

REVISED LEGISLATIVE DIGEST

(12/1/2025, Amended in Committee)

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

Ordinance amending the Planning Code to 1) require property owners seeking to demolish residential units to replace all units that are being demolished; 2) require relocation assistance to affected occupants of those units and to former occupants who vacated due to harassment, improper buyout agreements, owner move-ins, pursuant to the Ellis Act, or due to serious and imminent hazards, with additional assistance and protections for lower-income tenants; 3) modify the Planning Code definition of demolition; 4) modify the conditional use criteria that apply to projects to demolish residential units; amending the Administrative Code to 5) 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; 6) update the standards and procedures for hearings related to tenant harassment; 7) require additional disclosures in buyout agreements; 8) require an additional disclosure in notice of intent to withdraw units under the Ellis Act; 9) 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, may approve with conditions, or may deny requests to demolish residential units. One of those state laws, generally known as Senate Bill 330 (SB 330), mandates that the City may not approve a housing development project that will require the demolition of existing residential units unless the project will create at least as many residential units as will be demolished. In addition, SB 330 generally requires that units built to replace units that were occupied by lower-income households must also be affordable to lower-income households; and that units replacing rent-controlled units that have been occupied by above lower-income households must be replaced with either affordable 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. SB 330 also requires that project sponsor provide existing occupants who are lower-income households 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 to demolish the unit, or temporarily in connection with capital improvements and renovations. The Rent Ordinance also prohibits

harassment of tenants and allows the Rent Board to conduct hearings on tenant harassment claims. The Rent Ordinance also requires a landlord to disclose certain information to a tenant when the parties enter into a buyout agreement.

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, the ordinance would:

- amend the findings the Planning Commission must make before authorizing housing development projects that would require the demolition of existing residential units.
- amend the Planning Code definition of "demolition," "merger," and "removal."
- establish procedures for the sponsors of projects requiring the demolition of existing residential units 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 for up to 42 months or until such time as the project sponsor has provided the tenant a replacement unit in the new building. The assistance would be in the form of securing a substitute unit, providing standardized financial payments, or providing the individual relocation assistance set forth in state law.
- require the project sponsor to offer each displaced tenant a comparable unit in the new development if it is a rental building, and for lower-income tenants, to require that the replacement unit be offered at the tenant's previous rental rate or an affordable rent, whichever is lower, or at an affordable housing cost.
- for purposes of relocation assistance and the right of first refusal, treat a former tenant similar to an "existing occupant" if the tenant had vacated their unit due to landlord harassment, an owner move-in notice, under a buyout agreement that failed to inform the tenant of their rights, pursuant to the Ellis Act, or due to a serious or imminent hazard.

- impose size and configuration requirements on what may qualify as a comparable replacement 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:

- 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.
- require the Rent Board to hear certain types of tenant harassment claims, and establish standards and guidelines to assist the Rent Board in such hearings.
- require buyout agreements to include information about the rights of tenants who are affected by demolition projects.
- require owners who file a notice of intent to withdraw units from the rental market declare if they have the intent to demolish the units within the next five years and that tenants may have rights under the Planning Code if the unit is demolished in the next five years.

The Ordinance also requires the Planning Department to prepare a report to the Planning Commission on the impacts from the changes to the Planning Code defections of demolish, removal and merger. Such report must be submitted before December 31, 2028.

Background

This ordinance was introduced on September 19, 2025. On October 7, 2025, a substitute ordinance was introduced that included changes with regard to the conditional use criteria, relocation assistance, right of first refusal for tenants who are above lower-income, the definition of “existing occupants,” and landlord harassment.

On November 17, 2025, the Land Use and Transportation Committee adopted amendments to expand the definition of existing tenants to include tenants who vacated a unit pursuant to

the Ellis Act, and to require owners disclose their intent to demolish when they file an intent to withdraw under the Ellis Act.

On December 1, 2025, the Land Use and Transportation Committee adopted amendments to the Planning Code definitions of demolition, removal and merger, further amended the conditional use criteria for demolition, added tenants who vacated their units due to a serious and imminent hazard to the definition of “existing occupants,” and required a report on the impacts from the changes to the Planning Code definitions.

4902-5199-7053, v. 1