MEMORANDUM

TO: Mayor London Breed
Members, Board of Supervisors
Director, Office of Short-Term Rentals

FROM: Ben Rosenfield, Controller
Michelle Allersma, Director of Budget & Analysis, Controller’s Office

DATE: July 1, 2022

SUBJECT: Short-Term Residential Rental Registry Fee – Municipal Code Authorized Fee Increases

Chapter 41A of the Administrative Code requires the Controller to adjust the short-term rental registration fee to recover the costs of operating the Office of Short-Term Residential Rental Administration and Enforcement (OSTR) without producing revenue that is more than the costs of administering the short-term rental laws. Operational activities include registering hosts and enforcement of Chapter 41A. The applicable code section may be found online here: https://codelibrary.amlegal.com/codes/san_francisco/latest/overview.

The short-term rental registration fee will increase to $550, from $450 in FY 2021-22, given currently available data on revenues, expenditures, and the number of registrants. We assume the large reduction in the number of registrants after the pandemic is temporary, and that numbers will increase as tourism and travel resume. Absent subsequent action by the Mayor or the Board of Supervisors, this fee will become effective October 1, 2022. However, the Mayor or the Board of Supervisors may revise the fee to any level of cost recovery determined to most effectively serve the intent of Chapter 41A, which is to regulate the use of housing units for tourist and transient use.

cc: Board of Supervisor’s Budget & Legislative Analyst
Mayor’s Budget Director
City Planning, Chief Fiscal Officer