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AMENDING ARTICLE 12-B OF PART III OF THE SAN FRANCISCO MUNICIPAL CODE

(REVENUE AND FINANCE/BUSINESS REGULATIONS) BY AMENDING SECTION 1002.15(A)(3), PROVIDING THAT A PERSON SHALL BE DEEMED TO BE ENGAGED IN THE BUSINESS OF DEVELOPING AND SELLING REAL PROPERTY IF SUCH PERSON

CONSTRUCTS AN APARTMENT HOUSE OR COMMERCIAL BUILDING.

Note:

[Definition of Builder/Developer]

Additions are <u>underlined</u>; deletions are in ((double parentheses)).

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

Section 1. Article 12-B of Part III of the San Francisco Municipal Code is hereby amended by amending Section 1002.15, to read as follows:

SEC. 1002.15. "ENGAGED IN THE BUSINESS OF DEVELOPING AND SELLING REAL PROPERTY." (a) A person shall be deemed to be engaged in the business of developing and selling real property who:

- (1) As a subdivider, as that term is defined in Section 66423 of the Government Code, has sold subdivided property within San Francisco pursuant to a permit or authorization from the State Real Estate Commissioner; or
- (2)Sells two or more pieces of real property within a calendar year and upon each of which a building was constructed or caused to be constructed by the seller; provided such sales were within three years of the recordation by anyone of a subdivision map respecting the property sold pursuant to the Subdivision Map Act; or
- (3)Sells any real property upon which said person has constructed((,)) or caused to be constructed((, or substantially rehabilitated)) an apartment house or commercial building:

SUPERVISOR, KAUFMAN, NEWSOM BOARD OF SUPERVISORS

provided such sale ((is)) occurs either prior to or within three years after the date ((25 percent or more of the square footage of the building is first occupied by a tenant or tenants after said construction or rehabilitation)) upon which (i) a Certificate of Occupancy or its equivalent respecting such property is issued, or (ii) a paying tenant or tenants first occupy such property or any portion thereof after completion of such construction.

For the purposes of this Section, the term "gross receipts" shall not include (b) proceeds realized from the sale of property through foreclosure, to an Agency proposing to take the land under eminent domain proceedings, the exercise of a power of sale contained in a deed of trust or mortgage; bankruptcy, assignment for the benefit of creditors or by court order; or the unpaid balance of any encumbrance of record upon the property (i) existing prior to the sale and remaining in existence between the same parties following the sale; (ii) with respect to which a deficiency judgment is prohibited under the provisions of Code of Civil Procedure Section 580(b), whether or not it is extinguished by reason of the sale.

APPROVED AS TO FORM:

LOUISE H. RENNE, City Attorney

By:

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Deputy City Attorney



City and County of San Francisco Tails

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

Ordinance

File Number:

990306

Date Passed:

Ordinance amending Municipal Code, Part III, Article 12-B (Revenue and Finance/Business Regulations), by amending Section 1002.15(A)(3), providing that a person shall be deemed to be engaged in the business of developing and selling real property if such person constructs an apartment house or commercial building.

April 12, 1999 Board of Supervisors — PASSED, ON FIRST READING

Ayes: 10 - Ammiano, Becerril, Bierman, Katz, Kaufman, Leno, Newsom, Teng,

Yaki, Yee

Absent: 1 - Brown

April 19, 1999 Board of Supervisors — FINALLY PASSED

Ayes: 8 - Ammiano, Becerril, Brown, Katz, Kaufman, Leno, Yaki, Yee

Absent: 3 - Bierman, Newsom, Teng

File No. 990306

I hereby certify that the foregoing Ordinance was FINALLY PASSED on April 19, 1999 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young Clerk of the Board

Mayor Willie L. Brown Jr.

APR 3 0 1999

Date Approved