

## **LEGISLATIVE DIGEST**

[Planning, Administrative Codes - Tenant Protections Related To Residential Demolitions and Renovations]

**Ordinance amending the Planning Code to require property owners seeking to demolish residential units to replace all units that are being demolished; require relocation assistance to affected occupants of those units, with additional assistance and protections for lower-income tenants; modify the criteria for approval of such projects, with a 36-month prohibition on such approvals after owner move-in evictions and tenant harassment; amending the Administrative Code to require landlords to provide additional relocation assistance to lower-income tenants who are being required to vacate temporarily due to capital improvements or rehabilitation work; update the standards and procedures for hearings related to tenant harassment; and making various non-substantive changes and clarifications; affirming the Planning Department's determination under the California Environmental Quality Act; making public necessity, convenience, and welfare findings under Planning Code, Section 302; and making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1.**

### **Existing Law**

Under the Planning Code, and subject to state law, the Planning Commission may approve, or may approve with conditions, requests to demolish residential units. One of those state laws, generally known as "SB 330", mandates that the City may not approve housing development projects that will require the demolition of existing residential units unless the projects will create at least as many residential units as will be demolished. In addition, SB 330 generally requires that projects that require the demolition of units that have been occupied by lower-income households must be replaced with units that are affordable to lower-income households, whereas units subject to rent-control that have been occupied by above lower-income households must be replaced with either affordable units or rent-controlled units. The existing occupants of units being demolished have a right to remain in their units until at least six months before the start of construction. Also, SB 330 requires that existing occupants who are lower-income households must receive relocation assistance, and a right of first refusal for a comparable unit in the new development at an affordable rent or cost.

The City's Rent Ordinance grants tenants a right to relocation assistance if the landlord is requiring them to vacate their units permanently in order to demolish the unit, or temporarily in connection with capital improvements and renovations. The Rent Ordinance also prohibits harassment of tenants. The Rent Board may conduct hearings on tenant harassment claims.

Amendments to Current Law

This ordinance would amend the Planning Code in several respects related to the Planning Commission's review of permits to demolish residential units and to implement SB 330. In particular, it would:

- require the Planning Commission to make certain findings before authorizing housing development projects that would require the demolition of existing residential units.
- prohibit the demolition of residential units within 36 months after owner move-in evictions or adjudicated cases of tenant harassment, unless otherwise required by law or where the building posed a serious and imminent hazard.
- establish procedures for the sponsors of such projects to keep the City and any existing occupants informed regarding key project milestones.
- grant tenants whose units are being demolished a right to remain in their units until at least six months before the start of construction activities, or three months if the tenant is a lower-income household.
- require project sponsors to provide relocation assistance to tenants as a condition of receiving approval to demolish their units.
- require project sponsors to provide lower-income tenants further relocation assistance starting three months after the tenant is required to vacate, payable each month until the sponsor has offered the tenant a comparable unit.
- provide that a lower-income tenant shall be provided a comparable replacement unit at their previous rental rate or an affordable rent, whichever is lower, or at an affordable housing cost.
- impose requirements on what qualifies as a comparable replacement unit, with regard to the size and configuration of the unit.

Project sponsors would need to submit information with their development applications to demonstrate how they would comply with these provisions, and the approval of a demolition permit would include these provisions as conditions of approval. The ordinance would also authorize private lawsuits against property owners who failed to comply with these rules.

The ordinance would also make various changes to the Rent Ordinance:

- it would require increased relocation assistance for lower-income tenants who have been displaced for more than three months by renovation projects, similar to the

additional relocation assistance that could apply to lower-income tenants displaced by demolition projects.

- codify a rebuttable presumption that tenants who vacate their units following receipt of an owner move-in notice were required to vacate due to that notice.
- establish standards and guidelines to assist the Rent Board in determining whether to set hearings on tenant harassment claims.

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