

LEGISLATIVE DIGEST

[Administrative Code -Temporary Severance of Rental Housing Services During Mandatory Seismic Retrofit]

Ordinance amending Administrative Code, Chapter 37 “Residential Rent Stabilization and Arbitration Ordinance,” and adding Chapter 65A “Compensation, or Substitute Housing Service, for Tenants Affected by Temporary Severance of Specified Housing Services During Mandatory Seismic Work Required by Building Code, Chapter 34B,” to address temporary severance of specified housing services during mandatory seismic retrofit required by City Building Code, Chapter 34B “Mandatory Earthquake Retrofit of Wood-Frame Buildings.”

Existing Law

Chapter 37 of the Administrative Code is San Francisco’s Residential Rent Stabilization and Arbitration Ordinance. Section 37.2(r) defines “Rental Units” as including “all housing services, privileges, furnishings and facilities supplied in connection with the use or occupancy thereof, including garage and parking facilities.” Section 37.2(r) prohibits a landlord from severing specified housing services, including garage and parking facilities, from the tenancy without just cause. If a housing service is severed, reduced, or removed, this must be offset by a reduction in rent. Either a landlord or tenant may file a petition with the Rent Board to determine the amount of the rent reduction.

Amendments to Current Law

Administrative Code Section 37.2(r) is being amended to allow a landlord to temporarily sever one or more of the listed housing services, including garage and parking facilities, in order to perform the seismic retrofit work required by Chapter 34B of the Building Code. Tenants will not be entitled to a reduction in rent, but would be entitled to either compensation or a substitute housing service as provided in Chapter 65A.

Chapter 65A is being added to the Administrative Code to provide a process by which a specified housing service may be temporarily severed from the tenancy. The landlord must provide notice to each affected tenant, including the length of time the housing service will be severed. Section 65A.3 sets forth the calculation and distribution of landlord compensation payments to tenants of affected units. Section 65A.4 allows a landlord to choose to provide for a substitute housing service as an alternative to paying compensation. Either a landlord or a tenant may request a hearing at the Rent Board to determine the amount of compensation or sufficiency of the substitute housing service. An individual who is renting a parking or storage space or other service on the property but is not renting a housing unit in connection with that service is not covered by the provisions of Chapter 65A.

Background Information

Chapter 34B was recently added to the Building Code to establish a mandatory seismic retrofit program for existing wood-frame, multistory residential buildings with five or more dwelling units that were constructed before January 1, 1978 and have “soft story” conditions. A soft story building has a ground floor that is weak and more flexible than the floors above it because the perimeter walls have large openings for garage doors or windows, it lacks interior partitions, and/or has building materials that have deteriorated over time.

In order to perform this mandatory seismic retrofit work, certain amenities described as “housing services” in Section 37.2(r) of the Administrative Code may need to be temporarily severed from the tenancy. Chapter 65A has been added to the Administrative Code in order to provide a process for temporary severance of these housing services and for either compensating the affected tenant or providing an alternative housing service.

n:\legana\as2014\1400220\00932988.doc