

BOARD of SUPERVISORS



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MEMORANDUM

TO: Regina Dick-Endrizzi, Director
Small Business Commission, City Hall, Room 448

FROM: *JB* *for* Alisa Somera, Legislative Deputy Director
Land Use and Transportation Committee

DATE: April 19, 2017

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Land Use and Transportation Committee

The Board of Supervisors' Land Use and Transportation Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File No. 170416

Ordinance amending the Administrative Code to require the completion of a report of residential hotel status, and disclosure of the report to the buyer or transferee, prior to the sale or transfer of a residential hotel; and affirming the Planning Department's determination under the California Environmental Quality Act.

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

_____ **No Comment**

_____ **Recommendation Attached**

Chairperson, Small Business Commission

c: Menaka Mahajan, Small Business Commission

[Administrative Code - Residential Hotel Status Report Requirement]

Ordinance amending the Administrative Code to require the completion of a report of residential hotel status, and disclosure of the report to the buyer or transferee, prior to the sale or transfer of a residential hotel; and affirming the Planning Department's determination under the California Environmental Quality Act.

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 italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~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. Environmental Findings.

The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. ____ and is incorporated herein by reference. The Board affirms this determination.

Section 2. The Administrative Code is hereby amended by adding a new Section 41.22 and renumbering the current Section 41.22 to be Section 41.23, to read as follows:

SEC. 41.22. REPORT OF RESIDENTIAL HOTEL STATUS PRIOR TO SALE OR TRANSFER.

1 (a) **Report of Residential Hotel Status Form.** The Department of Building Inspection shall
2 make available a Report of Residential Hotel Status Form. The form shall request information
3 regarding the status of the Residential Hotel's compliance with this Chapter 41 and provisions of the
4 Building or Housing Codes including:

5 (1) Residential Hotel Status:
6 (A) Total number of Residential Units and Tourist Units at the Residential
7 Hotel;
8 (B) Unit numbers and locations of the Residential and Tourist Units;
9 C) Identification of currently occupied Residential Units and their current
10 rent rates;

11 (D) For vacant Residential Units, the last date when a Permanent Resident
12 occupied the units and the rent rate when last occupied; and
13 (E) Date of last Annual Unit Usage Report.

14 (2) Property Status:
15 (A) Date of last inspection by the Department of Building Inspection;
16 (B) Notices of Violations, Abatement Orders, or any other Department of
17 Building Inspection, Fire Department, or Department of Public Health enforcement actions within the
18 last five years; and

19 (C) Disabled access features installed on the property.
20 (3) Such other information, if any, regarding compliance with this Chapter 41 and
21 the Building or Housing Codes, as the Department of Building Inspection, in its discretion, decides to
22 request on the form.

23 (b) **Process for Obtaining Report of Residential Hotel Status.** An owner or authorized
24 agent seeking to sell or exchange a Residential Hotel shall complete and submit a Report of Residential
25 Hotel Status Form to the Department of Building Inspection. The Department of Building Inspection

1 shall evaluate the information in the form, verify information that corresponds with the Department's
2 records, and identify and annotate any information on the form that is inconsistent with the
3 Department's Records. The Department shall complete its review and issue the verified and annotated
4 form as the Report of Residential Hotel Status within 10 business days of receiving the completed form.
5 A Report of Residential Hotel Status shall be effective for a period of one year from the date of
6 issuance, and shall contain therein the dates of issuance and expiration.

7 (c) **Disclosure of Report of Residential Hotel Status to Buyer or Transferee.** Starting 10
8 business days following the effective date of this Section 4.22, in addition to any applicable
9 requirements in Chapter 3.5 of the Housing Code, prior to the sale or exchange of ownership for any
10 Residential Hotel, the owner thereof, or their authorized agent, shall deliver a Department of Building
11 Inspection-approved Report of Residential Hotel Status to the buyer or transferee of said Residential
12 Hotel.

13 (d) **Receipt of Report of Residential Hotel Status.** Within 30 days of purchasing or
14 otherwise receiving title to a Residential Hotel, the buyer or transferee shall file with the Department of
15 Building Inspection, a receipt of Report of Residential Hotel Status, on a form furnished by said
16 Department.

17
18 **SEC. 41.232. CONSTRUCTION.**

19 * * * *

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21 Section 3. Effective Date. This ordinance shall become effective 30 days after
22 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
23 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
24 of Supervisors overrides the Mayor's veto of the ordinance.
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1 APPROVED AS TO FORM:
2 DENNIS J. HERRERA, City Attorney

3 By:



4 ROBB W. KAPLA
Deputy City Attorney

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