

## Summary of Working Group Draft Recommendations for the Residential Hotel Work Plan

The Residential Hotel Work Plan proposes a three-pronged approach to providing safe, sanitary, and stable housing for populations living in Single Room Occupancy Hotels (SRO). The plan would include an aggressive new construction program coupled with targeted rehabilitation of existing SRO housing stock and sufficient relocation assistance for tenants displaced from SROs to ensure their successful, long-term relocation to new affordable housing.

- Establish inventory of existing SRO stock
  - Use TOT as a basis for identifying existing stock
    - Exemption of 1/3 or more TOT
  - Property owners notified and can provide justification for being removed from list
- Establish Threshold
  - Existing stock determines threshold
  - New stock adds to threshold
  - Provides a mechanism for measuring and setting goals
  - Increase threshold annually by a factor such as population growth
- Regulation
  - New or existing properties regulated upon conversion, demolition, or rehabilitation
  - Housing Replacement
    - Below threshold, property owners required to replace housing
  - Relocation payments required for any long-term, low-income tenant displaced
    - Redevelopment law- Difference between ability of household to pay rent and new rent for a period of 12 months; and
    - Include moving expenses
  - Provision to exempt requirements in the case of rehabilitation
- Rehabilitation
  - Ensure safe and sanitary housing stock
  - Address minor capital improvement needs and code violations
  - Target existing stock in need of rehab
    - Loan or grant for rehabilitation assistance in return for restricted rents
- New Construction
  - Improve regulatory environment (zoning codes)
    - Downtown Process 2 approvals in existing allowed zones
    - Citywide in existing allowed zones
  - Apply different building code requirements for market-rate vs. restricted housing
  - Aggressively target new funding to subsidize units restricted units
  - Apply inclusionary housing
  - Incentives for construction
    - Parking
      - Reductions downtown
      - To be studied outside of downtown
    - Water and Sewer Fee
      - Application of density formula