# Resident Protections Ordinance

Case no. CPC-2024-388-CA

# **Summary**

The Resident Protections Ordinance is guided by the goal of strengthening protections for the City's renters and ensuring that all residents in areas subject to housing redevelopment pressures are better protected citywide. Provisions within the Ordinance have been designed to establish and strengthen citywide tenant protections for individuals facing evictions due to the construction of new housing, as well as impose requirements on housing developments that include deed-restricted affordable housing units. Proposed strengthened tenant protections pertain to the right to remain and the right to return to comparable units in a new development. The ordinance expands upon existing regulations for mixed-income development to ensure the quality and equitable distribution of affordable units. It attempts to prioritize Restricted Affordable Units in mixed-income housing development projects for those with the greatest housing need. Additionally, the ordinance extends covenant terms for new restricted affordable housing units to 99 years, enforces affirmative marketing and outreach, and mandates use of the Affordable and Accessible Housing Registry for rental listings.

### **Background**

The Citywide Resident Protection Ordinance is an important component of the City's larger Rezoning Program. It is intended to provide additional safeguards for existing residents at the same time that rezoning strategies are aimed at expanding housing options through new construction. This proposed ordinance better protects residents to improve housing stability while harmonizing with broader state legislation, resulting in a comprehensive citywide approach.

This ordinance serves to codify housing replacement state laws that were initially introduced through the Housing Crisis Act and incorporates recent amendments to the law introduced by Assembly Bill 1218 in 2023. Among its key provisions, the proposed ordinance enacts state requirements pertaining to the demolition of housing units to

extend replacement requirements in conjunction with new housing development projects beyond January 1, 2030. However, the requirements on non-housing developments will align with the expiration of corresponding state laws in 2030.

Importantly, the proposed housing replacement policy introduces a one-for-one replacement policy for projects that result in the demolition of units subject to the Rent Stabilization Ordinance (RSO), surpassing existing requirements. The proposed ordinance will also further solidify state "no net loss" requirements. Together these changes help ensure the preservation of the city's affordable housing stock to ensure that every new construction project will result in a net gain of covenanted affordable units. Additionally, the ordinance reinforces existing occupant protections, including the right to remain in their units for six months before demolition and the right to return to a new comparable unit within the newly constructed building.

While the City currently upholds fair housing policies and regulations related to unit mix, size, quality, distribution and amenities, within mixed-income housing developments, these requirements are not currently codified in the Los Angeles Municipal Code (LAMC). The proposed ordinance clarifies that these requirements are applicable to all mixed-income developments, with the specific details outlined in a concurrent set of guidelines developed alongside the proposed ordinance. These provisions are intended to align with fair housing laws and enhance both the quality of life for occupants and predictability for developers.

# **Key Provisions**

### Housing Development Projects that Result in Housing Unit Demolitions

The Ordinance would prevent the City from approving housing development projects that result in the demolition of protected housing units that are occupied or have been vacated and demolished within the past five years, unless the following conditions are met:

- Replacement of Existing or Demolished Protected Units. The project must replace all existing occupied and vacant protected units as well as protected units that have been demolished since January 1, 2020, pursuant to Cal. Gov. Code Section 66300.6(b).
- No Net Loss of Dwelling Units. Housing development projects that require the demolition of residential dwelling units must construct at least as many residential dwelling units as will be demolished pursuant to Cal. Gov. Code Section 66300.6(a).
- Existing Occupant Protections. Existing occupants must be provided the following rights.

- Right to Remain. Existing occupants can continue to occupy their units up until six months prior to the start of construction activity.
- o **Right to Return.** The developer shall provide a right of first refusal for a comparable and affordable unit in the new housing development to the existing occupants of any protected units that are persons and families of lower income.
- Right to Return if Demolition Does Not Proceed. If the demolition does not proceed and the property is returned to the rental market, prior occupants will be allowed to return at their prior rental rate.
- o Right to Relocation. Relocation benefits shall be afforded to the occupants of those affordable residential rental units. The amount of relocation shall be the greater of the state provision or existing local amounts, as determined by the Los Angeles Housing Department.

#### Non Housing Development Projects that Result in Housing Unit Demolitions

Any non-housing development project that will require the demolition of occupied or vacant protected units, or is located on a site where protected units were demolished on or after January 1, 2020 must meet replacement requirements of existing or demolished protected units and provide existing occupant protections (see above), until 2030. These replacement units are permitted to be located off-site from the development project, subject to certain requirements.

#### **Length of Affordability of Restricted Affordable Units**

The covenant terms for restricted affordable units within housing development projects restricted affordable units is proposed to be extended from 55 years to 99 years. Covenants for restricted affordable units must still be prepared acceptable to the Los Angeles Housing Department (LAHD), recorded, and must guarantee that the occupancy restriction establishing affordability will be observed throughout the entirety of the covenant term from the issuance of the Certificate Occupancy. Limited exceptions for this extended 99 year covenant term include for for-sale projects as well when public subsidies require their own affordability covenant term length.

### Size, Location, and Amenities of Restricted Affordable Units in Mixed-Income **Housing Development Projects**

The proposed ordinance would formalize in the Los Angeles Municipal Code the authority of the City to establish and administer requirements regarding the unit mix, unit size, quality and amenities, access to and distribution of affordable housing units in mixed-income housing development projects to ensure compliance with fair housing law. The requirements will be codified in a set of guidelines or user handbook that is adopted by the Los Angeles Housing Department (LAHD) and the Department of City Planning. LAHD will have the authority to interpret these requirements to best implement the goals of the guidelines.

#### Allocation of Restricted Affordable Units

Restricted Affordable Units located in mixed-income housing development projects would be subject to the affirmative marketing and outreach requirements established by LAHD and be made available for rent on the Affordable and **Accessible Housing Registry**, or any equivalent registry, managed by LAHD.

#### **Priority Populations**

This ordinance attempts to prioritize Restricted Affordable Units in mixed-income housing development projects for those with the identified housing need. These priority populations include those displaced pursuant to provisions in the Ellis Act and LAMC 151.22 to 151.28, lower income residents impacted by a rent increase due to the termination of affordability restrictions, and residents displaced due to natural disasters and other code enforcement orders issued for uninhabitable units

### **Frequently Asked Questions**

#### What is considered a protected unit?

Protected Units include those that have either been rented by lower income households within the past five years, have been subject to a recorded covenant, ordinance, or law that restricts rents to affordable income levels. This includes residential dwelling units that have been subject to the Rent Stabilization Ordinance (LAMC Section 151).

Residential dwelling units are also considered protected units if they were withdrawn from rent or lease in accordance with the Ellis Act within the past 10 years.

### What is considered a housing development project?

A housing development project is defined the same as defined in Cal. Gov. Code Section 65905.5, which is the same definition used in Cal. Gov. Code Section 65589.5. In addition, projects that do not involve a discretionary approval and include construction of a single dwelling unit are also considered housing development projects.

### What is considered a non-housing development Project?

A non-housing development project includes any project that requires a City Planning application or building permit for the purpose of construction, reconstruction, alteration, addition, use or change of use on a site.

### Which units are subject to the longer term length?

New restricted affordable housing units in development projects will be subject to 99 year covenant term length as established by its conditions of approval, when its conditions of approval are silent regarding term length, or by Chapter 1 of the LAMC, unless otherwise exempt.

### What are the opportunities for public comment?

The release of the Resident Protections Ordinance draft kicks off the next phase of outreach. City Planning encourages the public to provide comments on this proposed amendment. In this phase of outreach, City Planning will host webinars to share information about the CHIP Ordinance, Housing Element Sites Ordinance, and Resident Protections Ordinance. Members of the public are encouraged to attend to learn more about what is proposed in the Ordinances and share their feedback. After the webinars, staff will evaluate the comments received and revise the draft ordinance to incorporate feedback. Members of the public may also submit written comments to housingelement@lacity.org.

#### Who can I contact for additional information?

Questions and comments on the Resident Protections Ordinance can be submitted to housing element@lacity.org. Additional information is available on the LA City Planning Housing Element Rezoning Program webpage. To receive updates about the Resident Protections Ordinance and upcoming public comment opportunities, sign up for the email list by completing this form.

Any media inquiries should be directed to Jamie Francisco at planning.media@lacity.org or (213) 562-8294.