File No. <u>140035</u>

Committee Item No. \_\_\_\_2 Board Item No. \_\_\_\_\_/4\_\_\_\_

# **COMMITTEE/BOARD OF SUPERVISORS**

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Committee:	Land Use and Economic Developme	ent_Date	<u>March 24, 2014</u>
Board of Su	upervisors Meeting	Date	April 1, 2014
	Ard Motion Resolution Ordinance Legislative Digest Budget and Legislative Analyst Re Youth Commission Report Introduction Form Department/Agency Cover Letter a MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter Application Public Correspondence	epo <b>rt</b>	
OTHER	(Use back side if additional space	is needed)	
Completed by:Andrea AusberryDate March 21, 2014Completed by:Date3-26.14			

FILE NO. 140035

### ORDINANCE ).

Dislocation Compensation] Ordinance amending Administrative Code, Chapter 37, "Residential Rent Stabilization and Arbitration Ordinance," to implement California Civil Code, Section 1947.9(a)(1)(A), by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI). NOTE: Unchanged Code text and uncodified text are in plain Arial font. Additions to Codes are in single-underline italics Times New Roman font. Deletions to Codes are in strikethrough italies Times New Roman font. Board amendment additions are in double-underlined Arial font. Board amendment deletions are in strikethrough Arial font. Asterisks (\* \* \* \*) indicate the omission of unchanged Code subsections or parts of tables. Be it ordained by the People of the City and County of San Francisco: Section 1. The Administrative Code is hereby amended by revising Section 37.9, to add subsection (m), to read as follows: SEC. 37.9. EVICTIONS. Notwithstanding Section 37.3, this Section shall apply as of August 24, 1980, to all landlords and tenants of rental units as defined in Section 37.2(r). (m) Implementation of California Civil Code section 1947.9(a)(1)(A). Notwithstanding any other provision of Administrative Code Chapter 37, and consistent with California Civil Code Section 1947.9, the daily compensation payment specified in Civil Code section 1947.9(a)(1)(A) for a tenant household temporarily displaced for less than 20 days, shall increase annually, rounded to the nearest

Administrative Code - Consumer Price Index Increase - Temporary Tenant Household

dollar, at the rate of increase in the "rent of primary residence" expenditure category of the Consumer Price Index (CPI) for All Urban Consumers in the San Francisco-Oakland-San Jose Region for the preceding calendar year, as that data is made available by the United States Department of Labor and published by the Board. This increase shall be calculated as of March 1 each year, commencing March 1, 2014.

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

The increase calculated as of March 1, 2014, shall not become operative until the effective date of this Ordinance.

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

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

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Marie Corlett Blits Deputy City Attorney

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Supervisor Chiu BOARD OF SUPERVISORS

### LEGISLATIVE DIGEST

[Administrative Code - Consumer Price Index Increase - Temporary Tenant Household Dislocation Compensation]

Ordinance amending Administrative Code, Chapter 37, "Residential Rent Stabilization and Arbitration Ordinance," to implement California Civil Code, Section 1947.9(a)(1)(A), by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI).

## Existing Law

Administrative Code Chapter 37 "Residential Rent Stabilization and Arbitration Ordinance" (Rent Ordinance) requires specified landlord relocation payments to tenants for most no-fault evictions from units covered by the Rent Ordinance. The Rent Board adjusts these relocation payment rates each year on March 1, according to the Consumer Price Index (CPI). Current rates are just over \$5,000 per tenant up to a maximum of approximately \$15,500 per household, plus additional payments of approximately \$3,400 for each elderly or disabled tenant or household with minor child(ren) as defined. [See Section 37.9A evictions per Ellis Act; Section 37.9C evictions per owner move-in, demolition or other permanent removal from housing use, substantial rehabilitation, or for temporary capital improvement or rehabilitation work; see the Rent Board website for current payment rate details (http://www.sfrb.org/Modules/ShowDocument.aspx?documentid=1928).]

As of January 1, 2013, California Civil Code section 1947.9 modified the Rent Ordinance relocation payment provisions by setting a cap on temporary dislocations of less than 20 days, at \$275 per day per tenant household. Section 1947.9(a)(1)(A) further provides that as of January 1, 2014, the City may adjust that \$275 rate annually, according to the CPI.

### Amendments to Current Law

The proposed ordinance would implement California Civil Code section 1947.9(a)(1)(A) by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI). [Administrative Code section 37.9(m).]

The CPI adjustment would be calculated using the same CPI formula and the same March 1 annual calculation date currently used for the other Rent Ordinance no-fault eviction relocation payments.

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Supervisor Chiu BOARD OF SUPERVISORS

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# CITY AND COUNTY OF SAN FRANCISCO



Dennis J. Herrera City Attorney

# OFFICE OF THE CITY ATTORNEY

MARIE CORLETT BLITS Deputy City Attorney

DIRECT DIAL: (415) 554-4651 E-MAIL: marie.blits@sfgov.org

## MEMORANDUM

TO: Supervisor David Chin FROM: Marie C. Blits Deputy City Attorney

DATE: ' January 14, 2014

OUR FILE NUMBER: 1400330

TYPE OF LEGISLATION: Ordinance

Attached please find the original and two copies of the following legislation and legislative digest:

"Ordinance amending Administrative Code Chapter 37 "Residential Rent Stabilization and Arbitration Ordinance" to implement California Civil Code section 1947.9(a)(1)(A) by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI)."

We have also forwarded you an electronic version of the legislation and digest for submission to the Clerk of the Board upon introduction of this legislation.

Please let me know if you have any questions or would like any additional information.

cc: Jon Givner Paul Zarefsky Melissa Millsaps Allie Fisher

> City Hall - 1 Dr. Carlton B. Goodlett Place, Room 234 - San Francisco, California 94102 Reception: (415) 554-4700 Facsimile: (415) 554-4747

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#### **BOARD of SUPERVISORS**



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

# MEMORANDUM

TO: Olson Lee, Director, Mayor's Office of Housing Barbara Smith, Executive Director, Housing Authority Delene Wolf, Executive Director, Rent Board

FROM: Andrea Ausberry, Clerk, Land Use and Economic Development Committee Board of Supervisors

DATE: January 24, 2014

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Economic Development Committee has received the following proposed legislation, introduced by Supervisor Chiu on January 14, 2014:

#### File No. 140035

Ordinance amending Administrative Code, Chapter 37, "Residential Rent Stabilization and Arbitration Ordinance," to implement California Civil Code, Section 1947.9(a)(1)(A), by requiring the Rent Board to annually adjust the daily compensation rate for tenant household temporary dislocation of less than 20 days, according to the Consumer Price Index (CPI).

If you have any additional comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

c: Andrea Agho, Housing Authority Kyle Pederson, Housing Authority Eugene Flannery, Mayor's Office of Housing