

Introduced by Senator LenoFebruary 21, 2014

An act to add Section 7060.8 to the Government Code, relating to residential real property.

LEGISLATIVE COUNSEL'S DIGEST

SB 1439, as introduced, Leno. Residential real property: withdrawal of accommodations.

Existing law, commonly known as the Ellis Act, generally prohibits public entities from adopting any statute, ordinance, or regulation, or taking any administrative action, to compel the owner of residential real property to offer or to continue to offer accommodations, as defined, in the property for rent or lease.

This bill would authorize the County of San Francisco to prohibit an owner of accommodations from withdrawing accommodations or prosecuting an action to recover possession of accommodations, or threatening to do so, if not all the owners of the accommodations have been owners of record for 5 continuous years or more or with respect to property that the owner acquired after providing notice of an intent to withdraw accommodations at a different property. Among other things, the bill would also permit the county to require an owner of accommodations notifying the county of an intention to withdraw accommodations from rent or lease to identify each person or entity with an ownership interest in the accommodations and to identify all persons or entities with an ownership interest in an entity, which information would be available for public inspection. The bill would provide specified, nonexclusive remedies that the county would be authorized to provide for a violation of these provisions.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of San Francisco.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 7060.8 is added to the Government Code,
2 to read:

3 7060.8. (a) This section shall apply only to a county of the
4 sixth class as defined by Sections 28020 and 28027.

5 (b) Notwithstanding any other provision of this chapter, the
6 county by statute, ordinance, ballot measure, executive directive,
7 resolution, or regulation may provide that:

8 (1) An owner of accommodations shall not withdraw
9 accommodations pursuant to this chapter, prosecute an action to
10 recover possession of accommodations pursuant to this chapter,
11 or threaten to do either of these things, unless all the owners of the
12 accommodations have been owners of record for five continuous
13 years or more. If an owner of record is not a natural person, then
14 all persons or entities with an ownership interest in that entity shall
15 have held that interest for five continuous years.

16 (2) An owner of accommodations shall not withdraw
17 accommodations pursuant to this chapter, prosecute an action to
18 recover possession of accommodations pursuant to this chapter,
19 or threaten to do either of these things, with respect to
20 accommodations acquired after the date that owner provided notice
21 of an intent to withdraw accommodations at a different property.
22 For purposes of this paragraph, an owner of accommodations
23 includes any person or entity with an ownership interest in an entity
24 that owns the accommodations.

25 (3) An owner of record of accommodations, or any person or
26 entity with an equity interest in the owner of record, shall not act
27 in concert with a coowner, successor owner, prospective owner,
28 agent, employee, or assignee, directly or indirectly, to circumvent
29 the limitations of paragraph (1) or (2).

30 (4) An owner of accommodations notifying the county of an
31 intention to withdraw accommodations from rent or lease shall
32 identify each person or entity with an ownership interest in the
33 accommodations, and if any entity is not a natural person, identify

1 all persons or entities with an ownership interest in that entity.
2 This information shall not be confidential and shall be available
3 for public inspection.

4 (c) The county may provide that a person or entity that violates
5 the provisions described in subdivision (b) is liable to the tenant
6 or lessee for actual damages, special damages of not less than two
7 thousand dollars (\$2,000) for each violation, and reasonable
8 attorney fees and costs in an amount fixed by the court. The remedy
9 provided by this section is not exclusive and shall not preclude
10 either the tenant or lessee from pursuing any other remedy provided
11 by law.

12 SEC. 2. The Legislature finds and declares that a special law
13 is necessary and that a general law cannot be made applicable
14 within the meaning of Section 16 of Article IV of the California
15 Constitution because of the recent significant increase in the
16 evictions under the Ellis Act in the City and County of San
17 Francisco and the consequent displacement of long-time residents
18 and severe reduction of availability of affordable rental housing
19 in San Francisco.