

LEGISLATIVE DIGEST

(Substituted, 5/19/20)

[Administrative Code - Definition of Tourist or Transient Use under Hotel Conversion Ordinance; Amortization Period]

Ordinance amending the Administrative Code to add a definition of Tourist or Transient Use under the Residential Hotel Unit Conversion Ordinance; to set the term of tenancy for such use at less than seven days, through December 31, 2021, and, starting on January 1, 2022, at no less than 30 days; to provide an amortization period applicable to hotels currently regulated under the ordinance; to provide a process by which the owners or operators of regulated hotels can request that the amortization period be longer, on a case-by-case basis; to amend the definition of Permanent Resident, from a person who occupies a room for 32 to 30 days; and affirming the Planning Department's determination under the California Environmental Quality Act.

Existing Law

Chapter 41 of the Administrative Code, also known as the Residential Hotel Unit Conversion and Demolition Ordinance, regulates the conversion and demolition of residential hotel units, in order to minimize adverse impact on the housing supply and on displaced low income, elderly, and disabled persons resulting from the loss of such units.

Amendments to Current Law

This ordinance would amend Chapter 41 to add a definition of "Tourist or Transient Use," defined as:

- Any use of a guest room for less than a 7-day term of tenancy by a party other than a Permanent Resident, through December 31, 2021.
- After that date, starting January 1, 2022, any use of a guest room for less than a 30-day term of tenancy by a party other than a Permanent Resident.

A Permanent Resident, in turn, is a term defined in Chapter 41 as "A person who occupies a guest room for at least 32 consecutive days." The ordinance would change this definition to 30 days, to be consistent with the definition above.

The ordinance would thus create an amortization period, to allow residential hotel owners or operators to recover reasonable investments in their hotels. The ordinance would also create a process by which owners or operators of such hotels can request a longer amortization period, by requesting an extension from the Building Inspection Commission.

FILE NO. 190946

Background Information

This ordinance was introduced on May 19, 2020, as substitute legislation to the ordinance Board of Supervisors File No. 190946, which was introduced in September 2019.

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