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INFORMATION REPLACEMENT UNIT DETERMINATION HOUSING CRISIS ACT OF 2019, AS AMENDED BY SB 8 (2021)

The Housing Crisis Act of 2019, as amended by SB 8 (California Government Code Section 66300 et seq.), prohibits the approval of any proposed housing development project on a site that will require demolition of existing dwelling units or occupied or vacant “Protected Units” unless the proposed housing development project replaces those units as specified below. The replacement requirements below apply to the following projects:

- Discretionary Housing Development Projects that receive a final approval from Los Angeles City Planning (LACP) on or after January 1, 2022,
- Ministerial On-Menu Density Bonus, SB 35 and AB 2162 Housing Development Projects that submit an application to LACP on or after January 1, 2022, and
- Ministerial Housing Development Projects that submit a complete set of plans to the Los Angeles Department of Building & Safety (LADBS) for Plan Check and permit on or after January 1, 2022.

Replacement of Existing Dwelling Units

The proposed housing development project shall provide at least as many residential dwelling units as the greatest number of residential dwelling units that existing on the project site within the past 5 years.

Replacement of Existing or Demolished Protected Units

The proposed housing development project must also replace all existing or demolished “Protected Units”. Protected Units are those residential dwelling units that are or were within the 5 years prior to the owner’s application for a Replacement Unit Determination: (1) subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income, (2) subject to any form of rent or price control through a public entity’s valid exercise of its police power within the 5 past years (3) occupied by lower or very low income households (an affordable Protected Unit), or (4) that were withdrawn from rent or lease per the Ellis Act, within the past 10 years.

Whether a unit qualifies as an affordable Protected Unit, is primarily measured by the INCOME level of the occupants (i.e. W-2 forms, tax return, pay stubs, etc.). LAHD will send requests for information to each occupant of the existing project. Requests for information can take up to 2 weeks to be returned. It is the owner’s responsibility to work with the occupants to ensure that the requested information is timely produced.

- ***In the absence of occupant income documentation:*** Affordability will default to the percentage of extremely low, very low or low income renters in the jurisdiction as shown in the latest HUD Comprehensive Housing Affordability Strategy (CHAS) database, which as of September 1, 2022, is at 33% extremely low income, 18% very low income and 19% low income for Transit Oriented Communities (TOC) projects and 51% very low income and 19% low income

for Density Bonus projects. The remaining 30% of the units are presumed above-low income. All replacement calculations resulting in fractional units shall be rounded up to the next whole number.

Replacement of Protected Units subject to the Rent Stabilization Ordinance (RSO), last occupied by persons or families at Moderate income or above

The City has the option to require that the proposed housing development project provide: (1) replacement units affordable to low income households for a period of 55 years (rental units subject to a recorded covenant) OR (2) require the units to be replaced in compliance with the RSO.

Relocation, Right to Return, Right to Remain:

All occupants of Protected Units (as defined in California Government Code Section 66300(d)(2)(F)(vi)) being displaced by the Project have the right to remain in their units until six (6) months before the start of construction activities with proper notice subject to Chapter 16 (Relocation Assistance) of Division 7, Title I of the California Government Code ("Chapter 16"). However, all **Lower Income Household** (as defined in California Health and Safety Code Section 50079.5) occupants of Protected Units are **also** entitled to: **(a)** Relocation benefits also subject to Chapter 16, and **(b)** the right of first refusal ("Right to Return") to a comparable unit (same bedroom type) at the new Project at the completed Project. If at the time of lease up or sale (if applicable) of a comparable unit, a returning occupant remains income eligible for an "affordable rent" (as defined in California Health and Safety Code Section 50053) or if for sale, an "affordable housing cost" (as defined in California Health and Safety Code Section 50052.5) Owner must also provide the comparable unit at the "affordable rent" or "affordable housing cost", as applicable. This provision does not apply to (1) a development project that consists of Single Family Dwelling Unit on a site where a Single Family Dwelling unit is demolished and (2) Housing development that consists of 100% Low income units except Manager's Unit.

Single Family Dwelling Units Replacement

If one of more Protected Single Family Dwelling (SFD) units are replaced by housing development project, comparable units means:

- If the SFD contains three or fewer bedrooms, the replacement will be the same number of bedrooms
- If the SFD contains four or more bedrooms, the replacement will be a three bedroom unit
- Comparable unit is not required to have the same or similar square footage or same number of total rooms

Application for a Replacement Unit Determination

Owners of proposed housing developments subject to the above replacement obligations must complete an application for a SB 8 Replacement Unit Determination (SB 8 RUD) with the Los Angeles Housing Department (LAHD). Information provided by the owner and existing tenants, as well as information gathered by LAHD will be used to determine whether any Protected Units exist. An SB 8 RUD can take up to 6 to 8 weeks to process upon receipt of all the required documents. Owners will be provided with the completed SB 8 RUD with a copy sent to LACP on discretionary projects and LADBS on ministerial (by-right) projects. For additional questions about the SB 8 RUD, please contact LAHD at LAHD-Land Use@Lacity.org.