As amended in committee
July 6, 2005.

[Requiring additional reporting and recordkeeping by residential hotels and authorizing additional inspections.]

Ordinance amending the San Francisco Administrative Code by amending Section 41.9, to require additional reporting and recordkeeping by residential hotels and establishing additional inspection authority to ensure compliance with California Civil Code Section 1940.1.

Note: Additions are single-underline italics Times New Roman; deletions are strikethrough italics Times New Roman.
Board amendment additions are double underlined. Board amendment deletions are strikethrough normal.

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

Section 1. Findings. There is a severe storage shortage of decent, safe, sanitary and affordable rental housing in the City and County of San Francisco and this shortage affects most severely the elderly, the disabled and low-income persons. Many elderly, disabled and low-income persons and households reside in residential hotel units. This housing emergency exists and is further exacerbated by the practice commonly referred to as "musical rooms" wherein the owners and managers of residential hotels require occupants to move, or to check out and reregister, before the 30th day of occupancy in order to deny them the substantive tenant rights that apply after the 30th day in violation of Civil Code Section 1940.1. This unlawful practice causes repeated disruption and dislocation to a disadvantaged sector of the population resulting in untold hardship. Many residential hotel occupants report sleeping on the streets or in homeless shelters during times in which they are forced out of the hotel and before they are allowed reoccupancy. Often, this dislocation results in loss or damage of what little personal belongings these individuals own. On a larger scale, this practice increases homelessness, both in the short and long-term, has a profound effect on
low-income, disabled and elderly tenants, and fosters instability within the community.

Curtailing this unlawful practice will permit occupants of residential hotels to acquire tenancy rights, not just under State law, but also under the San Francisco Residential Rent Stabilization and Arbitration Ordinance, includes those related to habitability and evictions.

In recognition that residential hotels are often a stopgap measure to many individuals, the State Legislature passed Assembly Bill 2867 "to protect what little stability and security that is affordable and available to these downtrodden members of society," whose sole alternative is often homelessness. Assembly Bill 2867, in part, amended Civil Code Section 1940.1 to include subsection (c) which states: "Nothing in this section shall prevent a local governing body from establishing inspection authority or reporting or recordkeeping requirements to ensure compliance with this section."

Section 2. Chapter 41 of the San Francisco Administrative Code is hereby amended by amending Section 41.9 to read as follows:

SEC. 41.9. RECORDS OF USE.

(a) Daily Log. Each residential hotel shall maintain a daily log containing the status of each room, whether it is occupied or vacant, whether it is used as a residential unit or tourist unit and the name under which each adult occupant is registered, and the amount of rent charged. Each hotel shall also provide receipts to each adult occupant, and maintain copies of receipts, showing: the room number; the name of each adult occupant; the rental amount and period paid for; and any associated charges imposed and paid, including but not limited to security deposits and any tax. The daily log and copies of rent receipts shall be available for inspection pursuant to the provision of Section 41.11(c) of the Chapter upon demand by the Director of the Department of Building Inspection or the Director's designee or the City.
Attorney's Office between the hours of 9 a.m. and 5 p.m., Monday through Friday unless the Director of the Department of Building Inspection and or the City Attorney's Office reasonably believe that further enforcement efforts are necessary for specified residential hotels, in which case the Department of Building Inspection or the City Attorney's Office shall notify the residential hotel owner or operator that the daily logs and copies of rent receipts shall be available for inspection between the hours of 9 a.m. and 7 p.m. Each hotel shall maintain the daily logs and copies of rent receipts for a period of no less than 24 months.

In addition to the investigative powers and enforcement mechanisms prescribed in this Chapter, the City Attorney's Office shall have the authority to take further investigative action and bring additional enforcement proceedings including the immediate filing of a civil action, to address violations of California Civil Code Section 1940.1.

(b) Weekly Report. Following the initial determination, an owner or operator of residential units shall post on each Monday before 12 noon the following information:

1. The number of tourist units to which the owner or operator is currently entitled and the date the certificate of use was last issued;
2. The number of guest rooms which were used as tourist units each day of the preceding week. Evidence of compliance with requirements imposed hereunder shall be preserved by the owner or operator for a period of not less than two years after each posting is required to be made. The owner or operator shall permit the Director of the Department of
Building Inspection or his designee to inspect the hotel records and other supporting evidence
to determine the accuracy of the information posted.

APPROVED AS TO FORM:
DENNIS J. HERRERA, City Attorney

By: NELI N. PALMA
Deputy City Attorney
Ordinance amending the San Francisco Administrative Code by amending Section 41.9, to require additional reporting and recordkeeping by residential hotels and establishing additional inspection authority to ensure compliance with California Civil Code Section 1940.1.

July 12, 2005  Board of Supervisors — PASSED ON FIRST READING
Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

July 19, 2005  Board of Supervisors — FINALLY PASSED
Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval
I hereby certify that the foregoing Ordinance was FINALLY PASSED on July 19, 2005 by the Board of Supervisors of the City and County of San Francisco.

Gloria L. Young
Clerk of the Board

Mayor Gavin Newsom