

**ASSEMBLY BILL**

**No. 423**

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**Introduced by Assembly Member Bonta**

February 9, 2017

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An act to amend Section 7060 of the Government Code, relating to residential real property.

LEGISLATIVE COUNSEL'S DIGEST

AB 423, as introduced, Bonta. Residential real property: rent control: withdrawal of accommodations.

(1) Existing law, commonly known as the Ellis Act, generally prohibits public entities from adopting any statute, ordinance, or regulation, or taking any administrative action, as specified, to compel the owner of residential real property to offer or to continue to offer accommodations, as defined, in the property for rent or lease. Existing law excepts from this prohibition residential hotels with certain characteristics.

This bill, on and after January 1, 2018, would except from the Ellis Act residential hotels in the City of Oakland.

(2) This bill would make legislative findings and declarations as to the necessity of a special statute for the City of Oakland.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 7060 of the Government Code is amended  
2 to read:

1 7060. (a) No public entity, as defined in Section 811.2, shall,  
2 by statute, ordinance, or regulation, or by administrative action  
3 implementing any statute, ordinance or regulation, compel the  
4 owner of any residential real property to offer, or to continue to  
5 offer, accommodations in the property for rent or lease, except for  
6 guestrooms or efficiency units within a residential hotel, as defined  
7 in Section 50519 of the Health and Safety Code, if the residential  
8 hotel meets ~~all of the following conditions:~~ *the conditions specified*  
9 *paragraph (1) or (2):*

10 (1) (A) The residential hotel is located in a city and county, or  
11 in a city with a population of over 1,000,000.

12 ~~(2)~~

13 (B) The residential hotel has a permit of occupancy issued prior  
14 to January 1, 1990.

15 ~~(3)~~

16 (C) The residential hotel did not send a notice of intent to  
17 withdraw the accommodations from rent or lease pursuant to  
18 subdivision (a) of Section 7060.4 that was delivered to the public  
19 entity prior to January 1, 2004.

20 (2) *On and after January 1, 2018, the residential hotel is located*  
21 *in the City of Oakland.*

22 (b) For the purposes of this chapter, the following definitions  
23 apply:

24 (1) “Accommodations” means either of the following:

25 (A) The residential rental units in any detached physical  
26 structure containing four or more residential rental units.

27 (B) With respect to a detached physical structure containing  
28 three or fewer residential rental units, the residential rental units  
29 in that structure and in any other structure located on the same  
30 parcel of land, including any detached physical structure specified  
31 in subparagraph (A).

32 (2) “Disabled” means a person with a disability, as defined in  
33 Section 12955.3 of the Government Code.

34 SEC. 2. The Legislature finds and declares that a special statute  
35 is necessary and that a general statute cannot be made applicable  
36 within the meaning of Section 16 of Article IV of the California  
37 Constitution because of the unique demands facing the City of

- 1 Oakland with its rising homeless population and affordable housing
- 2 crisis.

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