

## **RESOLUTION NO. 2006-508**

Adopted by the Sacramento City Council

March 14, 2006

### **SINGLE ROOM OCCUPANCY PRESERVATION AND REPLACEMENT PROGRAM ORDINANCE**

#### **BACKGROUND**

- A. The City of Sacramento has adopted Municipal Code Chapter 18.20 (Ordinance), providing relocation benefits to tenants displaced by the conversion or demolition of a residential hotel, also described as a single room occupancy (SRO) hotel, in the Downtown area. This Ordinance requires noticing, relocation payments, and a conversion certificate acknowledging that the requirements have been met.
- B. Real estate market conditions have changed substantially since the Ordinance was adopted, increasing the likelihood that tenants could be displaced by conversion of SRO properties to other uses.
- C. The city of Sacramento 2002 Housing Element Update identified a need to construct 697 new units and rehabilitate 433 units affordable to very low income individuals (less than 50% Area Median Income). Conversion of SRO housing to other uses threatens the City's efforts to meet this housing need.

#### **BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:**

- Section 1. The City Attorney shall work with Redevelopment Agency of the City of Sacramento (Agency) staff to draft amendments to Municipal Code Section 18.20. Such amendments shall consider, but are not limited to, the following;
  - a. Revising the geographical area for applicability of the Ordinance.
  - b. Establishing an owner's responsibility to find a safe and suitable housing unit for each tenant, at a rent that is comparable to or less than the tenant's current rent.
  - c. Setting the relocation payment at no less than the sum of the first and last month's rent, security deposit, and moving expense.
  - d. Acknowledging the applicability of the state's Housing Preservation law to residential hotels which have received local, state, or federal funding. The state law establishes

- noticing and sale procedures, and would apply to the seven hotels currently under regulatory agreements.
- e. Clarifying the ordinance's applicability to SROs closed because of health and/or safety conditions.

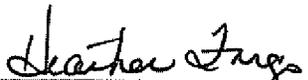
Adopted by the City of Sacramento City Council on March 14, 2006 by the following vote:

Ayes: Councilmembers Cohn, Fong, Pannell, Sheedy, Tretheway, Waters and Mayor Fargo.

Noes: None.

Abstain: None.

Absent: Councilmembers Hammond and McCarty.

  
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Mayor Heather Fargo

Attest:

  
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Shirley Concolino, City Clerk