

ORDINANCE NO. 177557

An Interim Control Ordinance temporarily prohibiting the Conversion or Demolition of Residential Hotels, citywide.

WHEREAS, Residential Hotels, including single-room occupancy (SRO) hotels, are often the housing of last resort for the poor;

WHEREAS, there is a scarcity of affordable housing alternatives available to the residents of Residential Hotels;

WHEREAS, the City Council has determined that Residential Hotels are an essential component of the City's affordable housing supply;

WHEREAS, Residential Hotels are currently being threatened by economic forces unleashed by gentrification that could result in the loss of affordable residential units;

WHEREAS, any loss of affordable housing could force low income households into homelessness, subjecting many more persons and families to inhumane living conditions and increased crime;

WHEREAS, increased numbers of the homeless would exacerbate the already overwhelming burden on public and non-profit agencies that provide protective, social, health, psychological, nutrition, and other important and necessary services to this population;

WHEREAS, the City has programs in place to convert Residential Hotels into clean, safe, decent, and permanent affordable housing for low income households;

WHEREAS, the Housing Department prepared a report dated August 22, 2005, which states that from 1995 through 2003, the City lost ten SRO hotels with a net loss of 1,087 units, including five properties with 105 units between 1995-1999, and five properties with 982 units from 2000-2003;

WHEREAS, on September 30, 2005, the City Council instructed the Housing Department, in conjunction with the Community Redevelopment Agency, the Homeless Services Authority, the Housing Authority, the City Planning Department, and the Department of Building and Safety, with the assistance of the City Attorney, to develop the necessary programmatic details and ordinance(s), including funding recommendations, needed to preserve Residential Hotel and SRO hotel units in Los Angeles; and

WHEREAS, the City Council adopted, on October 11, 2005, a motion instructing the City Planning Department, with the assistance of the City Attorney, to prepare and

process an Interim Control Ordinance (ICO) to prohibit the Conversion or Demolition of Residential Hotels.

NOW, THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS**

Section 1. **DEFINITIONS.** The following terms, whenever used in this ordinance, shall be construed as defined in this section. Words and phrases not defined here shall be construed as defined in Los Angeles Municipal Code (LAMC) Sections 12.03 or 151.02.

AFFORDABLE HOUSING PROJECT means a development where, pursuant to a governmental affordable housing program, all of the units are or will be affordable for at least 55 years to lower income, very low income, or extremely low income households, as defined in California Health and Safety Code Sections 50079.5, 50105, and 50106.

CONVERSION means any action that converts one or more existing guest rooms or Efficiency Units in a Residential Hotel to: a commercial, industrial, or other non-residential use; to dwelling units, joint living and work quarters, light housekeeping rooms, or other different residential use; to an adaptive reuse project, as defined in LAMC Section 12.22 A 26 (c); to a condominium, cooperative, or similar form of ownership; or from a residential to a transient guest use or occupancy.

DEMOLITION means any action that reduces the number of existing guest rooms or Efficiency Units in a Residential Hotel, either through complete or partial demolition of the building; or by combining two or more existing guest rooms or Efficiency Units to make a larger new unit.

EFFICIENCY UNIT is defined in accordance with California Health and Safety Code Section 17958.1, and means any habitable room, designed or used for occupancy by no more than two persons, which has a minimum floor area of 150 square feet, and which may also have a partial kitchen or bathroom facilities.

RESIDENTIAL HOTEL is defined in accordance with California Health and Safety Code Section 50519, and means any building containing six or more guest rooms or Efficiency Units, intended or designed to be used, or which are used, rented, or hired out, to be occupied, or which are occupied, for sleeping purposes by guests, which is also the primary residence of those guests, but does not mean any building containing six or more guest rooms or Efficiency Units, which is primarily used by transient guests who do not occupy that building as their primary residence.

Sec. 2. **RELATIONSHIP TO PROVISIONS OF THE LOS ANGELES MUNICIPAL CODE.** Nothing in this ordinance shall be construed as creating an exception to compliance with Chapter IX of the LAMC (Building Regulations), including, but not limited to, compliance with the requirements and deadlines provided in LAMC Section 91.8800, *et seq.* (Earthquake Hazard Reduction in Existing Buildings), or preventing City Departments from ordering that a building be vacated. Furthermore, nothing in this ordinance shall be construed as preventing the City Planning Department from initiating administrative nuisance abatement proceedings pursuant to LAMC Section 12.27.1.

Sec. 3. **PROHIBITION.** Notwithstanding any provisions of the LAMC to the contrary, for a period of not less than one year from the effective date of this ordinance, or until permanent regulations addressing the Conversion or Demolition of Residential Hotels are adopted and become effective, whichever comes first:

A. No permit shall be issued to convert or demolish guest rooms or Efficiency Units in a Residential Hotel, unless the Conversion or Demolition complies with this ordinance; and

B. No person or entity shall convert or demolish guest rooms or Efficiency Units in a Residential Hotel, unless the Conversion or Demolition complies with this ordinance; and

C. No permit shall be issued for any new construction on a lot where guest rooms or Efficiency Units in a Residential Hotel are converted or demolished on or after the effective date of this ordinance, unless the Conversion or Demolition complies with this ordinance; and

D. The ground for eviction described in LAMC Section 151.09 A 10 (demolition or permanent removal of a rental unit from rental housing use) shall not apply to any rental unit in a Residential Hotel that is regulated by LAMC Section 151.00, *et seq.* (the Rent Stabilization Ordinance).

Sec. 4. **EXTENSION OF REGULATIONS.** The City Council may, by resolution, extend this ordinance for two additional six-month periods, so long as the City Council makes the following finding: that the appropriate City agencies and officials are exercising due diligence to develop the necessary programmatic details and ordinance(s), including funding recommendations, needed to preserve Residential Hotel and SRO hotel units in Los Angeles.

Sec. 5. **CITYWIDE APPLICATION.** This ordinance shall apply to all Residential Hotels located within the City of Los Angeles.

Sec. 6. **EXCEPTIONS.** This ordinance shall not apply to any Residential Hotel that:

- A. Was completely and continuously unoccupied from October 11, 2005, through and including the date an application for a Conversion or Demolition is filed with the Department of Building and Safety (LADBS), as determined by the Housing Department; or
- B. Has been or shall be turned into an Affordable Housing Project, as determined by the Housing Department; or
- C. Pursuant to California Government Code Section 7060, *et seq.*, was first approved for residential occupancy on or after January 1, 1990, as evidenced by a permit of occupancy issued by LADBS on or after that date; or
- D. Pursuant to California Government Code Section 7060, *et seq.*, sent or delivered to the Housing Department before October 11, 2005, a notice of intent to withdraw all of the building's accommodations from rent or lease.
- E. In addition, LADBS may issue a permit if required for a Residential Hotel to comply with a City order to repair or demolish an unsafe or substandard condition; or to rebuild due to destruction by fire, earthquake, or other natural disaster, provided that no provision of the LAMC prohibits rebuilding.

Sec. 7. **VESTED PLANS.** Pursuant to LAMC Section 12.26 A 3, this ordinance shall not apply to the issuance of a building permit if:

- A. Architectural and structural plans for a complete plan check were accepted by LADBS and a plan check fee was paid, before the effective date of this ordinance; and
- B. No changes are subsequently made to those plans that either increase or decrease the height, floor area, or occupant load by more than five percent; change the use; or exceed or violate the Zoning Code regulations in force on the date that the plan check fee was paid.

Sec. 8. **HARDSHIP EXEMPTIONS.** The City Council, acting in its legislative capacity and by resolution, may grant an exemption from this ordinance in cases of hardship duly established to the satisfaction of the City Council. An application for a hardship exemption shall be filed with the City Clerk on forms provided by the Housing Department.

Sec. 9. **ADMINISTRATION AND ENFORCEMENT.** The Housing Department shall have lead responsibility for administering and enforcing this ordinance, with the assistance of LADBS and City Planning Department.

Sec. 10. **SEVERABILITY.** If any provision of this ordinance is found to be unconstitutional or otherwise invalid by any court of competent jurisdiction, that

invalidity shall not affect the remaining provisions of this ordinance, which can be implemented without the invalid provisions, and, to this end, the provisions of this ordinance are declared to be severable.

Sec. 11. **URGENCY CLAUSE.** The City Council finds and declares that this ordinance is required for the immediate preservation of the public peace, health and safety for the following reasons: Residential Hotels, including SRO hotels, are often the housing of last resort for the poor living in the City of Los Angeles. If Residential Hotels are converted or demolished, a crucial housing resource could be permanently lost. The City's homeless population would very likely increase, exposing already at-risk persons and families to inhumane living conditions, as well as making them more vulnerable to crime.

Currently, many areas of the City, including and especially downtown, are experiencing gentrification, a process that can displace low income households. In response to recent and continuing extraordinary market demand, many of the City's vacant or underutilized commercial or industrial buildings have been converted into luxury lofts. Over the last several years, almost 9,000 units have been completed or proposed, mostly downtown. As the supply of convertible commercial and industrial space diminishes, attention has shifted to Residential Hotels, especially those with unique historic and architectural features.

Statistics provided by the Housing Department illustrate the issue. The City has 243 Residential Hotels, accounting for 15,177 units; not including 1,086 units that have already been lost. An additional 2,270 units are at immediate risk.

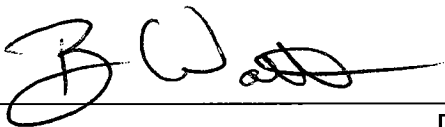
The development pressures on Residential Hotels are increasing dramatically. These pressures could result in the Conversion or Demolition of scarce affordable residential units all across Los Angeles, leading to unacceptable and socially harmful increases in homelessness.

Therefore, this ordinance shall become effective upon publication pursuant to Los Angeles City Charter Section 253.

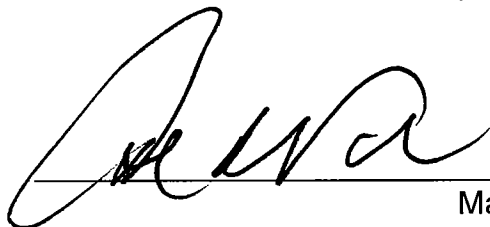
Sec. 12 The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

I hereby certify that this ordinance was passed by the Council of the City of Los Angeles, at its meeting of MAY 10 2006.

FRANK T. MARTINEZ, City Clerk

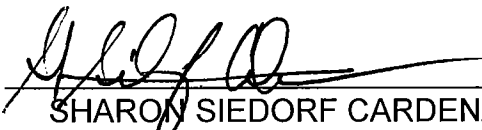
By  Deputy

Approved MAY 19 2006

 Mayor

Approved as to Form and Legality

Rockard J. Delgadillo, City Attorney

By 
SHARON SIEDORF CARDENAS
Assistant City Attorney

Date APR 24 2006

File No(s) CF No. 05-1915

(120530)

Pursuant to Charter Section 559, I approve this ordinance on behalf of the City Planning Commission and recommend it be adopted

April ~~10~~ 2006

see attached report.


S. Gail Goldberg
Director of Planning