

LEGISLATIVE DIGEST

[Subdivision Code - Below Market Rate Condominium Conversion Program Alternatives]

Ordinance amending the Subdivision Code to reauthorize an alternative to compliance with the Below Market Rate Condominium Conversion Program for certain qualifying projects subject to the Program

Existing Law

In 2008 in Ordinance No. 320-08, the Board of Supervisors adopted clarifications to the Below Market Rate Condominium Conversion Program, Subdivision Code Section 1344 (the "BMR Condo Program"). The legislation permitted certain owners of Below Market Rate Condominium Conversion units ("BMR Units") to take advantage of two options. Option 1 allowed Pre-Affidavit Owners, as defined in Section 1344, to be released from the Program if they met certain conditions and paid a fee. Option 2 allowed Pre-legislation Owners, as defined in Section 1344, to receive a one-time increase in the base resale price of their respective units. By its terms, the provision expired on January 18, 2011, 24 months from the effective date of the ordinance.

Amendments to Current Law

The proposed legislation would reauthorize the option that allows Pre-Affidavit Owners to be released from the Program if they meet certain conditions and pay a fee. An Owner is only eligible for the option if it meets certain conditions, including that it did not receive notice of the 2008 legislation. The proposed legislation will be effective for 1 year from its effective date.

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