

File No. 191075 Committee Item No. 3
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Land Use and Transportation Committee Date February 24, 2020

Board of Supervisors Meeting Date _____

Cmte Board

- | | | |
|-------------------------------------|--------------------------|----------------------------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | Motion |
| <input type="checkbox"/> | <input type="checkbox"/> | Resolution |
| <input type="checkbox"/> | <input type="checkbox"/> | Ordinance |
| <input type="checkbox"/> | <input type="checkbox"/> | Legislative Digest |
| <input type="checkbox"/> | <input type="checkbox"/> | Budget and Legislative Analyst Report |
| <input type="checkbox"/> | <input type="checkbox"/> | Youth Commission Report |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | Introduction Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/> | MOU |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Information Form |
| <input type="checkbox"/> | <input type="checkbox"/> | Grant Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Subcontract Budget |
| <input type="checkbox"/> | <input type="checkbox"/> | Contract/Agreement |
| <input type="checkbox"/> | <input type="checkbox"/> | Form 126 – Ethics Commission |
| <input type="checkbox"/> | <input type="checkbox"/> | Award Letter |
| <input type="checkbox"/> | <input type="checkbox"/> | Application |
| <input type="checkbox"/> | <input type="checkbox"/> | Public Correspondence |

OTHER (Use back side if additional space is needed)

- | | | |
|-------------------------------------|--------------------------|----------------------------------|
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral CEQA 103019</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral PC 103019</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>CEQA Determination 112219</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral CEQA 012220</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>Referral PC 012220</u> |
| <input checked="" type="checkbox"/> | <input type="checkbox"/> | <u>PC Transmittal 021120</u> |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |
| <input type="checkbox"/> | <input type="checkbox"/> | _____ |

Completed by: Erica Major Date February 19, 2020
Completed by: Erica Major Date _____

1 [Planning, Administrative Codes - Residential Occupancy]

2
3 **Ordinance amending the Planning Code to create the Intermediate Length Occupancy**
4 **residential use characteristic; amending the Administrative Code to clarify existing law**
5 **regarding the enforceability of fixed-term leases in rental units covered by the just**
6 **cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the**
7 **“Rent Ordinance”), prohibit the use of rental units for temporary occupancies by non-**
8 **tenants, require landlords to disclose in advertisements for such units that the units**
9 **are subject to the Rent Ordinance, and authorize enforcement through administrative**
10 **and/or civil penalties; requiring the Controller to conduct a study to analyze the**
11 **impacts of new Intermediate Length Occupancy units in the City; affirming the**
12 **Planning Department’s determination under the California Environmental Quality Act;**
13 **and making findings of consistency with the General Plan, and the eight priority**
14 **policies of Planning Code, Section 101.1, and findings of public necessity,**
15 **convenience, and welfare under Planning Code, Section 302.**

16 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
17 **Additions to Codes** are in *single-underline italics Times New Roman font*.
18 **Deletions to Codes** are in ~~*italics Times New Roman font*~~.
19 **Board amendment additions** are in Arial font.
20 **Board amendment deletions** are in ~~Arial font~~.
21 **Asterisks (* * * *)** indicate the omission of unchanged Code
22 subsections or parts of tables.

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

24 Section 1. CEQA, General Plan, and Planning Code Findings.

25 (a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources

1 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
2 Supervisors in File No. 191075 and is incorporated herein by reference. The Board affirms
3 this determination.

4 (b) On January 30, 2020, the Planning Commission, in Resolution No. 20633,
5 adopted findings that the actions contemplated in this ordinance are consistent, on balance,
6 with the City's General Plan and eight priority policies of Planning Code Section 101.1. The
7 Board adopts these findings as its own. A copy of said Resolution is on file with the Clerk of
8 the Board of Supervisors in File No. 191075, and is incorporated herein by reference.

9 (c) Pursuant to Planning Code Section 302, the Board of Supervisors finds that this
10 ordinance will serve the public necessity, convenience and welfare for the reasons set forth in
11 Planning Commission Resolution No. 20633, and incorporates such reasons by this reference
12 thereto. A copy of said Resolution is on file with the Clerk of the Board of Supervisors in File
13 No. 191075, and is incorporated herein by reference.

14
15 Section 2. The Planning Code is hereby amended by revising Section 102 (including
16 placing a new defined term in alphabetical sequence), adding Section 202.10, and revising
17 Sections 209.1, 209.2, 209.3, 209.4, 210.1, 210.2, 210.3, 210.4, and 710, to read as follows:

18 **SEC. 102. DEFINITIONS.**

19 * * * *

20 *Intermediate Length Occupancy. A Residential Use characteristic that applies to a Dwelling*
21 *Unit offered for occupancy by a natural person for an initial stay, whether through lease, subscription,*
22 *license, or otherwise, for a duration of greater than 30 consecutive days but less than one year. This*
23 *use characteristic is subject to the requirements of Section 202.10.*

24 * * * *

1 **Residential Use.** A Use Category consisting of uses that provide housing for San
2 Francisco residents, rather than visitors, including Dwelling Units, Group Housing, Residential
3 Hotels, and Senior Housing, Homeless Shelters, and for the purposes of Article 4 only any
4 residential components of Institutional Uses. Single Room Occupancy, Intermediate Length
5 Occupancy, and Student Housing designations are considered characteristics of certain
6 Residential Uses.

7 * * * *

8 **Use Characteristic.** A feature of a Use, related to its physical layout, location, design,
9 access, or other characteristics. Use Characteristics may be regulated independently of a
10 Use itself. Residential Use Characteristics include Single Room Occupancy, Intermediate
11 Length Occupancy, and Student Housing. Commercial Use Characteristics include Drive-up
12 Facility, Formula Retail, Hours of Operation, Maritime Use, Open Air Sales, Outdoor Activity,
13 and Walk-Up Facility.

14 * * * *

15 **SEC. 202.10. LIMITATION ON INTERMEDIATE LENGTH OCCUPANCIES.**

16 (a) Purpose. *To encourage the use of Dwelling Units for long-term occupancy by*
17 *permanent San Francisco residents with initial terms of occupancy of at least one year, the following*
18 *provisions shall apply to Intermediate Length Occupancy units.*

19 (b) Controls.

20 (1) Permitting. *Intermediate Length Occupancy units shall be permitted as follows:*

21 (A) For buildings with nine or fewer Dwelling Units, requests to authorize
22 *the establishment of an Intermediate Length Occupancy Use Characteristic shall be principally*
23 *permitted, provided that:*

24 (i) No more than 25% of the Dwelling Units in the building may be
25 *permitted as Intermediate Length Occupancy units.*

1 (ii) Each unit proposed to be permitted as an Intermediate Length
2 Occupancy unit is specifically identified.

3 (B) For buildings with 10 or more Dwelling Units, Intermediate Length
4 Occupancy units shall be prohibited, unless authorized pursuant to a conditional use authorization
5 under Section 303, provided that:

6 (i) No more than 20% of the Dwelling Units in the building may be
7 permitted as Intermediate Length Occupancy units.

8 (ii) Each unit proposed to be permitted as an Intermediate Length
9 Occupancy unit is specifically identified.

10 (2) Maximum Amount. No more than 1,000 Intermediate Length Occupancy units
11 shall be permitted in the City.

12 (3) Exceptions. The requirements of this Section 202.10 shall not apply to:

13 (A) Any Dwelling Unit that is defined as Student Housing in Section 102; or

14 (B) A Residential Hotel unit subject to the provisions of Administrative Code
15 Chapter 41.

16 (4) Ineligible units. Dwelling Units that are subject to the City's Inclusionary
17 Affordable Housing Program set forth in Sections 415.1. et seq., or otherwise designated as below
18 market rate or income-restricted under City, state, or federal law, and Dwelling Units that are subject
19 to the rent increase limitations in Administrative Code Section 37.3 shall not be eligible to be
20 Intermediate Length Occupancy units.

21 (c) Compliance.

22 (1) Abandonment. Any Dwelling Unit permitted as an Intermediate Length
23 Occupancy unit pursuant to this subsection (b) may be offered for an initial term of occupancy of one
24 year or greater without losing the Use Characteristic, provided that the Use Characteristic shall be
25

1 considered abandoned if discontinued or otherwise abandoned for the time periods specified in Article
2 1.7.

3 (2) Compliance Schedule. Within six months of the Effective Date of this ordinance
4 in Board File No. 191075, the Department shall develop and publish procedures for evaluating
5 requests to establish Intermediate Length Occupancy units. The owner or operator of each
6 Intermediate Length Occupancy unit must submit a complete application within 24 months of the
7 Effective Date of this ordinance in Board File No. 191075.

8 (d) Annual Reports. No later than March 1 of each year, the owner or operator of each
9 Intermediate Length Occupancy unit shall submit to the Department an Annual Unit Usage Report for
10 the prior calendar year containing the following information:

11 (1) The address and location of the Intermediate Length Occupancy unit.

12 (2) The number of times the unit was occupied by a natural person for an initial
13 stay, whether through lease, subscription, license, or otherwise, for a duration of greater than 30
14 consecutive days but less than one year, including the duration and dates of each of those stays.

15 (3) The average duration of each stay.

16 (4) The average vacancy between each stay.

17 (5) The nature of the services, if any, that are provided to occupants of the
18 Intermediate Length Occupancy units, including furnishings, or other amenities, and whether there has
19 been an increase or decrease in the services since the last report.

20 **SEC. 209.1. RH (RESIDENTIAL, HOUSE) DISTRICTS.**

21 * * * *

22 **Table 209.1**

23 **ZONING CONTROL TABLE FOR RH DISTRICTS**
24
25

Zoning Category	§ References	RH-1(D)	RH-1	RH-1(S)	RH-2	RH-3
-----------------	--------------	---------	------	---------	------	------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<i>Intermediate Length Occupancy</i>	<u>§§ 102, 202.10</u>	<u>P(9)</u>	<u>P(9)</u>	<u>P(9)</u>	<u>P(9)</u>	<u>P(9)</u>
Single Room Occupancy	§ 102	P	P	P	P	P

* * * *

(9) C for buildings with 10 or more Dwelling Units.

SEC. 209.2. RM (RESIDENTIAL, MIXED) DISTRICTS.

* * * *

Table 209.2

ZONING CONTROL TABLE FOR RM DISTRICTS

Zoning Category	§ References	RM-1	RM-2	RM-3	RM-4
-----------------	--------------	------	------	------	------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<i>Intermediate Length Occupancy</i>	<u>§§ 102, 202.10</u>	<u>P(10)</u>	<u>P(10)</u>	<u>P(10)</u>	<u>P(10)</u>
Single Room Occupancy	§ 102	P	P	P	P

* * * *

(10) C for buildings with 10 or more Dwelling Units.

SEC. 209.3. RC (RESIDENTIAL-COMMERCIAL) DISTRICTS.

* * * *

Table 209.3

ZONING CONTROL TABLE FOR RESIDENTIAL-COMMERCIAL DISTRICTS

Zoning Category	§ References	RC-3	RC-4
-----------------	--------------	------	------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<i>Intermediate Length Occupancy</i>	<u>§§ 102, 202.10</u>	<u>P(11)</u>	<u>P(11)</u>
Single Room Occupancy	§ 102	P	P

* * * *

(11) C for buildings with 10 or more Dwelling Units.

SEC. 209.4. RTO (RESIDENTIAL TRANSIT ORIENTED) DISTRICTS.

* * * *

Table 209.4

ZONING CONTROL TABLE FOR RTO DISTRICTS

Zoning Category	§ References	RTO	RTO-M
-----------------	--------------	-----	-------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<i>Intermediate Length</i>	<u>§§ 102, 202.10</u>	<i>P(10)</i>	<i>P(10)</i>
<i>Occupancy</i>			
Single Room	§ 102	P	P
Occupancy			

* * * *

(10) C for buildings with 10 or more Dwelling Units.

SEC. 210.1. C-2 DISTRICTS: COMMUNITY BUSINESS.

* * * *

Table 210.1

ZONING CONTROL TABLE FOR C-2 DISTRICTS

Zoning Category	§ References	C-2
-----------------	--------------	-----

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<u>Intermediate Length</u>	<u>§§ 102, 202.10</u>	<u>P(6)</u>
<u>Occupancy</u>		
Single Room Occupancy	§ 102	P

* * * *

(6) C for buildings with 10 or more Dwelling Units.

SEC. 210.2. C-3 DISTRICTS: DOWNTOWN COMMERCIAL.

* * * *

Table 210.2

ZONING CONTROL TABLE FOR C-3 DISTRICTS

Zoning Category	§ References	C-3-O	C-3-O(SD)	C-3-R	C-3-G	C-3-S
-----------------	--------------	-------	-----------	-------	-------	-------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<u>Intermediate Length</u> <u>Occupancy</u>	<u>§§ 102, 202.10</u>	<u>P(8)</u>	<u>P(8)</u>	<u>P(8)</u>	<u>P(8)</u>	<u>P(8)</u>
Single Room Occupancy	§ 102	P	P	P	P	P

* * * *

(8) C for buildings with 10 or more Dwelling Units.

SEC. 210.3. PDR DISTRICTS.

* * * *

Table 210.3

ZONING CONTROL TABLE FOR PDR DISTRICTS

Zoning Category	§ References	PDR-1-B	PDR-1-D	PDR-1-G	PDR-2
-----------------	--------------	---------	---------	---------	-------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<i>Intermediate Length Occupancy</i>	<u>§§ 102, 202.10</u>	<i>NP</i>	<i>NP</i>	<i>NP</i>	<i>NP</i>
Single Room Occupancy	§ 102	NP	NP	NP	NP

* * * *

SEC. 210.4. M DISTRICTS: INDUSTRIAL.

* * * *

Table 210.4

ZONING CONTROL TABLE FOR M DISTRICTS

Zoning Category	§ References	M-1	M-2
-----------------	--------------	-----	-----

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<u>Intermediate Length</u>	<u>§§ 102, 202.10</u>	<u>P(4)</u>	<u>P(4)</u>
<u>Occupancy</u>			
Single Room Occupancy	§ 102	P	P

* * * *

(4) C for buildings with 10 or more Dwelling Units.

SEC. 710. NC-1 – NEIGHBORHOOD COMMERCIAL CLUSTER DISTRICT.

* * * *

**Table 710. NEIGHBORHOOD COMMERCIAL CLUSTER DISTRICT NC-1
ZONING CONTROL TABLE**

* * * *

Zoning Category	§ References	NC-1 Controls
-----------------	--------------	---------------

* * * *

RESIDENTIAL STANDARDS AND USES

* * * *

Use Characteristics

<u>Intermediate Length</u>	<u>§§ 102; 202.10</u>	<u>P(10)</u>
<u>Occupancy</u>		
Single Room Occupancy	§ 102	P

* * * *

(10) C for buildings with 10 or more Dwelling Units.

Section 3. Amendment of Specific Zoning Control Tables.

1 Zoning Control Tables 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722,
 2 723, 724, 725, 726, 728, 729, 730, 731, 732, 733, 734, 750, 751, 752, 753, 754, 755, 756,
 3 757, 758, 759, 760, 761, 762, 763, and 764 are hereby amended identically to the
 4 amendment of Zoning Control Table 710 in Section 2 of this ordinance, to create
 5 "Intermediate Length Occupancy" as a new Residential Use Characteristic, citing Planning
 6 Code Sections 102 and 202.10 as references, identifying "P" as the zoning control, and
 7 including the note ("C for buildings with 10 or more Dwelling Units"), provided that the note
 8 shall be numbered as appropriate for each table, as follows.

Zoning Control Table	Note #
711	12
712	11
713	8
714	8
715	6
716	7
717	6
718	7
719	9
720	5
721	5
722	13
723	8
724	6
725	5

1	726	7
2	728	7
3	729	5
4	730	5
5	731	6
6	732	6
7	733	6
8	734	6
9	750	9
10	751	7
11	752	7
12	753	5
13	754	8
14	755	6
15	756	6
16	757	10
17	758	9
18	759	8
19	760	4
20	761	6
21	762	7
22	763	6
23	764	9
24		
25		

1 Section 4. The Administrative Code is hereby amended by adding Section 37.9F, to
2 read as follows:

3 **SEC. 37.9F. CIRCUMVENTION OF TENANT PROTECTIONS.**

4 (a) Findings. As market rents continue to increase in San Francisco, landlords of rent-
5 controlled units have a greater incentive to prevent long-term tenancies. Complementing the just cause
6 protections in Section 37.9, this Section 37.9F addresses the growing efforts among some landlords to
7 induce their tenants into believing that they are required to vacate their units at a specific time
8 designated in the lease or agreement, despite existing law to the contrary, or to try to avoid certain
9 landlord-tenant obligations altogether. This trend is especially common with respect to corporate
10 rentals, though it is not limited to corporate rentals. Such tactics by landlords undermine rent control
11 and frustrate the purpose of ensuring that rent-controlled units in the City remain available as a long-
12 term housing option for the City's renters.

13 (b) Prohibition of Fixed-Term Agreements. Consistent with Section 37.9(a)(2) and Section
14 37.9(e), any provision of any lease or rental agreement that purports to require a tenant to vacate a
15 rental unit at the expiration of a stated term, or that purports to characterize a tenant's failure to
16 vacate the rental unit at the end of the stated term as a just cause for eviction (either of them, a "Fixed-
17 Term Agreement"), shall be void as contrary to public policy, and a landlord may not attempt to
18 recover possession of the unit without just cause. This prohibition shall not apply where this Chapter
19 37 expressly authorizes a fixed-term tenancy (e.g., Section 37.2(a)(D)), or where it expressly authorizes
20 a tenant to be evicted without just cause (e.g., Section 37.9(b)).

21 (c) Restrictions on Non-Tenant Uses.

22 (1) A rental unit is being used for a "Non-Tenant Use" when the landlord is
23 allowing the unit to be occupied by a person or entity who is not a "tenant" as defined in Section
24 37.2(t). Renting a unit to a corporate entity or other non-natural person, or using a unit as housing for
25 one's employees, licensees, or independent contractors rather than one's tenants, are nonexclusive

1 examples of Non-Tenant Uses. This subsection (c) is not intended to narrow the definition of “tenant”
2 under Section 37.2(t) or to limit the just cause protections in Section 37.9; the sole intent is to prevent
3 landlords from circumventing or undermining the tenant protections of this Chapter 37, by restricting
4 when a landlord may provide a rental unit to a person or entity to the extent that person or entity does
5 not otherwise qualify as a “tenant.”

6 (2) Commencing April 1, 2020, it shall be unlawful to use a rental unit or allow a
7 rental unit to be used for a Non-Tenant Use, subject to the exemptions listed in subsection (c)(3). Any
8 provision of any agreement entered into on or after April 1, 2020 that purports to allow a unit to be
9 used for an unauthorized Non-Tenant Use shall be void as contrary to public policy, and the occupants
10 shall instead be deemed tenants under Section 37.2(t).

11 (3) This subsection (c) does not apply to any of the following:

12 (A) where the rental unit is subject to an agreement authorizing a Non-Tenant
13 Use that was entered into before April 1, 2020, for the existing duration of that agreement.

14 (B) the use of a rental unit as a lawful short-term rental as set forth in
15 Administrative Code Chapter 41A.

16 (C) where the landlord is providing the rental unit to its employees as a
17 condition of their employment to assist in the maintenance or management of a building owned or
18 managed by the landlord (e.g., resident managers).

19 (D) where an organization with tax-exempt status under 26 United States Code
20 Sections 501(c)(3) or 501(c)(4) is providing access to the unit in furtherance of its primary mission to
21 provide housing.

22 (d) **Required Disclosures.** Commencing April 1, 2020, every online listing for a
23 rental unit, excluding listings by landlords or master tenants who will reside in the same rental unit as
24 their tenants or subtenants, must contain a legible disclosure in at least 12-point font that includes the
25 following text: “This unit is a rental unit subject to the San Francisco Rent Ordinance, which limits

1 evictions without just cause, and which states that any waiver by a tenant of their rights under the Rent
2 Ordinance is void as contrary to public policy.” The foregoing text should also be included in print
3 advertisements, if practicable.

4 (e) Monitoring and Enforcement.

5 (1) The Board shall receive referrals regarding online listings that do not comply
6 with subsection (d). Upon receipt of a referral, if the Board determines that the listing does not
7 substantially comply with subsection (d) and that the defects have not been cured, the Board shall
8 inform the landlord in writing. The landlord shall be required to correct the violation within three
9 business days after receiving the notice. If the landlord has not corrected the violation within three
10 business days, the Board may impose a reasonable administrative penalty of up to \$100 per day, not
11 counting the three-day correction period, provided that in no event shall the total administrative
12 penalty for a single listing exceed \$1,000. The procedure for the imposition, enforcement, collection,
13 and administrative review of the administrative penalty shall be governed by Administrative Code
14 Chapter 100, “Procedures Governing the Imposition of Administrative Fines,” which is hereby
15 incorporated in its entirety. Any administrative penalties collected under this subsection (e)(1) shall be
16 deposited in the General Fund of the City and County of San Francisco to be used for enforcement of
17 this Section 37.9F.

18 (2) The City Attorney may bring a civil action in San Francisco Superior Court
19 against a party who has failed to comply with this Section 37.9F. A nonprofit organization with tax
20 exempt status under 26 United States Code Section 501(c)(3) or 501(c)(4) and with a primary mission
21 of protecting the rights of tenants in San Francisco may also bring such a civil action, provided that the
22 organization shall first provide 30 days’ written notice of its intent to initiate civil proceedings by
23 servicing a draft complaint on the City Attorney’s Office and on any known address(es) of the affected
24 tenant(s), and may not initiate civil proceedings until the end of this 30 day period. A party who
25 violates this Section 37.9F may be liable for civil penalties of not more than two times the amount paid

1 or received for use of the rental unit during the period of the unlawful activity, and each rental unit
2 used in violation of this Section 37.9F shall constitute a separate violation. Any monetary award
3 obtained in such a civil action shall be deposited in the General Fund of the City and County of San
4 Francisco to be used for enforcement of this Section 37.9F. The court shall also award reasonable
5 attorney's fees and costs to the City Attorney or a nonprofit organization that is the prevailing party in
6 such a civil action.

7 (3) The remedies available under this subsection (e) shall be in addition to any other
8 existing remedies that may be available.

9
10 Section 5. Additional Findings. Section 5 of this ordinance is intended to clarify
11 existing law regarding fixed-term agreements, and prevent landlords from circumventing
12 eviction controls by allowing residential occupancy through non-tenant uses. Accordingly, the
13 Board finds that the City's Residential Rent Stabilization and Arbitration Ordinance (the "Rent
14 Ordinance"), as amended by this ordinance, is consistent with the Tenant Protection Act of
15 2019 (Assembly Bill No. 26 (Chiu), hereafter "AB 1482"); and that it further limits the reasons
16 for termination of a residential tenancy, results in higher relocation assistance amounts, and
17 provides additional tenant protections, and is therefore more protective than AB 1482; and the
18 Board intends that the Rent Ordinance (as hereby amended) shall apply rather than AB 1482.

19
20 Section 6. Controller's Study. No later than January 1, 2021, the Controller, with the
21 support of consultants as necessary and consistent with the civil service provisions of the
22 Charter, and in consultation with the Planning Department and other City agencies as
23 necessary, shall conduct a study to analyze the impacts created by the development of new
24 Intermediate Length Occupancy units on the City and relevant City services. The Controller's
25 study shall be submitted to the Board of Supervisors.

1 Section 7. Effective Date. This ordinance shall become effective 30 days after
2 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
3 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
4 of Supervisors overrides the Mayor's veto of the ordinance.

5
6 Section 8. Scope of Ordinance. Except as stated in Section 3 of this ordinance, in
7 enacting this ordinance, the Board of Supervisors intends to amend only those words,
8 phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts,
9 diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this
10 ordinance as additions, deletions, Board amendment additions, and Board amendment
11 deletions in accordance with the "Note" that appears under the official title of the ordinance.

12
13 Section 9. Severability. If any section, subsection, sentence, clause, phrase, or word
14 of this ordinance, or any application thereof to any person or circumstance, is held to be
15 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision
16 shall not affect the validity of the remaining portions or applications of the ordinance. The
17 Board of Supervisors hereby declares that it would have passed this ordinance and each and
18 every section, subsection, sentence, clause, phrase, and word not declared invalid or
19 unconstitutional without regard to whether any other portion of this ordinance or application
20 thereof would be subsequently declared invalid or unconstitutional.

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

23
24 By: 
AUSTIN M. YANG
Deputy City Attorney
25 n:\egana\as2020\1800552\01419050.docx

REVISED LEGISLATIVE DIGEST

(Substituted, 1/14/2020)

[Planning, Administrative Codes - Residential Occupancy]

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the “Rent Ordinance”), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department’s determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Existing Law

The Planning Code Section 102 defines Residential Use as a category of uses that “provide housing for San Francisco residents, rather than visitors.” Under Planning Code Section 102, a Use Characteristic is a “feature of a Use, related to its physical layout, location, design, access, or other characteristics.” The Planning Code regulates Residential Uses, and Use Characteristics through the zoning controls.

The City’s Rent Ordinance (Admin. Code Ch. 37) protects tenants in covered rental units from evictions without just cause. Expiration of a lease generally is not a just cause to evict. See Admin. Code § 37.2(a)(2). In addition, an agreement that requires a tenant to waive their rights under Chapter 37 is void as contrary to public policy. Id. § 37.9(e).

Amendments to Current Law

The legislation would amend the Planning Code and create a new Residential Use Characteristic -- Intermediate Length Occupancy (“ILO”) that is applicable only to Dwelling Units. In addition to being subject to the zoning table of the relevant zoning district, the Use Characteristic would be subject to a new section 202.10. Section 202.10 would provide:

- Section 202.10 would state that for buildings with nine or fewer Dwelling Units, ILO units would be principally permitted, but only 25% of the Dwelling Units would be allowed to be permitted as ILO. For buildings with 10 or more Dwelling Units, ILO units would be prohibited. However, an owner or operator of seeking to establish an ILO unit could seek a Conditional Use Authorization to establish ILO units in a building with 10

or more Dwelling Units. For buildings with 10 or more Dwelling Units, only 20% of those units may be permitted as ILO units.

- The legislation would provide that no more than 1,000 Intermediate Length Occupancy units would be permitted.
- The legislation would also require annual reporting by an owner or operator of an Intermediate Length Occupancy unit.
- The legislation would exempt Residential Hotels, and Student Housing from the provisions of Section 202.10.
- Inclusionary and other below-market-rate units, and units subject to the rent increase limitations of the Rent Ordinance would not be eligible for this Use Characteristic.
- The legislation would require the Planning Department to develop standards to evaluate applications to establish the ILO Use Characteristic within six months of the effective date of the ordinance.
- Owners and operators of ILO units would have 24 months to submit complete applications to establish ILO units.

The legislation would amend the Rent Ordinance in several respects:

- First, it would clarify existing law (see Admin. Code §§ 37.9(a)(2), 37.9(e)) by stating that an agreement that would require a tenant to vacate a rental unit at the expiration of a stated term (a “fixed-term agreement”) is void as contrary to public policy, unless an existing just cause exception applies (for example, where the landlord resides in the same rental unit as the tenant).
- Second, it would regulate “non-tenant uses” by restricting when landlords can allow their units to be occupied by persons or entities who are not tenants. Renting a rental unit to a corporate entity or other non-natural person for any purpose, or using a rental unit as housing for one’s employees or “licensees,” are examples of non-tenant uses. Commencing April 1, 2020, it would be unlawful to use a rental unit for a non-tenant use, and any such “non-tenants” would be deemed tenants and could seek just cause protections as forth in the Rent Ordinance. However, the prohibition on non-tenant uses would not apply (1) if the landlord has entered into a contract before April 1, 2020 that specifically authorized the non-tenant use; (2) to the use of a rental unit as a lawful short-term rental under Administrative Code Chapter 41A; (3) where the landlord is using the unit to house an employee in charge or maintaining or managing the building; or (4) to rental units operated by non-profits that provide housing as part of their primary mission.
- The legislation would also require landlords to include a disclosure when advertising their rental units online. The disclosure would state that the unit is subject to the Rent Ordinance, and that the Rent Ordinance limits evictions without just cause, and that any waiver by a tenant of their rights under the Rent Ordinance is void as contrary to

public policy. The Rent Board would have the power to monitor violations and impose administrative penalties for violations that are not timely corrected.

- Finally, the legislation would authorize the City Attorney or a non-profit tenants' rights organization to sue for civil penalties.

The legislation would also direct the Controller, in consultation with the Planning Department and other City agencies as necessary, to conduct a study to analyze the impacts created by the development of new Intermediate Length Occupancy units on the City and relevant City services.

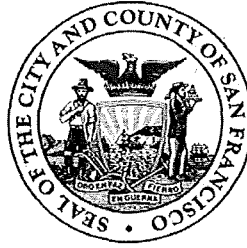
Background

The sponsor introduced a substitute ordinance on January 14, 2020. Changes included in the substitute include:

- Allowing existing units to be eligible for the ILO use characteristic; however Inclusionary and below market rate units, as well as units subject to the rent increase limitations of the Rent Ordinance are not eligible for the ILO use characteristic.
- Increasing the total number of permitted ILO units to 1,000.
- Allowing up to 25% of Dwelling Units in buildings with nine or fewer Dwelling Units to be principally permitted.
- Providing owners and operators of ILO units 24 months to submit a complete application to establish the ILO use.

n:\leganatas2019\1800552\01419948.docx

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

October 30, 2019

File No. 191075

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On October 22, 2019, Supervisor Peskin introduced the following proposed legislation:

File No. 191075

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in black ink, appearing to read "Erica Major".

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

Attachment

c: Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.

Joy Navarrete 11/22/2019



SAN FRANCISCO PLANNING DEPARTMENT

February 11, 2020

Ms. Angela Calvillo, Clerk
Honorable Supervisor Aaron Peskin
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: Transmittal of Planning Department Case Number 2019-020940PCA:
Intermediate Length Occupancies
Board File No. 191075
Planning Commission Recommendation: Approval with Modification

Dear Ms. Calvillo and Supervisor Peskin,

On January 30, 2020, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Peskin that would amend the Planning Code create the Intermediate Length Occupancy Residential Use Characteristic and amend the Administrative Code. At the hearing the Planning Commission recommended approval with modification.

The Commission's proposed modifications were as follows:

- Enact an Interim Control on new Intermediate Length Occupancies and collect data on the scale of the activity; and
- Clarify proposed Administrative Code amendments exempting non-profit organizations from any cap on the number of Dwelling Units used for Intermediate Length Occupancy; add this clarified language to the Planning Code.

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c) and 15378 because they do not result in a physical change in the environment.

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Transmittal Materials

CASE NO. 2019-020940PCA
Intermediate Length Occupancies

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron D. Starr". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Aaron D. Starr
Manager of Legislative Affairs

cc:

Austin Yang, Deputy City Attorney
Sunny Angulo, Aide to Supervisor Peskin
Erica Major, Office of the Clerk of the Board

Attachments:

Planning Commission Resolution
Planning Department Executive Summary



SAN FRANCISCO PLANNING DEPARTMENT

Planning Commission Resolution No. 20633

HEARING DATE: JANUARY 30, 2020

Project Name: Intermediate Length Occupancies
Case Number: 2019-020940PCA [Board File No. 191075]
Initiated by: Supervisor Peskin / Introduced October 22, 2019; Substituted January 14, 2020
Staff Contact: Diego Sanchez, Legislative Affairs
diego.sanchez@sfgov.org, 415-575-9082
Reviewed by: Aaron D Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

RESOLUTION APPROVING A PROPOSED ORDINANCE WITH MODIFICATIONS THAT WOULD AMEND THE PLANNING CODE TO CREATE THE INTERMEDIATE LENGTH OCCUPANCY RESIDENTIAL USE CHARACTERISTIC; AMEND THE ADMINISTRATIVE CODE TO CLARIFY EXISTING LAW REGARDING THE ENFORCEABILITY OF FIXED-TERM LEASES IN RENTAL UNITS COVERED BY THE JUST CAUSE PROTECTIONS OF THE RESIDENTIAL RENT STABILIZATION AND ARBITRATION ORDINANCE (THE "RENT ORDINANCE"), PROHIBIT THE USE OF RENTAL UNITS FOR TEMPORARY OCCUPANCIES BY NON-TENANTS, REQUIRE LANDLORDS TO DISCLOSE IN ADVERTISEMENTS FOR SUCH UNITS THAT THE UNITS ARE SUBJECT TO THE RENT ORDINANCE, AND AUTHORIZE ENFORCEMENT THROUGH ADMINISTRATIVE AND/OR CIVIL PENALTIES; REQUIRING THE CONTROLLER TO CONDUCT A STUDY TO ANALYZE THE IMPACT OF NEW INTERMEDIATE LENGTH OCCUPANCY UNITS IN THE CITY; ADOPTING FINDINGS, INCLUDING ENVIRONMENTAL FINDINGS, PLANNING CODE SECTION 302 FINDINGS, AND FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN AND PLANNING CODE SECTION 101.1.

WHEREAS, on October 22, 2019 Supervisor Peskin introduced a proposed Ordinance under Board of Supervisors (hereinafter "Board") File Number 191075, which would amend the Planning Code to create the intermediate length occupancy residential use characteristic; amend the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the residential rent stabilization and arbitration ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the rent ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the controller to conduct a study to analyze the impact of new intermediate length occupancy units in the City;

WHEREAS, The Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on January 16, 2020; and,

WHEREAS, at its January 16, 2020 hearing the Commission voted unanimously to continue its consideration of the proposed Ordinance to its January 30, 2020 hearing; and

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15060(c)(2) and 15378; and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 1650 Mission Street, Suite 400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby **approves with modifications** the proposed ordinance. The proposed modifications include:

1. Enact an Interim Control on new Intermediate Length Occupancies and collect data on the scale of the activity.
2. Clarify proposed Administrative Code amendments exempting non-profit organizations from any cap on the number of Dwelling Units used for Intermediate Length Occupancy; add this clarified language to the Planning Code.

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. There is a legitimate, on-going demand in the City for intermediate length residential tenancies. Employment demands are one reason intermediate length residential tenancies are needed. Individuals in higher education, healthcare, and traveling theater/arts often require stays of greater than a month but less than a year. Life's twists and turns are another reason. Unexpected illness can require an out of town family stay; changes in marital status may necessitate a temporary residence; or the relocation to a new locale can compel an intermediate length occupancy.
2. However, it is currently difficult to grasp the scale of intermediate length residential tenancies (ILO) in San Francisco. Because ILO is legal and unregulated no public agency or office currently tracks the activity. In short, the City does not have an exact figure on the number of Residential Uses, subject to the Rent Ordinance or otherwise, involved in ILO activity.

3. In lieu of permanent controls, an interim control on the use of residences for new ILO should be enacted. This would provide time for the City to collect data on ILO activity. To date the City does not have data on the number of Residential Uses in San Francisco being used for this activity. Nor does it know where this activity most frequently occurs. It is imperative that the City have this type of data before it implements severe restrictions on an activity that serves a legitimate purpose, but which could also pose a threat to the City's housing supply.
4. **General Plan Compliance.** The proposed Ordinance and the Commission's recommended modifications are consistent with the following Objectives and Policies of the General Plan:

HOUSING ELEMENT

OBJECTIVE 1

IDENTIFY AND MAKE AVAILABLE FOR DEVELOPMENT ADEQUATE SITES TO MEET THE CITY'S HOUSING NEEDS, ESPECIALLY PERMANENTLY AFFORDABLE HOUSING.

Policy 1.1

Plan for the full range of housing needs in the City and County of San Francisco, especially affordable housing.

The Ordinance would the City provide a full range of housing options by allowing Intermediate Length Occupancies in new buildings while reserving older units subject to the Rent Ordinance for long term tenancies, many of which serve permanent San Francisco residents.

OBJECTIVE 2

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.6

Ensure housing supply is not converted to de facto commercial use through short term rentals.

The proposed Ordinance would restrict the number of housing units that could be converted to a commercial use through rental terms that are not long or permanent.

OBJECTIVE 3

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.1

Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs.

Policy 3.4

Preserve "naturally affordable" housing types, such as smaller and older ownership units.

Policy 3.5

Retain permanently affordable residential hotels and single room occupancy (SRO) units.

The proposed Ordinance protects the affordability of the existing housing stock by restricting new intermediate length occupancies to new housing stock, avoiding the use of rent controlled, smaller or older, and residential or SRO units for intermediate length occupancies.

5. **Planning Code Section 101 Findings.** The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail because it concerns itself with regulating residential tenancies.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would not have a negative effect on housing or neighborhood character and would potentially help maintain that character through its regulation of intermediate length residential tenancies.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would have a beneficial effect on the City's supply of affordable housing as it would prohibit any non-permanent tenancy in that housing stock.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking because it concerns itself with regulating residential tenancies.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired because the proposed Ordinance only regulates residential uses.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake because it proposes to regulate residential tenancies.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings because it only proposes to regulate the length of residential tenancies.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vista because it proposes to regulate residential tenancy lengths not the building envelope of residential buildings.


6. **Planning Code Section 302 Findings.** The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

Resolution No. 20633
January 30, 2020

CASE NO. 2019-020940PCA
Intermediate Length Occupancies

NOW THEREFORE BE IT RESOLVED that the Commission hereby APPROVES WITH MODIFICATIONS the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on January 30, 2020.



Jonas P. Ionin
Commission Secretary

AYES: Fung, Koppel, Melgar, Moore

NOES: None

ABSENT: Johnson, Richards

RECUSED: Diamond

ADOPTED: January 30, 2020



MEMO TO THE PLANNING COMMISSION

Hearing Date: January 30, 2020

Continued from the January 16, 2020 Hearing

Date: January 23, 2020
Case No.: 2019-020940PCA
Project Name: **Intermediate Length Occupancies**
Initiated by: Supervisor Aaron Peskin
Staff Contact: Diego Sanchez – 415-575-9082
diego.sanchez@sfgov.org
Reviewed by: Aaron Starr – 415-558-6409
aaron.starr@sfgov.org
Recommendation: **Approve with Modifications**

BACKGROUND

On January 16, 2020 the Planning Commission (Commission) deliberated over Supervisor Peskin's Intermediate Length Occupancies (ILO) Ordinance. This Ordinance proposes to create the ILO use characteristic which is broadly defined as offering a Dwelling Unit for occupancy by a natural person for a duration of between 30 and 365 days. The Ordinance also proposes to limit the number of ILO in the City and where they may be located. Last, by amending the Administrative Code, the Ordinance prohibits "Non-Tenant Uses," which it defines to include renting a unit to a corporate entity or other non-natural person, and requires online rental listings to include a Rent Ordinance disclosure.

On January 14, 2020 Supervisor Peskin introduced a substitute to the proposed Ordinance. Because of that timing, Planning Department Staff (Staff) could not include a copy of the changes proposed by the substitute Ordinance in the staff report. Those changes are found below.

After hearing from the legislative sponsor, Staff, and the public, the Commission discussed and deliberated over the merits of the proposed Ordinance. In response to a desire to further discuss the proposed Ordinance with the legislative sponsor, the Commission voted 5-0 to continue the item to January 30, 2020.

CURRENT PROPOSAL

The substitute Ordinance makes the following changes to the originally introduced Ordinance:

Planning Code

1. Proposed regulations on buildings with nine Dwelling Units or less are clarified. These include explicitly indicating that ILO in buildings with nine Dwelling Units or less are principal-

ly permitted provided that (A) no more than 25% of the Dwelling Units in the building are ILO and (B) that each Dwelling Unit used for ILO is identified.

2. Language concerning the zoning districts in which ILO is allowed is clarified. The originally introduced Ordinance contained language stating that ILO would be allowed wherever Dwelling Units are allowed. That language is removed, and the substitute Ordinance indicates that ILO is allowed only in those zoning districts with zoning control tables being proposed for amendment.
3. The maximum number of Dwelling Units allowed to be used as ILO in the City is increased from 500 to 1,000.
4. New language was added clarifying that ILOs are subject to the existing Planning Code provisions on the abandonment of uses. This language was absent from the originally introduced Ordinance.
5. The substitute Ordinance includes language that directs the Planning Department to create procedures for evaluating proposed ILO. It also requires owners or operators of proposed ILO to submit a complete application within 24 months of the effective date of the substitute Ordinance.

Administrative Code

1. The date when "Non-Tenant Uses" are prohibited is changed. The original Ordinance proposed February 1, 2020 and the substitute Ordinance is proposing April 1, 2020.
2. The date when online rental listings are required to include a Rent Ordinance disclosure is changed. The original Ordinance proposed February 1, 2020 and the substitute Ordinance is proposing April 1, 2020.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

RECOMMENDATION: Approve with Modifications

The Department recommends that the Commission ***approve with modifications*** the proposed Ordinance and adopt a Draft Resolution to that effect. The Department's proposed recommendations are as follows:

- 1. Enact an interim control on new ILO and collect data on the scale of the activity.** Staff is recommending that, despite the clarifications in the substitute Ordinance and in lieu of permanent controls, an interim control on the use of residences for new ILO be enacted. To date, the City does not have data on the number of Residential Uses being used for this activity. Nor does it know where this activity most frequently occurs, or which populations this use most serves. Further, it is unclear under what circumstances the Department would recommend approval or

denial of an ILO CU application, and cannot create meaningful conditional use criteria for ILOs, as directed by the revised ordinance. It is imperative that the City have this type of data before it implements severe restrictions on an activity that serves a legitimate purpose, but which could also pose a threat to the City's housing supply. An interim control affords time to craft a regulatory scheme to collect data on this activity. This would greatly inform any policy decisions regulating ILO.

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Substituted Board of Supervisors File No. 191075



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Planning Code Amendment

HEARING DATE: JANUARY 16, 2020
90-DAY DEADLINE: JANUARY 28, 2020

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

Project Name: Intermediate Length Occupancies
Case Number: 2019-020940PCA [Board File No. 191075]
Initiated by: Supervisor Peskin / Introduced October 22, 2019
Staff Contact: Diego Sanchez, Legislative Affairs
diego.sanchez@sfgov.org, 415-575-9082
Reviewed by: Aaron Starr, Manager of Legislative Affairs
aaron.starr@sfgov.org, 415-558-6362
Recommendation: **Approval with Modifications**

PLANNING CODE AMENDMENT

The proposed Ordinance would amend the Planning Code to create the Intermediate Length Occupancy residential use characteristic. It would also amend the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties, and require the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City.

The Way It Is

The two Residential Use Characteristics in the Planning Code are Single Room Occupancy and Student Housing. Neither of these explicitly regulate the length of occupancy.

The Way It Would Be

Intermediate Length Occupancy (ILO) would be the third Residential Use Characteristic in the Planning Code and exclusive to Dwelling Units offered for occupancy by a *natural person*. Occupancies would be restricted to a duration of greater than 30 consecutive days but less than a year.

ILO in buildings with ten or more Dwelling Units would have the following limitations:

- A. ILOs would be allowed in projects having secured a first building or site permit as of the Ordinance's effective date;
- B. ILOs would require Conditional Use Authorization;

- C. ILOs would be allowed only where no more than 20% of Dwelling Units in a project are designated for ILO;
- D. No more than 500 ILOs would be permitted at any one time in the City;
- E. The ILO owner/operator would be required to submit annual reports to the Planning Department regarding its use, including the number of times the unit was used for ILO, the average duration of stays in the ILO and the average vacancy between stays.

ILOs in buildings with up to nine Dwelling Units would not be subject to the five Planning Code limitations (A-E) listed above.

The Residential Rent Stabilization and Arbitration Ordinance (Rent Ordinance) provisions regulating the recovery of possession of a rental unit by a landlord do not explicitly state that (a) a provision in a lease or rental agreement requiring a tenant to vacate a rental unit at the expiration of a stated term or that (b) purports to characterize a tenant's failure to vacate at the end of the stated term as a just cause for eviction is void. Those provisions also do not prohibit a landlord from attempting to recover possession of the unit without just cause.

The Rent Ordinance does not regulate whether a rental unit is being rented to a corporate entity, or if the unit is being used as housing for one's employees, licenses, or independent contractors.

The Rent Ordinance would be amended to state that any provision in a lease or rental agreement (a) requiring a tenant to vacate a rental unit at the expiration of a stated term or that (b) purports to characterize a tenant's failure to vacate at the end of the stated term as a just cause for eviction would be void. The Rent Ordinance would also be amended to prohibit a landlord from attempting to recover possession of the unit without just cause.

The Rent Ordinance would be amended to classify the occupancy of a rental unit by a person who is not a tenant, as defined in the Rent Ordinance, as a Non-Tenant Use. A Non-Tenant Use would include a rental unit being rented to a corporate entity, or being used as housing for one's employees, licensees, or independent contractors. Non-Tenant Uses would be prohibited as of February 1, 2020, except:

- A. Where the rental unit is subject to an agreement authorizing a Non-Tenant Use that was entered into before February 1, 2020, for the existing duration of that agreement;
- B. The use of the rental unit is as a lawful short-term rental under Administrative Code Chapter 41A;

C. Where the landlord is providing the rental unit to a residential manager; or

Where an organization with tax-exempt status (501(c)(3) or 501(c)(4)) is providing access to the unit in furtherance of its primary mission to provide housing.

The Rent Ordinance does not explicitly require that every online listing for a rental unit contain a specific disclosure regarding the unit's status under the Rent Ordinance.

The Rent Ordinance would be amended to require that every online listing for a rental unit, excluding listings by landlords or master tenants who will reside in the same rental unit as their tenants or subtenants, contain a disclosure stating that the rental unit is subject to the Rent Ordinance.

BACKGROUND

The use of residences in San Francisco for business travelers or other individuals seeking intermediate length tenancies is not new. The project at 2100 Market Street, however, recently raised concerns over the use of the City's housing supply for these purposes.

As part of a 2016 Conditional Use authorization for the site, the Planning Commission authorized 60 Dwelling Units, including seven on-site Inclusionary Affordable Housing Units.¹ At authorization it was understood that the market rate units would be leased for typical one-year lengths. Upon marketing of the market rate units in 2019 it became known that they would not be used to house permanent tenants. Instead, they would be used for intermittent stays, akin to an extended stay hotel. This riled many who, despite recognizing intermittent stays as legal, felt victim of a misrepresentation of the project's ultimate use.²

ISSUES AND CONSIDERATIONS

Residential Uses and Residential Use Characteristics

A Residential Use, as defined in the Planning Code, is a use that provides housing for San Francisco residents, rather than visitors.³ The Planning Code defines Dwelling Units, Group Housing, Residential Hotels, Senior Housing and Homeless Shelters as Residential Uses.

¹ Planning Commission Motion 19560

² Brinklow, Adam. "SF ponders what to do with corporate rentals like Sonder."
<https://sf.curbed.com/2019/7/29/20744749/san-francisco-sonder-corporate-rentals-housing-crisis-sf>
Accessed 7 November 2019.

Waxman, Laura. "'Corporate rentals' draw scrutiny from city officials."
<https://www.sfexaminer.com/news/short-term-corporate-rentals-draw-scrutiny-from-city-officials/>
Accessed 7 November 2019.

³ Planning Code Section 102, Definitions, Residential Use

In addition to Uses, the Planning Code also identifies Use Characteristics, which are a feature of a use and can be applied to different uses.⁴ Features include the physical layout, design, and access of a use, among other considerations. Residential Use Characteristics include Single Room Occupancy and Student Housing. The Planning Code regulates Use Characteristics independently of a Use. This means that while Dwelling Units may be principally permitted in a zoning district, using that Dwelling Unit as Student Housing, for example, may require Conditional Use authorization.

Regulating Residential Occupancy Lengths

The Planning Code does not have extensive regulations on occupancy lengths in Residential Uses. There are at least two reasons for the lack of this regulation in the Planning Code. One is that the enforcement of lease lengths, among other lease conditions, is a difficult and an atypical land use task. The Planning Department generally avoids intervening in agreements between private parties, such as rental agreements and their conditions. This includes regulating or adjudicating disputes over leases lengths, lease rates, and tenancy rights such as allowed lessees. The Ordinance would require Planning Department Staff to enforce or monitor such lease conditions, for which it is presently ill equipped. The first is one allowing only a natural person to occupy an ILO in a building of 10 or more Dwelling Units. The second is one regulating an occupancy for a period of between 30 and 364 days.

The other reason the Planning Code lacks an occupancy length regulation is because the effects of most Residential Uses do not markedly differ solely based on the length of stay of any one user. For example, the land use effects of residential activity do not vary greatly whether a household stays in a Dwelling Unit for six months or twelve.

Where the land use effects do differ, other municipal codes are utilized. In the case of residential rentals of less than 30 days (Short Term Rentals), the Administrative Code dedicates an entire chapter to their regulation.⁵ In conjunction with this regulation a half dozen full time staff are currently tasked with the implementation and enforcement of this activity in a separate government capacity.⁶ Similar regulatory expansions on the use of residential property would require an equivalent resource allocation to ensure success.

Intermediate Length Occupancies Can Satisfy Legitimate Needs

There are scores of individuals that seek a residential lease for less than the standard one-year term. There are also multiple reasons compelling one to seek such a residential lease. Employment demands are one such reason. Individuals in higher education, healthcare, and traveling theater/arts often require stays of greater than a month but less than a year. Life's twists and turns are another reason. Unexpected illness can require an out of town family stay; changes in marital status may necessitate a temporary residence; or the relocation to a new locale can compel an intermediate length occupancy. In sum, there is a legitimate, on-going demand in the City for intermediate length residential tenancies. New regulations on these tenancies, including quantitative limits, should reflect this reality.

⁴ Planning Code Section 102, Definitions, Use Characteristic

⁵ Administrative Code Chapter 41A, Residential Unit Conversion and Demolition

⁶ Office of Short-Term Rentals <https://shorttermrentals.sfgov.org/>

Prohibited Uses and Continuation Through Non-Conforming Status

When the Planning Code is amended to prohibit a legal use or activity, that use or activity is afforded non-conforming status. Non-conforming status allows the use or activity to continue to operate under specific conditions that prohibit expansion or intensification, among others. This is done because forcing closure or cessation of a legal use or activity is too harsh, and abrupt. The Ordinance would require that existing ILO, a legal and unregulated activity, cease if they are in buildings subject to the Rent Ordinance or in any building with 10 or more Dwelling Units. This abrupt cessation runs counter to the standard treatment of legal uses or activities that are subsequently prohibited.

Quantifying the Scale of Intermediate Length Occupancies

It is currently difficult to grasp the scale of ILO activity in San Francisco, because ILO is legal, unregulated and no public agency or office currently tracks the activity. Therefore, the City does not have an exact figure on the number of Residential Uses, including those units subject to the Rent Ordinance, involved in ILO activity.

Initial Estimates

In November 2019, Planning Department Staff requested from the Office of Short-Term Rentals (OSTR) an estimate of the number of listings for greater than 30 days on one platform for the month of October 2019. OSTR staff found that there were approximately 2,700 listings for stays greater than 30 days on one platform in October 2019. It is important to emphasize that this figure is simply one estimate, potentially fraught with inaccuracies.

Planning Department Staff also spoke with the Corporate Housing Providers Association (CHPA), the trade association supporting corporate housing providers. CHPA estimated that between its members and unassociated corporate housing providers there are approximately 3,000 units in San Francisco used for ILO. They also mentioned that its members do not use Below Market Rate units or units subject to the Rent Ordinance for ILO. CHPA did not provide similar data for unassociated corporate housing providers.

Until a thorough inquiry is undertaken the exact number of units being used for ILO will be unknown. This uncertainty complicates any regulation establishing quantitative limits on ILO activity.

Data Collection

One way the City could collect data on the scale of ILO is through a registry of residential properties being used for ILO. An ILO owner or operator would file a building permit application to register their units, with the incentive that these units would be given non-conforming status should subsequent regulations prohibit existing ILO. This process would provide the City with data on the number and location of ILO, including the number of units subject to the Rent Ordinance being used for ILO. It would also help inform any future regulations by grounding them in data based on existing conditions.

Interim Controls

The Board of Supervisors or the Planning Commission may impose interim zoning controls for several reasons. One is to help fulfill the goals of guiding, controlling and regulating future growth and

development within the City, as stated in the Purposes of the Planning Code.⁷ Another is to help preserve the City's rental housing stock.⁸

The value of an interim control is that it slows or pauses the growth of an activity of concern for a period of up to 24 months. During that period, the City may gather data about the activity of concern and better assess its scale. This helps inform an improved regulatory scheme for the activity of concern, should one be found necessary.

General Plan Compliance

The proposed Ordinance is, on balance, in alignment with General Plan Policies surrounding the City's housing supply. For example, the proposed Ordinance is aligned with the direction to maintain the existing housing supply available for residential use and prevent its conversion to a de facto commercial use.⁹ It is also aligned with the goals of preserving the span of affordable units, including rent controlled, "naturally" affordable and deed restricted units, for long term use.¹⁰

Racial and Social Equity Analysis

Understanding the benefits, burdens and opportunities to advance racial and social equity that proposed Planning Code and Zoning Map amendments provide is part of the Department's Racial and Social Equity Initiative. This is also consistent with the Mayor's Citywide Strategic Initiatives for equity and accountability and with the Office of Racial Equity, which will require all Departments to conduct this analysis.

It is unclear whether the proposed Planning Code amendments will improve racial and social equity in San Francisco. On one hand the proposed Ordinance could prove beneficial. The Ordinance proposes to prohibit the use of affordable deed restricted units and rent controlled units for intermediate length tenancies. Because of general income and wealth disparities, accessing longer term tenancies in these unit types are especially beneficial to the housing security of racial and ethnic minorities. Keeping these unit types available for long term tenancies therefore can help improve life circumstances in those communities. Further, it is commonly understood that ILO are significantly geared toward business travelers in economic sectors or corporate roles where racial and ethnic minorities are underrepresented. This includes the tech

⁷ Planning Code Section 101.1, Purposes

⁸ Planning Code Section 306.7, Interim Zoning Controls

⁹ Housing Element, Objective 2 Retain existing housing units, and promote safety and maintenance standards, without jeopardizing affordability, Policy 2.6 Ensure housing supply is not converted to de facto commercial use through short term rentals.

¹⁰ Housing Element, Objective 3 Protect the affordability of the existing housing stock, especially rental units, Policy 3.1 Preserve rental units, especially rent controlled units, to meet the City's affordable housing needs. Policy 3.4 Preserve "naturally affordable" housing types, such as smaller and older ownership units. Policy 3.5 Retain permanently affordable residential hotels and single room occupancy (SRO) units

sector,¹¹ university professorships,¹² or in executive management positions,¹³ among others. It is also understood, anecdotally, that rents for ILO units are higher than those for long term tenancies. If ILO is severely restricted, as the Ordinance proposes, it is plausible that these units would become available for long term tenancies, and at lower rental rates, for racial and ethnic minorities.

On the other hand, the Ordinance could adversely affect racial and social equity. As mentioned earlier, tenancies of over a month, but less than a year, are often needed to deal with life's emergencies. These occur in racial and ethnic minority households as well. Substantially restricting their supply will also affect these households.

The analysis is challenging because of the significant lack of data on the scale of ILO activity in San Francisco. For example, the City does not have an accurate estimate, much less an exact figure, of the number of Residential Uses being used for ILO. Further, it does not know how many units subject to the Rent Ordinance are being used for ILO. The City has not investigated the rate of growth, or contraction, in San Francisco of this activity over the last five or ten years or have any forecasts for the near future. It also does not have comprehensive data regarding where ILO occurs. More to the point, it is unknown whether this activity commonly occurs in neighborhoods with higher concentrations of racial and ethnic minorities. Having this information would help clarify whether the proposed Planning Code Amendments would help improve or worsen racial and social equity in San Francisco.

Implementation

The Department has determined that this Ordinance will impact our current implementation procedures. Specifically, there are concerns about staffing levels required to enforce the proposed prohibition on the use of existing units for ILO and to monitor the reporting requirements for Dwelling Units allowed as ILO. Short Term Rentals are an analogous situation and one where resources were allocated to hire multiple staff to successfully implement and enforce the new regulations on their use.

¹¹ Harrison, Sara. "Five years of tech diversity reports- and little progress." <https://www.wired.com/story/five-years-tech-diversity-reports-little-progress/>. Accessed 16 December 2019

Dickey, Megan Rose. "The future of diversity and inclusion in tech." <https://techcrunch.com/2019/06/17/the-future-of-diversity-and-inclusion-in-tech/>. Accessed 16 December 2019

¹² Davis, Leslie and Fry, Richard. "College faculty have become more racially and ethnically diverse, but remain far less so than students." <https://www.pewresearch.org/fact-tank/2019/07/31/us-college-faculty-student-diversity/>. Accessed 16 December 2019

¹³ Jones, Stacy. "White Men Account for 72% of corporate leadership at 16 of the Fortune 500 Companies." <https://fortune.com/2017/06/09/white-men-senior-executives-fortune-500-companies-diversity-data/>. Accessed 17 December 2019

Wang, John. "Corporate America still lacks leaders of Color – and that's a problem." https://www.huffpost.com/entry/corporate-america-still-lacks-leaders-of-color-and-thats-a-problem_n_5bd1f2eae4b0d38b58813fc2. Accessed 17 December 2019

RECOMMENDATION

The Department recommends that the Commission *approve with modifications* the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Enact an interim control on new ILO and collect data on the scale of the activity.

BASIS FOR RECOMMENDATION

The Department supports the intentions of the Ordinance as far as they seek to regulate an activity that effects the City's housing supply. Using residences for tenancies of more than a month but less than a year is not a new practice, but the City has never tracked its extent. In this context, Staff is making the following recommendation:

Recommendation 1: Enact an interim control on new ILO and collect data on the scale of the activity.

Staff is recommending that in lieu of permanent controls, an interim control on the use of residences for new ILO be enacted. To date, the City does not have data on the number of Residential Uses being used for this activity. Nor does it know where this activity most frequently occurs, or which populations this use serves the most. It is imperative that the City have this type of data before it implements severe restrictions on an activity that serves a legitimate purpose, but which could also pose a threat to the City's housing supply. An interim control affords time to collect data on this activity in order to make an informed policy decision. That said, for an interim control to successfully function, Staff would need criteria on which to judge any forthcoming ILO.

REQUIRED COMMISSION ACTION

The proposed Ordinance is before the Commission so that it may approve it, reject it, or approve it with modifications.

ENVIRONMENTAL REVIEW

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

PUBLIC COMMENT

As of the date of this report, the Planning Department has received correspondence from a trade association representing firms that lease units for what would be considered ILO.

Attachments:

- Exhibit A: Draft Planning Commission Resolution
- Exhibit B: Letters from Public
- Exhibit C: Board of Supervisors File No. 191075

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

October 28, 2019

File No. 191075

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On October 22, 2019, Supervisor Peskin introduced the following proposed legislation:

File No. 191075

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

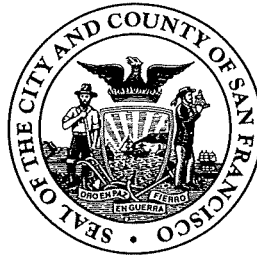
A handwritten signature in black ink, appearing to read "Erica Major".

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

Attachment

c: Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

BOARD of SUPERVISORS



City Hall
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

October 30, 2019

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On October 22, 2019, Supervisor Peskin submitted the following proposed legislation:

File No. 191075

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

The proposed ordinances are being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinances are pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

c: John Rahaim, Director
Scott Sanchez, Acting Deputy Zoning Administrator
Corey Teague, Zoning Administrator
Lisa Gibson, Environmental Review Officer
Devyani Jain, Deputy Environmental Review Officer
AnMarie Rodgers, Director of Citywide Planning
Dan Sider, Director of Executive Programs
Aaron Starr, Manager of Legislative Affairs
Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

BOARD of SUPERVISORS



City Hall
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

January 22, 2020

Planning Commission
Attn: Jonas Ionin
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Commissioners:

On January 14, 2020, Supervisor Peskin introduced the following substitute legislation:

File No. 191075-2

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

The proposed ordinance is being transmitted pursuant to Planning Code, Section 302(b), for public hearing and recommendation. The ordinance is pending before the Land Use and Transportation Committee and will be scheduled for hearing upon receipt of your response.

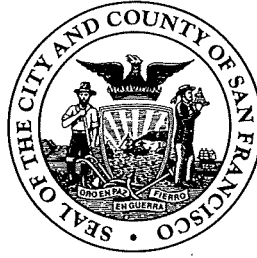
Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

c: John Rahaim, Director
Scott Sanchez, Acting Deputy Zoning Administrator
Corey Teague, Zoning Administrator
Lisa Gibson, Environmental Review Officer
Devyani Jain, Deputy Environmental Review Officer
AnMarie Rodgers, Director of Citywide Planning
Dan Sider, Director of Executive Programs
Aaron Starr, Manager of Legislative Affairs
Joy Navarrete, Environmental Planning
Laura Lynch, Environmental Planning

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

January 22, 2020

File No. 191075

Lisa Gibson
Environmental Review Officer
Planning Department
1650 Mission Street, Ste. 400
San Francisco, CA 94103

Dear Ms. Gibson:

On January 14, 2020, Supervisor Peskin submitted the following substitute legislation:

File No. 191075-2

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

This legislation is being transmitted to you for environmental review.

Angela Calvillo, Clerk of the Board

A handwritten signature in cursive script, appearing to read "Erica Major".

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

Attachment

c: Joy Navarrete, Environmental Planning
Don Lewis, Environmental Planning

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
1/14/2020 C 5:31p
A

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. [191075]
- 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):

Supervisor Peskin

Subject:

[Planning, Administrative Codes - Residential Occupancy]

The text is listed:

Ordinance amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; affirming the Planning Department's determination under the California Environmental Quality Act; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Signature of Sponsoring Supervisor: [Signature]

For Clerk's Use Only

Print Form

Introduction Form

By a Member of the Board of Supervisors or Mayor

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
Time stamp
or meeting date
2019 OCT 22 PM 4:20

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):

Supervisor Peskin

Subject:

[Planning, Administrative Codes - Residential Occupancy]

The text is listed:

Ordinance 1) amending the Planning Code to create the Intermediate Length Occupancy residential use characteristic; 2) amending the Administrative Code to clarify existing law regarding the enforceability of fixed-term leases in rental units covered by the just cause protections of the Residential Rent Stabilization and Arbitration Ordinance (the "Rent Ordinance"), prohibit the use of rental units for temporary occupancies by non-tenants, require landlords to disclose in advertisements for such units that the units are subject to the Rent Ordinance, and authorize enforcement through administrative and/or civil penalties; 3) requiring the Controller to conduct a study to analyze the impacts of new Intermediate Length Occupancy units in the City; 4) affirming the Planning Department's determination under the California Environmental Quality Act; and 5) making findings of consistency with the General Plan and the eight priority policies of Planning Code, Section 101.1, and findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Signature of Sponsoring Supervisor:

