CHAPTER 37
OF THE SAN FRANCISCO ADMINISTRATIVE CODE
THE RESIDENTIAL RENT STABILIZATION AND ARBITRATION ORDINANCE

NOTE: This is not an official record of the laws or regulations of the City and County of San Francisco. It is printed for administrative and public convenience.

TABLE OF CONTENTS

Section	Subject
37.1	Title and Findings
37.2	Definitions
37.3	Rent Limitations
37.4	Establishment; Appointment; Terms; Executive Director; Funding; Compensation
37.5	Meetings of the Board
37.6	Powers and Duties
37.7	Certification of Rental Increases for Capital Improvements, Rehabilitation and Energy Conservation Measures
37.8	Arbitration of Rental Increase Adjustments
37.8A	Expedited Hearing Procedures
37.8B	Expedited Hearing Procedures for Seismic work done with Bond Loans
37.8C	Moratorium on Processing Certain Capital Improvements
37.9	Evictions
37.9A	Tenant Rights in Certain Displacements Under Section 37.9(a)(13)
37.9B	Tenant Rights in Eviction Under Section 37.9(a)(8)
37.9C	Tenants Rights to Relocation for No-Fault Evictions
37.9D	Foreclosure Evictions
37.9E	Tenant Buyout Agreements
37.9F	Circumvention of Tenant Protections
37.10A	Misdemeanors
37.10B	Tenant Harassment
37.10C	Use and Sale of Algorithmic Devices Prohibited
37.11A	Civil Actions
37.12	Transitional Provision (Proposition I)
37.13	Keys
37.14	Hearings and Remedies for Violation of Residential Hotel Visitor Policies
37.15	Reporting Obligations; Licensing
37.16	Severability

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RECENT CHANGES TO THE ORDINANCE

ORD. NO.	EFFECTIVE DATE	RENT ORD. SECTIONS	SUMMARY OF AMENDMENTS
224-24	10/14/24	37.10C	Prohibits the sale or use of algorithmic devices to set rents or manage occupancy levels for residential units.
248-24	11/24/24	37.3	Extends the new construction date to June 13, 1994, but only if authorized by a future modification or repeal of the Costa-Hawkins Rental Housing Act.
169-25	10/6/25	37.10C	Authorizes tenants' rights organizations to enforce the prohibition against the sale or use of algorithmic devices to set rents or manage occupancy levels for residential units.
03-26	2/8/26	37.2 37.3 37.8B 37.9 37.9A 37.9E	Adds a 17th just cause for evictions related to redevelopment and narrows the grounds for eviction under §37.9(a)(10); requires additional relocation assistance for lower-income tenants displaced by capital improvement work for more than 90 days; expands required disclosures in buyout negotiations and agreements; requires an additional disclosure in an owner's notice of intent to withdraw units under the Ellis Act and notice to tenants that additional rights may apply; modifies how the Rent Board handles certain tenant harassment cases; creates a rebuttable presumption that a tenant who vacates within one year of receiving an owner or relative move-in eviction notice did so as a result of that notice, even if the notice is later withdrawn; and makes other technical changes.
99-26	6/29/26	37.4 37.5	Defines the Rent Board as a Commission pursuant to Admin. Code 5.1-1 and with the powers and duties set forth in Charter 4.126; provides that the Board shall nominate three or more candidates to the Mayor for appointment as Executive Director and that the Board may remove the Executive Director; and makes other non-substantive changes.
207-26	11/2/26	37.4	Clarifies that members of the Residential Rent Stabilization and Arbitration Board are exempt from term limits.

FILE NO. 188-79

ORIGINAL ORDINANCE NO. 276-79
Effective June 13, 1979; Subsection (d) added by Ord. No. 18-22, Eff. 3/14/2022

AN EMERGENCY ORDINANCE AMENDING THE SAN FRANCISCO ADMINISTRATIVE CODE BY ADDING CHAPTER 37 THERETO TO ESTABLISH A RENTAL STABILIZATION AND ARBITRATION BOARD AND PRESCRIBING THE DUTIES AND POWERS THEREOF; SETTING FORTH GUIDELINES FOR RENTAL INCREASES; CREATING A CITIZENS' HOUSING TASK FORCE; PROVIDING FOR TERMINATION DATE.

CHAPTER 37

RESIDENTIAL RENT STABILIZATION AND ARBITRATION ORDINANCE

Sec. 37.1 Title & Findings.

(a) This chapter shall be known as the Residential Rent Stabilization and Arbitration Ordinance.

(b) The Board of Supervisors hereby finds:

(1) There is a shortage of decent, safe and sanitary housing in the City and County of San Francisco resulting in a critically low vacancy factor.

(2) Tenants displaced as a result of their inability to pay increased rents must relocate but as a result of such housing shortage are unable to find decent, safe and sanitary housing at affordable rent levels. Aware of the difficulty in finding decent housing, some tenants attempt to pay requested rent increases, but as a consequence must expend less on other necessities of life. This situation has had a detrimental effect on substantial numbers of renters in the City, especially creating hardships on senior citizens, persons on fixed incomes and low and moderate income households.

(3) The problem of rent increases reached crisis level in the spring of 1979. At that time the Board of Supervisors conducted hearings and caused studies to be made on the feasibility and desirability of various measures designed to address the problems created by the housing shortage.

(4) In April, 1979, pending development and adoption of measures designed to alleviate the City's housing crisis, the Board of Supervisors adopted Ordinance No. 181-79 prohibiting most rent increases on residential rental properties for 60 days. Ordinance No. 181-

79 is scheduled to expire no later than June 30, 1979.

(5) The provisions of Ordinance No. 181-79 have successfully reduced the rate of rent increases in the City, along with the concomitant hardships and displacements. However, a housing shortage still exists within the City and County of San Francisco and total deregulation of rents at this time would immediately lead to widespread exorbitant rent increases and recurrence of the crisis, problems and hardships which existed prior to the adoption of the moratorium measure.

(6) This ordinance shall be in effect for fifteen (15) months. During this time, a Citizens' Housing Task Force shall be created to conduct a further study of and make recommendations for, the problems of housing in San Francisco. In the interim, some immediate measures are needed to alleviate San Francisco's housing problems. This ordinance, therefore, creates a Residential Rent Stabilization and Arbitration Board in order to safeguard tenants from excessive rent increases and, at the same time, to assure landlords fair and adequate rents consistent with Federal Anti-Inflation Guidelines.

(c) The people of San Francisco hereby find and declare:

(1) Present law provides that the annual allowable rent increase shall be 60 percent of the Consumer Price Index but in no event less than four percent of the tenant's base rent.

(2) Rent increases of 60 percent of the Consumer Price Index are sufficient to assure landlords fair and adequate rents consistent with Federal Anti-Inflation Guidelines.

(3) Since 1984, 60 percent of the Consumer Price Index has been less than four percent per year, so landlords have been able to impose yearly rent increases above the rate of inflation since 1984.

(4) Under the current four percent floor, landlords have received more than 60 percent of the Consumer Price Index with resulting hardship to tenants.

(5) Therefore, in order to alleviate this hardship to tenants and to ensure that landlords receive fair and adequate rents consistent with Federal Anti-Inflation Guidelines, we hereby amend this ordinance to delete the current four percent floor on annual rent increases.

(d) In accordance with California Civil Code Section 1946.2(g)(1)(B), the Board of Supervisors finds that this Chapter 37 further limits the permissible reasons for termination of a residential tenancy and provides additional tenant protections as compared to California Civil Code Section 1946.2, which the California Legislature adopted as part of the Tenant Protection Act of 2019. The Board of Supervisors therefore finds that this Chapter 37 is more protective of tenants than Section 1946.2, and intends that this Chapter 37 shall apply rather than Section 1946.2.

Sec. 37.2 Definitions.

[Amended by Ord. No. 197-80, effective June 8, 1980; Ord. No. 77-82, effective April 1, 1982; Ord. No. 268-82, effective July 10, 1982; Ord. No. 421-82, effective October 1, 1982; Ord. No. 111-83, effective April 10, 1983; Ord. No. 438-83, effective October 2, 1983; Ord. No. 20-84, effective February 18, 1984; Ord. No. 193-86, effective July 1, 1986; Ord. No. 233-93, effective August 22, 1993; Resolution No. 1004-94, effective December 22, 1994; Ord. No. 446-94, effective January 30, 1995; Ord. No. 179-98, effective June 28, 1998; Ord. No. 250-98, effective August 30, 1998; Ord. No. 237-99, effective September 29, 1999; Ord. No. 347-99 effective January 29, 2000; Ord. No. 116-00, effective July 2, 2000; Ord. No. 02-03, effective February 21, 2003; Ord. No. 107-03, effective July 22, 2003; Ord. No. 178-06, effective September 7, 2006; Ord. No. 252-06, effective November 10, 2006; Ord. No. 281-06, effective January 19, 2007; Ord. No. 92-07, effective May 27, 2007; amended by Proposition M, effective December 19, 2008; Ord. No. 28-09, effective March 22, 2009; Ord. No. 60-10, effective April 25, 2010; Ord. No. 72-11, effective May 27, 2011; Ord. No. 49-14, effective May 17, 2014; Ord. No 173-14, effective August 30, 2014; Ord. Nos. 161-15 and 162-15, effective October 18, 2015; Ord. No. 119-16, effective July 31, 2016; Ord. No. 162-16, effective September 4, 2016; Ord. No. 296-19, effective January 20, 2020; Ord. No. 213-20, effective November 30, 2020; Ord. No. 208-21, effective December 12, 2021; Ord. No. 172-22, effective September 4, 2022; Ord. No. 210-22, effective November 28, 2022; Ord. No. 91-23, effective June 26, 2023; Ord. No. 160-23, effective August 28, 2023; Ord. No. 195-23, effective October 16, 2023; Ord. No. 64-24, effective April 28, 2024; Ord. No. 92-24, effective June 10, 2024, operative July 1, 2024; Ord. No. 3-26, effective February 8, 2026]

(a) Base Rent.

(1) That rent which is charged a tenant upon initial occupancy plus any rent increase allowable and imposed under this chapter; provided, however, that,

(A) Base rent shall not include increases imposed pursuant to Section 37.7.

(B) Base rent shall not include utility passthroughs or water revenue bond passthroughs or general obligation bond passthroughs pursuant to Sections 37.2(q), 37.3(a)(5)(B), and 37.3(a)(6).

(C) Base rent for tenants of RAP rental units in areas designated on or after July 1, 1977 shall be that rent which was established pursuant to Section 32.73-1 of the San Francisco Administrative Code. Rent increases attributable to the Chief Administrative Officer's amortization of a RAP loan in an area designated on or after July 1, 1977 shall not be

included in the base rent.

(D) Good Samaritan Status. As of February 8, 2011 and after, Good Samaritan occupancy status occurs when a landlord and new tenant agree in writing for the tenant to commence temporary occupancy following an emergency such as fire, earthquake, landslide, or similar emergency situation, that required unexpected vacation of the tenant's previous unit, and the agreement includes a reduced rent rate for the replacement unit for a specified period of time up to twelve (12) months ("Original Good Samaritan Status Period"). "Reduced rent rate" means the base rent the tenant was paying for the previous unit at the time of the emergency or an amount up to ten (10) percent above that amount, except that if the owner of the previous unit is the same as the owner of the replacement unit then "reduced rent rate" means the rent the tenant was paying for the previous unit at the time of the emergency. For Good Samaritan Status to exist, the written agreement as referenced in this Subsection must include a statement that the agreement is temporary in nature, must refer to this Subsection, and must state that the tenant has been displaced from his or her previous unit as certified in Subsection (iii), below.

(i) The landlord and tenant may agree, in writing, to extend the reduced rent rate for a period of time beyond the Original Good Samaritan Status Period, up to a total of twenty-four (24) months from the beginning to the end of all Good Samaritan Status ("Extended Good Samaritan Status Period").

(ii) By accepting occupancy in Good Samaritan Status, a tenant does not waive any right to compensation or any right to return to the tenant's previous unit that he or she otherwise may have under Chapter 37 or other source of law based on the emergency vacation of the tenant's previous unit.

(iii) Good Samaritan Status may only be utilized upon certification in writing by one of the following officials, or his or her designee, that as a result of fire, earthquake, landslide, or similar emergency situation, the tenant's previous unit is in such condition that, as a matter of public health and safety and as a matter of habitability, the tenant cannot or should not reside there until the unit has been appropriately repaired: Mayor; Fire

Chief; Director of the Department of Building Inspection; Director of the Department of Public Health; or Other Official as authorized by law. The Rent Board shall make a form available, that the Official may use for this purpose.

(iv) The tenant's rent increase anniversary date for a Good Samaritan occupancy shall be the date the tenancy commenced; the first annual allowable increase shall take effect no less than one year from the anniversary date, but when imposed after one year, shall set a new anniversary date for the imposition of future rent increases. The base rent used for calculation of the annual allowable increase pursuant to Section 37.3(a)(1) during a Good Samaritan occupancy, shall be the reduced rent rate in effect on the date the Good Samaritan occupancy commences.

(v) The landlord may serve a notice of termination of tenancy under Section 37.9(a)(16) within 60 days after expiration of the Original and any Extended Good Samaritan Status Period. Alternatively, within sixty (60) days after expiration of the Original and any Extended Good Samaritan Status Period, if the Good Samaritan rental agreement states the dollar amount of the tenant's initial base rent that can be imposed after expiration of the Original and any Extended Good Samaritan Status Period, the landlord may give legal notice of the rent increase to the tenant and then increase the tenant's rent from the temporary reduced rent rate to the previously agreed upon initial base rent for the unit.

(vi) The Rent Board shall make a form available that explains the temporary nature of tenant occupancy in Good Samaritan Status, and describes the other provisions of Section 37.2(a)(1)(D)(v).

The Good Samaritan landlord shall provide the tenant with this disclosure form prior to commencement of the Good Samaritan tenancy. However, failure by the landlord to provide the tenant with such disclosure form:

- Will not prevent the landlord from serving a notice of termination of tenancy under Section 37.9(a)(16) within sixty (60) days after expiration of the Original and any Extended Good Samaritan Status Period.
- Will not prevent the landlord from serving a notice of rent increase within

sixty (60) days after expiration of the Original and any Extended Good Samaritan Status Period, to increase to the previously agreed upon initial base rent for the unit, as provided in Section 37.2(a)(1)(D)(v).

- Will not otherwise impact any rights that the landlord may have regarding the tenancy.

(2) From and after August 30, 1998, the base rent for tenants occupying rental units which have received certain tenant-based or project-based rental assistance shall be as follows:

(A) With respect to tenant-based rental assistance:

(i) For any tenant receiving tenant-based rental assistance as of August 30, 1998 under a program that does not establish the tenant's share of base rent as a fixed percentage of a tenant's income, such as in the Housing Choice Voucher Program or the Over-FMR Tenancy program, and continuing to receive such tenant-based rental assistance thereafter, the initial base rent for each unit occupied by such tenant shall be the rent payable for that unit under the Housing Assistance Payments contract, as amended, between the San Francisco Housing Authority or the Human Services Agency and the landlord (the "HAP Contract") with respect to that unit immediately prior to August 30, 1998 (the "HAP Contract Rent").

(ii) For any tenant receiving tenant-based rental assistance under a program that does not establish the tenant's share of base rent as a fixed percentage of a tenant's income, such as in the Housing Choice Voucher Program or the Over-FMR Tenancy program, and commencing occupancy of a rental unit after August 30, 1998, the initial base rent for each unit occupied by such a tenant shall be the HAP Contract Rent in effect as of the date the tenant commences occupancy of such unit.

(iii) For any tenant receiving rental assistance under the HOPWA rental subsidy program as of May 17, 2016, and continuing to receive such assistance under the HOPWA rental subsidy program thereafter, the initial base rent for each unit occupied by such tenant shall be the HAP Contract Rent in effect as of May 17, 2016.

(iv) For any tenant receiving rental assistance under the HOPWA rental subsidy program who commenced occupancy of a rental unit after May 17, 2016, the initial base rent for each unit occupied by such tenant shall be the HAP Contract Rent in effect as of the date the tenant commences occupancy of such unit.

(v) For any tenant whose tenant-based rental assistance terminates or expires, for whatever reason, after August 30, 1998, the base rent for each such unit following expiration or termination shall be the HAP Contract Rent in effect for that unit immediately prior to the expiration or termination of the tenant-based rental assistance.

(B) For any tenant occupying a unit upon the expiration or termination, for whatever reason, of a project-based HAP Contract under Section 8 of the United States Housing Act of 1937 (42 USC §1437f, as amended), the base rent for each such unit following expiration or termination shall be the "contract rent" in effect for that unit immediately prior to the expiration or termination of the project-based HAP Contract.

(C) For any tenant occupying a unit upon the prepayment or expiration of any mortgage insured by the United States Department of Housing and Urban Development ("HUD"), including but not limited to mortgages provided under sections 221(d)(3), 221(d)(4) and 236 of the National Housing Act (12 USC §1715z-1), the base rent for each such unit shall be the "basic rental charge" (described in 12 USC 1715z-1(f), or successor legislation) in effect for that unit immediately prior to the prepayment of the mortgage, which charge excludes the "interest reduction payment" attributable to that unit prior to the mortgage prepayment or expiration.

(b) Board. The Residential Rent Stabilization and Arbitration Board.

(c) Capital Improvements. Those improvements which materially add to the value of the property, appreciably prolong its useful life, or adapt it to new uses, and which may be amortized over the useful life of the improvement of the building.

(d) CPI. Consumer Price Index for all Urban Consumers for the San Francisco-Oakland Metropolitan Area, U.S. Department of Labor.

(e) Energy Conservation Improvements. Work performed pursuant to the requirements

of Chapter 12 of the San Francisco Housing Code.

(f) Administrative Law Judge. A person, designated by the board, who arbitrates and mediates rental increase disputes, and performs other duties as required pursuant to this Chapter 37.

(g) Housing Services. Services provided by the landlord connected with the use or occupancy of a rental unit including, but not limited to: quiet enjoyment of the premises, without harassment by the landlord as provided in Section 37.10B; repairs; replacement; maintenance; painting; light; heat; water; elevator service; laundry facilities and privileges; janitor service; refuse removal; furnishings; telephone; parking; rights permitted the tenant by agreement, including the right to have a specific number of occupants, whether express or implied, and whether or not the agreement prohibits subletting and/or assignment; and any other benefits, privileges or facilities.

(h) Landlord. An owner, lessor, sublessor, who receives or is entitled to receive rent for the use and occupancy of any residential rental unit or portion thereof in the City and County of San Francisco, and the agent, representative or successor of any of the foregoing.

(i) Member. A member of the Residential Rent Stabilization and Arbitration Board.

(j) Over FMR Tenancy Program. A regular certificate tenancy program whereby the base rent, together with a utility allowance in an amount determined by HUD, exceeds the fair market rent limitation for a particular unit size as determined by HUD.

(k) Payment Standard. An amount determined by the San Francisco Housing Authority that is used to determine the amount of assistance paid by the San Francisco Housing Authority on behalf of a tenant under the Housing Choice Voucher Program (24 CFR Part 982). The term "payment standard" shall also refer to the rent standard used to determine the amount of assistance paid by the Human Services Agency under the HOPWA rental subsidy program (24 CFR Part 574).

(l) Rap. Residential Rehabilitation Loan Program (Chapter 32, San Francisco Administrative Code).

(m) RAP Rental Units. Residential dwelling units subject to RAP loans pursuant to

Chapter 32, San Francisco Administrative Code.

(n) Real Estate Department. A city department in the City and County of San Francisco.

(o) Rehabilitation Work. Any rehabilitation or repair work done by the landlord with regard to a rental unit, or to the common areas of the structure containing the rental unit, which work was done in order to be in compliance with State or local law, or was done to repair damage resulting from fire, earthquake or other casualty or natural disaster.

(p) Rent. The consideration, including any bonus, benefits or gratuity, demanded or received by a landlord for or in connection with the use or occupancy of a rental unit, or the assignment of a lease for such a unit, including but not limited to monies demanded or paid for parking, furnishings, food service, housing services of any kind, or subletting.

(q) Rent Increases. Any additional monies demanded or paid for rent as defined in item (p) above, or any reduction in housing services without a corresponding reduction in the monies demanded or paid for rent; provided, however, that passthroughs of the following cost increases pursuant to this Chapter 37 do not constitute rent increases: (1) where the landlord has been paying the tenant's utilities and the cost of those utilities increases; (2) where the landlord is passing through to the tenant the change in the landlord's property tax attributable to a general obligation bond in accordance with Section 37.3(a)(6); and (3) where the landlord is passing through to the tenant water rate increases resulting from issuance of water revenue bonds authorized at the November 5, 2002 election in accordance with Section 37.3(a)(5)(B).

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

Garage facilities, parking facilities, driveways, storage spaces, laundry rooms, decks, patios, or gardens on the same lot, or kitchen facilities or lobbies in single room occupancy (SRO) hotels, supplied in connection with the use or occupancy of a unit, may not be severed from the tenancy by the landlord without just cause as required by Section 37.9(a). Any severance, substantial reduction or removal of a housing service, even if permitted under Section 37.9(a), shall be offset by a corresponding reduction in rent. Either a landlord or a

tenant may file a petition with the Rent Board to determine the amount of the rent reduction. In addition, a tenant may petition the Rent Board for a determination on whether an Accessory Dwelling Unit proposed to be constructed under Planning Code Section 207(c)(4) would sever, substantially reduce, or remove a housing service, pursuant to the procedures set forth in subsection 207(c)(4)(C)(iii). The issuance of a permit for construction of an Accessory Dwelling Unit does not, in and of itself, constitute a just cause for the purpose of severing a housing service.

Notwithstanding the preceding paragraph, a landlord may temporarily sever one or more housing services listed in that paragraph in order to perform seismic work required by Building Code Chapter 34B "Mandatory Earthquake Retrofit of Wood-Frame Buildings" ("mandatory seismic work") if: (1) the landlord has given the notice to temporarily sever as required by Administrative Code Section 65A.2; (2) the landlord has obtained all necessary permits on or before the date the notice to temporarily sever is given; (3) the housing service(s) will only be severed for the minimum time required to complete the mandatory seismic work and in no event for a longer period than provided by Building Code Section 106A.4.4, Table B; and (4) the temporarily severed housing service(s) will be fully restored immediately upon completion of the mandatory seismic work. For such temporary severance of one or more of the specified housing services due to mandatory seismic work required by Building Code Chapter 34B, tenants will not be entitled to a reduction in rent, but tenants shall be entitled to either compensation or a substitute housing service as provided in Administrative Code Chapter 65A.

The term "rental units" shall not include:

(1) Housing accommodations in hotels, motels, inns, tourist houses, rooming and boarding houses, provided that at such time as an accommodation has been occupied by a tenant for thirty-two (32) continuous days or more, such accommodation shall become a rental unit subject to the provisions of this chapter; provided further, no landlord shall bring an action to recover possession of such unit in order to avoid having the unit come within the provisions of this chapter. An eviction for a purpose not permitted under Sec. 37.9(a) shall be deemed to be an action to recover possession in order to avoid having a unit come within the provisions of this

Chapter;

(2) Dwelling units in non-profit cooperatives owned, occupied and controlled by a majority of the residents or dwelling units solely owned by a non-profit public benefit corporation governed by a board of directors the majority of which are residents of the dwelling units and where it is required in the corporate by-laws that rent increases be approved by a majority of the residents;

(3) Housing accommodations in any hospital, convent, monastery, extended care facility, asylum, residential care or adult day health care facility for the elderly which must be operated pursuant to a license issued by the California Department of Social Services, as required by California Health and Safety Chapters 3.2 and 3.3, or in dormitories owned and operated by an institution of higher education, a high school, or an elementary school;

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

(A) For purposes of sections 37.2, 37.3(a)(10)(A), 37.4, 37.5, 37.6. 37.9, 37.9A, 37.10A, 37.11A and 37.13, and the arbitration provisions of sections 37.8 and 37.8A applicable only to the provisions of section 37.3(a)(10)(A), the term "rental units" shall include units occupied by recipients of tenant-based rental assistance where the tenant-based rental assistance program does not establish the tenant's share of base rent as a fixed percentage of a tenant's income, such as in the Housing Choice Voucher Program and the Over-FMR Tenancy program, and shall also include units occupied by recipients of tenant-based rental assistance under the HOPWA rental subsidy program;

(B) For purposes of sections 37.2, 37.3(a)(10)(B), 37.4, 37.5, 37.6, 37.9,

37.9A, 37.10A, 37.11A and 37.13, the term "rental units" shall include units occupied by recipients of tenant-based rental assistance where the rent payable by the tenant under the tenant-based rental assistance program is a fixed percentage of the tenant's income, such as in the Section 8 Certificate Program;

(C) The term "rental units" shall include units in a building for which either tax credits are reserved or obtained pursuant to the federal Low-Income Housing Tax Credit program under Section 42 of the Internal Revenue Code, 26 U.S.C. Section 42 ("LIHTC "), and/or tax-exempt multifamily revenue bonds are allocated or obtained pursuant to Section 142(d) of the Internal Revenue Code, 26 U.S.C Section 142(d} ("Bonds"), and that were already tenant-occupied and subject to this Chapter 37 at the time the applicable LIHTC regulatory agreement and/or Bond regulatory agreement was recorded, as follows:

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

(ii) The tenants in a unit described in subsection (C)(i) shall have a one-time option at any time to opt the unit out of subsection (C), and thereby subject the unit going forward to such rent controls and use restrictions as may apply under the applicable LIHTC and/or Bond regulatory agreement(s). All tenants residing in the unit at the time of the opt-out must consent to the opt-out in writing, on a form prepared by the Rent Board, that advises the tenants of the requirements under subsection (C) and that opt-outs may not be withdrawn. Once an opt-out has occurred in a unit, subsection (C) will not apply to that unit and the unit will be exempt from Chapter 37 for the remaining duration of the applicable regulatory agreement(s).

(iii) This exception for tenant-occupied units subject to LIHTC

and/or Bond regulatory agreements is not intended to affect the application of Section 37.2(r)(4) where the rent is otherwise controlled or regulated by any use restrictions imposed by the City and County of San Francisco, the Office of Community Investment and Infrastructure, the Housing Authority of the City and County of San Francisco, the State of California Department of Housing and Community Development, or the United States Department of Housing and Urban Development.

(iv) Nothing in this subsection 37.2(r)(4)(C) precludes a landlord from seeking an exemption from rent regulation on the basis of substantial rehabilitation under Section 37.3(g).

(D) The term "rental units" shall include (i) Accessory Dwelling Units constructed pursuant to Section 207(c)(4) of the Planning Code and that have received a waiver of the density limits and/or the parking, rear yard, and open space standards from the Zoning Administrator pursuant to Planning Code Section 307(l), and (ii) New Unit(s) constructed and funded pursuant to Administrative Code Chapter 85; (iii) new dwelling units created pursuant to the density exception set forth in Section 207(c)(8) of the Planning Code; (iv) new dwelling units created pursuant to the HOME-SF Program set forth in Section 206.3(c)(1)(B) of the Planning Code; (v) new dwelling units created pursuant to the density exception set forth in Section 249.94(d)(1) of the Planning Code; (vi) dwelling units that obtain the exemption from the conditional use authorization set forth in Section 317(c)(10) of the Planning Code; and (vii) any unit subject to a Regulatory Agreement imposing the rent increase limitations of this Chapter 37, including Replacement Units created under Planning Code Sections 317.2(d)(1)(B) or (d)(2)(D)(ii).

(s) Substantial Rehabilitation. The renovation, alteration or remodeling of residential units of 50 or more years of age which have been condemned or which do not qualify for certificates of occupancy or which require substantial renovation in order to conform the building to contemporary standards for decent, safe and sanitary housing. Substantial rehabilitation may vary in degree from gutting and extensive reconstruction to extensive improvements that cure substantial deferred maintenance. Cosmetic improvements alone such as painting, decorating

and minor repairs, or other work which can be performed safely without having the unit vacated do not qualify as substantial rehabilitation.

(t) Tenant. A person entitled by written or oral agreement, sub-tenancy approved by the landlord, or by sufferance, to occupy a residential dwelling unit to the exclusion of others.

(u) Tenant-based Rental Assistance. Rental assistance provided directly to a tenant or directly to a landlord on behalf of a particular tenant, which includes but shall not be limited to certificates, vouchers, and subsidies issued pursuant to Section 8 of the United States Housing Act of 1937, as amended (42 U.S.C. Section 1437f), or the HOPWA program (24 CFR Part 574).

(v) Utilities. The term "utilities" shall refer to gas and electricity exclusively.

(w) Victims of Domestic Violence, Sexual Assault, or Stalking.

(1) "Victim of domestic violence or sexual assault or stalking" means any person who has been, or is currently being, subjected to one or more of the following:

(A) "Domestic violence," as defined in Section 13700 of the Penal Code or Section 6211 of the Family Code;

(B) "Sexual assault," as defined in Sections 261, 261.5, 262, 286, 288a, or 289 of the Penal Code; or

(C) "Stalking," as defined in Section 646.9 of the Penal Code or Section 1708.7 of the Civil Code.

(2) "Protective order" means a temporary restraining order or emergency protective order issued pursuant to Part 3 (commencing with Section 6240) or Part 4 (commencing with Section 6300) or Part 5 (commencing with Section 6400) of the Family Code, Section 136.2 of the Penal Code, Section 527.6 of the Code of Civil Procedure, or Section 213.5 of the Welfare and Institutions Code, that protects the tenant or household member from further domestic violence, sexual assault, or stalking.

(3) "Qualified third party" means a peace officer or victim advocate employed by a state or local law enforcement agency, or Licensed Clinical Social Worker (LCSW) or Marriage and Family Therapist (MFT), acting in his or her official capacity;

(4) "Written documentation from a qualified third party" means a document

signed and dated within the preceding 60 days by a qualified third party stating all of the following:

(A) That the tenant notified the qualified third party that he or she was a victim of domestic violence or sexual assault or stalking;

(B) The time, date, and location of the act or acts that constitute the domestic violence or sexual assault or stalking; and

(C) That the tenant informed the qualified third party of the name of the alleged perpetrator of the act or acts of domestic violence or sexual assault or stalking, if known to the victim.

Sec. 37.3 Rent Limitations.

[Amended by Ord. No. 442-79, effective August 31, 1979; Ord. No. 136-80, effective April 10, 1980; Ord. No. 358-80, effective August 24, 1980; Ord. No. 77-82, effective April 1, 1982; Ord. No. 268-82, effective July 10, 1982; Ord. No. 438-83, effective October 2, 1983; repealed and replaced by Section 37.3A by Ord. No. 20-84, effective February 18, 1984; renumbered by Ord. No. 338-87, effective September 13, 1987; amended by Ord. No. 102-91, effective April 20, 1991; Ord. No. 127-91, effective May 2, 1991; amended by Resolution No. 961-92, effective December 8, 1992; amended by Ord. No. 405-96, effective November 21, 1996; Ord. No. 179-98, effective June 28, 1998; Ord. No. 250-98, effective August 30, 1998; Ord. No. 347-99, effective January 29, 2000; Ord. No. 116-00, effective July 2, 2000; amended by Proposition H, effective December 21, 2000; Ord. No. 02-03, effective February 21, 2003; Ord. No. 107-03, effective June 22, 2003. Ord. No. 99-04, effective July 5, 2004; Ord. No. 252-06, effective November 10, 2006; Ord. No. 171-15, effective November 9, 2015; Ord. No. 119.16, effective July 31, 2016; Ord. No. 250-19, effective December 7, 2019; Ord. No. 296-19, effective January 20, 2020; Ord. No. 265-20, effective January 18, 2021, operative July 1, 2022; Ord. No. 172-22, effective September 4, 2022; Ord. No. 210-22, effective November 28, 2022; Ord. No. 91-23, effective June 26, 2023; Ord. No. 195-23, effective October 16, 2023; Ord. No. 64-24, effective April 28, 2024; Ord. No. 92-24, effective June 10, 2024, operative July 1, 2024; Ord. No. 248-24, effective November 24, 2024; Ord. No. 3-26, effective February 8, 2026]

(a) Rent Increase Limitations for Tenants in Occupancy. Landlords may impose rent increases upon tenants in occupancy only as provided below and as provided by subsections 37.3(d) and 37.3(g):

(1) Annual Rent Increase. On March 1 of each year, the Board shall publish the increase in the CPI for the preceding 12 months, as made available by the U.S. Department of Labor. A landlord who has reported the required information about their rental unit to the Rent Board as set forth in Section 37.15 shall have a license to impose annually a rent increase which does not exceed a tenant's base rent by more than 60% of said published increase. In no event, however, shall the allowable annual increase be greater than 7%.

(2) Banking. A landlord who refrains from imposing an annual rent increase or any portion thereof may accumulate said increase and, subject to Section 37.15, impose that amount on the tenant's subsequent rent increase anniversary dates. A landlord who, between April 1, 1982 and February 29, 1984, has banked an annual 7% rent increase (or rent increases) or any portion thereof may impose the accumulated increase on the tenant's subsequent rent increase anniversary dates.

(3) Capital Improvements, Rehabilitation, Energy Conservation Improvements, and Renewable Energy Improvements. A landlord may impose rent increases based upon the cost of capital improvements, rehabilitation, energy conservation improvements, or renewable energy improvements, provided that such costs are certified pursuant to Sections 37.7 and 37.8B below; provided further that where a landlord has performed seismic strengthening in accordance with Existing Building Code Chapters 5B and 5C, no increase for capital improvements (including but not limited to seismic strengthening) shall exceed, in any twelve (12) month period, 10% of the tenant's base rent, subject to rules adopted by the Board to prevent landlord hardship and to permit landlords to continue to maintain their buildings in a decent, safe and sanitary condition. A landlord may accumulate any certified increase which exceeds this amount and impose the increase in subsequent years, subject to the 10% limitation. Nothing in this subsection shall be construed to supersede any Board rules or regulations with respect to limitations on increases based upon capital improvements whether performed separately or in conjunction with seismic strengthening improvements pursuant to Existing Building Code Chapters 5B and 5C.

(4) Utilities. A landlord may impose increases based upon the cost of utilities as provided in Section 37.2(q) above.

(5) Water: Charges Related to Excess Water Use, and 50% Passthrough of Water Bill Charges Attributable to Water Rate Increases Resulting From Issuance of Water System Improvement Revenue Bonds Authorized at the November 2002 Election.

(A) Charges Related to Excess Water Use. A landlord may impose increases not to exceed fifty percent of the excess use charges (penalties) levied by the San Francisco Water Department on a building for use of water in excess of Water Department allocations under the following conditions:

(i) The landlord provides tenants with written certification that the following have been installed in all units: (1) permanently-installed retrofit devices designed to reduce the amount of water used per flush or low-flow toilets (1.6 gallons per flush); (2) low-flow showerheads which allow a flow of no more than 2.5 gallons per minute; and (3) faucet aerators

(where installation on current faucets is physically feasible); and

(ii) The landlord provides the tenants with written certification that no known plumbing leaks currently exist in the building and that any leaks reported by tenants in the future will be promptly repaired; and

(iii) The landlord provides the tenants with a copy of the water bill for the period in which the penalty was charged. Only penalties billed for a service period which begins after the effective date of the ordinance [April 20, 1991] may be passed through to tenants. Where penalties result from an allocation which does not reflect documented changes in occupancy which occurred after March 1, 1991, a landlord must, if requested in writing by a tenant, make a good faith effort to appeal the allotment. Increases based upon penalties shall be pro-rated on a per room basis provided that the tenancy existed during the time the penalty charges accrued. Such charges shall not become part of a tenant's base rent. Where a penalty in any given billing period reflects a 25% or more increase in consumption over the prior billing period, and where that increase does not appear to result from increased occupancy or any other known use, a landlord may not impose any increase based upon such penalty unless inspection by a licensed plumber or Water Department inspector fails to reveal a plumbing or other leak. If the inspection does reveal a leak, no increase based upon penalties may be imposed at any time for the period of the unrepaired leak.

(B) Fifty Percent (50%) Passthrough of Water Bill Charges Attributable to Water Rate Increases Resulting From Issuance of Water System Improvement Revenue Bonds Authorized at the November 2002 Election. A landlord may pass through fifty percent (50%) of the water bill charges attributable to water rate increases resulting from issuance of Water System Improvement Revenue Bonds authorized at the November 5, 2002 election (Proposition A), to any unit that is in compliance with any applicable laws requiring water conservation devices. The landlord is not required to file a petition with the Board for approval of such a cost passthrough. Such cost passthroughs are subject to the following:

(i) Affected tenants shall be given notice of any such passthrough as provided by applicable notice of rent increase provisions of this Chapter 37, including but not

limited to Section 37.3(b)(3).

(ii) A tenant may file a hardship application with the Board, and be granted relief from all or part of such a cost passthrough;

(iii) If a tenant's hardship application is granted, the tenant's landlord may utilize any available Public Utilities Commission low-income rate discount program or similar program for water bill reduction, based on that tenant's hardship status;

(iv) A landlord shall not impose a passthrough pursuant to Section 37.3(a)(5)(B) if the landlord has filed for or received Board approval for a rent increase under Section 37.8(e)(4) for increased operating and maintenance expenses in which the same increase in water bill charges attributable to water rate increases resulting from issuance of any water revenue bonds authorized at the November 5, 2002 election was included in the comparison year cost totals.

(v) Where a tenant alleges that a landlord has imposed a water revenue bond passthrough that is not in compliance with Section 37.3(a)(5)(B), the tenant may petition for a hearing under the procedures provided by Section 37.8. In such a hearing the landlord shall have the burden of proving the accuracy of the calculation that is the basis for the increase. Any tenant petition challenging such a passthrough must be filed within one year of the effective date of the passthrough.

(vi) A tenant who has received a notice of passthrough or a passthrough under this Section 37.3(a)(5)(B) shall be entitled to receive a copy of the applicable water bill from the landlord upon request.

(vii) The amount of permissible passthrough per unit under this Section 37.3(a)(5)(B) shall be determined as follows:

(1) The San Francisco Public Utilities Commission will determine the charge per unit of water, if any, that is attributable to water rate increases resulting from issuance of water system improvement revenue bonds authorized at the November 5, 2002 election.

(2) The charge identified in Section 37.3(a)(5)(B)(vii)(1)

shall be multiplied by the total units of water used by each customer, for each water bill. The result is the total dollar amount of the water bill that is attributable to water rate increases resulting from issuance of water system improvement revenue bonds authorized at the November 5, 2002 election. That charge shall be a separate line item on each customer's water bill.

(3) The dollar amount calculated under Section 37.3(a)(5)(B)(vii)(2) shall be divided by two (since a 50% passthrough is permitted), and then divided by the total number of units covered by the water bill, including commercial units. The resulting dollar figure shall be divided by the number of months covered by the water bill cycle (most are two-month bill cycles), to determine the amount of that water bill that may be passed through to each residential unit for each month covered by that bill.

(4) These passthroughs may be imposed on a monthly basis. These passthroughs shall not become part of a tenant's base rent. The amount of each passthrough may vary from month to month, depending on the amount calculated under Sections 37.3(a)(5)(B)(vii)(1) through (3).

(viii) The Board may amend its rules and regulations as necessary to implement this Section 37.3(a)(5)(B).

(6) Property Tax.

(A) Effective July 1, 2024, a landlord may impose increases based upon a 100% passthrough of the change in the landlord's property tax resulting from the repayment of general obligation bonds of the City and County of San Francisco approved by the voters between November 1, 1996, and November 30, 1998; a 50% passthrough of the change in the landlord's property tax resulting from the repayment of general obligation bonds of the City and County of San Francisco approved by the voters after November 14, 2002; and a 50% passthrough of the change in the landlord's property tax resulting from the repayment of San Francisco Unified School District or San Francisco Community College District general obligation bonds approved by the voters after November 1, 2006. General obligation bonds that meet the criteria set forth in the previous sentence are referred to herein as “Eligible Bonds;” provided,

however, that a general obligation bond approved after December 20, 2000 may qualify as an Eligible Bond only if the passthrough was disclosed and approved by the voters. The City and County of San Francisco, San Francisco Unified School District, and San Francisco Community College District are referred to collectively as "the Issuing Entities."

To pass through the change in property tax resulting from the repayment of Eligible Bonds, the landlord shall calculate said change relative to the amount that the property tax rate increased due to the repayment of Eligible Bonds since each tenancy commenced, or 2005, whichever is later ("the Base Year"), as set forth in subsection (a)(6)(B).

(B) The Controller will first determine the percentage of the property tax rate, if any, attributable to general obligation bonds of any of the Issuing Entities ("the General Obligation Bond Factor") for each tax year. The passthrough rate for an individual tenant (the "Tenant Passthrough Rate") shall be based on the amount that the General Obligation Bond Factor for the current year has increased since the tenant's Base Year; and the degree to which said increase, if any, is attributable to Eligible Bonds, as measured by the ratio of debt service for the Eligible Bonds compared to the total debt service attributable to general obligation bonds of the Issuing Entities. The resulting figure shall then be discounted to reflect the specific percentage passthroughs for each of the Eligible Bonds as specified in subsection (A). The Controller shall prepare and annually update a form to help landlords and tenants calculate the Tenant Passthrough Rates. The Controller's authority to interpret and administer this calculation shall be liberally construed to further the purposes of this subsection (a)(6).

(C) To calculate the amount of increased property tax that the landlord can pass through to a tenant in any given year, the landlord shall divide the total amount of the net taxable value as of November 1 of the applicable tax year by the total number of all units in the property, including commercial units; and shall multiply the resulting figure by the applicable Tenant Passthrough Rate. The result is the dollar amount of increased property taxes for that tax year for a particular property attributable to the repayment of Eligible Bonds that the landlord may pass through to the tenant.

(D) The dollar amount calculated under subsection (a)(6)(C) shall then be

divided by the total number of months that the passthrough may apply pursuant to subsection (a)(6)(E)(i), to determine the monthly per unit costs for that tax year of the repayment of general obligation bonds.

(E) Landlords may pass through to each unit in a particular property the dollar amount calculated under subsections (a)(6)(A)-(D), as provided in this subsection (a)(6)(E).

(i) All passthroughs shall apply for the same number of months covered by the property tax bills used in the passthrough calculation, and the calculation may not be based on tax bills issued more than three years prior to the year in which the passthrough was imposed.

(ii) The landlord shall give affected tenants notice of the passthrough as provided by applicable notice of rent increase provisions of this Chapter 37, including but not limited to Section 37.3(b)(3). The passthroughs may be imposed at any time in the calendar year, provided that the landlord serves notice of such passthrough to be effective on the anniversary date of each tenant's occupancy of the property. The passthroughs shall not become a part of a tenant's base rent. The amount of each passthrough imposed pursuant to subsection (a)(6) may vary from year-to-year, depending on the amount calculated by the Controller. A landlord may impose the passthrough described in this subsection (a)(6) for a particular tax year only with respect to those tenants who were residents of a particular property on November 1 of the applicable tax year. A landlord shall not impose a passthrough pursuant to this subsection (a)(6) if the landlord has filed for or received Board approval for a rent increase under Section 37.8(e)(4) for increased operating and maintenance expenses in which the same increase in property taxes due to the repayment of general obligation bonds was included in the comparison year cost totals.

(F) A tenant who has received a passthrough under this subsection (a)(6) may file a financial hardship application with the Board, and the Board may grant the tenant complete or partial relief from the passthrough. The standards and procedures for the financial hardship application shall be as set forth in Sections 37.7(h)-(i).

(G) The Board shall have available a form which explains how to calculate the passthrough. Landlords must provide to tenants, on or before the date that notice is served on the tenant of a passthrough permitted under this subsection (a)(6), a copy of the completed form. Landlords shall provide their tenants the completed forms in addition to the Notice of Rent Increase required under Section 37.3(b). Where a tenant alleges that a landlord has imposed a charge which exceeds the limitations set forth in this subsection (a)(6), the tenant may petition for a hearing under the procedures provided by Section 37.8. In such a hearing, the landlord shall have the burden of proving the accuracy of the calculation that is the basis for the increase. Any tenant petition challenging such a passthrough must be filed within one year of the effective date of the passthrough.

(H) The Board and the Controller may amend their rules and regulations as necessary to implement this subsection (a)(6).

(7) RAP Loans. A landlord may impose rent increases attributable to the Chief Administrative Officer's amortization of the RAP loan in an area designated on or after July 1, 1977 pursuant to Chapter 32 of the San Francisco Administrative Code.

(8) Additional Increases. A landlord who seeks to impose any rent increase which exceeds those permitted above shall petition for a rental arbitration hearing pursuant to Section 37.8 of this chapter.

(9) A landlord may impose a rent increase to recover costs incurred for the remediation of lead hazards, as defined in San Francisco Health Code Article 11 or 26. Such increases may be based on changes in operating and maintenance expenses or for capital improvement expenditures as long as the costs which are the basis of the rent increase are a substantial portion of the work which abates or remediates a lead hazard, as defined in San Francisco Health Code Article 11 or 26, and provided further that such costs are approved for operating and maintenance expense increases pursuant to Section 37.8(e)(4)(A) and certified as capital improvements pursuant to Section 37.7 below.

When rent increases are authorized by this subsection 37.3(a)(9), the total rent increase for both operating and maintenance expenses and capital improvements shall not

exceed 10% in any twelve (12) month period. If allowable rent increases due to the costs of lead remediation and abatement work exceed 10% in any 12 month period, an Administrative Law Judge shall apply a portion of such excess to approved operating and maintenance expenses for lead remediation work, and the balance, if any, to certified capital improvements, provided, however, that such increase shall not exceed 10%. A landlord may accumulate any approved or certified increase which exceeds this amount, subject to the 10% limit.

(10) With respect to units occupied by recipients of tenant-based rental assistance:

(A) If the tenant's share of the base rent is not calculated as a fixed percentage of the tenant's income, such as in the Housing Choice Voucher Program and the Over-FMR Tenancy Program, or if the tenant is receiving assistance under the HOPWA rental subsidy program, then:

(i) If the base rent is equal to or greater than the Payment Standard, the rent increase limitations in Sections 37.3(a)(1) and (2) shall apply to the entire base rent, and the arbitration procedures for those increases set forth in section 37.8 and 37.8A shall apply.

(ii) If the base rent is less than the Payment Standard, the rent increase limitations of this Chapter shall not apply; provided, however, that any rent increase which would result in the base rent being equal to or greater than the Payment Standard shall not result in a new base rent that exceeds the Payment Standard plus the increase allowable under Section 37.3(a)(1).

(B) If the tenant's share of the base rent is calculated as a fixed percentage of the tenant's income, such as in the Section 8 Certificate Program, the rent increase limitations in Section 37.3(a)(1) and (2) shall not apply. In such circumstances, adjustments in rent shall be made solely according to the requirements of the tenant-based rental assistance program.

(11) Additional occupants.

(A) Except as provided in Section 37.3(a)(11)(B), a landlord may not

impose increases solely because a tenant has added an additional occupant to an existing tenancy, including, but not limited to, a newborn child or family member as defined in Section 401 of the Housing Code. The prohibition on increases mandated by this Subsection (A) shall apply notwithstanding a rental agreement or lease that specifically permits a rent increase for additional occupants.

(B) A landlord may petition the Board for a rent increase pursuant to Section 37.3(a)(8) for costs associated with the addition of occupants authorized under Section 37.9(a)(2)(C).

(C) Rent increases otherwise permitted by the Costa-Hawkins Rental Housing Act, California Civil Code Section 1950 et seq. (as it may be amended from time to time) are not prohibited or limited by this Section 37.3(a)(11).

(b) Notice of Rent Increase for Tenants in Occupancy. On or before the date upon which a landlord gives a tenant legal notice of a rent increase, the landlord shall inform the tenant, in writing, of the following:

(1) Which portion of the rent increase reflects the annual increase, and/or a banked amount, if any;

(2) Which portion of the rent increase reflects costs for increased operating and maintenance expenses, rents for comparable units, and/or capital improvements, rehabilitation, energy conservation improvements, or renewable energy improvements certified pursuant to Section 37.7. Any rent increase certified due to increases in operating and maintenance costs shall not exceed seven percent.

(3) Which portion of the rent increase reflects the passthrough of charges for: gas and electricity; or the passthrough of increased water bill charges attributable to water rate increases resulting from issuance of water revenue bonds authorized at the November 2002 election as provided by Section 37.3(a)(5)(B)), which charges and calculations of charges shall be explained in writing on a form provided by the Board; or the passthrough of general obligation bond measure costs as provided by Section 37.3(a)(6), which charges shall be explained in writing on a form provided by the Board as described in Section 37.3(a)(6)(E);

(4) Which portion of the rent increase reflects the amortization of the RAP loan, as described in Section 37.3(a)(7) above.

(5) Nonconforming Rent Increases. Any rent increase which does not conform with the provisions of this section shall be null and void.

(6) With respect to rental units occupied by recipients of tenant-based rental assistance, the notice requirements of this Subsection (b) shall be required in addition to any notice required as part of the tenant-based rental assistance program.

(c) Initial Rent Limitation for Subtenants. A tenant who subleases his or her rental unit may charge no more rent upon initial occupancy of the subtenant or subtenants than that rent which the tenant is currently paying to the landlord.

(d) **Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50, et seq.).** Consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50, et seq.) and regardless of whether otherwise provided under Chapter 37:

(1) **Property Owner Rights to Establish Initial and All Subsequent Rental Rates for Separately Alienable Parcels.**

(A) An owner of residential real property may establish the initial and all subsequent rental rates for a dwelling or a unit which is alienable separate from the title to any other dwelling unit or is a subdivided interest in a subdivision as specified in subdivision (b), (d), or (f) of Section 11004.5 of the California Business and Professions Code. The owner's right to establish subsequent rental rates under this subsection (d)(1)(A) shall not apply to a dwelling or unit where either of the following apply:

(i) The unit is a condominium dwelling or unit that has not been sold separately by the subdivider to a bona fide purchaser for value; but subsection (d)(1)(A) shall apply to a single unsold condominium dwelling or unit, if all the other condominium dwellings or units have been sold separately by the subdivider to bona fide purchasers for value, and the subdivider has occupied the remaining unsold condominium dwelling or unit as their principal residence for at least one year after the subdivision occurred.

(ii) The preceding tenancy has been terminated by the owner by

notice pursuant to California Civil Code Section 1946.1 or has been terminated upon a change in the terms of the tenancy noticed pursuant to California Civil Code Section 827: in such instances, the rent increase limitation provisions of Chapter 37 shall continue to apply for the duration of the new tenancy in that dwelling or unit.

(B) Where the initial or subsequent rental rates of a Subsection 37.3(d)(1)(A) dwelling or unit were controlled by the provisions of Chapter 37 on January 1, 1995, the following shall apply:

(i) A tenancy that was in effect on December 31, 1995 remains subject to the rent control provisions of this Chapter 37, and the owner may not otherwise establish the subsequent rental rates for that tenancy.

(ii) On or after January 1, 1999 an owner may establish the initial and all subsequent rental rates for any tenancy created on or after January 1, 1996.

(B) An owner's right to establish subsequent rental rates under Subsection 37.3(d)(1) shall not apply to a dwelling or unit which contains serious health, safety, fire or building code violations, excluding those caused by disasters, for which a citation has been issued by the appropriate governmental agency and which has remained unabated for six months or longer preceding the vacancy.

(C) An owner's right to establish subsequent rental rates under subsection 37.3(d)(1) shall not apply to a dwelling unit that is created pursuant to the Code provisions specified in subsection 37.2(r)(4)(D), or a dwelling unit that utilizes the Code provisions specified in subsection 37.2(r)(4)(D).

(2) Conditions for Establishing the Initial Rental Rate Upon Sublet or Assignment. Except as identified in this Subsection 37.3(d)(2), nothing in this Subsection or any other provision of law of the City and County of San Francisco shall be construed to preclude express establishment in a lease or rental agreement of the rental rates to be applicable in the event the rental unit subject thereto is sublet, and nothing in this Subsection shall be construed to impair the obligations of contracts entered into prior to January 1, 1996, subject to the following:

(A) Where the original occupant or occupants who took possession of the dwelling or unit pursuant to the rental agreement with the owner no longer permanently reside there, an owner may increase the rent by any amount allowed by this section to a lawful sublessee or assignee who did not reside at the dwelling or unit prior to January 1, 1996. However, such a rent increase shall not be permitted while:

(i) The dwelling or unit has been cited in an inspection report by the appropriate governmental agency as containing serious health, safety, fire, or building code violations, as defined by Section 17920.3 of the California Health and Safety Code, excluding any violation caused by a disaster; and,

(ii) The citation was issued at least 60 days prior to the date of the vacancy; and,

(iii) The cited violation had not been abated when the prior tenant vacated and had remained unabated for 60 days or for a longer period of time. However, the 60-day time period may be extended by the appropriate governmental agency that issued the citation.

(B) This Subsection shall not apply to partial changes in occupancy of a dwelling or unit where one or more of the occupants of the premises, pursuant to the agreement with the owner provided for above (37.3(d)(2)), remains an occupant in lawful possession of the dwelling or unit, or where a lawful sublessee or assignee who resided at the dwelling or unit prior to January 1, 1996, remains in possession of the dwelling or unit. Nothing contained in this Subsection 37.3(d)(2) shall be construed to enlarge or diminish an owner's right to withhold consent to a sublease or assignment.

(C) Acceptance of rent by the owner shall not operate as a waiver or otherwise prevent enforcement of a covenant prohibiting sublease or assignment or as a waiver of an owner's rights to establish the initial rental rate unless the owner has received written notice from the tenant that is party to the agreement and thereafter accepted rent.

(3) Termination or Nonrenewal of a Contract or Recorded Agreement with a Government Agency Limiting Rent. An owner who terminates or fails to renew a contract or

recorded agreement with a governmental agency that provides for a rent limitation to a qualified tenant, shall be subject to the following:

(A) The tenant(s) who were beneficiaries of the contract or recorded agreement shall be given at least 90 days' written notice of the effective date of the termination and shall not be obligated to pay more than the tenant's portion of the rent, as calculated under that contract or recorded agreement, for 90 days following receipt of the notice of termination or nonrenewal.

(B) The owner shall not be eligible to set an initial rent for three years following the date of the termination or nonrenewal of the contract or agreement.

(C) The rental rate for any new tenancy established during the three-year period in that vacated dwelling or unit shall be at the same rate as the rent under the terminated or nonrenewed contract or recorded agreement, plus any increases authorized under this Chapter 37 after the date of termination/non renewal.

(D) The provisions of Subsections 37.3(d)(3)(B) and (C) shall not apply to any new tenancy of 12 months or more duration established after January 1, 2000, pursuant to the owner's contract or recorded agreement with a governmental agency that provides for a rent limitation to a qualified tenant unless the prior vacancy in that dwelling or unit was pursuant to a nonrenewed or canceled contract or recorded agreement with a governmental agency that provides for a rent limitation to a qualified tenant.

(4) Subsection 37.3(d) does not affect the authority of the City and County of San Francisco to regulate or monitor the basis or grounds for eviction.

(5) This Subsection 37.3(d) is intended to be and shall be construed to be consistent with the Costa-Hawkins Rental Housing Act (Civil Code Sections 1954.50. et seq.)

(e) Effect of Deferred Maintenance on Passthroughs for Lead Remediation Techniques.

(1) When lead hazards are remediated or abated pursuant to San Francisco Health Code Article 11 or 26, or are violations of state or local housing and/or health and safety laws, there shall be a rebuttable presumption that the lead hazards are caused or created by deferred maintenance as defined herein of the current or previous landlord. If the landlord fails

to rebut the presumption, the costs of such work shall not be passed through to tenants as either a capital improvement or an operating and maintenance expense. If the landlord rebuts the presumption, he or she shall be entitled to a rent increase if otherwise justified by the standards set forth in this Chapter.

(2) For purposes of the evaluation of petitions for rent increases for lead remediation work, maintenance is deferred if a reasonable landlord under the circumstances would have performed, on a regular basis, the maintenance work required to keep the premises from being in violation of housing safety and habitability standards set forth in California Civil Code Section 1941 and the San Francisco Municipal Code. In order to prevail on a deferred maintenance defense, a tenant must show that the level of repair or remediation currently required would have been lessened had maintenance been performed in a more timely manner.

(f) Costa-Hawkins Vacancy Control. Where a landlord has terminated the previous tenancy as stated in either subsection (1), (2) or (3) below, for the next five years from the termination, the initial base rent for the subsequent tenancy shall be a rent not greater than the lawful rent in effect at the time the previous tenancy was terminated, plus any annual rent increases available under this Chapter 37. This Section 37.3(f) is intended to be consistent with California Civil Code Section 1954.53(a)(1)(A)-(B).

(1) Where the previous tenancy was terminated by a notice of termination of tenancy issued under California Civil Code Section 1946.1 stating the ground for recovery of possession under Sections 37.9(a)(8), (9), (10), (11), (14) or (17) of this Code. For purposes of the termination of the tenancy under Section 37.9(a)(9), the initial rent for the unit may be set by a subsequent bona fide purchaser for value of the condominium.

(2) Where the previous tenancy was terminated upon a change in terms of tenancy noticed under California Civil Code Section 827, except a change in rent permitted by law. Within 10 days after serving the notice of termination based upon a change in terms of tenancy under Civil Code Section 827, the landlord shall notify the Board in writing of the monthly rent the tenant was paying when the landlord gave the notice to the tenant, and provide a copy of the notice to the Board to the tenant.

(3) Where the landlord terminated or did not renew a contract or recorded agreement with a governmental agency that provided for a rent limitation to a qualified tenant. When a landlord terminates a tenant-based rental assistance program, the landlord shall, within 10 days after giving the notice of termination of the program to the tenant, notify the Board in writing of the monthly rent the tenant was paying and the monthly rent paid by the program to the landlord on behalf of the tenant when the landlord gave notice to the tenant, and provide a copy of the notice to the Board to the tenant.

(g) New Construction and Substantial Rehabilitation.

(1) An owner of a residential dwelling or unit which is newly constructed and first received a certificate of occupancy after the effective date of Ordinance No. 276-79 (June 13, 1979), or which the Rent Board has certified has undergone a substantial rehabilitation, may establish the initial and all subsequent rental rates for that dwelling or unit, except where any of the following apply:

(A) Where rent restrictions apply to the dwelling or unit under Sections 37.3(d) or 37.3(f),

(B) Where the dwelling or unit is a replacement unit under Section 37.9A(b),

(C) As provided for certain categories of units under Section 37.2(r)(4)(D),

(D) As provided in a development agreement entered into by the City under Administrative Code Chapter 56.

(E) The Board of Supervisors acknowledges that at least through November 5, 2024, California Civil Code Sections 1954.52(a)(1)-(2) preclude the City from updating the June 13, 1979 new construction date specified in this subsection (g)(1). In the event State law is amended or repealed in this regard, said new construction date shall immediately cease to apply, and shall by operation of law pursuant to this subsection (g)(1)(E) be updated to reflect the latest date that State law may allow, up to and including June 13, 1994. The applicability of an updated new construction date under this subsection (g)(1)(E) shall not affect whether a unit is exempt under some other legal basis set forth in this Chapter 37. If no other

exemption applies and a unit becomes covered by Chapter 37's rent increase limitations by operation of this subsection (g)(1)(E), the initial base rent shall be the lawful rent that applied as of the date of coverage. If no rent was in effect as of the date of coverage, then the initial base rent shall be the first lawful rent in effect after that date.

Sec. 37.4 <u>Establishment; Appointment; Terms; Executive Director; Funding; Compensation</u>.

[Amended by Ord. No. 435-86, effective December 10, 1986; Ord. No. 162-93, effective June 28, 1993; Ord. No. 222-03, effective October 5, 2003; Ord. No. 99-26, effective June 29, 2026; Ord No. 207-26, effective November 2, 2026]

(a) There is hereby established a board to be known as the San Francisco Residential Rent Stabilization and Arbitration Board (hereinafter called "Board"), consisting of five (5) members. The Board is a Commission as defined in Section 5.1-1 of this Code. Regular members, each of whom shall have a specific alternate having the same qualifications as the regular member, shall serve at the pleasure of the Mayor. All regular members and alternate members shall be appointed by the Mayor.

(b) The board shall consist of two (2) landlords, two (2) tenants, and one (1) person who is neither a landlord nor a tenant and who owns no residential rental property and an alternate for each specific member. All members shall be residents of the City. If one of the two regular landlord members is unavailable to vote, that regular member's specific alternate shall be seated and vote, and if that regular member's specific alternate is also unavailable to vote, the other landlord alternate shall (if available) be seated and vote as a substitute alternate. If one of the two regular tenant members is unavailable to vote, that regular member's specific alternate shall be seated and vote, and if that regular member's specific alternate is also unavailable to vote, the other tenant alternate shall (if available) be seated and vote as a substitute alternate.

(c) In accordance with applicable state law, all members shall disclose all present holdings and interests in real property, including interests in corporations, trusts or other entities with real property holdings.

(d) All members shall be appointed by the Mayor to serve four year terms. All vacancies occurring during a term shall be filled for the unexpired term. Notwithstanding Section 5.1-2 of this Code, members shall not be subject to term limits.

(e) The Board shall elect a chairman and vice-chairman from among its regular members.

(f) The Executive Director of the board shall have the powers and duties set forth in Charter Section 4.126. The Board shall submit to the Mayor at least three qualified applicants,

and if rejected, shall make additional nominations in the same manner, for the position of Executive Director, subject to appointment by the Mayor; and may in its discretion remove the Executive Director. All staff personnel shall be under the immediate direction and supervision of the Executive Director.

(g) Pursuant to the budgetary and fiscal provisions of the Charter, the board of supervisors shall provide funds to pay for staff personnel, services and facilities as may be reasonably necessary to enable the board to exercise its powers and perform its duties under this chapter. A special fund to be known as the Residential Rent Stabilization and Arbitration Fund shall be established under the supervision and direction of the board for the receipt of fees under Chapter 37A, such fees to be appropriated by the Board of Supervisors for the operation of the board.

(h) Subject to the budgetary and fiscal limitations of the Charter, each member shall be paid $75 per Board meeting attended if the meeting lasts for 6 hours or more in a single 24-hour period. The Board shall adopt rules to allow for payment of an equitable portion of this per diem if a meeting lasts less than six hours. Total per diem shall not exceed $750 per month. In addition, each member may receive reimbursement for actual expenses incurred in the course and scope of the member's duties.

Sec. 37.5 Meetings of the Board.
[Amended by Ord. No. 347-99, effective January 29, 2000; Ord. No. 99-26, effective June 29, 2026]

The board shall meet as often as necessary to stay current with the workload but in no event less than once a month.

Sec. 37.6 Powers and Duties.

[Amended by Ord. No. 20-84, effective February 18, 1984; Ord. No. 7-87, effective February 14, 1987; Ord. No. 347-99, effective January 29, 2000; Ord. No. 62-02, effective June 2, 2002; Ord. No. 107-02, effective August 4, 2002; Ord. No. 251-06, effective November 10, 2006; Ord. 227-12, effective December 7, 2012; Ord. 277-13, effective January 17, 2014; Ord. 204-15, effective January 3, 2016; Ord. 160-17, effective August 27, 2017; Ord. No. 213-20, effective November 30, 2020]

In addition to other powers and duties set forth in this Chapter 37, and in addition to powers under the Charter and powers and duties under Administrative Code Chapter 49 ("Interest Rates on Security Deposits), the Board shall have the power to:

(a) Promulgate policies, rules and regulations to effectuate the purposes of this Chapter 37; and of Administrative Code Chapters 37B and 41D;

(b) Hire such staff, including Administrative Law Judges, as may be reasonably necessary to perform its functions, and promulgate standards for all such staff, subject to the Civil Service provisions of the Charter;

(c) Conduct rental arbitration hearings and residential hotel visitor policy hearings, and administer oaths and affirmations in connection with such hearings, with respect to rental units covered by this Chapter 37 as well as Midtown Park Apartments units as set forth in Administrative Code Chapter 37B;

(d) Publish, on March 1 of each year, the increase in the CPI for the preceding 12 months, as made available by the U.S. Department of Labor.

(e) Make studies and surveys and conduct such hearings as necessary to perform its functions;

(f) Report bi-annually to the mayor and the board of supervisors on its activities and on progress made towards the achievement of the purposes of the chapter;

(g) Make available to the public, on request, policies, rules and regulations, reports and surveys in accordance with applicable state law;

(h) Issue rules and regulations for the conduct of its own affairs;

(i) Be empowered to request and, if granted, to receive funds appropriated by the Board of Supervisors through the mayor;

(j) Maintain on at least a monthly basis, statistics on the number of notices to vacate filed with the Board pursuant to Section 37.9(c) and statistics on the causes given in such notices or in any additional written documents as provided in Section 37.9(c). Statistics shall include available data on evictions involving school-age (kindergarten through grade twelve) children, including data on whether the evictions occurred during the school term. Said statistics shall be published in a report on March 1 every year, and copies of the report shall be submitted to the Mayor and Board of Supervisors;

(k) On a monthly basis starting January 1, 2018, compile copies at random of 10% of all statements of occupancy filed with the Rent Board pursuant to Section 37.9(a)(8)(vii), and compile a list of all units for which the required statement of occupancy was not filed with the Rent Board. Said copies and said list shall be transmitted to the District Attorney on a monthly basis for investigation. In cases where the District Attorney determines that Section 37.9(a)(8) has been violated, the District Attorney shall take whatever action he or she deems appropriate under this Chapter 37 or State law.

(l) Periodically review the Uniform Visitor Policy for Residential Hotels and determine amendments as appropriate; and hear and determine hotel operator petitions for Supplemental Visitor Policies, consistent with Administrative Code Chapter 41D (Residential Hotel Visitor Policies).

(m) Hear and decide petitions from residential hotel occupants (whether or not an occupant qualifies as a "tenant" under this Chapter 37) who allege violation of Administrative Code Chapter 41D, including alleged violations of the Uniform Visitor Policy or any approved Supplemental Visitor Policy. Current or former hotel occupants may file such petitions. These petitions may require a determination whether, and to what extent, a residential hotel's policies are in compliance with Administrative Code Chapter 41D, including compliance with the Uniform Visitor Policy.

(n) As provided by Administrative Code Chapter 39, utilize Administrative Law Judges to review relocation claims from Current Households related to a Public Housing Development Project, and make advisory recommendations thereon to the San Francisco Housing Authority

for its final determination.

(o) As provided by Administrative Code Chapter 47, utilize Administrative Law Judges to hear and decide petitions from persons who dispute the Mayor's Office of Housing and Community Development's determination that such person does not qualify as a "Displaced Tenant" or a "Neighborhood Resident" (each as defined in Administrative Code Chapter 47).

Sec. 37.7 Certification of Rent Increases for Capital Improvements, Rehabilitation Work, Energy Conservation Improvements, and Renewable Energy Improvements.

[Amended by Ord. No. 358-80, effective August 24, 1980; Ord. No. 72-82, effective March 21, 1982; Ord. No. 438-83, effective October 2, 1983; Ord. No. 278-89, effective September 1, 1989; Ord. No. 162-93, effective June 28, 1993; Ord. No. 347-99, effective January 29, 2000; Ord. No. 02-03, effective February 21, 2003; Ord. No. 203-13, effective November 2, 2013; Ord. No. 43-14, effective May 17, 2014; Ord. No. 267-18, effective December 9, 2018]

(a) Authority. In accordance with such guidelines as the Board shall establish, the Board and designated Administrative Law Judges shall have the authority to conduct hearings in order to certify rental increases to the extent necessary to amortize the cost of capital improvements, rehabilitation, energy conservation improvements, and renewable energy improvements. Costs determined to be attributable to such work and improvements shall be amortized over a period which is fair and reasonable for the type and the extent of the work and improvements, and which will provide an incentive to landlords to maintain, improve and renovate their properties while at the same time protecting tenants from excessive rent increases. Costs attributable to routine repair and maintenance, or costs attributable to legalizing an existing dwelling unit under Section 207.3 of the Planning Code, shall not be certified.

(b) Requirements for Certification. The Board and designated Administrative Law Judges may only certify the costs of capital improvements, rehabilitation, energy conservation improvements, and renewable energy improvements, where the following criteria are met:

(1) The landlord completed capital improvements or rehabilitation on or after April 15, 1979, or the landlord completed installation of energy conservation measures on or after July 24, 1982 and has filed a proof of compliance with the Bureau of Building Inspection in accordance with the requirements of Section 1207(d) of the Housing Code;

(2) The landlord has not yet increased the rent or rents to reflect the cost of said work;

(3) The landlord has not been compensated for the work by insurance proceeds;

(4) The building is not subject to a RAP loan in a RAP area designated prior to July 1, 1977.

(5) The landlord files the certification petition no later than five (5) years after the work has been completed.

(6) The cost is not for work required to correct a code violation for which a notice of violation has been issued and remained unabated for 90 days unless the landlord made timely good faith efforts within that 90-day period to commence and complete the work but was not successful in doing so because of the nature of the work or circumstances beyond the control of the landlord. The landlord's failure to abate within the original 90-day period raises a rebuttable presumption that the landlord did not exercise timely good faith efforts. Any costs attributable to the landlord's compliance with a Fire Life Safety Notice and Order issued by the Building Official under Sections 107A.16.1 et seq. of the Building Code or the fire code official under Sections 109.3 et seq. of the Fire Code shall not be certified.

(c) Amortization and Cost Allocation. The Board shall establish amortization periods and cost allocation formulas, in accordance with this Section 37.7. Costs shall be allocated to each unit according to the benefit of the work and improvements attributable to such unit.

(1) Applications Filed Before November 14, 2002. The following provisions shall apply to all applications filed before November 14, 2002.

(A) Amortization Periods. Costs shall be amortized on a straight-line basis over a seven or ten-year period, depending upon which category described below most closely relates to the type of work or improvement and its estimated useful life.

(i) Schedule I - Seven-Year Amortization. The following shall be amortized over a seven-year period: Appliances, such as new stoves, disposals, washers, dryers and dishwashers; fixtures, such as garage door openers, locks, light fixtures, water heaters and blankets, shower heads, time clocks and hot water pumps; and other improvements, such as carpeting, linoleum, and exterior and interior painting of common areas. If the appliance is a replacement for which the tenant has already had the benefit, the cost will not be amortized as a capital improvement, but will be considered part of operating and maintenance expenses. Appliances may be amortized as capital improvements when: (1) part of a remodeled kitchen; (2) based upon an agreement between the tenant and landlord; and/or (3) it is a new service or

appliance the tenant did not previously have.

(ii) Schedule II - Ten-Year Amortization. The following shall be amortized over a ten-year period: New foundation, new floor structure, new ceiling or walls - new sheetrock, new plumbing (new fixtures, or piping,) weather stripping, ceiling insulation, seals and caulking, new furnaces and heaters, refrigerators, new electrical wiring, new stairs, new roof structure, new roof cover, new window, fire escapes, central smoke detection system, new wood or tile floor cover, new sprinkler system, boiler replacement, air conditioning-central system, exterior siding or stucco, elevator rebuild, elevator cables, additions such as patios or decks, central security system, new doors, new mail boxes, new kitchen or bathroom cabinets, and sinks.

(B) Allowable Increase. One hundred percent (100%) of the certified costs of capital improvements, rehabilitation, and energy conservation improvements may be passed through to the tenants who benefit from such work and improvements. However no increase under this Subsection 37.7(c)(1) shall exceed, in a twelve-month period, ten percent (10%) of the tenant's base rent at the time the petition was filed or $30.00, whichever is greater. A landlord may accumulate any certified increase which exceeds this amount and impose the increase in subsequent years, subject to this 10% or $30.00 limitation.

(2) Applications Filed On or After November 14, 2002 For Qualified Energy Conservation Improvements and Renewable Energy Improvements. For Applications filed on or after November 14, 2002, the following provisions shall apply to certification of costs for qualified energy conservation improvements and renewable energy improvements.

(A) Amortization Periods. Costs shall be amortized on a straight-line basis over the period of time provided in 37.7(c)(2)(B)(i), or as determined pursuant to the procedure provided in 37.7(c)(2)(B)(ii).

(B) For purposes of this Subsection 37.7(c)(2), qualified energy conservation improvements and renewable energy improvements are:

(i) 100% of new EPA Energy-Star-compliant refrigerators where the refrigerator replaced is more than five years old and where the unit has separate metering,

which costs shall be amortized on a straight-line basis over a ten-year period; and,

(ii) Other improvements as may be approved by the Board of Supervisors upon recommendation of the Rent Board, following hearings and recommendations by the Commission on the Environment in an Energy Conservation Improvements and Renewable Energy Improvements List (List), as follows:

(I) The Commission on the Environment shall hold hearings to develop a list of recommended energy conservation improvements and renewable energy improvements that demonstrably benefit tenants in units that have separate electrical and/or natural gas metering. Such recommendations shall include consideration of cost effectiveness for tenants, appropriate amortization schedules, and permissible passthrough amounts that will encourage landlords to make such improvements.

(II) The Commission shall also consider whether the certification for each such improvement should include the entire improvement, or only that portion of the improvement cost directly attributable to energy conservation or renewable energy.

(III) The List shall take into consideration the variety and conditions of housing in the City.

(IV) The Commission on the Environment shall adopt the List at a public meeting, and shall transmit the List to the Rent Board no later than August 21, 2003.

(V) The Commission on the Environment shall periodically review and amend the List as warranted by changes in technology or conditions in the electricity and natural gas markets. Any amended List shall be transmitted forthwith to the Rent Board.

(VI) The Rent Board shall consider any such List received from the Commission on the Environment, and recommend appropriate Subsection 37.7(c)(2) amendments to the Board of Supervisors.

(3) <u>Applications Filed On or After November 14, 2002 For Seismic Work and Improvements Required by Law, and for Work and Improvements Required by Laws Enacted After November 14, 2002</u>.

For applications filed on or after November 14, 2002:

(A) This Subsection 37.7(c)(3) shall apply to certification of costs for seismic work and improvements required by law.

(B) This Subsection 37.7(c)(3) shall apply to certification of costs for capital improvement, rehabilitation, energy conservation, and renewable energy work and improvements required by federal, state, or local laws enacted on or after November 14, 2002.

(C) Amortization Periods. Costs shall be amortized on a straight-line basis over a twenty-year period.

(D) Allowable Increase. One hundred percent (100%) of the certified costs of capital improvement, rehabilitation, energy conservation, and renewable energy work and improvements required by law may be passed through to the tenants who benefit from such work and improvements. Any rent increases under this Section 37.7(c)(3) shall not exceed, in a twelve-month period, a total of ten percent (10%) of the tenant's base rent at the time the petition was filed or $30.00, whichever is greater. A landlord may accumulate any certified increase which exceeds this amount and impose the increase in subsequent years, subject to this 10% or $30.00 limitation.

(4) Applications Filed On or After November 14, 2002 for Other Work and Improvements On Properties With Five Residential Units or Less. For applications filed on or after November 14, 2002, the following provisions shall apply to certification of all work and improvements for properties containing five residential units or less, with the exception of work and improvements costs certified for passthrough under Subsections 37.7(c)(2) or (3):

(A) Amortization Periods. Costs shall be amortized on a straight-line basis over a ten, fifteen or twenty-year period, depending upon which category described below most closely relates to the type of work or improvement and its estimated useful life.

(i) Schedule I - Ten-Year Amortization. The following shall be amortized over a ten-year period: New roof structure, new roof cover, electrical heaters, central security system, telephone entry systems, new wood frame windows, new mailboxes, weather-stripping, ceiling insulation, seals and caulking, central smoke detection system, new doors and

skylights; appliances, such as new stoves, disposals, refrigerators, washers, dryers and dishwashers; fixtures, such as garage door openers, locks, light fixtures, water heaters and blankets, shower heads, time clocks and hot water pumps; and other improvements, such as carpeting, linoleum, and exterior and interior painting of common areas. If the appliance is a replacement for which the tenant has already had the benefit, the cost will not be amortized as a capital improvement but will be considered part of operating and maintenance expenses. Appliances may be amortized as capital improvements when: (1) part of a remodeled kitchen; (2) based upon an agreement between the tenant and landlord; and/or (3) it is a new service or appliance the tenant did not previously have.

(ii) Schedule II - Fifteen-Year Amortization. The following shall be amortized over a fifteen-year period: New floor structure, new ceiling or walls - new sheetrock, wood decks, new stairs, new furnaces and gas heaters, new thermal pane windows, new wood or tile floor cover, new sprinkler systems, air conditioning-central system, exterior siding or stucco, elevator rebuild, elevator cables, new kitchen or bathroom cabinets, and sinks.

(iii) Schedule III - Twenty-Year Amortization. The following shall be amortized over a twenty-year period: New foundation, new plumbing (new fixtures or piping), boiler replacement, new electrical wiring, fire escapes, concrete patios, iron gates, sidewalk replacement and chimneys.

(B) Allowable Increase. One hundred percent (100%) of the certified costs of capital improvement, rehabilitation, and energy conservation work and improvements may be passed through to the tenants who benefit from such work and improvements. However, no increase under this Subsection 37.7(c)(4) shall exceed, in a twelve-month period, five percent (5%) of the tenant's base rent at the time the petition was filed or $30.00, whichever is greater. A landlord may accumulate any certified increase which exceeds this amount and impose the increase in subsequent years subject to this 5% or $30.00 limitation.

(5) For Applications Filed On or After November 14, 2002 for Other Work and Improvements for Properties with Six or more Residential Units. For applications filed on or after November 14, 2002, the following provisions shall apply to certification of all work and

improvements for properties containing six residential units or more, with the exception of work and improvements certified under Subsections 37.7(c)(2) or (3):

(A) Amortization Periods. Costs shall be amortized on a straight-line basis over a seven or ten-year period, depending upon which category described below most closely relates to the type of work or improvement and its estimated useful life.

(i) Schedule I - Seven-Year Amortization. The following shall be amortized over a seven-year period: Appliances, such as new stoves, disposals, washers, dryers and dishwashers; fixtures, such as garage door openers, locks, light fixtures, water heaters and blankets, shower heads, time clocks and hot water pumps; and other improvements, such as carpeting, linoleum, and exterior and interior painting of common areas. If the appliance is a replacement for which the tenant has already had the benefit, the cost will not be amortized as a capital improvement, but will be considered part of operating and maintenance expenses. Appliances may be amortized as capital improvements when: (1) part of a remodeled kitchen; (2) based upon an agreement between the tenant and landlord; and/or (3) it is a new service or appliance the tenant did not previously have.

(ii) Schedule II - Ten-Year Amortization. The following shall be amortized over a ten year period: New foundation, new floor structure, new ceiling or walls - new sheetrock, new plumbing (new fixtures, or piping) weather- stripping, ceiling insulation, seals and caulking, new furnaces and heaters, refrigerators, new electrical wiring, new stairs, new roof structure, new roof cover, new window, fire escapes, central smoke detection system, new wood or tile floor cover, new sprinkler system, boiler replacement, air conditioning-central system, exterior siding or stucco, elevator rebuild, elevator cables, additions such as patios or decks, central security system, new doors, new mail boxes, new kitchen or bathroom cabinets, sinks, telephone entry system, skylights, iron gates, sidewalk replacement and chimneys.

(B) Allowable Increase.

(i) Only fifty percent (50%) of the costs certified under this Subsection 37.7(c)(5) may be passed through to the tenants who benefit from such work and improvements. However, no increase under this Subsection 37.7(c)(5) shall exceed, in a twelve-

month period, ten percent (10%) of the tenant's base rent at the time the petition was filed or $30.00, whichever is greater. A landlord may accumulate any certified increase which exceeds this amount and impose the increase in subsequent years, subject to this 10% or $30.00 limitation.

(ii) In the alternative, a tenant may elect to have one hundred percent (100%) of the costs certified under this Subsection 37.7(c)(5) passed through to the tenant. In that event no increase under this Subsection shall exceed, in a twelve-month period, five percent (5%) of the tenant's base rent at the time the application was filed, and over the life of the tenancy the total increase shall never exceed fifteen percent (15%) of the tenant's base rent at the time the application was filed. A tenant must elect this alternative by filing such an election with the Board on a form prescribed by the Board. An election may be filed at any time after the application is filed but no later than fifteen (15) calendar days after the Administrative Law Judge's decision on the application is mailed to the tenant. In a unit with multiple tenants, the election form must be signed by a majority (more than 50%) in order for the election to be accepted. If a timely election is made after a decision has been issued, an addendum to the decision will be issued reflecting the tenant's election.

(6) Development of On-Line Programs. The Board, in conjunction with the Department of Telecommunications and Information Services, shall design and implement on-line programs by September 1, 2003 to allow landlords and tenants to perform calculations concerning allowable increases for capital improvement, rehabilitation, energy conservation, and renewable energy work, and to compare average costs for work certified in prior decisions.

(d) Estimator. The Board or its Executive Director may hire an estimator where an expert appraisal is required.

(e) Filing Fee. The Board shall establish a filing fee based upon the cost of the capital improvement, rehabilitation, energy conservation improvement, or renewable energy improvement being reviewed. Such fees will pay for the costs of an estimator. These fees shall be deposited in the Residential Rent Stabilization and Arbitration Fund pursuant to Section 10.117-88 of this Code.

(f) Application Procedures.

(1) Pre-Application Notice for Large Projects for Parcels or Buildings Containing Six or More Residential Units. If at any time prior to filing an application the landlord determines that the total cost of a project for a parcel or a building containing six or more residential units is reasonably expected to exceed $25,000 multiplied by the number of units on the parcel or in the building, the landlord shall immediately inform each tenant and the Rent Board in writing of the anticipated costs of the work. The landlord's notice must occur within 30 days after such determination by the landlord.

(2) Filing. Landlords who seek to pass through the costs of capital improvements, rehabilitation, energy conservation improvements, or renewable energy improvements, must file an application on a form prescribed by the Board. The application shall be accompanied by such supporting material as the Board shall prescribe. All applications must be submitted with the filing fee established by the Board.

For each petition totaling more than $25,000, in addition to the supporting material prescribed by the Board for all petitions, the applicant must either:

(A) Provide copies of competitive bids received for work and materials; or,

(B) Provide copies of time and materials billing for work performed by all contractors and subcontractors; or

(C) The applicant must pay the cost of an estimator hired by the Board.

(3) Filing Date. Applications must be filed prior to the mailing or delivery of legal notice of a rent increase to the tenants of units for which the landlord seeks certification and in no event more than five (5) years after the work has been completed.

(4) Effect of Filing Application. Upon the filing of the application, the requested increases will be inoperative until such time as the Administrative Law Judge makes findings of fact at the conclusion of the certification hearing.

(5) Notice to Parties. The Board shall calendar the application for hearing before a designated Administrative Law Judge and shall give written notice of the date to the parties at least 10 days prior to the hearing.

(g) Certification Hearings.

(1) Time of Hearing. The hearing shall be held within 45 days of the filing of the application.

(2) Consolidation. To the greatest extent possible, certification hearings with respect to a given building shall be consolidated. Where a landlord and/or tenant has filed a petition for hearing based upon the grounds and under the procedure set forth in Section 37.8, the Board may, in its discretion, consolidate certification hearings with hearings on Section 37.8 petitions.

(3) Conduct of Hearing. The hearing shall be conducted by an Administrative Law Judge designated by the Board. Both parties may offer such documents, testimony, written declarations or other evidence as may be pertinent to the proceedings. Burden of proof is on the landlord. A record of the proceedings must be maintained for purposes of appeal.

(4) Determination of the Administrative Law Judge. In accordance with the Board's amortization schedules and cost allocation formulas, the Administrative Law Judge shall make findings as to whether or not the proposed rent increases are justified based upon the following considerations:

(A) The application and its supporting documentation;

(B) Evidence presented at the hearing establishing both the extent and the cost of the work performed;

(C) Estimator's report, where such report has been prepared; and

(D) Any other such relevant factors as the board shall specify in Rules and Regulations.

(5) Findings of Fact. The Administrative Law Judge shall make written findings of fact, copies of which shall be mailed within 30 days of the hearing.

(6) Payment or Refund of Rents to Implement Certification Decision. If the Administrative Law Judge finds that all or any portion of the heretofore inoperative rent increase is justified, the tenant shall be ordered to pay the landlord that amount. If the tenant has paid an amount to the landlord which the Administrative Law Judge finds unjustified, the Administrative

Law Judge shall order the landlord to reimburse the tenant said amount.

(7) Finality of Administrative Law Judge's Decision. The decision of the Administrative Law Judge shall be final unless the Board vacates his or her decision on appeal.

(8) Appeals. Either party may file an appeal of the Administrative Law Judge's decision with the Board. Such appeals are governed by Section 37.8(f) below.

(h) Tenant Financial Hardship Applications.

(1) A tenant may file a hardship application at any time on grounds of financial hardship with respect to any rent increase based on certified costs of capital improvements, rehabilitation work, energy conservation improvements, or renewable energy improvements. Payment of such rent increase(s) set forth in the hardship application shall be stayed from the date of filing until a decision is made on the Tenant Financial Hardship Application.

(2) Hardship applications shall be available in multiple languages.

(3) Multilingual notice of hardship application procedures shall be mailed with each Administrative Law Judge or Board decision.

(4) Within six months after February 21, 2003 the Rent Board shall implement a process for direct outreach to landlords and tenants whose primary language is not English, regarding availability and use of the hardship application procedure. Within three months of implementation the Board shall provide a report to the Board of Supervisors regarding this outreach program, describing the implementation process and any known results.

(i) Tenant Financial Hardship Application Standards and Process.

(1) Standards for Establishing Financial Hardship. A tenant will qualify under Subsection 37.7(h) for relief from payment of a certified capital improvement passthrough, if the tenant demonstrates that one of the following financial hardship situations applies:

(A) Tenant is a recipient of means-tested public assistance, such as Social Security Supplemental Security Income (SSI), General Assistance (GA), Temporary Assistance for Needy Families (TANF), or California Work Opportunity and Responsibility to Kids (CalWORKS); or,

(B) Gross household income is less than 80% of the current Unadjusted

Area Median Income (AMI) as published by the U.S. Department of Housing and Urban Development (HUD) for the "Metro Fair Market Rent Area" that includes San Francisco; and rent charged is greater than 33% of gross household income; and assets, excluding non-liquid assets and retirement accounts, do not exceed asset amounts permitted by the Mayor's Office of Housing when determining eligibility for below market rate (BMR) home ownership; or,

(C) Exceptional circumstances exist, such as excessive medical bills.

(2) Procedures for Filing. A Tenant Financial Hardship Application must be filed:

(A) By each occupant in the unit who is 18 years of age or older, except not by any subtenant who pays rent to the master tenant (the gross income of the master tenant must include the amount of the subtenant's rent payment);

(B) Under penalty of perjury, stating that the tenant qualifies under one of the standards in Subsection 37.7(i)(1)(A), (B), or (C);

(C) With documentation demonstrating the tenant's qualifications; and,

(D) With an acknowledgment that the Rent Board will provide a copy of the Tenant Financial Hardship Application to the landlord.

(3) Stay of Payment. Payment of a certified capital improvement passthrough that is the subject of a Subsection 37.7(i)(1) Tenant Financial Hardship Application shall be stayed from the date of filing until a decision is made on the Tenant's Financial Hardship Application.

(4) Hearing Options, Decision.

(A) A decision on the Application will be issued administratively by a Rent Board Administrative Law Judge unless a hearing is requested by the landlord within fifteen days of the date the completed Tenant Financial Hardship Application is mailed to the landlord by the Rent Board, or unless a Rent Board Administrative Law Judge otherwise determines that a hearing is needed.

(B) Landlord Request for Hearing, Procedures.

(i) A landlord's request for a hearing on the Application shall specify the claim(s) in the Application that the landlord disputes, and attach any relevant

documentation.

(ii) A Rent Board Administrative Law Judge will review any landlord request for hearing, to determine whether a hearing is necessary to resolve disputed facts.

(iii) If the landlord's request for a hearing is granted, it will be the landlord's burden to demonstrate that the tenant's financial hardship eligibility under Subsection 37.7(i)(1) criteria, as stated in the Application, has not been established.

(iv) If it is determined that a hearing as requested by the landlord is not needed to determine the facts, a decision on the Application will be issued administratively by a Rent Board Administrative Law Judge.

(5) Term of Relief. Relief from payment of a certified capital improvement passthrough may be for an indefinite period, or for a limited period of time, all subject to the landlord's request to reopen the case if the landlord has information that the tenant is no longer eligible.

(6) Change in Tenant Eligibility Status. If a tenant is granted relief from payment of a certified capital improvement passthrough under Subsection 37.7(i)(1), and subsequently the tenant is no longer eligible for such relief:

(A) The tenant shall notify the Rent Board of this changed eligibility status in writing within 60 days, with a copy to the landlord.

(B) Whether or not the tenant notifies the Rent Board and landlord as provided in Subsection 37.7(i)(6)(A), the landlord may notify the Rent Board if the landlord has information that the tenant is no longer eligible, with a copy to the tenant.

(C) Upon receipt of notice under Subsection 37.7(i)(6)(A) or (B), a Rent Board Administrative Law Judge shall decide whether to grant or deny the previously granted relief. That decision may be made administratively by a Rent Board Administrative Law Judge without a hearing unless the Administrative Law Judge determines that a hearing is needed, or unless the landlord requests a hearing. Any such hearing shall be promptly scheduled.

(7) Any decision granting or denying the Tenant Financial Hardship Application,

or any subsequent decision on a previously granted Tenant Financial Hardship Application, may be appealed to the Rent Board. The Rent Board's final decision will be subject to judicial review by writ of administrative mandamus in the San Francisco Superior Court.

(j) Notice to Tenants Regarding Tenant Financial Hardship Applications. The Rent Board shall provide written notice of the tenant financial hardship application procedures to each affected unit, with a copy of the landlord's petition for certification of capital improvement costs.

Sec. 37.8 Arbitration of Rental Increase Adjustments.

[Amended by Ord. No. 295-79, effective June 22, 1979; Ord. No. 358-80, effective August 24, 1980; Ord. No. 77-82, effective April 1, 1982; Ord. No. 268-82, effective July 10, 1982; Ord. No. 111-83, effective April 10, 1983; Ord. No. 438-83, effective October 2, 1983; Ord. No. 435-86, effective December 10, 1986; Ord. No. 278-89, effective September 1, 1989; Ord. No. 127-91, effective May 2, 1991; Ord. No. 132-92, effective June 20, 1992; Ord. No.179-92, effective July 22, 1992; Ord. No. 162-93, effective June 28, 1993; Ord. No. 363-93, effective December 18, 1993; Ord. No. 179-98, effective June 28, 1998; Ord. No. 347-99, effective January 29, 2000; Ord. No. 107-03, effective June 22, 2003; Ord. No. 5-04, effective February 15, 2004; Ord. No. 132-18, effective July 15, 2018; Ord. No. 267-18, effective December 9, 2018]

(a) Authority of Board and Administrative Law Judges. In accordance with such guidelines as the Board shall establish, the Board and designated Administrative Law Judges shall have the authority to arbitrate rental increase adjustments and to administer the rent increase protest procedures with respect to RAP rental units as set forth in Chapter 32 of the San Francisco Administrative Code.

(b) Request for Arbitration.

(1) Landlords. Landlords who seek to impose rent increases which exceed the limitations set forth in Section 37.3(a) above must request an arbitration hearing as set forth in this section. The burden of proof is on the landlord. This Section 37.8(b)(1) applies, but is not limited, to Operating and Maintenance Expense petitions to increase base rent.

(A) Where a landlord Operating and Maintenance Expense petition to increase base rent is granted, based upon a petition pending or filed on or after October 28, 2003 for a property with six or more residential units, the same landlord shall not impose more than a total seven percent (7%) base rent increase on any unit in any five (5) year period due to increases in operating and maintenance costs.

(2) Tenants.

(A) Notwithstanding Section 37.3, tenants of non-RAP rental units and tenants of RAP rental units in areas designated on or after July 1, 1977 may request arbitration hearings where a landlord has substantially decreased services without a corresponding reduction in rent and/or has failed to perform ordinary repair and maintenance under state or

local law and/or has failed to provide the tenant with a clear explanation of the current charges for gas and electricity passed through to the tenant and/or imposed a nonconforming rent increase which is null and void. The burden of proof is on the tenant.

(B) Tenants of RAP rental units in areas designated prior to July 1, 1977 may petition for a hearing where the landlord has noticed an increase which exceeds the limitations set forth in Section 32.73 of the San Francisco Administrative Code. After a vacancy has occurred in a RAP rental unit in said areas, a new tenant of said unit may petition for a hearing where the landlord has demanded and/or received a rent for that unit which exceeds the rent increase limitation set forth in Section 32.73 of the San Francisco Administrative Code. The burden of proof is on the landlord.

(c) Procedure for Landlord Petitioners.

(1) Filing. The request for arbitration must be filed on a petition form prescribed by the Board and shall be accompanied by such supporting material as the Board shall prescribe, including but not limited to, justification for the proposed rental increase.

(2) Filing Date. The petition must be filed prior to the mailing or delivering to the tenant or tenants legal notice of the rental increase exceeding the limitations as defined in Section 37.3.

(3) Effect of Timely Filing of Petition. Provided a completed petition is timely filed, that portion of the requested rental increase which exceeds the limitations set forth in Section 37.3 and has not been certified as a justifiable increase in accordance with Section 37.7 is inoperative until such time as the Administrative Law Judge makes findings of fact at the conclusion of the arbitration hearing.

(4) Notice to Parties. The Board shall calendar the petition for hearing before a designated Administrative Law Judge and shall give written notice of the date to the parties at least ten (10) days prior to the hearing.

(d) Procedure for Tenant Petitioners.

(1) Filing; Limitation. The request for arbitration must be filed on a petition form prescribed by the Board and must be accompanied by such supporting material as the Board

shall prescribe, including but not limited to, a copy of the landlord's notice of rent increase. If the tenant petitioner has received certification findings regarding his rental unit in accordance with 37.7, such findings must accompany the petition. If the tenant petitioner has received a notification from the Chief Administrative Officer with respect to base rent and amortization of a RAP loan, such notification must accompany the petition. A tenant petition regarding a gas and electricity passthrough must be filed within one year of the effective date of the passthrough or within one year of the date the passthrough was required to be recalculated pursuant to rules and regulations promulgated by the Board. A tenant petition regarding a water revenue bond passthrough under Section 37.3(a)(5)(B) must be filed within one year of the effective date of the passthrough. A tenant petition regarding a general obligation bond cost passthrough under Section 37.3(a)(6) must be filed within one year of the effective date of the passthrough.

(2) Notice to Parties. The Board shall calendar the petition for hearing before a designated Administrative Law Judge and shall give written notice of the date to the parties at least ten (10) days prior to the hearing. Responses to a petition for hearing may be submitted in writing.

(e) Hearings.

(1) Time of Hearing. The hearing must be held within forty-five (45) days of the filing of the petition. The level of housing services provided to tenants' rental units shall not be decreased during the period between the filing of the petition and the conclusion of the hearing.

(2) Consolidation. To the greatest extent possible, hearings with respect to a given building shall be consolidated.

(3) Conduct of Hearing. The hearing shall be conducted by an Administrative Law Judge designated by the Board. Both parties may offer such documents, testimony, written declarations or other evidence as may be pertinent to the proceedings. A record of the proceedings must be maintained for purposes of appeal.

(4) Determination of the Administrative Law Judge: Rental Units. Based upon the evidence presented at the hearing and upon such relevant factors as the Board shall determine, the Administrative Law Judge shall make findings as to whether the landlord's

proposed rental increase exceeding the limitations set forth in Section 37.3 is justified or whether the landlord has effected a rent increase through a reduction in services or has failed to perform ordinary repair and maintenance as required by state or local law; and provided further that, where a landlord has imposed a passthrough pursuant to this Chapter 37, the same costs shall not be included in the calculation of increased operating and maintenance expenses pursuant to this subsection (4). In making such findings, the Administrative Law Judge shall take into consideration the following factors:

(A) Increases or decreases in operating and maintenance expenses, including, but not limited to, water and sewer service charges; janitorial service; refuse removal; elevator service; security system; insurance for the property; debt service and real estate taxes as set forth in subsections (i) and (ii); reasonable and necessary management expenses as set forth in subsection (iii); and routine repairs and maintenance as set forth in subsection (iv).

(i) For petitions filed before December 11, 2017, the Rent Board may consider increased debt service and increased real estate taxes; provided, however, that if the property has been purchased within two (2) years of the date of the previous purchase, consideration shall not be given to that portion of increased debt service which has resulted from a selling price which exceeds the seller's purchase price by more than the percentage increase in the "Consumer Price Index for All Urban Consumers for the San Francisco-Oakland Metropolitan Area, U.S. Department of Labor" between the date of previous purchase and the date of the current sale, plus the cost of capital improvements or rehabilitation work made or performed by the seller.

(ii) For petitions filed on or after December 11, 2017, the Rent Board shall not consider any portion of increased debt service, or that portion of increased real estate taxes that has resulted from an increased assessment due to a change in ownership; provided, however, that the Rent Board may consider that portion of increased real estate taxes that has resulted from the completion of needed repairs or capital improvements with respect to any petition filed on or after December 11, 2017; and provided, further, that the Rent Board may consider increased debt service and increased real estate taxes in a petition filed on or after

December 11, 2017 pursuant to Section 37.8(e)(4)(A)(i), if the landlord demonstrates that it had purchased the property on or before April 3, 2018 and that it had reasonably relied on its ability to pass through those costs at the time of the purchase.

(iii) For petitions filed on or after July 15, 2018, the Rent Board may consider management expenses only to the extent those expenses are reasonable and necessary, based on factors such as the need to provide day-to-day management of the building; the level of management services previously required for the building; the reasonable cost of the services in an arms-length transaction; whether any tenants have objected that the cost and quality of the services are not in keeping with the socioeconomic status of the building's existing tenants; and other extraordinary circumstances.

(iv) The term routine repairs and maintenance shall not include any costs for installation or upgrade of a fire sprinkler system or fire alarm and/or detection system attributable to the landlord's compliance with a Fire Life Safety Notice and Order issued by the Building Official under Sections 107A.16.1 et seq. of the Building Code or the fire code official under Sections 109.3 et seq. of the Fire Code.

(B) The past history of increases in the rent for the unit and the comparison of the rent for the unit with rents for comparable units in the same general area.

(C) Any findings which have been made pursuant to Section 37.7 with respect to the unit.

(D) Failure to perform ordinary repair, replacement and maintenance in compliance with applicable state and local law.

(E) Any other such relevant factors as the Board shall specify in rules and regulations.

(5) Determination of the Administrative Law Judge: RAP Rental Units.

(A) Rap Rental units in RAP areas designated prior to July 1, 1977. The Administrative Law Judge shall make findings as to whether or not the noticed or proposed rental increase exceeds the rent increase limitations set forth in Section 32.73 of the San Francisco Administrative Code. In making such findings, the Administrative Law Judge shall

apply the rent increase limitations set forth in Chapter 32 of the San Francisco Administrative Code and all rules and regulations promulgated pursuant thereto. The Administrative Law Judge shall consider the evidence presented at the hearing. The burden of proof shall be on the landlord.

(B) Rap rental units in RAP areas designated on or after July 1, 1977. The Administrative Law Judge shall make findings with respect to rent increases exceeding the limitations as set forth in Section 37.3 of this chapter. In making such findings, the Administrative Law Judge shall take into consideration the factors set forth in subsection (4) above and shall consider evidence presented at the hearing. The burden of proof is on the landlord.

(6) Findings of Fact. The Administrative Law Judge shall make written findings of fact, copies of which shall be mailed to the parties within 30 days of the hearing.

(7) Payment or Refund of Rents to Implement Arbitration Decision. Upon finding that all or any portion of the rent increase is or is not justified, or that any nonconforming rent increase is null and void, the Administrative Law Judge may order payment or refund of all or a portion of that cumulative amount within fifteen (15) days of the mailing of the findings of fact or may order the amount added to or offset against future rents; provided, however, that any such order shall be stayed if an appeal is timely filed by the aggrieved party. The Administrative Law Judge may order refunds of rent overpayments resulting from rent increases which are null and void for no more than the three-year period preceding the month of the filing of a landlord or tenant petition, plus the period between the month of filing and the date of the Administrative Law Judge's decision. In any case, calculation of rent overpayments and re-setting of the lawful base rent shall be based on a determination of the validity of all rent increases imposed since April 1,1982, in accordance with Sections 37.3(b)(5) and 37.3(a)(2) above.

(8) Finality of Administrative Law Judge's Decision. The decision of the Administrative Law Judge shall be final unless the Board vacates his decision on appeal.

(f) Appeals.

(1) Time and Manner. Any appeal to the Board from the determination of the

Administrative Law Judge must be made within fifteen (15) calendar days of the mailing of the findings of fact unless such time limit is extended by the board upon a showing of good cause. If the fifteenth day falls on a Saturday, Sunday or legal holiday, the appeal may be filed with the Board on the next business day. The appeal shall be in writing and must state why appellant believes there was either error or abuse of discretion on the part of the Administrative Law Judge. The filing of an appeal will stay only that portion of any Administrative Law Judge's decision which permits payment, refund, offsetting or adding rent.

(2) Record on Appeal. Upon receipt of an appeal, the entire administrative record of the matter, including the appeal, shall be filed with the Board.

(3) Appeals. The Board shall, in its discretion, hear appeals. In deciding whether or not to hear a given appeal, the board shall consider, among other factors, fairness to the parties, hardship to either party, and promoting the policies and purposes of this chapter, in addition to any written comments submitted by the Administrative Law Judge whose decision is being challenged. The Board may also review other material from the administrative record of the matter as it deems necessary. A vote of three (3) members shall be required in order for an appeal to be heard.

(4) Remand to Administrative Law Judge Without Appeal Hearing. In those cases where the Board is able to determine on the basis of the documents before it that the Administrative Law Judge has erred, the board may remand the case for further hearing in accordance with its instructions without conducting an appeal hearing. Both parties shall be notified as to the time of the re-hearing, which shall be conducted within thirty (30) days of remanding by the board. In those cases where the board is able to determine on the basis of the documents before it that the Administrative Law Judge's findings contain numerical or clerical inaccuracies, or require clarification, the board may continue the hearing for purposes of re-referring the case to said Administrative Law Judge in order to correct the findings.

(5) Time of Appeal Hearing; Notice to Parties. Appeals accepted by the board shall be heard within forty-five (45) days of the filing of an appeal. Within thirty (30) days of the filing of an appeal, both parties shall be notified in writing as to whether or not the appeal has

been accepted. If the appeal has been accepted, the notice shall state the time of the hearing and the nature of the hearing. Such notice must be mailed at least ten (10) days prior to the hearing.

(6) Appeal Hearing; Decision of the Board. At the appeal hearing, both appellant and respondent shall have an opportunity to present oral testimony and written documents in support of their positions. After such hearing and after any further investigation which the board may deem necessary the board may, upon hearing the appeal, affirm, reverse or modify the Administrative Law Judge's decision or may remand the case for further hearing in accordance with its findings. The board's decision must be rendered within forty-five (45) days of the hearing and the parties must be notified of such decision.

(7) Notification of the Parties. In accordance with item (6) above, parties shall receive written notice of the decision. The notice shall state that this decision is final.

(8) Effective Date of Appeal Decisions. Appeal decisions are effective on the date mailed to the parties; provided, however, that that portion of any decision which orders payment, refund, offsetting or adding rent shall become effective thirty (30) calendar days after it is mailed to the parties unless a stay of execution is granted by a court of competent jurisdiction.

(9) Limitation of Actions. A landlord or tenant aggrieved by any decision of the Board must seek judicial review within ninety (90) calendar days of the date of mailing of the decision.

Sec. 37.8A Expedited Hearing Procedures.
[Added by Ordinance No. 133-92, effective June 20, 1992; amended by Ord. No. 347-99, effective January 29, 2000]

As an alternative to the hearing procedures set forth in Sections 37.7(g) and 37.8(e) above, a landlord or tenant may, in certain cases, obtain an expedited hearing and final order with the written consent of all parties. This section contains the exclusive grounds and procedures for such hearings.

(a) Applicability. A tenant or landlord may seek an expedited hearing for the following petitions only:

(1) Any landlord capital improvement petition where the proposed increase for certified capital improvement costs does not exceed the greater of 10% or $30.00 of a tenant's base rent and the parties stipulate to the cost of the capital improvements;

(2) Any tenant petition alleging decreased housing services with a past value not exceeding $1,000.00 as of the date the petition is filed;

(3) Any tenant petition alleging the landlord's failure to repair and maintain the premises as required by state or local law;

(4) Any tenant petition alleging unlawful rent increases where the parties stipulate to the tenant's rent history and the rent overpayments do not exceed a total of $1,000.00 as of the date the petition is filed;

(5) Any petition concerning jurisdictional questions where the parties stipulate to the relevant facts.

(b) Hearing Procedures. The petition application procedures of Sections 37.7(f) and Section 37.8(c) and (d) apply to petitions for expedited hearings. The hearings shall be conducted according to the following procedures:

(1) Time of Hearing. The hearing must be held within twenty-one (21) days of the filing of the written consent of all the parties. The level of housing services provided to tenants' rental units shall not be decreased during the period between the filing of the petition and the conclusion of the hearing.

(2) Consolidation. To the greatest extent possible, and only with the consent of

the parties, hearings with respect to a given building shall be consolidated.

(3) Conduct of Hearing. The hearing shall be conducted by an Administrative Law Judge designated by the Board. Both parties may offer such documents, testimony, written declarations or other evidence as may be pertinent to the proceedings. Stipulations of the parties as required under Sections 37.8A(b)(1), (b)(4) and (b)(5) shall be required as evidence. Burden of proof requirements set forth in Section 37.7 and 37.8 are applicable to the hearing categories in Section 37.8A(b) above. No record of the hearing shall be maintained for any purpose.

(4) Order of the Administrative Law Judge. Based upon all criteria set forth in Section 37.7(4) and 37.8(e)(4) governing the petition, the Administrative Law Judge shall make a written order no later than ten (10) days after the hearing. The Administrative Law Judge shall make no findings of fact. The Administrative Law Judge shall order payment or refund of amounts owing to a party or parties, if amounts are owed, within a period of time not to exceed forty-five (45) days.

(5) Stay of Order. The Administrative Law Judge's order shall be stayed for fifteen (15) days from the date of issuance. During this period, either party may lodge a written objection to the order with the Board. If the Board receives such objection within this period, the order is automatically dissolved and the petitioning party may refile the petition for hearing under any other appropriate hearing procedure set forth in this chapter.

(6) Finality of Administrative Law Judge's Order. If no objection to the Administrative Law Judge's order is made pursuant to Subsection (c)(5) above, the order become final. The order is not subject to appeal to the Board under Section 37.8(f) nor is it subject to judicial review pursuant to Section 37.8(f)(9).

Sec. 37.8B **Expedited Hearing and Appeal Procedures for Capital Improvements Resulting From Seismic Work on Unreinforced Masonry Buildings Pursuant to Building Code Chapters 5B and 5C where Landlords Performed the Work with a UMB Bond Loan.**
[Added by Ord. No. 221-92, effective August 13, 1992; amended by Ord. No. 347-99, effective January 29, 2000; Ord. No. 02-03, effective February 21, 2003; Ord. No. 3-26, effective February 8, 2026]

This section contains the exclusive procedures for all hearings concerning certification of the above-described capital improvements. Landlords who perform such work without a UMB bond loan are subject to the capital improvement certification procedures set forth in Section 37.7 above.

(a) Requirements for Certification. The landlord must have completed the capital improvements in compliance with the requirements of Existing Building Code Chapters 5B and 5C. The certification requirements of Section 37.7(b)(2) and (b)(3) are also applicable.

(b) Amortization and Cost Allocation; Interest. Costs shall be equally allocated to each unit and amortized over a 20-year period or the life of any loan acquired for the capital improvements, whichever is longer. Interest shall be limited to the actual interest rate charged on the loan and in no event shall exceed 10% per year.

(c) Eligible Items, Costs. Only those items required in order to comply with Existing Building Code Chapters 5B and 5C may be certified. The allowable cost of such items may not exceed the costs set forth in the Mayor's Office of Economic Planning and Development's publication of estimated cost ranges for bolts plus retrofitting by building prototype and/or categories of eligible construction activities.

(d) Hearing Procedures. The application procedures of Sections 37.7(f) apply to petitions for these expedited capital improvement hearings; provided, however, that the landlord shall pay no filing fee since the Board will not hire an estimator. The hearings shall be conducted according to the following procedures:

(1) Time of Hearing; Consolidation; Conduct of Hearing. The hearing must be held within twenty-one (21) days of the filing of the application. The consolidation and hearing conduct procedures of Section 37.7(g)(2) and (g)(3) apply.

(2) Determination of Administrative Law Judge. In accordance with the requirements of this section, the Administrative Law Judge shall make findings as to whether or not the proposed rent increases are justified based upon the following considerations:

(A) The application and its supporting documentation;

(B) Evidence presented at the hearing establishing both the extent and the cost of the work performed; and

(C) The Mayor's Office of Planning and Economic Development's bolts plus cost range publication; and

(D) Tenant objections that the work has not been completed; and

(E) Any other such relevant factors as the Board shall specify in rules and regulations.

(3) Findings of Fact; Effect of Decision. The Administrative Law Judge shall make written findings of fact, copies of which shall be mailed within twenty-one (21) days of the hearing. The decision of the Administrative Law Judge is final unless the Board vacates it on appeal.

(e) Appeals. Either party may appeal the Administrative Law Judge's decisions in accordance with the requirements of Section 37.8(f)(1),(f)(2) and (f)(3). The Board shall decide whether or not to accept an appeal within twenty-one (21) days.

(1) Time of Appeal Hearing; Notice to Parties; Record; Conduct of Hearing. The appeal procedures of Section 37.8(f)(5),(f)(6),(f)(7),(f)(8) and (f)(9) apply; provided, however, that the Board's decision shall be rendered within twenty (20) days of the hearing.

(2) Rent Increases. A landlord may not impose any rent increases approved by the Board on appeal without at least sixty (60) days notice to the tenants.

Sec. 37.8C **Temporary Moratorium on Rent Board Processing or Approval of Landlord Petitions for Certification and Passthrough of Non-Seismic Capital Improvement, Rehabilitation and Energy Conservation Costs to Tenants, During Pendency of the Superior Court Preliminary Injunction Staying Implementation of November 2000 Proposition H.**
[Added by Ordinance No. 29-01, effective April 1, 2001]

The Board, Administrative Law Judges and other Board staff, are prohibited from processing or approving landlord petitions for certification and passthrough of capital improvement, rehabilitation and energy conservation costs to tenants, for a temporary moratorium period commencing on April 1, 2001 and continuing until the San Francisco Superior Court dissolves its preliminary injunction staying the implementation of November 2000 Proposition H (entered December 20, 2000, in Quigg v. City and County of San Francisco, et al., San Francisco Superior Court Case No. 316928), except that petitions which seek only certification and passthrough of seismic retrofit work shall not be affected by this moratorium. This moratorium applies to petitions pending as of the effective date of this ordinance [April 1, 2001] and to any landlord petitions filed during the moratorium, whether based on Section 37.3(a)(3), 37.7 and/or 37.8A.

Sec. 37.9 **Evictions.**

[Amended by Ord. No. 295-79, effective June 22, 1979; Ord. No. 358-80, effective August 24, 1980; Ord. No. 539-80, effective December 11, 1980; Ord. No. 4-82, effective February 7, 1982; Ord. No. 268-82, effective July 10, 1982; Ord. No. 498-82, effective November 11, 1982; Ord. No. 438-83, effective October 2, 1983; Ord. No. 425-84, effective November 17, 1984; Ord. No. 193-86, effective June 29, 1986; Ord. No. 7-87, effective February 14, 1987; Ord. No. 30-91, effective February 21, 1991; Ord. No. 192-91, effective June 30, 1991; Ord. No. 405-96, effective November 21, 1996; Ord. No. 109-97-4, effective January 30, 1998; Ord. No. 239-98, effective August 16, 1998; Ord. No. 250-98, effective August 30, 1998; Ord. No. 293-98, effective November 1, 1998; amended by Proposition G, December 18, 1998; amended by Ord. No. 237-99, effective September 29, 1999; Ord. No. 347-99, effective January 29, 2000; Ord. No. 348-99, effective January 29, 2000; Ord. No. 135-01, effective September 4, 2001; Ord. No. 186-01, effective October 27, 2001; Ord. No. 23-02, effective March 24, 2002; Ord. No. 57-02, effective June 2, 2002; revised by Bullard v. San Francisco Rent Board (2003) 106 Cal.App. 4th 488, and Baba v. CCSF (2004) 124 Cal.App. 4th 504; amended by Ord. No. 99-04, effective July 5, 2004; Ord. No. 282-04, effective January 2, 2005; Ord. No. 21-05, effective February 20, 2005; amended by Proposition H, effective December 22, 2006; Ord. No. 92-07, effective May 27, 2007; Ord. No. 33-08, effective April 16, 2008; Ord. No. 28-09, effective March 22, 2009; Ord. No. 33-10, effective March 14, 2010; Ord. No. 72-11, effective May 27, 2011; annotated sections 37.9(a)(11) and 37.9(a)(14) to reference California Civil Code Section 1947.9, which went into effect on January 1, 2013; amended by Ord. No. 1-14, effective February 14, 2014; Ord. No. 44-14, effective May 18, 2014; amended by Ord. No. 218-14, operative February 1, 2015; Ord. No. 171-15, effective November 9, 2015; Ord. No. 17-16, effective March 19, 2016; amended by Ord. No. 55-16, effective May 22, 2016; amended by Ord. No. 160-17, effective August 27, 2017; amended by Ord. No. 245-19, effective December 2, 2019; amended by Ord. No. 89-20, effective July 13, 2020; amended by Ord. No. 93-20, effective July 27, 2020; amended by Ord. No. 216-20, effective November 30, 2020; amended by Ord. No. 29-21, effective April 12, 2021; amended by Ord. No. 083-21, effective July 18, 2021; amended by Ord. Nos. 207-21 and 208-21, effective December 12, 2021; amended by Ord. No. 18-22, effective March 14, 2022; partly enjoined by San Francisco Superior Court on March 23, 2022; revised by SFAA v. CCSF (2024) 104 Cal.App.5th 1218; amended by Ord. No. 034-22, effective April 11, 2022; amended by Ord. No. 47-23, effective May 15, 2023; amended by Ord. No. 072-23, effective June 2, 2023; Ord. No. 3-26, effective February 8, 2026]

Notwithstanding Section 37.3, this Section 37.9 shall apply as of August 24, 1980, to all landlords and tenants of rental units as defined in Section 37.2(r).

(a) A landlord shall not endeavor to recover possession of a rental unit unless:

(1) The tenant:

(A) Has failed to pay the rent to which the landlord is lawfully entitled under the oral or written agreement between the tenant and landlord:

(i) Except that a tenant's nonpayment of a charge prohibited by Section 919.1 of the Police Code shall not constitute a failure to pay rent; and

(ii) Except that, commencing August 10, 2001, to and including February 10, 2003, a landlord shall not endeavor to recover or recover possession of rental unit for failure of a tenant to pay that portion of rent attributable to a capital improvement passthrough certified pursuant to a decision issued after April 10, 2000, where the capital improvement passthrough petition was filed prior to August 10, 2001, and a landlord shall not impose any late fee(s) upon the tenant for such non-payment of capital improvement costs; or

(B) Habitually pays the rent late; or

(C) Gives checks which are frequently returned because there are insufficient funds in the checking account;

(D) Provided, however, that subsection (a)(1) shall not apply with respect to rent payments that initially became due during the time period when paragraph 2 of the Governor's Executive Order No. N-28-20 was in effect (March 16, 2020 through September 30, 2020), and where the tenant's failure to pay (i) arose out of a substantial decrease in household income (including, but not limited to, a substantial decrease in household income caused by layoffs or a reduction in the number of compensable hours of work, or substantial out-of-pocket expenses; (ii) that was caused by the COVID-19 pandemic, or by any local, state, or federal government response to COVID-19; and (iii) is documented. The types of documentation that a tenant may use to show an inability to pay due to COVID-19 may include, without limitation, bank statements, pay stubs, employment termination notices, proof of unemployment insurance claim filings, sworn affidavits, and completed forms prepared by the Rent Board. A tenant shall have the option, but shall not be required, to use third-party documentation such as a letter from an employer to show an inability to pay. The provisions of this subsection (a)(1)(D), being necessary for the welfare of the City and County of San Francisco and its residents, shall be liberally construed to effectuate its purpose, which is to protect tenants from being evicted for

missing rent payments due to the COVID-19 pandemic. Nothing in this subsection (a)(1)(D) shall relieve a tenant of the obligation to pay rent, nor restrict a landlord's ability to recover rent due;

(E) Provided, further, that subsection (a)(1) also shall not apply with respect to rent payments that initially became due during the time period between July 1, 2022, and 60 days after the date that the Mayor's proclamation of emergency related to the COVID-19 pandemic ceases to be in effect, if the tenant can show inability to pay the rent because of the financial impacts of the COVID-19 pandemic as set forth in subsection (a)(1)(D). Nothing in this subsection (a)(1)(E) shall relieve a tenant of the obligation to pay rent, nor restrict a landlord's ability to recover rent due.

(F) The protections in subsections (a)(1)(D) and (a)(1)(E) shall also apply to units where the rent is controlled or regulated by the City, notwithstanding Section 37.2(r)(4), including without limitation privately-operated units controlled or regulated by the Mayor's Office of Housing and Community Development and/or the Department of Homelessness and Supportive Housing. This subsection (a)(1)(F) shall apply to all such units, including but not limited to those where a notice to vacate or quit was pending as of the date that this subsection (a)(1)(F) first took effect and regardless whether the notice was served before, on, or after April 3, 2023.

(2) The tenant has violated a lawful obligation or covenant of tenancy other than the obligation to surrender possession upon proper notice or other than an obligation to pay a charge prohibited by Police Code Section 919.1, the violation was substantial, and the tenant fails to cure such violation after having received written notice thereof from the landlord.

(A) Provided that notwithstanding any lease provision to the contrary, a landlord shall not endeavor to recover possession of a rental unit as a result of subletting of the rental unit by the tenant if the landlord has unreasonably withheld the right to sublet following a written request by the tenant, so long as the tenant continues to reside in the rental unit and the sublet constitutes a one-for-one replacement of the departing tenant(s). If the landlord fails to

respond to the tenant in writing with a description of the reasons for the denial of the request within 14 days of receipt of the tenant's written request, the tenant's request shall be deemed approved by the landlord.

(B) Provided further that where a rental agreement or lease provision limits the number of occupants or limits or prohibits subletting or assignment, a landlord shall not endeavor to recover possession of a rental unit as a result of the addition to the unit of a tenant's child, parent, grandchild, grandparent, brother or sister, or the spouse or domestic partner (as defined in Administrative Code Sections 62.1 through 62.8) of such relatives, or as a result of the addition of the spouse or domestic partner of a tenant, so long as the maximum number of occupants stated in Section 37.9(a)(2)(B)(i) and (ii) is not exceeded, if the landlord has unreasonably refused a written request by the tenant to add such occupant(s) to the unit. If the landlord fails to respond to the tenant in writing with a description of the reasons for the denial of the request within 14 days of receipt of the tenant's written request, the tenant's request shall be deemed approved by the landlord. A landlord's reasonable refusal of the tenant's written request may not be based on the proposed additional occupant's lack of creditworthiness, if that person will not be legally obligated to pay some or all of the rent to the landlord. A landlord's reasonable refusal of the tenant's written request may be based on, but is not limited to, the ground that the total number of occupants in a unit exceeds (or with the proposed additional occupant(s) would exceed) the lesser of (i) or (ii):

(i) Two persons in a studio unit, three persons in a one-bedroom unit, four persons in a two-bedroom unit, six persons in a three-bedroom unit, or eight persons in a four-bedroom unit; or,

(ii) The maximum number permitted in the unit under state law and/or other local codes such as the Building, Fire, Housing and Planning Codes.

(C) Provided further that where a rental agreement or lease provision limits the number of occupants or limits or prohibits subletting or assignment, a landlord shall not

endeavor to recover possession of a rental unit as a result of the addition by the tenant of additional occupants to the rental unit, so long as the maximum number of occupants does not exceed the lesser of the amounts allowed by Subsection (i) or Subsection (ii) of this Section 37.9(a)(2)(C), if the landlord has unreasonably refused a written request by the tenant to add such occupant(s) to the unit. If the landlord fails to respond to the tenant in writing with a description of the reasons for the denial of the request within 14 days of receipt of the tenant's written request, the tenant's request shall be deemed approved by the landlord. A landlord's reasonable refusal of the tenant's written request may not be based on either of the following: (1) the proposed additional occupant's lack of creditworthiness, if that person will not be legally obligated to pay some or all of the rent to the landlord, or (2) the number of occupants allowed by the rental agreement or lease. With the exception of the restrictions stated in the preceding sentence, a landlord's reasonable refusal of the tenant's written request may be based on, but is not limited to, the ground that the landlord resides in the same unit as the tenant or the ground that the total number of occupants in a unit exceeds (or with the proposed additional occupant(s) would exceed) the lesser of (i) or (ii):

(i) Two persons in a studio unit, three persons in a one-bedroom unit, four persons in a two-bedroom unit, six persons in a three-bedroom unit, or eight persons in a four-bedroom unit; or

(ii) The maximum number permitted in the unit under state law and/or other local codes such as the Building, Fire, Housing, and Planning Codes.

(iii) This Subsection 37.9(a)(2)(C) is not intended by itself to establish a direct landlord-tenant relationship between the additional occupant and the landlord or to limit a landlord's rights under the Costa-Hawkins Rental Housing Act, California Civil Code Section 1954.50 et seq. (as it may be amended from time to time).

(iv) For the purposes of this Subsection 37.9(a)(2)(C), the term "additional occupant" shall not include persons who occupy the unit as a Tourist or Transient

Use, as defined in Administrative Code Section 41A.5.

(D) Before endeavoring to recover possession based on the violation of a lawful obligation or covenant of tenancy regarding subletting or limits on the number of occupants in the rental unit, the landlord shall serve the tenant a written notice of the violation that provides the tenant with an opportunity to cure the violation in 10 or more days. The tenant may cure the violation by making a written request to add occupants referenced in Subsection (A), (B), or (C) of Section 37.9(a)(2) or by using other reasonable means to cure the violation, including, without limitation, the removal of any additional or unapproved occupant. Nothing in this Section 37.9(a)(2)(D) is intended to limit any other rights or remedies that the law otherwise provides to landlords.

(E) Notwithstanding any lease provision to the contrary, a landlord may not impose late fees, penalties, interest, liquidated damages, or similar charges due to a tenant's nonpayment of rent, if the tenant can demonstrate that it missed the rent payment due to the COVID-19 pandemic as set forth in subsection (a)(1)(D), (a)(1)(E), and/or (a)(1)(F). A landlord may not recover possession of the unit due to a tenant's failure to pay such late charges when subsection (a)(1)(D), (a)(1)(E), and/or (a)(1)(F) apply. The foregoing sentence shall not enlarge or diminish a landlord's rights with respect to such charges when subsection (a)(1)(D), (a)(1)(E), and/or (a)(1)(F) do not apply.

(3) The tenant is committing or permitting to exist a nuisance in, or is causing substantial damage to, the rental unit, or is creating a substantial interference with the comfort, safety or enjoyment of the landlord or tenants in the building, the activities are severe, continuing or recurring in nature, and the nature of such nuisance, damage or interference is specifically stated by the landlord in the writing as required by Section 37.9(c).

(3.1) <u>Eviction Protection for Victims of Domestic Violence or Sexual Assault or Stalking</u>:

(A) It shall be a defense to an action for possession of a unit under

Subsection 37.9(a)(3) if the court determines that:

(i) The tenant or the tenant's household member is a victim of an act or acts that constitute domestic violence or sexual assault or stalking; and

(ii) The notice to vacate is substantially based upon the act or acts constituting domestic violence or sexual assault or stalking against the tenant or a tenant's household member, including but not limited to an action for possession based on complaints of noise, disturbances, or repeated presence of police.

(B) Evidence Required. In making the determination under Section 37.9(a)(3.1)(A) the court shall consider evidence, which may include but is not limited to:

(i) A copy of a temporary restraining order or emergency protective order issued pursuant to Part 3 (commencing with Section 6240) or Part 4 (commencing with Section 6300) or Part 5 (commencing with Section 6400) of the Family Code, Section 136.2 of the Penal Code, Section 527.6 of the Code of Civil Procedure, or Section 213.5 of the Welfare and Institutions Code, that protects the tenant or tenant's household member from further domestic violence, sexual assault, or stalking. And/or,

(ii) A copy of a written report by a peace officer employed by a state or local law enforcement agency acting in his or her official capacity, stating that the tenant or tenant's household member has filed a report alleging that he or she is a victim of domestic violence, sexual assault, or stalking. And/or

(iii) Other written documentation from a qualified third party of the acts constituting domestic violence or sexual assault or stalking.

(C) Mutual Allegations of Abuse Between Parties. If two or more co-tenants are parties seeking relief under Subsection 37.9(a)(3.1)(A), and each alleges that he or she was a victim of domestic violence or sexual assault or stalking perpetrated by another co-tenant who is also a party, the court may determine whether a tenant acted as the dominant aggressor in the acts constituting a domestic violence or sexual assault or stalking offense. In

making the determination, the court shall consider the factors listed in Section 13701(b)(1) of the Penal Code. A tenant who the court determines was the dominant aggressor in the acts constituting a domestic violence or sexual assault or stalking offense is not entitled to relief under Subsection 37.9(a)(3.1)(A).

(D) Limitations on Relief. Unless the tenant or the tenant's household member has obtained a protective order against the alleged abuser to vacate or stay from the unit as a result of acts constituting domestic violence or sexual assault or stalking against the tenant or tenant's household member, the tenant may not obtain relief under Subsection 37.9(a)(3.1) if:

(i) The tenant was granted relief under Subsection 37.9(a)(3.1) in an action for possession of the unit within the previous five years; and

(ii) A subsequent action for possession of the unit has now been filed; and

(iii) The notice to vacate in this subsequent action for possession is substantially based upon continuing acts constituting domestic violence or sexual assault or stalking by the same person alleged to be the abuser in the previous action for possession.

(E) Nothing in this Subsection 37.9(a)(3.1) shall be construed to affect the tenant's liability for delinquent rent or other sums owed to the landlord, or the landlord's remedies in recovering against the tenant for such sums.

(F) The provisions of Subsection 37.9(a)(3.1) are intended for use consistent with Civil Code Section 1946.7.

(3.2) Confidentiality of Information Received from Victims of Domestic Violence or Sexual Assault or Stalking. A landlord shall retain in strictest confidence all information that is received in confidence from a tenant or a tenant's household member who is a victim of domestic violence or sexual assault or stalking, regarding that domestic violence or sexual assault or stalking, except to the extent that such disclosure (A) is necessary to provide for a

reasonable accommodation for the victim, or (B) is otherwise required pursuant to applicable federal, state or local law. The victim may authorize limited or general release of any information otherwise deemed confidential under this Subsection 37.9(a)(3.2).

Or,

(4) The tenant is using or permitting a rental unit to be used for any illegal purpose, provided however that a landlord shall not endeavor to recover possession of a rental unit solely:

(A) as a result of a first violation of Chapter 41A that has been cured within 30 days written notice to the tenant; or,

(B) because the illegal use is the residential occupancy of a unit not authorized for residential occupancy by the City. Nothing in this Section 37.9(a)(4)(B) prohibits a landlord from endeavoring to recover possession of the unit under Section 37.9(a)(8) or (10) of this Chapter 37.

(5) The tenant, who had an oral or written agreement with the landlord which has terminated, has refused after written request or demand by the landlord to execute a written extension or renewal thereof for a further term of like duration and under such terms which are materially the same as in the previous agreement; provided, that such terms do not conflict with any of the provisions of this Chapter 37; or

(6) The tenant has, after written notice to cease, refused the landlord access to the rental unit as required by state or local law; or

(7) The tenant holding at the end of the term of the oral or written agreement is a subtenant not approved by the landlord; or

(8) The landlord seeks to recover possession in good faith, without ulterior reasons and with honest intent;

(i) For the landlords use or occupancy as his or her principal residence for a period of at least 36 continuous months;

(ii) For the use or occupancy of the landlords grandparents, grandchildren, parents, children, brother or sister, or the landlords spouse or the spouses of such relations, as their principal place of residency for a period of at least 36 months, in the same building in which the landlord resides as his or her principal place of residency, or in a building in which the landlord is simultaneously seeking possession of a rental unit under 37.9(a)(8)(i). For purposes of this Section 37.9(a)(8)(ii), the term "spouse" shall include Domestic Partners as defined in Administrative Code Chapter 62.1 through 62.8.

(iii) For purposes of this Section 37.9(a)(8) only, as to landlords who become owners of record of the rental unit on or before February 21, 1991, the term landlord shall be defined as an owner of record of at least 10 percent interest in the property or, for Section 37.9(a)(8)(i) only, two individuals registered as Domestic Partners as defined in San Francisco Administrative Code Chapter 62.1-62.8 whose combined ownership of record is at least 10 percent. For purposes of this Section 37.9(a)(8) only, as to landlords who become owners of record of the rental unit after February 21, 1991, the term landlord shall be defined as an owner of record of at least 25 percent interest in the property or, for Section 37.9(a)(8)(i) only, two individuals registered as Domestic Partners as defined in San Francisco Administrative Code Chapter 62.1-62.8 whose combined ownership of record is at least 25 percent.

(iv) A landlord may not recover possession under this Section 37.9(a)(8) if a comparable unit owned by the landlord is already vacant and is available, or if such a unit becomes vacant and available before the recovery of possession of the unit. If a comparable unit does become vacant and available before the recovery of possession, the landlord shall rescind the notice to vacate and dismiss any action filed to recover possession of the premises. Provided further, if a non-comparable unit becomes available before the recovery of possession, the landlord shall offer that unit to the tenant. It shall be evidence of a lack of good faith if a landlord times the service of the notice, or the filing of an action to recover possession, so as to avoid moving into a comparable unit, or to avoid offering a tenant a replacement unit.

(v) Commencing January 1, 2018, the landlord shall attach to the notice to vacate a form prepared by the Rent Board that the tenant can use to keep the Rent Board apprised of any future change in address, and shall include in the notice a declaration executed by the landlord under penalty of perjury stating that the landlord seeks to recover possession of the unit in good faith, without ulterior reasons and with honest intent, for use or occupancy as the principal residence of the landlord or the landlord's relative (identified by name and relation to the landlord), for a period of at least 36 continuous months, as set forth in subsections 37.9(a)(8)(i) and (ii). Evidence that the landlord has not acted in good faith may include, but is not limited to, any of the following: (1) the landlord has failed to file the notice to vacate with the Rent Board as required by Section 37.9(c), (2) the landlord or relative for whom the tenant was evicted did not move into the rental unit within three months after the landlord recovered possession and then occupy said unit as that person's principal residence for a minimum of 36 consecutive months, (3) the landlord or relative for whom the tenant was evicted lacks a legitimate, bona fide reason for not moving into the unit within three months after the recovery of possession and/or then occupying said unit as that person's principal residence for a minimum of 36 consecutive months, (4) the landlord did not file a statement of occupancy with the Rent Board as required by Section 37.9(a)(8)(vii), (5) the landlord violated Section 37.9B by renting the unit to a new tenant at a rent greater than that which would have been the rent had the tenant who had been required to vacate remained in continuous occupancy and the rental unit remained subject to this Chapter 37, and (6) such other factors as a court or the Rent Board may deem relevant. Nothing in this Section 37.9(a)(8)(v) is intended to alter or diminish any other right to relief that a tenant may have based on a landlord's failure to comply with this Chapter 37.

(vi) Once a landlord has successfully recovered possession of a rental unit pursuant to Section 37.9(a)(8)(i), then no other current or future landlords may recover possession of any other rental unit in the building under Section 37.9(a)(8)(i). It is the intention of this section that only one specific unit per building may be used for such occupancy under

Section 37.9(a)(8)(i) and that once a unit is used for such occupancy, all future occupancies under Section 37.9(a)(8)(i) must be of that same unit, provided that a landlord may file a petition with the Rent Board, or at the landlords option, commence eviction proceedings, claiming that disability or other similar hardship prevents him or her from occupying a unit which was previously occupied by the landlord.

(vii) A landlord who has recovered possession of a unit pursuant to Section 37.9(a)(8) on or after January 1, 2018 must complete a statement of occupancy under penalty of perjury on a form to be prepared by the Rent Board that discloses whether the landlord has recovered possession of the unit. The landlord shall file the statement of occupancy with the Rent Board within 90 days after the date of service, and shall file an updated statement of occupancy every 90 days thereafter, unless the statement of occupancy discloses that the landlord is no longer endeavoring to recover possession of the unit, in which case no further statements of occupancy need be filed. If the statement of occupancy discloses that the landlord has already recovered possession of the unit, the landlord shall file updated statements of occupancy once a year for five years, no later than 12 months, 24 months, 36 months, 48 months and 60 months after the recovery of possession of the unit. Each statement of occupancy filed after the landlord has recovered possession of the unit shall disclose the date of recovery of possession, whether the landlord or relative for whom the tenant was evicted is occupying the unit as that person's principal residence with at least two forms of supporting documentation, the date such occupancy commenced (or alternatively, the reasons why occupancy has not yet commenced), the rent charged for the unit if any, and such other information and documentation as the Rent Board may require in order to effectuate the purposes of this Section 37.9(a)(8). The Rent Board shall make all reasonable efforts to send the displaced tenant a copy of each statement of occupancy within 30 days of the date of filing, or a notice that the landlord did not file a statement of occupancy if no statement of occupancy was filed. In addition, the Rent Board shall impose an administrative penalty on any landlord who fails

to comply with this subsection (a)(8)(vii), in the amount of $250 for the first violation, $500 for the second violation, and $1,000 for every subsequent violation. The procedure for the imposition, enforcement, collection, and administrative review of the administrative penalty shall be governed by Administrative Code Chapter 100, "Procedures Governing the Imposition of Administrative Fines," which is hereby incorporated in its entirety.

(viii) If any provision or clause of this Section 37.9(a)(8) or the application thereof to any person or circumstance is held to be unconstitutional or to be otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other chapter provisions, and clauses of this chapter are held to be severable; or

(9) The landlord seeks to recover possession in good faith in order to sell the unit in accordance with a condominium conversion approved under the San Francisco subdivision ordinance and does so without ulterior reasons and with honest intent; or

(10) The landlord seeks to recover possession in good faith in order to demolish or to otherwise permanently remove individual rental unit(s) within a building rather than all the units from housing use and has obtained all the necessary permits on or before the date upon which notice to vacate is given, and does so without ulterior reasons and with honest intent subject to the payment of relocation expenses as provided in Section 37.9C; or

(11) The landlord seeks in good faith to remove temporarily the unit from housing use in order to be able to carry out capital improvements or rehabilitation work that would make the unit hazardous, unhealthy, and/or uninhabitable while work is in progress, and has obtained all the necessary permits on or before the date upon which notice to vacate is given, and does so without ulterior reasons and with honest intent. Any tenant who vacates the unit under such circumstances shall have the right to reoccupy the unit at the prior rent adjusted in accordance with the provisions of this Chapter 37. The landlord may require the tenant to vacate the unit only for the minimum time required to do the work.

(A) On or before the date upon which notice to vacate is given, the landlord

shall: (i) advise the tenant in writing that the rehabilitation or capital improvement plans are on file with the Central Permit Bureau of the Department of Building Inspection and that arrangements for reviewing such plans can be made with the Central Permit Bureau, and (ii) provide the tenant a disclosure form prepared by the Board that advises the tenant of the tenant's right to return, (iii) provide the tenant a form prepared by the Board that the tenant can use to keep the Board apprised of any future change in address; and (iv) provide the tenant a form prepared by the Board that lower-income tenants can use to seek additional monthly relocation assistance under subsection (D).

(B) No landlord shall endeavor to recover possession of any unit subject to a RAP loan as set forth in Section 37.2(m) of this Chapter except as provided in Section 32.69 of the Administrative Code.

(C) The tenant shall not be required to vacate pursuant to this Section 37.9(a)(11) for a period in excess of three months; provided, however, that such time period may be extended by the Board (including its Administrative Law Judges) upon application by the landlord.

(i) In reviewing an application for an extension of time, the Board shall first determine whether the landlord has demonstrated that all of the work is reasonable and necessary to meet state or local requirements concerning the safety or habitability of the building or the unit, rather than elective in nature. If so, the Board shall only consider whether the landlord has delayed in seeking the extension; and the reasonableness of the landlord's time estimate.

(ii) Alternatively, if the Board determines that not all of the work is reasonable and necessary to meet state or local requirements concerning the safety or habitability of the building or the unit, the Board shall consider the degree to which the work is elective in nature; whether any tenants have objected that the cost of securing alternative housing during the time extension would cause them a financial hardship, and/or that they are 60

years of age or older or disabled; and any other extraordinary circumstances. The Board shall also consider whether the landlord has offered reasonable mitigation, other than the relocation expenses required by subsection (D), to address the hardship imposed upon the tenant, such as additional relocation assistance or temporary occupancy of another vacant unit should one be available.

(iii) The Board may grant or deny an application for an extension of time or may approve a shorter period of time, based upon the consideration of the facts of the case. The Board shall adopt rules and regulations to implement the application procedure. If the landlord does not timely allow the tenant to reoccupy the unit, and upon completion of the work the subsequent occupant is someone other than the original tenant, there shall be a rebuttable presumption that the original tenant did not reoccupy the unit due to the delay and therefore, for purposes of restricting the rent as set forth in Section 37.3(f)(1), that the original tenancy was terminated by the landlord.

(D) Any landlord who seeks to recover possession under this Section 37.9(a)(11) shall pay relocation expenses as provided in Section 37.9C.[1] In addition, if a tenant who is lower-income as defined in California Health and Safety Code section 50079.5 will be required to vacate for in excess of three months pursuant to a notice to vacate under this subsection (a)(11) that was served on or after the effective date of the ordinance in Board of Supervisors File No. 250926, then the tenant shall be entitled to receive additional relocation assistance as set forth below.

(i) A lower income tenant seeking additional relocation assistance on or after the three-month mark shall submit a form to the Board and to the landlord that includes a verification of the tenant's income, the number of persons who resided with them in

[1] However, effective January 1, 2013, the amount of relocation payments for temporary displacement of a tenant household under Section 37.9(a)(11) for less than 20 days is governed by California Civil Code Section 1947.9 and not by Section 37.9C.

the unit, and any other information the Board may deem is necessary in order to calculate the amount of additional relocation assistance authorized under this subsection (D). The landlord may also submit information to the Board to assist the Board in making this calculation. The Board shall inform the parties of the additional relocation assistance required within 30 days of receiving the tenant's verification form, or within 45 days if the landlord has also submitted information. Information related to a tenant's source of income shall be treated as confidential information.

(ii) The amount of additional relocation assistance shall be equivalent to the monthly difference between the rent that the tenant was paying as of the date of the notice to vacate and the San Francisco Housing Authority Payment Standard for that unit size (or the amount the tenant is paying for interim housing, whichever is less). The landlord shall provide the tenant the Board-determined amount each month, until the tenant has accepted or rejected an offer to reoccupy the unit after completion of the work (but in no case for more than 39 months).

(iii) The Board shall require tenants to reconfirm their eligibility as described in subsection (i) and to certify their intent to return to the unit upon completion of the work, at least once every twelve months, as a condition of receiving the additional assistance.

(iv) Either party may challenge a determination regarding additional relocation assistance by seeking a hearing before a Board Administrative Law Judge. In addition, if the additional assistance would constitute an undue financial hardship for the landlord in light of all of the resources available to them, the landlord also may file a written request for a hardship adjustment, on a form provided by the Board and with supporting evidence. The Board, or its designated Administrative Law Judges, may order a payment plan or any other relief they determine is justified following a hearing on the request.

(E) Immediately upon completion of the capital improvements or rehabilitation work, the landlord shall advise the tenant, in writing, and allow the tenant to

reoccupy the tenant's unit. The tenant shall have 30 days from receipt of the landlord's offer of reoccupany to notify the landlord of acceptance or rejection of the offer, and if accepted, the tenant shall reoccupy the unit within 45 days of receipt of the landlord's offer. The landlord shall file a copy of the offer with the Rent Board within 15 days of the offer. The Board shall make all reasonable efforts to send a notice to the unit within one year of the date of filing, to inform the occupant that the rent may be subject to the rent restrictions set forth in Section 37.3(f)(1).

(12) The landlord seeks to recover possession in good faith in order to carry out substantial rehabilitation, as defined in Section 37.2(s), and has obtained all the necessary permits on or before the date upon which notice to vacate is given, and does so without ulterior reasons and with honest intent. Notwithstanding the above, no landlord shall endeavor to recover possession of any unit subject to a RAP loan as set forth in Section 37.2(m) of this Chapter except as provided in Section 32.69 of the San Francisco Administrative Code. Any landlord who seeks to recover possession under this Section 37.9(a)(12) shall pay relocation expenses as provided by Section 37.9C; or

(13) The landlord wishes to withdraw from rent or lease all rental units within any detached physical structure and, in addition, in the case of any detached physical structure containing three or fewer rental units, any other rental units on the same lot, and complies in full with Section 37.9A with respect to each such unit; provided, however, that guestrooms or efficiency units within a residential hotel, as defined in Section 50519 of the Health and Safety Code, may not be withdrawn from rent or lease if the residential hotel has a permit of occupancy issued prior to January 1, 1990, and if the residential hotel did not send a notice of intent to withdraw the units from rent or lease (Administrative Code Section 37.9A(f), Government Code Section 7060.4(a)) that was delivered to the Rent Board prior to January 1, 2004; or

(14) The landlord seeks in good faith to temporarily recover possession of the unit solely for the purpose of effecting lead remediation or abatement work, as required by San Francisco Health Code Articles 11 or 26. The tenant will vacate the unit only for the minimum

time required to do the work. The relocation rights and remedies, established by San Francisco Administrative Code Chapter 72, including but not limited to, the payment of financial relocation assistance, shall apply to evictions under this Section 37.9(a)(14). [However, effective January 1, 2013, the amount of relocation payments for temporary displacement of a tenant household under Section 37.9(a)(14) for less than 20 days is governed by California Civil Code Section 1947.9.]

(15) The landlord seeks to recover possession in good faith in order to demolish or to otherwise permanently remove the rental unit from housing use in accordance with the terms of a development agreement entered into by the City under Chapter 56 of the San Francisco Administrative Code.

(16) The tenant's Good Samaritan Status (Section 37.2(a)(1)(D)) has expired, and the landlord exercises the right to recover possession by serving a notice of termination of tenancy under this Section 37.9(a)(16) within 60 days after expiration of the Original and any Extended Good Samaritan Status Period.

(17) The landlord seeks to recover possession in good faith in order to complete a development project that will require a Residential Demolition under Section 317 of the Planning Code, and has obtained all the necessary permits on or before the date upon which notice to vacate is given. Consistent with Planning Code Section 317.2(b)(2)(A), the effective date of the notice to vacate for above lower-income tenants shall not fall more than six months before the start of construction activities provided for in the permit, and not more than three months before the start of construction activities in the case of lower-income households. Consistent with Planning Code Section 317.2(b)(2)(B), if the landlord does not proceed with the demolition and re-rents any of the units, then the displaced tenant shall be allowed to return to the unit at a rent not greater than that which would have applied had they remained in continuous occupancy.

(b) A landlord who resides in the same rental unit with his or her tenant may evict said

tenant without just cause as required under Section 37.9(a) above.

(c) Notices to Vacate. A landlord shall not endeavor to recover possession of a rental unit unless at least one of the grounds enumerated in Section 37.9(a) or (b) above is (1) the landlord's dominant motive for recovering possession and (2) unless the landlord informs the tenant in writing on or before the date upon which notice to vacate is given of the grounds under which possession is sought. For notices to vacate under Sections 37.9(a)(8), (9), (10), (11), (14), or (17), the landlord shall state in the notice to vacate the lawful rent for the unit at the time the notice is issued, before endeavoring to recover possession. The Board shall prepare a written form that (1) states that a tenant's failure to timely act in response to a notice to vacate may result in a lawsuit by the landlord to evict the tenant, and that advice regarding the notice to vacate is available from the Board; and (2) includes information provided by the Mayor's Office of Housing and Community Development regarding eligibility for affordable housing programs. The Board shall prepare the form in English, Chinese, Spanish, Vietnamese, Tagalog, and Russian and make the form available to the public on its website and in its office. A landlord shall attach a copy of the form that is in the primary language of the tenant to a notice to vacate before serving the notice, except that if the tenant's primary language is not English, Chinese, Spanish, Vietnamese, Tagalog or Russian, the landlord shall attach a copy of the form that is in English to the notice. A copy of all notices to vacate except three-day notices to pay rent or quit and a copy of any additional written documents informing the tenant of the grounds under which possession is sought shall be filed with the Board within 10 days following service of the notice to vacate. In any action to recover possession of the rental unit under Section 37.9, the landlord must plead and prove that at least one of the grounds enumerated in Section 37.9(a) or (b) and also stated in the notice to vacate is the dominant motive for recovering possession. Tenants may rebut the allegation that any of the grounds stated in the notice to vacate is the dominant motive.

(d) No landlord may cause a tenant to quit involuntarily or threaten to bring any action to

recover possession, or decrease any services, or increase the rent, or take any other action where the landlord's dominant motive is retaliation for the tenant's exercise of any rights under the law. Such retaliation shall be a defense to any action to recover possession. In an action to recover possession of a rental unit, proof of the exercise by the tenant of rights under the law within six months prior to the alleged act of retaliation shall create a rebuttable presumption that the landlord's act was retaliatory.

(e) It shall be unlawful for a landlord or any other person who willfully assists the landlord to endeavor to recover possession or to evict a tenant except as provided in Section 37.9(a) and (b). Any person endeavoring to recover possession of a rental unit from a tenant or evicting a tenant in a manner not provided for in Section 37.9(a) or (b) without having a substantial basis in fact for the eviction as provided for in Section 37.9(a) shall be guilty of a misdemeanor and shall be subject, upon conviction, to the fines and penalties set forth in Section 37.10A. Any waiver by a tenant of rights under this Chapter 37 shall be void as contrary to public policy.

(f) Whenever a landlord wrongfully endeavors to recover possession or recovers possession of a rental unit in violation of Sections 37.9 and/or 37.10A as enacted herein, or wrongfully endeavors to sever, substantially reduce, or remove, or actually severs, substantially reduces, or removes a housing service supplied in connection with the use or occupancy of a rental unit as set forth in Section 37.2(r), the tenant or Rent Board may institute a civil proceeding for injunctive relief, money damages of not less than three times actual damages (including damages for mental or emotional distress as specified below), and whatever other relief the court deems appropriate. If the landlord has recovered possession pursuant to Section 37.9(a)(8), such action shall be brought no later than five years after (1) the date the landlord files the first statement of occupancy with the Rent Board under Section 37.9(a)(8)(vii) or (2) three months after the landlord recovers possession, whichever is earlier. In the case of an award of damages for mental or emotional distress, said award shall only be trebled if the trier of fact finds that the landlord acted in knowing violation of or in reckless disregard of Section 37.9

or 37.10A herein. The prevailing party shall be entitled to reasonable attorney's fees and costs pursuant to order of the court. The remedy available under this Section 37.9(f) shall be in addition to any other existing remedies which may be available to the tenant or the Rent Board.

(g) The provisions of this Section 37.9 shall apply to any rental unit as defined in Sections 37.2(r)(4)(A) and 37.2(r)(4)(B), including where a notice to vacate/quit any such rental unit has been served as of the effective date of Ordinance No. 250-98, but where any such rental unit has not yet been vacated or an unlawful detainer judgment has not been issued as of the effective date of Ordinance No. 250-98.

(h) With respect to rental units occupied by recipients of tenant-based rental assistance, the notice requirements of this Section 37.9 shall be required in addition to any notice required as part of the tenant-based rental assistance program, including but not limited to the notice required under 24 CFR 982.311(e)(2)(ii).

(i) The following additional provisions shall apply to a landlord who seeks to recover a rental unit by utilizing the grounds enumerated in Section 37.9(a)(8):

(1) A landlord may not recover possession of a unit from a tenant under Section 37.9(a)(8) if the landlord has or receives notice, any time before recovery of possession, that any tenant in the rental unit:

(A) Is 60 years of age or older and has been residing in the unit for 10 years or more; or

(B) Is disabled within the meaning of Section 37.9(i)(1)(B)(i) and has been residing in the unit for 10 years or more, or is catastrophically ill within the meaning of Section 37.9(i)(1)(B)(ii) and has been residing in the unit for five years or more:

(i) A disabled tenant is defined for purposes of this Section 37.9(i)(1)(B) as a person who is disabled or blind within the meaning of the federal Supplemental Security Income/California State Supplemental Program (SSI/SSP), and who is determined by SSI/SSP to qualify for that program or who satisfies such requirements through any other

method of determination as approved by the Rent Board;

(ii) A catastrophically ill tenant is defined for purposes of this Section 37.9(i)(1)(B) as a person who is disabled as defined by Section 37.9(i)(1)(B)(i), and who is suffering from a life threatening illness as certified by his or her primary care physician.

(2) The foregoing provisions of Sections 37.9(i)(1)(A) and (B) shall not apply where there is only one rental unit owned by the landlord in the building, or where each of the rental units owned by the landlord in the same building where the landlord resides (except the unit actually occupied by the landlord) is occupied by a tenant otherwise protected from eviction by Sections 37.9(i)(1)(A) or (B) and where the landlord's qualified relative who will move into the unit pursuant to Section 37.9(a)(8) is 60 years of age or older.

(3) The provisions established by this Section 37.9(i) include but are not limited to, any rental unit where a notice to vacate/quit has been served as of the date this amendment takes effect but where the rental unit has not yet been vacated or an unlawful detainer judgment has not been issued.

(4) Within 30 days of personal service by the landlord of a written request, or, at the landlords option, a notice of termination of tenancy under 37.9(a)(8), the tenant must submit a statement, with supporting evidence, to the landlord if the tenant claims to be a member of one of the classes protected by Section 37.9(i). The written request or notice shall contain a warning that a tenant's failure to submit a statement within the 30 day period shall be deemed an admission that the tenant is not protected by Section 37.9(i). The landlord shall file a copy of the request or notice with the Rent Board within ten days of service on the tenant. A tenant's failure to submit a statement within the 30 day period shall be deemed an admission that the tenant is not protected by Section 37.9(i). A landlord may challenge a tenant's claim of protected status either by requesting a hearing with the Rent Board or, at the landlord's option, through commencement of eviction proceedings, including service of a notice of termination of tenancy. In the Rent Board hearing or the eviction action, the tenant shall have the burden of proof to

show protected status. No civil or criminal liability under 37.9(e) or (f) shall be imposed upon a landlord for either requesting or challenging a tenant's claim of protected status.

(5) This Section 37.9(i) is severable from all other sections and shall be of no force or effect if any temporary moratorium on owner/relative evictions adopted by the Board of Supervisors after June 1, 1998 and before October 31, 1998 has been invalidated by the courts in a final decision.

(j) The following additional provision shall apply to a landlord who seeks to recover a rental unit by utilizing the grounds enumerated in Sections 37.9(a)(8), (a)(9), (a)(10), (a)(11), (a)(12), or (a)(17).

(1) It shall be a defense to an eviction under Sections 37.9(a)(8), (a)(9), (a)(10), (a)(11), (a)(12), or (a)(17) if a child under the age of 18 or any educator resides in the unit, the child or educator is a tenant in the unit or has a custodial or family relationship with a tenant in the unit, the tenant has resided in the unit for 12 months or more, and the effective date of the notice of termination of tenancy falls during the school year.

(2) Section 37.9(j)(1) shall not apply where the landlord is seeking to temporarily evict or temporarily sever housing services in order to perform seismic work required by Building Code Chapter 34B and has provided notice and compensation as required by Administrative Code Chapter 65A.

(3) Within 30 days of personal service by the landlord of a written request, or, at the landlord's option, a notice of termination of tenancy under Sections 37.9(a)(8), (a)(9), (a)(10), (a)(11), (a)(12), or (a)(17), the tenant must submit a statement with supporting evidence to the landlord, if the tenant claims to be a member of the class protected from eviction by Section 37.9(j). The landlord's written request or notice shall contain a warning that a tenant's failure to submit a statement within the 30 day period shall be deemed an admission that the tenant is not protected from eviction by Section 37.9(j). The landlord shall file a copy of the landlord's request or notice with the Rent Board within 10 days of service on the tenant. A tenant's failure to submit

a statement within the 30 day period shall be deemed an admission that the tenant is not protected from eviction by Section 37.9(j). A landlord may challenge a tenant's claim of protected status either by requesting a hearing with the Rent Board or, at the landlord's option, through commencement of eviction proceedings, including service of a notice of termination of tenancy. In the Rent Board hearing or the eviction action, the tenant shall have the burden of proof to show protected status. No civil or criminal liability under Section 37.9(e) or (f) shall be imposed upon a landlord for either requesting or challenging a tenant's claim of protected status.

(4) For purposes of this Section 37.9(j), the following terms have the following meanings:

"Custodial relationship" means, with respect to a child and a tenant, that the tenant is a legal guardian of the child, or has a court-recognized caregiver authorization affidavit for the child, or has provided full-time custodial care of the child pursuant to an agreement with the child's legal guardian or court-recognized caregiver and has been providing that care for at least one year or half of the child's lifetime, whichever is less.

"Educator" means any person who works at a school in San Francisco as an employee or independent contractor of the school or of the governing body that has jurisdiction over the school, including, without limitation, all teachers, classroom aides, administrators, administrative staff, counselors, social workers, psychologists, school nurses, speech pathologists, custodians, security guards, cafeteria workers, community relations specialists, child welfare and attendance liaisons, and learning support consultants.

"Family relationship" means that the person is the parent, grandparent, brother, sister, aunt, or uncle of the child or educator, or the spouse or domestic partner of such relations.

"School" means any state-licensed child care center, state-licensed family day care, and/or any public, private, or parochial institution that provides educational instruction for students in any or all of the grades from kindergarten through twelfth grade.

"School year" means the first day of instruction for the Fall Semester through the last day

of instruction for the Spring Semester, as posted on the San Francisco Unified School District website for each year.

(k) Disclosure of Rights to Tenants Before and After Sale of Rental Units Subject to Section 37.9.

(1) Disclosure to Tenants By Seller of the Property. Before property containing rental units subject to Section 37.9 may be sold, the owner/seller shall disclose to tenants of the property the rights of tenants during and after the sale of the property. This disclosure shall be in writing and shall include:

(A) A statement in bold type of at least 12 points that tenants cannot be evicted or asked to move solely because a property is being sold or solely because a new owner has purchased that property.

(B) A statement in bold type of at least 12 points that tenants cannot have their rent increased above that permitted by Chapter 37 solely because a property is being sold or solely because a new owner has purchased that property.

(C) A statement in bold type of at least 12 points that the rental agreements of tenants cannot be materially changed solely because a property is being sold or solely because a new owner has purchased that property.

(D) A statement that the owner's right to show units to prospective buyers is governed by California Civil Code section 1954, including a statement that tenants must receive notice as provided by Section 1954, and a statement that a showing must be conducted during normal business hours unless the tenant consents to an entry at another time.

(E) A statement that tenants are not required to complete or sign any estoppel certificates or estoppel agreements, except as required by law or by that tenant's rental agreement. The statement shall further inform tenants that tenant rights may be affected by an estoppel certificate or agreement and that the tenants should seek legal advice before completing or signing an estoppel certificate or agreement.

(F) A statement that information on these and other tenants' rights are available at the San Francisco Rent Board, 25 Van Ness Ave, San Francisco, California, and at the counseling telephone number of the Rent Board and at its web site.

(2) Disclosure to Tenants by Purchaser of the Property. Within 30 days of acquiring title to rental units subject to Section 37.9, the new purchaser/owner shall disclose to tenants of the property the rights of tenants following this sale of the property. This disclosure shall be in writing and shall include:

(A) A statement in bold type of at least 12 points that tenants cannot be evicted or asked to move solely because a new owner has purchased that property.

(B) A statement in bold type of at least 12 points that tenants cannot have their rent increased above that permitted by Chapter 37 solely because a new owner has purchased that property.

(C) A statement in bold type of at least 12 points that the rental agreements of tenants cannot be materially changed solely because a new owner has purchased that property.

(D) A statement in bold type of at least 12 points that any tenants, sub-tenants or roommates who were lawful occupants at the time of the sale remain lawful occupants.

(E) A statement in bold type of at least 12 points: that tenants' housing services as defined in Section 37.2(r) first paragraph cannot be changed or severed from the tenancy solely because a new owner has purchased that property; and that tenants' housing services as defined in Section 37.2(r) second paragraph that were supplied in connection with the use or occupancy of a unit at the time of sale (such as laundry rooms, decks, or storage space) cannot be severed from the tenancy by the new purchaser/owner without just cause as required by Section 37.9(a).

(l) Hearings on Alleged Wrongful Endeavor to Recover Possession Through Tenant Harassment.

(1) A current or former tenant may submit a report to the Rent Board alleging wrongful endeavor to recover possession of the tenant's unit through harassment. Upon receipt of such a report, the Board through its Executive Director shall send a notice to the landlord and the tenant acknowledging receipt of the report, summarizing the rights and responsibilities of landlords and tenants regarding possession of, and eviction from, residential rental units, and requesting that the landlord submit a written response to the Board within seven days. If the tenant remains in possession of the unit and the harassment is alleged to be ongoing, the Executive Director shall also request that the landlord submit a compliance plan. A compliance plan is not an admission of liability but a plan to avoid future claims of harassment.

(2) Upon consideration of such report and any response, the Executive Director shall schedule an investigative hearing on the allegations before a Board Administrative Law Judge if the Executive Director determines that all of the following apply:

(A) The alleged harassment occurred after the effective date of the ordinance in Board File No. 250926, and within 12 months of the date of the report:

(B) The alleged harassment resulted in the unit becoming uninhabitable, is ongoing against the tenant who submitted the complaint, or is part of a pattern and practice of tenant harassment based on claims previously submitted by other tenants in the building within the last 12 months:

(C) The allegations will be supported by documentary evidence, and/or with testimony of a witness other than the complaining tenant; and

(D) The allegations are not frivolous.

The Rent Board need not hold a hearing if a related civil or criminal action is already pending. The Rent Board may adopt regulations consistent with this Chapter 37 to further define the

standards for when the Executive Director shall schedule investigative hearings and the conduct of such hearings.

(3) The Executive Director shall schedule any such hearing within 45 days after receipt of the report of alleged harassment, or as soon as practicable thereafter. Both the tenant and the landlord may appear at the hearing and make oral and/or written presentations, including presentation of other witnesses. Following such hearing, the Administrative Law Judge shall issue findings and conclusions in regard to whether harassment occurred that was severe enough that it materially impacted the tenant's enjoyment of the unit, and in the case of a prior tenant whether the prior tenant vacated the unit due to the harassment for purposes of Planning Code Section 317.2. The findings and conclusions may be appealed by either party to the Board under Section 37.8.

(4) In addition to considering any appeals, the Board shall also consider whether to undertake any further proceedings such as, but not limited to, civil litigation pursuant to Section 37.9(f), or referral to the District Attorney for potential criminal prosecution (see Section 37.9(e)).

(5) For purposes of this Subsection 37.9(l), harassment means the types of harassment defined in Section 37.10B(a)(1) – (6) and (8) – (14).

(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 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.

(n) A landlord who serves a notice to vacate under Section 37.9(a)(8) for the purpose of recovering possession of the unit for their own use or occupancy or for their family members may seek approval from the Rent Board to rescind the notice or stop eviction proceedings at any time, but if the tenant vacates within one year of the date of service of the notice, the tenancy is rebuttably presumed to have been terminated by the landlord pursuant to the notice for purposes of Planning Code Section 317(d)(6) and Administrative Code Section 37.3(f)(1). This presumption shall apply even if the tenant vacates the unit after the notice has been rescinded, and a written statement from the tenant that they are leaving the unit of their own volition signed as part of a settlement whereby the tenant is required to vacate the unit is insufficient to rebut this presumption.

Sec. 37.9A **Tenant Rights in Certain Displacements Under Section 37.9(a)(13).**
[Added by Ord. No. 193-86, effective July 1, 1986; amended by Ord. No. 320-94, effective October 15,1994; Ord. No. 348-99, effective January 29, 2000; Ord. No. 5-00, effective February 13, 2000; Ord. No. 91-03, effective June 15, 2003; Ord. No. 21-05, effective February 20, 2005; revised by Johnson v. CCSF (2006) 137 Cal.App. 4th 7; amended by Ord. No. 54-14, effective June 1, 2014, enjoined by U.S. District Court in Levin v. CCSF on October 21, 2014 (Case No. 03352-CRB); amended by Ord. No. 68-15, effective June 14, 2015, enjoined by San Francisco Superior Court in Coyne v. CCSF on October 8, 2015 (Case No. CPF-15-514382) and affirmed by California Court of Appeal on March 21, 2017, 9 Cal.App. 5th 1215; amended by Ord. No. 171-15, effective November 9, 2015; amended by Ord. No. 123-17, effective July 23, 2017; amended by Ord. No. 296-19, effective January 20, 2020; amended by Ord. No. 91-22, effective July 18, 2022; Ord. No. 3-26, effective February 8, 2026]

This Section 37.9A applies to certain tenant displacements under Section 37.9(a)(13), as specified.

(a) Rent Allowed.

(1) Except as provided in Section 37.9A(a)(2) below, for all tenancies commenced during the time periods specified in Subsection (a)(1)(A), the rental units, if again offered for rent or lease, must be offered and rented or leased at a rent not greater than the lawful rent in effect at the time the notice of intent to withdraw rental units is filed with the Board, plus annual rent increases available under this Chapter 37.

(A) The provisions of Section 37.9A(a)(1) apply to all tenancies commenced during either of the following time periods:

(i) The five-year period after a notice of intent to withdraw the rental units is filed with the Board, whether or not the notice of intent is rescinded or the withdrawal of the units is completed pursuant to that notice;

(ii) The five-year period after the rental units are withdrawn.

(B) This Section 37.9A(a)(1) shall prevail over any conflicting provision of law authorizing the landlord to establish the rental rate upon the initial hiring of the unit.

(C) If it is asserted that the rent could have been increased based on capital improvements, rehabilitation or substantial rehabilitation, the owner must petition the Rent Board pursuant to the procedures of Section 37.7 of this chapter. No increase shall be allowed

on account of any expense incurred in connection with withdrawing any unit from rent or lease.

(2) If a new tenancy was lawfully created in a unit before January 1, 2003, following a lawful withdrawal of the unit from rent or lease under Section 37.9(a)(13), any subsequent new tenancies for that rental unit are not subject to the rent limitations in Section 37.9A(a)(1).

(b) Treatment of Replacement Units. If one or more of the units is demolished, and one or more new units qualifying as newly constructed units are constructed on the same property, and offered for rent or lease within five years of the date the accommodations were withdrawn from rent or lease, the newly constructed units shall be offered at rents not greater than those reasonably calculated to produce a fair and reasonable return on the newly constructed units, notwithstanding Section 37.3(g) or any other provision of this Chapter 37 to the contrary. The provisions of this Chapter 37 shall thereafter apply. The Board shall adopt rules for determining the rents necessary to provide a fair and reasonable return.

(c) Rights to Re-Rent. Any owner who again offers for rent or lease any unit after service of a notice to quit under Section 37.9(a)(13) shall offer all the units within the accommodations for rent or lease as follows:

(1) If any tenant or lessee has advised the owner in writing within 30 days of displacement of his or her desire to consider an offer to renew the tenancy and has furnished the owner with an address to which that offer is to be directed, the owner must make such an offer whenever the unit is again offered for rent or lease within two years of withdrawal. That tenant, lessee, or former tenant or lessee may advise the owner at any time of a change of address to which an offer is to be directed.

(2) Notwithstanding Subsection (c)(1), if the unit is offered for rent or lease within 10 years of withdrawal, the owner shall notify the Rent Board in writing of the intention to re-rent the unit and make an offer to the tenant or lessee whenever the tenant or lessee requests the offer in writing within 30 days after the owner has notified the City of an intention to re-rent the unit. If the unit is offered for rent or lease more than two years after the date the unit was withdrawn from rent or lease, the owner shall be liable to any tenant or lessee who was

displaced for failure to comply with this subsection (c)(2), for punitive damages in an amount which does not exceed the contract rent for six months, and the payment of these damages shall not be construed to extinguish the owner's obligation to comply with this Subsection (c)(2).

(3) If any former tenant or lessee has requested an offer to renew the tenancy, either directly to the landlord or after notice from the Rent Board, then the owner shall offer to reinstitute a rental agreement or lease at rents permitted under Subsection (a). This offer shall be deposited in the United States mail, by registered or certified mail with postage prepaid, addressed to the displaced tenant or lessee at the address furnished to the owner as provided by the tenant and shall describe the terms of the offer. The displaced tenant or lessee shall have 30 days from the deposit of the offer in the mail to accept the offer by personal delivery of that acceptance or by deposit of the acceptance in the United States mail by registered or certified mail with postage prepaid.

(4) If more than one tenant or lessee attempts to accept the offer for a given unit, the landlord shall notify each tenant or lessee so accepting that other acceptances have been received, and shall further advise each such tenant or lessee of the names and addresses of the others. If all such tenants or lessees do not within thirty (30) days thereafter agree and notify the landlord of which tenant(s) or lessee(s) will reoccupy the unit, the tenant(s) or lessee(s) who first occupied the unit previously shall be entitled to accept the landlord's offer. If more than one eligible tenant or lessee initially occupied the unit on the same date, then the first such tenant or lessee to have originally sent notice accepting the landlord's offer shall be entitled to occupy the unit.

(5) Commencing July 18, 2022, an owner who re-rents a unit within an accommodations during the time period specified in Subsection (c)(2) must offer all the units within the accommodations for rent, and may not decline to make a written re-rental offer to any tenant or lessee who occupied a unit when the owner gave the Rent Board notice of its intent to withdraw the accommodations in the manner and within the time frame specified in Section 37.9A(c). But the requirements of this Subsection (c)(5) shall not apply to: (i) a unit that was the principal place of residence of any owner or owner's family member at the time of withdrawal,

provided that it continues to be that person's or those persons' principal place of residence when accommodations are returned to the rental market as provided in this Subsection (c)(5); or (ii) a unit that is the principal place of residence of an owner when the accommodations are returned to the rental market, if it is the owner's principal place of residence, at the time of return to the rental market, as provided in this Subsection (c)(5). If the owner vacates the unit within 10 years from the date of withdrawal, the owner shall, within 30 days of vacating the unit, offer to re-rent if required under this Subsection (c)(5).

(d) Re-Rental Within Two Years. If a unit covered by subsection (a) is offered for rent or lease within two years of the date of withdrawal:

(1) The owner shall be liable to any tenant or lessee who was displaced from the property for actual and exemplary damages. Any action by a tenant or lessee pursuant to this paragraph shall be brought within three years of withdrawal of the unit from rent or lease. However, nothing in this paragraph precludes a tenant from pursuing any alternative remedy available under the law.

(2) The City may institute a civil proceeding against the owner who has again offered the unit for rent or lease, for exemplary damages for displacement of tenants or lessees. Any action by the City pursuant to this paragraph shall be brought within three years of the withdrawal of the unit from rent or lease.

(e) Relocation Payments to Tenants.

(1) **On February 20, 2005 and Until August 31, 2022.** Where a landlord seeks eviction based upon Section 37.9(a)(13), and the notice of intent to withdraw rental units is filed with the Board between February 20, 2005 and August 31, 2022, inclusive, relocation payments shall be paid to the tenants as follows:

(A) Subject to subsections 37.9A(e)(1)(B), (C) and (D) below, the landlord shall be required to pay a relocation benefit on behalf of each authorized occupant of the rental unit regardless of the occupant's age ("Eligible Tenant"). The amount of the relocation benefit shall be $4,500 per Eligible Tenant, one-half of which shall be paid at the time of the service of the notice of termination of tenancy, and one-half of which shall be paid when the Eligible Tenant

vacates the unit;

(B) In the event there are more than three Eligible Tenants in a unit, the total relocation payment shall be $13,500, which shall be allocated proportionally among the Eligible Tenants based on the total number of Eligible Tenants in the unit; and

(C) Notwithstanding Subsections 37.9A(e)(1)(A) and (B), any Eligible Tenant who, at the time the notice of intent to withdraw rental units is filed with the Board, is 62 years of age or older, or who is disabled within the meaning of Section 12955.3 of the California Government Code, shall be entitled to receive an additional payment of $3,000, $1,500 of which shall be paid within 15 calendar days of the landlord's receipt of written notice from the tenant of entitlement to the relocation payment, and $1,500 of which shall be paid when the Eligible Tenant vacates the unit.

(D) Commencing March 1, 2005, the relocation payments specified in Subsections 37.9A(e)(1)(A), (B) and (C) shall increase annually 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.

(2) **On or after September 1, 2022.** Where a landlord seeks eviction based upon Section 37.9(a)(13), and the notice of intent to withdraw rental units is filed with the Rent Board on or after September 1, 2022, the landlord shall pay relocation payments in the manner described in Subsection 37.9A(e)(1)(A) and (B), except that the specific amount of the relocation benefit shall be $10,000 per Eligible Tenant, and the total relocation payment shall be $30,000 in the event there are more than three Eligible Tenants in the unit; and further, an Eligible Tenant who meets any of the criteria listed in Subsection 37.9A(e)(1)(C) shall be entitled to receive an additional payment of $6,700, in two payments of $3,350 each, the timing of which is set forth in that subsection. The Rent Board shall adjust these amounts annually as set forth in Subsection 37.9A(e)(1)(D).

(3) Any notice to quit pursuant to Section 37.9(a)(13) shall notify the tenant or

tenants concerned of the right to receive payment under this subsection 37.9A(e)(1) or (2) and the amount of payment which the landlord believes to be due.

(f) Notice to Rent Board; Recordation of Notice; Effective Date of Withdrawal.

(1) Any owner who intends to withdraw rental units from rent or lease shall notify the Rent Board in writing of said intention. An owner may not withdraw from rent or lease less than all units within the accommodations as defined by paragraphs (1) or (2) of subdivision (b) of California Civil Code Section 7060. Said notice shall contain statements, under penalty of perjury, providing information on the number of residential units, the address or location of those units, the name or names of the tenants or lessees of the units, whether any landlord intends to demolish any of the accommodations within the next five years, and the rent applicable to each residential rental unit. Said notice shall be signed by all owners of record of the property under penalty of perjury and shall include a certification that actions have been initiated as required by law to terminate existing tenancies through service of a notice of termination of tenancy. The notice must be served by certified mail or any other manner authorized by law prior to delivery to the Rent Board of the notice of intent to withdraw the rental units. Information respecting the name or names of the tenants, the rent applicable to any unit, or the total number of units, is confidential and shall be treated as confidential information by the City for purposes of the Information Practices Act of 1977, as contained in Chapter l (commencing with Section 1798) of Title 1.8 of part 4 of Division 3 of the Civil Code. The City shall, to the extent required by the preceding sentence, be considered an "agency," as defined by subdivision (b) of Section 1798.3 of the Civil Code.

(2) Prior to the effective date of withdrawal of rental units under this Section, the owner shall cause to be recorded with the County Recorder a memorandum of the notice required by subsection (f)(1) summarizing its provisions, other than the confidential provisions, in substantially the following form:

Memorandum of Notice
Regarding Withdrawal of Rental Unit From Rent or Lease

This memorandum evidences that the undersigned, as the owner of the property described in Exhibit A attached, has filed a notice, whose contents are certified under

penalty of perjury, stating the intent to withdraw from rent or lease all units at said property, pursuant to San Francisco Administrative Code Section 37.9A and the Ellis Act (California Government Code Section 7060 et seq.).

_____

(Signature)

(3) For a notice of intent to withdraw rental units filed with the Rent Board on or after January 1, 2000, the date on which the units are withdrawn from rent or lease for purposes of this Chapter 37 and the Ellis Act is 120 days from the delivery in person or by first-class mail of the Subsection (f)(1) notice of intent to the Rent Board. Except that, if the tenant or lessee is at least 62 years of age or disabled as defined in Government Code 12955.3, and has lived in their unit for at least one year prior to the date of delivery to the Rent Board of the Subsection (f)(1) notice of intent to withdraw, then the date of withdrawal shall be extended to one year after the date of delivery of that notice to the Rent Board, provided that the tenant or lessee gives written notice of their entitlement to an extension of the date of withdrawal to the owner within 60 days of the date of delivery to the Rent Board of the Subsection (f)(1) notice of intent to withdraw. In that situation, the following provisions shall apply:

(A) The tenancy shall be continued on the same terms and conditions as existed on the date of delivery to the Rent Board of the notice of intent to withdraw, subject to any adjustments otherwise available under this Chapter 37.

(B) No party shall be relieved of the duty to perform any obligation under the lease or rental agreement.

(C) The owner may elect to extend the tenancy on any other units within the accommodations up to one year after date of delivery to the Rent Board of the Subsection (f)(1) notice of intent to withdraw, subject to Subsections (f)(3)(A) and (B).

(D) Within 30 days of the notification by the tenant or lessee to the owner of their entitlement to an extension of the date of withdrawal, the owner shall give written notice to the Rent Board of the claim that the tenant or lessee is entitled to stay in their accommodations or unit within the accommodations for one year after the date of delivery to the Rent Board of the Subsection (f)(1) notice of intent to withdraw.

(E) Within 90 days of the date of delivery to the Rent Board of the notice

of intent to withdraw, the owner shall give written notice to the Rent Board and the affected tenant or lessee of the following:

(i) Whether or not the owner disputes the tenant's claim of extension;

(ii) The new date of withdrawal under Section 37.9A(f)(3)(C), if the owner does not dispute the tenant's claim of extension; and

(iii) Whether or not the owner elects to extend the date of withdrawal to other units on the property.

(F) The date of withdrawal for the accommodations as a whole, for purposes of calculating the time periods described in Sections 37.9A, shall be the latest termination date among all tenants within the accommodations, as stated in the notices required by Section 37.9A(f)(3), subsections (D) and (E). An owner's further voluntary extension of a tenancy beyond the date stated in the notices required by subsections (D) and (E) shall not extend the date of withdrawal.

(4) Within 15 days of delivery of a Subsection (f)(1) notice of intent to the Rent Board, the owner shall provide notice to any tenant or lessee to be displaced of the following:

(A) That the Rent Board has been notified pursuant to Subsection (f)(1),

(B) That the notice to the Rent Board specified the name and the amount of rent paid by the tenant or lessee as an occupant of the rental unit;

(C) The amount of rent the owner specified in the notice to the Rent Board,

(D) The tenant's or lessee's rights to reoccupancy under Section 37.9A(c) if the rental unit is again offered for rent or lease by a current or future owner and to relocation assistance under Section 37.9A(e);

(E) The rights of qualified elderly or disabled tenants as described under Subsection (f)(3), to extend their tenancy to one year after the date of delivery to the Rent Board of the Subsection (f)(1) notice of intent to withdraw; and

(F) With respect to notices of intent dated on or after the effective date of

the ordinance in Board File No. 250926, whether the landlords intends to demolish within the next five years after the date of the notice and a statement that the tenant may be entitled to additional protections pursuant to Planning Code Section 317.2 in the event the unit is demolished, and that the tenant may keep their contact information on file with the Rent Board.

(5) Within 30 days after the effective date of withdrawal of rental units under this Section 37.9A, the Rent Board shall record a notice of constraints with the County Recorder which describes the property and the dates of applicable restrictions on the property under this Section.

(g) Successor Owners. The provisions of this Section 37.9A shall apply to the owner of a rental unit at the time displacement of a tenant or tenants is initiated and to any successor in interest of the owner, subject to the provisions of Chapter 12.75 of Division 7 of Title 1 of the California Government Code (Sections 7060 et seq.).

(h) Reports Required.

(1) Not later than the last day of the third and sixth calendar months following the month in which notice is given to the Board under Subsection (f)(1), and thereafter not later than December 31st of each calendar year for a period of five years, beginning with the year in which the six-month notice is given, the owner of any property which contains or formerly contained one or more rental units which a tenant or tenants vacated pursuant to Section 37.9(a)(13) shall notify the Board, in writing, under penalty of perjury, for each such unit:

(A) Whether the unit has been demolished;

(B) If the unit has not been demolished, whether it is in use;

(C) If it is in use, whether it is in residential use;

(D) If it is in residential use, the date the tenancy began, the name of the tenant(s), and the amount of rent charged.

If the unit has been demolished, and one or more new units constructed on the lot, the owner shall furnish the information required by items (B), (C) and (D) for each new unit. The Board shall maintain a record of the notices received under Subsection (f) and all notices received under this Section for each unit subject to this reporting requirement.

(2) The Board shall notify each person who is reported as having become a tenant in a vacated or new unit subject to the reporting requirements of Subsection (h)(1) that it maintains the records described in Subsection (h)(1), and that the rent of the unit may be restricted pursuant to Subsection (a).

(3) The Board shall maintain a register of all rental units withdrawn from rent or lease under the Ellis Act and the rent applicable to each unit at the time of withdrawal. The Board shall inform tenants displaced from units withdrawn from rent or lease at the address provided by the tenant, when the owner notifies the Board that the unit or replacement unit will again be offered for rent or lease within ten years of the date of withdrawal.

(4) The Board may investigate whether a rental unit that was withdrawn from rent or lease has been again offered for rent or lease, and whether the owner has complied with the provisions of this Section.

(i) This Section 37.9A is enacted principally to exercise specific authority provided for by Chapter 12.75 of Division 7 of Title 1 of the California Government Code, originally enacted by Stats. 1985, Ch. 1509, Section 1 (the Ellis Act, California Government Code Sections 7060 et seq.). In the case of any amendment to Chapter 12.75 or any other provision of State law which amendment is inconsistent with this Section, this Section shall be deemed to be amended to be consistent with State law, and to the extent it cannot be so amended shall be interpreted to be effective as previously adopted to the maximum extent possible.

Sec. 37.9B **Tenant Rights In Evictions Under Section 37.9(a)(8).**
[Added by Ord. No. 293-98, effective November 1, 1998; amended by Ord. No. 57-02, effective June 2, 2002; amended by Proposition H, effective December 22, 2006; amended by Ord. No. 160-17, effective August 27, 2017]

(a) Any rental unit which a tenant vacates after receiving a notice to quit based on Section 37.9(a)(8), and which is subsequently no longer occupied as a principal residence by the landlord or the landlord's grandparent, parent, child, grandchild, brother, sister, or the landlord's spouse, or the spouses of such relations must, if offered for rent during the five-year period following service of the notice to quit under Section 37.9(a)(8), be rented in good faith at a rent not greater than that which would have been the rent had the tenant who had been required to vacate remained in continuous occupancy and the rental unit remained subject to this Chapter 37. If it is asserted that a rent increase could have taken place during the occupancy of the rental unit by the landlord if the rental unit had been subjected to this Chapter, the landlord shall bear the burden of proving that the rent could have been legally increased during that period. If it is asserted that the increase is based in whole or in part upon any grounds other than that set forth in Section 37.3(a)(1), the landlord must petition the Rent Board pursuant to the procedures of this Chapter. Displaced tenants shall be entitled to participate in and present evidence at any hearing held on such a petition. Tenants displaced pursuant to Section 37.9(a)(8) shall make all reasonable efforts to keep the Rent Board apprised of their current address. The Rent Board shall provide notice of any proceedings before the Rent Board to the displaced tenant at the last address provided by the tenant. No increase shall be allowed on account of any expense incurred in connection with the displacement of the tenant.

(b) (1) For notices to vacate served before January 1, 2018, any landlord who, within three years of the date of service of the notice to quit, offers for rent or lease any unit in which the possession was recovered pursuant to Section 37.9(a)(8) shall first offer the unit for rent or lease to the tenants displaced in the same manner as provided for in Sections 37.9A(c) and (d).

(2) For notices to vacate served on or after January 1, 2018, any landlord who, within five years of the date of service of the notice to quit, offers for rent or lease any unit in which the possession was recovered pursuant to Section 37.9(a)(8) shall first offer the unit for

rent or lease to the tenants displaced, by mailing a written offer to the address that the tenant has provided to the landlord. If the tenant has not provided the landlord a mailing address, the landlord shall mail the offer to the address on file with the Rent Board, and if the Rent Board does not have an address on file, then to the unit from which the tenant was displaced and to any other physical or electronic address of the tenant of which the landlord has actual knowledge. The landlord shall file a copy of the offer with the Rent Board within 15 days of the offer. The tenant shall have 30 days from receipt of the offer to notify the landlord of acceptance or rejection of the offer and, if accepted, shall reoccupy the unit within 45 days of receipt of the offer.

(c) In addition to complying with the requirements of Section 37.9(a)(8), an owner who endeavors to recover possession under Section 37.9(a)(8) shall inform the tenant of the following information in writing and file a copy with the Rent Board within 10 days after service of the notice to vacate, together with a copy of the notice to vacate and proof of service upon the tenant;

(1) The identity and percentage of ownership of all persons holding a full or partial percentage ownership in the property;

(2) The dates the percentages of ownership were recorded;

(3) The name(s) of the landlord endeavoring to recover possession and, if applicable, the names(s) and relationship of the relative(s) for whom possession is being sought and a description of the current residence of the landlord or relative(s);

(4) A description of all residential properties owned, in whole or in part, by the landlord and, if applicable, a description of all residential properties owned, in whole or in part, by the landlord's grandparent, parent, child, grandchild, brother, or sister for whom possession is being sought;

(5) The current rent for the unit and a statement that the tenant has the right to re-rent the unit at the same rent, as adjusted by Section 37.9B(a) above;

(6) The contents of Section 37.9B, by providing a copy of same; and

(7) The right the tenant(s) may have to relocation costs and the amount of those

relocation costs.

(d) The landlord shall pay relocation expenses as provided in Section 37.9C.

(e) Within 30 days after the effective date of a written notice to vacate that is filed with the Rent Board under Section 37.9B(c) the Rent Board shall record a notice of constraints with the County Recorder identifying each unit on the property that is the subject of the Section 37.9B(c) notice to vacate, stating the nature and dates of applicable restrictions under Section 37.9(a)(8) and 37.9B. For notices to vacate filed under Section 37.9B(c) on or after January 1, 2018, the Rent Board shall also send a notice to the unit that states the maximum rent for that unit under Sections 37.9(a)(8) and 37.9B, and shall send an updated notice to the unit 12 months, 24 months, 36 months, 48 months and 60 months thereafter, or within 30 days of such date. If a notice of constraints is recorded but the tenant does not vacate the unit, the landlord may apply to the Rent Board for a rescission of the recorded notice of constraints. The Rent Board shall not be required to send any further notices to the unit pursuant to this subsection (e) if the constraints on the unit are rescinded.

Sec. 37.9C **Tenants Rights To Relocation For No-Fault Evictions.**
[Added by Proposition H, effective December 22, 2006; annotated section 37.9C(a)(1) to reference California Civil Code Section 1947.9, which went into effect on January 1, 2013]

(a) Definitions.

(1) Covered No-Fault Eviction Notice. For purposes of this section 37.9C, a Covered No-Fault Eviction Notice shall mean a notice to quit based upon Section 37.9(a)(8), (10), (11), or (12). [However, effective January 1, 2013, the amount of relocation payments for temporary displacement of a tenant household under Section 37.9(a)(11) for less than 20 days is governed by California Civil Code Section 1947.9 and not by this Section.]

(2) Eligible Tenant. For purposes of this section 37.9C, an Eligible Tenant shall mean any authorized occupant of a rental unit, regardless of age, who has resided in the unit for 12 or more months.

(b) Each Eligible Tenant who receives a Covered No-Fault Eviction Notice, in addition to all rights under any other provision of law, shall be entitled to receive relocation expenses from the landlord, in the amounts specified in section 37.9C(e).

(c) On or before the date of service of a Covered No-Fault Eviction Notice, the landlord shall notify all occupant(s) in the unit in writing of the right to receive payment under this section 37.9C and the amount of that relocation and shall provide a copy of section 37.9C. Such notification shall include a statement describing the additional relocation expenses available for Eligible Tenants who are senior or disabled and for households with children. The landlord shall file a copy of this notification with the Rent Board within 10 days after service of the notice, together with a copy of the notice to vacate and proof of service upon the tenant.

(d) A landlord who pays relocation expenses as required by this section in conjunction with a notice to quit need not pay relocation expenses with any further notices to quit based upon the same just cause under Section 37.9(a) for the same unit that are served within 180 days of the notice that included the required relocation payment. The relocation expenses contained herein are separate from any security or other refundable deposits as defined in California Code Section 1950.5. Further, payment or acceptance of relocation expenses shall

not operate as a waiver of any rights a tenant may have under law.

(e) Relocation expenses shall be:

(1) Each Eligible Tenant receiving a Covered No-Fault Eviction Notice shall receive $4,500, $2,250 of which shall be paid at the time of the service of the notice to quit, and $2,250 of which shall be paid when the unit is vacated. In no case, however, shall the landlord be obligated under this section 37.9C(e)(1) to provide more than $13,500 in relocation expenses to all Eligible Tenants in the same unit.

(2) In addition, each Eligible Tenant who is 60 years of age or older or who is disabled within the meaning of Section 12955.3 of the California Government Code, and each household with at least one Eligible Tenant and at least one child under the age of 18 years, shall be entitled to receive an additional payment of $3,000.00, $1,500.00 of which shall be paid within fifteen (15) calendar days of the landlord's receipt of written notice from the Eligible Tenant of entitlement to the relocation payment along with supporting evidence, and $1,500 of which shall be paid when the Eligible Tenant vacates the unit. Within 30 days after notification to the landlord of a claim of entitlement to additional relocation expenses because of disability, age, or having children in the household, the landlord shall give written notice to the Rent Board of the claim for additional relocation assistance and whether or not the landlord disputes the claim.

(3) Commencing March 1, 2007, these relocation expenses, including the maximum relocation expenses per unit, shall increase annually, rounded to the nearest 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.

(f) The provisions of this Ordinance shall apply to all notices to quit served on or after August 10, 2006.

Sec. 37.9D Foreclosure Evictions.
[Added by Ord. No. 60-10, effective April 25, 2010; amended by Ord. No. 296-19, effective January 20, 2020]

(a) Foreclosure is defined for purposes of this Section 37.9D as the reversion or transfer of title to a property to a lender, mortgagee, or beneficiary of a deed of trust, or an agent thereof, in full or partial satisfaction of a defaulted obligation. This definition of "foreclosure" includes but is not limited to the definitions in California Civil Code section 2924.

(b) Any residential tenant who was in possession of a rental unit at the time of foreclosure may not be evicted by the person or entity who took title through foreclosure (see Section 37.9D(a)), except for just cause as provided in Section 37.9 and related provisions of Chapter 37, or at the end of the tenant's existing lease, whichever occurs later.

(c) To the extent permissible under state and federal law, any residential tenant who has a valid lease or rental agreement at the time of foreclosure may enforce that rental agreement after foreclosure.

(d) A tenant whose landlord recovers possession or endeavors to recover possession of the unit in violation of this section may exercise any remedies available under this Chapter or under other applicable law.

(e) Within 15 days after foreclosure of a residential property subject to this Section 37.9D, the person or entity that takes title must provide to the tenant or tenants in the property (see Subsection 37.9D(b)) notice of their rights under this Section 37.9D.

(i) The notice shall be in the following form in bold type of at least 14 points:

NOTICE UNDER SAN FRANCISCO ADMINISTRATIVE CODE SECTION 37.9D.

To all tenants residing at: _____ (property address).

Date: _____.

The person or entity named below obtained title through foreclosure to the property in which you reside, on: _____ (date).

You are hereby advised that under San Francisco Administrative Code Section 37.9 you may not be evicted from the rental unit in which you reside unless the landlord has a just cause for eviction under Section

37.9(a) of the San Francisco Administrative Code.

Additional information on your tenant rights under this ordinance is available from the San Francisco Residential Rent Stabilization and Arbitration Board, 25 Van Ness Avenue, San Francisco, California, telephone number (415) 252-4602.[2]

Name of lender and contact telephone number: _____.

(ii) Notice required by this Section 37.9D shall be provided either: by both posting a copy of the notice in a conspicuous place on the property and by first-class mail to each affected residential unit; or by posting a copy of the notice in a conspicuous place on the property and in a prominent place on each affected residential unit.

(iii) It shall be a defense to an eviction utilizing the just cause provisions of Section 37.9, if a landlord who is required to provide the notice required by this Section 37.9D endeavors to recover possession prior to providing this notice and the notice required by Civil Code section 1962.

[2] The Rent Board telephone number is (415) 252-4600.

Sec. 37.9E **Tenant Buyout Agreements.**

[Added by Ord. No. 225-14, operative March 7, 2015; amended by Ord. No. 36-20 on April 6, 2020, of which sections (c) and (i) were enjoined by the San Francisco Superior Court in SFAA v. CCSF on December 11, 2020 (Case No. CPF-20-517087); Ord. No. 3-26, effective February 8, 2026]

(a) Findings and Purpose. San Francisco is in the midst of a housing crisis. As the disparity between rent-controlled and market rate rents continues to grow, landlords have greater incentives to induce tenants in rent-controlled units to move out. Similarly, with the real estate market skyrocketing, many landlords are selling their property with the knowledge that an unoccupied unit can command a significantly higher sale price than an occupied one.

Instead of evicting tenants, some landlords offer cash buyouts to tenants in exchange for the tenants vacating rental units. These are sometimes called buyout agreements. Even buyouts worth tens of thousands of dollars can be recouped by a landlord retaining ownership and re-renting at market rates or selling the unit. Unlike no-fault evictions, these buyouts are unregulated, and can enable landlords to circumvent many of the restrictions that apply when a landlord executes a no-fault eviction. For example, a landlord who executes some types of no-fault evictions must give tenants a certain amount of time to move out, provide funds to tenants to cover relocation costs, and allow tenants to move back into the unit under specified circumstances. Two types of these no-fault evictions – the Ellis Act and owner move-in evictions – contain restrictions on how much rent a landlord can charge if the units are re-rented following eviction. Analogous regulations do not exist for tenant buyouts.

Anecdotal evidence indicates that many buyout negotiations are not conducted at arms-length, and landlords sometimes employ high-pressure tactics and intimidation to induce tenants to sign the agreements. Some landlords threaten tenants with eviction if they do not accept the terms of the buyout. The frequency of these buyout offers increased significantly following passage of a San Francisco law in 1996 which restricted, and in many cases prohibited, condominium conversions following no-fault evictions. By threatening a specific no fault eviction and then convincing a tenant to vacate rather than receiving the eviction notice, a landlord will avoid restrictions on condominium conversion as well as restrictions on renovations, mergers, or

demolitions.

These tactics sometimes result in tenants entering into buyout agreements without a full understanding of their rights and without consulting a tenants' rights counselor. These buyouts vary widely in amounts and, in some cases, are even below minimum relocation benefits which are required to be paid for all no-fault evictions. Disabled, senior, and catastrophically ill tenants can be particularly vulnerable, and can face greater hurdles in securing new housing.

The main purpose of this Section 37.9E is to increase the fairness of buyout negotiations and agreements by requiring landlords to provide tenants with a statement of their rights and allowing tenants to rescind a buyout agreement for up to 45 days after signing the agreement, thus reducing the likelihood of landlords pressuring tenants into signing buyout agreements without allowing the tenants sufficient time to consult with a tenants' rights specialist. Another goal of this ordinance is to help the City collect data about buyout agreements. The City lacks comprehensive information about the number, location, and terms of buyout agreements. This dearth of information precludes the City from understanding the true level of tenant displacement in San Francisco.

(b) Applicability of Section. Notwithstanding Section 37.3 or any other provision in City law, this Section 37.9E shall apply to all landlords and tenants of rental units as defined in Section 37.2(r).

(c) Definitions. For purposes of this Section 37.9E, the following definitions shall apply:

"Buyout Agreement" means an agreement wherein the landlord pays the tenant money or other consideration to vacate the rental unit. An agreement to settle a pending unlawful detainer action shall not be a "Buyout Agreement." An agreement for a tenant to move into a substitute unit under Planning Code Section 317.2(d)(2)(D)(ii), subparagraph a., also shall not be a "Buyout Agreement."

"Buyout Negotiations" means any discussion or bargaining, whether oral or written, between a landlord and tenant regarding the possibility of entering into a Buyout Agreement.

(d) Disclosure required prior to Buyout Negotiations. Prior to commencing Buyout Negotiations for a rental unit, the landlord shall provide each tenant in that rental unit a written

disclosure, on a form developed and authorized by the Rent Board, that shall include the following:

(1) A statement that the tenant has a right not to enter into a Buyout Agreement or Buyout Negotiations;

(2) A statement that the tenant may choose to consult with an attorney before entering into a Buyout Agreement or Buyout Negotiations;

(3) A statement that the tenant may rescind the Buyout Agreement for up to 45 days after the Buyout Agreement is fully executed;

(4) A statement that the tenant may visit the Rent Board for information about other Buyout Agreements in the tenant's neighborhood;

(5) A list of tenants' rights organizations and their contact information;

(6) A statement that information about tenants' rights is available at the Rent Board's office, through its counseling telephone number, and on its website;

(7) A statement explaining the legal implications under Section 1396(e)(4) of the Subdivision Code for a landlord who enters into one or more Buyout Agreements;

(8) If the landlord is an entity, the names of all people within that entity who will be conducting the Buyout Negotiations, as well as the names of all people within that entity who will have decision-making authority over the terms of the Buyout Agreement;

(9) Any other information required by the Rent Board consistent with the purposes and provisions of this Section 37.9E;

(10) A space for the tenant to sign and write the date the landlord provided the tenant with the disclosure; and

(11) Information provided by the Mayor's Office of Housing and Community Development regarding the impact of the buyout on the tenant's eligibility for the City's affordable housing programs.

(12) Information provided by the Planning Department regarding the impact of the buyout on the tenant's eligibility for relocation assistance and other benefits if the property is redeveloped.

The landlord shall retain a copy of each signed disclosure form for five years, along with a record of the date the landlord provided the disclosure to each tenant and the method of service that the landlord used (regular mail, electronic mail, hand delivery, etc.).

(e) Notification of the Rent Board. After providing the disclosures required by subsection (d) and prior to commencing Buyout Negotiations, the landlord shall file a declaration executed under penalty of perjury with the Rent Board, on a form prepared by the Rent Board, that provides the following information:

(1) The landlord's name, business address, business email address, and business telephone number;

(2) The name of each tenant (if known) with whom the landlord intends to enter into Buyout Negotiations;

(3) The address of the rental unit that may be the subject of Buyout Negotiations, along with the Assessor's Parcel Number (lot and block) of the building where the unit is located; and

(4) The date that the landlord provided each tenant with the disclosure required by subsection (d), and the method of service that the landlord used.

The Rent Board shall make the information included on this form publicly available, except that the Rent Board shall redact all information regarding the identity of the tenants.

(f) Requirements for Buyout Agreements. Every Buyout Agreement shall:

(1) Be in writing. The agreement may be executed no sooner than 30 days after Buyout Negotiations commenced. The landlord shall give each tenant a copy of the Buyout Agreement at the time the tenant executes the Agreement.

(2) Include the following statement in bold letters in a size equal to at least 14-point type in close proximity to the space reserved for the signature of the tenant(s). "You, the tenant, may cancel this agreement at any time on or before the 45th day after all parties have signed this agreement. To cancel this agreement, mail or deliver a signed and dated notice stating that you, the tenant, are cancelling this agreement, or words of similar effect. The notice shall be sent to: _____ (Name of landlord) at _____ (Address of landlord). If you

do not cancel this agreement by the 45th day after all parties have signed the agreement, the landlord will be required to file a copy of the agreement with the Rent Board no later than the 59th day after all parties have signed the agreement. If the landlord does not file the agreement by the 59th day, you may file a copy, and you shall also have the option to void any language in the agreement in which you have waived your rights or released claims. Any provision of this agreement that purports to limit, restrict, or prevent you from filing a copy and/or exercising these options if the landlord has not filed by the 59th day, shall be void and unenforceable." Immediately after this statement, there shall be a line for each tenant to affix his or her initials.

(3) Include the following statements in a size equal to at least 14-point type: "You, the tenant, have a right not to enter into a buyout agreement"; You, the tenant, may choose to consult with an attorney and/or a tenants' rights organization before signing this agreement. You can find a list of tenants' rights organizations on the Rent Board's website – www.sfrb.org"; and "The Rent Board has created a publicly available, searchable database that may include information about other buyout agreements in your neighborhood. You can search this database at the Rent Board's office at 25 Van Ness Avenue." Immediately after each statement, there shall be a line for each tenant to affix their initials.

(4) Include the following statements in a size equal to at least 14-point type: "Under Section 1396(e)(4) of San Francisco's Subdivision Code, a property owner may not convert a building into a condominium where: (A) a senior, disabled, or catastrophically ill tenant has vacated a unit under a buyout agreement after October 31, 2014, or (B) two or more tenants who are not senior, disabled, or catastrophically ill have vacated units under buyout agreements, if the agreements were entered after October 31, 2014 and within the ten years prior to the condominium conversion application. A 'senior' is a person who is 60 years or older and has been residing in the unit for ten years or more at the time of the Buyout Agreement; a 'disabled' tenant is a person who is disabled under the Americans with Disabilities Act (Title 42 United States Code Section 12102) and has been residing in the unit for ten years or more at the time of Buyout Agreement; and a 'catastrophically ill' tenant is a person who is disabled under the Americans with Disabilities Act (Title 42 United States Code Section 12102) and who is suffering

from a life threatening illness and has been residing in the unit for five years or more at the time of the Buyout Agreement. Do you believe that you are senior, disabled, or catastrophically ill as those terms are defined above? Yes ____ No ____ I don't know____ I prefer not to say_____." The question listed in this subsection (f)(4) shall appear in the Buyout Agreement once for each tenant who is a party to the Buyout Agreement. Next to each question shall be a line for the tenant to affix his or her initials.

(5) With respect to Buyout Agreements entered into on or after the effective date of the ordinance in Board File No. 250926, include the following statement in a size equal to at least 14-point type: "Under Section 317.2 of the Planning Code, a tenant who is displaced by a project to demolish their building may be entitled to relocation assistance or other benefits. By entering into this agreement you may be giving up relocation assistance and other benefits that you are or may become entitled to under the law." Immediately after this statement, there shall be a line for each tenant to affix their initials.

(6) Include the address of the rental unit in question, as well as the Assessor's Parcel Number (lot and block) of the building where the unit is located.

A Buyout Agreement that does not satisfy all the requirements of subsections (f)(1)-(5) shall not be effective and may be rescinded by the tenant at any time. A Buyout Agreement that does not include the initials of each tenant next to each of the statements described in subsections (f)(2)-(5), as well as the initials of each tenant next to his or her answer to the question listed in subsection (f)(4), shall not be effective and may be rescinded by the tenant at any time.

(g) Rescission of Buyout Agreements. A tenant shall have the right to rescind a Buyout Agreement for up to and including 45 days after its execution by all parties. In order to rescind a Buyout Agreement under this subsection (g), the tenant must, on or before the 45th day following the execution of the Buyout Agreement by all parties, hand deliver, email, or place in the mail a statement to the landlord indicating that the tenant has rescinded the Buyout Agreement.

(h) Filing of Buyout Agreements. The landlord shall file a copy of the Buyout Agreement

with the Rent Board no sooner than the 46th day after the Buyout Agreement is executed by all parties, and no later than 59 days after the agreement is executed by all parties. After the 59th day, either the landlord or the tenant may file a copy of the Buyout Agreement. However, regardless of whether any party files the Buyout Agreement after the 59th day, if the landlord had not filed a copy by the 59th day, any provision of the Buyout Agreement in which the tenant waived their rights or released claims shall not be effective and shall be void at the option of the tenant, and the tenant shall be entitled to all remedies authorized by law; provided, however, that said remedies shall not include the displacement of a subsequent tenant in the unit. Buyout Agreements rescinded under subsection (g) need not be filed with the Rent Board.

(i) Posting of Buyout Agreements. The Rent Board shall create a searchable database with information received from filings under subsection (h). The database shall be accessible to the public at the Rent Board's office and shall include a copy of all filings received under subsection (h). Before posting a copy of any filing received under subsection (h) on its database, the Rent Board shall redact all information regarding the identity of the tenants.

(j) Annual report. The Rent Board shall provide an annual report to the Board of Supervisors regarding the implementation of this Section 37.9E. The first report shall be completed by January 31, 2016, and subsequent reports shall be completed by January 31 in subsequent years. The report shall include, but not be limited to, a list of all units that have been the subject of Buyout Agreements that have been reported to the Rent Board under subsection (h). The Rent Board shall post each of these annual reports on its website.

(k) Penalties and Enforcement.

(1) A tenant who has vacated a unit based on a Buyout Agreement may bring a civil action against the landlord in San Francisco Superior Court for failure to comply with the requirements set forth in subsections (d) and (f). The landlord shall be liable for the tenant's damages. In addition, the penalty for violation of subsection (d) shall be up to $500. The penalty for a violation of subsection (f) shall be up to 50% of the tenant's damages. The court shall award reasonable attorneys' fees to any tenant who is the prevailing party in a civil action brought under this subsection (k)(1).

(2) The City Attorney or any organization with tax exempt status under 26 United States Code Section 501(c)(3) or 501(c)(4) and with a primary mission of protecting the rights of tenants in San Francisco may bring a civil action against a landlord in San Francisco Superior Court for failure to comply with subsection (h). A landlord who has violated subsection (h) shall pay to the City an administrative penalty of up to $100 per day for each document the landlord failed to file, but in no event shall the landlord's total administrative penalty in a single civil action exceed $20,000. Any administrative penalties collected under this subsection (k)(2) shall be deposited in the General Fund of the City and County of San Francisco. The court shall award reasonable attorney's fees and costs to the City Attorney or a nonprofit organization that is the prevailing party in a civil action brought under this subsection (k)(2).

(3) A tenant may not bring a civil action under subsection (k)(1) and the City Attorney or a nonprofit organization may not bring a civil action under subsection (k)(2) more than four years after the date of the alleged violation.

(l) Findings Under Planning Code Section 317(d)(8). In furtherance of Planning Code Section 317(d)(8), the Rent Board Executive Director shall establish procedures for an owner or landlord to petition the Rent Board for a determination as to whether a tenant buyout substantially complied with the applicable provisions of subsections (d)-(f) and (h). The Rent Board shall consider substantial compliance based upon the totality of facts but may not find substantial compliance as to violations that were intentional, willful, or that establish a pattern and practice as to an individual tenant or multiple tenants. The tenant shall receive a notice of the petition at their last known address, and the Rent Board shall provide notice of the petition to any nonprofit organization as described in subsection (k)(2) that has previously requested such notice. The tenant, and if authorized by the tenant a nonprofit organization, shall have an opportunity to respond to the petition. The Rent Board Executive Director shall issue a determination within 45 days after receiving the petition; or alternatively, may schedule a hearing before an Administrative Law Judge within 45 days or as soon as practicable and shall issue a determination within 30 days after the date of the hearing. Both landlord and tenant (including an authorized nonprofit organization) may provide oral or written testimony at any such hearing.

Either party may appeal the Executive Director's decision to the Rent Board, under Section 37.8.

SEC. 37.9F CIRCUMVENTION OF TENANT PROTECTIONS.

[Added by Ord. No. 78-20, effective June 22, 2020]

(a) **Findings.** As market rents continue to increase in San Francisco, landlords of rent-controlled units have a greater incentive to prevent long-term tenancies. Complementing the just cause protections in Section 37.9, this Section 37.9F addresses the growing efforts among some landlords to induce their tenants into believing that they are required to vacate their units at a specific time designated in the lease or agreement, despite existing law to the contrary, or to try to avoid certain landlord-tenant obligations altogether. This trend is especially common with respect to corporate rentals, though it is not limited to corporate rentals. Such tactics by landlords undermine rent control and frustrate the purpose of ensuring that rent-controlled units in the City remain available as a long-term housing option for the City's renters.

(b) **Prohibition of Fixed-Term Agreements.** Consistent with Section 37.9(a)(2) and Section 37.9(e), any provision of any lease or rental agreement that purports to require a tenant to vacate a rental unit at the expiration of a stated term, or that purports to characterize a tenant's failure to vacate the rental unit at the end of the stated term as a just cause for eviction (either of them, a "Fixed-Term Agreement"), shall be void as contrary to public policy, and a landlord may not attempt to recover possession of the unit without just cause. This prohibition shall not apply where this Chapter 37 expressly authorizes a fixed-term tenancy (e.g., Section 37.2(a)(D)), or where it expressly authorizes a tenant to be evicted without just cause (e.g., Section 37.9(b)).

(c) **Restrictions on Non-Tenant Uses.**

(1) A rental unit is being used for a "Non-Tenant Use" when the landlord is allowing the unit to be occupied by a person or entity who is not a "tenant" as defined in Section 37.2(t). Renting a unit to a corporate entity or other non-natural person, or using a unit as housing for one's employees, licensees, or independent contractors rather than one's tenants, are nonexclusive examples of Non-Tenant Uses. This subsection (c) is not intended to narrow the definition of "tenant" under Section 37.2(t) or to limit the just cause protections in Section 37.9; the sole intent is to prevent landlords from circumventing or undermining the tenant

protections of this Chapter 37, by restricting when a landlord may provide a rental unit to a person or entity to the extent that person or entity does not otherwise qualify as a "tenant."

(2) Commencing April 1, 2020, it shall be unlawful to use a rental unit or allow a rental unit to be used for a Non-Tenant Use, subject to the exemptions listed in subsection (c)(3). Any provision of any agreement entered into on or after April 1, 2020 that purports to allow a unit to be used for an unauthorized Non-Tenant Use shall be void as contrary to public policy, and the occupants shall instead be deemed tenants under Section 37.2(t).

(3) This subsection (c) does not apply to any of the following:

(A) where the rental unit is subject to an agreement authorizing a Non-Tenant Use that was entered into before April 1, 2020, for the existing duration of that agreement.

(B) the use of a rental unit as a lawful short-term rental as set forth in Administrative Code Chapter 41A.

(C) where the landlord is providing the rental unit to its employees as a condition of their employment to assist in the maintenance or management of a building owned or managed by the landlord (e.g., resident managers).

(D) where an organization with tax-exempt status under 26 United States Code Section 501(c)(3) is providing access to the unit in furtherance of its primary mission to provide housing, or in furtherance of its primary mission of education by providing housing to teachers.

(d) **Required Disclosures.** Commencing April 1, 2020, every online listing for a rental unit, excluding listings by landlords or master tenants who will reside in the same rental unit as their tenants or subtenants, must contain a legible disclosure in at least 12-point font that includes the following text: "This unit is a rental unit subject to the San Francisco Rent Ordinance, which limits evictions without just cause, and which states that any waiver by a tenant of their rights under the Rent Ordinance is void as contrary to public policy." The foregoing text should also be included in print advertisements, if practicable.

(e) **Monitoring and Enforcement.**

(1) The Board shall receive referrals regarding online listings that do not comply with subsection (d). Upon receipt of a referral, if the Board determines that the listing does not substantially comply with subsection (d) and that the defects have not been cured, the Board shall inform the landlord in writing. The landlord shall be required to correct the violation within three business days after receiving the notice. If the landlord has not corrected the violation within three business days, the Board may impose a reasonable administrative penalty of up to $100 per day, not counting the three-day correction period, provided that in no event shall the total administrative penalty for a single listing exceed $1,000. The procedure for the imposition, enforcement, collection, and administrative review of the administrative penalty shall be governed by Administrative Code Chapter 100, "Procedures Governing the Imposition of Administrative Fines," which is hereby incorporated in its entirety. Any administrative penalties collected under this subsection (e)(1) shall be deposited in the General Fund of the City and County of San Francisco to be used for enforcement of this Section 37.9F.

(2) The City Attorney may bring a civil action in San Francisco Superior Court against a party who has failed to comply with this Section 37.9F. A nonprofit organization with tax exempt status under 26 United States Code Section 501(c)(3) or 501(c)(4) and with a primary mission of protecting the rights of tenants in San Francisco may also bring such a civil action, provided that the organization shall first provide 30 days' written notice of its intent to initiate civil proceedings by serving a draft complaint on the City Attorney's Office and on any known address(es) of the affected tenant(s), and may not initiate civil proceedings until the end of this 30 day period. A party who violates this Section 37.9F may be liable for civil penalties of not more than two times the amount paid or received for use of the rental unit during the period of the unlawful activity, and each rental unit used in violation of this Section 37.9F shall constitute a separate violation. Any monetary award obtained in such a civil action shall be deposited in the General Fund of the City and County of San Francisco to be used for enforcement of this Section 37.9F. The court shall also award reasonable attorney's fees and costs to the City Attorney or a nonprofit organization that is the prevailing party in such a civil action.

(3) The remedies available under this subsection (e) shall be in addition to any other existing remedies that may be available.

Sec. 37.10A Misdemeanors and Other Enforcement Provisions.
[Added by Ord. No. 20-84, effective February 18, 1984; amended by Ord. No. 293-98, effective November 1, 1998; Ord. No. 347-99, effective January 29, 2000; Ord. No. 57-02, effective June 2, 2002; revised by Baba v. CCSF (2004) 124 Cal.App. 4th 504; amended by Proposition B, approved on June 6, 2006; amended by Ord. No. 160-17, effective August 27, 2017; amended by Ord. No. 005-19, effective February 25, 2019; amended by Ord. No. 296-19, effective January 20, 2020]

(a) It shall be unlawful for a landlord to increase rent or rents in violation of the decision of an Administrative Law Judge or the decision of the board on appeal pursuant to the hearing and appeal procedures set forth in Section 37.8 of this chapter. It shall further be unlawful for a landlord to charge any rent which exceeds the limitations of this chapter. Any person who increases rents in violation of such decisions or who charges excessive rents shall be guilty of a misdemeanor.

(b) It shall be unlawful for a landlord to refuse to rent or lease or otherwise deny to or withhold from any person any rental unit because the age of a prospective tenant would result in the tenant acquiring rights under this Chapter. Any person who refuses to rent in violation of this subsection shall, in addition to any other penalties provided by state or federal law, be guilty of a misdemeanor.

(c) It shall be unlawful for a landlord or for any person who willfully assists a landlord to recover possession of a rental unit unless, prior to recovery of possession of the unit the landlord satisfies all requirements for recovery of the unit under Section 37.9(a) or (b).

(d) In any criminal or civil proceeding based on a violation of Section 37.10A(c), the landlord's failure to use a recovered unit for the Section 37.9(a) or (b) ground stated verbally or in writing to the tenant from whom the unit was recovered shall give rise to a presumption that the landlord did not have a good faith intention to recover the unit for the stated ground.

(e) If possession of a rental unit is recovered as the result of any written or verbal statement to the tenant that the landlord intends to recover the unit under one of the grounds enumerated in Section 37.9(a) or (b), the unit shall be subject to all restrictions set forth under this Chapter on units recovered for such stated purpose regardless of any agreement made between the landlord or the landlord's agent and the tenant who vacated the recovered unit.

Any unit vacated by a tenant within 120 days after receiving any written or verbal statement from the landlord stating that the landlord intends to recover the unit under Section 37.9(a) or (b), shall be rebuttably presumed to have been recovered by the landlord pursuant to the grounds identified in that written or verbal statement.

(f) It shall be unlawful for a landlord to knowingly fail to disclose in writing to the buyer, prior to entering into a contract for the sale of any property consisting of two or more residential units, the specific legal ground(s) for the termination of the tenancy of each residential unit to be delivered vacant at the close of escrow.

(g) It shall be unlawful for a landlord/owner, when offering a property for sale in the City and County of San Francisco that includes two or more residential units, to knowingly fail to disclose in writing to any prospective purchaser:

(1) The specific legal ground(s) for the termination of the tenancy of each residential unit to be delivered vacant at the close of escrow; and,

(2) Whether the unit was occupied by an elderly or disabled tenant at the time the tenancy was terminated. For purposes of this Section 37.10A(g), "elderly" means a tenant defined as elderly by Administrative Code Sections 37.9(i)(1)(A), 37.9A(e)(1)(C), 37.9A(e)(2)(D), or 37.9A(e)(3)(C), or a tenant defined as "senior" by Subdivision Code Section 1359(d). For purposes of this Section 37.10A(g), "disabled" means a tenant defined as disabled by Administrative Code Sections 37.9(i)(1)(B)(i), 37.9A(e)(1)(C), 37.9A(e)(2)(D), or 37.9A(e)(3)(C), or by Subdivision Code Section 1359(d).

Any disclosure required by this Subsection (g) that is made on a flier or other document describing the property which is made available to prospective purchasers at each open house and at any tour through the property will constitute compliance with the disclosure requirements of this Subsection (g).

(h) It shall be unlawful for any landlord, within five years after service of the notice to quit under Section 37.9(a)(8), to charge a rent for the unit that exceeds the maximum rent for the unit as provided in Section 37.9B(a), unless the notice of constraints on the unit has been rescinded. Each month or portion thereof that the landlord charges an excessive rent in violation of Section

37.9B(a) shall constitute a separate violation.

(i) It shall be unlawful for a landlord to endeavor to recover possession of a rental unit that is exempt from rent increase limitations under Section 37.3(d) or Section 37.3(g) by means of a rent increase that is imposed in bad faith with an intent to defraud, intimidate, or coerce the tenant into vacating the rental unit in circumvention of Section 37.9(a), 37.9A, 37.9B, or 37.9C. Evidence of bad faith may include but is not limited to the following: (1) the rent increase was substantially in excess of market rates for comparable units; (2) the rent increase was within six months after an attempt to recover possession of the unit; and (3) such other factors as a court or the Rent Board may deem relevant.

(j) Any person who violates Section 37.10A(a),(b),(c), (f), or (h) is guilty of a misdemeanor and shall be punished by a mandatory fine of $1,000.00, and in addition to such fine may be punished by imprisonment in the County Jail for a period of not more than six months. Each violation shall constitute a separate offense.

Sec. 37.10B Tenant Harassment.
[Added by Proposition M, effective December 19, 2008; revised by Larson v. CCSF (2011) 192 Cal. App. 4th 1263, in which the Court of Appeal struck sections 37.10B(a)(7) and 37.10B(c)(6), and limited Rent Board remedies under section 37.10B(c)(1) to violations of sections 37.10B(a)(1)-(3); amended by Ord. No. 005-19, effective February 25, 2019; amended by Ord. No. 296-19, effective January 20, 2020]

(a) No landlord, and no agent, contractor, subcontractor or employee of the landlord shall do any of the following in bad faith:

(1) Interrupt, terminate or fail to provide housing services required by contract or by State, County or local housing, health or safety laws;

(2) Fail to perform repairs and maintenance required by contract or by State, County or local housing, health or safety laws;

(3) Fail to exercise due diligence in completing repairs and maintenance once undertaken or fail to follow appropriate industry repair, containment or remediation protocols designed to minimize exposure to noise, dust, lead, paint, mold, asbestos, or other building materials with potentially harmful health impacts;

(4) Abuse the landlord's right of access into a rental housing unit as that right is provided by law;

(5) Influence or attempt to influence a tenant to vacate a rental housing unit through fraud, intimidation or coercion; for example and without limitation, by endeavoring to recover possession of a rental unit that is exempt from rent increase limitations under Section 37.3(d) or Section 37.3(g) by means of a rent increase that is imposed with an intent to defraud, intimidate, or coerce the tenant into vacating the rental unit in circumvention of Section 37.9(a), 37.9A, 37.9B, or 37.9C, in which case evidence of bad faith may include but is not limited to the following: (1) the rent increase was substantially in excess of market rates for comparable units; (2) the rent increase was within six months after an attempt to recover possession of the unit; and (3) such other factors as a court or the Rent Board may deem relevant;

(6) Attempt to coerce the tenant to vacate with offer(s) of payments to vacate which are accompanied with threats or intimidation;

~~(7) Continue to offer payments to vacate after tenant has notified the landlord in writing that they no longer wish to receive further offers of payments to vacate;~~

(8) Threaten the tenant, by word or gesture, with physical harm;

(9) Violate any law which prohibits discrimination based on actual or perceived race, gender, sexual preference, sexual orientation, ethnic background, nationality, place of birth, immigration or citizenship status, religion, age, parenthood, marriage, pregnancy, disability, AIDS or occupancy by a minor child;

(10) Interfere with a tenant's right to quiet use and enjoyment of a rental housing unit as that right is defined by California law;

(11) Refuse to accept or acknowledge receipt of a tenant's lawful rent payment;

(12) Refuse to cash a rent check for over 30 days;

(13) Interfere with a tenant's right to privacy;

(14) Request information that violates a tenant's right to privacy, including but not limited to residence or citizenship status or social security number;

(15) Other repeated acts or omissions of such significance as to substantially interfere with or disturb the comfort, repose, peace or quiet of any person lawfully entitled to occupancy of such dwelling unit and that cause, are likely to cause, or are intended to cause any person lawfully entitled to occupancy of a dwelling unit to vacate such dwelling unit or to surrender or waive any rights in relation to such occupancy.

(b) Nothing in this Section 37.10B shall be construed as to prevent the lawful eviction of a tenant by appropriate legal means.

(c) Enforcement and penalties.

(1) Rent Board. Violation of Sections 37.10B(a)(1) – (3) is a substantial and significant decrease in services as defined in Section 37.2(g) and tenants may file a petition with the Rent Board for a reduction in rent.

(2) Criminal Penalty. Any person who is convicted of violating this Section shall be guilty of a misdemeanor and upon conviction shall be punished by a fine of not greater than one thousand dollars or by imprisonment in the County Jail for not more than six months, or by

both such fine and imprisonment.

(3) Civil Action. Any person, including the City, may enforce the provisions of this Section by means of a civil action. The burden of proof in such cases shall be preponderance of the evidence. A violation of this Chapter may be asserted as an affirmative defense in an unlawful detainer action.

(4) Injunction. Any person who commits an act, proposes to commit an act, or engages in any pattern and practice which violates this Section 37.10B may be enjoined therefrom by any court of competent jurisdiction. An action for injunction under this subsection may be brought by an aggrieved person, by the City Attorney, or by any person or entity who will fairly and adequately represent the interest of the protected class.

(5) Penalties and Other Monetary Awards. Any person who violates or aids or incites another person to violate the provisions of this Section is liable for each and every such offense for money damages of not less than three times actual damages suffered by an aggrieved party (including damages for mental or emotional distress), or for statutory damages in the sum of one thousand dollars, whichever is greater, and whatever other relief the court deems appropriate. In the case of an award of damages for mental or emotional distress, said award shall only be trebled if the trier of fact finds that the landlord acted in knowing violation of or in reckless disregard of Section 37.9, 37.10A, or 37.10B herein. In addition, a prevailing plaintiff shall be entitled to reasonable attorney's fees and costs pursuant to order of the court. The trier of fact may also award punitive damages to any plaintiff, including the City, in a proper case as defined by Civil Code Section 3294. The remedies available under this Section shall be in addition to any other existing remedies which may be available to the tenant or the City.

~~(6) Defending Eviction Lawsuits. In any action to recover possession of a rental unit subject to the Chapter, unless the sole basis of the notice to quit is Section 37.9(b), the court shall award the tenant reasonable attorney fees and costs incurred in defending the action upon a finding that the tenant is the prevailing party under Code of Civil Procedure Section 1032(a)(4).~~

(d) Severability. If any provision or clause of this Section 37.10B, or Section 37.2(g), or the application thereof to any person or circumstance is held to be unconstitutional or to be

otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other provisions of this Section 37.10B or Section 37.2(g) and all clauses of these Sections are declared to be severable.

[Sec. 37.11: amended by Ord. No. 339-80, effective August 2, 1980; Ord. No. 362-80, effective September 6, 1980; repealed by Ord. No. 20-84, effective February 18, 1984]

Sec. 37.10C USE AND SALE OF ALGORITHMIC DEVICES PROHIBITED.
[Added by Ord. No. 224-24, effective October 14, 2024; amended by Ord. No. 169-25, effective October 6, 2025]

(a) **Prohibition on Sale.** It shall be unlawful to sell, license, or otherwise provide to San Francisco landlords any algorithmic device that sets, recommends, or advises on rents or occupancy levels that may be achieved for residential dwelling units in San Francisco.

(b) **Prohibition on Use.** It shall be unlawful for a landlord to use an algorithmic device described in subdivision (a) when setting rents or occupancy levels for residential dwelling units in San Francisco. Each separate month that a violation exists or continues, and each separate residential dwelling unit for which the landlord used the algorithmic device, shall constitute a separate and distinct violation.

(c) **Definitions.**

(1) "Algorithmic device" means a device, commonly known as revenue management software, that uses one or more algorithms to perform calculations of non-public competitor data concerning local or statewide rents or occupancy levels, for the purpose of advising a landlord on whether to leave a unit vacant or on the amount of rent that the landlord may obtain for that unit. "Algorithmic device" includes a product that incorporates an algorithmic device, but does not include (A) a report that publishes existing rental data in an aggregated manner but does not recommend rents or occupancy levels for future leases; or (B) a product used for the purpose of establishing rent or income limits in accordance with the affordable housing program guidelines of a local government, the state, the federal government, or other political subdivision.

(2) "Non-public competitor data" means information that is not available to the general public, including information about actual rent prices, occupancy rates, lease start and end dates, and similar data, regardless whether the information is attributable to a specific competitor or anonymized, and regardless whether it is derived from or otherwise provided by another person that competes in the same market or a related market.

(d) **Remedies.**

(1) The City Attorney may file a civil action for violations of subsections (a) and/or (b), for damages, injunctive relief, restitution/return of illegal profits, and/or civil penalties of up to $1,000 per violation. The court shall award reasonable attorney's fees and costs to the City Attorney if the City Attorney is the prevailing party in such a civil action.

(2) A tenant may file a civil action for violations of subsection (b), for injunctive relief, money damages. and/or civil penalties of up to $1,000 per violation. The court shall award reasonable attorney's fees and costs to the tenant if the tenant is the prevailing party in such a civil action. A lease provision that limits a prevailing tenant from obtaining attorneys' fees shall not be enforceable against a tenant's claim for attorneys' fees that arises under this subsection (d)(2).

(3) A nonprofit organization with tax-exempt status under 26 United States Code Section 501(c)(3) or 501(c)(4) and with a primary mission of protecting the rights of tenants in San Francisco may also bring a civil action to enforce violations of subsection (b) and seek the remedies set forth in subsection (d)(2), including attorneys' fees and costs.

(e) **Undertaking for the General Welfare.** In enacting and implementing this Section 37.10C, the City is assuming an undertaking only to promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an obligation for breach of which it is liable in money damages to any person who claims that such breach proximately caused injury.

(f) **Severability.** If any subsection, sentence, clause, phrase, or word of this Section 37.10C, or any application thereof to any person or circumstance, is held to be invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions or applications of the Section. The Board of Supervisors hereby declares that it would have passed this Section and each and every subsection, sentence, clause, phrase, and word not declared invalid or unconstitutional without regard to whether any other portion of this Section or application thereof would be subsequently declared invalid or unconstitutional.

Sec. 37.11A Civil Actions.

[Added by Ord. No. 20-84, effective February 18, 1984; amended by Ord. No. 162-93, effective June 28, 1993; Ord. No. 363-93, effective December 18, 1993; Ord. No. 293-98, effective November 1, 1998; Ord. No. 160-17, effective August 27, 2017]

(a) Whenever a landlord charges a tenant a rent which exceeds the limitations set forth in this Chapter, retaliates against a tenant for the exercise of any rights under this Chapter, or attempts to prevent a tenant from acquiring any rights under this Chapter 37, the tenant may institute a civil proceeding for injunctive relief and/or money damages, and in cases where the landlord has charged an excessive rent in violation of Section 37.9B(a), injunctive relief and/or money damages of not less than three times the amount of excess rent collected; provided, however, that any monetary award for rent overpayments resulting from a rent increase which is null and void pursuant to section 37.3(b)(5) shall be limited to a refund of rent overpayments made during the three-year period preceding the month of filing of the action, plus the period between the month of filing and the date of the court's order. In any case, calculation of rent overpayments and re-setting of the lawful base rent shall be based on a determination of the validity of all rent increases imposed since April 1, 1982, in accordance with Sections 37.3(b)(5) and 37.3(a)(2) above.

(b) Any organization with tax exempt status under 26 United States Code Section 501(c)(3) or 501(c)(4) that has a primary mission of protecting the rights of tenants in San Francisco may bring a civil action for injunctive relief and/or damages against a landlord who has wrongfully endeavored to recover, or has recovered, possession of a rental unit in violation of Section 37.9(a)(8), or who has collected excess rent in violation of Section 37.9B(a). Such action shall be filed within three years after an affected tenant knew, or through the exercise of reasonable diligence should have known, of the facts constituting the violation. However, before bringing any action under this Section 37.11A(b), the organization shall first provide 30 days' written notice of its intent to initiate civil proceedings by serving a draft complaint on the City Attorney's Office and on any known address(es) of the affected tenant(s), and may bring the action under this Section 37.11A(b) only if neither the City Attorney's Office nor the tenant(s) have initiated civil proceedings by the end of the 30 day period. Any monetary award for rent

overpayments shall be for two times any excess amounts of rent charged, as well as any other sums reasonably expended to investigate and prosecute the claim, and shall be limited to the three-year period preceding the month of filing of the action, plus the period between the month of filing and the date of the court's order.

(c) The prevailing party in any civil action brought under this section 37.11A shall be entitled to recover reasonable attorneys' fees and costs. The remedy available under this Section 37.11A shall be in addition to any other existing remedies which may be available.

Sec. 37.12 Transitional Provision.
[Added by Proposition I, effective December 22, 1994; Section (c) added by Ord. No. 88-95, effective May 7, 1995]

This section is enacted in order to assure the smooth transition to coverage under this chapter of owner occupied buildings containing four units or less, as a result of the repeal of the exemption for owner-occupied units. The provisions of this section apply only to such units. The units are referred to as "newly covered units" in this section. The term "effective date of coverage" as used herein means the effective date of the repeal of the owner occupancy exemption.

(a) The initial base rent for all newly covered units shall be the rent that was in effect for the rental unit on May 1, 1994. If no rent was in effect for the newly covered unit on May 1, 1994, the initial base rent shall be the first rent in effect after that date.

(b) All rents paid after May 1, 1994, in excess of the initial base rent under Section 37.12(a), shall be refunded to the tenant no later than December 15, 1994. If the landlord fails to refund the excess rent by December 15, 1994, the tenant may deduct the amount of the refund from future rent payments, or bring a civil action under Section 37.11A, or exercise any other existing remedies. All tenants residing in newly covered units are entitled to this refund, even if the tenant vacated before the effective date of coverage of the newly covered units.

(c) As soon as practical after the effective date of coverage, the Board shall mail to the landlords of record of newly covered units a notice advising of the repeal of the exemption for owner-occupied buildings containing four units or less. The notice shall include information deemed appropriate by the Board to explain the requirements and effects of the change in the law. It shall be the responsibility of landlords to distribute a copy of said notice to all newly covered units within fifteen (15) days of the date the Board mails such notice to landlords. Distribution shall be by mail properly addressed to a tenant of the newly covered unit, or by personal delivery to a tenant of the newly covered unit, or by placing said notice under the door of the primary entrance to the newly covered unit.

Sec. 37.13 Keys.
[Added by Ord. No. 34-04, effective April 19, 2004; amended by Ord. No. 66-05, effective May 15, 2005]

(a) A landlord shall provide a minimum of one key or key-set per rental unit for each adult occupant, without charge.

(b) Additional Keys/Key-Sets.

A tenant may request keys/key-sets in addition to those provided pursuant to Section 37.13(a) for his or her convenience. Requested additional keys/key sets must be provided within fourteen (14) days of the tenant's written request stating the reason(s), unless the landlord timely denies the request in writing as provided in Section 37.13(b)(2). Examples of tenant reasons for receiving additional keys/key-sets include, but are not limited to: admitting a service provider, delivery person, houseguest, or relative. All keys are issued for the duration of a tenancy, to be returned upon vacating the unit.

(1) When providing requested additional keys/key-sets to a tenant, the landlord may charge only for the documented cost of replicating the additional keys/key-sets, which cost shall be paid by the tenant upon delivery of the requested additional keys/key-sets. Additional keys/key-sets shall be provided without requiring any other costs, fees, deposits, or terms or conditions of any kind whatsoever.

(2) The landlord may deny the request for additional keys/key-sets only for good reason, such as unlawful occupancy in the tenant's unit or the tenant's pattern of lease violation. Any landlord denial must be provided to the tenant in writing, stating specific reasons for the denial, within fourteen (14) days of the written request.

(3) A tenant may file a petition with the Board to decide a disputed request for additional keys/or key-sets which may constitute a substantial decrease in housing services, and/or to decide a disagreement concerning landlord charges or deposits (Section 37.13(b)(1)). A disputed request includes a failure to respond within fourteen days (Section 37.13(b)), a disagreement concerning landlord terms and conditions (Section 37.13(b)(1)), and a denial (Section 37.13(b)(2)).

(A) The Board through its Administrative Law Judges shall conduct a

hearing in order to decide the petition.

(B) The decision of the Administrative Law Judge shall be final unless the Board vacates the decision on appeal.

(C) Either party may file an appeal of the Administrative Law Judge's decision with the Board. Such appeals are governed by Section 37.8(f).

(4) Unreasonable denial of additional keys/key-sets requested under this Section 37.13(b), or failure to respond to the tenant's written request within fourteen days by providing either the keys/key-sets or a written denial as provided by Section 37.13(b) and (b)(2), or imposition of terms or conditions prohibited by Section 37.13(b)(1) constitutes a substantial decrease in housing services, for which the Administrative Law Judge may order a corresponding reduction in rent.

Sec. 37.14 Hearings and Remedies for Violation of Residential Hotel Visitor Policy and Mailbox Ordinance.

[Added by Ord. No. 62-02, effective June 2, 2002, numbered as Section 37.13; re-numbered as Section 37.14 by Ord. No. 34-04, effective April 19, 2004; amended by Ord. No. 73-06, effective May 20, 2006, by re-numbering Section 37.14 as 37.14A and adding 37.14B]

Section 37.14A.

(a) Upon receipt of a petition from a current or former occupant of a residential hotel alleging violation of the provisions of Administrative Code Chapter 41D, including allegation of violation of the Uniform Visitor Policy or any Supplemental Visitor Policy, the Board through its Administrative Law Judges shall conduct a hearing in order to decide the petition. This decision may require a determination as to whether a residential hotel's policies and procedures are consistent with the Uniform Visitor Policy and any approved Supplemental Policies, and in compliance with Administrative Code Chapter 41D.

(b) Upon an Administrative Law Judge's findings of fact and decision that the operator, employee or agent of a residential hotel has violated the Uniform Visitor Policy or any approved Supplemental Visitor Policy or any other provision of Chapter 41D, the Administrative Law Judge may conclude that the occupant has suffered a diminution in housing services and order a corresponding reduction in rent.

(c) The decision of the Administrative Law Judge shall be final unless the Board vacates the decision on appeal.

(d) Either party may file an appeal of the Administrative Law Judge's decision with the Board. Such appeals are governed by Section 37.8(f).

Section. 37.14B.

(a) Upon receipt of a petition from a current or former permanent resident of a residential hotel alleging violation of the provisions of Administrative Code Chapter 41E, the Board through its Administrative Law Judges shall conduct a hearing in order to decide the petition. This decision may require a determination as to whether the petitioner is a permanent resident.

(b) Upon an Administrative Law Judge's findings of fact and decision that the operator of a residential hotel has violated the requirement to install a United States Postal Service-

approved mail receptacle for receipt of mail delivered by the United States Postal Service, the Administrative Law Judge may conclude that the resident has suffered a diminution in housing services and order a corresponding reduction in rent.

(c) The decision of the Administrative Law Judge shall be final unless the Board vacates the decision on appeal.

(d) Either party may file an appeal of the Administrative Law Judge's decision with the Board. Such appeals are governed by Section 37.8(f).

SEC. 37.15 REPORTING OBLIGATIONS; LICENSING.

[Added by Ord. No. 265-20, effective January 18, 2021]

(a) Owners of residential dwelling units subject to this Chapter 37 shall be required to report certain information about their units to the Rent Board, as set forth in subsections (b) and (c). In the case of a unit owned by multiple owners, reporting by a single owner shall suffice. Owners shall report the information using a form prepared by the Rent Board. The Rent Board may, in addition to or in lieu of a paper form, develop an electronic form or a secure internet website with an interface for owners to submit the required information. The Rent Board may develop procedures for tenants to also report information about their units, but in that event reporting by tenants shall be optional rather than required.

(b) Owners shall report under penalty of perjury the mailing address of each unit and whether the unit is Owner-Occupied. The term "Owner-Occupied" shall refer to a unit which is occupied by an owner of record on either a full-time or part-time basis and is not rented at any time, as set forth in Administrative Code Section 37A.1(f). Depending on whether the unit is Owner-Occupied, the following reporting requirements shall apply:

(1) If the unit is Owner-Occupied, then the owner shall not be required to report any further information about the unit under this subsection (b).

(2) If the unit is not Owner-Occupied, then the owner shall be required to report under penalty of perjury the following additional information about the unit: (A) the name and business contact information (address, phone number, email address) of the owner(s), or of the property manager, if any, designated by the owner(s) to address habitability issues; (B) the business registration number for the unit, if any; (C) the approximate square footage to the best of the owner's or manager's knowledge, and number of bedrooms and bathrooms in the unit; (D) whether the unit is vacant or occupied, and the date the vacancy or occupancy commenced; (E) the start and end dates of any other vacancies or occupancies that have occurred during the previous 12 months; (F) for tenant-occupied units, the base rent reported in $250 increments, and whether the base rent includes specified utilities (water/sewer, refuse/recycling, natural gas, electricity, etc.); and (G) any other information that the Rent Board deems appropriate following

a noticed public meeting in order to effectuate the purposes of this Chapter 37.

(c) For units (other than condominium units) in buildings with 10 units or more, the information described in subsection (b) shall be reported to the Rent Board by July 1, 2022, and updated by March 1, 2023 and annually by March 1 of each successive year. For condominium units and units in buildings with fewer than 10 units, the information shall be reported commencing March 1, 2023 and updated annually by March 1 of each successive year. Unit information shall also be updated within 30 days of any change in the name or business contact information of the owner or designated property manager.

(d) The Rent Board shall use the information it receives under this Section 37.15 to create a housing inventory that may be used for purposes of inspecting and investigating the level of housing services being provided to tenants, investigating and analyzing rents and vacancies, monitoring compliance with this Chapter 37, generating reports and surveys, and providing assistance to landlords and tenants and other City departments as needed. The Rent Board shall not use the information to operate a rental registry within the meaning of California Civil Code Sections 1947.7 – 1947.8.

(e) If a landlord has substantially complied with the obligation to report information about a rental unit as required under this Section 37.15, the landlord shall receive a license to impose rent increases on tenants in that unit under Sections 37.3(a)(1)-(2). If the landlord has not substantially complied with the reporting obligation, then the license to impose rent increases shall be temporarily suspended during the period of the landlord's noncompliance. Upon receipt of the required information from the landlord, the suspension shall be terminated, and the license to impose rent increases shall be restored prospectively, but a tenant shall not be obligated to pay the increased rent for months during the period of suspension.

Sec. 37.16 Severability.

[Amended by Ord. No. 172-80, effective May 2, 1980; Ord. No. 468-80, effective October 30, 1980; Ord. No. 509-81, effective November 18, 1981; Ord. No. 77-82, effective April 1, 1982; re-numbered as Section 37.12 by Ord. No. 20-84, effective February 18, 1984; re-numbered as Section 37.13 by Proposition I, effective December 22, 1994; re-numbered as Section 37.14 by Ord. No. 62-02, effective June 2, 2002; re-numbered as Section 37.15 by Ord. No. 34-04, effective April 19, 2004; re-numbered as Section 37.16 by Ord. No. 265-20, effective January 18, 2021]

If any provision of clause of this chapter 37 or the application thereof to any person or circumstance is held to be unconstitutional or to be otherwise invalid by any court of competent jurisdiction, such invalidity shall not affect other chapter provisions, and clauses of this chapter are declared to be severable.