

1 [Administrative Code - Government Regulated Rents]

2

3 **Ordinance amending the Administrative Code to provide that tenant-occupied units in**
4 **buildings that will be receiving either low-income housing tax credits or tax-exempt**
5 **multifamily revenue bonds shall remain subject to the Rent Ordinance, as long as any**
6 **of the existing tenants continue to reside in the unit, or unless all the tenants in the unit**
7 **agree otherwise in writing; and for any such units that may have previously become**
8 **exempt from the Rent Ordinance since 2018, restoring rents to the levels allowed had**
9 **the Rent Ordinance continuously applied.**

10 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
11 **Additions to Codes** are in *single-underline italics Times New Roman font*.
12 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
13 **Board amendment additions** are in double-underlined Arial font.
14 **Board amendment deletions** are in ~~strikethrough Arial font~~.
15 **Asterisks (* * * *)** indicate the omission of unchanged Code
16 subsections or parts of tables.

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

18

19 Section 1. The Administrative Code is hereby amended by revising Section 37.2, to
20 read as follows:

21 **SEC. 37.2. DEFINITIONS.**

22 * * * *

23 (r) Rental Units. All residential dwelling units in the City and County of San
24 Francisco together with the land and appurtenant buildings thereto, and all housing services,
25 privileges, furnishings, and facilities supplied in connection with the use or occupancy thereof,
including garage and parking facilities.

* * * *

1 The term "rental units" shall not include:

2 * * * *

3 (4) Except as provided in subsections (A)-(E), dwelling units whose rents are
4 controlled or regulated by any government unit, agency, or authority, excepting those
5 unsubsidized and/or unassisted units which are insured by the United States Department of
6 Housing and Urban Development; provided, however, that units in unreinforced masonry
7 buildings which have undergone seismic strengthening in accordance with Building Code
8 Chapters 16B and 16C shall remain subject to the Rent Ordinances to the extent that the
9 ordinance is not in conflict with the seismic strengthening bond program or with the program's
10 loan agreements or with any regulations promulgated thereunder;

11 * * * *

12 (C) The term "rental units" shall include units in a building for which
13 either tax credits are reserved or obtained pursuant to the federal ~~L~~ow-~~I~~ncome ~~H~~ousing ~~T~~ax
14 Credit program ~~under (LIHTC)~~, Section 42 of the Internal Revenue Code, 26 U.S.C. Section 42
15 (“LIHTC”), and/or tax-exempt multifamily revenue bonds are allocated or obtained pursuant to
16 Section 103 of the Internal Revenue Code, 26 U.S.C. Section 103 (“Bonds”), and that were already
17 tenant-occupied and subject to this Chapter 37 at the time the applicable LIHTC regulatory agreement
18 and/or Bond regulatory agreement was recorded, as follows ~~that satisfy the following criteria:~~

19 (i) If ~~Where~~ a tenant's occupancy of the unit began before the
20 applicable LIHTC regulatory agreement ~~and/or Bond regulatory agreement~~ was recorded, ~~then~~
21 subsection (C) shall apply to that unit so long as any of the occupants who resided in the unit at the
22 time of the recording still permanently reside there. If the applicable regulatory agreement(s) were
23 recorded on or after January 1, 2018, then the base rent as of the effective date of the ordinance in
24 Board File No. 230770 shall be equal to the rent that was in effect as of the date the recording plus any
25 annual rent increases that may have been allowed under Sections 37.3(a)(1)-(2). ~~;~~ ~~and,~~

1 Section 2. 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 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
7 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
8 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
9 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
10 additions, and Board amendment deletions in accordance with the "Note" that appears under
11 the official title of the ordinance.

12
13 Section 4. Severability. If any section, subsection, sentence, clause, phrase, or word of
14 this ordinance, or any application thereof to any person or circumstance, is held to be invalid
15 or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not
16 affect the validity of the remaining portions or applications of the ordinance. The Board of
17 Supervisors hereby declares that it would have passed this ordinance and each and every
18 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:
23 DAVID CHIU, City Attorney

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