

## ADDENDUM

### 500(F) EXEMPTION FOR SUBSTANTIAL REHABILITATION

#### B. Definitions

**Substantial Rehabilitation** (Amended February 9, 1993) - A unit shall be considered substantially rehabilitated if rehabilitation expenditures for that unit:

1. Are equal to or greater than 50% of the purchase price of the rehabilitated unit and an application for exemption is filed within 24 months from the date of purchase. Thereafter, the Consumer Price Index (CPI) will apply to the purchase price from date of sale to date of the filing of an application for exemption. As used herein, the term "Consumer Price Index (CPI)" shall mean that portion of the Consumer Price Index published by the United States Department of Labor for the San Francisco/Oakland Metropolitan Area, designated as "All Urban" or "Shelter; Rent Residential - 1967 = 100" whichever is lower for the calendar month immediately preceding the filing of the application for exemption.
  - a. For multiple unit dwellings, the purchase price of a unit is defined as the total purchase price of the building divided by the number of units in the building.
  - b. Purchase price is further defined as the gross price paid for the property by the landlord who is petitioning for the exemption without deducting buyer-assumed financing, assessment bonds, taxes or penalties, or any costs of purchase or sale of the property.
2. Are equal to or greater than \$10,000 during any 12-month period plus any Consumer Price Index (CPI) adjustment from April 1, 1985, to the date of filing an application for exemption by reason of substantial rehabilitation.

To be deemed "substantial rehabilitation," the rehabilitation expenditures shall be predominantly structural in nature as opposed to expenditures capable of being expensed for tax purposes or cosmetic improvements. The qualify as an exemption under Section 5.1F of the Rent Stabilization Ordinance No. 076 or any successor ordinance containing the same provision, the rehabilitation expenditures must be approved by the Board prior to their being incurred. An exemption issued pursuant to this section shall be permanent so long as the exempt unit continues to be rented to a low or moderate-income family or individuals. At such time as the exempt unit is rented to a tenant other than a low or moderate-income family or individual, the exemption will immediately terminate.

### 507. APPEAL OF ADMINISTRATOR'S DETERMINATION (Amended March 9, 1993)

- A. The landlord or the tenant may appeal the Administrator's exemption determination. Any appeal of the Administrator's exemption determination shall be filed within 15 days from the date the decision is mailed to the affected landlord.
1. At the time of filing the appeal, appellant shall pay an appeal fee in the amount of \$100.00.
  2. The Rent Stabilization Board appeals panel will make a final determination on the exempt status of the property within 30 days from the date of the appeal.

626. RULES OF ATTENDANCE

- D. Alternates: (Amended February 14, 1995)
1. If a regular board member is absent:
    - a. The alternate whose category (tenant, landlord or homeowner) is absent may be seated at 7:10 p.m.
    - b. The homeowner alternate may be seated in either category (tenant, landlord or homeowner) at 7:10 p.m., if a board member is absent.
  2. An alternate is required to attend a board meeting if said alternate is contacted by the board member or staff at least seventy-two (72) hours prior to said board meeting. If such notification is given and said alternate board member is thereafter absent, said alternate board member is subject to the removal provisions set forth in 626B and C.

627. PROMULGATION OF BOARD REGULATIONS

- B. Proposed Regulations (Amended February 14, 1995)

Staff must prepare and send out notice at least 20 days prior to Board workshop/discussion or hearing. The notice must:

1. be published in the newspaper.
2. be mailed to persons requesting notice.
3. be sent to potentially interested persons and/or groups.

804. (Adopted May 13, 1987)

(Amended)

A unit may be deemed properly registered if the landlord has made reasonable efforts to find former tenants to whom overcharges of rent are to be refunded. The Landlord shall notify the Board to the extent and results of those efforts

within sixty (60) days of the overcharge refund order.

If the Landlord does not refund the past overcharges to former tenant(s) within sixty (60) days, and has made reasonable efforts to locate the former tenants, then the Landlord shall be ordered to pay the overcharges over any appropriate period of time to the Rent Stabilization Board. Until the Landlord has fully complied with the overcharge, refund or payment order, no upward individual rent adjustment shall be granted for the affected unit(s).

887. APPEAL OF ADMINISTRATOR'S DETERMINATION (Amended March 9, 1993)
- A. A landlord may appeal the Administrator's determination on his/her waiver application. Any such appeal shall be filed within 15 days from the date the decision is mailed to the landlord. Such appeal must be in writing.
1. At the time of filing the appeal, the landlord/appellant shall pay an appeal fee in the amount of \$100.00.
  2. The Rent Stabilization appeals panel shall review all appeals. An appeal decision must be rendered within 30 days for the submission of the appeal.
1201. PETITIONS (Amended)
- A. Any person seeking an individual rent ceiling adjustment under Section 12 of the Ordinance must file a petition under the provisions of this Chapter. Upon receipt of a petition by a landlord and/or tenant, the rent ceiling of individual controlled rental units may be adjusted upward or downward in accordance with the procedures set forth elsewhere in this Chapter. The petition shall be on a form provided by the Board.
- B. Said petition shall include a provision permitting the petitioner to elect mediation.
1207. PROPER FILING
- B. In cases where tenant petitions are filed for rent adjustments due to (1) breach of implied warranty of habitability, (2) decrease in services provided by landlord, or (3) deterioration of the rented premises, the tenant/petitioner shall set forth in the petition the date on which the landlord was given notice of the conditions or problems providing the basis for tenant's petition and whether the landlord was notified verbally or in writing. If the landlord was notified in writing, a copy of the letter, notice or other writing, if available, should be attached to the tenant's petition. (Amended January 14, 1992)
- E. No individual rent adjustment proceedings will be held by the Hearing Examiner or the Board for petitions which are not properly filed. (Adopted January 14, 1992)
1213. CONFIDENTIALITY (Amended )

- A. Upon receipt of a petition which elects mediation, staff shall assign the case to one (1) out of a panel of pre-approved mediators.
- B. Upon receiving a case for mediation, the Mediator shall immediately set a conference date with all parties for mediation.
- C. Any and all statements made by the parties to the Mediator shall be confidential if so indicated by the party making the statement. Said statements may not be disclosed without the prior consent of said party.
- D. The mediation process herein is non-binding. Should the matter be deemed unresolved by the Mediator, the matter shall be referred back to staff for assignment to a Hearing Examiner.
- E. Should the matter be resolved through mediation, the Mediator shall prepare a stipulation setting forth the terms of the agreement to be executed by the parties. Said stipulation shall thereafter become an order of the Rent Stabilization Board. Each party executing such a stipulation will be deemed to have waived any right to a hearing or appeal on the petition.

1232. AGREEMENT PRIOR TO HEARING (Amended )

- A. The parties may make a pre-hearing agreement on their own or through mediation. The Board staff may contact the parties in an effort to clarify the issues and/or to reach agreement on the individual adjustment prior to the hearing. Any agreement between the parties prior to a hearing must be approved by the Hearing Examiner or the Mediator in accordance with the provisions of this chapter or Section 1213.
- B. Parties shall submit any proposed joint agreement in writing to the Board. The Hearing Examiner if the matter is not subject of mediation shall approve or reject the agreement as soon as possible. Written notice of the determination shall be mailed to the parties. The notice shall contain the reasons for any rejection. The agreement and its approval or rejection shall be entered into the record.
- C. Parties who prior to a hearing reach an agreement without the mediation process on an individual adjustment which is approved by the Hearing Examiner shall be deemed to have waived their rights to a hearing or appeal on the petition. Such an approved agreement shall also be deemed a hearing for the purpose of Section 1202 of these regulations.

1249. ADDITIONAL FEES FOR EXTENDED HEARINGS (Adopted May 10, 1994)

- A. At the time a hearing is assigned, the hearing examiner shall forward to all parties a form provided by the Administration which sets forth the anticipated time limitations for said hearing.
- B. Any party or parties who thereafter exceeds said time limitations due to unexcusable unpreparedness or willful delay shall be subject to an assessment of additional fees by the Hearing Examiner.

1380.

EVICTIONS FOR OCCUPANCY BY LANDLORD OR RELATIVE  
(Adopted October 27, 1999)

- A. The landlord shall specifically identify in writing in the notice of termination and in the complaint for unlawful detainer the name and relationship to the landlord of the individual for whom the landlord seeks to recover possession of the property for occupancy as a principal residence.
- B. Inclusion of the name and relationship of the person for whom the landlord seeks to recover possession in the notice of termination and the complaint for possession shall be one element to be considered in the determination of whether or not the good faith requirement of Section 13 (a) (9) has been met.
- C. When any notice of termination is issued pursuant to this section, the landlord upon filing said notice with the Rent Stabilization Program shall execute a declaration under penalty of perjury, verifying the name and relationship to the landlord of the person for whom the landlord seeks to recover possession of the property.
- D. Upon the filing of the notice of termination and execution of the verified declaration, the landlord shall also file with the Rent Stabilization Program a copy of the written rental agreement executed by the person on behalf of whom she seeks to recover the property. Pursuant to this section, a written rental agreement is required for each person who seeks possession of property under this section.
- E. If the individual named in the notice of termination for whom possession was recovered under Section 13(a)(9) occupies the rental unit as his/her/their principal place of residence for a period of less than twelve consecutive months following the date that the tenant vacated the unit, there shall be a presumption that the eviction was not in good faith.
- F. Any violation of the foregoing regulation shall subject the landlord to treble damages.

1383.

WRITTEN NOTICE TO CEASE (Adopted May 9, 2001)

- A. In order for a written notice to cease to be proper and valid under Section 13 (A) (2), (5) and/or (6) of this Ordinance No. 076, it shall conform to the following format:
  - 1. The notice shall be typewritten in the same language which is incorporated in the lease; and
  - 2. State at the top of the page in bold capital letters: **NOTICE TO CEASE**; and
  - 3. State the date(s) on which the alleged violation(s) occurred; and
  - 4. State and identify which provision(s) of Ordinance No. 076 Section 13 (A) has allegedly been violated by the tenant; and
  - 5. If issued pursuant to Section 13 (A)(2), states and identifies which material term(s) of the rental agreement the tenant is alleged to have violated; and
  - 6. Informs the tenant that if the violative conduct is repeated, the tenant may be evicted in a court of law; and
  - 7. is either:

- (a) Personally delivered at the rental unit to a tenant named in the rental agreement (Service in this manner is deemed complete at the time of such delivery), or
  - (b) Sent by first-class mail to the rental unit and addressed to at least one of the tenants named in the rental agreement (service in this manner is deemed complete five days after the date of mailing), or
  - (c) Posted on the door of the rental unit by affixing the notice on the rental unit's front door and mailed by first-class mail to the rental unit and addressed to at least one of the tenants named in the rental agreement (service in this manner is deemed complete ten days after the date of posting).
8. A landlord that fails to comply with any of the above requirements has failed to comply with the Ordinance and any eviction action filed is defective for failure to adhere to procedural requirements.
9. Forms setting forth the foregoing format shall be made available in the Rent Stabilization Office.