ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Technical Assistance
for Local Planning
HOUSING

DISCLAIMER: This guide is intended solely as a technical overview of replacement housing requirements under various state laws. It is not legal advice regarding any jurisdiction's specific policies or any proposed housing development project. Local staff should consult with their city attorney or county counsel when determining the replacement housing requirements for any proposed housing development project in their jurisdiction.

Guide to California State Replacement Housing Requirements

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I. Introduction

The Legislature has adopted three state laws – the Density Bonus Law, Housing Element law, and the Housing Crisis Act of 2019 – to ensure that new housing developments do not reduce the total number of existing dwellings and do not reduce the number of dwellings housing lower income persons. In most communities, a housing project must create at least as many housing units as will be demolished. Projects must also replace units rented by lower income households with units affordable to lower income tenants and, in most communities, must provide relocation and other benefits to lower income tenants who are displaced by the new construction.

Replacement housing requirements have applied to projects requesting a density bonus since 2015, and those requirements also apply to any site listed in a jurisdiction's sixth cycle Housing Element. The Housing Crisis Act of 2019 and amendments effective January 1, 2022 expanded that requirement, in most communities, to any housing development containing one or more units that proposed to demolish any existing units. In 2024, the state legislature amended the Housing Crisis Act to further expand the replacement housing requirements to all – not just housing – development projects that propose to demolish any existing units.

The purpose of the replacement requirements is to prevent the loss of housing units and the displacement of lower income households. State law does not allow local agencies to approve housing unless the proposed development complies with the applicable replacement housing requirements described below.

II. State Density Bonus Law (Government Code Sections 65915 - 65918)

A. When do replacement housing requirements apply under Density Bonus Law?

State Density Bonus Law (Government Code Sections 65915 - 65918) is a mechanism by which housing developers may receive more favorable development requirements from local governments in exchange for a commitment to build or donate land for affordable housing or senior housing units. Density bonus is a state mandate, meaning any developer who meets the requirements of State Density Bonus Law is entitled to receive the density bonus and other benefits (including incentives, waivers and reductions of parking standards).

Where a density bonus project proposes to demolish existing housing, or where rental housing existed on the site in the past five years, the applicant must comply with the replacement housing requirements in State Density Bonus Law. (Government Code Section 65915(c)(3).) A project is ineligible for a density bonus or "any other incentives or concessions" under State Density Bonus Law unless the applicant conforms with the replacement housing requirements. These replacement housing requirements apply to any project requesting a density bonus regardless of the applicability of the Housing Crisis Act of 2019 (Government Code Section 66300; SB 330).

Replacement housing requirements under State Density Bonus Law do not apply to density bonus projects that propose to develop projects where 100% of the units are affordable to lower income households (although these projects are subject to certain provisions of the Housing Crisis Act of 2019). They also do not apply to any density bonus applications that were submitted to or processed prior to January 1, 2015.

B. What types of units must be replaced?

State Density Bonus Law requires the replacement of certain units that either now exist or that existed on the site in the last five years preceding submission of the development application.

These units are those that are, or have been at any time during the last five years preceding submission of the development application:

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; or
2. Subject to some form of rent or price control through a public entity's valid exercise of its police power; or
3. Occupied by lower or very low-income households.

Collectively, we refer to these units "Density Bonus Protected Units" throughout this guide.

C. How does a jurisdiction determine whether a unit must be replaced?

A local agency's application for density bonus projects must ask the applicant to provide the information needed to comply with the replacement housing requirements. Below is a suggested list of the information that a local agency may consider requesting from an applicant for a density bonus project that proposes to demolish one or more units:

1. **Restricted Affordable Lower Income Units:** Indicate the number of units by bedroom size existing on the site in the past five years that were at any time subject to a recorded covenant, ordinance, or law that restricted rents or prices to be affordable to lower or very low-income households.
2. **Units Subject to Rent Control or Price Control:** Indicate the number of units by bedroom size on the site that in the past five years have been subject to rent control (through either state law, a local rent control ordinance, or an inclusionary (BMR) ordinance) or price control (through an inclusionary (BMR) ordinance).
3. **Incomes of Existing Tenant Households:** Provide documentation of the names, property address, and current incomes of any households now occupying units on the site, by bedroom size of units. If current incomes are unknown, please indicate.
4. **If Any Units Are Still Occupied, Incomes of Households Formerly Occupying Vacant Units:** For any vacant units, provide documentation of the income of the last household occupying the unit, by bedroom size. If that household's income is unknown, please indicate.
5. **No Units Occupied; All Units Vacant or Demolished; Incomes of Former Tenants:** If *all* units that existed on the site in the last five years are currently vacant or have been demolished, please indicate the maximum number of units, by bedroom size, that existed on the site in the past five years and the

income of each household occupying a unit at the time when the maximum number of units existed on the site. If the income of those households is unknown, please indicate.

Alternatively, some local agencies may choose to retain a relocation specialist (at the expense of the developer) to gather this information.

D. What are the requirements for the replacement units?

If the project proposes to demolish one or more Density Bonus Protected Units, they must be "replaced" in accordance with the requirements below:

1. **Occupied; Incomes Known:** If the Density Bonus Protected Units are occupied at the time of submission of the density bonus application and the incomes of the households occupying the Density Bonus Protected Units are known, the proposed housing development must provide at least the same number of units of equivalent size to be made available at affordable rent or affordable housing cost to and occupied by persons and families in the same or lower income category as those households in occupancy.

2. **Occupied; Incomes Unknown:** If the Density Bonus Protected Units are occupied at the time of submission of the density bonus application but the incomes of the households occupying the Density Bonus Protected Units are not known, very low and lower income tenants are (rebuttably) presumed to occupy the units in the same proportion as shown for renter households in the Department of Housing and Urban Development's (HUD) [Comprehensive Housing Affordability Strategy (CHAS) database](). The proposed housing development must provide units at affordable rent or affordable housing cost to be occupied by persons and families of very low and lower income in the same proportion as indicated by the CHAS data. All fractions must be rounded up. (Government Code Section 65915(c)(3)(B)(i).)

   Note that the developer may elect to replace a low-income unit with a very low-income unit. Also, replacement units may qualify a project for a density bonus and may satisfy an agency's inclusionary housing requirements, so long as they meet all standards in an agency's local ordinance and in State Density Bonus Law.

   > **EXAMPLE:** A project proposes to demolish 20 existing units. The incomes of 10 tenant households are known. Five units are occupied by very low-income households and five units by higher income households.
   >
   > For the 10 units where the household incomes are unknown, the CHAS data shows that 25% of the renter households in the city are very low-income, and 10% are low income. Ten percent of 10 units = 1 low-income unit; 25% of 10 units = 2.5 very low-income units, which must be rounded up to 3 units.

Therefore, the new project must include at least 8 very low-income units (5 known very low-income households and 3 assumed) and 1 low-income unit as replacement units. The developer could elect to add another very low-income unit in place of the low-income unit.

Table 1: Calculating Replacement Units with CHAS Data

CHAS Percentage	Calculation for Unknown Incomes	Replacement Units by Income
Very low-income = 25%	10 units x 25% = 2.5	3 units
Low-income = 10%	10 units x 10% = 1	1 unit

3. **Demolished and/or Vacated; Incomes Known:** For Density Bonus Protected Units that were demolished or vacated in the last five years and the incomes of the last households in occupancy are known, the proposed housing development must provide at least the same number of units of equivalent size as existed at the highpoint of those units in the five-year period preceding the application to be made available at affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as the last household(s) in occupancy.
4. **Demolished and/or Vacated; Incomes Unknown:** For Density Bonus Protected Units that were demolished or vacated in the last five years and the incomes of the last households in occupancy are not known, lower income tenants are (rebuttably) presumed to have occupied the units in the same proportion as lower income households rent units in the jurisdiction as shown in the HUD's CHAS database. The proposed housing development must provide units at affordable rent or affordable housing cost to, and occupied by, persons and families of lower income in the same proportion as indicated by the CHAS data. All fractions must be rounded up.
5. **Rent- or Price-Controlled and Occupied by Above Lower-Income Households:** For Density Bonus Protected Units that were subject to a **local** jurisdiction's rent- or price-control in the last five years and are or were occupied by above lower-income households, the local government may choose to do either of the following:
    a. Require that the replacement units be made available at an affordable rent or affordable housing cost to, and occupied by, low-income persons or families; or
    b. Require that the replacement units be subject to the jurisdiction's rent- or price-control ordinance. (**Note:** Unless otherwise required by the local ordinance, units replaced in compliance with a jurisdiction's rent- or price-control ordinance are not subject to a recorded affordability restriction.)

Equivalent Size. Regardless of which of the above-mentioned categories the units fall into, the development must provide at least the same number of units of "equivalent size" as the units replaced to be offered at an affordable rent or affordable housing cost. "Equivalent size" means that the replacement units contain at least the same total number of bedrooms as the units being replaced.

Example: One three-bedroom unit could be replaced by three one-bedroom units, or one two-bedroom unit and one one-bedroom unit. However, three one-bedroom units could **not** be replaced with one three-bedroom unit, because the *number* of units must at least equal the number of units that need to be replaced.

Example: In the scenario where a three-bedroom unit is replaced by three one-bedroom units, for instance, all three of the one-bedroom units would need to be offered at the appropriate levels of affordability.

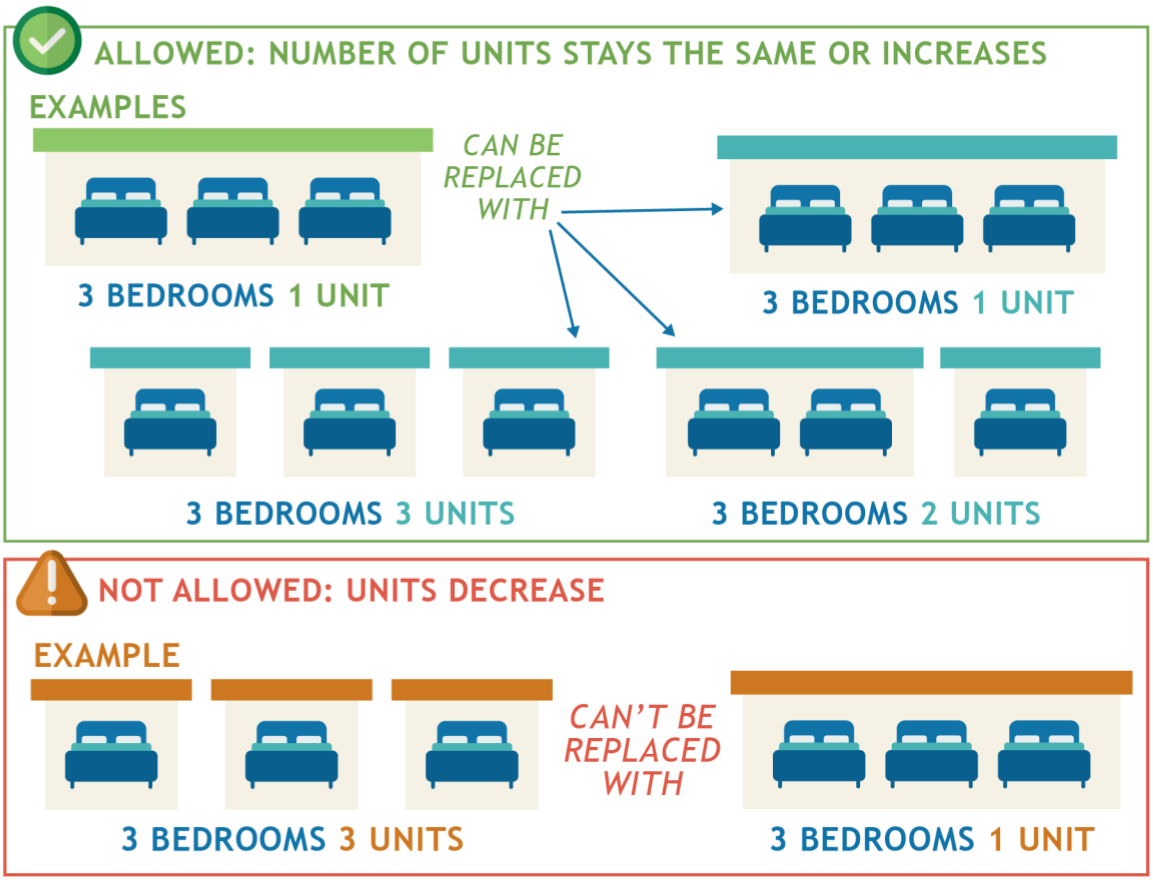

Figure 1: Examples for Unit Replacement

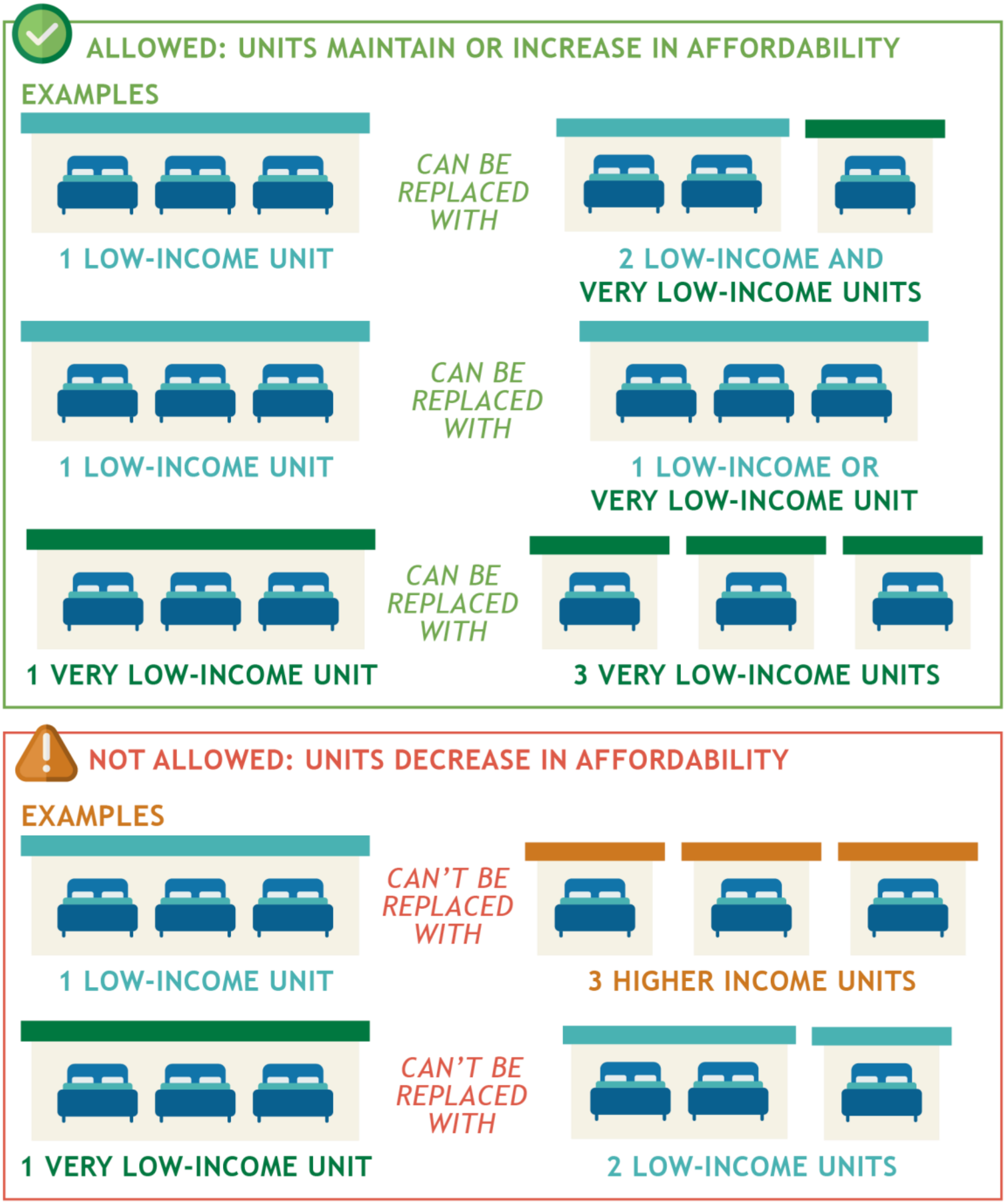

Figure 2: Examples for Affordability Replacement

Replacement Unit Type. The units may be of any type (apartments, accessory dwelling units, townhomes, condominiums, duplexes, etc.) and may be for-sale or for rent.

Deed Restrictions Recorded. Deed restrictions must be recorded restricting affordable replacement units, in accordance with the following:

a. **Rental Replacement Units.** Rental replacement units must be subject to a deed restriction limiting occupancy to lower income households at affordable rents for 55 years. Affordable rent must be calculated as required by Health & Safety Code Section 50053.
b. **For-Sale Replacement Units.** For-sale replacement units must be sold to lower income buyers at an affordable cost and be subject to an equity-sharing agreement requiring that any profits at sale be shared with the local agency, unless the local ordinance requires long-term affordability. Affordable housing cost must be calculated as required by Health & Safety Code Section 50052.5.

III. Housing Element Law (Government Code Sections 65580 - 65589.11)

A. What is the relevance of Housing Element law to replacement housing?

Each jurisdiction's housing element must include an inventory of land suitable and available for residential development to meet the jurisdiction's regional housing need allocation (RHNA) by income level. Sites are suitable for residential development if they are zoned appropriately and available for residential use during the planning period. All of these sites, at all income levels, must be included in the housing element and on a site inventory form prescribed by the Department of Housing and Community Development (HCD).

Some of these sites may include existing housing or may have contained rental housing in the past five years. If a project is proposed on one of these sites, the project is subject to the replacement housing requirements contained in State Density Bonus Law.

B. What are the replacement housing requirements for non-vacant sites identified in a jurisdiction's Housing Element Sites Inventory?

The housing element must include a program in the housing element and an implementing ordinance requiring the replacement of existing housing units consistent with the requirements set forth in State Density Bonus Law (Government Code Section 65915(c)(3)). These replacement housing requirements apply to **all** sites listed in the housing element, at **all** income levels – not just sites designated for lower income housing – and apply regardless of the applicability of the Housing Crisis Act of 2019.

Whenever a housing project is proposed on a site listed in a locality’s housing element, the locality needs to determine if it contains existing rental housing or contained rental housing in the past five years. If so, the locality may need to require replacement housing. Whenever a project is proposed on a site listed in the housing element, the applicant should be required to provide the same information as described in Section II.C above. The replacement requirements are explained in detail in Section II of this Guide.

IV. Housing Crisis Act of 2019 (SB 330) (Government Code Sections 66300-66301)

The Housing Crisis Act of 2019 (SB 330) expanded and amended several existing State statutes, including the Permit Streamlining Act and Housing Accountability Act, with the goal of increasing production of new housing units, protecting existing housing units, and providing for an expedited review and approval process for housing development projects. Senate Bill 8 (SB 8), which was passed during the 2021 legislative session, made some key amendments to the Housing Crisis Act of 2019, including extending the provisions of SB 330 until January 1, 2030. More recently, Assembly Bill 1218 (AB 1218), which was passed during the 2023 legislative session, amended SB 330 to expand replacement housing and relocation assistance requirements that apply when housing units are demolished.

A. When do replacement housing requirements apply under SB 330?

Development Projects. SB 330's replacement housing requirements, as amended by SB 8, apply to a housing development project containing one or more units and proposing to demolish existing units, regardless of whether those units are SB 330 Protected Units (see section B below for definition of SB 330 Protected Unit).

SB 330's replacement housing requirements, as amended by AB 1218, also apply to any development project (including nonresidential projects) where that project either will require the demolition of occupied or vacant SB 330 Protected Units or will be located on a site where SB 330 Protected Units were demolished in the past five years. There is an exception to this requirement for projects that meet all of the following conditions: (1) the project is an industrial use; (2) the project site is entirely within a zone that does not allow residential uses; (3) the applicable zoning that prohibits residential uses was adopted before January 1, 2022; and (4) the protected units that are or were on the project site are or were nonconforming uses.

Application Submission Date. The replacement housing requirements apply where the development project submits a complete application, or where the housing development project submits a complete application pursuant to Government Code Section 65943 on or after January 1, 2020. Jurisdictions may wish to use the [SB 330 Request for Tenant Information Form Template] to create an application.

Affected City or County. The development project must be proposed in an "affected city" or "affected county." An "affected city" means a city, including a charter city, that HCD determines is in an urbanized area or urban cluster, as designated by the U.S. Census Bureau, but excluding any city that has a population of 5,000 or less and is not located within an urban area. An "affected county" means a census-designated place, based on the 2013-2017 American Community Survey 5-year Estimates, that is wholly located within the boundaries of an urbanized area, as designated by the U.S. Census Bureau. HCD publishes a list of affected cities and counties on its page on [Statutory Determinations for Limiting Jurisdictions' Abilities to Restrict Development].

100 Percent Affordable Projects. If all of the units in the proposed housing development project, except managers' units, are affordable to, and will be occupied by, lower income households, the project is exempt from replacement housing requirements. However, the project may still be subject to tenant protection and relocation requirements in Government Code Section 66300.6(b)(3)-(4).

B. What types of units must be replaced?

If the project is a housing development project, it must include at least as many housing units as the greatest number of housing units that existed on the project site within the last five years

All development projects – including residential, nonresidential, and mixed-use projects – that propose to demolish occupied or vacant SB 330 Protected Units or that are located on a site where SB 330 Protected Units were demolished in the previous five years must replace all existing SB 330 Protected Units and all SB 330 Protected Units that were demolished on or after January 1, 2020.

SB 330 specifies four categories of housing units that qualify as a protected unit. Collectively, we refer to these units as SB 330 Protected Units throughout this guide.

Three of the categories of SB 330 Protected Units are identical to those identified as Density Bonus Protected Units. These units are those that are, or have been at any time during the last five years preceding submission of the development application:

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; or
2. Subject to some form of rent or price control through a public entity's valid exercise of its police power; or
3. Occupied by lower or very low-income households.

Note that the above-listed categories of SB 330 Protected Units will *not* need to be replaced if they were demolished more than five years ago, as they will not meet the definition of a SB 330 Protected Unit in such an instance.

Protected units under SB 330 also include those that have been withdrawn from rent or lease in accordance with the Ellis Act (Government Code Sections 7060, et seq.) within the 10 years preceding the submission of the application. Note that this category of SB 330 Protected Units will need to be replaced if (1) they were demolished on or after January 1, 2020, (2) they were demolished in the previous 10 years, and (3) the development project is proposed on a site where any type of SB 330 Protected Unit was demolished in the past five years.

In some cases, the number of SB 330 Protected Units that must be replaced may exceed the greatest number of residential dwelling units that existed on the site in the last five years.

C. How does a jurisdiction determine whether a unit must be replaced?

If a project subject to SB 330 proposes to demolish any housing units, the same information should be requested as for a density bonus application, as described in Section II.C, with the following additions:

1. **Units Withdrawn Pursuant to Ellis Act.** Indicate the number of units by bedroom on the site that in the past 10 years have been withdrawn from rent or lease pursuant to the Ellis Act.

2. **Units Demolished on or after January 1, 2020.** Indicate the number of units, by bedroom size, that were demolished on or after January 1, 2020. For each unit, indicate if the unit was (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 within the past five years; (2) subject to some form of rent or price control within the past five years; (3) occupied by low- or lower-income households within the past five years; and/or (4) withdrawn from rent or lease pursuant to the Ellis Act within the past 10 years.

D. What are the requirements for the replacement units?

For housing development projects, replacement housing units must be included in the same project, similar to the requirements to replace Density Bonus Protected Units.

For nonresidential development projects, replacement housing may be located on a different site, provided it is within the same jurisdiction as the development project; the replacement housing must be developed prior to or concurrently with the nonresidential development project, and it may be developed by a third party that enters into a contract with the project proponent.

The requirements for replacing SB 330 Protected Units are identical to those for replacing Density Bonus Protected Units, as described in Section II.D above, with one exception:

Equivalent Size. Regardless of which of the above-mentioned categories the units fall into, the replacement units must be of "equivalent size" as the units replaced. "Equivalent size" is defined as containing at least the same number of bedrooms as the units being replaced.

> **Exception: Single Unit Projects.** Where the housing development project consists of a single residential unit on a site with a single SB 330 Protected Unit, the SB 330 Protected Unit may be replaced with a unit of any size at any income level.

E. What are the rights of the current occupants of the SB 330 Protected Units?

Displaced residents – except unlawful occupants or occupants of a short-term rental that is rented for a period of fewer than 30 days – are entitled to relocation benefits and a right of first return under SB 330.

1. **All Displaced Residents:**
   a. **Occupancy Until Six Months Before the Start of Construction.** All existing residents must be allowed to remain in their units until six months "before the start of construction activities." It's not clear how to estimate the six-month period, or what "the start of construction activities" entails. At least six months before the date existing residents must vacate, the project proponent must provide them with written notice of the planned demolition, the date they must vacate, and their rights under Government Code Section 66300.6.

b. **Right to Return if Demolition Does Not Proceed.** All existing occupants that are displaced must be allowed to return at their prior rental rate if the demolition does not proceed and the property is returned to the rental market.

2. **Lower-Income Residents of SB 330 Protected Units:**

   a. **State Relocation Benefits.** The developer must provide state relocation benefits to lower-income occupants of any protected units. These include moving expenses, relocation assistance, and payment of the difference, if any, between affordable rent and rent for a "comparable" unit for up to 42 months.

   These relocation requirements arise out of a statutory reference to the California Relocation Assistance Act (CRAA). Jurisdictions should consult with their local counsel to determine how to apply the relocation requirements in the context of specific housing projects.

   Cities and counties are responsible for adopting a relocation plan when they relocate persons eligible for relocation assistance. SB 330 requires that a local agency not approve a project unless the developer agrees to pay relocation benefits to lower income households, but it is not clear precisely what responsibility local government bears.

   If the tenants do not provide the income information, eligible tenants may not receive the relocation benefits to which they may be entitled. Because tenants may be more inclined to provide income information to a neutral third-party than to the developer or the city or county and because administering relocation can be a heavy lift for local agency staff, some agencies choose to retain a relocation consultant at the applicant's expense. Typically, the cost of the relocation consultant is implemented through a permit fee. At a minimum, agencies may want to consider providing notice to tenants of their rights. See SB 330 Tenant Letter.

   b. **Right of First Refusal for New Unit.** Even after being paid relocation benefits, the lower-income occupants of any protected units are entitled to a right of first refusal for a "comparable" unit in the new housing development or in the replacement units associated with a new nonresidential development at an affordable rent or affordable housing cost, with the exceptions listed below. A "comparable" unit must have the same number of bedrooms, have the same number of total rooms (including both permitted and unpermitted rooms), and be the same size as the unit being vacated.

      i. **Exception #1:** This requirement does not apply where the development project consists of a single residential unit located on a site where a single SB 330 Protected Unit is being demolished.

      ii. **Exception #2:** This requirement also does not apply to units a housing development in which 100% of the units, exclusive of a manager's unit or units, are reserved for lower-income household, except that a right of first refusal must be offered to any occupant of an SB 330 Protected Unit who qualifies for residence in the new development and for whom providing a comparable unit would not be precluded due to unit size limitations or other requirements of one or more funding source of the housing development.

Single-Family Comparable Unit. If one or more single-family homes that qualify as SB 330 Protected Units are being replaced in a development project that consists of two or more units, "comparable unit " means either of the following: (1) a unit containing the same number of bedrooms if the single-family home contains three or fewer bedrooms; or (2) a unit containing three bedrooms if the single-family home contains four or more bedrooms. A "comparable unit" in this instance is not required to have the same or similar square footage or the same number of total rooms.

V. Additional Questions

A. How do replacement housing requirements interact with other state laws?

Replacement Units and Density Bonus. Replacement units may qualify a project for a density bonus. For instance, if 15 very low-income replacement units are required in a 100-unit project, the project would be eligible for the maximum 50% density bonus and would not need to add any more affordable units.

SB 330 and SB 9. As outlined in Section IV above, the amendments to SB 330 extended the replacement housing provisions to housing development projects that propose to demolish one dwelling unit to construct one or more dwelling units. Any SB 9 project that proposes to demolish any units, or that is listed in a local housing element, will be subject to the replacement housing requirements in SB 330.

SB 330 and AB 2011. Any AB 2011 project – mixed-income or 100% affordable – that proposes to demolish existing housing or that is proposed on a site where housing was demolished in the past five years must comply with the replacement housing and relocation assistance requirements in SB 330. This requirement applies regardless of whether the housing development project is proposed within or not within an affected city or county.

SB 330 and SB 4. Any SB 4 project that requires demolition of existing residential units or is proposed on a site where residential units have been demolished in the last five years must comply with the replacement housing provisions in SB 330. This requirement applies whether or not the project is located in an affected city or county.

SB 330, Density Bonus Law, and AB 1482. AB 1482, or the Tenant Protection Act of 2019, imposed rent caps statewide on many rental units. Units that are subject only to the rent caps in AB 1482 are considered "protected units" for the purposes of both State Density Bonus Law and SB 330. However, they do not need to be replaced unless they are also occupied by very low or low-income households or are subject to local rent control laws.

B. How do replacement housing requirements interact with relevant local laws?

Replacement Units and Local Inclusionary Ordinances. Replacement units must be considered in determining whether the project satisfies a locally adopted inclusionary requirement. This appears to mean that the replacement units may satisfy inclusionary requirements if they also meet the requirements of the local inclusionary ordinance. For example, if a local ordinance requires 15% moderate income housing and the developer provides 15% very low-income housing as replacement units, the jurisdiction may elect to require the 15% moderate-income housing in addition to the very low-income housing, or, depending on the local ordinance, allow the very low-income units to satisfy the local inclusionary requirements.

State Versus Local Replacement Requirements. If a local jurisdiction has adopted policies that require provision of more lower-income replacement units than SB 330 does or that are otherwise more protective of lower-income households than SB 330, those requirements prevail over state law requirements.

SB 330 and Local Just Cause Requirements. As mentioned in Section IV.E above, SB 330 imposes a requirement that all existing residents be permitted to remain in their units until six months "before the start of construction activities." In jurisdictions with local "just cause for eviction" laws, tenants may be entitled to additional noticing. It is suggested that these noticing requirements be carefully considered to ensure that tenancies are not terminated more than six months before the start of construction activities.

C. Do replacement housing requirements apply to illegal or unpermitted units?

Neither SB 330 nor State Density Bonus Law reference the status of the unit when defining "protected units." Rather, whether or not a unit is a "protected unit" that must be replaced is determined by the income of the tenants, any deed restrictions, rent/price control status, and Ellis Act status. Therefore, the replacement housing obligations appear to apply even where the units to be demolished are illegal or unpermitted units.

D. Where must the replacement housing be located?

SB 330 and State Density Bonus Law require that housing development projects must contain the replacement units, regardless of whether the number of units conforms with the zoning. For housing development projects, the replacement housing units cannot be provided in a separate housing development project.

SB 330 provides that, for nonresidential development, replacement housing may be located on a different site within the same jurisdiction as the project site. In addition, the nonresidential development proponent may contract with a separate entity to develop the required replacement housing units. The replacement housing must be developed before or at the same time as the nonresidential development project.

VI. Summary Checklist

The checklist below summarizes the suggested steps to take when determining the replacement housing obligations for any specific development project:

- ☐ **STEP 1:** Determine whether the proposed development project is applying for a density bonus and/or was identified on the jurisdiction's Housing Element Sites Inventory and/or proposes to demolish existing units and/or is located on a site where housing units were demolished in the past five years.
    - If yes, continue to Step 2.
    - If no, stop here.
- ☐ **STEP 2:** As part of the application for the development, require information about existing and former housing on the site as described in Sections II.C and IV.C. Consider retaining a relocation consultant if occupied housing exists on the site that will be demolished.
- ☐ **STEP 3:** Based on the information gathered, determine whether there are or were any "protected units" on the site within the last five years preceding the submission of the application for the housing development (or within the last 10 years if the Ellis Act was used).
    - If yes, continue to Step 4.
    - If no, stop here.
- ☐ **STEP 4:** Determine the number and affordability level of any required replacement housing units.
- ☐ **STEP 5:** Determine if the replacement units are sufficient to meet any local inclusionary (BMR) ordinance requirements.
    - If the application is for a Housing Element site, stop here.
    - If the application is for a density bonus project, go to step 6.
    - If the application is for a project subject to SB 330, skip to step 7.
    - If both SB 330 and State Density Bonus Law are applicable, go to step 6 and then step 7.
- ☐ **STEP 6:** Determine whether the replacement units are adequate to qualify the project for the requested density bonus, or if more affordable units are required.
- ☐ **STEP 7:** Determine the relocation rights of any existing occupants of the protected units.

VII. Additional Resources

Other resources to support jurisdictions in meeting replacement housing requirements are available on the Regional Housing Technical Assistance website. A tool is under development that will help cities calculate affordable housing unit replacement requirements for projects where demolition has already occurred or where the incomes of prior tenants cannot be determined.