3(a), whether allowed "as of right" or
24 following the grant of a petition by the Rent Board, even if properly noticed during this
25 moratorium period, shall not take effect until after the moratorium has ended.

1 (b) After this moratorium ends, the landlord's right to impose rent increases on tenants
2 in occupancy under Section 37.3(a) shall immediately resume. The landlord may reinstate any
3 rent increase that was deferred as a result of this moratorium by serving a new written notice
4 on the tenant pursuant to Civil Code Section 827. Rent increases shall apply prospectively
5 from the date of the notice, without further allowance for additional amounts that the landlord
6 could have demanded earlier had the moratorium not applied.

7
8 Section 3. Implementation.

9 The Rent Board's existing Rules and Regulations shall continue to apply, except to the
10 extent amended by the Rent Board or to the extent that the Rent Board Executive Director
11 determines in writing that it is appropriate to modify the Rules and Regulations in order to
12 implement this emergency ordinance. The Executive Director shall have the authority to
13 modify the existing Rules and Regulations, and to issue additional guidance and to develop
14 new forms and procedures to implement this ordinance and effectuate its purposes.

15
16 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word
17 of this ordinance, or any application thereof to any person or circumstance, is held to be
18 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
19 shall not affect the validity of the remaining portions or applications of the ordinance. The
20 Board of Supervisors hereby declares that it would have passed this ordinance and each and
21 every section, subsection, sentence, clause, phrase, and word not declared invalid or
22 unconstitutional without regard to whether any other portion of this ordinance or application
23 thereof would be subsequently declared invalid or unconstitutional.

1 Section 5. Suspension of Charter Section 14.101.

2 To address the emergency conditions described above, the Board of Supervisors finds
3 it is necessary to temporarily modify certain provisions of Section 37.3(a) of the Rent
4 Ordinance that were adopted in whole or in part by the voters, and to suspend Charter
5 Section 14.101 if and to the extent it would restrict the Board of Supervisors from modifying
6 those voter-adopted provisions for this limited purpose.

7
8 Section 6. Effective Date; Retroactivity; Expiration.

9 Consistent with Charter Section 2.107, this emergency ordinance shall become
10 effective immediately upon enactment, but, as stated in subsection (a) of Section 2, shall be
11 retroactive to April 7, 2020. This ordinance shall expire on the 61st day following enactment
12 unless reenacted as provided by Section 2.107. Enactment occurs when the Mayor signs the
13 ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within
14 ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the
15 ordinance.

16
17 Section 7. Supermajority Vote Required.

18 In accordance with Charter Section 2.107, passage of this emergency ordinance by the
19 Board of Supervisors requires an affirmative vote of two-thirds of the Board of Supervisors.

20
21 APPROVED AS TO FORM:
22 DENNIS J. HERRERA, City Attorney

23
24 By: /s/ MANU PRADHAN
25 Deputy City Attorney

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City and County of San Francisco
Tails
Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 200362

Date Passed: April 21, 2020

Emergency ordinance to temporarily prohibit rent increases that would otherwise be permitted under the Administrative Code, due to the COVID-19 pandemic.

April 20, 2020 Land Use and Transportation Committee - RECOMMENDED AS COMMITTEE REPORT

April 21, 2020 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

File No. 200362

I hereby certify that the foregoing Ordinance was FINALLY PASSED on 4/21/2020 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

Date Approved

Member, Board of Supervisors
District 3



City and County of San Francisco

AARON PESKIN

DATE: July 7, 2020

TO: Angela Calvillo
Clerk of the Board of Supervisors

FROM: Supervisor Aaron Peskin, Chair, Land Use and Transportation
Committee

RE: Land Use and Transportation Committee
COMMITTEE REPORT

Pursuant to Board Rule 4.20, as Chair of the Land Use and Transportation Committee, I have deemed the following matter is of an urgent nature and request it be considered by the full Board on Tuesday, July 7, 2020, as a Committee Report:

**200578 Emergency Ordinance - Administrative Code - Rent Increases
During COVID-19 Pandemic**

Reenactment of emergency ordinance (Ordinance No. 68-20) to temporarily prohibit rent increases that would otherwise be permitted under the Administrative Code, due to the COVID-19 pandemic.

This matter will be heard in the Land Use and Transportation Committee at a Regular Meeting on Monday, July 6, 2020, at 1:30 p.m.

/s/ Aaron Peskin

BOARD of SUPERVISORS



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1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO: Sophia Kittler, Liaison to the Board, Mayor's Office
Robert Collins, Executive Director, Rent Board

FROM: Erica Major, Assistant Clerk, Land Use and Transportation Committee

DATE: June 10, 2020

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Peskin on June 2, 2020:

File No. 200578

Reenactment of emergency ordinance (Ordinance No. 68-20) to temporarily prohibit rent increases that would otherwise be permitted under the Administrative Code, due to the COVID-19 pandemic.

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

Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor inquiries"
- 5. City Attorney Request.
- 6. Call File No. from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the BOS on

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.

Sponsor(s):

Subject:

The text is listed:

Signature of Sponsoring Supervisor:

For Clerk's Use Only