[Prohibition on condominium conversion for buildings where specified evictions occurred.]

Ordinance amending the Subdivision Code to add Section 1396.2 to prohibit
condominium conversion for a building where specified evictions occurred and making
findings, including environmental findings.

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. (a) This legislation supports and furthers the purposes of the San Francisco Subdivision Code, including Section 1302(b) and (c)(1)-(5).

(b) This legislation supports and furthers provisions in the Housing Element of the City's General Plan, in particular its Policies 2.3, 3.1, 6.1, 6.3, and 8.9.

(c) With the City's annual condominium conversion limit of 200 units, this legislation also will create greater opportunities for conversion of those buildings: (1) where evictions have not occurred and (2) where non-owning tenants are afforded the ability to purchase the units in which they reside.

(d) This Ordinance will limit the displacement of some of the City's most vulnerable tenants, particularly senior, disabled, and catastrophically ill tenants and protect the City's dwindling supply of existing rental housing stock.

(e) This legislation also is an effort to discourage real estate speculation and predatory practices that target tenants by allowing committed, long-term property owners to convert their properties to condominiums through applicable procedures even though certain evictions may have occurred. The provisions of this legislation that allow for subsequent conversion will promote stable neighborhoods and communities by rewarding property owners who invest in
the long-term occupancy and improvement of their properties. These provisions also provide affordable homeownership opportunities for a wide array of individuals, spouses, partners, and families who are committed to purchasing the individual unit in which reside.

(f) In enacting this Ordinance the City has considered the housing needs of the region and balanced these needs against the public service needs of its residents and available fiscal and environmental resources.

Section 2. Environmental Findings. The Planning Department has determined that the actions contemplated in this Ordinance are in compliance with the California Environmental Quality Act (California Public Resources Code sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. and is incorporated herein by reference.

Section 3. The San Francisco Subdivision Code is hereby amended by adding Section 1396.2, to read as follows:

SEC. 1396.2. PROHIBITION ON CONDOMINIUM CONVERSIONS FOR CERTAIN BUILDINGS.

(a) Notwithstanding any provisions in this Code to the contrary, including section 1359, the Department of Public Works shall not sell residential condominium conversion lottery tickets to; shall not accept a residential condominium conversion subdivision application from; and shall deny a tentative subdivision or tentative parcel map for residential condominium conversion submitted by the owner(s) of a building that meets all of the following conditions:

1. (1) the building had two or more evictions with each eviction associated with a separate unit(s);

2. (2) issuance of each eviction notice occurred on or after January 1, 1999May 1, 2005; and.
(3) issuance of the eviction notice(s) occurred pursuant to San Francisco Administrative Code sections 37.9(a)(8), 37.9(a)(9), 37.9(a)(10), 37.9(a)(11), or 37.9(a)(13).

(b) Subsection (a) also shall apply to the owner(s) of a building with one or more evictions if the person(s) evicted was a senior, disabled, or catastrophically ill tenant and the issuance of the eviction notice occurred in accordance with the conditions of subsections (a)(2) and (3).

(1) For purposes of this subsection, a "senior" shall be a person who is 60 years or older and has been residing in the unit for one year ten years or more at the time of issuance of the eviction notice; a "disabled" tenant is defined for purposes of this Section as a person who is disabled within the meaning of Title 42 U.S.C. Section 12102(2)(A); and a "catastrophically ill" tenant is defined for purposes of this Subsection as a person who is disabled as defined above, and who is suffering from a life threatening illness as certified by his or her primary care physician.

(c) Subsections (a) and (b) shall apply to all buildings subject to such provisions without regard to whether the current owner(s) initiated or otherwise participated in the eviction(s).

(d) If the Department determines that an applicant has knowingly provided false material information concerning subsections (a) or (b) above, the Department shall immediately deny the application for the lottery, or if the applicant has submitted an application for conversion, shall immediately deny the application for conversion. Moreover, the Department, the Director, or other authorized person or entity may also enforce the provisions of this Section under section 1304 or any other applicable provision of law as warranted.

(e) For purposes of subsections (a) and (b), "eviction" shall mean the issuance of a written notice terminating tenancy pursuant to Administrative Code sections 37.9(a)(8), 37.9(a)(9), 37.9(a)(10), 37.9(a)(11), or 37.9(a)(13); provided, however, that if the property owner(s) issues then withdraws the eviction notice prior to its expiration and the tenant receiving the notice remains in
tenancy for at least 120 days following the expiration of the notice, the property owner's action shall not be deemed an eviction pursuant to this subsection.

(f) Notwithstanding the limitations set forth in subsection (a), a building that meets the conditions of subsections (a)(1)-(3) but did not result in the issuance of an eviction notice, as defined, to a senior, disabled, or catastrophically ill tenant shall be eligible for conversion ten (10) years following the date of the last eviction from the building. Conversion of a 2-unit building pursuant to this section shall be subject to Section 1359 except that both units in the building shall be owner-occupied by the same owners of record for ten (10) years prior to the date of application for Conversion. Conversion of a building of up to six (6) units pursuant to this section shall be subject to the provisions of Article 9 except that the owner occupancy requirements of sections 1396(a) and (b) shall be ten (10) years prior to the date of registration for the lottery as selected by the Director.

(g) Notwithstanding the limitations set forth in subsection (a) or (b), a building where one or more eviction notices, as defined, were issued after May 1, 2005, shall be exempt from this section 1396.2 if each unit in the building was occupied by a separate owner of record on April 4, 2006, the introduction date of this legislation.

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

By: John D. Malamut
Deputy City Attorney
Ordinance amending the Subdivision Code to add Section 1396.2 to prohibit condominium conversion for a building where specified evictions occurred and making findings, including environmental findings.

May 2, 2006 Board of Supervisors — CONTINUED
Ayes: 9 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, McGoldrick, Peskin, Sandoval
Excused: 2 - Maxwell, Mirkarimi

May 9, 2006 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE
Ayes: 8 - Ammiano, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Peskin, Sandoval
Noes: 2 - Alioto-Pier, Ma
Excused: 1 - Mirkarimi

May 9, 2006 Board of Supervisors — PASSED ON FIRST READING AS AMENDED
Ayes: 7 - Ammiano, Daly, Dufty, Maxwell, McGoldrick, Peskin, Sandoval
Noes: 3 - Alioto-Pier, Elsbernd, Ma
Excused: 1 - Mirkarimi

May 16, 2006 Board of Supervisors — FINALLY PASSED
Ayes: 7 - Ammiano, Daly, Dufty, Maxwell, McGoldrick, Peskin, Sandoval
Noes: 3 - Alioto-Pier, Elsbernd, Ma
Excused: 1 - Mirkarimi
I hereby certify that the foregoing Ordinance was FINALLY PASSED on May 16, 2006 by the Board of Supervisors of the City and County of San Francisco.

Date Approved

Gloria L. Young
Clerk of the Board

Mayor Gavin Newsom