

DRAFT COMPACT LIVING UNIT PROJECT REGULATIONS AMENDMENT¹

The (non-PDO) Land Development Code amendments include changes to:

Chapter 11 definitions (§113.0103);

Chapter 12 permit processing requirements (permit required to demolish or convert) (§126.0502);

Chapter 13 zoning classification table (lists as a separately regulated “limited” use); (Zoning Matrix);

Chapter 14

Limited Use Regulations for new compact living unit developments (§141.0626)

Parking (name change from “single room occupancy” to compact living unit) (§142.0530)

Amendments to existing SRO relocation, replacement regulations (§143.0510-143.0580)

¹ This draft was prepared after the 9/15/04 LU&H hearing and includes changes made at the direction of the Committee as well as clarifications from the previous draft based upon community and staff questions. The strikeout will be updated to reflect changes to LDC provisions in effect prior to the introduction of this ordinance. The final ordinance will also include additional format changes and necessary clarifying edits as determined appropriate by the City Attorney prior to its introduction at City Council.

Chapter 11 Revisions: Changes to Definitions

§113.0103 Definitions

Abutting property through Channelization [No change.]

Chief Executive Officer means the Chief Executive Officer of the San Diego Housing Commission or her designee.

Childcare facility through Coastal development [No change.]

Compact living unit means a means a *guest room* or efficiency unit, as defined by California Health and Safety Code section 17958.1, intended or designed to be used, or which is used, rented, or hired out, to be occupied, or which is occupied, as a primary residence, by guests. *Compact living units* include *SRO hotel rooms* and *single room occupancies*, as defined in any Planned District, and rooms rented in “*residential hotels*” as defined in California Government Code section 7060(a). For purposes of Chapter 14, Article 3, Division 5, except for section 143.0535, *compact living unit* also includes “*living units*” as defined in the Center City Planned District regulations.²

Compact living unit project means any building containing six or more *compact living units*. A *compact living unit project* does not include any institution in which persons are housed or detained under legal restraint or hospitalized or otherwise under medical, nursing or psychiatric care, or any separately regulated residential land uses under the Land Development Code.

Condominium conversion to Grubbing [No change.]

Guest room means any ~~rented or leased~~ room that is ~~used~~ intended or designed to be used, or which is used, rented or hired out, to provide sleeping accommodations for one or more guests in *hotels*, *motels*, bed and breakfast ~~facilities~~ establishments, private clubs, lodges, and fraternity or sorority houses-, *compact living unit projects*, or group living accommodations.

Hardscape through Lot coverage [No change.]

Low income means any household whose income ~~exceeds 50 percent but~~ does not exceed 80 percent of the median area income as adjusted for household size as defined by the U.S. Department of Housing and Urban Development for the San Diego Standard Metropolitan Statistical Area.

Lowest floor through Yard [No change.]

² This is the City’s current definition of an *SRO hotel room* renamed and clarified in relation to other uses in the Code.

Chapter 12 Revisions: Revised to require development permit for certain CLU development (demo/conversion).

§126.0502 When a Site Development Permit Is Required

(a) through (c) [No changes.]

(1) through (7) [No changes.]

(8) Development proposing the demolition, rehabilitation, or conversion of a compact living unit as described in Chapter 14, Article 3, Division 5.

(d) through (e) [No changes.]

Chapter 13 Revisions: *Requires revision of the Zoning Matrix to add: “Compact Living Units” as a separately regulated use under “Commercial Services Use category” and to insert “L” to indicate limited use in each zone in which “visitor accommodations” is currently a permitted use.*

Chapter 14 Revisions: *Revised to add Compact Living Units as a separately regulated use.*

Article 1: Separately Regulated Use Regulations

Division 6: Commercial Services Use Category – Separately Regulated Uses

§141.0626 Compact Living Units

Compact living units are permitted as a limited use in the zones indicated with an “L” in the Use Regulations Tables in Chapter 13, Article 1 (Base Zones) and in any planned district zones which allow visitor accommodations or hotels, unless otherwise specifically provided in the planned district regulations, subject to the following requirements, in addition to any applicable requirements of the base zone:

- (a) Each compact living unit must have at least 70 square feet of usable floor area and may not exceed 220 square feet of usable floor area.
- (b) Maximum occupancy of individual compact living units shall be as provided in the California Building Code, as adopted by the City. Compact living units of at least 150 square feet are permitted as efficiency units as defined in California Health and Safety Code section 17958.1, with a maximum occupancy of two persons.
- (c) A full or partial kitchen is not required in every unit.
- (d) Showers/Bathtubs. No more than 50 percent of non-rent restricted units within a compact living unit project may have a full bathroom. Each compact living unit that is not provided with a private shower and/or bathtub must be served by a shared shower (and optionally, a bathtub). Shared bathing facilities must be provided at a ratio of at least one facility for every five compact living units, or fraction thereof, which lack a private bathing facility. Each shared bathing facility must be on the same floor as the compact living units it is intended to serve, and must be directly accessible from a common area or hallway.
- (e) Parking. On-site parking shall be required as provided in Table 142.05F of the Land Development Code, or in the applicable planned district.
- (f) Access. The compact living unit project shall include at least one handicapped-accessible unit for every 25 units in the project or the minimum required by the California Building Code, whichever is greater.
- (g) Any building containing compact living units must have either a front desk with a full view of the entry area, staffed twenty-four

hours a day, seven days a week, or an operational outdoor entry intercom system with intercoms in each *compact living unit* and the manager's unit, if any.

- (h) A minimum of 10 percent of the *compact living units* shall be affordable to *very low income* persons, for a period of at least 30 years, pursuant to an agreement with the San Diego Housing Commission.
- (i) *Compact living units* in any *compact living unit project* developed on or after **[insert effective date of this ordinance]** may not be rented on less than a weekly basis.
- (j) The applicant for a building permit for the development of a *compact living unit project* must designate the development as a *compact living unit project* in the building permit application for the project in order to receive any of the benefits provided in the Land Development Code for *compact living unit development*.

§142.0530 Nonresidential Uses — Parking Ratios

- (a) through (b) [No change.]
- (c) [No change in introductory paragraph.]

Table 142-05F

Parking Ratios for Specified Non-Residential Uses

[See attachment] **Note: parking ratios are not changing. The only edit will be the name change from “*single room occupancy hot els*” to “*compact living unit projects*.”**

[Insert Table]

Chapter 14: General Regulations

Article 3: Supplemental Development Regulations

Division 5: Compact Living Unit Tenant Relocation and Replacement Regulations

143.0510 Purpose of ~~SRO Hotel~~ Regulations

The purpose of ~~these~~ the *compact living unit* tenant relocation and replacement regulations is to ensure the retention of the existing number of ~~SRO hotel rooms~~ and to provide assistance to low-income tenants of ~~SRO hotel rooms~~ that *compact living unit projects* who will be displaced by the demolition, conversion, or rehabilitation of existing ~~SRO hotel rooms~~ *compact living units*, and to ensure the retention of the existing number of *compact living units* in the City of San Diego. These regulations are intended to benefit the general public by minimizing the adverse impact on the housing supply and on displaced persons, particularly those who are ~~very-low-income, elderly, or disabled~~, resulting from the permanent or temporary loss of ~~SRO hotel rooms~~ *compact living units* through their ~~demolition, or conversion, or rehabilitation~~.

§143.0515 When ~~SRO Hotel~~ Compact Living Unit Relocation and Replacement Regulations Apply

This division applies to any *development* that proposes the ~~demolition or rehabilitation of all or part of an SRO hotel or SRO hotel rooms or the conversion of all or part of an SRO hotel or SRO hotel rooms to another use, except as provided in Section 143.0520.~~ conversion of a *compact living unit* in accordance with Table 143-05A, or the removal of a *compact living unit* from the rental market.

Table 143-05A

Applicability of Compact Living Unit Regulations

<u>Type of Development Proposal</u>	<u>Applicable Sections</u>	<u>Required Development Permit/Decision Process</u>
<i>Demolition or conversion of all or part of an existing compact living unit³</i>	126.0502, 143.0510-143.0580	SDP/Process 3
<i>Development of new compact living unit project</i>	141.0626	No permit required by this division. ¹

§143.0517 Definitions

For purposes of Chapter 14, Article 3, Division 5, the following definitions apply:

Conversion means any change in use from *compact living unit* to another use, including any other commercial services use.

Demolition means to disassemble or destroy any *compact living unit* so as to render it unfit for use. *Demolition* includes construction activities in or on a *compact living unit* that require tenant relocation, temporary or otherwise.

Eligible tenant means any *low income* tenant who resides in a *compact living unit project* for a period of 90 consecutive days.

§143.0520 Exemptions from SRO Hotel Regulations Compact Living Unit Replacement Requirements

(a) The regulations in ~~s~~Sections 143.0540 and 143.0550 143.0570 do not apply to the following ~~demolitions~~ *demolitions* or ~~conversions~~ *conversions*:

- (1) ~~Conversion~~ *Conversion* of all or part of an ~~SRO hotel or SRO hotel room~~ *a compact living unit project* to a housing project rented at an *affordable housing cost* to very low income tenants.
- (2) ~~Demolition~~ *Demolition* of all or part of an ~~SRO hotel or SRO hotel room~~ *a compact living unit project* to allow for the ~~new~~ construction of a housing project rented at an

Footnotes to Table 143-05A

³ Use permits may be required in Planned Districts. Individual Planned District must be consulted to determine permit requirements.

affordable housing cost to very low income tenants housing project on the same site within 2 years pursuant to an agreement with the San Diego Housing Commission.

~~(3) Demolitions or conversions that result in the development of a project for housing low income senior citizens that is operated by a nonprofit corporation.~~

(b) The City Council may exempt ~~demolition~~ *demolition* or ~~conversion~~ *conversion* of all or part of an ~~SRO hotel or SRO hotel room~~ *a compact living unit project* that is necessary to implement a redevelopment project. An exemption under this section shall not be granted by the City Council unless it finds that:

- (1) the proposed project will contribute to the public health, safety, and welfare and
- (2) the community benefit of the redevelopment project exceeds the negative impact on the supply of compact living units that will result from the demolition or conversion.

An exemption under ~~this s~~Section 143.0520(b) shall not exempt a redevelopment agency from requirements for replacement and other applicable requirements under California Community Redevelopment Law or other state or federal laws.

§143.0525 Waiver of Compact Living Unit Regulations

- (a) A waiver of the replacement requirements of sSection 143.0570 may be requested and decided in accordance with Process Five. A waiver may be granted only if the findings in sSection 143.0525(c) are made.
- (b) An application for a wavier from the requirements of sSection 143.0570 shall be filed in accordance with sSection 112.0102 and shall include financial and other information the City Manager determines is necessary to perform an independent evaluation of the *applicant's* eligibility for the waiver and shall be a matter of public record.
- (c) A waiver may be granted only if the decision maker makes the following findings:
 - (1) Special circumstances, unique to the proposed *development* justify the grant of a waiver;
 - (2) The *development* would not be feasible without the waiver;

- (3) A specific and substantial financial hardship to the *applicant* would occur if the waiver were not granted; and
- (4) No alternative means of compliance are available which would be more effective in attaining the purposes of Chapter 14, Article 3, Division 5, than the relief requested.

§143.0530 Administration of ~~SRO Hotel~~ Compact Living Unit Regulations

The San Diego Housing Commission or successor agency, as is the agency responsible for administering ~~the SRO hotel~~ the Compact Living Unit regulations. ~~The Housing Commission;~~ shall ~~do the following:~~

- (a) Maintain a count of compact living units added to the City inventory and of compact living units demolished or converted, using data supplied by the Development Services Department, pursuant to section xxx.xxxx.
- ~~(a)(b)~~ Review each application for a permit ~~to for demolish demolition or convert~~ conversion of a hotel compact living unit project to identify any ~~SRO hotel or SRO hotel room~~ compact living unit that is not exempt from these regulations under ~~s~~Section 143.0520.
- ~~(b)~~ ~~Advise the applicant of the requirements of these regulations.~~
- (c) Review each Housing Relocation and Housing Replacement ~~p~~Plan prepared by an *applicant* and advise the *applicant* as to whether ~~or not~~ the plan satisfies the requirements of these regulations. ~~A replacement plan is a plan to replace SRO hotel rooms that is prepared by the applicant, approved by the San Diego Housing Commission, and incorporated into a Housing Replacement Agreement.~~
- (d) For each Housing Replacement ~~p~~Plan that meets the requirements of these regulations, draft and execute with the *applicant*, a Housing Replacement Agreement that incorporates the terms of the Housing Replacement ~~p~~Plan. ~~A Housing Replacement Agreement is a written agreement between the San Diego Housing Commission and the applicant specifying the manner in which the housing replacement requirements in Section 143.0550 will be met.~~
- (e) Prepare and implement a system to monitor compliance ~~of the~~ with Housing Replacement Agreements ~~with the regulations in this division.~~

- (f) Manage the City of San Diego ~~Single Room Occupancy Hotel Replacement~~ *Compact Living Unit* Fund and cause replacement units to be acquired, constructed, or rehabilitated.

§143.0535 Determination and Registration of Compact Living Units

- (a) Initial Status Report Requirements.

On or before [insert date that is 60 days after effective date of ordinance], the San Diego Housing Commission shall establish an initial inventory of compact living units in the City as of [insert effective date of ordinance]. The San Diego Housing Commission shall notify in writing each owner and operator of designation pursuant to section 143.0535(a).

- (b) Claim of Exclusion.

The property owner and/or operator shall have 45 days from the date of written notice from the San Diego Housing Commission that a property has been designated a compact living unit project, to file with the San Diego Housing Commission a statement of exclusion setting forth the reasons why the project is not a compact living unit project and providing justification for exclusion of the project from designation as a compact living unit project.

- (c) Appeal.

If the Chief Executive Officer determines, based upon the information submitted, that the project is not a compact living unit project, the project shall be removed from designation. If the Chief Executive Officer denies the exclusion request, the owner may appeal the determination within ten business days to the Board of the San Diego Housing Commission by filing a written request of appeal with the Secretary of the Commission.

- (d) Hearing on Appeal.

The hearing on the appeal of a determination pursuant to section 143.0535(d) shall be held no sooner than 45 days after the Commission Secretary receives the written appeal request. At least 35 days before the appeal hearing, the Commission shall provide the owner with a written Notice of Appeal Hearing, which shall include the time, date and location of the hearing, and an address for submission by tenants of written comment requests.

- (e) Posting Requirements.

Within 5 days of receipt of the Notice of Appeal Hearing, the project owner and/or operator shall post a copy of the Notice of

Appeal Hearing and a copy of these regulations at a conspicuous central location on the premises accessible to all tenants. The Notice and the regulations shall remain posted for 30 days. If the owner or operator fails to timely post the Notice of Appeal Hearing, the appeal hearing shall be continued to a date that is at least 30 days after the date Notice is posted. Any tenants wishing to comment may contact the San Diego Housing Commission in writing within the 30-day period.

(f) Unit Designation.

At the appeal hearing, the status of each unit within the project shall be determined by the San Diego Housing Commission. The San Diego Housing Commission shall consider all available relevant information in making its determination, including, but not limited to, the report of the San Diego Housing Commission staff and evidence submitted in support and opposition, tenant comments, transient occupancy tax payment records, and exclusion claims. If the information received is inadequate to substantiate the owner and/or operator's claim that the project is not a compact living unit project, the San Diego Housing Commission shall determine the project to be a compact living unit project and all rooms rented to low income tenants or at affordable housing cost rates for low income persons on a weekly basis at any time during the 1-year period preceding [insert effective date of Ordinance] to be compact living units.

(g) City Manager Notification.

The San Diego Housing Commission shall provide the final list of designated compact living unit projects to the City Manager and the Development Services Director.

§143.0545 Demolition or Conversion Permit Requirement for SRO Hotel Rooms Compact Living Units

~~Before a permit to convert or demolish all or part of an SRO hotel or SRO hotel room is issued, the applicant shall execute a Housing Replacement Agreement with the San Diego Housing Commission in accordance with Section 143.0550.~~

A Site Development Permit to convert or demolish all or part of a compact living unit project shall not be issued until 1) the applicant has fulfilled all tenant notice and relocation assistance requirements of sections 143.0550 and 143.0560; and 2) the Housing Commission has approved the applicant's Housing Replacement Plan submitted in accordance with section 143.0570, if applicable. Execution of and compliance with a

Housing Replacement Agreement with the Housing Commission shall be a condition of the Site Development Permit.

§143.0550 Development Review Procedures and Application of Regulations

- (a) The City Manager shall review all *development permit* or *construction permit* applications to determine whether the proposed *development* will result in the *demolition* or *conversion* of an existing *compact living unit*. If it is determined that a *compact living unit* is affected, the *applicant* will be advised of the requirement to obtain a Site Development Permit and will be referred to the San Diego Housing Commission.
- (b) Upon referral from the City Manager, the San Diego Housing Commission shall advise the *applicant* of the requirements of the *Compact Living Unit Project Tenant Relocation and Replacement Regulations* (Chapter 14, Article 3, Division 5 of the Land Development Code).
- (c) The *applicant*, shall, upon referral to the San Diego Housing Commission submit: 1) a list of all tenants who resided in the *compact living unit project* at any time in the 180-calendar-day period preceding the application filing date including name, length of residency, and current contact information; 2) a list of any tenants evicted in the 180-calendar-day period and the reason for the eviction; and 3) a relocation plan consistent with the requirements of section 143.0565. The *applicant* shall provide or make available the relocation and benefits notices specified in sections 143.0560 and 143.0565.
- (d) The *applicant* shall deposit with the City an amount equal to \$200 for each unit proposed to be *demolished* or *converted*. The funds shall be used by the City of San Diego to reimburse the San Diego Housing Commission for its costs incurred in reviewing the relocation and replacement housing plans and administering this division. If the costs incurred by the San Diego Housing Commission exceed the amount deposited by the applicant, an additional deposit shall be made by the applicant equal to the original deposit. The fees shall be paid on or before service of any notice terminating tenancy due to the conversion or demolition.
- (e) The Site Development Permit application shall not be *deemed complete* until the *applicant* provides evidence of compliance with the tenant notice requirements of section 143.0560 to the Housing Commission.⁴

⁴ This provision may be moved to the permit procedures sections of the Code.
SRO LDC 2 _Draft 7 _120604_Attach 3

- (f) The San Diego Housing Commission shall review the application and make a written recommendation to the City Manager within 30 days of the date the application is *deemed complete*. If the *applicant* has complied with the requirements of this Chapter 14, Article 3, Division 5, and the required Housing Relocation Plan and Housing Replacement Plan has been approved by the San Diego Housing Commission, the recommendation shall be for approval.

§143.058060 SRO Hotel Relocation Provisions Tenant Notice

- (a) ~~Before submittal of an application for a permit for or related to the demolition, conversion, or rehabilitation of all or part of an *SRO hotel* or *SRO hotel room*, the owner must deliver a Relocation Assistance Notice to each tenant. The notice shall clearly state the benefits established by Section 143.0570 for all tenants.~~
- (a) Notice of Application. Upon determination by the City Manager that a proposed *development* affects a *compact living unit project*, the *applicant* shall provide to each tenant a notice of application for a Site Development Permit to demolish, convert, or rehabilitate a *compact living unit*.
- (b) ~~The San Diego Housing Commission shall have available a sample notice format that the owner must use.~~
- (b) Relocation Assistance Notice. In addition to the Notice of Application required by section 143.0560(a), the *applicant* shall provide to each *eligible tenant*, a Notice of Relocation Assistance and the relocation assistance benefits required in section 143.0565.
- (1) The Notice of Relocation Assistance shall clearly state the benefits established by ~~§~~Section 143.0565(a) or as required by other applicable law.
- (2) The San Diego Housing Commission shall make available a notice form that the *applicant* shall use.
- (3) The Notice of Relocation Assistance shall be delivered to each *eligible tenant* personally or by mail, and written acknowledgment of service on and receipt by the tenant shall be secured.
- (4) The *applicant* shall provide the Notice of Relocation Assistance prior to any notice of termination of tenancy pursuant to state law.

- ~~(e)~~ The notice required by this section shall be delivered to each tenant personally or by mail, and written acknowledgment of service on and receipt by the tenant shall be secured.
- (c) Prospective Tenant Notice. Commencing on the date that Notice of Application is provided pursuant to section 143.0560(a), the project owner shall provide notice to any prospective tenants of the project prior to accepting any rent or deposit for rental of a unit, advising the prospective tenant of the pending application to demolish or convert the units.
- (1) The San Diego Housing Commission shall make available a sample form of Notice.
 - (2) The owner shall maintain written records of acknowledgement of receipt of the notice.
 - (3) Failure to provide the notice shall entitle the tenant to receive from the owner the relocation assistance benefits available to *eligible tenants* in section 143.0565.

§143.057065 SRO Hotel Tenant Relocation Benefits Assistance

- ~~(b)~~(a) Financial Assistance
- (1) Except as provided in section 143.0565(c)(3), each *eligible tenant* displaced by the *demolition* or *conversion* of a *compact living unit* is entitled to: 1) a lump sum moving expense payment of \$575 for a tenant who owns furniture or \$375 for a tenant who does not own furniture, subject to adjustment from time to time in accordance with State Relocation Law; and 2) a lump sum for replacement housing in an amount equal to six months rent, calculated based upon the highest one month rent paid by the tenant the one year period immediately preceding the Notice of Termination of tenancy. If no Notice of Termination of Tenancy is issued, the payment shall be calculated based upon the date of Notice of Application pursuant to section 143.0560(a). The *applicant* shall pay the financial benefits to the *eligible tenant* within 5 *business days* of notice by the tenant that the *premises* will be vacated on a date specified by the tenant, but no more than 30 calendar days in advance of the move-out date.
- ~~(3)~~(b) Relocation for Rehabilitation Projects

If the *compact living unit* is being rehabilitated, the financial assistance required by this ~~s~~Section 143.0565 need not be provided if accommodations, which are comparable in size and with a cost that does not exceed 110 percent of the tenant's average rent over the preceding 12 months, are provided on or off the *premises* to the

eligible tenant during the period of rehabilitation. The *applicant* shall give a right of first refusal to relocate to a rehabilitated *compact living unit* to each *eligible tenant*. When comparable living space is provided, the *applicant* shall pay each such affected *eligible tenant* all reasonable moving and related expenses. For purposes of this section, ~~Rehabilitation~~ means reconstruction, renovation, repair, or other improvement to all or part of ~~an SRO hotel or an SRO hotel room~~ a *compact living unit project*.

(c) Technical Assistance

The San Diego Housing Commission shall monitor the *applicant's* compliance with the obligations set forth in this section 143.0565 and provide technical assistance to assist *eligible tenants* in their relocation.

(d) Evictions

The *applicant* shall also provide relocation benefits to any *low income* tenant evicted in the 180 calendar days preceding the initial permit application date unless the eviction was for one of the following documented reasons:

- (1) Failure to pay rent;
- (2) Breach of a material covenant, condition, restriction, or provision in the written rental agreement;
- (3) Creating a nuisance; or
- (4) Using the ~~SRO hotel room~~ *compact living unit* for an illegal purpose.

(e) The relocation benefits required by this Chapter 14, Article 3, Division 5 do not apply to *developments* for which greater relocation benefits and payments are required under federal, state, or local law. The *applicant* shall recite in the required notices the benefits that apply.

§143.055070 Housing Compact Living Unit Replacement Requirements⁵ for SRO Hotel Rooms

- (a) Upon referral to the San Diego Housing Commission, the owner of a compact living unit project which also qualifies as a “residential hotel” as defined in California Health & Safety Code section 50519, for which an occupancy permit was issued prior to January 1, 1990 and which did not send the City written notice of intent to convert prior to January 1, 2004, shall submit to the Commission a Housing Replacement Plan in accordance with section 143.0570.
- ~~(d)(b)~~ Replacement SRO hotel rooms compact living units shall be provided at a ratio of one replacement room unit for each existing SRO hotel room proposed to be demolished or converted compact living unit demolished or converted occupied by a low income tenant or rented at an affordable housing cost rates for a low income person, at any time in the 180 days preceding the permit application, provided however, that the minimum number of replacement units required shall be the number of units attributed to the project as part of the initial inventory.
- (c) The replacement rooms units shall be provided by one of the following methods:
- (1) Construction of new SRO hotel rooms compact living units pursuant to the provisions of section 141.0626;
 - (2) Approved Rehabilitation or conversion to compact living unit use of hotel rooms rooms that have been continuously vacant for more than one 1-year six months before the permit application for use as SRO hotel rooms compact living units.
 - (3) Approved Conversion of nonresidential structures to SRO hotel rooms compact living units; or

⁵ The annual threshold determination provisions have been deleted. Instead, there will be an ongoing count of (1) issued certificates of occupancy for new living units and compact living units and (2) permits for demolition or conversion of existing compact living units. The count will begin on the effective date of ordinance. Any new building permit for a CLU project or LU project will be flagged and upon issuance of C of O, SDHC will be notified. SDHC will maintain a “count” of added units based upon input from DSD.

Any applicant for a demo or conversion of a CLU, as identified per the process in Sec. 143.0535, and not otherwise exempt, will be subject to the replacement provisions, for any units that are in excess of the # added to inventory since the effective date of ordinance.

- (4) Restriction of the same number of units in a residential development at rents affordable to *very low income* persons, pursuant to an agreement with the San Diego Housing Commission.
- (5) Payment of an in lieu fee of providing *SRO hotel rooms*, an *applicant* may contribute to the Single Room Occupancy *Hotel Compact Living Unit* Replacement Fund. The amount of the ~~contribution~~ in lieu fee shall be equal to 50/75 percent of the replacement cost of the *SRO hotel rooms compact living units* to be ~~demolished~~ *demolished* or ~~converted~~ *converted*. The replacement cost shall be calculated by multiplying one-half of the ~~hotel project building area~~ demolished or converted, by the percentage of the units in the building that are *compact living units* and by the current *development* cost per square foot of comparable *SRO hotels compact living units* in the City, including land development costs. Monies deposited in the fund shall be used solely for the production or rehabilitation of *SRO hotel rooms compact living units* or the conversion of nonresidential structures to *SRO hotel rooms compact living units*.
- ~~(a)~~(d) Replacement *SRO hotel rooms compact living units* shall be provided within the community plan area in which the *SRO hotel rooms compact living unit project* ~~were~~ was demolished or converted unless the San Diego Housing Commission approves alternate sites on public transportation corridors outside the community plan area. The replacement ~~rooms~~ units shall be completed and ready for occupancy before occupancy of the redeveloped site upon which the former *SRO hotel rooms compact living unit project* ~~were~~ was located.
- ~~(b)~~(e) Replacement *SRO hotel rooms compact living units* shall be made available to and occupied by *very low income* households at an *affordable housing cost* for a *very low income*, singleperson household, as most recently established by the U.S. Department of Housing and Urban Development or successor agency for the San Diego Standard Metropolitan Statistical Area.
- ~~(e)~~(f) Occupancy and affordability restrictions shall be recorded for at least 30 years from the date of issuance of Certificate of Occupancy for the replacement *development* or applicable phase of the *development* through the imposition of a declaration of covenants, conditions and restrictions approved by the San Diego Housing Commission, in favor of the City of San Diego.

§143.059080 ~~SRO Hotel Long-Term~~ Tenant Rights

A ~~long-term~~ tenant of an *SRO hotel compact living unit project* who is injured by any violation of these regulations, shall be entitled to declaratory relief, injunctive relief, and damages in a civil action. Counsel for the aggrieved party shall notify the Office of the City Attorney of the City of San Diego of any action filed pursuant to ~~this s~~Section 143.0580.