

March 18, 2006

Board of Supervisors
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: ZN08-0001 Mobile home Park Conversion Subdivisions - County-initiated amendments to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance to Regulate the Conversion of Mobile home Parks to Resident Ownership by Mobile home Park Owners or Residents County wide; County initiated

RECOMMENDATIONS:

The Planning Commission recommends that your Board take the following actions:

1. FIND, that this project is categorically exempt from CEQA as set forth in Section D of this Staff Report; and
2. FIND, based on the evidence presented in the Planning Commission staff report and public hearing, that adoption of Article 13 of the Subdivision Ordinance is in the public interest and general welfare, good planning practice, an appropriate and reasonable exercise of the County's police power, and specifically authorized by Section 66411 of the California Government Code; and
3. FIND, based on the evidence presented in the staff report and at the public hearing, that the Non-Coastal Zoning Ordinance Amendment findings set forth in Section 8115-0 and 8115-3.1 are met as set forth in section C of this Staff Report; and
4. FIND, based on the above, that the proposed amendments to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance are necessary and appropriate to implement, harmonize, and further certain goals, policies, and programs of the County's General and Area Plans, including those found within the County General Plan's Housing Element, while complying with State laws related to the conversion of mobile home parks to resident ownership; and
5. ADOPT an ordinance (Exhibit "6") amending the Non-Coastal Zoning Ordinance and the Subdivision Ordinance as set forth in Exhibit "2"; and



6. DIRECT Staff to File a Notice of Exemption pursuant to the CEQA Guidelines section 15374; and
7. SPECIFY the Clerk of the Board of Supervisors and the Clerk of the Planning Commission at 800 South Victoria Avenue, Ventura as the custodians and location of the record of proceedings upon which these decisions are based.
8. The Planning Commission also approved a general recommendation that your Board consider raising the ceiling percentage for what is presumed to NOT be a bona fide conversion. The proposed language, in Sec. 8213-3(2)(c), is 20%.

FISCAL/MANDATE IMPACT:

None

DISCUSSION:

On January 8, 2008, your Board directed staff to prepare proposed subdivision and zoning ordinance amendments and to bring them before your Board following review and recommendation by the Planning Commission (Exhibit "3"). The general purpose of the proposed amendments is to regulate conversions of mobile home parks to resident ownership, so as to ensure the proper processing of applications for such conversions, while protecting park owners' and residents' rights, and also furthering (to the maximum extent permitted by law) the goals, programs, and policies of the County's General Plan. Specifically, the purposes of the proposed amendments' provisions are:

1. To implement state laws with regard to the conversion of mobile home parks to resident ownership;
2. To ensure that conversions of mobile home parks to resident ownership are bona fide resident conversions in accordance with state law;
3. To implement and further the goals, policies, and programs of the General Plan Housing Element;
4. To balance the need for increased homeownership opportunities with the need to protect existing rental housing opportunities;
5. To provide adequate disclosure to decision-makers and to prospective buyers prior to conversion of mobile home parks to resident ownership;
6. To ensure the public health and safety in converted parks; and,
7. To conserve the County's affordable housing stock.

The Planning Commission staff report with a complete analysis and discussion of the proposed amendments is attached as Exhibit "1."

On February 7, 2008, the Planning Commission held a public hearing on the proposed changes. Statement cards were submitted from 32 attendees and testimony was

received from 5 speakers. One letter was submitted and is attached as Exhibit "A." All speakers and comment cards supported the proposed changes.

During the staff presentation, staff explained the distinction between the two common ways of converting mobile home park ownership. The first option was developed in the mid-1980s, as an alternative to problems of increasing rents and the closure of some parks altogether. The concept, resident-owned parks (ROPs), gained popularity in California. In an ROP, the park residents form a homeowner's association and purchase their own park as a stock cooperative or as a condominium project. When initiated by the residents of a mobile home park, the conversion of the park to resident ownership may at least provide the current residents with the security and advantages of full homeownership. Resident-initiated conversions, however, may be economically infeasible in Ventura County, where the land underlying mobile home parks is often valued in the millions of dollars and the deferred maintenance costs for infrastructure have escalated far beyond the financial reach of most park residents.

In contrast to ROPs, there is a growing move by park owners themselves to initiate the conversion of mobile home parks to resident ownership. The financial benefits to park owners are two-fold: profits may be gained through the sale of individual lots and, for those spaces that remain as rentals, the park is released from local rent control upon sale of just one lot. None of the current applications for conversion of existing parks to resident ownership in Ventura County and its cities were initiated by park residents. Rather, park owners seeking to maximize or protect their investment are pursuing them, and their efforts may or may not be supported by the residents of these park.

The Commission's questions and discussion focused on the Tenant Impact Report required by the Subdivision Map Act (SMA) and more fully described in the proposed Subdivision Ordinance Amendments. Proposed amendments would define the standards for a "bona fide" ownership conversion. Staff's analysis has suggested that a "bona fide resident conversion" is one which is initiated or supported by most of the resident households and is not undertaken merely to get out from under local rent control. To achieve this goal, the proposed amendments require the subdivider to show that:

- a significant percentage of the residents (at least 20%) support the conversion; and
- the conversion includes a plan designed to ensure that most of the lots are sold to existing residents within a reasonable period of time; and
- the conversion is not undertaken merely as a means of circumventing local rent control. For non-purchasing tenants, this could mean measures such as extending existing rent control protections to senior households, disabled households, and moderate-income households.
- finally, if less than 20% of residents support the conversion, the draft ordinance establishes that the application will be presumed not to be a bona fide resident conversion and will be denied.

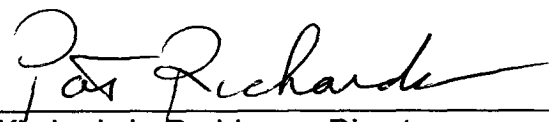
Although unable to settle on a specific figure, the Commission recommends that your Board consider a percentage greater than 20% for the presumption that the conversion is not a bona fide resident conversion. Staff explained that your Board's direction to staff was to recommend amendments that adhered closely to the adopted Sonoma County Ordinance (which has survived one judicial challenge thus far) and that the Commission's recommendation for a figure different than Sonoma's would be brought forward for your Board's consideration. In subsequent conversations with Sonoma County, staff learned that Sonoma selected 20% as low enough to reasonably reflect tenant interest and readily defensible as a threshold for park owners to achieve to support that the conversion is bona fide.

On a 4-0 vote (Commissioner Bartels absent) the Planning Commission recommended that your Board adopt the proposed ordinance amendments. The Planning Commission also approved a general recommendation that your Board consider raising the ceiling percentage for what is presumed to NOT be a bona fide conversion. The proposed language, in Sec. 8213-3(2)(c), is 20%.

PUBLIC AND JURISDICTIONAL REVIEW:

A 1/8th page legal notice was published in the *Ventura County Star* on or about March 8, 2008. As of the date of this document, no correspondence has been received.

This item has been reviewed by the offices of the County Executive Office, Auditor Controller, and County Counsel. If you have any questions concerning this item please contact Nancy Francis at nancy.francis@ventura.org or 805-654-2461.


for Kimberly L. Rodriguez, Director
PLANNING DIVISION

Attachments:

Exhibit "1" – Planning Commission Staff Report, February 7, 2008

Exhibit "2" – Proposed Non-Coastal Zoning Ordinance & Subdivision Ordinance
Amendments

Exhibit "3" – Board letter [and selected Minutes] of January 8, 2008

Exhibit "4" – Government Code Section 66427.5

Exhibit "5" – Planning Commission Resolution No. 08-02

Exhibit "6" – Ordinance amending the Ventura County Subdivision and Non Coastal
Zoning Ordinances

Exhibit "7" – February 29, 2008, letter from Susy Forbath of Gilchrist & Rutter

Exhibit "8" – February 29, 2008, letter from Californians for Resident Ownership

Exhibit Submitted at Planning Commission Hearing, 2/7/2008:

Exhibit "A" – Letter from Daniel Tillotson, El Sereno Estates Residents Association

**VENTURA COUNTY PLANNING COMMISSION
STAFF REPORT AND RECOMMENDATIONS
Meeting Of February 7, 2008**

SUBJECT: ZN08-0001 Mobilehome Park Conversion Subdivisions - County-initiated amendments to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance to Regulate the Conversion of Mobilehome Parks to Resident Ownership by Mobilehome Park Owners or Residents

APPLICANT: County of Ventura
Resource Management Agency
Planning Division
800 South Victoria Avenue
Ventura, CA 93009

REQUEST: The Planning Division staff requests that your Commission review this staff report and its attachments, and act on the staff recommendations included herein, relating to the proposed Non-Coastal Zoning Ordinance Amendments and Subdivision Ordinance Amendments (Exhibit "2"), proposed for your review in keeping with directions to staff from the Board of Supervisors on January 8, 2008.

STAFF TESTIMONY AND PROPOSED FINDINGS:

A. **Background:** On January 8, 2008, the Board of Supervisors directed staff to prepare the proposed subdivision and zoning ordinance amendments and to bring them before your Commission for a recommendation on their adoption by the Board at a meeting subsequent to your hearing this matter. (Exhibit "3".) The general purpose of the proposed amendments is to regulate conversions of mobilehome parks to resident ownership, so as to ensure the proper processing of applications for such conversions, while protecting park owners' and residents' rights, and also furthering (to the maximum extent permitted by law) the goals, programs, and policies of the County's General Plan. Specifically, the purposes of the proposed amendments' provisions are:

1. To implement state laws with regard to the conversion of mobile home parks to resident ownership;
2. To ensure that conversions of mobile home parks to resident ownership are bona fide resident conversions in accordance with state law;
3. To implement and further the goals, policies, and programs of the General Plan Housing Element;

4. To balance the need for increased homeownership opportunities with the need to protect existing rental housing opportunities;
5. To provide adequate disclosure to decision-makers and to prospective buyers prior to conversion of mobile home parks to resident ownership;
6. To ensure the public health and safety in converted parks; and,
7. To conserve the County's affordable housing stock.

B. Project Description: As indicated above, the proposed amendments seek to amend the County's Non-Coastal Zoning and Subdivision Ordinances to provide guidelines for future conversions of mobilehome parks to resident ownership. The issue of regulating such conversions recently surfaced with the filing, in early 2007, of an application for such a conversion. That application was filed by a mobilehome park owner in the unincorporated Ojai area of the County (the "Ojai Oaks project"). The Ojai Oaks project is set to be heard by your Commission on February 14, 2008. That project is the first application to be filed with the County pursuant to Government Code Section 66427.5 (Subdivision Map Act, or SMA, Sec. 66427.5). (Exhibit "4".) It is also the first application for the conversion of a mobilehome park to resident ownership of any kind filed in Ventura County. Within the past few years, the primary State statute (SMA Sec. 66427.5) that governs conversions to resident ownership has been the subject of both significant amendment and interpretation by the courts, as discussed further, below. In response to these developments, and to fill a void in its ordinance provisions, Sonoma County adopted an ordinance nearly identical to the one proposed for your review. Sonoma County's ordinance (Exhibit "3" p. 4 et seq.) was challenged in its superior court but that court upheld its adoption last October. (The park owner's appeal of that trial court's decision is currently pending before the court of appeal.)

In early 2007, after receiving notice that the Ojai Oaks application was being filed, staff informed the Board that Ventura County's current zoning and subdivision ordinances also lacked specific guidance on how to process applications under SMA Sec. 66427.5, as recently interpreted by the courts and further amended by the Legislature (Exhibit "4"). Local zoning and subdivision provisions do not inform staff how to harmonize such conversions with the goals, policies, and programs of the County's General Plan and how to best implement Sec. 66427.5's provisions, discussed below. It is in this context that the Board asked staff to bring forward the proposed ordinance amendments.

The purpose of the proposed amendments to the Non-Coastal Zoning and Subdivision ordinances is to fill the void in our local laws by adopting reasonable and appropriate regulations governing the processing of such applications. The proposed amendments also attempt to provide, to the extent permitted by law, measures to prevent any potential loss of affordable housing such conversions might otherwise cause within the unincorporated areas of the County, in keeping with the established goals, programs, and policies of the County's General Plan and related provisions of State law.

1. The Non-Coastal Zoning Ordinance Amendments. These proposed changes consist of adding two new definitions to Article 17, regarding mobilehome park conversions and closures, to clarify what local provisions apply to such situations. If these amendments are approved, Section 8117-1 of Article 17, Division 8, Chapter 1 of the Ventura County Ordinance Code will be amended to add to its existing definitions the following:

- a. A definition of "Mobile Home Park Conversion to Resident Ownership" will be added to read as follows: "Mobile Home Park Conversion to Resident Ownership - The conversion of a mobile home park composed of rental spaces to a condominium or common interest development, as described in and/or regulated by Government Code Section 66427.5 and/or Section 66428.1. Unless otherwise provided therein, such conversions are governed by Article 13 of Division 8, Chapter 2 of the Ventura County Non-Coastal Ordinance Code."
- b. A definition of "Mobile Home Park Closure, Conversion, or Change of Use" is added to read as follows: "Mobile Home Park Closure, Conversion or Change of Use - Changing the use of a mobile home park such that it no longer contains occupied mobile or manufactured homes, as described in and regulated by Government Code Section 66427.4. Such conversions are governed by this Article.

2. The Subdivision Ordinance Amendments. The proposed amendments include a modified definition of what constitutes a "subdivision" (modified to include mobilehome park conversions). In addition, and because the proposed regulations of mobilehome park conversions are new and relate to processing these novel applications, additional substantive amendments will be located in a new Article 13, added to the existing body of the Subdivision Ordinance. These new regulations are discussed in **Section D. below** but include the following, general provisions:

Proposed Section 8213-1 – “Applicability.” This section includes a statement that the article applies to all conversions of mobile home parks to resident ownership except those conversions for which mapping requirements have been waived pursuant to Government Code Section 66428.1.

Proposed Section 8213-2 – “Application Materials Required.” In addition to any other information otherwise required by State law and the Subdivision Ordinance for all maps, this section specifies what information is required at the time of filing of an application for conversion of a mobile home park to resident ownership in keeping with the terms of Sec. 66427.5.

Proposed Section 8213-3 – “Criteria for Approval of Conversion Application.” This section specifies the criteria for County approval of an application for the conversion of a mobile home park to resident ownership under Sec. 66427.5, including the filing of a survey of resident support and a tenant impact report, as well as evidence supporting findings of consistency with the General Plan, any applicable Specific or Area Plan, and the provisions of Chapters 1 and 2 of Division 8 of the Ventura County Ordinance Code. This section also specifies criteria for establishing that the proposed conversion is a “bona fide resident conversion” as required by Sec. 66427.5, and requires that appropriate provision has been made for the establishment and funding of an association or corporation adequate to ensure proper long-term management and maintenance of all common facilities and infrastructure. Additionally, the amendment ensures that there are no conditions existing in the mobile home park that are detrimental to public health or safety, provided, however, that if any such conditions exist, the application for conversion may be approved if all of the other required findings can be made and the subdivider has instituted corrective measures adequate to ensure prompt and continuing protection of the health and safety of park residents and the general public.

This section also sets forth local criteria for determining whether the conversion is a bona fide one, as required by Sec. 664527.5, as follows:

- (a) Where the survey of resident support conducted accordance with Government Code Section 66427.5 shows that more than 50% of resident households support the conversion to resident ownership, the conversion shall be presumed to be a bona fide resident conversion.
- (b) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 shows that at least 20% but not more than 50% of the residents support the conversion to resident

ownership, the subdivider shall have the burden of demonstrating that the proposed conversion is a bona fide resident conversion. In such cases, the subdivider shall demonstrate, at a minimum, that a viable plan, with a reasonable likelihood of success as determined by the decision-maker, is in place to convey the majority of the lots to current residents of the park within a reasonable period of time.

- (c) Where the survey of support conducted in accordance with Government Code Section 66427.5 shows that less than 20% of residents support the conversion to resident ownership, the conversion shall be presumed not to be a bona fide resident conversion.

Proposed Section 8213-4 – “Tenant Notification.” This section specifies the notices required under Sec. 66427.5 and other, related provisions of State law, including the availability of a tenant impact report to residents of the park and notice of their right to continue residency as a tenant in the park.

C. Standards for Amendments to the Zoning Ordinance

1. An amendment to the Non-Coastal Zoning Ordinance may only be approved if it can be found that all the standards specified in Section 8115-0 of the Zoning Ordinance can be met. The permit approval standards, supporting evidence, and proposed findings are as follows:
 - a. **The subject request does not compromise the public health, safety, or general welfare.** The proposed amendments are administrative only and do not involve any substantive changes. As a condition of approving the mobilehome park conversions related thereto, a finding that the project “will not be detrimental to the public health, safety and welfare” must be made. Therefore, the proposed amendments will not compromise the health, safety and general welfare.
 - b. **The subject request is in conformance with good zoning practice.** The proposed changes are administrative only and do not involve any substantive changes. Therefore, based on the foregoing analysis, the proposed amendments are in conformance with good zoning practice.
 - c. **The subject request is consistent with the General Plan.** As detailed below, the recommended amendments to the Subdivision Ordinance would promote the goals, policies, and programs of the General Plan, specifically those regarding the provision of affordable housing. Currently, there are no local standards specifically governing how mobilehome park conversions to resident ownership are processed in accordance with recent changes in State law. The proposed zoning amendment changes related thereto, however, are administrative only and do not involve any substantive change. Therefore, and based on the

following analysis, the proposed amendments to the Non-Coastal Zoning Ordinance are consistent with the General Plan.

2. Section 8115-3.1 of the Non-Coastal Zoning Ordinance requires the Planning Commission to include in its recommendation to the Board of Supervisors the reasons for the recommendation and the relationship of the proposed ordinance or amendments to applicable general and specific plans. These are set forth below.

a. Reasons for recommendation. Approval of the amendments is recommended because they would promote the goals, policies, and programs of the General Plan with respect to preservation of low income housing, as described in Section C-1-c, above.

b. Relationship of Proposed Amendments to General Plan and applicable specific plans.

1) General Plan. As noted in Section C-1-c above, the proposed amendments promote the goals of the General Plan, specifically the preservation of low income housing. In particular, the proposed amendments further the following General Plan goals, policies and programs:

Goal 3.3.1-3 - Housing Preservation Goals: Preserve the condition of the existing housing stock and the continuing affordability of currently affordable units:

(1) Encourage the physical maintenance of the existing standard housing stock (29,505 units), especially mobile homes (1,251 units) in mobile home parks and multi-family rental units (2,945 units).

(2) Assure, where feasible, the continued affordability of the existing affordable housing stock.

(3) Assure, where feasible, that affordable housing in the Coastal Zone is replaced in proximity when demolished or converted.

Program 3.3.3-3(4) - The Planning Division will continue the Mobile Home Park Rent Review Program to assure that the amount of rent does not increase more than set forth in the Mobile Home Park Rent Review Ordinance.

2) The County has ten Area Plans, which are subsidiaries of the General Plan. These plans, and the relevant goals, policies, and programs (if any), are listed below.

(a) Ahmanson Ranch Area Plan – not applicable as property was purchased by the State before any development could take place.

(b) Coastal Area Plan: not applicable as there are no additional housing preservation goals, policies, or programs and no mobilehome parks subject to the proposed Non-Coastal Zoning Ordinance amendments

(c) El Rio/Del Norte Area Plan: not applicable as there are no additional housing preservation goals, policies, or programs

(d) Lake Sherwood/Hidden Valley Area Plan: n/a (no additional housing preservation goals or policies)

(e) North Ventura Avenue Area Plan: not applicable as there are no additional housing preservation goals, policies, or programs

(f) Oak Park Area Plan: not applicable as there are no additional housing preservation goals, policies, or programs

(g) Ojai Valley Area Plan: Goal 3.5.1- 3. Provide housing opportunities affordable to people of all income levels.

(h) Piru Area Plan: not applicable as there are no additional housing preservation goals, policies, or programs

(i) Saticoy Area Plan: not applicable as there are no additional housing preservation goals, policies, or programs

(j) Thousand Oaks Area Plan: Goal 3.3.1-1. - Provide living opportunities for families of a wide range of incomes. Policy 3.3.2-3 - development permits involving 20 or more dwelling units shall be conditioned to provide a variety of housing densities to meet the needs of diverse family income levels.

Therefore, to the extent they relate to the area plans, the proposed amendments help achieve their goals, etc.

For the reasons stated above, the proposed amendments are therefore in conformance with the requirements of Non-Coastal Zoning Ordinance Sections 8115-0 and 8115-3.1.

D. Conversions Under the Proposed Subdivision Ordinance Amendments

Context: Within the last few years, a growing number of mobile home park owners across the state have been proposing to convert their parks to resident owned condominiums or subdivisions under Section 66427.5 (Exhibit "4"). A primary feature of such conversions is that, upon completion of the conversion and sale of a

single lot, the park becomes exempt from local mobile home space rent control.

As mentioned above, there is currently one application for conversion of a mobile home park to resident ownership pending in the County, but others are expected to be filed in the near future. Owner-initiated conversion applications are also being processed or are pending in at least two cities within Ventura County.

Mobile home parks provide significant affordable housing stock throughout Ventura County, including its cities and unincorporated area. There are more than 1300 mobile homes located within 26 parks within the unincorporated County. [According to data generated for the County's 2008 General Plan Housing Element Update, homes within mobile home parks make up almost 5% percent of the unincorporated County's housing stock, and an even higher percentage of its affordable housing stock.] The majority of park residents are age 65 or older and most park households have at least one retired member whose primary source of income is Social Security. [Based on information provided by the County Mobilehome Owners' Association, staff believes that approximately half of the households living in mobile home parks would qualify as low income, with the remainder likely falling into the moderate income category.] Many mobile home park residents may also have special needs such as chronic medical conditions, mobility issues or other disabilities.

Resident-Owned Parks vs. Owner-Initiated Conversions

In the mid-1980s, as an alternative to problems of increasing rents and the closure of some parks altogether, the concept of resident-owned parks (ROPs) gained popularity in California. In an ROP, the park residents form a homeowner's association and purchase their own park as a stock cooperative or as a condominium project. In response to this movement, the state legislature enacted various changes to the Subdivision Map Act to simplify the process and encourage ROPs. They also adopted a CEQA exemption for resident-initiated conversions to ROPs, and initiated the Mobilehome Park Resident Ownership Program (MPROP) to provide a limited loan program to assist homeowners associations and low-income residents in purchasing their own parks. When initiated by the residents of a mobile home park, the conversion of the park to resident ownership may at least provide the current residents with the security and advantages of full homeownership. Resident-initiated conversions, however, may be economically infeasible in Ventura County, where the land underlying mobile home parks is often valued in the millions of dollars and the deferred maintenance costs for infrastructure have escalated far beyond the financial reach of most park residents.

In contrast to ROPs, there is now a growing move by park owners themselves to initiate the conversion of mobile home parks to resident ownership. The financial benefits to park owners are two-fold: profits may be gained through the sale of individual lots and, for those spaces that remain as rentals, the park is released from local rent control upon sale of just one lot. None of the current applications for conversion of existing parks to resident ownership in Ventura County and its cities were initiated by park residents. Rather, park owners seeking to maximize or protect their investment are pursuing them, and their efforts may or may not be supported by the residents of these park.

Limitations in State Law

In 1993, the park owner of the El Dorado Mobile Country Club, a 377-space mobile home park in Palm Springs, filed a tentative subdivision map with the city as a first step in converting his park to resident ownership. This case is the first published legal decision involving a park successfully converted to resident ownership by a park owner, as contrasted with previous ROP conversions, which had been initiated by resident homeowner associations and a failed attempt at park owner conversion (the map never recorded), filed in Santa Paula in the 1990s.

The City of Palm Springs, concerned that the conversion was a "sham" driven by a park owner whose motive was to circumvent the city's rent control ordinance, imposed several conditions on the map including one that the map would not be effective (meaning the park would not be exempt from local rent control) until more than 50% of the lots were sold to residents. The El Dorado park owner sued the city, claiming the effective date of conversion was when one lot was sold. Although the city won the first round, the park owner appealed, and the 4th District Court of Appeal reversed (*El Dorado Palm Springs, Ltd. v. City of Palm Springs* (2002) 96 Cal.App.4th 1153). The appellate court ruled that the city was limited by the SMA Sec. 66427.5 and opined that "the question of whether there should be more protections in the statute to prevent 'sham' resident conversions by park owners (is) a legislative, not legal, issue."

In response, AB 930 (Keeley, 2002) was introduced to permit local governments to impose additional requirements on the conversion of a mobile home park to a condominium. The bill was heavily lobbied and debated, with mobile home owners, housing advocates and local governments supporting the bill and park owners opposing it. As finally passed and signed by the Governor, AB 930 allows local governments to require park owners, as part of the subdivision process, to provide a "survey of resident support" for the proposed conversion.

Defining a "Bona Fide Resident Conversion"

In adopting AB 930, the legislature included uncodified "intent" language stating the bill was intended to assure such conversions were "bona fide" in accordance with the El Dorado case (see Exhibit 4"). In its statement of intent, the Legislature notes that the survey of resident support requirement was intended to ensure that the conversion is a "bona fide resident conversion." Neither the codified bill nor the uncodified statement of intent define the level of resident support that might indicate that a conversion is "bona fide."

Staff's analysis has suggested that a "bona fide resident conversion" is one which is initiated or supported by most of the resident households and is not undertaken merely to get out from under local rent control.

The proposed draft ordinance, therefore, establishes that a conversion is "bona fide" if more than 50% of households in occupied spaces support the conversion. In accordance with state law, the "survey of resident support" must be conducted according to an agreement between the subdivider and the residents' association.

The proposed draft ordinance also recognizes that fears and emotions run high in proposed conversion projects, such that it may be difficult for a subdivider to obtain support greater than 50% even if the majority of residents would possibly support the conversion if they had additional information. In this case, the proposed ordinance would require that the subdivider demonstrate that the conversion is "bona fide" by requiring the subdivider to show that:

- § a significant percentage of the residents (at least 20%) support the conversion; and
- § the conversion includes a plan designed to ensure that most of the lots are sold to existing residents within a reasonable period of time; and
- § the conversion is not undertaken merely as a means of circumventing local rent control. For non-purchasing tenants, this could mean measures such as extending existing rent control protections to senior households, disabled households, and moderate-income households.
- § finally, if less than 20% of residents support the conversion, the draft ordinance establishes that the application will be presumed not to be a bona fide resident conversion and will be denied.

The Required Report

Staff submits that each of the elements of the report required by the proposed ordinance is a reasonable requirement. The first four elements concern anticipated

changes in rent for existing tenants: first, the baseline, that is, how many spaces are in the park and what are their recent rental rate histories? Second, how and when will the subdivider offer the residents their option to purchase, and *to the extent information is available*, how many sales does the subdivider anticipate to current residents? Third, of those who will remain as tenants, and *to the extent information is available*, how many households does the subdivider anticipate will be subject to the statute's four year market rate phase in and how will that phase in be calculated? Fourth, of those who will remain as tenant, and *to the extent information is available*, how many households does the subdivider anticipate will be subject to statute's CPI rental caps, and how will those caps be determined and enforced?

The fifth item concerns the ability for current residents to move, if they so desire: are other sites available and how much would it cost the residents to move? The sixth, seventh and eighth items concern the condition of the park and what shared costs might face those who choose to purchase lots: what is the remaining useful life of common facilities? If the remaining life is less than thirty years, what is the anticipated cost of replacement and what funding does the subdivider plan to provide? What are the annual overhead and operating costs and what funding does the subdivider plan to provide?

Obviously if a park has serious infrastructure needs and the subdivider can provide only limited funds, the impact of the conversion on residents may be quite different than if the residents will take over a well maintained, well funded park. If the subdivider intends to set aside capital funds as he or she goes through the public disclosure and marketing process under the California Department of Real Estate, he or she can so state in the tenant impact report.

The ninth and tenth items provide noticing information (names and address) and generally identify potential special needs. Large households, seniors and disabled residents may face greater impacts from conversion, as alternative housing may not be as easy to find and financial constraints may be greater.

Owners may raise concerns that the report requirements touch on confidential information concerning park residents, particularly concerning income levels and special needs, information that the park owner may not have. In each instance, however, the proposed ordinance requires *only* estimates and *only* "to the extent available." (Exhibit "2" pp. 3-4.) Indeed, it is not unreasonable to expect that a prudent park owner would have made many of these estimates in determining the feasibility of a conversion of a park.

Provision of Adequate Information to Residents and Decision-makers

One of the most common complaints from residents in mobile home parks proposed for a conversion to resident ownership is that the subdivider is not providing them with enough information for the residents to make an informed choice. It is difficult for residents to know whether or not a conversion might be a good thing unless they have some idea of the price of the lot and the monthly costs of the homeowners' association, including costs for maintaining infrastructure and amenities.

This problem is fueled in part by the Department of Real Estate (DRE) prohibition of release of sales prices for converted lots (and other common interest developments) until issuance of a public report, or "white paper," which cannot occur until after local government approval of the subdivision map has been granted. A DRE-approved public report also contains the required disclosures to prospective buyers, including the assessments and reserves that will be necessary for maintaining park facilities, common areas, and the homeowners' association.

By law, a subdivider cannot release lot sales prices until issuance of the DRE public report. However, there is no prohibition in the law against the release of comparable sales prices of which the subdivider is aware. There is also no prohibition on the early release of information to residents that must also be provided by the subdivider to the DRE following local agency approvals. The proposed ordinance therefore requires that the subdivider provide the same type of information to residents that will also later be required by the DRE, including reports on the condition and remaining life of the park infrastructure, and the costs to replace and maintain the same. Under the proposed ordinance, this information must be provided to residents prior to conduct of the survey of resident support.

Public Health and Safety Concerns

Mobile home parks having been developed at least 20 to 30 (or more) years ago are now facing some significant infrastructure replacement issues. [In particular, concerns have been expressed by residents over such health and safety concerns within existing, older parks as water quality, lack of water pressure needed for firefighting, deteriorating and leaking sewer and gas lines within parks, faulty wiring, increased flooding, and site contamination issues.] Also, spaces in parks originally designed for and limited to smaller senior households could be sold to households with families, a change that could double the intended occupancy and potentially overwhelm infrastructure systems.

Nothing in state law limits the County's ability to place conditions on a conversion to protect the public health and safety. State laws for resident-initiated conversions

with at least 2/3 support provide for a streamlined approval process, including waiver from mapping requirements in most cases. Even in these streamlined ROPs, state law expressly allows local jurisdictions to impose such conditions as are necessary to protect the public health and safety. It appears clear that such conditions may also be imposed on owner-initiated conversions. The proposed ordinance requires that the decision-maker deny the conversion unless the protection of the public health and safety is assured. Indeed, such an argument was made in the Sonoma County superior court case and (apparently) accepted by that trial court.

Financial Assistance to Purchasers; Shortage of Local and MPROF Funding

For those residents who may decide to purchase their lot when a park converts, financial assistance is limited. Private bank loans are often difficult to obtain for households on fixed incomes, and even more so when the mobile homes are older. Park owners suggest that local governments should step forward to provide purchase funds, but government resources are already stretched to the limit. There are no significant, long-term sources of local government funding for the purchase of individual mobile home lots in privately-held parks.

Park owners also point to the State's MPROF funding program, but in reality MPROF is inadequate to address the local need. MPROF provides funding in three categories:

- (1) "conversion loans"— short-term financing for park conversion costs, given to resident organizations, qualified nonprofit housing sponsors and local public entities;
- (2) "blanket loans" – long-term financing, given to resident organizations, qualified nonprofit housing sponsors and local public entities for purchase of the park as a whole; and
- (3) "individual loans"— long-term financing given to low-income households for acquisition of their individual lots.

The first 2 categories of loans are made to facilitate conversions that are initiated and supported by residents, non-profits and public entities. In the case of owner-initiated conversions, only individual loans could be made available to low-income resident households to purchase their own lots. These individual loans are generally limited to fifty percent of the cost of the lot, and are awarded on a competitive basis.

For 2007, total MPROF funding is \$8 million statewide. Assuming that only one-third of that amount is available for individual loans, and that the average cost of a lot is at least \$100,000, altogether, MPROF funding could assist less than 60 low-

income households, statewide, in the purchase of their individual lots. Pending legislation backed by park owners would increase MPROP funding by funneling monies from other low-income housing programs into the MPROP fund. However, even if the new legislation passed, with more than 1,300 households facing possible owner-initiated conversions in Ventura County alone, it is clear that MPROP funding will fall far short of the need.

The proposed ordinance encourages the subdivider to assist both purchasing and non-purchasing households in making a successful transition to resident ownership through the provision of non-government grants or low-interest loans to assist purchasers; voluntary extension of state rent control provisions to moderate-income and disabled households; and the voluntary extension of the phase-in period to market-rate rental rates. Offers to residents of governmental grants and loans are not considered to be a demonstrated effort on the part of the subdivider to assist resident households in a successful transition because of the funding shortfall.

E. Compliance With California Environmental Quality Act:

The Planning Division has reviewed the project to ascertain if it would have any significant effects on the environment. It was determined that the amendments are covered under at least one Categorical Exemptions to the California Environmental Quality Act (CEQA), as covered by and found in CEQA Guidelines Sections 15061(b)(2) and 15301 – actions related to the operation, etc., of existing facilities involving no expansion of use beyond that existing at the time of the actions, and that the project is otherwise exempt under CEQA Guidelines Section 15061(b)(3) in that adoption of these amendments will not result in any physical change to the environment.

This determination was based on the following analysis:

1. Will additional development or new uses be allowed?

No. The proposed amendments do not allow any additional development or uses in any zone.

2. Will the density of development be increased?

No increased density of existing allowed uses is being proposed.

3. Will the intensity of development be increased?

No increased intensity of existing allowed uses is being proposed.

The changes involve altering the definition of subdivisions to include within its ambit all conversions of mobilehome parks to resident ownership and provide the rules

that apply to the processing of such applications, including those filed by mobilehome park owners under SMA Sec. 66427.5. These amendments also do not constitute a "project" as defined in CEQA (see Guidelines, Sec. 15378), because they do not involve any activity that has the potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and therefore do not require additional CEQA documentation or review.

F. Jurisdictional Comments:

The project was not distributed to any other jurisdictions, because the effects of the amendments to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance would be restricted to the unincorporated County areas. Notice of this hearing was provided to each of the ten County cities.

G. Public Comments:

An one-eighth page notice was published in a local newspaper, the Ventura County Star, describing the changes to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance. As of the date of this report, no comments have been received.

RECOMMENDED ACTIONS: Staff recommends that the Planning Commission adopt a Resolution RECOMMENDING that the Board of Supervisors;

1. FIND, that this project is categorically exempt from CEQA as set forth in Section D of this Staff Report; and
2. FIND, based on the evidence presented in the Planning Commission staff report and public hearing, that adoption of Article 13 of the Subdivision Ordinance is in the public interest and general welfare, good planning practice, an appropriate and reasonable exercise of the County's police power, and specifically authorized by Section 66411 of the California Government Code; and
3. FIND, based on the evidence presented in the staff report and at the public hearing, that the Non-Coastal Zoning Ordinance Amendment findings set forth in Section 8115-0 and 8115-3.1 are met as set forth in section C of this Staff Report; and
4. FIND, based on the above, that the proposed amendments to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance are necessary and appropriate to implement, harmonize, and further certain goals, policies, and programs of the County's General and Area Plans, including those found within the County General Plan's Housing Element, while complying with State laws related to the conversion of mobilehome parks to resident ownership; and

5. ADOPT an ordinance amending the Non-Coastal Zoning Ordinance and the Subdivision Ordinance as set forth in Exhibit "2"; and
6. DIRECT Staff to File a Notice of Exemption pursuant to the CEQA Guidelines section 15374; and
7. SPECIFY the Clerk of the Board of Supervisors and the Clerk of the Planning Commission at 800 South Victoria Avenue, Ventura as the custodians and location of the record of proceedings upon which these decisions are based.

The Board of Supervisors hearing on this item is **tentatively** scheduled for Tuesday, March 18, 2008. Staff will confirm the date and time at your hearing. Should you have any questions, please contact the case planner noted below.

Prepared by:



Nancy Butler Francis, Manager
Land Use Permits Section
(805) 654-2461, nancy.francis@ventura.org

Reviewed by:



Kimberly L. Rodriguez, Director
Resource Management Agency

Attachments:

Exhibit "2" – Proposed Non-Coastal Zoning Ordinance & Subdivision Ordinance
Amendments

Exhibit "3" – Board letter [and selected Minutes] of January 8, 2008

Exhibit "4" – Government Code Section 66427.5

ORDINANCE NO. _____

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA, AMENDING THE VENTURA COUNTY ORDINANCE CODE, DIVISION EIGHT, CHAPTER ONE (THE NON-COASTAL ZONING ORDINANCE) AND DIVISION EIGHT, CHAPTER TWO (THE SUBDIVISION ORDINANCE), ADDING ARTICLE 13 TO THE SUBDIVISION ORDINANCE, IN ORDER TO ESTABLISH PROCEDURES AND REQUIREMENTS FOR THE CONVERSION OF MOBILE HOME PARKS TO RESIDENT OWNERSHIP UNDER THE STATE SUBDIVISION MAP ACT

The Board of Supervisors of the County of Ventura, State of California, ordains as follows:

SECTION I. Purpose. The Board finds and declares that the adoption of this Ordinance is necessary and appropriate to implement certain policies and programs set forth within the adopted General Plan Housing Element, and to comply with state laws related to the conversion of mobile home parks to resident ownership. The Board further declares that the purposes of these provisions are as set forth below:

1. To implement state laws with regard to the conversion of mobile home parks to resident ownership;
2. To ensure that conversions of mobile home parks to resident ownership are bona fide resident conversions in accordance with state law;
3. To implement and further the goals, policies, and programs of the General Plan Housing Element;
4. To balance the need for increased homeownership opportunities with the need to protect existing rental housing opportunities;
5. To provide adequate disclosure to decision-makers and to prospective buyers prior to conversion of mobile home parks to resident ownership;
6. To ensure the public health and safety in converted parks; and,
7. To conserve the County's affordable housing stock.

SECTION II. Applicability. These provisions apply to all conversions of mobile home parks to resident ownership, except those conversions for which mapping

Exhibit "2"

requirements have been waived pursuant to Government Code Section 66428.1. As noted herein, the provisions of newly added Article 13 to Division 8, Chapter 2, set forth below, do not apply to the conversion of a mobile home park to an alternate use (see Government Code Sections 65863.7 and 66427.4), which conversions are already regulated by Article 17 of Division 8, Chapter 1 of the Ventura County Ordinance Code (regarding Mobilehome Park Closure Permits).

SECTION III.

(a) Chapter 1 of Division 8 the Ventura County Ordinance Code (the Non-Coastal Zoning Ordinance) is amended as follows:

Section 8117-1 [Definitions] of Article 17, Division 8, Chapter 1 of the Ventura County Ordinance Code is amended to add to its existing definitions the following two, additional definitions (and in all other respects is left intact and remains unaltered):

(1) A definition of "Mobile Home Park Conversion to Resident Ownership" is added to read as follows:

"Mobile Home Park Conversion to Resident Ownership - Mobile Home Park Conversion to Resident Ownership means the conversion of a mobile home park composed of rental spaces to a condominium or common interest development, as described in and/or regulated by Government Code Section 66427.5 and/or Section 66428.1. Unless otherwise provided therein, such conversions are governed by Article 13 of Division 8, Chapter 2 of the Ventura County Ordinance Code."

(2) A definition of "Mobile Home Park Closure, Conversion, or Change of Use" is added to read as follows:

"Mobile Home Park Closure, Conversion or Change of Use - Mobile Home Park Closure, Conversion or Change of Use means changing the use of a mobile home park such that it no longer contains occupied mobile or manufactured homes, as described in and regulated by Government Code Section 66427.4. Such conversions are governed by this Article 17."

(b) Chapter 2 of Division 8 the Ventura County Ordinance Code (the Subdivision Ordinance) is amended as follows:

(1) Section 8201-6 [Definitions] of Chapter 2 of Division 8 of the Ventura County Ordinance Code is amended to modify the definition for "Subdivision" contained therein to read as follows (and in all other respects Section 8201-6 is left intact and remains unaltered):

"Subdivision" means any division of land which is a subdivision as defined in Section 66424 of the Subdivision Map Act and, in addition, any of the following:

"(a) The division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized County assessment roll as a unit or as contiguous units, for the purpose of any transfer, whether immediate or future, of the right to the exclusive possession of the surface of the land or portions thereof; or

"(b) A lot line adjustment; or

"(c) A condominium project or common interest development, as defined in Section 1351 of the Civil Code or a community apartment project, as defined in Section 11004 of the Business and Professions Code.

(2) Chapter 2 of Division 8 of the Ventura County Ordinance Code (the Subdivision Ordinance) is amended to add a new Article 13, to read as follows:

"Article 13. Mobile Home Park Conversions to Resident Ownership.

"8213-1 – Applicability. The provisions of this Article 13 shall apply to all conversions of mobile home parks to resident ownership except those conversions for which mapping requirements have been waived pursuant to Government Code Section 66428.1.

"8213-2 – Application Materials Required.

"(1) In addition to any other information required by this Code and/or other applicable law, the following information is required at the time of filing of an application for conversion of a mobile home park to resident ownership:

"(a) A survey of resident support conducted in compliance with subdivision (d) of Government Code Section 66427.5. The subdivider shall demonstrate that the survey was conducted in accordance with an agreement between the subdivider and an independent resident homeowners association, if any, was obtained pursuant to a written ballot, and was conducted so that each occupied mobile home space had one vote. The completed survey of resident support ballots shall be submitted with the application. In the event that more than one resident homeowners association purports to represent residents in the park, the agreement shall be with the resident homeowners association

which represent the greatest number of resident homeowners in the park.

“(b) A report on the impact of the proposed conversion on residents of the mobile home park. The tenant impact report shall, at a minimum, include all of the following:

- i) Identification of the number of mobile home spaces in the park and the rental rate history for each such space over the four years prior to the filing of the application.
- ii) Identification of the anticipated method and timetable for compliance with Government Code Section 66427.5(a), and, to the extent available, identification of the number of existing tenant households expected to purchase their units within the first 4 years after conversion;
- iii) Identification of the method and anticipated timetable for determining the rents for non-purchasing residents pursuant to Government Code Section 66427.5(f)(1), and, to the extent available, identification of the number of tenant households likely to be subject to these provisions;
- iv) Identification of the method for determining and enforcing the controlled rents for non-purchasing households pursuant to Government Code Section 66427.5(f)(2), and, to the extent available, identification of the number of tenant households likely to be subject to these provisions;
- v) Identification of the potential for non-purchasing residents to relocate their homes to other mobile home parks within Ventura County, including the availability of sites and the estimated cost of home relocation;
- vi) An engineer's report on the type, size, current condition, adequacy, and remaining useful life of common facilities located within the park, including but not limited to water systems, sanitary sewer, fire protection, storm water, streets, lighting, pools, playgrounds, community buildings and the like. A pest report shall be included for all common buildings and structures. “Engineer” means a registered civil or structural engineer, or a licensed general engineering contractor;
- vii) If the useful life of any of the common facilities or infrastructure is less than 30 years, a study estimating the

cost of replacing such facilities over their useful life, and the subdivider's plan to provide funding for same;

- viii) An estimate of the annual overhead and operating costs of maintaining the park, its common areas and landscaping, including replacement costs as necessary, over the next 30 years, and the subdivider's plan to provide funding for same.
 - ix) Name and address of each resident, and household size.
 - x) An estimate of the number of residents in the park who are seniors or disabled. An explanation of how the estimate was derived must be included.
- “(c) A maintenance inspection report conducted on site by a qualified inspector within the previous 12 calendar months demonstrating compliance with Title 25 of the California Code of Regulations (“Title 25 Report”). Proof of remediation of any Title 25 violations shall be confirmed in writing by the California Department of Housing and Community Development (HCD).

“8213-3 – Criteria for Approval of Conversion Application.

- “(1) An application for the conversion of a mobile home park to resident ownership shall be approved only if the decision maker finds that:
- (a) A survey of resident support has been conducted and the results filed with the Department in accordance with the requirements of Government Code Section 66427.5 and this Chapter;
 - (b) A tenant impact report has been completed and filed with the Department in accordance with the requirements of Government Code Section 66427.5 and this Chapter;
 - (c) The conversion to resident ownership is consistent with the General Plan, any applicable Specific or Area Plan, and the provisions of Chapters 1 and 2 of Division 8 of the Ventura County Ordinance Code;
 - (d) The conversion is a bona fide resident conversion;
 - (e) Appropriate provision has been made for the establishment and funding of an association or corporation adequate to ensure proper long-term management and maintenance of all common facilities and infrastructure; and

- (f) There are no conditions existing in the mobile home park that are detrimental to public health or safety, provided, however, that if any such conditions exist, the application for conversion may be approved if: (1) all of the findings are required under subsections (a) through (e) are made and (2) the subdivider has instituted corrective measures adequate to ensure prompt and continuing protection of the health and safety of park residents and the general public.

“(2) For purposes of determining whether a proposed conversion is a bona fide resident conversion, the following criteria shall be used:

- (a) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 and with this Chapter shows that more than 50% of resident households support the conversion to resident ownership, the conversion shall be presumed to be a bona fide resident conversion.
- (b) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 and with this Chapter shows that at least 20% but not more than 50% of the residents support the conversion to resident ownership, the subdivider shall have the burden of demonstrating that the proposed conversion is a bona fide resident conversion. In such cases, the subdivider shall demonstrate, at a minimum, that a viable plan, with a reasonable likelihood of success as determined by the decision-maker, is in place to convey the majority of the lots to current residents of the park within a reasonable period of time.
- (c) Where the survey of support conducted in accordance with Government Code Section 66427.5 and with this Chapter shows that less than 20% of residents support the conversion to resident ownership, the conversion shall be presumed not to be a bona fide resident conversion.

“8213-4 – Tenant Notification. The following notifications are required:

- “(1) Tenant Impact Report. The subdivider shall give each resident household a copy of the impact report required by Government Code Section 66427.5(b) within 15 days after completion of such report, but in no case less than 15 DAYS PRIOR TO THE PUBLIC HEARING ON THE APPLICATION FOR CONVERSION. The

subdivider shall also provide a copy of the report to any new or prospective residents following the original distribution of the report.

"(2) **Exclusive Right to Purchase.** If the application for conversion is approved, the subdivider shall give each resident household written notice of its exclusive right to contract for the purchase of the dwelling unit or space it occupies at the same or more favorable terms and conditions that those on which such unit of space shall be initially offered to the general public. The right shall run for a period of not less than 90 days from the issuance of the subdivision public report ("white paper") pursuant to California Business and Professions Code Section 11018.2, unless the subdivider received prior written notice of the resident's intention not to exercise such right.

"(3) **Right to Continue Residency as Tenant.** If the application for conversion is approved, the subdivider shall give each resident household written notice of its right to continue residency as a tenant in the park as required by Government Code Section 66427.5(a)."

SECTION IV. Environmental Determination. This ordinance is hereby found to be categorically exempt from environmental review pursuant to CEQA Guidelines Sections 15061(b)(2) and 15301 (actions related to the operation, etc., of existing facilities involving no expansion of use beyond that existing at the time of the actions) and Section 15061(b)(3) in that the Board of Supervisors finds and determines that there is nothing in this ordinance or its implementation that could foreseeably have any significant effect on the environment, that the adoption of this ordinance will not result in any physical change to the environment.

SECTION V. Severability. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason declared to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

SECTION VI. Effective Date. This ordinance shall be and the same is hereby declared to be in full force and effect from and after 30 days after the date of its adoption.

SECTION VII. This ordinance, or a summary thereof, shall be published once before the expiration of 15 days after said passage, with the names of the Supervisors voting for or against the same, in The Ventura County Star, a newspaper of general circulation in the County of Ventura, State of California.

In regular session of the Board of Supervisors of the County of Ventura, passed and adopted this ____ day of _____ 2008, on regular roll call of the members of said Board by the following vote:

SUPERVISORS:

WHEREUPON, the Chair declared the above and foregoing ordinance duly adopted and

SO ORDERED.

Peter C. Foy, Chair, Board of
Supervisors, County of Ventura

ATTEST: JOHN F. JOHNSTON,
Clerk of the Board of Supervisors,
County of Ventura, State of California.

By:
Deputy Clerk of the Board



MEMBERS OF THE BOARD
LINDA PARKS
Chair

STEVE BENNETT
KATHY I. LONG
PETER C. FOY
JOHN K. FLYNN

**BOARD OF SUPERVISORS
COUNTY OF VENTURA**

GOVERNMENT CENTER, HALL OF ADMINISTRATION
800 SOUTH VICTORIA AVENUE, VENTURA, CALIFORNIA 93009

January 8, 2008

Board of Supervisors
800 S. Victoria Ave.
Ventura, CA 93009

**SUBJECT: DIRECTION TO STAFF REGARDING ADOPTION OF AN
ORDINANCE GOVERNING SUBDIVISION OF MOBILEHOME PARKS**

RECOMMENDATION:

Direct the Resource Management Agency, Planning Division, and County Counsel to prepare and present for adoption an ordinance modeled on Exhibit "B" and schedule it for hearings before the Planning Commission on January 31, 2008 and, thereafter, our Board.

FISCAL IMPACTS: Minor use of staff time and noticing expense.

DISCUSSION:

There are 22 mobilehome parks within the unincorporated area of Ventura County, with 1,250 spaces housing over 2,000 residents. The majority of these residents are senior citizens, and many, if not most, are lower income. Many mobilehome park residents also have special needs such as medical conditions, mobility issues, or other disabilities. Mobilehome parks provide an important stock of affordable housing in our County, serving both current and future residents, and assisting the County in meeting a State mandate to provide affordable housing for lower income residents. County General Plan Housing Preservation Goals and Programs identify mobilehomes, and call for preservation of, and assuring the affordability of, the existing affordable housing stock in the County as well as continuance of the County's Mobile Home Park Rent Control Ordinance.

Our Board has previously discussed the topic of mobilehome park subdivisions, and in particular the recent increase in park owner promoted "conversions to resident ownership" under Section 66427.5 of the Government Code. Last February, the Resource Management Agency recommended that our Board adopt as an urgency ordinance a moratorium on mobilehome park subdivisions to allow the Planning Division sufficient time to adopt ordinance amendments that

Exhibit "3"

would address the shortcomings of our existing ordinances that staff identified as needing revision in order to properly process these unique projects (RMA Board Letter, Exhibit "A"). While this urgency ordinance was supported by a majority of our Board, it did not garner the mandated 4/5ths vote.

All of Ventura County's mobilehome parks are at least 30 years old; some much older. In some parks, basic infrastructure, including sewer, water, and electrical facilities, is approaching the end of its expected service life. In some parks, safety infrastructure components such as fire hydrants/fire flow or adequately sized electrical systems simply do not exist. Our Ordinance Code currently lacks the terms to address these issues.

With respect to the economic impacts of conversion on existing residents, State law, court decisions, and statements of legislative intent provide guidance that cannot be adequately implemented by the County without an update of the Ordinance Code to incorporate these directives. The methodologies for conducting the required resident survey and preparing the required tenant impact report need to be specified in our Ordinance Code, as do standards for determining whether the proposed conversions are bona fide conversions to resident ownership and not sham transactions.

Other jurisdictions in the State have adopted moratoriums and ordinances to enact procedures and standards for processing and approving mobilehome park subdivisions. One of these jurisdictions was Sonoma County, which last year adopted first a moratorium, and later a permanent ordinance. Sonoma County's permanent ordinance was challenged in court, and was recently upheld by its Superior Court. (Exhibit "B" Sonoma Ordinance, and Exhibit "C" court decision)

The Sonoma Ordinance applies to "Conversions to Resident Ownership" except where map requirements are waived, such as park acquisitions by resident organizations. The proposed Ordinance would:

1. Implement local standards for the State-required Resident Survey;
2. Implement local standards for the State-required Tenant Impact Report;
3. Establish a procedure for identifying and rectifying any health and safety code violations or infrastructure deficiencies;
4. Establish standards and procedures for determining whether a proposed conversion to resident ownership is a bona fide conversion; and
5. Specify the requirements for providing tenants required notices and information about the proposed conversion.

Board of Supervisors
January 8, 2008
Page 3

Discussions with the County Counsel's Office and the Planning Division indicate that adapting the Sonoma County Ordinance to fit in the Ventura County Ordinance Code will be a fairly straight-forward task. The County Counsel's Office has review the Sonoma Ordinance, court decision, and this Board letter.

There is currently one pending mobilehome park conversion proposed for the unincorporated area of the County. Because that application was deemed complete several months ago and is for a Vesting Tentative Map, the proposed Ordinance would not apply to that pending project. However, adoption of this Ordinance would enable the County to properly address several anticipated applications for such conversions.

The proposed Ordinance will help assure that residents are adequately protected and the County's stock of affordable housing is preserved to the fullest extent permitted by law whenever mobilehome park owners propose to convert their parks to resident ownership under Government Code section 66427.5. Without our adoption of the proposed Ordinance, the County will not be able to fully assure that converted parks meet current health and safety standards, that our affordable housing stock is protected to the extent permitted by law, that any future conversions to resident ownership are truly bona fide, and that residents are adequately informed of their legal options.

Fortunately, another jurisdiction has done the work of drafting an ordinance and testing its adequacy in court. Adoption of the recommended action will help us to preserve affordable housing in Ventura County and protect vulnerable senior and low income persons from sham park conversions. I urge you to support the recommended action.

Cordially,



Steve Bennett
Supervisor, First District



Kathy I. Long
Supervisor, Third District

Attachments

county of ventura

RESOURCE MANAGEMENT AGENCY
CHRISTOPHER STEPHENS
Agency Director

Building and Safety Division
Jack Phillips, Building Official

Environmental Health Division
Robert Gallagher, Director

Operations Division
Elaine Crandall, Director

Planning Division
Kim Rodriguez, Director

February 13, 2007-02-09

Board of Supervisors
County of Ventura
800 South Victoria Ave
Ventura, CA 93009

**SUBJECT: ADOPTION OF URGENCY ORDINANCE IMPLEMENTING AN
INTERIM MORATORIUM ON MOBILEHOME PARK CONVERSIONS AND
SUBDIVISIONS (4/5 VOTE REQUIRED)**

RECOMMENDATIONS:

1. Pass and adopt the attached Interim Ordinance as an urgency ordinance.
2. Direct the Resource Management Agency, Planning Division, to commence preparation of proposed revisions of the County's Zoning and Subdivision Ordinances to include standards and provisions governing conversions and subdivisions of mobilehome parks and to report back to the Board 28 days hereafter, in accordance with Government Code section 65858.

DISCUSSION:

The County's 22 mobilehome parks with over 1,300 homes comprise an important component of the county's stock of affordable housing. Residents of these parks are vulnerable to loss of their affordable housing through inordinate rent increases, park closures, park conversions, etc., and the county has adopted a rent control ordinance and a mobilehome park closure ordinance to protect these residents and this stock of affordable housing.

The County's Zoning and Subdivision Ordinances, however, do not set forth the standards and other requirements for processing and approval of subdivision maps for the conversion and subdivision of mobilehome parks. While the conversion and subdivision of mobilehome parks has been a rare occurrence, at least one such action is currently being contemplated in the unincorporated area

of the County. (See "Ojai Oaks Village Mobile Home Park Sixty-Day Notice to Existing Tenants of Filing Tentative Map" etc., a copy of which is attached hereto as Exhibit 1). The County therefore needs to adopt regulations to govern how such conversions and subdivisions are to be processed in order to properly handle such applications and others that will follow thereafter. Since the notice states that such a map may be filed within sixty (60) days of January 22, 2007, there is a need for the urgency Interim Ordinance proposed for adoption. (A copy of the propose Ordinance is attached as Exhibit 2.)

After receiving word of the Ojai Oaks notice, the Planning Division reviewed our ordinances and found them to lack the details that would be appropriate to the task of properly handling an application for mobilehome park conversion or subdivision. Discussions between the Planning Division and County Counsel's Office indicated that the Subdivision Ordinance lacks any specific standards for processing mobilehome subdivision applications, and that the standards of the Ordinance that would apply to ordinary land divisions are inadequate to address the unique characteristics of mobilehome subdivisions in view of current state law.

State law has evolved over the years to contain specific provisions for mobilehome park conversions and subdivisions; however the County's Ordinances have not been amended to include these new provisions, and therefore do not provide clear authority and guidance for the Planning Division to assure that application processing addresses the requirements of the law and the rights and obligations of the parties. The Planning Division now finds itself with an out-of-date Ordinance that is inadequate for the task of processing an impending application while meeting legal requirements. The Ordinance is simply inadequate to the task of enabling the County to achieve its stated objectives regarding preserving the affordable housing of our mobilehome parks and guaranteeing that any such application meets the requirements of recent statutory and case law.

In order to enable the Planning Division to properly craft new Ordinance provisions to address these deficiencies, and to assure that any applications for conversion or subdivision are not affected by these deficiencies, a moratorium on conversions or subdivisions of mobilehome parks is needed. Because an application for a mobilehome park is apparently forthcoming, the Planning Division is requesting that the Board adopt the proposed Interim Ordinance as an urgency ordinance, which will take effect immediately upon adoption, and remain in effect for a period of 45 days. If necessary, it may be extended for additional period of time, as specified by Government Code section 65868. Adoption of an urgency ordinance is necessary to protect the health, safety, and welfare of residents of mobilehome parks and the county as a whole, (as set forth in Exhibit 2) and requires a 4/5 vote of the Board to enact.

In conclusion, the proposed Ordinance will provide staff the time necessary to study the matter and report back to the Board, and to begin preparation of any potential Subdivision Ordinance revisions. The initial report back to the Board will include a description of the work to be done, an estimate of staff time needed to complete the work, and a schedule for returning to the Board with the formal ordinance amendments. After the initial report to the Board, if more time is needed, the Board can extend the moratorium of the Ordinance, as allowed by Government Code section 65858 (up to a maximum of two years). Revisions to the Ordinance would be circulated for public review and, after proper notice, returned to your Board for a full hearing. Enacting appropriate Ordinance standards before an application for a mobilehome park conversion or subdivision is necessary to assure compliance with governing law, to ensure protection of the County's stock of affordable housing, and to protect the interests of residents and owners of mobilehome parks.

This letter has been reviewed by the County Executive Office and County Counsel's Office. If you have any questions regarding this matter, please contact Chris Stephens, Director, Resource Management Agency, at 654-2661.



Chris Stephens, Director
Resource Management Agency

Exhibit "1" - Ojai Oaks Village Mobile Home Park Sixty-Day Notice to Existing
Tenants of Filing Tentative Map.

Exhibit "2" - Proposed Interim Ordinance

ORDINANCE NO. 5725

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SONOMA, STATE OF CALIFORNIA, AMENDING CHAPTER 25 OF THE SONOMA COUNTY CODE (THE SUBDIVISION ORDINANCE) TO ESTABLISH PROCEDURES AND REQUIREMENTS FOR THE CONVERSION OF MOBILE HOME PARKS TO RESIDENT OWNERSHIP UNDER THE STATE SUBDIVISION MAP ACT

The Board of Supervisors of the County of Sonoma, State of California, ordains as follows:

SECTION I. Purpose. The Board finds and declares that the adoption of this Ordinance is necessary and appropriate to implement certain policies and programs set forth within the adopted General Plan Housing Element, and to comply with state laws related to the conversion of mobile home parks to resident ownership. The Board further declares that the purposes of these provisions are as set forth below:

1. To implement state laws with regard to the conversion of mobile home parks to resident ownership;
2. To ensure that conversions of mobile home parks to resident ownership are bona fide resident conversions in accordance with state law;
3. To implement the goals and policies of the General Plan Housing Element;
4. To balance the need for increased homeownership opportunities with the need to protect existing rental housing opportunities;
5. To provide adequate disclosure to decision-makers and to prospective buyers prior to conversion of mobile home parks to resident ownership;
6. To ensure the public health and safety in converted parks; and,
7. To conserve the County's affordable housing stock.

SECTION II. Applicability. These provisions apply to all conversions of mobile home parks to resident ownership, except those conversions for which mapping requirements have been waived pursuant to Government Code 66428.1. These provisions do not apply to the conversion of a mobile home park to an alternate use, which conversions are regulated by Government Code Sections 65863.7 and 66427.4, and by Section 26-92-090 of Chapter 26 of the Sonoma County Code.

EXHIBIT B
of Exhibit 3

SECTION III. Chapter 25 of the Sonoma County Code is amended as follows:

- (a) Section 25-2 [Definitions] of Chapter 25 of the Sonoma County Code is amended to add the definition of "Mobile Home Park Conversion to Resident Ownership," to read as follows:

"Mobile Home Park Conversion to Resident Ownership means the conversion of a mobile home park composed of rental spaces to a condominium or common interest development, as described in and/or regulated by Government Code Sections 66427.5 and/or 66428.1."

- (b) Section 25-2 [Definitions] of Chapter 25 of the Sonoma County Code is amended to add the definition of "Mobile Home Park Closure, Conversion, or Change of Use " to read as follows:

"Mobile Home Park Closure, Conversion or Change of Use means changing the use of a mobile home park such that it no longer contains occupied mobile or manufactured homes, as described in and regulated by Government Code Section 66427.4."

- (c) Section 25-02 [Definitions] of Chapter 25 of the Sonoma County Code is amended to modify the definition for "Subdivision," to read as follows:

"Subdivision" means the division of any improved or unimproved land, shown on the latest equalized county assessment roll as a unit or as contiguous units, for the purpose of sale, lease, financing, conveyance, transfer or any other purpose, whether immediate or future. Property shall be considered as contiguous units, even if it is separated by roads, streets, utility easement or railroad rights-of-way. Subdivision includes a condominium project or common interest development, as defined in Section 1351 of the Civil Code or a community apartment project, as defined in Section 11004 of the Business and Professions Code. Any conveyance of land to a governmental agency, public entity or public utility shall not be considered a division of land for purposes of computing the number of parcels."

- (d) Chapter 25 of the Sonoma County Code (the Subdivision Ordinance) is amended to add a new Article IIIB, to read as follows:

"Article IIIB. Mobile Home Park Conversions to Resident Ownership.

25-39.7 (a) Applicability. The provisions of this Article IIIB shall apply to all conversions of mobile home parks to resident ownership except those conversions for which mapping requirements have been waived pursuant to Government Code §66428.1.



REGULAR MEETING SUMMARY

January 8, 2008

8:30 A.M.

JOHN F. JOHNSTON,
County Executive Officer and
Clerk of the Board of Supervisors

ROBERTA RODRIGUEZ,
Chief Deputy Clerk of the Board
(805) 654-2251

NOEL A. KLEBAUM,
County Counsel

Board of Supervisors Ventura County

County Government Center
Hall of Administration
Board of Supervisors
Hearing Room
800 S. Victoria Avenue
Ventura, California 93009

WEB ACCESS

At: <http://www.countyofventura.org>
Live Broadcast and Video Archives
Board Calendar, Agenda, Agenda
Items, and Summary of Actions

Persons who require accommodation for any audio, visual or other disability in order to review an agenda, or to participate in a meeting of the Board of Supervisors per the American Disabilities Act (ADA), may obtain assistance by requesting such accommodation in writing addressed to the Clerk of the Board, 800 South Victoria Avenue, Loc. #1920, Ventura, CA 93009 or telephonically by calling (805) 654-2251. Any such request for accommodation should be made at least 48 hours prior to the scheduled meeting for which assistance is requested.

MEMBERS OF THE BOARD

PETER C. FOY, District 4 **CHAIR**

Simi Valley, Moorpark, Somis, Las Posas Valley,
Santa Susana Knolls, Box Canyon, Chatsworth Peak,
Home Acres, Sinaloa Lake, and Tierra
Rejada Valley

STEVE BENNETT, District 1

San Buenaventura, Montalvo, Saticoy, Ojai Valley,
City of Ojai, Upper Ojai Valley, Oxnard Shores,
Mandalay Bay, Northwest Oxnard, and North Coast

LINDA PARKS, District 2

Thousand Oaks, Newbury Park, Westlake, Oak Park,
Bell Canyon, Hidden Valley, Lake Sherwood, Portions
of the Oxnard Plain, Santa Rosa Valley, Naval Base
Ventura County Point Mugu, California Air National
Guard, and South Coast

KATHY I. LONG, District 3

Camarillo, California State University/Channel Islands,
Port Hueneme, Southeast Oxnard, East Oxnard Plain,
Santa Paula, Fillmore, Piru, Lockwood Valley, and
Eastern Portion of Naval Base Ventura County Port
Hueneme

JOHN K. FLYNN, District 5

Oxnard, Silver Strand, Hollywood Beach, Hollywood
By the Sea, Channel Islands Harbor, El Rio, Nyeland
Acres, Del Norte Area, Oxnard College, Oxnard Plain,
Strickland and Portion of Naval Base Ventura County
Port Hueneme

LEGAL NOTICE

There will be no regular meeting of the Board of Supervisors on Tuesday, January 22, 2008

TIME CERTAIN ITEMS, PRESENTATIONS AND HEARINGS, CONTINUED**10:00 A.M.**

27. Recommendation of Supervisor Bennett to Direct the Resource Management Agency, Planning Division, and County Counsel to Prepare and Present for Adoption an Ordinance Governing Subdivision of Mobilhome Parks, Modeled on Exhibit "B", and Schedule it for Hearings Before the Planning Commission on January 31, 2008, and Thereafter, Schedule it Before the Board of Supervisors. (Supervisor Bennett - 15 Minutes)
APPROVED; WITH SUPERVISOR FOY DISSENTING

11:00 A.M.

THE BOARD OF SUPERVISORS WILL RECESS AT 11:00 A.M. TO CONDUCT BUSINESS OF THE AIR POLLUTION CONTROL BOARD (APCB) AND MAY RECONVENE UPON CONCLUSION OF THE APCB MEETING

12:00 P.M.

Closed Session - It is the intention of the Ventura County Board of Supervisors, and Ventura County Fire Protection District Board to meet in Closed Session to consider the following items at 12:00 p.m. or earlier based on Agenda progress:

BEFORE THE VENTURA COUNTY BOARD OF SUPERVISORS:

28. **CONFERENCE WITH LABOR NEGOTIATORS** (Gov. Code, § 54957.6)

COUNTY DESIGNATED REPRESENTATIVES: Marty Robinson, John K. Nicoll
EMPLOYEE ORGANIZATIONS:

California Nurses Association

Ventura County Sheriff's Correctional Officers' Association

Criminal Justice Attorneys' Association of Ventura County

Ventura Employee Association

Ventura County Professional Peace Officers' Association

Ventura County Deputy Sheriffs' Association

Specialized Peace Officers' Association of Ventura County

NO ACTION TAKEN

29. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** (Gov. Code, § 54956.9)

INITIATION OF LITIGATION PURSUANT TO SUBDIVISION (c) OF SECTION 54956.9:

1 POTENTIAL CASE

NO ACTION TAKEN

66427.5. Avoiding economic displacement of nonpurchasing tenants

At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, the subdivider shall avoid the economic displacement of all nonpurchasing residents in the following manner:

- (a) The subdivider shall offer each existing tenant an option to either purchase his or her condominium or subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant.
- (b) The subdivider shall file a report on the impact of the conversion upon residents of the mobilehome park to be converted to resident owned subdivided interest.
- (c) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.
- (d)
 - (1) The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion.
 - (2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.
 - (3) The survey shall be obtained pursuant to a written ballot.
 - (4) The survey shall be conducted so that each occupied mobilehome space has one vote.
 - (5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be considered as part of the subdivision map hearing prescribed by subdivision (e).
- (e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.
- (f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:
 - (1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.
 - (2) As to nonpurchasing residents who are lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.

An uncodified provision in AB930, Chapter 1143, Statutes of 2002 provided that "It is the intent of the Legislature to address the conversion of a mobilehome park to resident ownership that is not a bona fide resident conversion, as described by the Court of Appeal in *El Dorado Palm Springs, Ltd. V. City of Palm Springs* (2002) 96 Cal.App.4th 1153. The court in this case concluded that the subdivision map approval process specified in Section 66427.5 of the Government Code may not provide local agencies with the authority to prevent nonbona fide resident conversions. The court explained how a conversion of a mobilehome park to resident ownership could occur without the support of the residents and result in economic displacement. It is, therefore, the intent of the Legislature in enacting this act to ensure that conversions pursuant to Section 66427.5 of the Government Code are bona fide resident conversions."

An uncodified provision in AB930, Chapter 1143, Statutes of 2002 provided that "The changes in law enacted by this act shall not apply to any application for parcel map approval for conversion of a rental mobilehome park to resident ownership approved by the local agency under Section 66427.5 of the Government Code prior to January 1, 2003."

[Amended, Chapter 1143, Statutes of 2002]

**VENTURA COUNTY PLANNING COMMISSION
HEARING OF FEBRUARY 7, 2008
800 SOUTH VICTORIA AVENUE
VENTURA, CA 93009**

**RESOLUTION 08-02 REGARDING COUNTY-INITIATED AMENDMENTS TO
THE NON-COASTAL ZONING ORDINANCE AND THE SUBDIVISION
ORDINANCE**

WHEREAS, a legally noticed public hearing on ZN08-0001 was held by the Planning Commission of Ventura County in Ventura, California on February 7, 2008; and

WHEREAS, the Planning Commission considered all written and oral testimony from County staff, the applicant, and the public testimony on this matter; and

WHEREAS, on a motion by Commissioner Aidukas and seconded by Commissioner Rodriguez to approve staff's recommendations, with the modification that they recommend that the Board of Supervisors increase the minimum 20% criteria to establish bona fide conversion modification. Motion carried 4-0 (Commissioner Bartels absent).

NOW, THEREFORE, BE IT RESOLVED, that the Planning Commission **RECOMMENDS** that the Board of Supervisors:

1. **FIND**, that this project is categorically exempt from CEQA as set forth in Section D of the Staff Report; and
2. **FIND**, based on the evidence presented in the Planning Commission staff report and public hearing, that adoption of Article 13 of the Subdivision Ordinance is in the public interest and general welfare, good planning practice, an appropriate and reasonable exercise of the County's police power, and specifically authorized by Section 66411 of the California Government Code; and
3. **FIND**, based on the evidence presented in the staff report and at the public hearing, that the Non-Coastal Zoning Ordinance Amendment findings set forth in Section 8115-0 and 8115-3.1 are met as set forth in section C of the Staff Report; and
4. **FIND**, based on the above, that the proposed amendments to the Non-Coastal Zoning Ordinance and the Subdivision Ordinance are necessary and appropriate to implement, harmonize, and further certain goals, policies, and programs of the County's General and Area Plans, including those found within the County General Plan's Housing Element, while complying with State laws related to the conversion of mobile home parks to resident ownership; and

Planning Commission Resolution

ZN08-0001

Page 2 of 2

5. **ADOPT** an ordinance amending the Non-Coastal Zoning Ordinance and the Subdivision Ordinance as set forth in Exhibit "2" of the Staff Report; and
6. **DIRECT** Staff to File a Notice of Exemption pursuant to the CEQA Guidelines section 15374; and
7. **SPECIFY** the Clerk of the Board of Supervisors and the Clerk of the Planning Commission at 800 South Victoria Avenue, Ventura as the custodians and location of the record of proceedings upon which these decisions are based.
8. The Planning Commission also approved a general recommendation that the Board consider raising the ceiling percentage for what is presumed to NOT be a bona fide conversion. The proposed language, in Sec. 8213-3(2)(c), is 20%.

This is to certify that the foregoing is a true and correct copy of the resolution of said meeting.



Tricia Maier, Acting Secretary to the
Ventura County Planning Commission

ORDINANCE NO. _____

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF VENTURA, STATE OF CALIFORNIA, AMENDING THE VENTURA COUNTY ORDINANCE CODE, DIVISION 8, CHAPTER 1 (THE NON-COASTAL ZONING ORDINANCE) AND DIVISION 8, CHAPTER 2 (THE SUBDIVISION ORDINANCE), ADDING ARTICLE 13 TO THE SUBDIVISION ORDINANCE, IN ORDER TO ESTABLISH PROCEDURES AND REQUIREMENTS FOR THE CONVERSION OF MOBILE HOME PARKS TO RESIDENT OWNERSHIP UNDER THE STATE SUBDIVISION MAP ACT

The Board of Supervisors of the County of Ventura, State of California, ordains as follows:

SECTION 1.

Purpose. The Board finds and declares that the adoption of this Ordinance is necessary and appropriate to implement certain policies and programs set forth within the adopted General Plan Housing Element, and to comply with state laws related to the conversion of mobile home parks to resident ownership. The Board further declares that the purposes of these provisions are as set forth below:

1. To implement state laws with regard to the conversion of mobile home parks to resident ownership;
2. To ensure that conversions of mobile home parks to resident ownership are bona fide resident conversions in accordance with state law;
3. To implement and further the goals, policies, and programs of the General Plan Housing Element;
4. To balance the need for increased homeownership opportunities with the need to protect existing rental housing opportunities;
5. To provide adequate disclosure to decision-makers and to prospective buyers prior to conversion of mobile home parks to resident ownership;
6. To ensure the public health and safety in converted parks; and,
7. To conserve the County's affordable housing stock.

Exhibit "6"

SECTION 2.

Applicability. These provisions apply to all conversions of mobile home parks to resident ownership, except those conversions for which mapping requirements have been waived pursuant to Government Code Section 66428.1. As noted herein, the provisions of newly added Article 13 to Division 8, Chapter 2, set forth below, do not apply to the conversion of a mobile home park to an alternate use (see Government Code Sections 65863.7 and 66427.4), which conversions are already regulated by Article 17 of Division 8, Chapter 1 of the Ventura County Ordinance Code (regarding Mobilehome Park Closure Permits).

SECTION 3.

(a) Chapter 1 of Division 8 the Ventura County Ordinance Code (the Non-Coastal Zoning Ordinance) is amended as follows:

Section 8117-1 [Definitions] of Article 17, Division 8, Chapter 1 of the Ventura County Ordinance Code is amended to add to its existing definitions the following two, additional definitions (and in all other respects is left intact and remains unaltered):

(1) A definition of "Mobile Home Park Conversion to Resident Ownership" is added to read as follows:

"Mobile Home Park Conversion to Resident Ownership - Mobile Home Park Conversion to Resident Ownership means the conversion of a mobile home park composed of rental spaces to a condominium or common interest development, as described in and/or regulated by Government Code Section 66427.5 and/or Section 66428.1. Unless otherwise provided therein, such conversions are governed by Article 13 of Division 8, Chapter 2 of the Ventura County Ordinance Code."

(2) A definition of "Mobile Home Park Closure, Conversion, or Change of Use" is added to read as follows:

"Mobile Home Park Closure, Conversion or Change of Use - Mobile Home Park Closure, Conversion or Change of Use means changing the use of a mobile home park such that it no longer contains occupied mobile or manufactured homes, as described in and regulated by Government Code Section 66427.4. Such conversions are governed by this Article 17."

(b) Chapter 2 of Division 8 the Ventura County Ordinance Code (the Subdivision Ordinance) is amended as follows:

(1) Section 8201-6 [Definitions] of Chapter 2 of Division 8 of the Ventura County Ordinance Code is amended to modify the definition for

"Subdivision" contained therein to read as follows (and in all other respects Section 8201-6 is left intact and remains unaltered):

"Subdivision" means any division of land which is a subdivision as defined in Section 66424 of the Subdivision Map Act and, in addition, any of the following:

"(a) The division, by any subdivider, of any unit or units of improved or unimproved land, or any portion thereof, shown on the latest equalized County assessment roll as a unit or as contiguous units, for the purpose of any transfer, whether immediate or future, of the right to the exclusive possession of the surface of the land or portions thereof; or

"(b) A lot line adjustment; or

"(c) A condominium project or common interest development, as defined in Section 1351 of the Civil Code or a community apartment project, as defined in Section 11004 of the Business and Professions Code.

(2) Chapter 2 of Division 8 of the Ventura County Ordinance Code (the Subdivision Ordinance) is amended to add a new Article 13, to read as follows:

"Article 13. Mobile Home Park Conversions to Resident Ownership.

"8213-1 – Applicability. The provisions of this Article 13 shall apply to all conversions of mobile home parks to resident ownership except those conversions for which mapping requirements have been waived pursuant to Government Code Section 66428.1.

"8213-2 – Application Materials Required.

"(1) In addition to any other information required by this Code and/or other applicable law, the following information is required at the time of filing of an application for conversion of a mobile home park to resident ownership:

"(a) A survey of resident support conducted in compliance with subdivision (d) of Government Code Section 66427.5. The subdivider shall demonstrate that the survey was conducted in accordance with an agreement between the subdivider and an independent resident homeowners association, if any, was obtained pursuant to a written ballot, and was conducted so that each occupied mobile home space had one vote. The completed survey of resident support ballots shall be submitted with the application. In the event that more than one resident homeowners

association purports to represent residents in the park, the agreement shall be with the resident homeowners association which represent the greatest number of resident homeowners in the park.

“(b) A report on the impact of the proposed conversion on residents of the mobile home park. The tenant impact report shall, at a minimum, include all of the following:

- i) Identification of the number of mobile home spaces in the park and the rental rate history for each such space over the four years prior to the filing of the application.**
- ii) Identification of the anticipated method and timetable for compliance with Government Code Section 66427.5(a), and, to the extent available, identification of the number of existing tenant households expected to purchase their units within the first 4 years after conversion;**
- iii) Identification of the method and anticipated timetable for determining the rents for non-purchasing residents pursuant to Government Code Section 66427.5(f)(1), and, to the extent available, identification of the number of tenant households likely to be subject to these provisions;**
- iv) Identification of the method for determining and enforcing the controlled rents for non-purchasing households pursuant to Government Code Section 66427.5(f)(2), and, to the extent available, identification of the number of tenant households likely to be subject to these provisions;**
- v) Identification of the potential for non-purchasing residents to relocate their homes to other mobile home parks within Ventura County, including the availability of sites and the estimated cost of home relocation;**
- vi) An engineer’s report on the type, size, current condition, adequacy, and remaining useful life of common facilities located within the park, including but not limited to water systems, sanitary sewer, fire protection, storm water, streets, lighting, pools, playgrounds, community buildings and the like. A pest report shall be included for all common buildings and structures. “Engineer” means a registered civil or structural engineer, or a licensed general engineering contractor;**

- vii) If the useful life of any of the common facilities or infrastructure is less than 30 years, a study estimating the cost of replacing such facilities over their useful life, and the subdivider's plan to provide funding for same;
 - viii) An estimate of the annual overhead and operating costs of maintaining the park, its common areas and landscaping, including replacement costs as necessary, over the next 30 years, and the subdivider's plan to provide funding for same.
 - ix) Name and address of each resident, and household size.
 - x) An estimate of the number of residents in the park who are seniors or disabled. An explanation of how the estimate was derived must be included.
- “(c) A maintenance inspection report conducted on site by a qualified inspector within the previous 12 calendar months demonstrating compliance with Title 25 of the California Code of Regulations (“Title 25 Report”). Proof of remediation of any Title 25 violations shall be confirmed in writing by the California Department of Housing and Community Development (HCD).

“8213-3 – Criteria for Approval of Conversion Application.

- “(1) An application for the conversion of a mobile home park to resident ownership shall be approved only if the decision maker finds that:
- (a) A survey of resident support has been conducted and the results filed with the Department in accordance with the requirements of Government Code Section 66427.5 and this Chapter;
 - (b) A tenant impact report has been completed and filed with the Department in accordance with the requirements of Government Code Section 66427.5 and this Chapter;
 - (c) The conversion to resident ownership is consistent with the General Plan, any applicable Specific or Area Plan, and the provisions of Chapters 1 and 2 of Division 8 of the Ventura County Ordinance Code;
 - (d) The conversion is a bona fide resident conversion;
 - (e) Appropriate provision has been made for the establishment and funding of an association or corporation adequate to

ensure proper long-term management and maintenance of all common facilities and infrastructure; and

- (f) There are no conditions existing in the mobile home park that are detrimental to public health or safety, provided, however, that if any such conditions exist, the application for conversion may be approved if: (1) all of the findings are required under subsections (a) through (e) are made and (2) the subdivider has instituted corrective measures adequate to ensure prompt and continuing protection of the health and safety of park residents and the general public.

“(2) For purposes of determining whether a proposed conversion is a bona fide resident conversion, the following criteria shall be used:

- (a) accordance with Government Code Section 66427.5 and with this Chapter shows that more than 50% of resident households support the conversion to resident ownership, the conversion shall be presumed to be a bona fide resident conversion.
- (b) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 and with this Chapter shows that at least 20% but not more than 50% of the residents support the conversion to resident ownership, the subdivider shall have the burden of demonstrating that the proposed conversion is a bona fide resident conversion. In such cases, the subdivider shall demonstrate, at a minimum, that a viable plan, with a reasonable likelihood of success as determined by the decision-maker, is in place to convey the majority of the lots to current residents of the park within a reasonable period of time.
- (c) Where the survey of support conducted in accordance with Government Code Section 66427.5 and with this Chapter shows that less than 20% of residents support the conversion to resident ownership, the conversion shall be presumed not to be a bona fide resident conversion.

“8213-4 – Tenant Notification. The following notifications are required:

- “(1) Tenant Impact Report. The subdivider shall give each resident household a copy of the impact report required by Government Code Section 66427.5(b) within 15 days after completion of such report, but in no case less than 15 DAYS PRIOR TO THE PUBLIC

HEARING ON THE APPLICATION FOR CONVERSION. The subdivider shall also provide a copy of the report to any new or prospective residents following the original distribution of the report.

- “(2) Exclusive Right to Purchase.** If the application for conversion is approved, the subdivider shall give each resident household written notice of its exclusive right to contract for the purchase of the dwelling unit or space it occupies at the same or more favorable terms and conditions that those on which such unit of space shall be initially offered to the general public. The right shall run for a period of not less than 90 days from the issuance of the subdivision public report (“white paper”) pursuant to California Business and Professions Code Section 11018.2, unless the subdivider received prior written notice of the resident’s intention not to exercise such right.
- “(3) Right to Continue Residency as Tenant.** If the application for conversion is approved, the subdivider shall give each resident household written notice of its right to continue residency as a tenant in the park as required by Government Code Section 66427.5(a).”

SECTION 4.

Environmental Determination. This ordinance is hereby found to be categorically exempt from environmental review pursuant to CEQA Guidelines Sections 15061(b)(2) and 15301 (actions related to the operation, etc., of existing facilities involving no expansion of use beyond that existing at the time of the actions) and Section 15061(b)(3) in that the Board of Supervisors finds and determines that there is nothing in this ordinance or its implementation that could foreseeably have any significant effect on the environment, that the adoption of this ordinance will not result in any physical change to the environment.

SECTION 5.

Severability. If any section, subsection, sentence, clause or phrase of this ordinance is for any reason declared to be unconstitutional and invalid, such decision shall not affect the validity of the remaining portion of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and every section, subsection, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional or invalid.

SECTION 6.

Effective Date. This ordinance shall be and the same is hereby declared to be in full force and effect from and after 30 days after the date of its adoption.

SECTION 7.

This ordinance, or a summary thereof, shall be published once before the expiration of 15 days after said passage, with the names of the Supervisors voting for or against the same, in The Ventura County Star, a newspaper of general circulation in the County of Ventura, State of California.

In regular session of the Board of Supervisors of the County of Ventura, passed and adopted this 18th day of March, 2008, on regular roll call of the members of said Board by the following vote:

SUPERVISORS:

AYES:

NOES:

ABSENT:

WHEREUPON, the Chair declared the above and foregoing ordinance duly adopted and

SO ORDERED.

Peter C. Foy, Chair,
Board of Supervisors, County of Ventura

ATTEST: JOHN F. JOHNSTON,
Clerk of the Board of Supervisors,
County of Ventura, State of California.

By:
Deputy Clerk of the Board

LAW OFFICES
GILCHRIST & RUTTER
PROFESSIONAL CORPORATION

WILSHIRE PALISADES BUILDING
1299 OCEAN AVENUE, SUITE 900
SANTA MONICA, CALIFORNIA 90401-1000

TELEPHONE (310) 393-4000
FACSIMILE (310) 394-4700
E-MAIL: sforbath@gilchristrutter.com

February 29, 2008

VIA FEDEX

Supervisor Steve Bennett
Supervisor John K. Flynn
Supervisor Peter C. Foy
Supervisor Kathy Long
Supervisor Linda Parks
Ventura County Board of Supervisors
800 S. Victoria Ave.
Ventura, CA, 93009

Re: Proposed Ordinance re Mobilehome Park Conversions

Dear Supervisors Bennett, Flynn, Foy, Long and Parks:

I am writing to you in an effort to provide balance to the information that you are considering with respect to the Conversion Ordinance proposed by Supervisors Bennett and Long. In reviewing the staff report, the Planning Commission hearing discussion, and material produced and circulated by Supervisor Bennett, it is evident that only one side of this issue has been presented.

As there are no pending applications for conversion in Ventura County that would be immediately impacted, there are no park owners or residents stepping forward to offer any opposing viewpoints. But, as someone who has worked closely with both owners and residents seeking conversion throughout the State, and have seen the affects of Ordinances such as the one before you, I feel compelled to speak from experience on behalf of those who would be negatively impacted in the future by your support of this Ordinance.

The staff report indicates that the goal of the Ordinance is to provide adequate information to residents to make a decision and to determine if it is a "bona fide" conversion. First, it is critical to clearly understand what "decision" the residents are making. The survey is not meant to ask residents whether they wish to purchase their lots, although, unfortunately, many residents and others believe that is what is being surveyed. Without an appraisal of lot prices or the Public Report issued by the Department of Real Estate, all of which *follow* local government approval of any conversion, the residents cannot be asked whether or not they want to purchase their lots. Rather, what they are being asked is whether or not they support a conversion, which would provide them the choice whether to purchase their lot or continue to rent.

Exhibit "7"

Supervisor Steve Bennett
Supervisor John K. Flynn
Supervisor Peter C. Foy
Supervisor Kathy Long
Supervisor Linda Parks
February 29, 2008
Page 2

In the discussion section of the January 8, 2008 recommendation from Steve Bennett and Kathy Long, it states, "...the majority of these residents are senior citizens, and many, if not most, are lower income." Their statement is likely true, as on average throughout California 85% of mobilehome park residents are lower income.

Conversion for lower income residents is a win-win. The law provides rent control limited to CPI increases for as long as they live in the park. The State also provides affordable financing for those who choose to purchase. So, why, you may wonder, wouldn't the majority (which are lower income) of residents in a park vote in support of such an opportunity/protection?

The first answer, quite simply, is that a majority of residents simply do not respond to the survey. As with elections, even Presidential elections and others where the stakes are arguably very high, apathy, ignorance, confusion and untold other factors conspire to render response rates very low. There is no provision in this Ordinance that requires residents to fill out the surveys, and the survey results become irrelevant when the total number responding is less than 50%. As elected officials, you can well understand how impossible it would be to require that your election depended upon support from the majority of qualified voters in your district.

Speaking from personal experience, this requirement leads to a campaign of propaganda and scare tactics, which not only can be very frightening, but also has the effect of diminishing the value and salability of their homes. Misinformation and half-truths regarding the effects of conversion are frequently and intentionally disseminated by upper-income residents, who typically comprise the Board of the park's homeowner association. These groups scare the lower income residents into believing that they will lose their homes and their rent protection – neither of which is true. Through printed material and meetings they tell these residents that if they fill out the survey, they will be homeless.

Who then, is looking out for the interests of the lower income who for the first time in their lives could have the opportunity to become "homeowners" in the true sense of owning a home and the land beneath it?

One would hope that their local agencies and politicians would provide clear and unbiased information that would help the residents to understand the rights and protections they are provided by law. However, in a flyer written by Supervisor Bennett and sent to every mobilehome resident in Ventura County (see Attachment), he states, "While on the surface this may seem attractive to some, it comes with very serious consequences for all the park residents." What, I query, are the serious consequences for the lower income residents who, by Supervisor

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Supervisor Linda Parks

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Bennett's own words, constitute the majority of the park? He goes on to say, "...local rent control would be eliminated in Ventura County." Nowhere in his letter to all residents does he provide reassurance or clear understanding by outlining the rent control that would apply to the vast majority of the residents as provided by State law. Nor does he balance the information by explaining the benefits of ownership and of the State program to assist residents who may want to purchase their lot.

With such misleading and unbalanced information being provided by the County, how can the County expect a legitimate survey could be conducted, or that it would provide valid evidence that the conversion is bona fide? "A bona fide transaction is a transaction which the parties operate '[i]n or with good faith; honestly, openly, and sincerely; without deceit or fraud.'" (Black's Law Dict., p. 223, col. 2.) "To interpret a 'bona fide transaction' as one in which no fraud, bad faith, or collusion is involved is also consistent with early case law that limits the showing a purchaser must make in order to validate a transaction with a trustee [Citations]." (*Leach v. Home Savings & Loan Assn.* (1986) 185 Cal.App.3d 1295, 1301-1302.) Conversely, a "sham" conversion is where the park owner sells one of the newly created subdivided units, prices the remaining units at prohibitively expensive amounts, and claims exemption from local rent control ordinances, or otherwise initiates a conversion merely to escape local rent control without intending in good faith to sell the lots to park residents. *El Dorado*, 96 Cal. App. 4th at 1165; see also *Donohue v. Santa Paula West Mobile Home Park*, 47 Cal.App.4th 1168 (1996).

Agreeing that the majority of the residents are lower income, I question the goal of the proposed Ordinance. It does not appear that the goal of this Ordinance is to merely provide clarity and guidance to the residents, but rather is to stop the conversion of parks to resident ownership, at the expense of the benefits to lower income residents who would stand to benefit.

The State looked at the unique circumstance that mobilehome owners face and the rising real estate prices in California, and came up with a method of providing "affordable purchase housing" where little or none exists, particularly for persons of lower income. By creating a program whereby lower income residents can purchase the land under their homes with government funds, and providing strict rent control provisions for those lower income residents who choose to continue to rent, the State is providing a choice for lower income families who have never had an option.

The current law provides protection and options for those residents who need it the most, as opposed to current rent controlled "affordable rental housing" which keeps lower income persons as renters for the rest of their lives. This means unfavorable home loans, no equity, and no tax deductions.

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I am sure that Ventura County places high importance on the preservation of a local community and seeks to provide affordable housing options. In an area where single-family homes are out of reach for many, mobilehome parks provide community living. Residents in rental parks have ownership of an aging home with non-transferable tenancy. In a converted park, older residents who elect to purchase will have a deed to land and equity that they can pass on to their children. Resident ownership is one of the few ways that younger families can purchase a "starter home" and begin to earn equity. Lot ownership in a mobilehome community provides residents the opportunity to become "homeowners" in the true sense of owning a home and the land beneath it.

There are inherent problems with a number of the provisions in the amendments before you. I recommend you consider each requirement in the proposed Ordinance, and if you are not completely assured of the affects and impact that they will have on the future of mobilehome residents, I urge you to seek further understanding and an Ordinance that will provide balance for all the stakeholders involved.

Very truly yours,

GILCHRIST & RUTTER
Professional Corporation



Susy Forbath

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4597.001

Enclosure

cc: Nancy Francis, Manager
Planning Division
Roberto Orellana, Esq.
Assistant County Counsel

Ventura County Government Center
800 S Victoria Ave
Ventura, CA 93009

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From the Desk of:

Ventura County Supervisor Steve Bennett

Dear Mobilhome Owner:

Last week residents in the Ojai Oaks Village Mobilehome Park were notified that their park owner intended to make application to sub-divide the park. Later the park owner will offer to sell the space to the coach owner. This is the first such application in Ventura County following new court rulings regulating this action.

While on the surface this may seem attractive to some, it comes with very serious consequences for all the park residents. Once the first lot is sold, our local rent control law becomes null and void for all the residents in that park. This would be true for the County rent control law or the rent control law of the City of Ventura should this happen in a city park.

Residents who are not considered low income and who do not purchase their space will have their rents increased to "market" rate over four years. Residents who are low income will have their rents controlled by state law not by the local rent control law.

All residents who do not purchase their spaces at the park owner's asking price, including low income residents, will lose all protections of local rent control laws. This includes "vacancy decontrol" protections. Renters could only sell their coaches to a buyer who pays the asking price and purchases the space.

This situation is the result of some vaguely written state legislation and a recent court interpretation of that law. If all of the other park owners in Ventura County take advantage of this provision, local rent control protection would be eliminated in Ventura County.

Your state GSMOL organization has made fixing this situation its top legislative priority. The Board of Supervisors will be considering a resolution to take a position in support of the GSMOL effort and to offer the support of our county counsel and our state lobbyist.

The hearing on this item will be at 9:30 on Tuesday, February 6, 2007 in the Board of Supervisors hearing room should you care to attend and become informed or comment on this item.

You can also contact your state Assemblymember and Senator to encourage them to support proper adjustments to the state legislation so that park owners could not so easily get around local rent control laws.

Feel free to contact my office if you have questions or comments at 654-2703 or by email at steve.bennett@ventura.org

1751/T8/P11*****ECRLOT**C-002
RESIDENT
950 WOODLAND AVE SPC 68
OJAI CA 93023-4365





P.O. Box 1592
Santa Rosa, CA 95402
(707) 573-3632
CAforRO@aol.com

February 29, 2008

Ventura County Board of Supervisors
Nancy Francis, Planning Division Manager
Government Center
800 S. Victoria Avenue
Ventura, CA 93009

Dear Supervisors:

It is my understanding you are considering passing a county ordinance which would greatly restrict, if not prohibit, the conversion of mobile home parks in your county.

My husband and I have been residents of a senior park, in Santa Rosa, for over 25 years and know how damaging such an ordinance can be to young families and seniors when such an ordinance is in place. Approximately two years ago the residents of this park were advised the owner was proposing conversion of our park. I immediately researched the issue of mobile home park conversions and became the Chairperson of our Conversion Committee. Also, immediately, a small group of higher income residents, who did not wish to purchase and did not want to lose local rent control, became a self-appointed Board of our Home Owners Association.

Some of the tactics they used to convince the residents conversion was bad for them were:

- 1) Repeatedly telling all low income residents they would lose their homes. The majority of residents of our park qualify as low income in accordance with the H.C.D. income limits. I have attached a fictitious letter that was sent to all residents as a "scare" tactic. (Attachment #1)
- 2) When informational meetings were held by the owner, the residents were told not to attend. Because they trusted their "Board" to be residents looking out for their interests, they did what they were told, by the Home Owners Association, and became totally uninformed.
- 3) The purpose of the survey is to establish interest and the demographics of a park. A survey cannot be used by a Home Owners Association to block a conversion (Analysis of Keeley 930) but that is what has happened in the park I reside in by repeatedly telling residents not to complete any survey. (Attachment #2)

4) The higher income residents sought money from the low income residents so they could hire an attorney, telling them the money they were donating would save their homes.

5) The same higher income residents paid to load these residents into buses and haul them to Sacramento in an effort to pass AB 1542. I am certain you are familiar with this Assembly bill that Governor Schwarzenegger vetoed. Fortunately, he saw the wisdom in having statewide standards for mobile home parks. I have attached a copy of his message to the Assembly in the event you have not had the opportunity to see it. (Attachment #3)

The Santa Rosa City Council succumbed to the will of this group and passed a city ordinance. Sonoma County also succumbed and passed a county ordinance.

What these tactics by this group and the city and county ordinances have succeeded in doing are:

1) Encouraged the low income residents to be frightened and not allowed them to be assured that California Code 66427.5 protects them and they will not lose their homes.

2) Removed the possibility of purchase from the young families who see this as the only way to be able to invest in real estate in California and from seniors who, like my husband and I are just tired of having nothing to show for the rent we pay.

3) Removed all possibility of choice as to buy or rent.

These ordinances do not serve the majority but only aid the small self-serving minority of higher income residents to keep their local rent control.

I researched this issue extensively and have found residents to be very happy with the conversion of their parks. I have also found that the higher income residents, who were opposed, were the first to purchase and purchased with cash. There are avenues of financing available for those wishing to purchase, including lower income residents. I do not have a problem with higher income residents paying a rent equitable with their income if they choose not to buy.

I have testified at legislative hearings and spent countless hours lobbying in Sacramento. I have been in contact with mobile home park residents throughout the state. So many residents look forward to having the opportunity to choose what is best for them. Please consider the information I have provided before passing an ordinance taking away the opportunities offered by conversion. Restricting or prohibiting conversions choice for residents.

Sincerely,



Joan Evans, Chairperson
Enclosures (3)

*Fictitious letter written by H.O.A. self-appointed
President, Dick Root sent to all
residents in May 2006*

Example of the "Conversion of the Country" (As I see it.)

My name is Mary Brown, 76 years old and a widow. I reside at the Country Mobile Home Park on Fulton Rd., Santa Rosa, Ca. And I qualify as low income.

Richard Close, an Atty, representing the owners of this park appeared before us on May 9. 2006 to advise us that our park was going to be converted to an "Owner Park" and that we had two choices. (1) We could buy our lot for an undetermined amount \$100,000 or more or (2) We could rent the lot. Rent for low income about \$475 a month for 5 years, after 5 years the rent would go up to market rate of \$1000 to \$1500.

At first I thought I would to buy but after analyzing, this is what I found, Lot \$100,000, my home is a 1972 model and banks will not loan on anything older than 1977 and if they would, I must place a foundation under it at a cost of \$30 to \$40 thousand dollars. Interest on \$100,000 @ 3%, \$3000 a year, Closing cost \$1200, Taxes about \$1000 a year and Home Owners dues of \$175 a month (this to be set by the board appointed by the owners). Now I am obligated to assume responsibility for the maintenance of the 35 year old underground water system, electric system, gas, streets, lawns, club house and fences all of which will still belong to the park owners. We have no sidewalks and must walk in the street, If a resident or visitor should be killed or injured we and the City of Santa Rosa would be open to Law Suits we couldn't afford.

Buying is way over my income, maybe I should look at RENTING.

If I rent at the low income rate, Monthly rent \$475 and I wouldn't have to pay the \$175 home owners dues (The owners would pay that out of my rent for four years, but that would leave them with only \$200 a month rent for my lot, why would they do that?) Here is why, after the 5 years my rent would go up to market price, \$1000 to \$1500 a month. This is more than my income.

What am I to do?? Now I find I can do neither, I can't afford to Buy and I can't afford to Rent.

I must try to sell my home but to sell I must put a foundation under it and the bank will not finance a coach that old. There is no place to move it, there are no courts with vacancies and they will not take older coaches.

I can't pay my rent and I can't buy, can't move my home, so I must walk away and leave it, After all that is what the owners really want. The County no longer has a "Poor House" My only choice is out on the street, maybe there will be room under a bridge, but again maybe not with so many of us going.

Emergency Meeting, Re: Resident Survey

We are sorry that we must call a "General Meeting" of all our residents on such short notice. Whether you are a member of the "Home Owners Association" or not this affects you.

Today we received the "RESIDENT SURVEY" that we have been dreading. This is one of the most important steps as far as we are concerned in the conversion of our park.

This Survey is not authorized and should not be signed, this from our lawyer, David Grabill.

BEWARE— The first three questions appear to be trick questions, each indicating that you are in favor of the conversion of our park to a condominium park, what about the rest?

BEWARE—Please do not attempt to fill out this survey until you have attended the meeting we have scheduled for this Tuesday, October 10th, at 7:00 PM in our club house.

Our Lawyer David Grabill will be present to advise and council us on the proper steps to follow as we attempt to protect ourselves from this horrible conversion they are forcing upon us.

Please make every effort to attend, an error on our part could cause the loss of our park as we know it today.

**Thank You, (Bingo is cancelled for this night only)
Your Officers and Board.**

Country Mobile Home Owners Association

#2

BILL NUMBER: AB 1542
VETOED DATE: 10/12/2007

To the Members of the California State Assembly:

I am returning Assembly Bill 1542 without my signature.

I am greatly concerned about housing affordability and homeownership for all Californians. I understand the sanctity of the home and the importance of having stability in your living situation. This need for stability was eloquently expressed by the many seniors throughout California who have written to me on both sides of this bill.

I also recognize that compared to other housing issues there is a uniqueness regarding mobilehomes and all the varied manners of ownership, leasing, affordability, and opportunity. It is because of this uniqueness that laws were enacted to create statewide standards for mobilehome parks.

The intent of current state law is to provide an opportunity for home ownership to those mobilehome owners who desire to own both their home and the land it rests on. The law also offers protections for low-income individuals against unwarranted rent increases.

While the bill's intent is to preserve low-income housing, it also extends rent control in certain circumstances to mobilehome owners in much of the state no matter what their income level. It is unclear what state interest is served by the extension of rent control for those who do not have an economic disadvantage. In addition, establishing two statewide standards for rent control seems confusing and unnecessary.

It is clear that mobilehome issues require a comprehensive approach to ensure that low income individuals and families are protected, homeownership opportunities are afforded to those who choose them, and stability of the home and property is preserved.

I urge the Legislature over the coming year to find a solution that provides true balance for all the stakeholders involved in mobilehome issues.

Sincerely,

Arnold Schwarzenegger

#3

EL SERENO ESTATES RESIDENTS ASSOCIATION

Serving the Interests of the Mobilehome Owners of the El Sereno Estates Mobilehome Park
1225 S. RICE RD
OJAI, CA 93023

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[MOBILEHOME CONDOMINIUM CONVERSION ORDINANCE REVIEW JAN 07, 2008]

ZN08-0001

Presented by: Daniel Tillotson, ESERA Vice President
1225 So. Rice Rd - #64, Ojai, CA 930223
Ph: 805-646-7768 / EM: dankline@juno.com

VENTURA COUNTY	
JAN 07, 2008	
COMMISSION	
CASE NO.	2N080001
EXHIBIT	A
DATE	2-7-08

It is helpful to have a previously tested mechanism for managing the interests of both park owners and park residents, rather than starting from scratch in the task of hammering out the details. We are grateful for the documentation of that mechanism having been made readily available to the public by your staff. It is clear that the heart and core of the proposed amendments is the same in all of its key elements as that ordinance which was adopted by Sonoma County (see pg 014 - B) and subsequently upheld in the courts last October.

Whatever criteria are used by a park owner to convert a space rental mobilehome park to a condominium subdivision - no matter how they are defined - there are some inevitable outcomes:

- 1 - **No injury** whatsoever will be suffered by the **park owner** - they only stand to gain - and to do so to the extent of a great amount of money in their bank account.
- 2 - **Irreparable injury** will unavoidably be suffered by some - and likely many - of the **park residents** - emotionally and financially - including loss of their mobilehome.
- 3 - **The park residents** most likely to face that suffering and loss will be the ones who can least afford it - seniors and low income residents.

That having been said, I want to remind the Board briefly of some of the stipulations of the Sonoma ordinance that are included verbatim in these proposed amendments:

Pg 022 Defining a "Bona Fide Resident Conversion"

Staff's analysis has suggested that a "bona fide resident conversion" is one which is *initiated* or *supported* by *most of the resident households* and is not undertaken merely to get out from under rent control.

There isn't - and there is not going to be - a single PARK OWNER who is going to propose this conversion without the intent of getting out from under rent control. That might not be the only reason but it will always be the primary reason.

The question is needing to be addressed is not whether the park owner's intentions are "bona fide", but rather, what are the desires of the residents in the matter of converting to a condominium park, regardless of whether the owner's motives are good or otherwise. If the PARK RESIDENTS want to be out from under rent control, they can certainly ask for it to be rescinded.

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So these amendments are not really dealing with "*bona fide*" - that is with "*good faith*" - intent on the part of any park owner. They are dealing with mitigating the ease with which park owners can make these conversions over the objections of the residents who have provided them a reliable income over the past 30 years or more. ~~To accomplish that mitigating, the key requirement in the Sonoma County ordinance has been included in these proposed amendments for Ventura County, and it states:~~

The proposed draft ordinance, therefore, establishes that a conversion is "*bona fide*" if more than 50% of households in occupied spaces support the conversion.

This proviso gives at least some *minimal* protection to the park residents who cannot afford to purchase their space under the conditions of a condominium conversion, because it allows them a potentially significant voice in deciding whether the conversion can proceed.

~~Park Owners understand clearly, that having that voice puts a greater burden on them to convince the residents to support a conversion - perhaps by offering protections to non-buyers through guarantees against rent increases, or negotiating acceptable relocation payments, or even negotiating buyouts that do not injure the residents.~~

~~The Sonoma County documents acknowledged the difficulty that park owners expect to face in getting more than 50% support when surveying the residents. And the park owners were able to persuade the Sonoma County Board of Supervisors to therefore include a further proviso that said:~~

In this case, the proposed ordinance would require that the subdivider demonstrate that the conversion is "*bona fide*" by requiring the subdivider to show that:

\$ a significant percentage of the residents (*at least 20%*) support the conversion; and

\$ the conversion includes *a plan* designed to ensure that *most* of the lots are sold to existing residents within a *reasonable* length of time; and

\$ the conversion is not undertaken as a means of *circumventing local rent control*. ...

This "option" to grant a conversion based on a survey which shows 20% of the residents in support of that conversion *literally nullifies the voices of most of the residents*. All the park owner has to do is seek out the wealthiest residents and convince them that if they don't support the conversion they stand to lose a substantial amount of money. Those are not the residents who are in need of "low income" housing. Those ~~are not the residents who are in need of "affordable" housing. Those are not the residents who are disabled, or seniors who thought they had a means of sustaining themselves through the ending years of their lives on a limited and fixed income.~~

This Board does not have to make the same mistake that Sonoma County made. This proposed ordinance ~~can be equitable and useful, even if it does not include everything that everyone wants.~~

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You can assure that equitability and usefulness by removing the entire section which permits the 20% option.

Throughout this proposal there are key words that are repeated over and over again as the "**reasons**" for these recommendations. They are "**preservation of low income housing**", "**continuing affordability of currently affordable units**", "**continued affordability of the existing affordable housing stock**".

Without the 20% option, those words have some possibility of being valid and meaningful.

If that 20% option remains a part of this proposed ordinance, there is no possibility for those words to be truly "**bona fide**" in any sense of the term - they are empty and hollow. Furthermore, if they remain, there simply is no point in having the 50% stipulations, they are virtually meaningless.

We strongly urge you to remove that 20% option from this proposal, and all the language that relates to it, and then to proceed with passage of the revised ordinance.

The following sections of the proposed ordinance documentation are included for your reference and reflection.

Pg 013:

A - Background: Specifically, **the purposes** of the proposal amendments are:

2 - To ensure that conversions of mobilehome parks to resident ownership are bona fide conversions in accordance with state law.

4 - To balance the need for increased homeownership opportunities with the need to **protect existing rental housing opportunities**.

7 - To **conserve the County's affordable housing stock**.

Pg 014:-16

B - Project Description: Local zoning and subdivision provisions do not inform staff how to harmonize such conversions with the goals, policies and programs of the County's General Plan The **purpose** of the proposed amendments ... is to fill the void in our local law ... **to prevent any potential loss of affordable housing** ... within the unincorporated areas of the County, in keeping with the established goals,... of the General plan.

Pg 016-017:

2 - Subdivision Ordinance Amendments:

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Serving the Interests of the Mobilehome Owners of the El Sereno Estates Mobilehome Park

1225 S. RICE RD

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Proposed Section 8213-3 - "Criteria for Conversion Application"

This section also sets forth local criteria for determining whether the conversion is a bona fide one, as required by Sec 6645257.5 as follows:

- (a) Where the survey of resident report ... shows that ***more than 50% of resident households support conversion*** to resident ownership, the conversion shall be presumed to be a bona fide resident conversion.
- (b) Where the survey of resident support ... shows that ***at least 20% but not more than 50%*** of the residents support the conversion to resident ownership, the subdividers shall have the burden of denostrating that the proposed conversion is a bona fide resident conversion.....shall demonstrate ... that a viable plan ... is in place to convey the majority of the lots to current residetns of the park within a reasonable peeriod of time.

Pg 017-018

C - Standards for Amendments to the Zoning Ordinance

1 - The ... proposed findings are as follows:

- c - The recommended amendments ... would ***promote the goals***, policies, and programs of the General Plan, ***specifically those regarding the provision of affordable housing.***

2 - a - Reasons for Recommendation: ... they would ***promote the goals***, policies, and programs of the General Plan with respect to ***preservation of low income housing*** as described in C-1-c above.

b - Relationship of Proposed Amendments to General Plan and applicable specific plans

- 1) General Plan: ... promote the goals ... ***specifically the preservation of low income housing.***

Goal 3.3.1-3 - Housing Preservation Goals: ***Preserve ... the continuing affordability of currently affordable units.***

- 1)

- 2) ***Assure ... the continued affordability of the existing affordable housing stock.***

EL SERENO ESTATES RESIDENTS ASSOCIATION

Serving the Interests of the Mobilehome Owners of the El Sereno Estates Mobilehome Park
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2) Ten Area Plans: ... Of the TEN Area Plans, EIGHT are stipulated as having no applicability to these ordinance amendments. THE ONLY TWO considered applicable are OJAI VALLEY and THOUSAND OAKS.

And the conclusion is the drawn that "*to the extent they relate to the area plans, the proposed amendments help acheive their goals*"... and then further states "the proposed amendments are therefore in conformance with the requiremeents of Non-Coastal Zonin Ordinance Sections 8115-0 and 8115-3.1.