



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



8

January 8, 1990

Budget & Finance Committee  
Transportation/Community  
Development Committee  
Sacramento, CA

Honorable Members in Session:

SUBJECT: Adoption of Ordinance Imposing a Second Six-month  
Moratorium on Conversions of Residential Hotels

SUMMARY

The attached report is submitted to you for review and recommendation prior to consideration by the Redevelopment Agency and City Council of the City of Sacramento.

RECOMMENDATION

The staff recommends approval of the attached ordinance approving the moratorium.

Respectfully submitted,

ROBERT E. SMITH  
Executive Director

TRANSMITTAL TO COMMITTEE:

JACK R. CRIST  
Deputy City Manager

Attachment



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



January 15, 1991

Redevelopment Agency and  
City Council of the  
City of Sacramento  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** Adoption of Ordinance Imposing a Second Six-month  
Moratorium on Conversions of Residential Hotels

**SUMMARY**

This report recommends that the City Council adopt, on an emergency basis, the attached ordinance which imposes another six-month moratorium on the demolition, or conversion to other uses, of Residential Hotels in the Central City.

**BACKGROUND**

On May 22, 1990, the Redevelopment Agency of the City of Sacramento approved a Residential Hotel Construction and Rehabilitation Program, which sets forth the preservation and rehabilitation of Residential Hotels as one of its priorities. In conjunction with the Agency's adoption of this program, Agency staff was directed to report back regarding the legal and policy implications of a Residential Hotel Preservation ordinance.

In the interim, at its June 26, 1990 meeting, the Council adopted an emergency ordinance enacting a six-month moratorium on the conversion or demolition of SRO's in the Central City.

Legal counsel has determined that a straightforward ordinance mandating the preservation or one-for-one replacement of all SRO units does not currently appear to be legally feasible. A more comprehensive approach towards SRO preservation is being developed using demolition controls, CEQA requirements and redevelopment powers. A workgroup has been formed to formulate such an approach. It is expected that staff will report back with the workgroup's recommendations in March 1991.

1-15-91  
All Districts (1)

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Because the current moratorium ordinance expired on December 23, 1990, staff recommends re adoption of another (essentially identical) ordinance in order to protect SRO's from conversion until a comprehensive preservation policy can be adopted. The moratorium ordinance would be in effect for six months; if, as anticipated, a preservation policy is adopted in March 1991, the moratorium will need to be terminated at that time.

## **FINANCIAL DATA**

The re adoption of a moratorium prohibiting the demolition or conversion of Residential Hotel units will have no financial impact.

## **POLICY IMPLICATION**

Adoption of the attached moratorium ordinance is solely an interim measure until a comprehensive approach to SRO preservation can be developed. Adoption of the attached moratorium ordinance is in accordance with the preservation goals approved in conjunction with the Residential Hotel Construction and Rehabilitation Program adopted on May 22, 1990 and is consistent with the precedent established with the Council's adoption of the first moratorium ordinance in June 1990.

## **MBE/WBE IMPACT**

Not applicable.

## **ENVIRONMENTAL REVIEW**

The proposed action is exempt from environmental review per CEQA guideline Section 15061(b)(3). The proposed action is covered by the general rule that CEQA only applies to projects which have the potential for causing a significant effect on the environment. The proposed ordinance would prevent demolition of existing residential structures; maintaining the status quo would have no negative effects on the physical environment because there would be no change to the physical environment.

The proposed action is also exempt from CEQA per Section 15269 as an emergency project. Whereas the City is developing a comprehensive SRO preservation approach which could ultimately

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discourage conversion or demolition, an emergency moratorium is required to prevent conversion and demolition of such hotels while such an approach is being formulated.

## VOTE AND RECOMMENDATION OF COMMISSION

At its meeting of January 2, 1991 the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached ordinance. The votes were as follows:

AYES: Amundson, Diepenbrock, Pernell, Simon, Simpson, Strong,  
Wiggins, Williams, Wooley, Yew  
NOES: None  
ABSENT: Moose

## RECOMMENDATION

Staff recommends that the City Council adopt the attached ordinance which reimposes a six-month moratorium on the demolition, or conversion to other uses, of Residential Hotels in the Central City.

Respectfully Submitted,



ROBERT E. SMITH  
Executive Director

TRANSMITTAL TO COUNCIL:

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WALTER J. SLIPE  
City Manager

Contact Person: Tom Lee 440-1357

# ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF \_\_\_\_\_

**AN ORDINANCE IMPOSING A MORATORIUM ON THE ISSUANCE OF BUILDING PERMITS OR DEMOLITION PERMITS FOR CONVERSION OR DEMOLITION OF CERTAIN RESIDENTIAL HOTELS TO OTHER USES, AND DECLARING THIS ORDINANCE TO BE AN EMERGENCY MEASURE TO TAKE EFFECT IMMEDIATELY**

**BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

## **SECTION 1. Findings.**

The City Council hereby finds that facts, circumstances and reasons justifying the adoption of Ordinance No. 90-034, as set forth in Section 1 of that ordinance, exist to the same degree now as when Ordinance No. 90-034 was adopted. Therefore, said Section 1 is hereby re-adopted and incorporated herein by reference. The Council further finds that adequate progress is being made in the studies and reports referred to in Section 1 of Ordinance No. 90-034, but more time is necessary to complete that work.

## **SECTION 2. Imposition of Moratorium.**

For a period of six (6) months from and after the effective date of this ordinance, no building permit for demolition of, or the conversion of, a hotel which meets the following requirements shall be issued by the City of Sacramento, notwithstanding any other provision to the contrary in the Comprehensive Zoning Ordinance of the City of Sacramento, Ordinance No. 2550, Fourth Series, as amended, or any other ordinance of the City of Sacramento:

- (a) The hotel has, within two years prior to or after the effective date of this ordinance, been used as a residential hotel; and
- (b) The hotel is located within the Central City. As used herein, Central City means all that property lying between the Sacramento River on the west, the Southern Pacific main line railroad levee on the north, Alhambra Boulevard on the east, and Broadway on the south. The properties fronting upon the eastern side of Alhambra and the southern side of Broadway are within the Central City.

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ORDINANCE NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_ (4)

**SECTION 3. Definitions.**

Unless the context clearly requires otherwise, the words defined herein shall have the following meanings:

- (a) **Residential Hotel.** Any building containing ten or more rooms 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 tenants, which is or may be the primary residence of such tenants, provided that a majority of these rooms are residential hotel units. Also known as Single Room Occupancy (SRO) Hotel.
- (b) **Residential Hotel Unit.** A room in a residential hotel intended or designed to be used, or which is used, rented, or hired out, to be occupied, or which is occupied for sleeping purposes by a tenant, and which lacks either or both a self-contained kitchen or bathroom.

**SECTION 4. Emergency.**

This ordinance is hereby declared to be an emergency measure to take effect immediately. The facts constituting the emergency are that Ordinance No. 90-034 expired on December 23, 1990. There is an immediate need to continue to protect the public health, safety and welfare by preserving the remaining supply of low-income housing in the downtown area for elderly, disabled and low-income persons pending the completion of the studies and reports, and the adoption of policies resulting therefrom, referred to in Section 1 of Ordinance No. 90-034. Market and economic factors which point to conversion or demolition of downtown hotels continue to pose and immediate threat to the supply of such housing. Any further diminution in the remaining supply of such housing by the conversion or demolition of residential hotels in the downtown area during the study, reporting and policymaking process may frustrate the objectives and purposes of that process.

DATE PASSED FOR PUBLICATION:  
DATE ENACTED:  
DATE EFFECTIVE:

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR

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RESOLUTION NO.: \_\_\_\_\_

DATE ADOPTED: \_\_\_\_\_