AMENDMENT TO CHAPTER 37 OF THE SAN FRANCISCO ADMINISTRATIVE CODE
THE RESIDENTIAL RENT STABILIZATION AND ARBITRATION ORDINANCE
Additions Are Underlined; Deletions Indicated By Strikeout

Be it ordained by the people of the City and County of San Francisco:

Section 1. San Francisco Administrative Code section 37.9 is amended to read as follows.

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

(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 a 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 improvements 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; or

(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, and failure 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 within fourteen (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 within fourteen (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; or

(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, and the nature of such nuisance, damage or interference is specifically stated by the
landlord in writing as required by Section 37.9(c); or

(4) The tenant is using or permitting a rental unit to be used for any illegal purpose; or

(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; 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 landlord's 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 landlord's grandparents, grandchildren, parents, children,
brother or sister, or the landlord's 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 Section 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 San Francisco Administrative Code Sections
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 Sections 62.1
through 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 Sections 62.1 through 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 noncomparable unit becomes
available before the recovery of possession, the landlord shall offer that unit to the tenant at a rent
based on the rent that the tenant is paying, with upward or downward adjustments allowed based upon
the condition, size, and other amenities of the replacement unit. Disputes concerning the initial rent for the replacement unit shall be determined by the Rent Board. 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) It shall be rebuttably presumed that the landlord has not acted in good faith if the landlord or relative for whom the tenant was evicted does not move into the rental unit within three months and occupy said unit as that person's principal residence for a minimum of 36 continuous months.

(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 landlord's 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) If any provision or clause of this amendment to 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 the rental unit 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; provided that a landlord who seeks to recover possession under this Section 37.8(a)(10) shall pay relocation expenses as provided in Section 37.9C except that a landlord who seeks to demolish an unreinforced masonry building pursuant to Building Code Chapters 16B and 16C must provide the tenant with the relocation assistance specified in Section 37.9A(f) below prior to the tenant's vacating the premises; 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 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. The tenant will vacate the unit only for the minimum time required to do the work. On or before the date upon which notice to vacate is given, the landlord shall 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. In addition to 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. 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 or its Administrative Law Judges upon application by the landlord. The Board shall adopt rules and regulations to implement the application procedure. Any landlord who seeks to recover possession under this Section 37.9(a)(11) shall pay relocation expenses as provided in Section 37.9C the tenant actual costs up to $1,000 for moving and relocation expenses not less than 10 days prior to recovery of possession; or

(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
The landlord wishes to withdraw from rent or lease all rental units within any detached physical structure and, in addition, if the residential hotel did not send a notice of intent to withdraw the units from rent or lease (Administrative Code Section 7060.4(a)) that was delivered to the Rent Board prior to January 1, 2004; or

(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) 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 the landlord's dominant motive for recovering possession and 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 and that advice regarding the notice to vacate is available from the Residential Rent Stabilization and Arbitration Board, before endeavoring to recover possession. A copy of all notices to vacate except three-day notices to vacate or pay rent 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. The District Attorney shall determine whether the units set forth on the list compiled in accordance with Section 37.6(k) are still being occupied by the tenant who succeeded the tenant upon whom the notice was served. In cases where the District Attorney determines that Section 37.9(a)(8) has been violated, the District Attorney shall take whatever action he deems appropriate under this Chapter or under State law.

(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 wilfully 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 except as provided in Section 37.10A(g), 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 37.10 as enacted herein, the tenant or 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), 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 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 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 this 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 this 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 Section 982.310(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 landlord's option, a notice of termination of tenancy under Section 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 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 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 Section 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.
Section 2. San Francisco Administrative Code section 37.9B is amended to read as follows.

SEC. 37.9B. TENANT RIGHTS IN EVICTIONS UNDER SECTION 37.9(a)(8).

(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 three-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 at 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. 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 the 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) 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).

(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 name(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. Each individual tenant of any rental unit in a building containing two or more units who receives a notice to quit based upon Section 37.9(a)(8), and who has resided in the unit for 12 or more months, in addition to all rights under any other provision of law, shall be entitled to receive relocation expenses of $1,000 from the owner, $500 of which shall be paid at the time of the service of the notice to vacate, and $500 of which shall be paid when the tenant vacates. An owner who pays relocation costs as required by this subsection in conjunction with a notice to quit need not pay relocation costs with any further notice to quit for the same unit that are served within 180 days of the notice that included the required relocation payment. The relocation costs contained herein are separate
(e) Within 30 days after the effective date of a written notice to vacate that is filed with the Board under Section 37.9B(c) the 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 Sections 37.9(a)(8) and 37.9B. If a notice of constraints is recorded but the tenant does not vacate the unit, the landlord may apply to the Board for a rescission of the recorded notice of constraints.

Section 3. New section 37.9C of the San Francisco Administrative Code is added, as follows.

37.9C Tenants Rights To Relocation For No-Fault Evictions

(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 37.8(a)(6), (10), (11), or (12).

(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.

Section 4. Effective Date

The provisions of this ordinance shall apply to all notices to quit served on or after August 10, 2006.

Section 5. Severability

If any provision or clause of this ordinance 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 the this ordinance, and clauses of this ordinance are declared to be severable.