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**AUGUST 2, 2024**

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**NOTICE OF PUBLIC HEARING**

<b>DATE:</b>	<b>AUGUST 13, 2024</b>
<b>TIME:</b>	<b>6:30 P.M.</b>
<b>PLACE:</b>	<b>25 VAN NESS AVENUE, SUITE 610 SAN FRANCISCO, CA 94102</b>

**THE RENT BOARD COMMISSION INVITES THE PUBLIC TO COMMENT ON PROPOSED CHANGES TO THE RULES AND REGULATIONS GOVERNING THE RESIDENTIAL RENT STABILIZATION AND ARBITRATION ORDINANCE, CHAPTER 37 OF THE SAN FRANCISCO ADMINISTRATIVE CODE.**

**THE COMMISSION IS TAKING PUBLIC COMMENT ON PROPOSED AMENDMENTS TO RULES AND REGULATIONS PART X, TENANT PETITION FOR ARBITRATION, SECTION 10.15.**

**THE PROPOSED DELETION TO RULES AND REGULATIONS PART X, SECTION 10.15 IS INTENDED TO INCORPORATE LEGISLATIVE AMENDMENTS TO THE RESIDENTIAL RENT STABILIZATION AND ARBITRATION ORDINANCE, CHAPTER 37 OF THE SAN FRANCISCO ADMINISTRATIVE CODE, SECTION 37.3, WHICH ALLOWS TENANTS TO SEEK RELIEF FROM PAYMENT OF THE ENTIRE BOND MEASURE PASSTHROUGH BASED ON FINANCIAL HARDSHIP EFFECTIVE JUNE 10, 2024.**

**TO ENACT THE CHANGES, THE RENT BOARD HAS PROPOSED THE ATTACHED DRAFT REGULATIONS.**

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You may either comment at the Public Hearing and/or submit written comments. Written comments to the Board are encouraged. Written comments can be sent to the Rent Board office by mail: ATTN: Board Secretary, 25 Van Ness Avenue, Suite 320, San Francisco, CA 94102, or by email to [rentboard@sfgov.org](mailto:rentboard@sfgov.org). If you send comments by email, please indicate in the subject line that the comments are for the August 13, 2024 board meeting public hearing. If you would like to submit written comments, it is requested that they be received at the Rent Board's office no later than **5:00 p.m. on Friday, August 9, 2024**, so that the Commissioners can receive your comments and review them prior to the public hearing. You will be able to address the Commissioners during the public comment period at the public hearing.

**PROPOSED AMENDMENTS TO SECTION 10.15 OF THE RENT BOARD'S RULES AND REGULATIONS – PUBLIC HEARING ON AUGUST 13, 2024**

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1 **NOTE:** Unchanged text is in plain Arial font.  
2 Additions to Regulations are in single-underline plain Arial font.  
3 Deletions to Regulations are in ~~single-strikethrough plain Arial font~~.

4 **Section 10.15 Tenant Financial Hardship Applications**

(Added July 12, 2016, effective August 13, 2016; amended August 11, 2020;  
5 amended [date, 2024])

6 A tenant may seek relief from payment of the following types of rent increases or  
7 passthroughs on the grounds of financial hardship by filing a Tenant Financial Hardship  
8 Application with the Board: Capital Improvement Passthrough; Water Revenue Bond  
9 Passthrough; Utility Passthrough; General Obligation Bond Passthrough; and, Operating and  
10 Maintenance Expense Increase. ~~However, only that portion of a General Obligation Bond~~  
11 ~~Passthrough that is attributable to obligation bonds approved by the voters on or after November~~  
12 ~~5, 2019 may be deferred due to financial hardship.~~ The Rent Board shall prepare a hardship  
13 application form and make it available in multiple languages.

14 (a) Applicability and Time of Filing

15 (1) With respect to any Capital Improvement Passthrough certified pursuant to  
16 Section 37.7 of the Ordinance, a tenant may file a Tenant Financial Hardship Application with the  
17 Board at any time after receipt of the notice of rent increase or decision of the Administrative  
18 Law Judge, whichever is earlier. Payment of the capital improvement passthrough(s) set forth in  
19 the hardship application shall be stayed from the date of filing until a decision is made on the  
20 Tenant Financial Hardship Application.

21 (2) With respect to a Water Revenue Bond Passthrough, General Obligation Bond  
22 Passthrough, or a Utility Passthrough based on a Utility Passthrough Calculation Worksheet filed  
23 with the Rent Board, a tenant may file a Tenant Financial Hardship Application with the Board  
24 within one year of the effective date of the passthrough. Payment of such passthrough(s) set  
25 forth in the hardship application shall be stayed from the date of filing until a decision is made on  
26 the Tenant Financial Hardship Application.

27 (3) With respect to an Operating and Maintenance Expense Increase or Utility  
28 Passthrough based on a Utility Passthrough Petition, a tenant may file a Tenant Financial

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1 Hardship Application with the Board within one year of the effective date of the increase or  
2 passthrough. The hardship application cannot be filed until the tenant receives the notice of rent  
3 increase or decision of the Administrative Law Judge, whichever is earlier. Payment of the  
4 operating and maintenance increase or utility passthrough set forth in the hardship application  
5 shall be stayed from the date of filing until a decision is made on the Tenant Financial Hardship  
6 Application.

7 (b) Tenant Financial Hardship Application Standards and Process

8 (1) Standards for Establishing Financial Hardship. A tenant will qualify under  
9 Section 10.15 for relief from payment of a certified Capital Improvement Passthrough, Water  
10 Revenue Bond Passthrough, Utility Passthrough, General Obligation Bond Passthrough and/or  
11 Operating and Maintenance Expense Increase if the tenant demonstrates that one of the  
12 following financial hardship situations applies:

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

17 (B) Gross household income is less than 80% of the current Unadjusted  
18 Area Median Income (AMI) as published by the U.S. Department of Housing and Urban  
19 Development (HUD) for the "Metro Fair Market Rent Area" that includes San Francisco; and rent  
20 charged is greater than 33% of gross household income; and assets, excluding non-liquid assets  
21 and retirement accounts, do not exceed asset amounts permitted by the Mayor's Office of  
22 Housing when determining eligibility for below market rate (BMR) home ownership; or,

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

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

25 (A) By each occupant in the unit who is 18 years of age or older, except  
26 not by any subtenant who pays rent to the master tenant (the gross income of the master tenant  
27 must include the amount of the subtenant's rent payment);  
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**PROPOSED AMENDMENTS TO SECTION 10.15 OF THE RENT BOARD'S RULES AND REGULATIONS – PUBLIC HEARING ON AUGUST 13, 2024**

1 (B) Under penalty of perjury, stating that the tenant qualifies under one of  
2 the standards in Section 10.15(b)(1)(A), (B), or (C);

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

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

6 (3) Hearing Options, Decision.

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

12 (B) Landlord Request for Hearing, Procedures.

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

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

19 (iii) If the landlord's request for a hearing is granted, it will be the  
20 landlord's burden to demonstrate that the tenant's financial hardship eligibility under Section  
21 10.15(b)(1) criteria, as stated in the Application, has not been established.

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

25 (4) Term of Relief. Relief from payment of a certified capital improvement  
26 passthrough, water revenue bond passthrough, utility passthrough, general obligation bond  
27 passthrough, and/or operating and maintenance expense increase may be for an indefinite  
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1 period, or for a limited period of time, all subject to the landlord's request to reopen the case if  
2 the landlord has information that the tenant is no longer eligible.

3 (5) Change in Tenant Eligibility Status. If a tenant is granted relief from payment  
4 of a certified capital improvement passthrough, water revenue bond passthrough, utility  
5 passthrough and/or operating and maintenance expense increase under Section 10.15, and  
6 subsequently the tenant is no longer eligible for such relief:

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

9 (B) Whether or not the tenant notifies the Rent Board and landlord as  
10 provided in Section 10.15(b)(5)(A), the landlord may notify the Rent Board if the landlord has  
11 information that the tenant is no longer eligible, with a copy to the tenant.

12 (C) Upon receipt of notice under Section 10.15(b)(5)(A) or (B), a Rent  
13 Board Administrative Law Judge shall decide whether to grant or deny the previously granted  
14 relief. That decision may be made administratively by a Rent Board Administrative Law Judge  
15 without a hearing unless the Administrative Law Judge determines that a hearing is needed, or  
16 unless the landlord or tenant requests a hearing. Any such hearing shall be promptly scheduled.

17 (6) Any decision granting or denying the Tenant Financial Hardship Application,  
18 or any subsequent decision on a previously granted Tenant Financial Hardship Application, may  
19 be appealed to the Rent Board. Appeals of decisions on a tenant's hardship application shall be  
20 governed by Ordinance Section 37.8(f). The Rent Board's final decision will be subject to  
21 judicial review by writ of administrative mandamus in the San Francisco Superior Court.

22 (c) Notice to Tenants Regarding Tenant Financial Hardship Applications

23 The Rent Board shall provide written notice in multiple languages of the Tenant Financial  
24 Hardship Application procedures to each affected unit with a copy of the landlord's capital  
25 improvement petition, utility passthrough petition, general obligation bond passthrough, and  
26 operating and maintenance petition. The Rent Board shall include notice of the Tenant Financial  
27 Hardship Application procedures on the utility passthrough worksheet and water revenue bond  
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passthrough worksheet. The Rent Board shall also provide written notice in multiple languages of the Tenant Financial Hardship Application procedures to each affected unit with each Administrative Law Judge decision regarding capital improvement passthroughs, utility passthroughs and operating and maintenance rent increase.

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