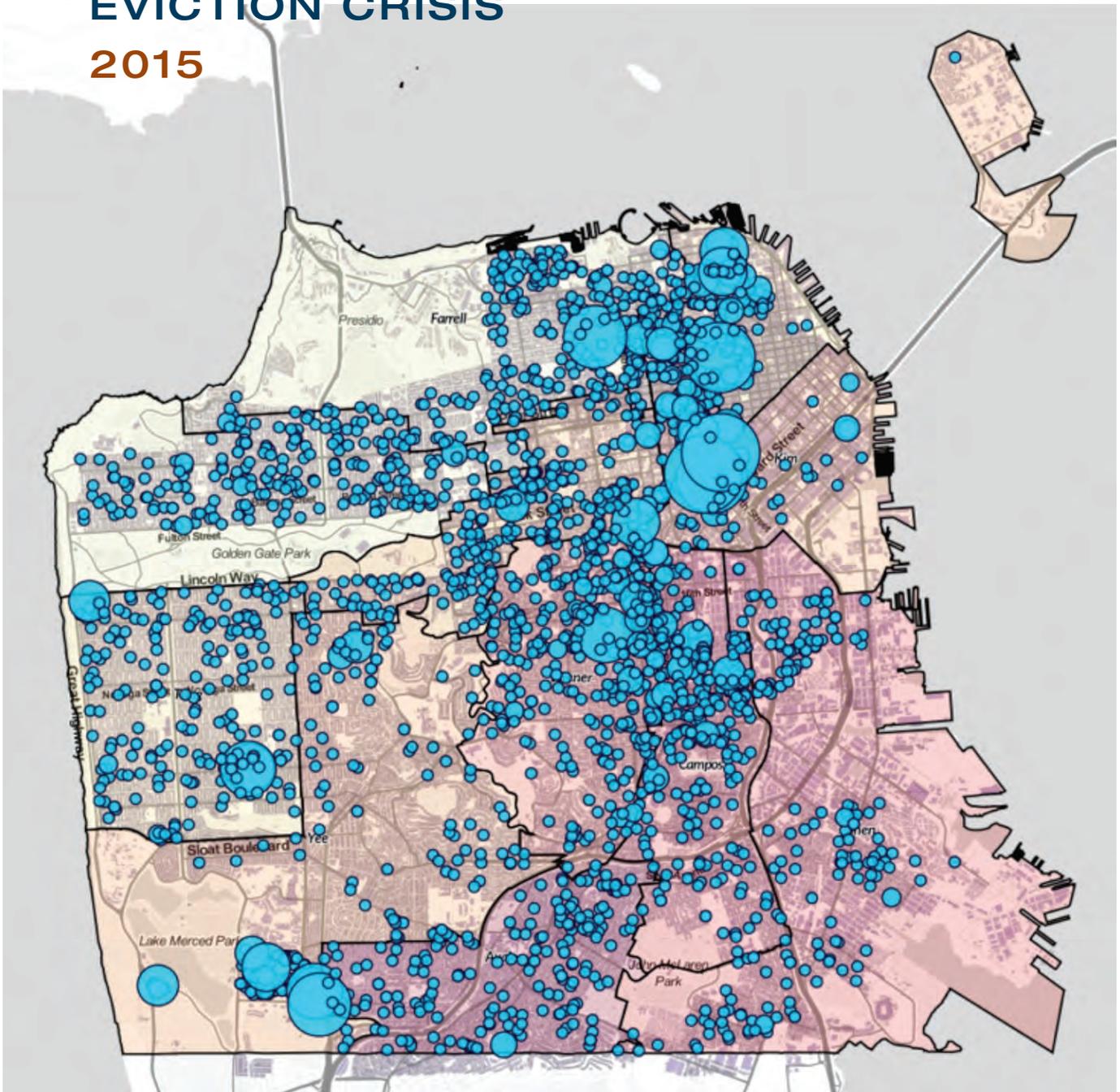


SAN FRANCISCO'S EVICTION CRISIS

2015



A REPORT BY
**THE SAN FRANCISCO
ANTI-DISPLACEMENT
COALITION**

SUMMARY

San Francisco's housing and affordability crisis has been bad for years, but new data and reports from the field show that the crisis is about to get even worse. Current data from the San Francisco Rent Board show that efforts to evict tenants are reaching levels not seen in over a decade. This report provides new insights into the eviction trends, discusses emerging patterns in landlord abuses, and considers the price that evictions are having on every neighborhood in the city.

The San Francisco Rent Board's most recently published data on evictions reflect the extent and nature of the crisis. According to the Rent Board's Annual Eviction report, there were 2,120 notices of evictions filed with the Rent Board for the year ending February 28, 2015—a **54.7% increase over five years ago**. Although these numbers reflect only those notices formally reported by landlords, they are an indicator of trends. The actual number of unreported eviction attempts and threats to tenants is many times greater than those reported to the Rent Board.

This report, based upon published and unpublished data from the Rent Board, provides more specific insights into the types of eviction justifications that are forcing tenants from their homes. We review the historic trends in evictions and discuss how landlords are abusing loopholes in the city's rent control ordinance to evict innocent tenants. And we offer some of the stories of real people whose lives are being impacted.

Finally, we conclude with a forecast for the future. **Based upon present trends and absent a more robust policy response to the present crisis, it appears likely that the rates of eviction will dramatically increase this year, resulting in even more massive displacement and gentrification.**

Rising eviction levels represent some of the most acute and traumatic consequences of San Francisco's housing crisis. Evictions have always imposed a hardship on tenants. But in the present hyper-inflated market, evicted tenants have few opportunities to remain in their neighborhood and increasingly are forced out of the city.

The cover map shows the distribution of eviction attempts reported by landlords to the San Francisco Rent Board between 2011 and 2015. The larger dots reflect multiple units impacted in the same building.

Credit: Anti-Eviction Mapping Project

BACKGROUND ABOUT EVICTIONS AND THE DATA

San Francisco’s Rent Ordinance provides the primary protection for tenants against unjustified evictions and unreasonable rent increases. For housing covered by the ordinance (which is most but not all apartments in the city) landlords are required to state a “just cause” for requiring a tenant to move. The ordinance lists 16 specified grounds for evicting a tenant.

The Rent Ordinance also requires that where a landlord issues a “notice to quit” (which we describe here as an “eviction notice”) the landlord must also file a copy of that notice with the Rent Board within 10 days. The only exception to the filing requirement is a notice for nonpayment of

rent. The primary data for this report are based upon notices formally filed with the Rent Board.

Rent Board data provide a solid baseline for analyzing eviction trends. But because many evictions are accomplished without a formal notice to quit, such data are only the public tip of the iceberg. Landlord attorneys and real estate advisors now produce paid seminars to instruct landlords on other strategies to evict tenants without formal notice. And many landlords fail to report some or all of the notices they serve on tenants. One attorney has observed that many landlords typically do not file notices when the tenants move out after receiving the notices. Hence, the Rent Board data show only a fraction of eviction attempts across the city.

A TEACHER’S STRUGGLE

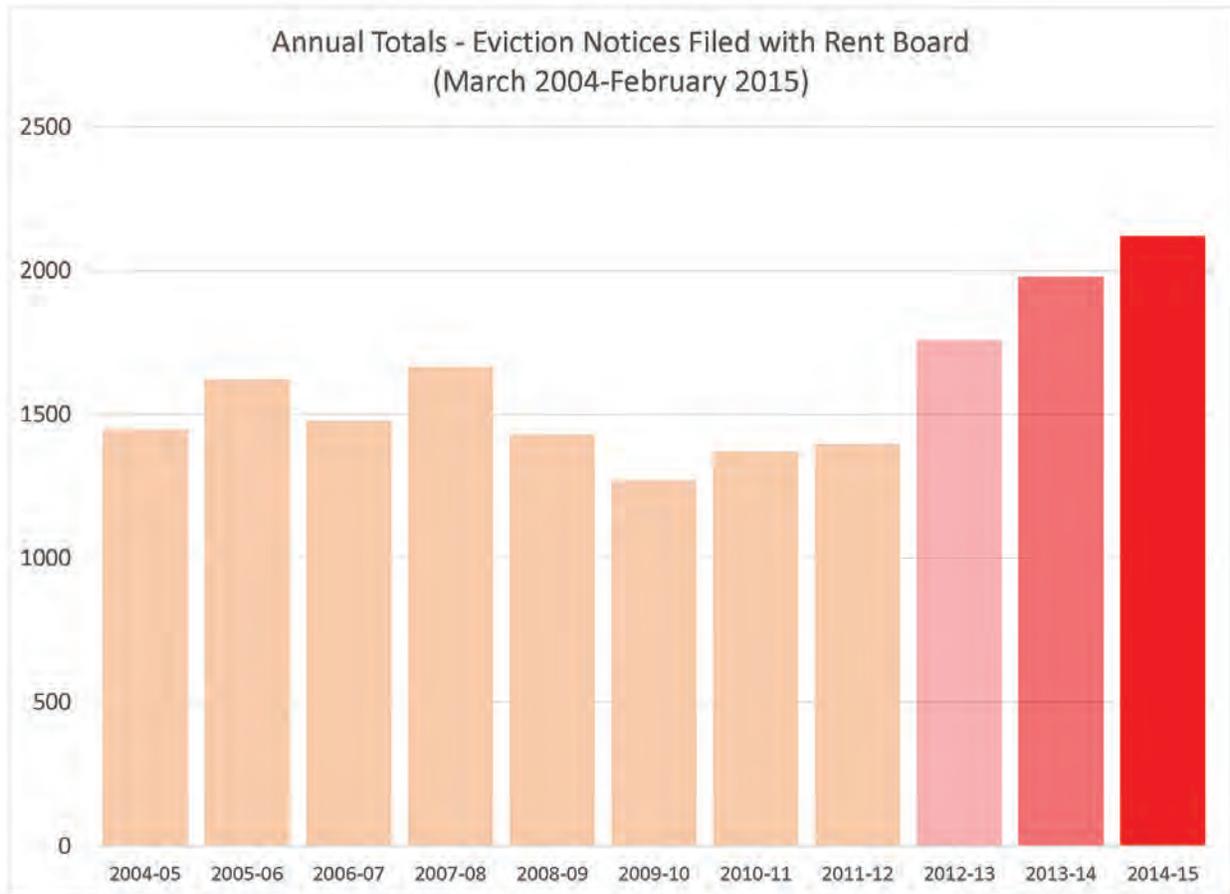
Claudia Tirado is a San Francisco public school teacher who lives with her son and partner in a seven-unit building in the Mission District. Her family and all the other tenants in her building are being evicted by the building’s recent buyer, an attorney and executive at Google. She recently spoke at a rally: “I am speaking out because what our apartment’s owner is doing is wrong. First after he buys the building he evicts one of our neighbors. Now he has his own four-bedroom flat and he wants to evict all the rest of us. What is he going to do with six more units? What justifies such greed? Two of us in our building are teachers. We have artists and others who all contribute to making San Francisco a creative and diverse city. We love this city but none of us will be able to stay if we do not stop these evictions.”



PHOTO CREDIT: PETER MENCHINI

“ Sometimes we are open seven days a week and evenings. And people are still lined up out the door. We cannot keep up with the growing need for help.”

ANDREW SZETO, SAN FRANCISCO TENANTS UNION



The number of evictions in San Francisco has steadily increased over the past five years—the rate is now higher than it has been in over a decade. This increase is reflected in Rent Board data and also in the experience of organizations that counsel and serve tenants. The demand by tenants facing formal and informal eviction threats has dramatically increased. Counseling organizations such as the San Francisco Tenants Union have expanded the hours of their clinics and increased the number of volun-

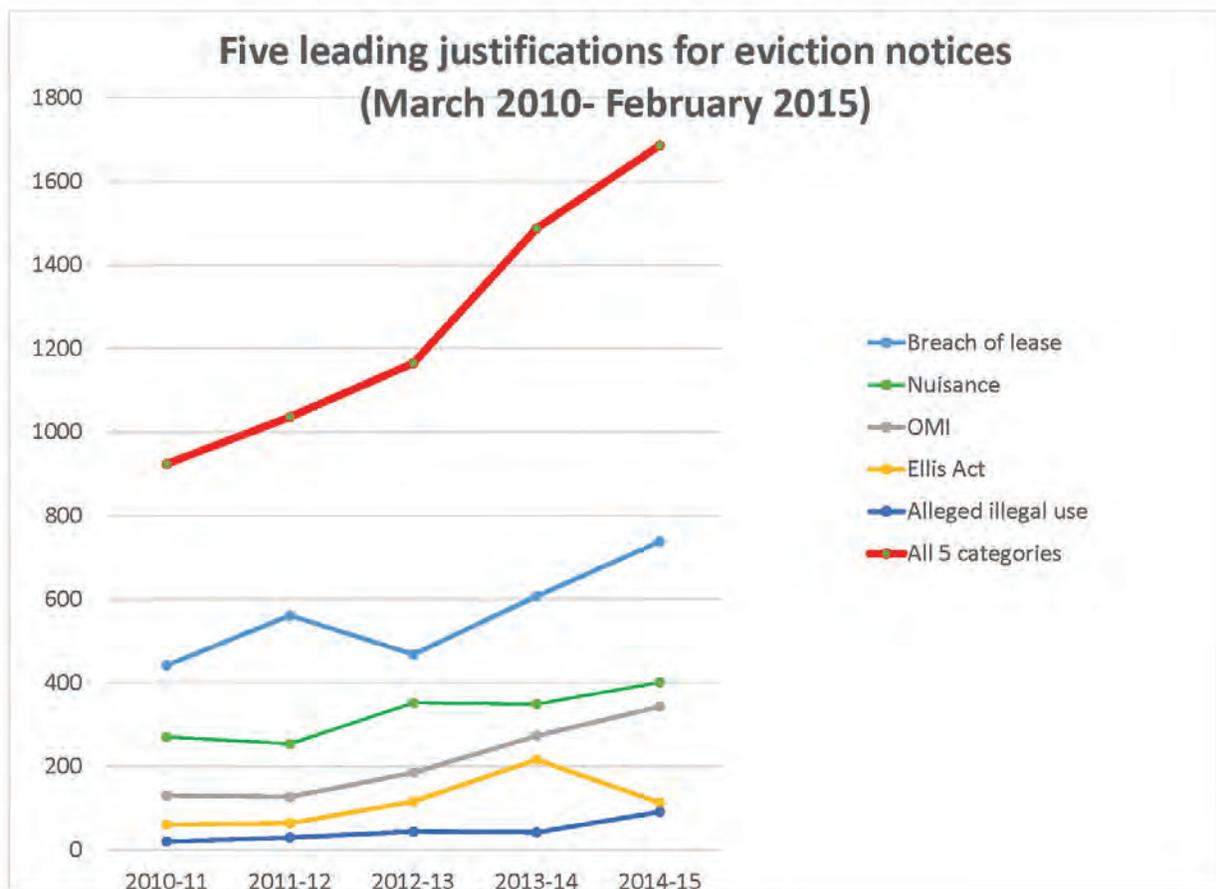
teer counselors. “Sometimes we are open seven days a week and evenings,” says Andrew Szeto of the Tenants Union. “And people are still lined up out the door. We cannot keep up with the growing need for help.”

The Rent Board data in the above chart cover the 12-month period between March and February of each year and includes all categories of evictions. Comparing the same 12-month period between 2010-11 to 2014-15, the data reveal a 54.7% increase over five years.

NO AND LOW FAULT EVICTIONS

An analysis of the separate categories of the leading justifications for evictions reveals the trends that are driving the increase. The five leading “just cause” categories reflected in the chart below are:

- **Breach of lease**—Under the Rent Ordinance owners may evict a tenant for failing to correct a violation of a lease agreement.
- **Nuisance**—Tenants who substantially interfere with the “the comfort, safety or enjoyment of the landlord or tenants in the building” may be evicted (see page 7 for examples of abuse of this category).
- **OMI (Owner Move In)**—Landlords may recover a unit for their own residence or for their immediate relative.
- **Ellis Act**—Under state law landlords may evict all tenants from a building if they intend to stop renting the building and follow certain procedural requirements.
- **Illegal use**—Intended to address situations where tenants are engaged in wrongful activities, this justification is now being used to evict tenants from units where the landlord failed to obtain permits to construct the units and hence the units themselves are “illegal.”



“ Some tenants, particularly seniors, do not know their rights and come to us after they move out. Then it is too late because it is almost impossible for us to get them back in their homes.”

MARIA ZAMUDIO, CAUSA JUSTA/JUST CAUSE

OMI and Ellis Act evictions are often described as “no fault” eviction. The others are increasingly being used as “low fault” grounds for evictions.

Housing service providers report a growing number of notices claiming that a breach or nuisance is clearly pretextual—that is, the notices allege harms that are either trivial or exaggerated. There are few penalties or restrictions on landlords making erroneous, exaggerated, or even false allegations on eviction notices. The tenant’s only remedy is to refuse to move. But many tenants do not know how or where to get help to challenge insufficient or false allegations. Non-English speakers often face an even greater challenge. Another reoccurring landlord tactic is to deny receiving cash payment of rent or to build up hidden charges and then spring the charges on tenants, demanding they “pay in three days or move.” Even if the tenant offers to pay the full amount demanded one day after the three days expire they are then evicted.

“Our housing counselors are overwhelmed with new cases of long term tenants who are being told to move for minor issues that were never a problem before,” says Maria Zamudio of Causa Justa/Just Cause. “We can assist many tenants but some, particularly seniors, do not know their rights and come to us after they move out. Then it is too late because it is almost impossible for us to get them back in their homes.”

While the landlord industry often claims that tenant misconduct explains most evictions, the surge in reported evictions does not coincide with any evidence of a rise in tenant misbehavior. Instead the rise in “no fault” and “low fault” evictions coincides with a sharp rise in market

“THEY ARE JUST TRYING TO SCARE ME INTO MOVING”

Sylvia Smith has lived in her unit in the Mission for over 30 years. She is a 72-year-old grandmother. A new owner bought her building



(along with nine other apartment buildings in the city) and began handing out eviction

notices to tenants in all her buildings for a range of alleged violations. “I have lived here all these years and never had any problems,” says Ms. Smith. “Now I get notices all the time that I’m doing something wrong. The stress started to make me sick. I just worry that I am going to lose my home.” The allegations and multiple notices by the landlord ranged from a (completely false) claim that Ms. Smith was selling drugs out of her home to failing to put her recycling away. But Ms. Smith has refused to move and now speaks out against landlord abuses even as she faces a new eviction claim.

rents and the opportunity to extract more profits from housing. Despite a decline in Ellis Act eviction notices last year, **together the number of notices in just these five categories have increased by 82.5% over five years.**

“ We need to work together to make sure all seniors, families, and working people can keep their homes in San Francisco.”

WING HOO LEUNG. COMMUNITY TENANTS ASSOCIATION

NUISANCE EVICTIONS

Housing counseling organizations from across the city report that landlords increasingly rely upon supposed “nuisance” violations to evict tenants. Notices alleging a “nuisance” are favored by landlords because tenants need not be offered an opportunity to correct the alleged misconduct before the landlord goes to court. But there is no clear standard for what constitutes a “nuisance.” Landlords can claim tenants have committed a “nuisance” based upon their own subjective and exaggerated definition. Landlords have sought to evict tenants for “nuisances” such as:

- Carrying bicycles through a common hallway
- Placing a sticker of a cross outside a tenant’s unit
- Arguing with a security guard for towing a legally parked car
- Storing a stroller in the hallway
- Complaints about noise for an incident two years before

While the tenants who resisted these claims eventually won their cases, many tenants give up and move out because they are intimidated or feel they do not have the resources to dispute a claim in court.

A TENANT LEADER’S PERSPECTIVE

Wing Hoo Leung is the president of the Community Tenants Association, one of the largest member-supported tenants organizations in the city. He is himself a survivor of a long fight against an Ellis Act eviction. He



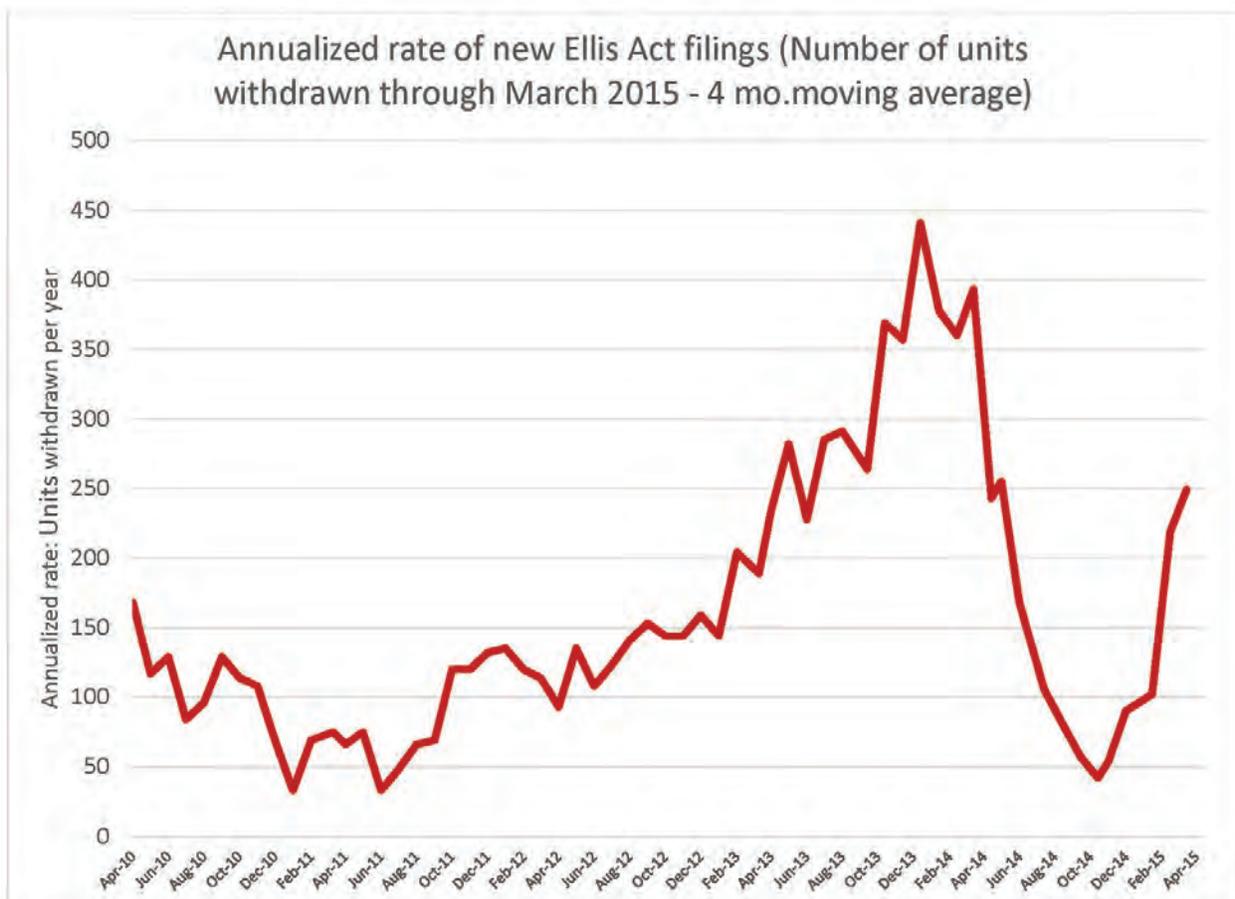
offered this statement, translated from Chinese: “When landlords are able to get away with harassing and threatening tenants with eviction for simply doing their laundry and speculators can profit by using the Ellis Act to evict seniors, then there is something deeply wrong in this city. We need to work together to make sure all seniors, families, and working people can keep their homes in San Francisco.”

A NEW SURGE IN ELLIS ACT PETITIONS

After steady increases for several years, Ellis Act filings with the Rent Board reached a peak at the end of 2013.* As protests against Ellis Act evictions grew, elected officials responded with efforts to amend the Ellis Act and mitigate its impact. Efforts to amend the state law failed in Spring 2014. In the meantime, tenants organized to put onto the ballot, Proposi-

tion G, a tax on real estate speculation. The prospects of a tax on speculation resulted in a virtual halt to new Ellis Act filings. But in November 2014, Proposition G was narrowly defeated at the polls. After the defeat of Proposition G there has been a very sharp increase in new filings to remove housing under the Ellis Act.

The following chart shows the trend in Ellis Act filings over the past five years through March 2015.



* Ellis Act evictions involve two steps and two sets of notices. First a notice of intent is filed with the Rent Board and delivered to tenants. At that time tenants are informed they have several months to move (seniors and disabled tenants are eligible for a one year move out period). If tenants fail to move at the end of the period a second eviction notice is served and filed. The annualized rate analysis above utilizes data on the first notices issued. That data more accurately reflects the total number of units withdrawn from the rental housing market because many tenants move out before a second notice is issued. The annualized rate trend for each month is then calculated utilizing the data based upon four month increments.

The most recent data show that Ellis Act evictions are on a rebound. In the three month period prior to the November elections, owners initiated Ellis proceedings for only three units. But Ellis evictions rebounded in the first three months of 2015 during which owners initiated proceedings for 69 units. Counseling organizations are also seeing increasing numbers of tenants who report that they have either received notices or are threatened with Ellis evictions. These trends indicate that the number of new Ellis Act evictions will soon meet or exceed the crisis levels of 2013.

“De aqui no me mueven.”
(from here they will not
move me).

DOÑA MARGARITA, TENANT

ELLIS ACT EVICTIONS IN THE MISSION

Doña Margarita has lived in her apartment on César Chávez Street for over 52 years. In February, along with all the other tenants in her 12-unit building, she received notices from her landlord invoking the Ellis Act and demanding that she move out. The building is in the heart of the Mission District. A majority of the tenants are Latinos and all have lived in the building for more than a decade. But the neighborhood is changing rapidly with Google bus stops and market rate developments planned nearby while other evictions are being attempted on the same block. The rents are rising, the pressure is building, and long-term tenants like Doña Margarita and all her neighbors are fighting to stay in their homes. As she exclaims, “De aqui no me mueven” (from here they will not move me).

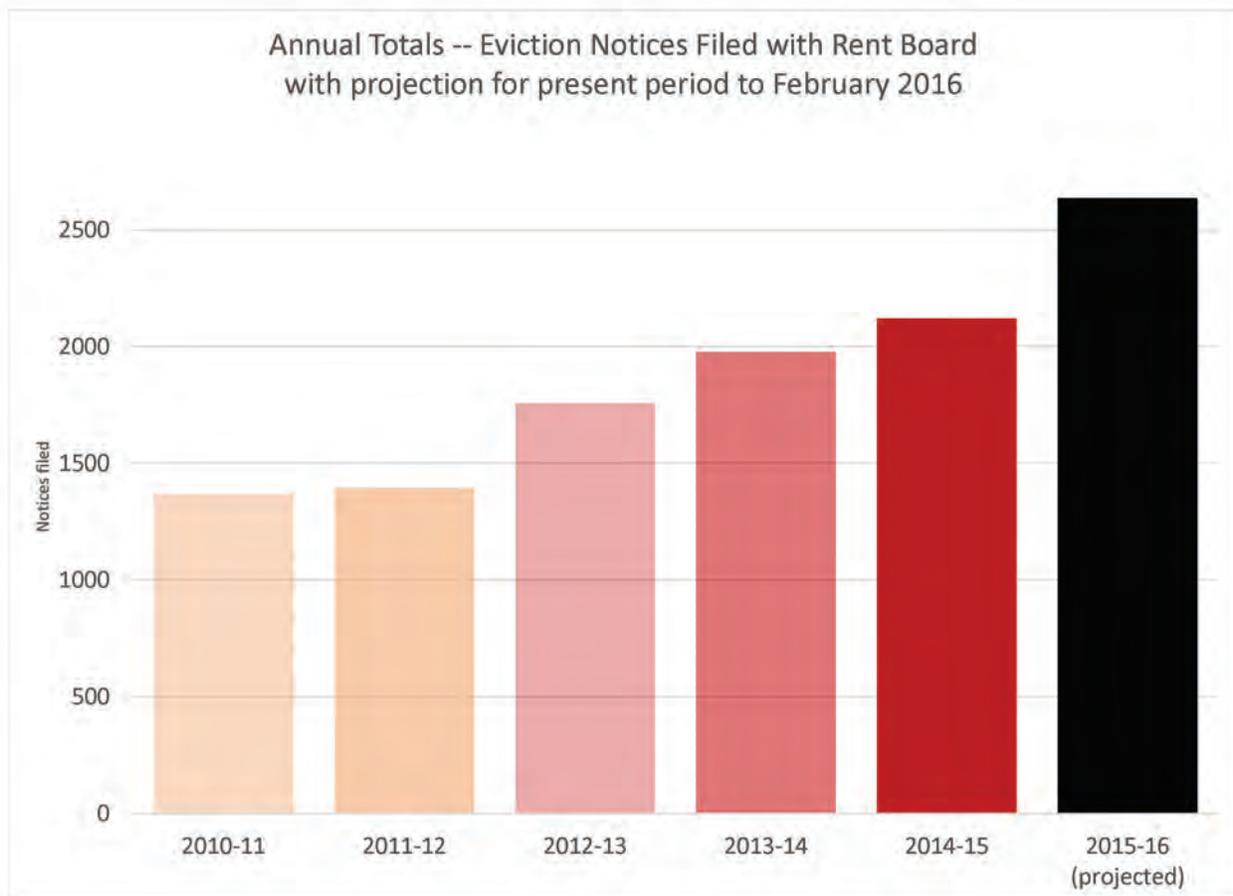


CONCLUSIONS

Over the past five years San Francisco tenants have experienced a significant rise in threats to the security of their homes and their ability to remain in the city. By official record over 8,600 tenants across the city have received formal eviction notices over the past five years at a rate higher than in any period in over a decade. As previously noted, the number of formally reported eviction notices by landlords reflects only a “tip of the iceberg” of all attempts to evict tenants.

Unfortunately, unless current trends are reversed, the threat of eviction this present year will likely be even worse than at any time since the Nineties—the peak of the dot-com bubble. Based upon the increasing rates of non-Ellis Act “no and low fault” evictions and the resurgence of Ellis Act evictions, we project that the city is likely to see eviction threat levels exceed 2,600 formally reported notices by February 2016—the number could be even higher.

Over the past year San Francisco has taken positive steps in expanding housing counseling and legal assistance beyond what most cities



Unless there is bold action to increase tenant protections, increasing numbers of San Franciscans will be evicted this year and cast adrift in a city and region in which even those with middle income jobs cannot find affordable housing.

A BUILDING ORGANIZING SUCCESS STORY

For over two years the tenants of 1049 Market, an 84-unit apartment building, have resisted eviction by owners seeking to convert the space into offices. Their struggle represents both the dangers that tenants face in today's housing market and the potential for organizing against eviction threats. In 2013 the landlords issued eviction notices to almost all the tenants in the building based upon plans to "demolish" the units. Some tenants moved out but a majority stayed and protested the



demolition permits approved by the city. With the assistance of the Housing Rights Committee and Tenderloin Housing Clinic, the city suspended the permits. But the tenants' fight is not over. Earlier this year, the owners convinced city officials to lift the suspension. The tenants pushed back again and on April 8th they won a Board of Appeal ruling to suspend the permit. The struggle of the 1049 Market tenants continues as an important precedent for hundreds if not thousands of other tenants whose homes are threatened by owner plans to convert housing

“What we've learned is that the only way to win is to fight. There is always something to be gained by standing up.”

CHANDRA REDACK, TENANT

to office and other uses. “If we lose this fight,” says tenant Chandra Redack, “most of us won't be able to afford to stay anywhere close to the city. I would have to move and give up a job, friends, and a community I am deeply committed to.”

provide. But the present surge and more aggressive landlord tactics are straining the existing capacity of housing serving organizations. And the challenge over the next period will be to not only provide services to victims but also to adopt policies that will reduce the number of unjustified threats and speculator driven evictions.

While many evictions can be prevented with adequate support and representation, present law

does not provide adequate protection for all tenants. The Ellis Act is one glaring example of the inadequate protection of tenant's rights. As a result, unless there is bold action to increase tenant protections, increasing numbers of San Franciscans will be evicted this year and cast adrift in a city and region in which even those with middle income jobs cannot find affordable housing.

ABOUT THE SAN FRANCISCO ANTI-DISPLACEMENT COALITION

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he SFADC is a coalition of 27 community based organizations in the city. A majority of our

membership provides direct services and assistance to tenants and the homeless. SFADC was formed in 2013 to address the city's affordability crisis and to prevent the displacement of residents from San Francisco.

This report is dedicated to all the tenants who are struggling to keep their home or find a home in San Francisco. Your success will help keep our city diverse, vibrant, and inclusive. Your struggle is our struggle.

Follow the SFADC at:

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