



REPLACEMENT HOUSING DETERMINATION
HOUSING CRISIS ACT OF 2019, AS AMENDED BY SB 8 (2021) AND AB 1218 (2023)

The [Housing Crisis Act of 2019](#) (“HCA”; [Government Code Section 66300; SB 330](#)), as amended by [SB 8](#) and [AB 1218 \(Government Code Section 66300 et seq.\)](#), prohibits the approval of any proposed development project (“Project”) on a site (“Property”) that will require demolition of existing residential dwelling units or where residential dwelling units were demolished within the previous five years, or occupied or vacant “Protected Units”, unless the Project replaces those units as specified below.

The purpose of the replacement requirements is to prevent the loss of housing units and the displacement of lower income households.

The provisions of [AB 1218](#) apply to all development projects approved by the City on or after January 1, 2024 that involve the demolition or removal of a dwelling unit, with exceptions for certain industrial projects. [AB 1218](#) clarifies that the obligation to replace Protected Units does not apply to any units demolished prior to January 1, 2020. The HCA applies to all development projects when a development application is submitted to the City before January 1, 2030. Since 2015, replacement housing requirements have applied to projects requesting a density bonus under [Government Code Section 65915 et seq.](#)

The replacement requirements below apply to the following projects:

- Any housing development project requesting a density bonus regardless of the applicability of the [Housing Crisis Act of 2019](#) and where rental housing existed on the site in the past five years.
- All development projects – including residential, nonresidential, and mixed-use projects – 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 and 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.

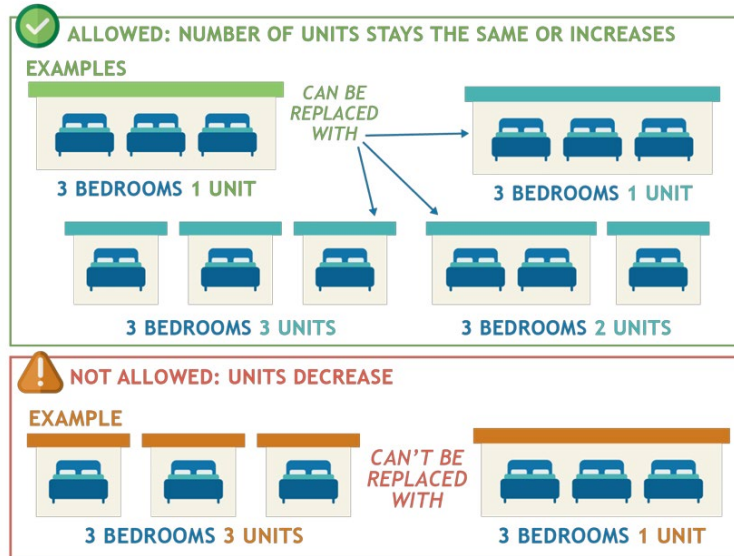
Exemption: 100% affordable housing projects- If all of the units in the proposed housing development project, except managers' units, are affordable to, and will be occupied by, lower income households, the project is exempt from replacement housing requirements. However, the project may still be subject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

Replacement of Existing Dwelling Units

The proposed development project shall provide at least the same number of units of "equivalent size" as the units being demolished or demolished within the past five years. "Equivalent size" means that the replacement units contain at least the same total number of bedrooms as the units being replaced. The units may be of any type (apartments, accessory dwelling units, townhomes, condominiums, duplexes, etc.) and may be for-sale or for rent.

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 within the city; 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.

- Example:** One three-bedroom unit could be replaced by three one-bedroom units, or one two bedroom unit and one one-bedroom unit. All units would need to be offered at the appropriate levels of affordability. 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.



Replacement of Existing or Demolished Protected Units

The proposed 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 \(<80% AMI\) or very low \(<50% AMI\) 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 (e.g. State Rent Control under [AB 1482](#));
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 occupants (i.e. W-2 forms, tax return, pay stubs, etc.).

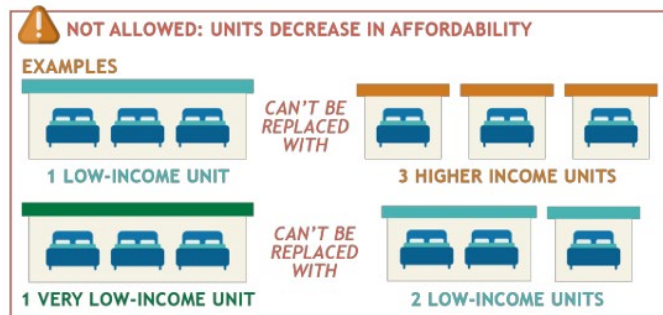
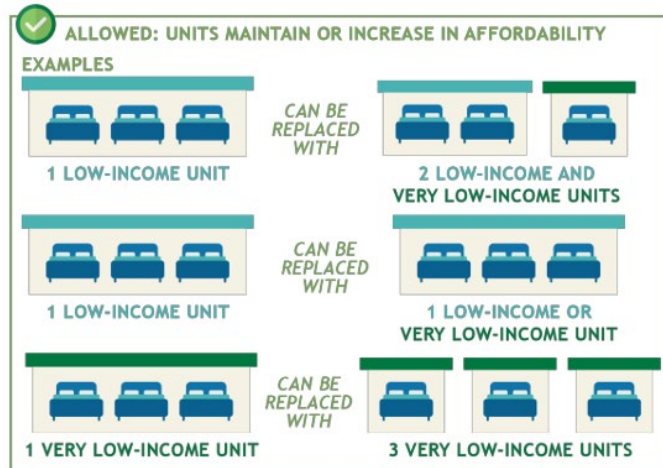
Housing and Neighborhood Services will send requests for information to each occupant of the existing project. Requests for information can take up to 2 weeks to be returned. It is the owner’s responsibility to work with the occupants to ensure that the requested information is timely produced.

In the absence of occupant income documentation: Affordability will default to the percentage of very low or low income renters in the jurisdiction as shown in the latest [HUD Comprehensive Housing Affordability Strategy \(CHAS\) database](#).

2018-2022 ACS Renter Households
as of December 23, 2025

Income Category	Very Low (<51% AMI)	Low (>50 to <81% AMI)	Total Lower Income	Total Renters
No.	9,780	7,325	17,105	25,970
%	38%	28%	66%	100%

- **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 38% of the renter households in the city are very low-income (50% or less AMI), and 28% are low income.
 - 38% of 10 units = 3.8 = 4 (rounded up) very low-income units.
 - 28% of 10 units = 2.8 = 3 (rounded up) low-income units.



Deed Restrictions Recorded

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

- 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](#).
- 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](#).

5-year and 10-year Look-back Periods for Prior Units

A development project must include at least as many residential dwelling units as the greatest number of Protected Units (i.e. the “highpoint” ([Govt Code Section 65915\(c\)\(3\)\(B\)](#)) that existed on the project site within the five-year period preceding submittal to the City.

Further, the “Protected Unit” replacement provisions of [Government Code Section 66300.5-66300.6](#) apply to any residential unit withdrawn from rent in accordance with Government Code Chapter 12.75 (commencing with [Section 7060](#)) of Division 7 of Title 1 (the “Ellis Act”) within a ten-year period prior to submittal to the City.



Rights of Current Tenant Occupants: Relocation, Right to Return, Right to Remain:

All Displaced Residents:

- 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." 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](#).
- 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.

Lower-Income Residents of SB 330 Protected Units ([California Government Code Section 66300.5\(h\)](#)):

- 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), [Chapter 16](#) (Relocation Assistance) of Division 7, Title I of the California Government Code ("[Chapter 16](#)").
- Right of First Refusal for New Unit. The lower-income occupants (as defined in [California Health and Safety Code Section 50079.5](#)) 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](#)" (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](#)). 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.
Exceptions. 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 that consists of two or more units, 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.
- A comparable unit is not required to have the same or similar square footage or same number of total rooms.



RELATIONSHIP OF HCA REPLACEMENT TO OTHER REPLACEMENT PROVISIONS IN STATE LAW

The [HCA](#) is one of several laws that include unit replacement requirements and occupant protections. Where more than one provision of State or local law relating to unit replacement and occupant protections applies, all provisions are applied, typically with the most restrictive provision superseding.

Housing Element Law

Housing Element law requires that all projects located on sites identified on the City's Housing Element sites inventory include replacement units where the site currently has residential uses or has had residential uses that were vacated or demolished within the past five years, which are either subject to rent restriction (e.g., covenant), rent stabilization, or occupied by [low- or very low-income households](#). Unlike the [HCA](#), Housing Element law requires that a new development of a single-family dwelling replace a single-family dwelling occupied by a lower-income tenant. A complete copy of the Housing Element sites inventory may be accessed on City Planning's website.

Density Bonus Law

[Density Bonus law](#) requires that certain affordable housing projects replace existing units at a rent level commensurate with the income of the household that occupied the unit to be demolished and that the new project includes at least the same total number of bedrooms as those in the residential units to be demolished. The replacement of [lower income](#) Protected Units under the [HCA](#) shall count toward the provision of affordable units in a Housing Development Project using [Density Bonus law](#).

Mello Act

The Mello Act requires that residential units that existed within the past three years in the Coastal Zone be replaced on-site whenever feasible for various development types. In certain instances, a right of first refusal may be available to certain occupants. Where a provision of the Mello Act and the [HCA](#) overlap, the provisions that result in the largest number of affordable replacement units and the deepest affordability levels apply, including the replacement provisions and occupant protections for Protected Units under the [HCA](#). A project subject to unit replacement under both the [HCA](#) and the Mello Act are required to replace units on-site as a provision of the [HCA](#).

SB 9, AB 2011, and SB 4

Any [SB 9](#), [AB 2011](#) (mixed-income or 100% affordable), or [SB 4](#) project 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](#).

Application for a Replacement Unit Determination

Owners of proposed housing developments subject to the above replacement obligations must complete an application for a Replacement Housing Determination with the Oceanside Housing and Neighborhood Services Department (NSD).

Information provided by the owner and existing tenants, as well as information gathered by Housing and Neighborhood Services will be used to determine whether any Protected Units exist. A RHD can take up to 8 weeks to process upon receipt of all the required documents.

Owners will be provided with the completed RHD with a copy sent to DSD Planning on discretionary projects and DSD Building on ministerial (by-right) projects. For additional questions about the RHD, please contact Housing and Neighborhood Services at (760) 435-3360.