

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST AREA
89 SOUTH CALIFORNIA ST., SUITE 200
VENTURA, CA 93001
(805) 585-1800

W 7b**ADDENDUM**

DATE: October 5, 2007

TO: Commissioners and Interested Parties

FROM: South Central District Staff

SUBJECT: Agenda Item **W 7b**, Wednesday, October 10, 2007
City of Oxnard LCP Amendment No. 2-06 (Mobile Home Park Conversions)

The purpose of this addendum is to:

- A. Make the following correction to the 3rd paragraph on pages 1 and 4 of the staff report (additions are shown in underline and deletions are shown in ~~striketrough~~:

The impetus for the proposed LUP amendment is a proposed conversion of the Hollywood Beach Mobile Home Park from rental to condominium ownership. The existing park consists of one parcel, and the mobile home owners currently rent space from the park owners. Under the proposed conversion, this parcel would be subdivided so that each mobile home lot would become a separate parcel condominium air space unit available for purchase by existing tenants. Existing tenants who choose not to purchase their lot would be given the option to continue to rent their spaces indefinitely, pursuant to California Government Code Section 66427.5 (a).

- B. Attach correspondence to the Commission received from opponents to the proposed LCP amendment: (**Exhibit 13**):

- Letter from Jeffrey Norris, a resident of the Hollywood Beach Mobile Home Park, dated October 3, 2007.
- Letter from Steve and Sandi Rhame, residents of the Hollywood Beach Mobile Home Park, dated October 4, 2007.
- Letter signed by multiple residents of the Hollywood Beach Mobile Home Park, dated October 4, 2007.
- Letter from Doug Bainton, a resident of the Hollywood Beach Mobile Home Park, dated October 3, 2007.
- Letter from a concerned resident of the Hollywood Beach Mobile Home Park who wishes to remain anonymous, received October 3, 2007.
- Letter from John Flynn, Ventura County Board of Supervisors Board Member, dated October 4, 2007.
- Letter from Barbara Macri-Ortiz, a Ventura County attorney who specializes in affordable housing issues, dated October 4, 2007.

- C. Attach correspondence to the Commission received from the attorneys (The Loftin Firm) representing the Hollywood Beach Mobile Home Park owner, dated October 4, 2007 (**Exhibit 14**).



LAW OFFICES OF
JEFFREY B. NORRIS

300 ESPLANADE DRIVE
SUITE 900
OXNARD, CALIFORNIA 93036

Item W7b
OPPOSE

TELEPHONE 805-485-5500
FACSIMILE 805-485-5911
EMAIL lawdude@dcninternet.com

October 3, 2007

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CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

California Coastal Commission
South Central Coast Area
89 S. California Street Ste. 200
Ventura, CA 93001

Re: Item: W7b
Hollywood Beach Mobile Home Park

Dear Commissioners:

I urge you to follow your staff's recommendation and deny the application of the City of Oxnard to delete policy No. 88 from its LCP. As a resident of this senior rent-controlled mobile home park since 2004 I was originally in favor of its conversion through the sale of individual lots to the residents. At the time the McGrath family, the park owners, had indicated a median sale price of \$131,000 per lot. In a classic Bait and Switch, once the City of Oxnard agreed to the sale, the McGrath family raised the price to \$215,000 per lot making it impossible for the majority of the residents to purchase the spaces they have occupied for years (even with MPROP funds).

At present only a handful of the people living here continue to support the conversion while the rest are terrified about the consequences once the rent controls are abolished and they can no longer afford to live here.

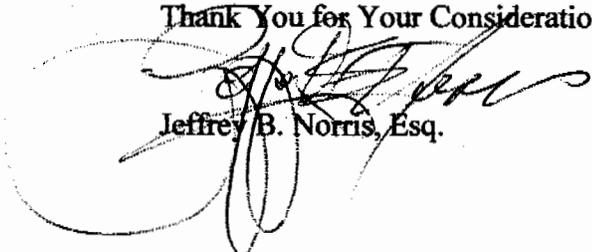
Complicating the matter further is the fact that Sue Loftin, the attorney allegedly representing us, is also representing the McGrath family in this matter. This glaring conflict of interest is an egregious violation of the California State Bar Code of Professional Responsibility. Ms. Loftin has drafted a partnership agreement claiming that we, the residents, are "partners" with the McGraths in the sale in an attempt to circumvent the Rules of Ethical Conduct. However, the current battle between the owners and the residents and Ms. Loftin's own malpractice in failing to obtain a sales agreement the year that the McGrath's agreed to the initial price, shows that this is anything but a cooperative venture.

I will not bore you with the details but wish to point out that the residents originally voted to hire The Lincoln Group as our attorneys but our then Homeowner's Association President, P.J. Szewzuk, hired Ms. Loftin instead. Ms. Szewzuk then unilaterally

Exhibit 13
Oxnard LCPA 2-06
Additional Correspondence

announced that she and her board of Directors should remain in office an additional 6 months, supposedly at the suggestion of Ms. Loftin. This was a clear violation of the Association Rules since Ms. Szewzuk had already served the maximum term permitted and the Rules specified that elections be held at the beginning of the year. Thus, everything that Ms. Szewzuk and her holdover Board did, including formation of the Acquisition Committee to purchase the Park, the new Park Rules (adopted without the publication, notice or vote by a sufficient number of residents to constitute a quorum - all violation of the Corporations Code), and the suspension of the Homeowner's Association is invalid under California law. These people have no legal authority to represent the park residents. Once again I urge you to follow your staff's well considered recommendation.

Thank You for Your Consideration,



Jeffrey B. Norris, Esq.

October 04, 2007

Dear members of the California Costal Commission,

My wife and I are residents of the Hollywood Beach Mobil Home Park, at 4501 West Chammel Islands Blvd. space # 6, Oxnard, CA 93035. When the plan to put the park into ownership was first proposed the cost of our lot was to be \$120,000.00 which we could afford, so we were in favor of the conversion. The cost of our lot has increased to \$215,000.00 which we can not afford. So we will not be able to buy. We are concerned that without rent control we will be displaced. As a result we are not in favor of the conversion.

Sincerely,

Steve and Sandi Rhame

Space # 6, Hollywood Beach Mobil Home Park

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Amendment 2-06
Item W7b
Con

CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

California Coastal Commission
South Central Coast Area
89 S. California St. Suite 200
Ventura, CA 93001

October 4, 2007

To: Coastal Commissioners

Re: City of Oxnard Local Coastal Program Amendment 2-06 (Mobile Home
Park Conversions)

Dear Commissioners,

We live in the Hollywood Beach Mobile Home Park and are very
unhappy with the course this proposed conversion to a resident owner
mobile home park has taken.

Our hope is that you will agree with the recommendation made by
your staff and deny the proposed Land Use Plan. We too are worried about
the effect this conversion will have on affordable housing and our lovely
park and the residents.

Thank you for your consideration.

Susan G. Argent

Maria C. Lapadula

Lou E. Bickelhaup

Judy Carter

Jacqueline M. Nulps

Stanley M. Morrison

R. Cantor #9

Sandra L. Thorne

John Buckman

Diane Liberty #84

Stephen P. Patton

Sheila Feigenbaum

Michelle Beckler

Melissa J. ...

...

OCT 3 2007

COASTAL COMMISSION

COMMISSIONERS AND INTERESTED PERSONS

MY NAME IS DAVE BAINTON AGE 68, I LIVE AT THE HOLLYWOOD BEACH MOBILE HOME PARK SPACE # 9

I PURCHASED MY HOME SEPT OF 2005, PAT MILL'S REALTOR WITH TROOP REAL ESTATE SHE ALSO LIVES IN THE PARK

I PAID \$350,000 THOUSAND WITH THE UNDERSTANDING THE LOTS WOULD SOON BE FOR SALE, BETWEEN \$120,000 TO \$150,000.

- SINCE THEN IN SUPPORT THE RESIDENT HAVE
- 1 SENT LETTERS TO THE MAYOR
 - 2 WENT TO THE PLANNING COMMISSION MEETING
 - 3 WENT TO THE CITY COUNCIL MEETING
 - 4 TOOK A SURVEY BASED ON \$120,000 TO 150,000 THOUSAND. NINETY PLUS PERCENT WAS IN SUPPORT.

ON 3-14-07 OUR GENERAL MEETING SUE LOFTIN SAID THE MERIAN PRICE FOR A LOT WAS PRESENTED AS \$215,000 WHICH IS CONSIDERABLY HIGHER THAN THE PREVIOUS ESTIMATE GIVEN TO US. WHY THE BRIT AND SWITCH.

MY MORTGAGE IS \$1473, RENT \$460, LAND WILL BE AROUND \$1450 ALL ON A FIX INCOME

SINCE 3-14-07, THE HOLLYWOOD BEACH BOARD WILL NOT TAKE ANOTHER SURVEY

WE HAVE NOT HEARD FROM SUE KOFTIN. CANT
UNDERSTAND THE GAP IN THE PRICE RANGES
FOR PARK PURCHASE, THERE ARE NO SIGN
CONTRACT, THIS HAS BEEN GOING FOR OVER
FOUR YEARS. THE RESIDENT HAVE GIVING UP
I HOPE COASTAL AND THE COMMISSIONERS
UNDERSTAND OUR SITUATION

THANK YOU
Dorey Bunting

California Coastal Commission
 3rd Central Coast Area
 Agenda No WTB
 Concerning - City of Oxnard
 Amendment to delete Policy No 88

[REDACTED]
 4501st channel 151d Blvd
 Oxnard Ca 93055

Please do not let the City of Oxnard amend the (LUP) portion of its Certified Local Coastal Program (LCP) to delete the following policy No 88.

Being 81 yrs old I intended to spend a reasonably wavy free life in this older mobile home, in Hollywood Beach M.H.P.

Its is impossible for my to buy my lot. This causes me much worry and concern.

I am sure I am not alone as there are many in here that are in low & middle income, while just a few, who could buy their lots may be 3 or 3. I am also concerned & do not want the changes that would occur such as restrictions & fees that would happen when the association that would run the park as condominiums is in charge, some of it has already happened because of the sureness of the conversion to happen.

Sincerely
 [REDACTED]



**BOARD OF SUPERVISORS
COUNTY OF VENTURA**

600 SOUTH VICTORIA AVENUE, L#5239, VENTURA, CALIFORNIA 93009 (Mailing Address)
2900 SOUTH SAVIERS ROAD, 2nd FLOOR, OXNARD, CALIFORNIA 93033 (Location Address)

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CALIFORNIA
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SOUTH CENTRAL COAST DISTRICT

MEMBERS OF THE BOARD:
LINDA FIFE
STEVE DELBECK
KATHY L. JOG
PETER C. FLYNN
JOHN K. FLYNN

JOHN K. FLYNN
SUPERVISOR, FIFTH DISTRICT
(805) 481-6131
FAX NO. (805) 481-7152
E-mail: john.flynn@ventura.org

October 4, 2007

California Coastal Commission
Deputy Director John Ainsworth
Chairman Patrick Kruer
Coastal Commissioners
South Central Coast Area
89 South California Street, Suite 200
Ventura, CA 93001

RE: October 10, 2007 Agenda Item W 7 b.

Dear Deputy Director Ainsworth, Chairman Kruer and Coastal Commissioners:

I am writing this letter in support of the conclusions drawn by and recommendations of the California Coastal Commission Staff regarding W 7 b.

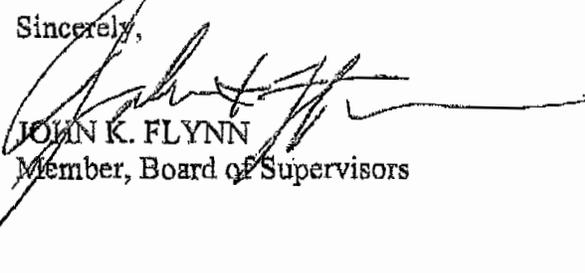
The recommendation to deny the proposed Land Use Plan as submitted will assure that affordable housing opportunities for persons of low- and moderate-income will be protected.

An important issue is to have a diversity of access to the coastal zone, including slips for small boats and low and no cost recreational resources including parks. All of these are under attack by those seeking upscale development.

This problem is becoming more intense throughout the state, and most particularly in the coastal areas of Ventura County that I have represented for over 30 years.

Thank you for your attention and consideration.

Sincerely,


JOHN K. FLYNN
Member, Board of Supervisors

*Agenda Item No.: W7b
Application No.: City of Oxnard LCP
Amendment No. MAJ-02-06
Comments by: Barbara Macri-Ortiz
Position: Opposed*

*Law Office of
BARBARA MACRI-ORTIZ
P.O. Box 6432
Oxnard, California 93031*

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CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

Telephone: (805) 486-9665

Facsimile: (805) 487-1409

E-mail: b.macriortiz@verizon.net

October 4, 2007

Mr. Patrick Kruer, Chair
California Coastal Commission
89 South California St., Suite 200
Ventura, CA 93001

***RE: COASTAL COMMISSION HEARING, 10/10/07: AGENDA ITEM NO. W7b –
City of Oxnard LCP Amendment No. MAJ-02-06 (Mobile Home Park
Conversions)***

Dear Chairman Kruer and Members of the Commission:

I am a Ventura County attorney specializing in affordable housing issues. I live and work in the City of Oxnard. Unfortunately, I will be unable to personally attend your meeting on October 10, 2007, but I do wish to comment on this important issue that is before you. I make these comments on behalf myself and the low and moderate income clients whom I serve in Oxnard and Western Ventura County.

I have reviewed the Staff Report dated September 20, 2007, prepared by John Ainsworth, Deputy Director, South Central Coast District, Barbara Carey, Supervisor, Planning and Regulation, and Deanna Christensen, Coastal program Analyst. Since I concur with the legal analysis contained therein, I need not discuss the legal issues raised in the report. Suffice it to say that I believe that the Commissioners must deny the City of Oxnard's request to delete Policy 88 from the Land Use Plan (LUP) portion of its certified Local Coastal Program (LCP) because the request is inconsistent with both the Coastal Act and the remaining affordable housing policies and provisions of the City's LCP, and the

Letter to Mr. Patrick Kruer, Chair, Coastal Commission
RE: Agenda Item, W7b - City of Oxnard LCP Amendment 2-06
October 4, 2007
Page 2

request is also contrary to the requirements of the Mello Act. Additionally, the City's decision to delete Policy 88 also has ramifications that go far beyond the Hollywood Beach Mobile Home Park, and thus, any proposed changes to the policy should have been entertained in the context of the update of the City's overall General Plan so that the community as a whole would have been made aware of the proposal and could have expressed their opinions prior to the City Council's action on the subject matter.

In any event, I would like to share with you my perspective as an attorney with eighteen years experience in affordable housing matters in Ventura County. The City's decision to delete Policy 88 is not good public policy whether it is viewed from the perspective of the low income community or from the perspective of the overall population of the City of Oxnard.

The City of Oxnard is a predominately working class community, and for longer than I have lived in Oxnard, there has been a tremendous need for decent, safe and sanitary housing that is affordable for all of our residents. Oxnard is also struggling with the impacts of development. Traffic congestion, as well as the broader issues of preservation of prime farm land and global warming challenge us to create communities where we can live and work without being so dependent on the automobile. During this period of development our community has added many low wage, service oriented jobs. This is particularly true in the coastal zone as a growing tourism industry creates additional demand for retail, hotel, restaurant and other service oriented, low paying jobs. Thus, it is critical to preserve the affordable housing that exists in the coastal zone.

We in Ventura County have experienced an exorbitant run-up in the cost of housing during the last seven years. The inflated property values were fueled by creative financing packages offered by lending institutions, and this lending activity completely changed the fabric of our housing landscape. Many low and moderate income families were lured into purchasing overpriced homes that they could not afford by Realtors and mortgage brokers who offered home loans with several payment options, including interest only payments for a period of time and/or adjustable loans with minimum monthly payments that would add principal onto the loan balance every month that the borrower elected to pay the minimum. We are now feeling the effects of these irresponsible lending packages as the foreclosure rate in Ventura County increased by 784% during the first six months of 2007.

This problem is particularly acute in Oxnard. An informal survey of the real property ownership records of five prominent financial institutions revealed that 38% of these lenders' foreclosed properties in Ventura County are in the City of Oxnard. Many of the

Letter to Mr. Patrick Krueger, Chair, Coastal Commission
RE: Agenda Item, W7b - City of Oxnard LCP Amendment 2-06
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Page 3

home owners now losing their homes were never properly educated about the loan commitment they were making and were shocked to see their payments double or triple over a matter of months or a few years. Many residents are being forced out of their homes, and this trend is expected to continue for at least another 18 months as the adjustable interest rates for many sub-prime mortgages reset.

The residents of Hollywood Beach Mobile Home appear to have been the victims of a similar lack of education and/or candor on the part of the Park Owner. Prior to conducting the required resident survey as part of its Impact Report, the Park Owner told the residents that they each would be able to purchase their individual lot for \$120,000. The residents were further enticed with the prospect of receiving financial assistance from the California Department of Housing and Community Development's Mobilehome Park Resident Ownership Program (MPROP). This program apparently earmarked the amount of \$1,900,000 to assist the residents in purchasing their lots (These funds would amount to a subsidy of approximately \$20,000 per household).

As a result of the representations that were made, eighty-two of the home owners who responded to the Park Owner's survey supported the conversion. Fourteen other homeowners either opposed the conversion, did not state a position or did not complete the survey. [See Exhibit 6, p. 3].

Now, after the senior citizen community cooperated with the Park Owner by not opposing the project, the Park Owner has engaged in *bait and switch* tactics, leaving the senior citizens to pay twice as much for their lots. Of course this is an amount that senior citizens on fixed incomes simply cannot afford. [See Exhibit 8].

I was unable to find any statistics in the Park Owner's Impact Report or the Staff Report that actually indicates how many of the residents are lower or moderate income households. However, by letter to Deputy Director Ainsworth dated July 27, 2007, the Park Owner's attorney, Jacob Gould, informed the Commission that "[m]any of those residing in the Hollywood Beach Mobilehome Park are low and or fixed income seniors." He also informed the Commission that it is unlikely that the State's MPROP funding will be available to assist the Hollywood Beach residents. Clearly, the tables have turned, and only those homeowners who can afford to pay \$240,000 for their individual lots will be able to purchase, leaving the rest of the residents to continue renting *without the protections of rent control* and more importantly, *without the preservation of their units*

*for affordable housing in the coastal zone*¹.

The amendment to Oxnard's Land Use Plan is counter productive. It strips existing protections from the 277 households who reside at the Hollywood Beach and the Oxnard Shores Mobile Home Parks. The amendment also eliminates a significant source of affordable housing in the coastal zone, and may very well create a situations where in a few years our senior citizens may have to sacrifice other necessities of life, such as food and medications, in order to be able to pay their rents or mortgages. This is bad public policy and will exacerbate the housing crisis that we face in the City of Oxnard and throughout the coastal zone.

The irony of this situation is that I sincerely doubt that the Oxnard Planning Commission and the City Council of Oxnard would have requested the amendment to eliminate Policy No. 88 had the residents of Hollywood Beach Mobile Home Park opposed the conversion. Fortunately, the Coastal Commission is in a position to preserve the integrity of both the Coastal Act and the Mello Act, and in so doing protect these senior citizen residents, who have been misinformed by the Park Owner.

State law mandates that residential units in the coastal zone that are occupied by persons and families of low or moderate income not be demolished or converted to another use unless provisions have been made to replace those units with other low or moderate income units elsewhere in the coastal zone. The stark reality is that the Park Owner has not complied with the provisions of the law. Neither has the City of Oxnard. The Coastal Commission should not certify the proposed LUP amendment to delete Policy No. 88 because the amendment is contrary to the spirit and intent of both the Coastal Act

¹. It should be noted that the monthly mortgage payment for a 30 year loan in the amount of \$100,000 at 6.5% interest is \$632.00. In contract, the monthly mortgage payment for a 30 year loan in the amount of \$240,000 at 6.5% interest is \$1,517.00. Taking into consideration the monthly amounts that the homeowner would also need to budget in order to pay the taxes on the land and improvements (\$281), plus the insurance (\$25), plus utilities and home owners association fees (\$150), the total monthly housing cost would be approximately \$1,973.00. Under state standards, housing costs for a household should not exceed 30% of the household's income. Applying this standard to the Hollywood Beach situation, and assuming that the home owner owned the mobile home free and clear of any debt, a monthly housing cost of \$1,973.00 would only be affordable to a household earning \$6,577.00 a month or \$78,920 yearly income, far beyond the maximum income level for a low income household. [See Exhibit 6, p. 2]. The situation would be even more dire for any resident who is making monthly payments on an existing balance that may still be owed on his or her mobile home.

Letter to Mr. Patrick Krueger, Chair, Coastal Commission
RE: Agenda Item, W7b - City of Oxnard LCP Amendment 2-06
October 4, 2007
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and the Mello Act. Furthermore, the Coastal Commission should not allow the Park Owner and the City of Oxnard to evade their obligations under the law, especially on a matter of statewide importance – housing for all segments of our population, including very low, low and moderate income individuals and families..

Thank you for your consideration.

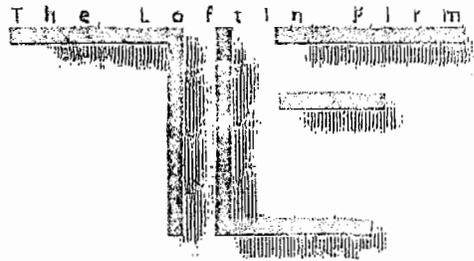
Sincerely,

A handwritten signature in cursive script, appearing to read 'B Macri-Ortiz', written in black ink.

Barbara Macri-Ortiz

L. Sue Loftin, Esq.
Josephine E. Lewis, Esq.
Jon F. Rodrigue, Esq.
Michael Stump, Esq.
Jacob Gould, Esq.
Christopher Bates, Esq.

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tel 760.431.2111
fax 760.431.2009

Client/Matter Number:
HB/481

Attorneys at Law

Via Facsimile (805) 641-1732 and US Mail

October 4, 2007

John Ainsworth
Deputy Director
California Coastal Commission
South Central Coast
89 South California St., Suite 200
Ventura, CA 93001

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CALIFORNIA
COASTAL COMMISSION
SOUTH CENTRAL COAST DISTRICT

Re: City of Oxnard LCP Amendment No. MAJ-2-06 -- Staff Report

Dear Mr. Ainsworth:

As you are aware, this Firm represents the residents and the owners of the Hollywood Beach Mobilehome Park whom submitted the underlying application to amend the Oxnard Coastal Land Use Plan for purposes of converting this rental park to a resident owned park.

Overview of Applicant's Project

The requested amendment to the City's Coastal Land Use Plan is the final step to memorialize municipal approval of the conversion of Hollywood Beach Mobilehome Park to a resident owned park. In a conversion of a rental park to resident ownership, as here, the park owner processes a subdivision map through the City. Following City approval of a tentative map, the park owner seeks approval from the California Department of Real Estate for permission to market and sell the subdivided interests in real estate. In this case, the park will be subdivided through a condominium plan which divides the specific sites within the park for the benefit of the residents. Following final DRE approval, the park owner must offer each resident a right of first refusal to purchase their lot or, for those who do not wish to do so, permit each resident to remain renting (with all their current protections under the Mobilehome Residency Law) but with the additional benefit of a State mandated form of rent control.

Exhibit 14
Oxnard LCPA 2-06
Loftin Firm 10/4/07
correspondence

THE LOFTIN FIRM

October 4, 2007
MAJ-2-06 Staff Report
Page 2 of 7

Summary of Request Before Coastal Commission

This correspondence is in response to the Summary of Staff Report Package attached to the October 10, 2007 Coastal Commission Agenda regarding agenda item W7b, City of Oxnard LCP Amendment No. MAJ-2-06 ("Staff Report").

The above referenced Staff Report recommends denial of the LCP amendment on two grounds; (1) "that the proposed LUP amendment to delete an affordable housing policy, as submitted, is inconsistent with the Coastal Act in that it does not protect affordable housing opportunities for persons of low- and moderate-income in the City's coastal zone"; and (2) that "the proposed LUP amendment is inconsistent with the remaining affordable housing policies and provisions of the City's LCP."

Background on Applicant's Project

By way of additional background, this process began over two (2) years ago with discussions of all related issues with the City Attorney for the City of Oxnard. The issues raised today by the Commission Staff have all been raised and addressed by the City of Oxnard. To begin, replacement housing in the Coastal Zone pursuant to Policy 88 and the pre 1980 language of California Public Resources Code Section 30213 was discussed at length along with the application of the Mello Act, prior to even submitting the underlying subdivision application. In the summer of 2005, representatives from the Hollywood Beach Resident Association, the Park Ownership and this Firm, met with City of Oxnard Planning Staff as well as the City Attorney's Office. There is detailed correspondence from all parties on each issue relating to the project, including but not limited to the protection of low and moderate income households, the consistency with the Oxnard LCP, LUP and the Coastal Act and California Government Code, as well as other issues such as rent control, the impact of the project on non-purchasing residents and many, many other important facets of this project.

During the course of these meetings and discussions, the inconsistency of Policy 88 and the Oxnard LCP with the current language of the Coastal Act (Cal. Pub Res. Code Section 30213) was brought to light. As discussed in further detail below, Section 30213 was amended in 1980/1981 removing the language relating to the protection of low income residences within the coastal zone and is currently limited to visitor serving amenities. The Mello Act was adopted in 1981 and wholly occupies the field of replacement housing within the Coastal Zone, and therefore picks up where Section 30213 left off and serves the same intent and purpose of Policy 88. As Policy 88 was written prior to this amendment, and has not been used after the Coastal Act was amended, the City had no way of knowing the Policy was out of date and inapplicable.

The City of Oxnard conducted a full Mello Act Review, the same review that would have been conducted under Policy 88, and concluded that the Hollywood beach project did not trigger the Mello Act. The reasoning and findings for such a determination are well documented in the City of Oxnard staff reports and resolutions related to the Hollywood Beach project. A brief

THE LOFTIN FIRM

October 4, 2007
MAJ-2-06 Staff Report
Page 3 of 7

summary of those findings is that the underlying project is merely a change in ownership and no household, low income or otherwise, is displaced or removed from the Coastal Zone.

Pursuant to the City of Oxnard's findings, Policy 88 was inconsistent with the Coastal Act provision on which it was originally based and therefore had no statutory footing. Furthermore the purpose of Policy 88 was to protect low and moderate income households from displacement or removal from the Coastal Zone due to the conversion or demolition of their housing. This is the exact purpose and intent of the Mello Act. Because Policy 88 was effectively imposed at the State level through the Mello Act, there was no purpose for, or enacting legislation upon which Policy 88 could be utilized. For these reasons Policy 88 was no longer effective and in accordance with the extensive research and deliberation and public hearings by the City of Oxnard Planning Commission, City Council, City Attorney and Planning Staff, Policy 88 was removed from the Oxnard LCP.

A. Protection of Affordable Housing Opportunities for Persons of Low/Moderate-Income

Commission Staff argues that the housing within the Hollywood Beach and other coastal mobilehome parks is a refuge of affordable housing stock located on the coast and available to low and moderate income households. The question is whether spaces within the park qualify as low or moderate income housing. This issue has been raised and addressed to the satisfaction of the City of Oxnard and has been brought to the attention of Commission Staff in prior correspondence. Housing within Hollywood Beach does not qualify as low and/or moderate income housing.

While Staff concludes otherwise (and wishes to consider it low and/or moderate income housing), what the Staff Report fails to discuss is the fact that only mobilehome space rent is being considered as the "housing cost" within these coastal mobilehome parks. The space rent is merely one component of the overall cost of living in any mobilehome park – the cost to occupy the land. The other component, which is absent from Staff's discussion, is the cost of the mobile or manufactured home owned by the resident which is on the space. When these two costs are combined to achieve the total housing cost, the coastal mobilehome park housing does not qualify as low-income (or moderate-income) housing because the total cost of the current space rent and the *mortgage costs* on the home exceed the low-income/affordable housing cost limits as set forth under FGD and Section 8 as 30% of an individual's gross income on housing costs. Moreover, homes within the park are selling for upwards of \$350,000, which is clearly beyond the scope of affordable housing.

Simply stating that the space rent in a mobilehome park is within affordable limits while failing to include the actual cost of the home does not meet the statutory requirements for affordable housing. Furthermore, at no point have the spaces within Hollywood Beach,

THE LOFTIN FIRM

October 4, 2007

MAJ-2-06 Staff Report

Page 4 of 7

or any other park in the City of Oxnard, been included as part of the City's affordable housing stock reported to the state. The reality is that the homes within these parks are simply more affordable than the surrounding housing stock and are not within the legal definition of affordable housing. This will remain even if the parks are converted to resident ownership and perhaps more so in the fact that they will remain mobilehome parks in perpetuity. Therefore, in light of the above, the mobilehome parks along the coast do not provide for legal or statutory low and/or moderate income housing which must be protected and preserved. It is simply more affordable than the surrounding housing options, which will remain a fact even if converted to resident ownership.

Staff suggests that "[s]ection 3.7.3 of the LUP also states that the existing supply of housing for people of low and moderate incomes in the Oxnard coastal zone is in the form of rental units, and maintenance of this housing option is essential to the goal of equal access to the coast." Again, the mobilehome parks within the City, in fact all mobilehome parks within the state, are *not* rental housing. The resident must purchase their home which is placed on the rental *space* within the parks. The residents are homeowners who simply pay space rent to keep their home on the property owners' land. As discussed above, the rent is merely half of the total housing equation. For this reason the finding that "the proposed LUP amendment to delete an affordable housing policy, as submitted, is inconsistent with the Coastal Act in that it does not protect affordable housing opportunities for persons of low- and moderate-income in the City's coastal zone" is erroneous and unfounded in law as the entire Staff Report only references the *space rent* as the housing cost.

B. Proposed LUP Amendment is Inconsistent with the Remaining Affordable Housing Policies and Provisions of the City of Oxnard LCP

As to the statutory element of encouraging affordable housing as cited by Staff in Coastal Act Section 30604, this section does not repeal, revise or otherwise add to Section 30213, upon which Oxnard Policy 88 is based. Chapter 3.7.3, "Affordable Housing" of the Oxnard CLUP, the section to be amended, is based on Cal. Pub. Res. Code ("Coastal Act") section 30213 as it was written in 1979. Section 30213 was amended in 1980. This amendment removed the language protecting housing opportunities for persons of low and moderate income and limited the scope of section 30213 to visitor and recreational facilities and over night room rentals. The language removed from section 30213 by the 1980 amendment was the only language in section 30213 on which Chapter 3.7.3 of the Oxnard CLUP was based. Therefore, when the Coastal Act was revised there was no longer a legal basis for this provision in the Oxnard LCP.

There is a statewide need for affordable housing, and to that end the state legislature has passed many bills and reforms as well as codified statutory law regarding the establishment, protection and even requirement of affordable housing. However this

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does not change the fact that Oxnard Policy 88, which is based solely on Section 30213, is unfounded in the Coastal Act due to the statutory change in 1980. This is the reason for the proposed LUP amendment, the current inconsistency with the Coastal Act.

Section 30213 does not support the replacement of low/moderate income housing as required by Policy 88 as it is currently written. Furthermore, the Mello Act codified what many cities (including Oxnard) placed into their municipal code by requiring replacement housing provisions for demolished or converted property within the coastal zone by adding a provision to the Government Code. The City of Oxnard has conducted a Mello Act review and found that this project does not trigger the Mello Act requirements. The intent of Policy 88 is the same as the Mello Act, to preserve affordable housing within the coastal zone, if that housing is truly affordable in the legal sense, and if that housing is permanently removed. Therefore the intent and purpose of Policy 88 is preserved and in effect within the Mello Act.

The Mello Act applies specifically to the Coastal Zone, and only the Coastal Zone. The purpose of the Mello Act is to protect low and moderate income households within the Coastal Zone by requiring replacement housing for the conversion or demolition of any low and/or moderate income housing within the Coastal Zone. The Mello Act wholly occupies the field of replacement housing due to conversion or demolition within the Coastal Zone. Therefore to argue that a minor provision of the Coastal Act states that the Commission shall "encourage housing opportunities" and "it is important for the Commission to encourage the protection of existing" affordable housing, is by no means an attempt of the legislature to usurp or add to the Mello Act and its purpose.

As discussed by Staff the Mello Act is strictly a local agency decision for enforcement and has been ruled upon by the City of Oxnard in the case of the underlying Hollywood Beach project. Therefore the application of the Mello Act is not before the Commission as noted by the Staff Report.

Staff notes that Oxnard Policy 88 is part of a larger affordable housing scheme in that Policy 88 is one of several provisions regarding preservation of low/moderate income housing. Staff goes on to state that "[s]ince the proposed amendment to delete LUP Policy No. 88 does not also address the applicable [implementation plan] provisions that are used to carry out the policies of the LUP, approval of the LUP amendment would result in the [implementation plan] being inconsistent with the LUP." This is also unfounded as Policy 88 is not a requirement or a condition precedent of any other provision of the LUP, it only applies in this instance. As mentioned above, the goals of Policy 88 of preserving affordable housing is achieved through other means within the LUP as well as the Mello Act. Therefore the argument that removing it from the LUP would cause the document to fail is simply inaccurate. Furthermore any minor inconsistencies due to language and reference to the number of the provision will be corrected by the City of Oxnard through their General Plan update. These minor

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references or numbering sequences do not affect the enforcement or applicability of any other section or provision of the LUP.

For the above reasons the denial of the amendment based on the removal of Policy 88 making the LUP inconsistent with the remaining affordable housing policies and provisions of the city of Oxnard LCP is unsubstantiated. There is no evidence that the remaining protections for affordable housing within the Coastal Zone will be ineffective due to the removal of Policy 88. There is not even a listing of possible sections or other LCP Policies that may be affected. Policy 88 was validly removed for the above reasoning and at no time has an issue ever come up regarding negative effects on the remainder of the Oxnard LCP.

Conclusion

The underlying Hollywood Beach project has been in review by the City of Oxnard for over two (2) years. It has been zealously researched and discussed by all parties, and the required findings have been made by the City of Oxnard with respect to Policy 88 and the effects of its removal on all aspects of local and state law. The amendment to the Oxnard LCP has been a calculated and well documented path to this point and at no time has the City or the underlying project applicant tried to "get around" the Coastal Act or any other law, policy or regulation. There is no statutory footing for Policy 88 within the Coastal Act; furthermore, the Mello Act has fully occupied the field of replacement housing within the Coastal Zone. The removal of Policy 88 will have no negative effect on the remaining provisions and policies of the Oxnard LCP with respect to affordable housing protection or any other protection. Therefore the Staff Report does not provide a sufficient basis for denial of the proposed Oxnard LCP Amendment and as such the Commission should approve the proposed City of Oxnard LCP Amendment No. MAJ-2-06.

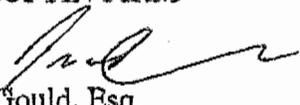
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We look forward to the upcoming hearing of October 10 on this important approval for the residents of the Hollywood Beach Mobilehome Park, and will be available at that time to answer any questions you may have. In the mean time, we are also available to answer questions that staff may have regarding this important resident opportunity.

Sincerely,

THE LOFTIN FIRM



Jacob Gould, Esq.

cc: Patrick Kruer, Chair
Steve Blank, Commissioner
Steven Kram, Commissioner
Mary K. Shallenberger, Commissioner
Dr. William A. Burke, Commissioner
Sara Wan, Commissioner
Bonnie Neely, Commissioner North Coast
Mike Reilly, Commissioner North Central Coast
Dave Potter, Commissioner Central Coast
Khatchik Achadjian, Commissioner South Central Coast
Larry Clark, Commissioner South Coast
Dan Secord, Commissioner
Peter Douglas, Executive Director
Gary Timm, District Manager South Central Coast
Barbara Carey, Supervisor, Planning and Regulation
Deanna Christiansen, Staff Planner South Central Coast

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST AREA
89 SOUTH CALIFORNIA ST., SUITE 200
VENTURA, CA 93001
(805) 585-1800



W 7b

DATE: September 20, 2007

TO: Commissioners and Interested Persons

FROM: John Ainsworth, Deputy Director, South Central Coast District
Barbara Carey, Supervisor, Planning and Regulation
Deanna Christensen, Coastal Program Analyst

SUBJECT: City of Oxnard Local Coastal Program Amendment 2-06 (Mobile Home Park Conversions) for Public Hearing and Commission Action at the October 10, 2007, Commission Meeting in San Pedro.

SUMMARY OF STAFF REPORT

DESCRIPTION OF THE SUBMITTAL

The City of Oxnard is requesting an amendment to the Land Use Plan (LUP) portion of its certified Local Coastal Program (LCP) to delete the following policy (No. 88):

“Existing mobile home parks shall not be demolished or converted to another use, including purchase mobile home lots, unless an equal or greater number of comparably priced housing units are built in the coastal zone to replace the demolished or converted units.”

The policy applies to the two existing mobile home parks within the Oxnard coastal zone: Hollywood Beach Mobile Home Park located near Channel Islands Harbor, and Oxnard Shores Mobile Home Park located in the Oxnard Shores neighborhood. Both parks are zoned Coastal Mobile Home Park (MHP-C). No other sites are currently designated MHP-C.

The impetus for the proposed LUP amendment is a proposed conversion of the Hollywood Beach Mobile Home Park from rental to condominium ownership. The existing park consists of one parcel, and the mobile home owners currently rent space from the park owners. Under the proposed conversion, this parcel would be subdivided so that each mobile home lot would become a separate parcel available for purchase by existing tenants. Existing tenants who choose not to purchase their lot would be given the option to continue to rent their spaces indefinitely, pursuant to California Government Code Section 66427.5 (a).

LUP Policy No. 88 (above) requires that comparably priced replacement units be built in the coastal zone if existing mobile home parks are demolished or “converted to another use, including purchase mobile home lots.” Since the Hollywood Beach Mobile Home Park is proposed to be subdivided and its individual lots offered for sale, the project is considered a form of conversion that is subject to the requirements of LUP Policy No. 88. However, instead of requiring compliance with the requirements of Policy No. 88, the City proposes to delete the policy from the City’s LCP. The City of Oxnard Planning Commission has already approved a Coastal Development Permit and Tentative Subdivision Map for the park conversion from rental

to condominium ownership, without any requirement that the owner build replacement units; however, the effectiveness of the approval was made conditional upon the Coastal Commission certifying the proposed LUP amendment to delete Policy No. 88.

The LCP amendment submittal was deemed complete and filed on January 25, 2007. The 90-day time limit for Commission action ended on April 25, 2007. However, on April 10, 2007, the Commission extended the 90-day time limit to act on the City of Oxnard LCP Amendment No. 2-06 for one year. The final date for Commission action on this item would be April 10, 2008.

SUMMARY OF STAFF RECOMMENDATION

Commission staff recommends that the Commission **DENY** the proposed Land Use Plan amendment as submitted because it is inconsistent with the Coastal Act in that it does not protect affordable housing opportunities for persons of low- and moderate-income in the City's coastal zone and it is inconsistent with the remaining affordable housing policies and provisions of the City's LCP.

The motion to accomplish this recommendation is found on **page 3**.

Substantive File Documents

City of Oxnard certified Land Use Plan and Coastal Zoning Ordinance; City of Oxnard, City Council Resolution No. 13,189, dated December 12, 2006; City of Oxnard, Planning Commission Resolution No. 2006-56, dated November 2, 2006; Coastal Development Permit No. PZ 06-400-2; Tentative Subdivision Map for Tract No. 5706 (PZ 06-300-15); Tenant Impact Report for Hollywood Beach Mobile Home Park, dated October 2006.

Additional Information: Please contact Deanna Christensen, California Coastal Commission, South Central Coast Area, 89 S. California Street, Suite 200, Ventura, CA (805) 585-1800.

A. PROCEDURAL PROCESS (LEGAL STANDARD FOR REVIEW)

1. STANDARD OF REVIEW

The Coastal Act provides:

The commission shall certify a land use plan, or any amendments thereto, if it finds that a land use plan meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200)... (Section 30512(c))

The standard of review that the Commission uses in reviewing the adequacy of the land use plan is whether the land use plan is consistent with the policies of Chapter 3 of the Coastal Act.

2. PROCEDURAL REQUIREMENTS

Pursuant to Section 13551(b) of Title 14 of the California Code of Regulations, a local government's resolution for submittal of a proposed LUP amendment must indicate whether the local coastal program amendment will require formal local government adoption after Commission approval, or is an amendment that will take effect automatically upon the Commission's approval pursuant to Public Resources Code Sections 30512, 30513 and 30519.

The Oxnard City Council Resolution No. 13,189, attached as Exhibit 4, states that the LCP amendment, if approved as submitted, will take effect upon Commission certification. Commission approval of the amendment with modifications would require subsequent action by the City.

B. STAFF RECOMMENDATION, MOTION, AND RESOLUTION ON CITY OF OXNARD LAND USE PLAN AMENDMENT NO. MAJ-2-06

Following public hearing, staff recommends the Commission adopt the following resolution and findings.

- I. **Motion:** *“I move that the Commission **CERTIFY** the City of Oxnard Land Use Plan Amendment MAJ-2-06 as submitted”*

Staff Recommendation of Denial:

Staff recommends a **NO** vote. Failure of this motion will result in denial of the land use plan amendment as submitted and adoption of the following resolution. The motion to certify as submitted passes only upon affirmative vote of a majority of the appointed Commissioners.

Resolution for Denial:

The Commission hereby **DENIES** the City of Oxnard Land Use Plan Amendment MAJ-2-06 as submitted and adopts the findings stated below on the grounds that the amendment will not meet the requirements of and is not in conformity with the policies of Chapter 3 of the California Coastal Act. Certification of the Land Use Plan amendment would not comply with the California Environmental Quality Act as there are feasible mitigation measures and alternatives that would substantially lessen the significant adverse impacts on the environment that will result from certification of the land use plan amendment as submitted.

C. FINDINGS FOR DENIAL OF THE OXNARD LAND USE PLAN AMENDMENT MAJ-2-06 AS SUBMITTED

The Commission hereby finds and declares as follows:

1. AMENDMENT DESCRIPTION AND BACKGROUND

The City of Oxnard is requesting an amendment to the Land Use Plan (LUP) portion of its certified Local Coastal Program (LCP) to delete LUP Policy No. 88, which states:

“Existing mobile home parks shall not be demolished or converted to another use, including purchase mobile home lots, unless an equal or greater number of comparably priced housing units are built in the coastal zone to replace the demolished or converted units.”

The phrase “mobile home park” is not defined in the City’s LCP, and the Oxnard City Code contains multiple definitions of the phrase that are limited to those code sections in which they appear. However, the City’s Coastal Zoning Ordinance/Implementation Plan contains a Coastal

Mobile Home Park (MHP-C) zoning district in which two areas within the Oxnard coastal zone are designated: the Hollywood Beach Mobile Home Park located near Channel Islands Harbor, and the Oxnard Shores Mobile Home Park located in the Oxnard Shores neighborhood (**Exhibits 1-2**). No other sites are currently designated MHP-C. As such, LUP Policy No. 88 is applicable to both the Hollywood Beach Mobile Home Park, a senior mobile home park that accommodates 96 mobile home spaces, and Oxnard Shores Mobile Home Park, a park that accommodates 181 mobile home spaces.

Although also not specifically defined in the City's LCP, a "mobile home lot" is defined in Oxnard City Code Section 16-10(A)(76) as "a parcel of land in a mobile home park rented and used exclusively by the occupants of the mobile home located on that lot." The phrase "purchase mobile home lots" is not defined anywhere in the City Code or in State law, but it presumably refers to parcels of land within a mobile home park that are subdivided from the surrounding land and made available for individual sale.

The impetus for the proposed LUP amendment is a proposed conversion of the Hollywood Beach Mobile Home Park from rental to condominium ownership. The existing park consists of one parcel, and the mobile home owners currently rent space from the park owners. Under the proposed conversion, this parcel would be subdivided so that each mobile home lot would become a separate parcel available for purchase by existing tenants. Existing tenants who choose not to purchase their lot would be given the option to continue to rent their space indefinitely, pursuant to California Government Code Section 66427.5(a).

LUP Policy No. 88 requires that comparably priced replacement units be built in the coastal zone if existing mobile home parks are demolished or "converted to another use, including purchase mobile home lots." Since the Hollywood Beach Mobile Home Park is proposed to be subdivided and its individual lots offered for sale, the project is a form of conversion that is subject to the requirements of LUP Policy No. 88. However, instead of requiring compliance with the requirements of Policy No. 88, the City proposes to delete the policy from the City's LCP. In fact, the City of Oxnard Planning Commission has already approved a Coastal Development Permit and Tentative Subdivision Map for the Hollywood Beach Mobile Home Park conversion, without any requirement that the applicant build replacement units; however, the approval was conditioned upon certification of the City's proposed LUP amendment by the Coastal Commission to delete LUP Policy 88 (**Exhibit 5**). The proposed tentative tract map is attached as **Exhibit 3**.

The Hollywood Beach Mobile Home Park was developed in 1968. The 10.9-acre mobile home park is restricted to senior residents and consists of 96 occupied mobile homes (most double-wide), five internal private streets, a clubhouse, pool, guest parking lot, RV storage area, and a small park. According to the park owner's application for a local coastal development permit, spaces rent for between \$390 and \$615 per month. In 1982, the City of Oxnard adopted a Mobile Home Rent Stabilization Ordinance to protect mobile home owners from excessive rents, and to protect the mobile home owners' investment in their homes while at the same time providing for a fair return for park owners. Although not part of the LCP, this rent control ordinance establishes procedures and limits for rent adjustments that apply to all mobile home parks within the City, including Hollywood Beach and Oxnard Shores Mobile Home Parks in the City's coastal zone. However, the City's ordinance states that mobile home parks which sell lots for factory-built or manufactured housing, or which provide condominium ownership of such lots (even if one or more mobile homes in the mobile home park are rented out), are exempt from the requirements of the rent control ordinance.

Upon conversion of Hollywood Beach Mobile Home Park from rental to condominium ownership pursuant to the current plan, existing park residents will have the option to purchase a space in the park or remain as renters. This is a requirement of State law for conversions of rental mobile home parks to “resident ownership” (Ca. Govt. Code Section 66427.5), to avoid the economic displacement of non-purchasing mobile home park residents. Consistent with Ca. Govt. Code Section 66427.5(a), attached as **Exhibit 9**, existing lower income residents who choose not to purchase their space may continue renting their space indefinitely, and their rent may increase from the pre-conversion rent, but only 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. All other residents (non-lower income) who choose to continue renting their space may do so indefinitely, with their rent increased to market levels in equal annual increases over a four-year period. In addition, although not required by State law, the Hollywood Beach Mobile Home Park owners have proposed a rent increase limit formula specific to moderate income households, in which rent increases shall not exceed the Consumer Price Index average monthly percentage increase for the most recently reported period plus the percentage difference between the low- and moderate-income levels adjusted for household size as reported by the Department of Housing and Community Development.

The other option Hollywood Beach Mobile Home Park residents will have is to purchase a space, known as a condominium unit, in the park. In addition, the park owner asserts that funding in the amount of \$1.9 million has been secured through the California Department of Housing and Community Development’s Mobilehome Park Resident Ownership Program (MPROP) to assist (in the form of low interest loans) current low-income residents in purchasing their space within the park.

Policy No. 88 of the City’s certified Land Use Plan requires that demolished or converted mobile home parks (including purchase mobile home lots) be replaced with an equal or greater number of comparably priced housing units elsewhere in the City’s coastal zone. The policy is one of several policies in the Oxnard LUP that is intended to protect affordable housing in the coastal zone (**Exhibit 11**). In approving the subject LCP amendment and the Hollywood Beach Mobile Home Park conversion from rental to condominium ownership, the City asserted that the processes for mobile home park conversions to protect existing low- and moderate-income mobile home park tenants are already prescribed by State law (Ca. Government Code Sections 66427.5, 66428.1, and 65590), and that State law preempts LUP Policy No. 88 (**Exhibit 5**).

Due to the unique situation and vulnerability of mobile home owners, State law defines the process and terms of park conversions to avoid economic displacement of non-purchasing residents and to preserve housing for persons with low and moderate incomes, limits the grounds on which mobile home owners may be evicted from a mobile home park, and authorizes local jurisdictions to impose reasonable measures to mitigate the adverse impacts on displaced mobile home owners when a mobile home park closes or converts to another use or form of ownership. In particular, Ca. Govt. Code Section 66427.5, attached as Exhibit 9, requires that a mobile home park subdivider avoid the economic displacement of non-purchasing residents by, a) conducting a written survey of park residents regarding support for the proposed conversion and disclosing the survey results to park residents and the local government prior to local hearing on the subdivision (66427.5(d)), b) preparing and disclosing a Tenant Impact Report that outlines how low- and moderate-income existing residents will be affected by the conversion (66427.5(b) & (c)), c) offering residents of a mobile home park that is converted to ownership the option to purchase their subdivided unit or to continue renting in the park if they decide not to purchase their lot (66427.5(a)), and d) limiting increases to the

monthly rent charged to non-purchasing residents in accordance with section 66247.5(f). For those residents who choose to continue renting, Govt. Code Section 66427.5(f) establishes the following allowable rent increase formula:

- (1) As to non-purchasing 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 non-purchasing 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.

Ca. Govt. Code Section 66428.1, attached as Exhibit 9, provides for park conversions (with certain exceptions) to be exempt from parcel, tentative or final subdivision map requirements if at least two-thirds of the mobile home park tenants sign a petition indicating their intent to purchase upon conversion.

Lastly, Ca. Govt. Code Section 65590, referred to as the "Mello Act", specifies that conversion or demolition of existing residential units in the coastal zone occupied by persons and families of low or moderate income shall not be authorized unless provisions have been made for the replacement of those dwelling units for persons and families of low or moderate income elsewhere in the coastal zone (**Exhibit 10**). "Conversion" is defined in Section 65590 as "a change of a residential dwelling, including a mobilehome, as defined in Section 18008 of the Health and Safety Code, or a mobilehome lot in a mobilehome park, as defined in Section 18214 of the Health and Safety Code, or a residential hotel as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code, to a condominium, cooperative, or similar form of ownership; or a change of a residential dwelling, including a mobilehome, or a mobilehome lot in a mobilehome park, or a residential hotel to a nonresidential use."

The City of Oxnard asserts that its role as local government is to ensure that the State-mandated processes for mobile home park conversions are followed, and in the case of the Hollywood Beach Mobile Home Park conversion, the City is satisfied that the required conversion processes contained in the above-referenced State laws were followed¹. The Tenant Impact Report for the Hollywood Beach Mobile Home Park conversion, required by Govt. Code Section 66427.5(b) & (c), is attached as **Exhibit 6**.

¹ The Mello Act (Govt. Code § 65590) clearly requires replacement units be provided when existing residential dwelling units that are occupied by low- and moderate-income persons are demolished or converted. "Conversion", as defined in § 65590, includes a change of a mobilehome lot in a mobile home park to a condominium, cooperative, or similar form of ownership. Because the City's permit would allow the Hollywood Beach Mobile Home Park conversion to occur without any requirement for replacement units, the project and the City's approval appear not to be in compliance with Govt. Code § 65590. However, it must be noted that § 30011 of the Coastal Act specifically prohibits Commission review of a local government's application of the requirements of Govt. Code § 65590. Therefore, the City's adherence to its Mello Act obligations were not analyzed by staff or considered by the Commission in review of the subject LCP amendment and do not form a basis for the Commission's decision.

Correspondence has been received from the attorneys (The Loftin Firm) representing the Hollywood Beach Mobile Home Park owner as well as its residents (**Exhibit 7**). One of their letters, dated March 29, 2007, provides a summary of the proposed conversion details and expresses the urgency of bringing the City's proposed LCP amendment to hearing due to deadlines associated with MPROP financial assistance. Another letter, dated July 27, 2007, asserts that Commission staff did not adhere to the requirements of the motion that was approved on April 10, 2007 to extend the 90-day time limit for the Commission to act on the City's proposed LCP Amendment for one year. The Loftin Firm asserts that the Commission approved an amended motion that required that the item be heard at the July 2007 hearing. However, this is not correct. While it was discussed at the hearing that staff intended to bring the matter to hearing in July, the Commission did not amend the time extension motion to include a July 2007 time limit.

Other correspondence has been received from a concerned resident of the Hollywood Beach Mobile Home Park. These letters, one addressed to the City of Oxnard and the other to the Board of the Hollywood Beach Mobile Home Park Association, received by Commission staff on July 31, 2007 and August 21, 2007 and attached as **Exhibit 8**, express concern that lot sale prices have increased prohibitively recently pursuant to a new appraisal, and that park owners have found a way to circumvent local rent control law. The prices disclosed to park residents for a February 2005 Resident Survey conducted pursuant to Govt. Code Section 66427.5(a) and 66428.1, indicated a range of \$110,000 to \$150,000 per lot. According to that Resident Survey, which was considered by the City in its November 2, 2006 and December 12, 2006 approval of the conversion, the majority of park residents were in support of the conversion. However, in a May 31, 2007 Disclosure Notice of Tentative Price that was sent to park residents, a price range of \$200,000 to \$250,000 per lot was indicated. The letters from the concerned resident contend that, given the new, higher prices, many of the park's senior residents can no longer afford the purchase cost or to lose local rent control.

2. AFFORDABLE HOUSING

From the date of its enactment in 1976 until 1981, the Coastal Act included specific policy language requiring the protection of existing, and, where feasible, provision of new, affordable housing in the coastal zone for persons of low and moderate income. As originally enacted, Section 30213 of the Coastal Act provided:

“Lower cost visitor and recreational facilities and housing opportunities for persons of low and moderate income shall be protected, encouraged and, where feasible, provided. Developments providing public recreational opportunities are preferred. New housing in the coastal zone shall be developed in conformity with the standards, policies, and goals of local housing elements adopted in accordance with . . . the Government Code.”
(Emphasis added)

In 1981, the Legislature repealed the Commission's statutory authority to protect and promote affordable housing in the coastal zone by, among other things, amending Section 30213 of the Coastal Act to delete the italicized language above and adding section 30500.1. Section 30500.1, which has not been modified since its introduction in 1982, states “No local coastal program shall be required to include housing policies and programs.”

However, in 2003, after more than 20 years of experience with how the changes were affecting the Commission's actions, the Legislature enacted Public Resources Code §§ 30604(f) and (g), which clearly expresses the Legislature's renewed intent that the Commission shall encourage the protection of affordable housing in the Coastal Zone.

Coastal Act Section 30604 states, in part:

(f) The Commission shall encourage housing opportunities for persons of low and moderate income.

(g) The Legislature finds and declares that it is important for the Commission to encourage the protection of existing and the provision of new affordable housing opportunities for persons of low and moderate income in the coastal zone.

Encouraging the protection and provision of affordable housing is an important aspect of the Coastal Act. In enacting Public Resources Code Sections 30604(f) and (g), the Legislature clearly expressed the importance of protecting affordable housing in the coastal zone.

The City of Oxnard Land Use Plan (LUP), certified by the Coastal Commission in 1982, contains an affordable housing section (Section 3.7.3) that describes issues and policies for the protection of affordable housing opportunities within the City's coastal zone. This section of the City's LUP acknowledges that the City's existing mobile home parks within the coastal zone provide a less expensive housing option than most other types of residences in the City. Section 3.7.3 of the LUP also states that the existing supply of housing for people of low and moderate incomes in the Oxnard coastal zone is in the form of rental units, and maintenance of this housing option is essential to the goal of equal access to the coast.

The City's LCP established a Coastal Mobile Home Park (MHP-C) zone district to preserve the mobile home housing option and ensure affordability for low and moderate income residents. The City's General Plan Housing Element recognizes these mobile home parks as a significant source of affordable housing for lower-income persons. As such, the City has a Mobilehome Park Rent Stabilization Ordinance that regulates the space rent that mobile home park owners may charge their residents. This rent control ordinance establishes procedures and limits for rent adjustments that apply to all mobile home parks within the City. Rent adjustments must be based upon the percentage change in the Consumer Price Index for the year ending in August. However, the City's ordinance states that mobile home parks which sell lots for factory-built or manufactured housing, or which provide condominium ownership of such lots (even if one or more mobile homes in the mobile home park are rented out), are no longer subject to the requirements of the rent control ordinance.

As discussed above, the subject LCP amendment proposes to delete LUP Policy No. 88, which requires that existing mobile home parks shall not be demolished or converted to another use, including purchase mobile home lots, unless an equal or greater number of comparably priced housing units are built in the coastal zone to replace the demolished or converted units. The impetus for the City's proposed LCP amendment is to make possible the Hollywood Beach Mobile Home Park conversion from rental to condominium ownership without requiring replacement housing units. Since the Hollywood Beach Mobile Home Park is proposed to be subdivided and its individual lots offered for sale, the project is considered a form of conversion that is subject to the requirements of LUP Policy No. 88. However, instead of requiring compliance with the requirements of Policy No. 88, the City proposes to delete the policy from the City's LCP.

The City's Planning Commission staff report for the proposed LCP amendment states that the context and intent of LUP Policy No. 88 is to prevent the involuntary displacement of mobile home residents when their parks are purchased and replaced by new housing and/or commercial development, and since State law (Ca. Government Code Sections 66427.5, 66428.1, and 65590) already prescribes a process for preventing the involuntary displacement of mobile home residents, LUP Policy No. 88 is not needed. The City further asserts that State law preempts LUP Policy No. 88.

However, it is important to note that State laws regulating mobile home park conversions and affordable housing do not preclude the adoption, maintenance, and application of additional LCP provisions protecting affordable housing, provided there is no conflict among those various provisions. Even if there were an arguable conflict, state statutory requirements would not necessarily override LCP provisions that are required by and reflective of State law. State laws that may have the same intent as certain LCP policies and provisions cannot be interpreted to prevent application of the LCP provisions which are required by and reflect the statewide policies of the Coastal Act.

In addition, a comprehensive look at Section 3.7.3 (Affordable Housing) of the City's Land Use Plan, included herein as **Exhibit 11**, indicates that the intent of Policy No. 88 is to protect the City's existing stock of affordable housing that is in the low- to moderate-income price range, while recognizing that the City's existing mobile home parks represent a unique and significant housing option for low- and moderate-income residents in the City's coastal zone.

While the City's two existing mobile home parks in the coastal zone would remain zoned Coastal Mobile Home Park (MHP-C), thereby protecting the existing use of these mobile home parks and reducing the potential for these mobile home parks to be converted to other types of land uses, dividing and selling the mobile home spaces along with their structures would make these lots virtually indistinguishable from other individually owned residences in the area. Their value would increase and their affordability would decrease accordingly. If Policy No. 88 is deleted, it would open the door for the eventual elimination of two mobile homes parks, comprising hundreds of affordable units, from the coastal zone of Oxnard.

Coastal Act Section 30604(g) declares that the State Legislature finds it important for the Coastal Commission to encourage the provision of affordable housing opportunities, such as mobile homes, in the coastal zone. Although the Mello Act legislation in 1981 curtailed the Coastal Act's mandate for providing and protecting affordable housing, the 2003 amendment to the Coastal Act adding Sections 30604(f) and (g) re-established the importance of encouraging broader housing opportunities. Mobile home parks provide an affordable housing option along California's coast. Deleting a single affordable housing policy from the LUP, that clearly is intended to preserve existing mobile home parks in the City's coastal zone as an affordable housing option, is inconsistent with these recent additions to the Coastal Act.

In addition, under California law and the City's own Mobilehome Park Rent Stabilization Ordinance, once a mobile home park is converted to condominium properties, the local rent control laws become void. Although California Government Code Section 66427.5 requires that low- and moderate-income non-purchasing residents be allowed to continue to rent their space indefinitely, and imposes its own rent control provisions, to avoid their economic displacement, once those initial non-purchasing residents leave the park, that rent control protection and rental housing option vanishes and the space can be sold at market rate. The parks, upon conversion, would not be mandated to be affordable to low- and moderate-income persons and, as such, would no longer provide a less expensive housing option than most other comparably sized and

located residences in the City. Allowing these lot spaces to convert to individual ownership would make these lots less affordable and eliminate this housing option for low- and moderate-income persons or families in the long term. There would be no restrictions on resale price or on the income of future new buyers. An owner may sell his or her mobile home lot to anyone for whatever price the market will bear.

A March 29, 2007 letter received from the attorneys (The Loftin Firm) representing the Hollywood Beach Mobile Home Park owner as well as the park residents provides a summary and analysis of the proposed conversion details (**Exhibit 7**). This letter states that the subject LUP policy improperly prohibits conversions of rental housing to condominiums, cooperatives, or similar form of ownership, and that the policy's intent to protect low and moderate income housing is already being accomplished by State law via Ca. Govt. Code Section 65590. However, it should be noted that no affordable housing policy or provision in the City's LCP, including Policy No. 88, prohibits conversions of rental housing to condominium ownership. The policies merely ensure that the existing stock of affordable housing and rental housing does not diminish through unregulated demolition or conversion of existing units. In addition, as mentioned previously, State laws regulating mobile home park conversions and affordable housing do not preclude application of LCP provisions if those provisions are either (1) not in conflict with the State laws, or (2) required by and reflective of other State law. State laws that may have the same intent as certain LCP policies and provisions cannot be interpreted to prevent application of the LCP provisions.

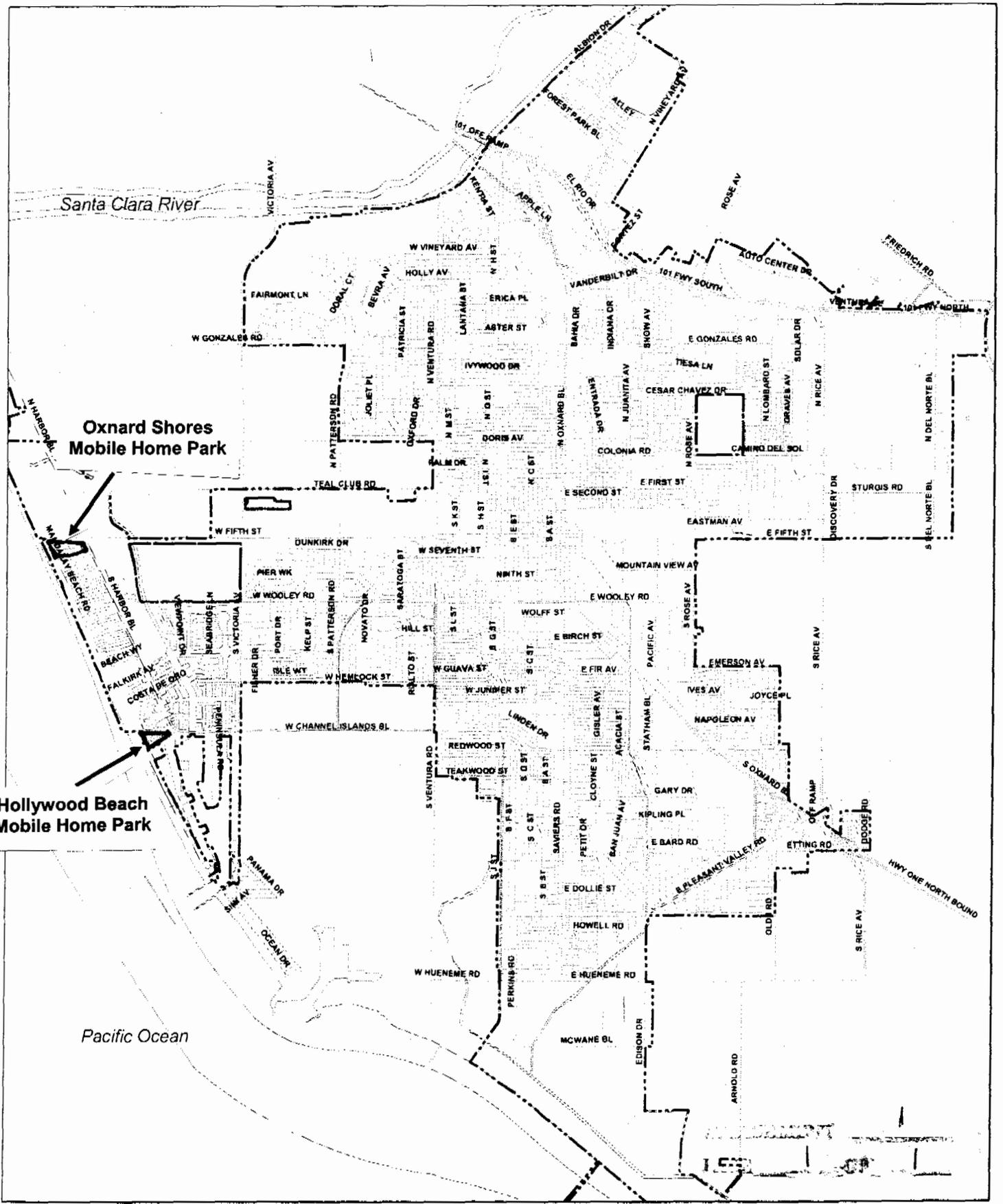
Lastly, the City's proposed LUP amendment does not consider the affordable housing provisions of the Oxnard LCP in a comprehensive, consistent fashion. Section 17.16 of the City's Coastal Zoning Ordinance/Implementation Plan (IP), which defines permitted uses and requirements within the Coastal Mobile Home Park zoning district, and IP Section 17.40(B), which addresses housing demolition, conversion, and replacement standards, specifically reference LUP Policy No. 88 as one of several provisions designed to preserve low- and moderate-income housing within the City (**Exhibit 12**). Since the proposed amendment to delete LUP Policy No. 88 does not also address the applicable IP provisions that are used to carry out the policies of the LUP, approval of the LUP amendment would result in the IP being inconsistent with the LUP. After receiving the City's proposed LUP amendment, Commission staff, in a letter dated January 9, 2007, pointed out the issue of inconsistency between the LUP, as amended, and the IP, and requested the City provide a consistency analysis of the proposed amendment and its relationship to, and effect on, the other sections of the certified LCP, as required by Sections 13552 and 13553 of the Commission's regulations. In a response letter dated January 19, 2007, the City stated that it was currently updating its General Plan, and planned to update the LCP at a future date, at which time the referenced LUP/IP inconsistencies would be removed. However, approval of the proposed modification to the LUP would leave the IP inconsistent with the LUP for an unknown period. The City of Oxnard would not be able to make valid CDP findings of consistency with the LCP for mobile home projects such as the subject Hollywood Beach Mobile Home Park conversion.

In conclusion, the Commission finds that the proposed LUP amendment to delete an affordable housing policy, as submitted, is inconsistent with the Coastal Act in that it does not protect affordable housing opportunities for persons of low- and moderate-income in the City's coastal zone. In addition, the proposed LUP amendment is inconsistent with the remaining affordable housing policies and provisions of the City's LCP. Therefore, the proposed LUP change cannot be found consistent with the Coastal Act, and thus, the proposed LUP amendment must be denied.

D. CALIFORNIA ENVIRONMENTAL QUALITY ACT

Section 21080.9 of the California Public Resources Code – within the California Environmental Quality Act (CEQA) - exempts local governments from the requirement of preparing an environmental impact report (EIR) in connection with their activities and approvals necessary for the preparation and adoption of a local coastal program (LCP). Instead, the CEQA responsibilities are assigned to the Coastal Commission. However, the Commission's LCP review and approval program has been found by the Resources Agency to be functionally equivalent to the EIR process. Thus, under Section 21080.5 of CEQA, the Commission is relieved of the responsibility to prepare an EIR for each LCP. Nevertheless, the Commission is required, in approving an LCP submittal, to find that the LCP does conform with the provisions of CEQA, including the requirement in CEQA section 21080.5(d)(2)(A), and that the amended LUP will not be approved or adopted as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment. 14 C.C.R. §§ 13540(f), and 13555(b).

The City of Oxnard LCP Amendment MAJ-2-06 consists of an amendment to the Land Use Plan (LUP) portion of its LCP. As outlined in this staff report, the LUP amendment is not consistent with the Coastal Act as proposed. The Commission finds that denial, for the reasons stated in these findings, which are incorporated herein by reference, is necessary to avoid the significant effects on coastal resources, and thus, on the environment, that would occur if the LUP amendment were approved as proposed. Therefore, the Commission finds that approval of the LCP amendment will result in significant adverse environmental impacts under the meaning of CEQA that could be avoided by the denial/no-project alternative.



**Oxnard Shores
Mobile Home Park**

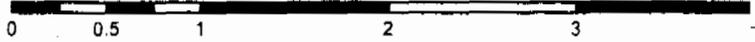
**Hollywood Beach
Mobile Home Park**



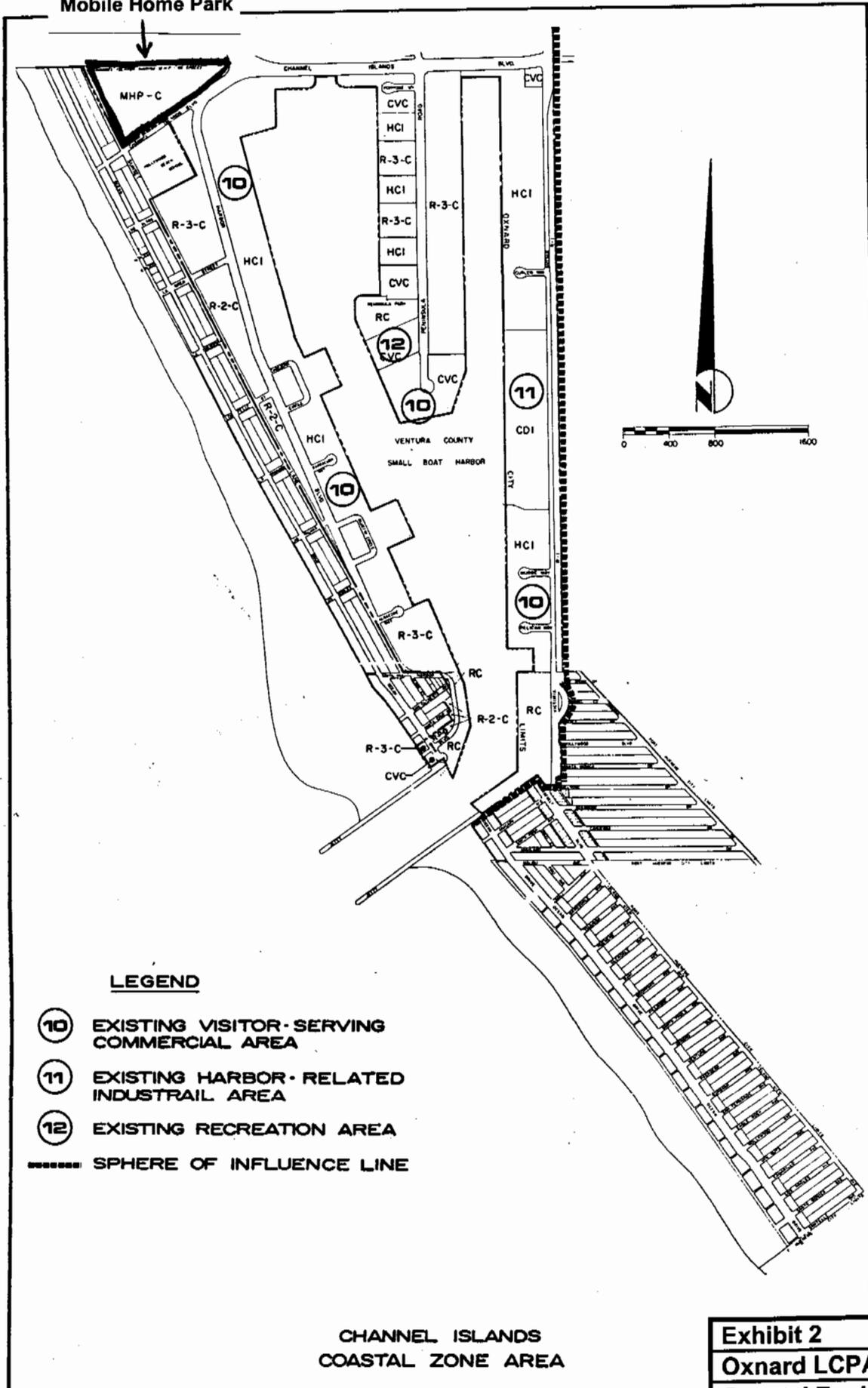
PZ 06-400-2
 Location: 4501 Channel Islands Bl
 APN: 206028043

00002

**Exhibit 1
 Oxnard LCPA 2-06
 Vicinity Map**



Hollywood Beach
Mobile Home Park



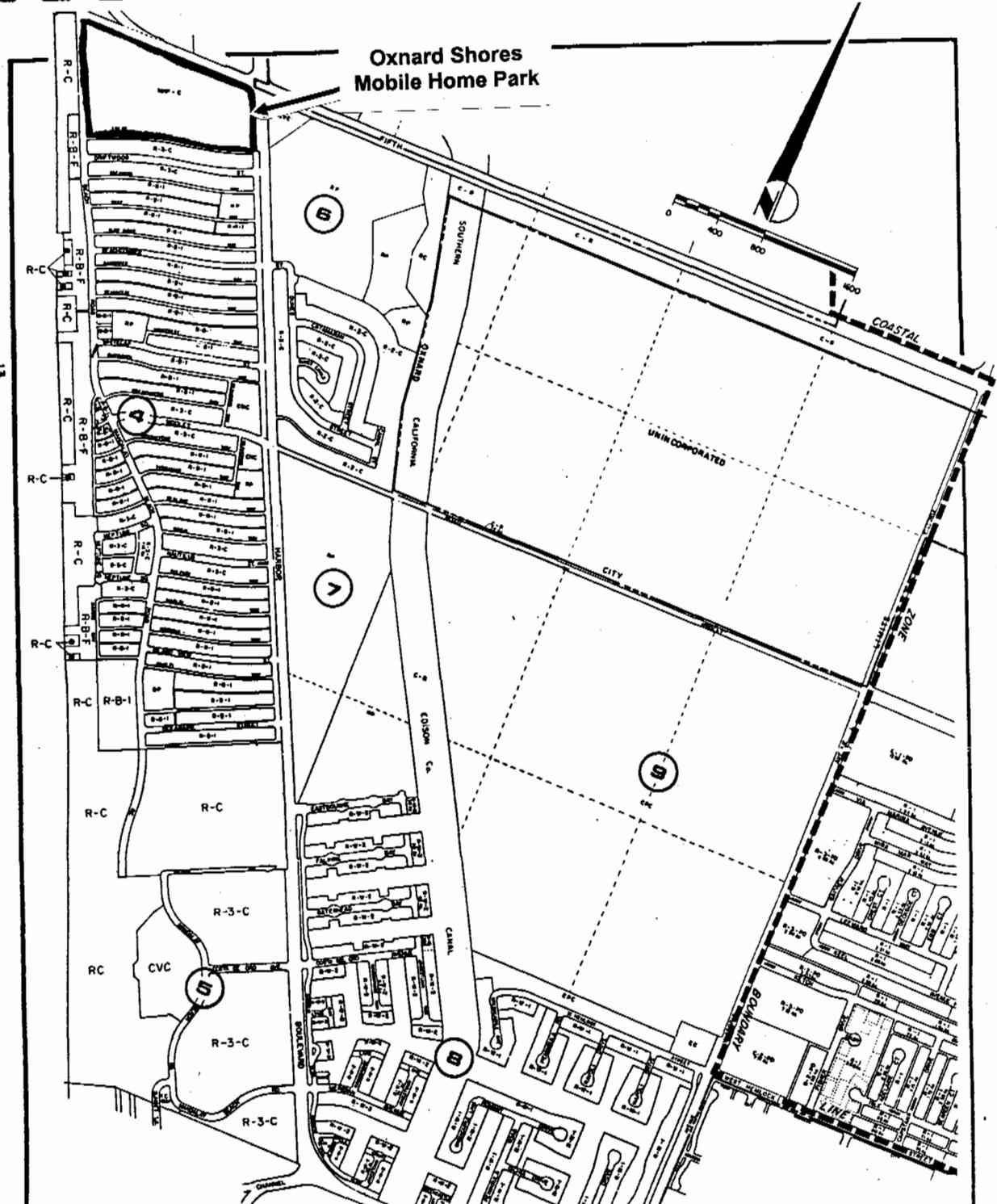
LEGEND

- 10** EXISTING VISITOR-SERVING COMMERCIAL AREA
- 11** EXISTING HARBOR-RELATED INDUSTRIAL AREA
- 12** EXISTING RECREATION AREA
- SPHERE OF INFLUENCE LINE

CHANNEL ISLANDS
COASTAL ZONE AREA

Exhibit 2
Oxnard LCPA 2-06
Coastal Zoning
Maps

Oxnard Shores
Mobile Home Park



LEGEND

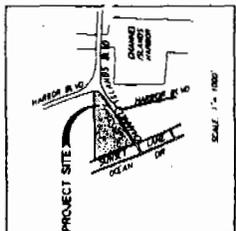
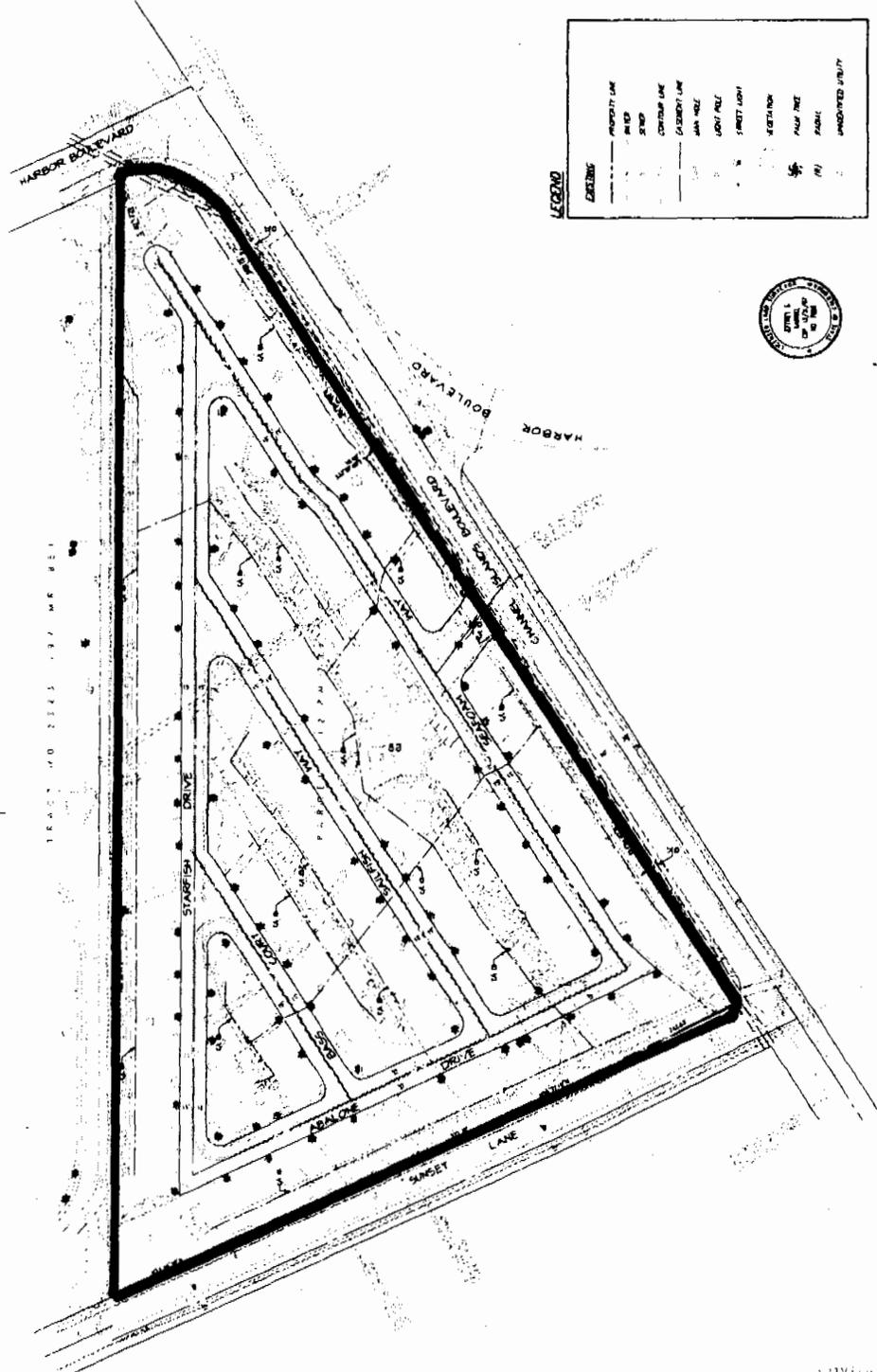
- ④ OXNARD SHORES NEIGHBORHOOD
- ⑤ MANDALAY (THE COLONY) PROPERTY
- ⑥ NORTHERN DUNES AREA
- ⑦ SOUTHERN DUNES AREA
- ⑧ INLAND WATERWAY NEIGHBORHOOD
- ⑨ MANDALAY BAY PHASE IV SPECIFIC PLAN

OXNARD SHORES
COASTAL ZONE AREA

MAP No. 3

MAY 1989

**Hollywood Beach
Mobile Home Park**



NOTES

1. ALL MOBILE HOME SITES ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE MOBILE HOME CONSTRUCTION REGULATIONS, CHAPTER 15.02, TITLE 15, CALIFORNIA PUBLIC ORDINANCES.

2. THE MOBILE HOME SITES ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE MOBILE HOME CONSTRUCTION REGULATIONS, CHAPTER 15.02, TITLE 15, CALIFORNIA PUBLIC ORDINANCES.

3. THE MOBILE HOME SITES ARE TO BE CONSTRUCTED IN ACCORDANCE WITH THE MOBILE HOME CONSTRUCTION REGULATIONS, CHAPTER 15.02, TITLE 15, CALIFORNIA PUBLIC ORDINANCES.

EASEMENTS

01. 10' MOBILE HOME UTILITY EASEMENT TO ADJACENT CALIFORNIA TRACT NO. 10000 (P.P.S. 10000)

02. 10' MOBILE HOME UTILITY EASEMENT TO ADJACENT CALIFORNIA TRACT NO. 10000 (P.P.S. 10000)

03. 10' MOBILE HOME UTILITY EASEMENT TO ADJACENT CALIFORNIA TRACT NO. 10000 (P.P.S. 10000)

04. 10' MOBILE HOME UTILITY EASEMENT TO ADJACENT CALIFORNIA TRACT NO. 10000 (P.P.S. 10000)

05. 10' MOBILE HOME UTILITY EASEMENT TO ADJACENT CALIFORNIA TRACT NO. 10000 (P.P.S. 10000)

LAND USE DATA

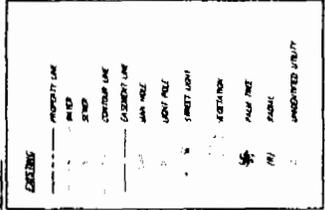
A. CROSS AREA: 1000 SQ. FT.

B. ZONING: MOBILE HOME PARK (MHP)

C. PROJECT LOCATION: 4500 GAME ISLAND BOULEVARD, OXNARD, CA.

D. ZONING: MOBILE HOME PARK (MHP)

E. FLOOD ZONE: FLOOD ZONE 1



TENTATIVE SUBDIVISION MAP FOR TRACT NO. 9706 FOR CONDOMINIUM PURPOSES

HOLLYWOOD BEACH MHP, LLC

CITY OF OXNARD

COUNTY OF KERN

STATE OF CALIFORNIA

PARCEL 1 (2 PM 73)

SHEET 1 OF 1

DATE: Nov 18, 2008

DWG. NAME: 2007 MHP.MXD

JENSEN DESIGN

11725 DORTCH STREET
CALLE JENSEN, SUITE 2508
SAN ANTONIO, TEXAS 78247
TEL: 214-343-1111
FAX: 214-343-1112

HOLLYWOOD BEACH MHP, LLC 2508 CALLE JENSEN SUITE 2508 SAN ANTONIO, TEXAS 78247 PHONE: 214-343-1111 FAX: 214-343-1112



Exhibit 3
Oxnard LCPA 2-06
Hollywood Beach
MHP Tract Map

ATTACHMENT
PAGE 11

CITY COUNCIL OF THE CITY OF OXNARD

RESOLUTION NO. 13,189

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD APPROVING COASTAL LAND USE PLAN AMENDMENT NO. PZ 06-410-02 DELETING POLICY NO. 88 AND DIRECTING THE PLANNING AND ENVIRONMENTAL SERVICES MANAGER TO FORWARD THE AMENDMENT TO THE CALIFORNIA COASTAL COMMISSION. FILED BY CITY OF OXNARD, PLANNING AND ENVIRONMENTAL SERVICES DIVISION, 305 WEST THIRD STREET, OXNARD, CA 93030.

WHEREAS, on November 2, 2006 the Planning Commission approved Resolution Nos. 2006-54 (Coastal Development Permit) and 2006-55 (Tentative Subdivision Map for Tract No. 5706) to convert the 96-unit Hollywood Beach Mobile Home Park to resident condominium ownership, filed by the Hollywood Beach Acquisition, 4501 West Channel Islands Blvd., Oxnard, 93035; and

WHEREAS, Resolution Nos. 2006-54 (Coastal Development Permit) and 2006-55 (Tentative Subdivision Map for Tract No. 5706) require and contain findings that the two approvals are contingent upon the approval of Coastal Plan Amendment Permit No. PZ 06-410-02; and

WHEREAS, Government Code section 66428.1 requires that a mobile home conversion subdivision map be waived, meaning the tentative subdivision map approval is final with the Planning Commission; and

WHEREAS, Policy No. 88 of the Coastal Land Use Plan of the City of Oxnard currently reads as follows: "88. Existing mobile home parks shall not be demolished or converted to another use, including purchase mobile home lots unless an equal or greater number of comparably priced housing units are built in the coastal zone to replace the demolished or converted units."; and

WHEREAS, on November 2, 2006 the Planning Commission approved Resolution No. 2006-56 recommending that the City Council approve Coastal Plan Amendment Permit No. PZ 06-410-02 deleting Policy No. 88 from the Coastal Land Use Plan, filed by the Hollywood Beach Mobile Home Park Resident Acquisition Committee, 4501 West Channel Islands Boulevard, Oxnard; and

WHEREAS, with the subsequent approval of Coastal Plan Amendment Permit No. PZ 06-410-02 by the Coastal Commission, the findings of consistency in Planning Commission Resolution Nos. 2006-54 (Coastal Development Permit) and 2006-55 (Tentative Subdivision Map for Tract No. 5706) will be operative; and

WHEREAS, the City Council has held a public hearing and received and reviewed written and oral comments related to proposed Coastal Land Use Plan Amendment No. PZ 06-420-02; and

WHEREAS, the City Council finds after due study and deliberation that the public interest and general welfare require the adoption of Coastal Land Use Plan Amendment No. PZ 06-420-02; and

Exhibit 4
Oxnard LCPA 2-06
City Council Resolution 13,189

WHEREAS, the proposed Coastal Land Use Plan amendment is exempt under Section 15061(b)(3) of Title 14 of the California Code of Regulations per the California Environmental Quality Act "general rule" that there is no possibility of a physical impact to the environment as a result of the action, and statutorily exempt under Section 21080.9 of the Public Resources Code as an activity and approval related to a local coastal program; and

WHEREAS, a Coastal Land Use Plan Amendment is subject to approval by the California Coastal Commission; and

WHEREAS, the documents and other material that constitute the record of proceedings upon which the decision to adopt the mitigated negative declaration is based is located in the Planning and Environmental Services Division, and the custodian of the record is the Planning and Environmental Services Manager.

NOW, THEREFORE, the City Council of the City of Oxnard resolves to amend the City of Oxnard Coastal Land Use Plan and directs the Planning and Environmental Services Manager to transmit Coastal Land Use Plan Amendment No. PZ 06-420-02 to the California Coastal Commission for approval and/or certification.

PASSED AND ADOPTED this 12th day of December, 2006 by the following vote:

AYES: Councilmembers Zaragoza, Flynn, Herrera, Holden and Maulhardt.

NOES: None.

ABSENT: None.



Dr. Thomas E. Holden, Mayor

ATTEST:


Daniel Martinez, City Clerk

APPROVED AS TO FORM:


Gary L. Gillig, City Attorney



Planning and Environmental Services

PLANNING COMMISSION STAFF REPORT

TO: Planning Commission
FROM: Christopher Williamson, AICP Senior Planner
DATE: November 2, 2006
SUBJECT: Planning and Zoning Permit Nos. 06-400-2 (Coastal Development Permit),
06-300-15 (Tentative Subdivision Map for Tract No. 5706), and
06-410-2 (Local Coastal Plan Amendment)

1. **Recommendation:** That the Planning Commission:
 - a) Adopt a resolution approving Coastal Development Permit (PZ 06-400-2).
 - b) Adopt a resolution approving Tentative Subdivision Map for Tract No. 5706 (PZ 06-300-15).
 - c) Adopt a resolution recommending that the City Council amend the Coastal Land Use Plan (PZ 06-410-2).

2. **Project Description and Applicant:** The project proposes to convert an existing 96-unit seniors' mobile home park located at 4501 West Channel Islands Blvd. (APN Nos. 206-0-280-180/-430) to resident condominium ownership. No physical changes are proposed to the park facilities and age restrictions will remain unchanged. Low and moderate income residents who do not purchase their space may remain renters indefinitely with their space rent increases determined by the consumer price index. Project approval requires that the Coastal Land Use Plan be amended to delete Policy #88 which requires replacement of converted mobile home spaces by comparable units. Filed by Hollywood Beach Acquisition, 4501 West Channel Islands Blvd., Oxnard, 93035.

3. **Existing Land Use:** The 10.9 acre triangular parcel is fully developed with five internal private streets, 96 occupied mobile/manufactured homes, clubhouse with pool, guest parking lot, RV storage area, and a small park. The park is known as the Hollywood Beach Mobile Home Park.

4. **General Plan Policies and Land Use Designation Conformance:** The General Plan designation is Factory Built (FP) and the zone designation is Manufacture Coastal (MH-PC). These designations are consistent with each other. With t

Exhibit 5
Oxnard LCPA 2-06
City's CDP Staff Report and Resol.

ATTACHMENT

PAGE 1

the proposed Coastal Land Use Plan amendment, the conversion would not be subject to the Policy #88 replacement requirement.

5. **Environmental Determination:** Public Resource Code Section 21080.8 statutorily exempts the mobile home conversion project from the California Environmental Quality Act. The proposed Coastal Land Use Plan amendment is exempt under Section 15061(b)(3) of Title 14 of the California Code of Regulations per the "general rule" that there is no possibility of a physical impact to the environment as a result of the action.

6. **Surrounding Zoning and Land Uses:**

LOCATION	ZONING	GENERAL PLAN	EXISTING LAND USE
Project Site	MH-PC	Mobile Home Park	96-unit seniors mobile home park
North	R-3-C	Residential High	The Colonies condominiums
South	[county]	School	Hollywood Beach elementary school
East	HCI	Visitor Serving	Channel Islands harbor
West	[county]	Residential Low Medium	Single family homes

7. **Analysis:**

a) **General Discussion:** The conversion of mobile home parks to resident ownership is prescribed by state law. The role of local government is largely to ensure the state-mandated process is followed. The following is a description of the conversion process and how the applicant has satisfied state requirements.

State Law

The mobile home park conversion process is outlined by California Government Code Sections 66427.5 and 66428.1. Section 66427.5 requires that the subdivider avoid economic displacement of nonpurchasing residents by taking the following actions:

1. **Conduct a written survey of residents of support for the conversion.**

The survey was conducted by the tenants association in February, 2005 and found that 82 residents supported the conversion. Since then, 16 units have changed hands. If all new residents were opposed and replaced supportive residents, the approval rate would be 68.7 percent. A minimum of two-thirds support is required to waive the Tentative Subdivision Map, meaning it does not need to go to City Council for final approval.

2. **Complete, file, and distribute a Tenant Impact Report (TIR)**

A draft TIR was filed with the project application in August and a final TIR distributed to the residents on October 18, 2006. A copy is included as Attachment D. The TIR is the state-required disclosure document that

outlines how low and moderate income existing residents will be protected from economic dislocation.

3. **Offer each tenant an option to purchase their space, or continue renting.** The TIR explains that if a lower- or moderate-income tenant chooses not to purchase, their space rent would increase annually based on the consumer price index (CPI), and they may continue renting their space indefinitely. Higher income residents would see their space rent rise to a market-rate level over four years. All residents will have a three-month period of exclusive first refusal to purchase, commencing with the issuance of the Final Public Report by the California Department of Real Estate which is anticipated early next year.

The net effect of the Applicant's compliance with these statutes is that no current resident will be involuntarily displaced and that lower- and moderate-income households that choose not to buy their spaces will have a controlled increase in monthly rent, and may remain indefinitely. For lower income purchasers, the state Department of Housing and Community Development has extended a \$1.9 million award from the state's Mobile Home Park Resident Ownership Program to assist lower income residents to purchase their spaces. This award must be secured by a completed conversion process by May 2007.

Government Code Section 66428.1 requires that a mobile home subdivision map be waived, meaning the map approval is final with the Planning Commission.

Government Code Section 65590 is a statute that requires replacement of the low and moderate-income units in a mobile home park located in the coastal zone if converted to condominium ownership. It reads, "*The conversion...of existing dwelling units occupied by person and families of low or moderate income...shall not be authorized unless provision has been made for the replacement of those dwelling units for persons and families of low or moderate income.*" The applicant believes the intent of the statute was to avoid displacement of current residents who are low or moderate income. The applicant argues that there will be no involuntary displacement of the low or moderate income residents because rent increases will be limited to the movement in the consumer price index.

City Code

City Code Section 17-45, *Condominium Conversions*, is written for apartment conversions and requires a conditional use permit (i.e. coastal development permit) for a conversion. As a mobile home park resident rents their space from a landlord, staff determined that this code section applies to the project, and coastal development permit PZ 06-400-2 is one of the actions herein.

As the project is located in the Coastal Zone, LCPA Policy #88 applies and states, "Existing mobile home parks shall not be demolished or converted...including purchase mobile home lots unless an equal or greater number of comparably priced units are built in the coastal zone to replace the demolished or converted units" (p. III-60). The context and intent of Policy #88 was to prevent the involuntary displacement of mobile home residents when their parks were purchased and replaced by new housing and/or commercial development. Subsequently, California Government Code Sections 66427.5 and 66428.1 were enacted. The applicant believes these state laws preempt Policy #88.

Government Code Section 66428.1(d) states that a local agency shall not impose any offsite improvement requirements, dedications, or in-lieu fees. Only improvements necessary to mitigate an existing health or safety condition are allowed. There are four fire hydrants in the park, and street lights. Mitigations are proposed that require Fire and Police Department review of existing water pressure and lighting, and improvements if needed to meet City safety requirements.

- b) **Relevant Project and Property History, Related Permits:** The Hollywood Beach mobile home park was developed in 1968. Since then, individual mobile homes have been replaced to where most units are now larger "double-wide" units. Permits related to mobile home units are issued by the state government.
- c) **Development Advisory Committee (DAC) Consideration:** The project was reviewed by the DAC on October 4, 2006. As no physical changes are proposed or required, the DAC review was limited to adequacy of fire hydrants and line pressure.

8. **Community Input:** The project was presented at the monthly community workshop held on October 16, 2006. Twelve members of the public asked questions related to understanding the conversion process.

9. **Attachments:**

- A. Maps (Vicinity, General Plan, Zoning)
- B. Reduced Tract Map/Plans
- C. CEQA Notice of Exemptions
- D. Tenant Impact Report
- E. Coastal Development Permit Resolution
- F. Tentative Subdivision Map Resolution
- G. Local Coastal Plan Amendment Resolution

Prepared by:	<u>CW</u>
	CW
Approved by:	<u>SM</u>
	SM

RESOLUTION NO. 2006-54

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF OXNARD APPROVING COASTAL DEVELOPMENT PERMIT NO. 06-400-2 TO ALLOW CONVERSION OF A SENIORS' MOBILE HOME PARK TO CONDOMINIUM OWNERSHIP, LOCATED AT 4501 WEST CHANNEL ISLANDS BOULEVARD (APNs 206-0-280-180/-430), SUBJECT TO CERTAIN CONDITIONS. FILED BY HOLLYWOOD BEACH ACQUISITION C/O THE LOFTIN FIRM, 5760 FLEET STREET, SUITE 110, CARLSBAD, CA 92008.

WHEREAS, the Planning Commission of the City of Oxnard has considered an application for a coastal development permit filed by Hollywood Beach Acquisition in accordance with Section 37-5.3.0 et. seq. of the Oxnard City Code; and

WHEREAS, Section 21080.8 of the California Public Resource Code exempts the project from the requirement for the preparation of environmental documents imposed by the California Environmental Quality Act; and

WHEREAS, Government Code Sections 66427.5 and 66428.1 prescribe the conversion process and prohibit the City Of Oxnard from requiring impact fees, off-site improvements, or any other conditions other than those directly related to public safety, and

WHEREAS, the Planning Commission finds after due study, deliberation and public hearing, that the following circumstances exist:

1. The proposed use is conditionally permitted within the subject sub-zone and complies with all of the applicable provisions of Chapter 37 of the Oxnard City Code.
2. The proposed use would not impair the integrity and character of the sub-zone in which the proposed use is to be located.
3. The subject site, in terms of location and intensity of use, would be physically suitable and would protect and maintain adjacent coastal resources for the land use being proposed.
4. The proposed use would be compatible with the land uses presently on the subject property.
5. The proposed use would be compatible with existing and future land uses within the sub-zone and the general area in which the proposed use would be located.
6. There are adequate public services for the proposed use, including, but not limited to, fire and police protection, water, sanitation and public utilities and services to ensure that the proposed use would not be detrimental to public health and safety.
7. The proposed use will provide a type and level of public access consistent with the access policies and standards of the certified Oxnard Coastal Land Use Plan.

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8. The proposed use would be appropriate in light of an established need, based upon the underlying goals and objectives of specific Oxnard Coastal Land Use Plan policies, applicable to the proposed location.
9. The proposed use would be consistent with all of the applicable policies of the certified Oxnard Coastal Land Use Plan.
10. The provisions of Government Code Sections 66427.5 and 66428.1 have been executed by the Developer related to tenant survey and notification of conversion, and offer to purchase or rent.

WHEREAS, the Planning Commission finds that the applicant agrees with the necessity of and accepts all elements, requirements, and conditions of this resolution as being a reasonable manner of preserving, protecting, providing for, and fostering the health, safety, and welfare of the citizenry in general and the persons who work, visit or live in this development in particular.

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Oxnard hereby approves said coastal development permit. The decision of the Planning Commission is final unless appealed in accordance with the provisions of Section 37-5.4.10 of the Oxnard City Code.

CONDITIONS OF APPROVAL

Note: The abbreviations below identify the City department or division responsible for determining compliance with these standard conditions. The first department or division listed has responsibility for compliance at plan check, the second during inspection and the third at final inspection, prior to issuance of a certificate of occupancy, or at a later date, as specified in the condition. If more than one department or division is listed, the first will check the plans or inspect the project before the second confirms compliance with the condition. The italicized code at the end of each condition provides internal information on the source of each condition: Some are standard permit conditions (e.g. *G-1*) while some are taken from environmental documents.

DEPARTMENTS AND DIVISIONS			
CA	City Attorney	PL	Planning
DS	Dev Services/Eng Dev/ Inspectors	TR	Traffic
PD	Police	B	Building Plan Checker
SC	Source Control	FD	Fire
PK	Parks	CE	Code Enforcement

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GENERAL CONDITIONS

1. This approval is granted for the property described in the application on file with the Planning Division, and may not be transferred from one property to another (PL, G-1).
2. The term 'Developer' shall refer to Hollywood Beach Acquisition, its agents, and any successor entity such as a Homeowners Association.
3. This permit is granted for the plans depicted on Tentative Subdivision Map for Tract No. 5706 on file with the Planning Division. The project shall conform to the plans, except as otherwise allowed by applicable rules and regulations related to the individual mobile/manufactured units on individual spaces, or unless a minor modification to the plans is approved by the Planning Division Manager or a major modification to the plans is approved by the Planning Commission. (PL, G-2)
4. This permit shall automatically become null and void 24 months from the date of its issuance, unless Developer has diligently taken and/or completed steps to develop the proposed project to the satisfaction of the Development Services Manager. (PL, G-3)
5. By commencing any activity related to the project or using any structure authorized by this permit, Developer accepts all of the conditions and obligations imposed by this permit and waives any challenge to the validity of the conditions and obligations stated therein. (CA, G-5)
6. Developer shall record with the Ventura County Recorder a "Notice of Land Use Restrictions and Conditions" in a form acceptable to the City Attorney and submit a copy of the recorded document to the Planning Manager within 60 days. (PL, G-8)
7. Developer shall obtain a building permit for any new construction or modifications to structures that fall under City jurisdiction. (B, G-11)
8. Developer shall not permit any combustible refuse or other flammable materials to be burned on the project property except in approved facilities such as BBQ's and outdoor heating devices. (FD, G-12)
9. Developer shall not permit any materials classified as flammable, combustible, radioactive, carcinogenic or otherwise potentially hazardous to human health to be handled, stored or used on the project property, except as provided in a permit issued by the Fire Chief. (FD, G-13)
10. If Developer, owner or tenant fails to comply with any of the conditions of this permit, the Developer, owner or tenant shall be subject to a civil fine pursuant to the City Code. (CA, G-14)

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11. Developer shall execute an agreement, in a form approved by the City Attorney, to hold harmless, indemnify and defend the City, its City Council, and each member thereof, and every officer, employee, representative or agent of City, from any and all liability, claims, demands, actions, damages (whether in contract or tort, including personal injury, death at any time, or property damage), costs and financial loss, including all costs and expenses and fees of litigation or arbitration, that arise directly or indirectly from the City's approval of this permit or other permits; from construction of the project or any part thereof approved herein; and from land failure, erosion, inundation, or wave attacks on the subject property or on any property near or adjacent thereto, arising out of or resulting from or caused by work performed or authorized by Developer. (PL/CA, G-16)

PARKS CONDITION

12. Developer shall maintain existing landscape planting and all irrigation systems as required by the City Code and as specified by this permit. Failure of Developer to do so will result in the revocation of this permit and initiation of legal proceedings against Developer. (PK, PK-4)

FIRE DEPARTMENT CONDITIONS

13. Developer shall provide information as requested by the Fire Chief in order to ensure availability of water for fire combat operations to all areas of the project property. The Fire Chief shall determine whether the existing hydrants provide adequate fire protection, and the Fire Chief may require provision by the Developer of improvements, at the Developer's expense, needed to bring fire combat capability to an acceptable level. (FD/DS)
14. Developer agrees that should security devices and measures, including walkway and vehicle control gates, entrance telephones, intercoms and similar features, be installed at some future time, such features would be subject to approval of the Police Chief and the Fire Chief. Vehicle control gates shall be operable by City approved radio equipment. (FD/DP, F-9)

PLANNING CONDITIONS

15. Any application for a minor modification to the project shall be accompanied by four copies of plans reflecting the requested modification, together with applicable processing fees. (PL, PL-2)
16. Project on-site lighting shall meet requirements listed in City Code Section 16-320 of one footcandle on all internal streets and public walkways. Developer shall submit a lighting plan to the Planning Manager for approval that depicts existing light fixtures and proposed fixtures, if any, that meet the requirement. New fixtures, if any, shall be at Developer's expense and in a location that does not constitute a hazard to vehicular traffic, either on private property or on adjoining streets. To prevent damage from vehicles, new standards in

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parking areas shall be mounted on reinforced concrete pedestals or otherwise protected. (PL/B, PL-8)

17. In order to minimize light and glare on the project property, all new parking lot and exterior structure light fixtures shall be high cut-off type that divert lighting downward onto the property and shall not cast light on any adjacent property or roadway. (PL, PL-9)
18. Developer shall provide and/or repair and maintain masonry walls on street side yards and along project perimeter property lines. (PL/B, PL-31)
19. Developer shall establish a homeowners association and the association shall be responsible for the maintenance of parking, landscape, recreation and other interior areas held in common by the association and for the enforcement of Conditions Covenants & Restrictions related to property maintenance. (PL/DS, PL-33)

SPECIAL PLANNING CONDITION

20. The Tentative Subdivision Map for Tract No. 5706 shall not become effective until the City Council and the California Coastal Commission adopt and ratify, respectfully, Local Coastal Plan Amendment No. PZ 06-410-2. (PL)

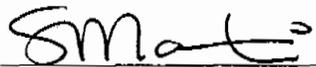
PASSED AND ADOPTED by the Planning Commission of the City of Oxnard on this 2nd day of November, 2006, by the following vote:

AYES: Commissioners: Medina, Okada, Dean, Frank, Sanchez, Pinkard, Fischer

NOES: Commissioners: None

ABSENT: Commissioners: None


Ronald R. Fischer, Chairman

ATTEST: 
Susan L. Martin, Secretary

TENANT IMPACT REPORT

Hollywood Beach Mobilehome Park

October, 2006

Section 1. Purpose of Tenant Impact Report ("TIR"):

This Tenant Impact Report ("TIR") is being prepared pursuant to California Government Code Section 66427.5 ("66427.5"), a copy of which is attached hereto as Exhibit "A". The purpose of this TIR is to explain the protections afforded to those "**Resident(s)**,"¹ that elect not to purchase a "**Condominium Interest**" in Hollywood Beach Mobilehome Park ("**Park**"), located at 4501 West Channel Islands Blvd, City of Oxnard, State of California, 93035. All Resident Households will be afforded the opportunity to either i) buy the space on which their manufactured home ("**Manufactured Home**" or "**Home**") is situated ("**Space**"), or ii) continue to rent the Space on which their Manufactured Home is situated. Further, if a Resident Household elects to continue to rent the Space on which their Manufactured Home is situated, then the rent increases will be set in accordance with the provisions of 66427.5.

1.1 Description of Change of Use: Whenever a mobilehome park is converted to another use, the Subdivision Map Act under 66427.5 requires the entity, which is converting the Park to file a report on the impact that the conversion to another use will have on the "**Residents**" (as defined in Section 1.2(c) below) and occupants of the Park.

- (a) **Change of Use Resulting in Resident Removal from the Property:** Historically, and in some instances today, the impact is that the conversion to another use means closure of the Park in connection with preparing the property for a use other than for Manufactured Homes. This necessitates the vacation of property by the Residents. This is NOT what is occurring at the Park. The Park will remain a manufactured housing community, with the existing Residents having the right to either buy their "**Condominium Unit**"² or to remain and rent their Condominium Unit.

¹ "Resident" or "Residents" mean any person(s), entity, or group of person(s) who own a mobilehome in Hollywood Beach Mobilehome Park on the date of the issuance and delivery of the Final Public Report issued by the California Department of Real Estate. Please note that this definition does not mean the same as "Resident Household" or Resident Households" as defined in Section 1.2 herein.

² "Condominium Unit" means the airspace unit which is defined as 1' below grade and 40' above grade, with the lateral and horizontal planes demarked by the exclusive easement lines established on the ground [in other words, the space the Resident is currently occupying], plus 1/96th fee simple ownership of the common area and facilities and one membership in the Homeowners' Association to be formed as part of the entitlement process. For those who select to remain renters, this means that those households will continue to rent the same Space they were renting prior to the conversion of the Park.

- (b) **Change of Ownership Rather Than Traditional Change of Use:** While conversion of a rental mobilehome park to a Resident-owned mobilehome park is identified as a change of use under California law, a more accurate definition would be a change of method of ownership. The Park is not being closed and the Residents are not vacating the property, but rather, the Residents have available to them additional options that were not available to them before the conversion occurs. After conversion, the Residents will be able to either purchase their individual Spaces and a share in the common area and facilities ("**Common Area**") from the Owner, and participate in the operation of the Park through a Homeowners' Association, or continue to rent their individual Spaces. As detailed below, the conversion of the Park will result in neither actual nor economic displacement of its Residents.
- (c) **Applicable Code Section for 1.1(b), Government Code Section 66427.5:** The State of California recognizes the substantial difference between the change of use which results in the closure of a mobilehome park from the change of use which results in the change of the method of ownership by the implementation of different State statutes applicable to each type of change of use. For all purposes hereunder, 66427.5 controls for purposes of determining what rights the non-purchasing Residents will have after the conversion is completed.

1.2 **Definition of Resident(s):**

- (a) **Categories of Resident Households within the Park:** 66427.5 divides the Residents of a Park into two (2) INCOME categories for the Resident Households: (1) non-low income and, (2) low income households. "**Low Income Households**" are defined in California Health & Safety Code Section 50079.5 as "those persons and families whose income does not exceed the qualifying limits for low income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937." The greatest protections are given to the Low Income Households. The income limits are based on Ventura County's median income and the household size as prepared and distributed under the United States Housing Act. To qualify as a Low Income Household, the following income limits were established for calendar year 2006.

Household Size # of Persons	1	2	3	4
Income Must be at or Below:	\$45,150	\$51,600	\$58,050	\$64,500

- (b) **Resident Survey (Demographics):** Pursuant to California Government Code Section 66427.5(d)(1), the subdivider has obtained a survey of

support of the residents in the Park ("Survey"). A sample copy of the Survey is attached hereto as Exhibit "B". The Survey was first provided to the Board of the Homeowners' Association. The Survey was discussed with the Board and a general meeting was held at the Park to discuss the Survey with Residents at the January/February meeting. The Survey was mailed to all Park Residents at their address in the Park and at their second address, if applicable, or hand delivered. Each occupied Manufactured Home Space had one (1) vote. At the time of the vote, there were ninety-six (96) occupied Manufactured Home Spaces. The results of the Survey were calculated on February 22, 2005.

# Responses	Support Yes	Support No	Decline to State Support
89	82	2	4

Note that the totals in the various categories do not add up to the same number because not everyone answered every question.

The Surveys contain names and addresses, along with very private information regarding the Resident Households. For that reason, the spreadsheet indicating how each household responded and the actual Surveys will not be attached to this TIR, but rather a copy of the spreadsheet and the actual response Surveys will be sent to the City Attorney's Office, as confidential information, for verification of the above conclusions.

The actual survey was provided to the City of Oxnard as part of the MPROP application. For ease of reference, the surveys with a summary sheet are provided as a separate submittal herewith.

- (c) **Resident or Resident(s):** As used in this Tenant Impact Report, a "Resident" or "Residents" is any person(s) who is a permanent resident of the Park on the date the application for conversion (including, without limitation, this Tenant Impact Report) is first heard by the City of Oxnard Planning Commission. A Resident(s) of the Park is a person, or persons, who (i) has his or her name on the Title to the Manufactured Home; (ii) lives in the home as his or her permanent residence; and (iii) has been approved as a tenant under the Mobilehome Residency Law and all other applicable City, County and State laws, ordinances, regulations, or guidelines.

- 1.3 **Description of the Property:** The Park was constructed in approximately 1968 and is a ninety-six (96)-space park, situated on approximately ten (10) acres. The fenced Park has wide asphalt streets with gutters, and all utilities are underground. The Common Area contains RV storage area, a small park with picnic tables and

a clubhouse with a lounge, card room, laundry facilities, and swimming pool.

Section 2. Residents' Current Position/Rights:

- 2.1 **Current Occupancy:** Currently, a small number of the Residents reside in the Park on leases ("Leases"). In excess of ninety-five percent (95%) of the Resident occupants reside in the Park on a month-to-month written rental agreement ("**Rental Agreement**").

For those Resident Households who are on a one (1)-year or month-to-month tenancy, the City of Oxnard Rent Control Ordinance currently regulates the rent increases.

- 2.2 **Residents' Rights:** In addition to the terms of the Leases and Rental Agreements, the tenancy rights of Residents residing in the Park are governed by California Civil Code Section 798 *et seq.* ("**Mobilehome Residency Law**"), other applicable California statutory and case law, and the City of Oxnard Rent Control ordinances.

Section 3. Park Owner's Rights Upon Conversion:

- 3.1 **Right to Change Use:** The owner of Hollywood Beach Mobilehome Park (the "Owner"), pursuant to the California Government Code and the Mobilehome Residency Law, has the right to terminate all existing tenancies and require the Residents to vacate the property and go out of business or change the use of the property, providing all applicable laws are followed. The Park Owner, however, through this TIR, agrees to waive the right to terminate any tenancies and existing Leases or require that the Residents vacate the property. **Under this scenario, non-purchasing Residents will NOT be required to vacate their Space and, as described in more detail in Section 4 below, will have occupancy rights subject to any Lease or written Rental Agreement, the Mobilehome Residency Law, and California law, as applicable. Therefore, there will be no actual eviction or displacement due to the conversion and Resident-purchase of the Park.**

Section 4. No Actual nor Economic Displacement:

- 4.1 **Impact of Conversion:** Under California Government Code and the Mobilehome Residency Law, the converter is required, as a condition of conversion, to prepare a TIR to set forth the impact of the conversion on the Resident Households who elect not to purchase the Space on which their Manufactured Home is situated. Further, the rental increase amount, which may be charged by the Owner of the Space subsequent to the conversion, is specified and is mandatory in 66427.5. As a result of the conversion, there will be no

physical change of use. The property before and after conversion will be operated as a mobilehome park. The difference is that instead of an investor/operator owner, a Homeowners' Association will operate the property.

4.2 **Rental Rate Increases: No Economic Displacement:** The economic displacement of non-purchasing Resident Households shall be mitigated by allowing the Resident Households who select not to purchase the Space on which their Home is situated to continue their tenancy in the Park under the California Subdivision Map Act rental increase restrictions ("**Map Act Rents**"). The Map Act Rents are based upon two (2) formulas: i) one formula for permanent non-low income Resident Households, and ii) one formula for permanent Low Income Resident Households, as defined in California Health & Safety Code Section 50079.5.

(a) **Non-Low Income Resident Households:** For the non-low income Resident Households, the base rent may be increased over a four (4)-year period to market rent. Base rent is defined as that rent which is in effect prior to the "**Conversion Date**" (as defined in Section 4.3 below). Market rent is established by an appraisal "conducted in accordance with nationally recognized appraisal standards." The reason the rents are raised to market over a four (4)-year period is to allow the adjustment of rents, which under rent control have remained artificially low, to occur gradually. This protection for the otherwise financially advantaged Resident Households also provides time for those households to plan for the rental adjustment to market.

(b) **Low Income Resident Households:** The State has emphasized its goal of protecting housing for the low income population of California in section 66427.5. The Low Income Resident Households, who are permanent residents of the Park, receive a guarantee of reduced rental increases beyond that which any local jurisdiction can enact under the current rent control cases and laws of California. Low income is defined in 66427.5 by referencing California Health & Safety Code Section 50079.5, which in turn defines Low Income Households as persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. The other qualifying requirements, including, without limitation, asset limitations, shall be as defined in the United States Housing Act of 1937, as amended from time to time. Low Income Households are protected for the entire term of their tenancy.

a. **Rent Increase Formula.** The base rental increase is the average increase for the previous four (4) years but shall not exceed the Consumer Price Index ("CPI") average monthly

percentage increase for the most recently reported period. The Rent Increase Formula Example is attached hereto as Exhibit "C", which calculated the formula based upon a conversion date of October, 2005. The formula will be recalculated based upon the date of the issuance of the Final Public Report from the California Department of Real Estate.

- b. **Application Process:** The Resident must provide the same information and confirmation of the Resident's income and permanent status at the Park as though that Resident were applying for a State of California, Mobilehome Park Ownership Program ("MPROP") loan each year. In the event that program is no longer in existence, the last application documents will become the permanent documents, and the qualifying income levels will be those established by either the State of California Housing and Community Development Department ("HCD") or the United States Housing and Community Development Department ("HUD"), at the election of the Owner of the Space.

 - c. **Comparison:** Based on these State rent control provisions, the Low Income Households enjoy greater protection than under the City of Oxnard Rent Control in that the annual rent increase is seventy-five percent (75%) of the CPI and the Owner may, upon proper showing and approval, institute a hardship rent increase. Attached hereto and hereby incorporated as though fully set forth is a chart of the low-income rent increase maximums, assuming the project was converted as of August 1, 2005.
- (c) **Moderate Income Resident Households:** The State has further emphasized its goal of protecting housing for the moderate income population located in the Coastal Zone of California in section 65590. The Moderate Income Resident Households, who are permanent residents of the Park, will receive a guarantee of reduced rental increases beyond that which any local jurisdiction can enact under the current rent control cases and laws of California. Moderate income is defined by California Health & Safety Code Section 50093, as persons and families whose income does not exceed the qualifying limits for moderate income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. The other qualifying requirements, including, without limitation, asset limitations, shall be as defined in the United States Housing Act of 1937, as amended from time to time. Low Income Households are protected for the entire term of their tenancy.

- a. **Rent Increase Formula.** The base rental increase shall not exceed the Consumer Price Index ("CPI") average monthly percentage increase for the most recently reported period plus the percentage difference between the Low and the Moderate income levels adjusted for household size as reported by the Department of Housing and Community Development. The Rent Increase Formula Example is attached hereto as Exhibit "C", which calculated the formula based upon a conversion date of October, 2005. The formula will be recalculated based upon the date of the issuance of the Final Public Report from the California Department of Real Estate.
- b. **Application Process:** The Resident must provide the same information and confirmation of the Resident's income and permanent status at the Park as though that Resident were applying for a State of California, Mobilehome Park Ownership Program ("MPROP") loan each year. In the event that program is no longer in existence, the last application documents will become the permanent documents, and the qualifying income levels will be those established by either the State of California Housing and Community Development Department ("HCD") or the United States Housing and Community Development Department ("HUD"), at the election of the Owner of the Space.
- c. **Comparison:** Based on State rent control provisions, the Moderate Income Households enjoy no protection from an increase in rent. In order to satisfy the requirements of Government Code section 65590 this provision has been added to protect against any economic displacement of moderate income Residents who choose not to buy. Attached hereto and hereby incorporated as though fully set forth is a chart of the low-income rent increase maximums, assuming the project was converted as of August 1, 2005.
- (c) **Effective Date of Map Act Rents:** The effective date of the Map Act Rents shall be the first day following the close of the three (3) months (90-days) "Right of First Refusal" period as defined in section 6.2.

As part of the distribution of the Final Public Report, the Leases and qualifying information shall be simultaneously distributed. The Residents shall have six (6) months within which to make their election to purchase or to execute the new Leases. If the Resident does not want to execute a

Lease but does want to continue renting his or her Space, then the Resident may do so under a month-to-month or one (1)-year written Rental Agreement. *Without regard to the type of rental document, if any, executed by a qualified household, the Map Act Rents shall be in place for that household.*

- 4.3 **“Conversion Date”:** Conversion Date is defined as the date of the first sale of a unit.
- 4.4 **No Actual Displacement:** The Resident occupant will be given the choice to buy the Space on which his or her Manufactured Home is situated or to continue their tenancy in the Park under this Tenant Impact Report. To receive the protections provided herein and under the California Subdivision Map Act, the Resident must have been a Resident, as defined in Section 1.2(c). Further, the Owner has specifically waived its right to terminate tenancies. (See Section 3.) Therefore, there will be no actual eviction of any Resident or relocation of their Home by reason of the Park conversion to Resident ownership.
- 4.5 **Conclusion: No Actual Nor Economic Evictions:** The legislative intent behind relocation mitigation assistance as contained in California Government Code Section 66427.4 was to ensure that Residents who were being actually evicted due to the conversion of a park to another use were protected, and that a plan was submitted and approved to ensure that protection. The purpose for the more typical impact report is to explain how and when the Residents have to vacate the property; and, what financial assistance the Residents would be receiving to assist in the costs of removing the Home and other personal effects. However that is not occurring here. Under the present conversion, which will not result in another use and vacation of the property, the purpose of this Tenant Impact Report is to explain the options of the Residents regarding their *choice* to purchase or to rent their Space. The Park Owner has agreed, by this TIR, to waive its right to terminate existing tenancies and Leases upon the conversion (see Section 3 above), and any Resident who chooses not to purchase a "**Condominium Interest**" (as defined in Section 6.1 below) may reside in the Park as set forth in Section 3 and Section 4.2 above. **Thus, there will be no economic displacement based on the Map Act Rents nor actual eviction of any Resident because of the conversion, and, therefore, no relocation mitigation is required.**

Section 5. Benefits of Conversion:

The purpose of the conversion of a park from a rental park to a Resident-owned park is to provide the Residents with a choice. The Residents may either choose to purchase an ownership interest in the Park, which would take the form of a Condominium Interest, or continue to rent a Space in the Park, thereby allowing the Residents to control their economic future. The conversion provides the

Resident occupants the opportunity to operate and control the Park. Since the new owners of the Park will not be motivated to make a profit, but rather are motivated to ensure the best possible living conditions at the most affordable rates, payable through the Homeowners' Association Dues, directly or through rent, both buyers and renters benefit from the conversion.

Section 6. Condominium Interest: Six (6) Month Right of First Refusal:

- 6.1 **Condominium Interest:** The conversion provides the Residents with the opportunity to acquire an ownership interest in the Park, which certainly would not otherwise occur. As stated above, the form of ownership will be a Condominium Interest. The Condominium Interest is treated as any other type of real property, with ownership transferred by a grant deed that will be insured by a policy of title insurance. The front and back exclusive easement boundaries of each Condominium Interest will be properly marked by a certified Civil Engineer, and specific legal descriptions shall be set forth on a "**Condominium Plan**" (as defined in California Civil Code Section 1351(e)), which will be a matter of public record when filed and recorded. Each Condominium Interest comprises the airspace directly over the current rental spaces, a one ninety-sixth (1/96th) interest in the Park's Common Areas, and one ninety-sixth (1/96th) interest in the Common Area lot, as tenants in common. All Condominium Interests are held pursuant to the description of general rights and associated factors as set forth in the Articles, Bylaws of the Homeowners' Association, Conditions, Covenants, and Restrictions, and California law pertaining to such ownership.
- 6.2 **Right of First Refusal:** With reference to California Government Code Section 66459, each Resident shall be informed that they have a three (3) month right of first refusal period, commencing on the issuance by the California Department of Real Estate and delivery of the "Final Public Report" (the Conversion Date, except as provided in Section 4.3). During the three (3) month period each Resident shall have the exclusive right to decide whether or not to purchase a Condominium Interest or continue to rent his or her Space.

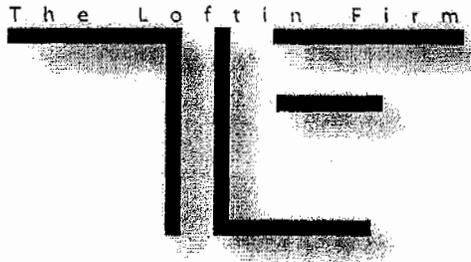
Section 7. Legal Notices:

The Residents have received the Notice of Intent to File a Map with the City of Oxnard and will receive the following notices: Notice of Intent to Convert; Notice of Change of Use; 3-month Right of First Refusal; Intention to File Application for Public Report; and will also receive all additional required legal notices in the manner and within the time frame required by the state and local laws and ordinances. All prospective tenants have and will receive the Notice to Prospective Tenant(s).

Section 8. Conclusion:

- 8.1** The above purchase rights and rental protections are being offered only to persons who are defined in Section 1.2(c) herein as Residents in the Park as of the Conversion Date.
- 8.2** The above described purchase rights, Lease programs, and protections will be offered only if the Park is converted to a Resident-owned mobilehome park. Such programs become effective on the Map Act Rent Date or the Offering Date, which is the date of issuance and delivery of the Final Public Report from the California Department of Real Estate, whichever is the later occurrence.
- 8.3** Upon conversion of the Park to Resident ownership, the current owner of the Park, as well as subsequent owners of Condominium Interests in the Park, shall abide by all terms and conditions set forth in this TIR. This TIR is a covenant that encumbers each individual Unit.
- 8.4** The conversion of the Park from a rental park to a Resident-owned park provides the Residents with an opportunity of choice. Park Residents may choose to purchase a Condominium Interest or continue to rent. The conversion also provides the potential for Residents to enjoy the security of living in a Resident-owned, controlled, and managed Park, whose motivation is not profit, but rather, achieving the best living environment at the most affordable rate.
- 8.5** All Residents choosing to continue to rent will have occupancy rights exactly as they have now, and all existing Leases and/or Rental Agreements will be honored, subject to Government Code Section 66427.5, Mobilehome Residency Law, and other California law, as applicable. The protections and programs offered to the Residents are greater than those required by law and are better than the Residents currently have as rent-paying tenants in the Park.

L. Sue Loftin, Esq.
Josephine E. Lewis, Esq.
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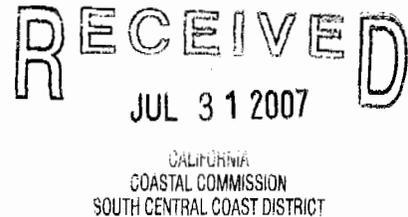
www.loftinfirm.com
JGould@loftinfirm.com

Client/Matter Number
HB/451

Attorneys at Law

March 29, 2007

John Ainsworth
Deputy Director
California Coastal Commission
South Central Coast
89 South California St., Suite 200
Ventura, CA 93001



Re: City of Oxnard LCP Amendment No. MAJ-2-06 Time Extension

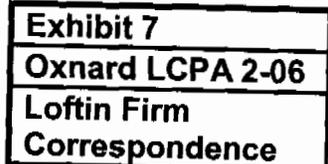
Mr. Ainsworth,

This Firm represents the applicants and the owners of the Hollywood Beach Mobilehome Park whom submitted the underlying application to amend the Oxnard Coastal Land Use Plan. The requested LCP amendment is required in order to facilitate the conversion of the Mobilehome Park to resident ownership. The application for the conversion of the Hollywood Beach Mobilehome Park is a joint undertaking by the park owners and the residents in order to afford the residents with the opportunity to purchase and own an interest in the park in which they live.

California Government Code Section 65590

The Oxnard Coastal Land Use Plan (CLUP) to be amended, attempts to categorically prohibit all conversions of rental housing to condominiums, cooperative, or similar form of ownership through the protection of public access to the coastal zone. Such a categorical prohibition is improper. The purpose of Chapter 3.7.3 of the Oxnard CLUP is the protection of low to moderate rental housing. This has been previously accomplished by the state legislature through the enactment of California Government Code section 65590.

Government Code section 65590 provides that when existing low to moderate income housing is demolished or converted in such a manner that the low to moderate income will be displaced, the developer must purchase, build or otherwise provide for the replacement of an equal number of units within the coastal zone. Unlike the existing text of CLUP Chapter 3.7.3 and Local Coastal



THE LOFTIN FIRM

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Policies 88 and 89, Government Code section 65590 does not apply to all conversions of rental housing to purchase housing stock.

Section 65590 only applies to conversion or demolition projects where the low to moderate income residents are displaced as a result of the conversion. This displacement may occur in either the form of eviction by the owner/developer of the property, or by constructive eviction due to the change in the market value of the converted housing unit. Such a displacement does not occur in the conversion of an existing rental mobilehome park to resident owned park.

Pursuant to Government Code §66427.5 (attached hereto) existing residents of a rental mobilehome park may continue to rent the space upon which their home is placed if such a resident chooses not to purchase his or her space. Furthermore, low income nonpurchasing residents are protected by state rent control when an existing rental mobilehome park is converted to a resident owned park. Therefore there is no displacement as part of a conversion of a mobilehome park from rental to resident ownership. The state protections against economic displacement apply as follows:

Low-Income Households

Low-income households are protected from economic displacement pursuant to California Government Code Section 66427.5(f)(1) which states;

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.

In practice this section provides a rent control provision specific to the low-income households that limit the rent increases that may be imposed to the average of the rent increases over the previous four (4)-years. In the event the average increase over the previous four (4)-years prior to the conversion is greater than the average monthly percentage increase in the Consumer price index (CPI) then the rent increase shall be limited to the CPI increase. Specific examples of the application of the above formula are attached hereto as **Exhibit A**. Furthermore, the statutory rent protection does not allow the owner/landlord to “pass-through” costs to the low-income residents as currently allowed under the City rent control scheme.

Moderate-Income Households

Although moderate-income households are not protected under Section 66427.5, the Subdivider in an effort to further protect the residents against any economic displacement as a result of the conversion, has agreed to include a provision similar to the low-income protection above. The moderate-income protection is enumerated in the Tenant Impact Report and is as follows:

THE LOFTIN FIRM

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The base rental increase shall not exceed the Consumer Price Index ("CPI") average monthly percentage increase for the most recently reported period plus the percentage difference between the Low and the Moderate income levels adjusted for household size as reported by the Department of Housing and Community Development.

In application, this section effectively sets a rent increase limit to the most recent monthly increase in CPI plus the percentage difference between the low and moderate income levels. For example, if the CPI increase were 5% and the base rent were \$300 then the CPI rent increase would be \$15.00. The percentage difference between the low and moderate income levels is 19%, so for the moderate rent protection the \$15 CPI increase would be raised by 19% or \$2.85 for a total increase of \$17.85. This is much lower than what is allowed by statute (market rent under Section 66427.5(f)(1) below) and provides a protection against economic displacement for the moderate income households.

All Other Income Levels

For all other income levels the base rent may be increased over a four (4)-year period to market rent. Market rent shall be established by an appraisal "conducted in accordance with nationally recognized appraisal standards." The reason the rents are raised to market over a four (4)-year period is to allow the adjustment of rents, which under rent control have remained artificially low, to occur gradually. This protection for the otherwise financially advantaged Resident Households also provides time for those households to plan for the rental adjustment to market. This increase to market level over four (4)-years is pursuant to Section 66427.5(f)(1) which states:

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.

Purchasing Residents

As for the existing low and moderate income residents who do choose to purchase as part of the conversion, the units to be offered for sale shall be so offered at an affordable rate pursuant to California Health and Safety Code section 50093 et. seq. The housing units offered for sale under the conversion shall serve as the project's "replacement housing" under Government Code section 65590 as they will be done so at an affordable rate. Therefore, even if the low income rental housing were not protected, as it is under Government Code section 66427.5, the offering for sale of the converted units serve as their own "replacement housing" under section 65590 as the units will be offered as affordable purchase housing stock.

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April 2, 2007

MAJ-2-06 Time Extension

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For the reasons above Government Code section 65590 does not apply to conversions of existing rental mobilehome parks to resident owned parks so long as each low income resident is not displaced as a result of the conversion. Therefore the proposed amendment will not effect the Coastal Commission's authority to regulate low-income housing replacement within the coastal zone under Section 65590 as it applies to all other projects, and any conversion of mobilehome parks under Government Code Section 66427.5 shall afforded similar protections to low-income households.

Not Low-Income/Affordable Housing

The housing in the Hollywood Beach Mobilehome Park does not qualify as low-income housing because the total cost of the current space rent and the mortgage costs on the home exceed the low-income/affordable housing cost limits as set forth under HCD and Section 8 as 30% of an individuals gross income on housing costs. Moreover, homes within the park are selling for upwards of \$350,000, which is clearly beyond the scope of affordable housing. However, as mentioned above, those resident households who qualify as low-income households under California Health and Safety Code Section 50079.5, will be able to purchase their unit on which their home is place for an affordable price with the assistance of the MPROP loans and other assistance programs. Without the completion of this project, the opportunity for the low-income households to purchase their unit will not be possible. Without the completion of this project, the housing within the Hollywood Beach Mobilehome Park will continue to rise in price beyond that which is affordable.

California Public Resources Code Section 30213

The proposed amendment to the Oxnard CLUP will make the CLUP consistent with the current status of Division 20 of the California Public Recourses Code (Coastal Act). Chapter 3.7.3, "Affordable Housing" of the Oxnard CLUP, the section to be amended, is based on Cal. Pub. Res. Code section 30213 as it was written in 1979. Section 30213 was amended in 1980. This amendment removed the language protecting housing opportunities for persons of low and moderate income and limited the scope of section 30213 to visitor and recreational facilities and over night room rentals. The language removed from section 30213 by the 1980 amendment was the only language in section 30213 on which Chapter 3.7.3 of the Oxnard CLUP was based. For this reason the entire chapter on affordable housing in the Coastal Zone has no statutory footing in the current language of section 30213 of the Coastal Act.

Resident Initiated Conversion

The motion to extend the ninety (90)-day time limit to act on the City of Oxnard LCP Amendment No. MAJ-2-06 for a period not to exceed one year would be detrimental to the underlying conversion project. Many of those residing in the Hollywood Beach Mobilehome Park are low and or fixed income seniors. This firm has secured funding for these residents in the amount of \$1.9M from the California Department of Housing and Community

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Development's Mobilehome Park Resident Ownership Program ("MPROP"). This money is to assist the low-income households purchase their unit within the park and allows those person who would otherwise not be able to afford this opportunity a chance to do so. The MPROP money however must be used within a certain amount of time or it is redistributed to other MPROP applicants. This firm is in the process of requesting an extension of the MPROP deadline due to the unforeseen delays in the conversion approval process, however the proposed time extension before the Commission on April 10, 2007 will significantly reduce the chances that the, up until now, secured funding for the Park's low-income residents will be available if the Coastal Commission does in fact move to extend the time period up to one year.

The afore mentioned conversion project is a resident initiated conversion, for the purpose of providing an ownership opportunity to the residents of Hollywood Beach. While there may be other forms of conversion projects taking place within the coastal zone throughout the state, the project currently before the Commission is one of the few resident initiated projects and the proposed delay in approval will have a sever impact on their ability to purchase the park in which they live and to have an ownership interest in the land on which their home is placed. This ownership interest is not a trivial matter, it affords the Hollywood Beach Mobilehome Park residents with the chance to own real property and to acquire equity in that real property, where currently they can only rent the land and the home in which they live is considered personal property which inevitably depreciates over time.

THE LOFTIN FIRM

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MAJ-2-06 Time Extension
Page 6 of 6

Thank you for your time in this matter. I would like to set up a meeting with you and your staff to review these issues in greater detail at your convenience. The residents of Hollywood Beach Mobilehome Park are eager to complete this project so that they may be afforded the opportunity to own an interest in the Park in which they live. If you have any questions on this matter please do not hesitate to call me at the number above. I look forward to meeting with you.

Sincerely,

THE LOFTIN FIRM

L. Sue Loftin, Esq.

Encl: California Government Code Section 66427.5
Rent Increase Examples

cc: Patrick Kruer, Chair
Steve Blank, Commissioner
Steven Kram, Commissioner
Mary K. Shallenberger, Commissioner
Dr. William A. Burke, Commissioner
Sara Wan, Commissioner
Bonnie Neely, Commissioner North Coast
Mike Reilly, Commissioner North Central Coast
Dave Potter, Commissioner Central Coast
Khatchik Achadjian, Commissioner South Central Coast
Larry Clark, Commissioner South Coast
Gary Timm, District Manager South Central Coast

The Loftin Firm

L. Sue Loftin, Esq.
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Avneet Sidhu, Esq.
Jon P. Rodrigue, Esq.
Michael Stump, Esq.
Jacob Gould, Esq.
Christopher Bates, Esq.

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Carlsbad, California 92008

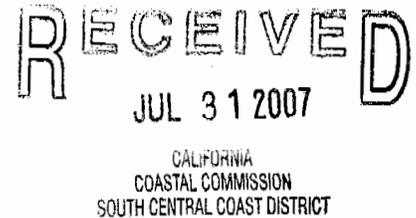
tel 760.431.2111
fax 760.431.2003

Client/Matter Number:
HB/451

Attorneys at Law

July 27, 2007

John Ainsworth
Deputy Director
California Coastal Commission
South Central Coast
89 South California St., Suite 200
Ventura, CA 93001



**Re: City of Oxnard LCP Amendment No. MAJ-2-06 Time Extension
Non-Compliance with Approved Motion of California Coastal Commission**

Mr. Ainsworth,

This Firm represents the applicants and the owners of the Hollywood Beach Mobilehome Park whom submitted the underlying application to amend the Oxnard Coastal Land Use Plan. The requested LCP amendment is required in order to facilitate the conversion of the Mobilehome Park to resident ownership. The application for the conversion of the Hollywood Beach Mobilehome Park is a joint undertaking by the park owners and the residents in order to afford the residents with the opportunity to purchase and own an interest in the park in which they live.

Approval of City of Oxnard LCP Amendment No. MAJ-2-06 Time Extension

The Coastal Commissioners and Staff were made aware of certain issues regarding the extension of the approval of the Oxnard LCP Amendment No. MAJ-2-06 through correspondence sent by this Firm on April 2, 2007. Specifically, an open extension for a period of one (1)-year would have a detrimental impact on the previously secured State funding for the Hollywood Beach Low Income resident households, which will provide them with an opportunity to have an ownership interest in the Park in which they live.

At the public hearing on April 10, 2007, Agenda Item 11a, regarding Oxnard LCP Amendment No. MAJ-2-06 Time Extension, Staff provided their report, with Mr. Ainsworth stating that it was their "intention" to bring the item back in July. This Firm represented the Mobilehome Park at that hearing and requested a time limit be placed on the extension and that a return date of July

THE LOFTIN FIRM

July 27, 2007

MAJ-2-06 Time Extension

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would be acceptable. Commissioner Dan Secord made a motion¹ with the caveat that the item "will" be back in July. The Commission unanimously approved the motion.

Following the Commissions Approval, Peter Douglas commented on the issue of mobilehome park conversions as a threat on coastal housing and the need to review the issue in detail. The letter provided by this Firm on April 2, 2007 provides many answers to the questions presented by Mr. Douglas. A copy of that letter has been attached hereto for ease of reference.

Non-Compliance With Commissioner Secord's Approved Motion

The residents of the Hollywood Beach Mobilehome Park, the Owners of the Park and this Firm were at all times, following the Commissions approval of Oxnard LCP Amendment No. MAJ-2-06 Time Extension, under the impression that the item would be back before the Commission for the July Hearing in San Luis Obispo on either July 10th or 11th. On June 28th, 2007 this Firm was informed that Oxnard LCP Amendment No. MAJ-2-06 would in fact NOT be on the July agenda.

I spoke with Deanna Christiansen on June 28th to discuss the matter and she informed me that she was unaware of any time restraint on the extension and that she had one year from the April hearing to bring the item back before the Commission. During the conversation, Ms. Christiansen was provided with the time stamp of Commissioner Secord's motion and was asked to review the video of the hearing. Ms. Christiansen returned my call later that afternoon on June 28th and stated that she reviewed the tape and Commissioner Secord did in fact provide a time restraint in the Motion, however due to the Public Notice period there was no possibility to be placed on the July Agenda. Ms. Christiansen then informed me that the item would appear on the August agenda and apologized for her mistake. This Firm accepted the fact that due to the Public Notice period there would be no opportunity to appear on the July agenda, and stated that the Item must appear on the August Agenda and requested to be notified of the following hearing agenda as soon as it was made available.

On July 25, 2007, this Firm was informed that Oxnard LCP Amendment No. MAJ-2-06 was not on the August agenda. This Firm was not notified by the Commission or by Staff of any delay. Again, a call was placed to Deanna Christiansen regarding the agenda for August and a message was left on her voicemail. On July 26, 2007 the call was returned by Gary Timm, District Manager South Central Coast. Mr. Timm informed me that the item was not to appear on the August agenda, nor the September agenda due to the hearings location in Eureka. Mr. Timm stated that the item was discussed in the week prior at a meeting with Commission council and staff and the determination was made that there was insufficient time to prepare a recommendation on the issue for the August agenda.

¹ Time stamp 2:33:15 on item 11a for Tuesday April 11, 2007

THE LOFTIN FIRM

July 27, 2007

MAJ-2-06 Time Extension

Page 3 of 4

A statement was then made that the Commission Staff often "intends" and may attempt to bring a certain item back before the Commission by a certain time but that it does not always occur. Mr. Timm was informed of the Motion requirements made by Commissioner Secord and was informed of the prior discussions this Firm had with Ms. Christiansen. Mr. Timm informed me that he would "attempt" to bring the issue back for the October agenda.

Coastal Commission Review of Oxnard LCP Amendment No. MAJ-2-06

The October Hearing date is far beyond the scope of the approved extension by the Commission at the April 10, 2007 hearing. The delay, for whatever reason, is in direct violation of the parameters of the approved time extension. This Firm, on behalf of the residents and owners of the Hollywood Beach Mobilehome Park, request that the Oxnard LCP Amendment No. MAJ-2-06 be firmly placed on the September agenda (as the next viable hearing) and provide this Firm with confirmation to that effect.

As stated earlier and in the April 2, 2007 letter, any further delay in the approval process of this last step of the project would be detrimental to the underlying conversion project. Many of those residing in the Hollywood Beach Mobilehome Park are low and or fixed income seniors. This Firm has secured funding for these residents in the amount of **one-million, nine-hundred thousand dollars (\$1.9M)** from the California Department of Housing and Community Development's Mobilehome Park Resident Ownership Program ("MPROP"). This money is to assist the low-income households purchase their unit within the park and allows those persons who would otherwise not be able to afford this opportunity a chance to do so. The MPROP money however must be used within a certain amount of time or it is redistributed to other MPROP applicants. Due to the Commission Staff not adhering to Commissioner Secord's motion requirements, you have significantly reduced the chances that the, up until now, secured funding for the Park's low-income residents will be available.

Please provide confirmation that the Oxnard LCP Amendment No. MAJ-2-06 will appear on the September agenda no later than August 3, 2007.

Sincerely,

THE LOFTIN FIRM



Jacob Gould, Esq.

THE LOFTIN FIRM

July 27, 2007

MAJ-2-06 Time Extension

Page 4 of 4

Encl: April 2, 2007 Correspondence

cc: Patrick Kruer, Chair
Steve Blank, Commissioner
Steven Kram, Commissioner
Mary K. Shallenberger, Commissioner
Dr. William A. Burke, Commissioner
Sara Wan, Commissioner
Bonnie Neely, Commissioner North Coast
Mike Reilly, Commissioner North Central Coast
Dave Potter, Commissioner Central Coast
Khatchik Achadjian, Commissioner South Central Coast
Larry Clark, Commissioner South Coast
Dan Secord, Commissioner
Peter Douglas, Executive Director
Gary Timm, District Manager South Central Coast
Deanna Christiansen, Staff Planner South Central Coast

RECEIVED

JUL 26 2007

PLANNING DIVISION
CITY OF OXNARD

City of Oxnard
Planning Commission
ATT: Mr. Zimmerman
305 W. 3rd St
Oxnard, Cal 93030

Subj: Hollywood
Beach MHP
(Condo Conversion
Proposal)

I am a neighbor of Mr Doug Bainton in Hollywood Beach MHP. He has spoken to you by phone a few times. You have been very helpful & cooperative to us.

Encl'd is: 1. Letter to Ventura Star
2. copy of article in AARP

I am now writing to you to inform you & the commission of the "condoization" problem occurring in Calif in Mobile Home Parks. The catch: "Under Cal Law local RENT CONTROL laws are void once a Park is a condo property". (per AARP)

In addition when we went before you as a group the per lot price we were told was \$120,000. My lot price now is \$230,000 & Mr Bainton's is \$240,000.

This is outrageous & we as senior citizens cannot afford these prices, especially at our ages.

Exhibit 8
Oxnard LCPA 2-06
HB-MHP Resident
Correspondence

I am 77 & my wife is 75 in poor health.
We as Park residents have been "bambozzled" by the Park owners (McGraths)

The Condo conversion is a very bad idea.

My friends in Carpinteria (Silver Sands MHP) purchased their Park as a Corporation & issued shares per lot. Rent control is still in effect for the few who did not buy in.

The "Golden State Mobile Home Owners Assoc" has taken the same views & are encouraging us to write to our State Reps & the Governor to stop this "Bait & Switch" movement by Park Owners.

We agreed on \$128,000 per lot but not on \$242,000! I hope this clarifies our position now.

Thank you again for your cooperation. We planned to retire in Oxnard in the near future.

Howard Pollard
4704 Winners Cir.
Bakersfield, CA 93309-4749

661/432-7666

Hollywood Beach MHP
Space #10
805/594-107

Mobile-Home Parks Face Condo Battle



Carol Tabar, left, and Helen Coats of Sonoma, Calif., protest condolization of their mobile-home park.

A California law designed to protect hundreds of thousands of residents living in mobile-home parks is now being used as a weapon against them. The law, which streamlines the conversion of mobile-home parks to condominium properties, was intended to help park owners who rent their lots to buy them, gaining collective control of the park.

Mobile-home residents have condoned 150 parks on their own initiative, gaining the protection that comes from owning the land where their homes sit. But now,

at least a dozen park owners are moving to convert their parks to condo properties whether the residents want that or not. Park owners say the conversions are a win-win: They make money and residents can own their lots. Moreover, the valuable land remains a mobile-home park rather than being sold to developers. But many residents cannot afford to buy their lots. The catch: Under California law, local rent control laws are void once a park is a condo property, and more than 100 California towns and counties have rent controls for park lots to preserve them as affordable housing. While low-income mobile-home owners have some state rent protection, others of modest means do not. "Most of us can't afford the \$100,000 to \$200,000 a lot could cost," says Diane Shepard, 69, who resides in a 100-unit park for retirees in Sonoma County. She lives on Social Security alone and would not get state rent protection. "But we have a number of older people here who live on modest pensions and can't afford to lose local rent control and see their rents go up by hundreds of dollars a year." So far, only one park owner in the state has completed a conversion to condos, but the push is on, says John Tennyson, a legislative consultant for manufactured housing. While local officials scramble to pass ordinances declaring a moratorium on conversions, park owners are countering with lawsuits. Meanwhile, the state legislature is considering several bills, pro-owner and pro-resident, on the issue. "This promises to be a very big battle," Tennyson says. —Barbara Basler

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RP BULLETIN JULY-AUGUST 2007

AARP: MAGAZINE

Nov 9 - 1991

Mr Phil Chandler - President &
Board Members
Hollywood Beach MHP Assoc.

Subj: Hollywood
Beach MHP
Purchase Proposal of
Park

Thank you for all your time & efforts on our behalf
re: the Park purchase proposals.

I am a little confused, as are others, as to which sales
price appraisals are in effect.

My thoughts are we need to take another Tenant
Survey. The only purchase survey was for \$120,000
per lot with the majority approval.

Since then, last month at the Business mtg. we were
informed the lot spaces had risen to \$215,000 -
\$250,000 each. With the Real Estate market in
decline, our mobiles have lost value, mortgage costs
have increased & land values are down.

In my opinion & many others, the "condo conversion"
is a bad idea.

The "loop hole" in the condo conversion is a ploy
by park owners to circumvent local Rent Control!

There are presently 7 Senate Bills & 2 assembly Bills in
Sacramento opposing Condo conversions & closing the
"loop hole" in the entire state Parks.

Since the original purchase survey, many
mobiles have been sold to new owners who have
not participated in the purchase survey!
The original survey is outdated.

AARP & the Golden State Mobile Home Owners Assoc (GSMHOA) have come out against "condo conversions" in Mobile Home Parks statewide.

Letters & cards have been sent to our Reps in Sacramento.

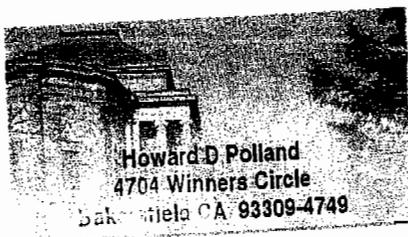
We as Buyers have the option to decline the sales prices by the Seller until a mutually agreeable sales price is offered.

With the pending legislation & the downturn in Real Estate values we must be cognizant of any actions taken.

Again, without another Tenant survey, I am sure there is no majority within the Park to purchase at $\pm \$200,000$ to $\pm \$250,000$ our lots from the seller (McGrath's).

I hope my thoughts will be helpful to the Board in discussions with the Park owners.
We must retain city Rent control codes.

Mr & Mrs Howard Polland
space # 10



661/832-7666

**GOVERNMENT CODE
SECTION 66425-66431**

66425. The necessity for tentative, final and parcel maps shall be governed by the provisions of this chapter.

...

66427.5. 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.

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 division (e).
The subdivider shall be subject to a hearing by a legislative 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.

...

66428.1. (a) When at least two-thirds of the owners of mobilehomes who are tenants in the mobilehome park sign a petition indicating their intent to purchase the mobilehome park for purposes of converting it to resident ownership, and a field survey is performed, the requirement for a parcel map or a tentative and final map shall be waived unless any of the following conditions exist:

- (1) There are design or improvement requirements necessitated by significant health or safety concerns.
- (2) The local agency determines that there is an exterior boundary discrepancy that requires recordation of a new parcel or tentative and final map.
- (3) The existing parcels which exist prior to the proposed conversion were not created by a recorded parcel or final map.

Exhibit 9
Oxnard LCPA 2-06
Ca. Govt. Code §
66427.5 & 66428.1

- (4) The conversion would result in the creation of more condominium units or interests than the number of tenant lots or spaces that exist prior to conversion.
- (b) The petition signed by owners of mobilehomes in a mobilehome park proposed for conversion to resident ownership pursuant to subdivision (a) shall read as follows:

MOBILEHOME PARK PETITION AND DISCLOSURE STATEMENT
SIGNING THIS PETITION INDICATES YOUR SUPPORT FOR
CONVERSION OF
THIS MOBILEHOME PARK TO RESIDENT OWNERSHIP. THIS
DISCLOSURE
STATEMENT CONCERNS THE REAL PROPERTY SITUATED IN THE
CITY OF _____, STATE OF CALIFORNIA, DESCRIBED AS _____. THE
TOTAL
COST FOR CONVERSION AND PURCHASE OF THE PARK IS \$ _____ TO
\$ _____,
EXCLUDING FINANCING COSTS. THE TOTAL COST TO YOU FOR
CONVERSION AND
PURCHASE OF YOUR OWNERSHIP INTEREST IS \$ _____ TO \$ _____,
EXCLUDING
FINANCING COSTS. IF TWO-THIRDS OF THE RESIDENTS IN THIS
PARK SIGN
THIS PETITION INDICATING THEIR INTENT TO PURCHASE THE
MOBILEHOME PARK
FOR PURPOSES OF CONVERTING IT TO RESIDENT OWNERSHIP,
THEN THE
REQUIREMENTS FOR A NEW PARCEL, OR TENTATIVE AND FINAL
SUBDIVISION MAP
IN COMPLIANCE WITH THE SUBDIVISION MAP ACT MUST BE
WAIVED, WITH
CERTAIN VERY LIMITED EXCEPTIONS. WAIVING THESE
PROVISIONS OF LAW
ELIMINATES NUMEROUS PROTECTIONS WHICH ARE AVAILABLE
TO YOU.

Buyer, unit #, _____ Petitioner,
date _____ date

- (c) The local agency shall provide an application for waiver pursuant to this section. After the waiver application is deemed

complete pursuant to Section 65943, the local agency shall approve or deny the application within 50 days. The applicant shall have the right to appeal that decision to the governing body of the local agency.

(d) If a tentative or parcel map is required, the local agency shall not impose any offsite design or improvement requirements unless these are necessary to mitigate an existing health or safety condition. No other dedications, improvements, or in-lieu fees shall be required by the local agency. In no case shall the mitigation of a health or safety condition have the effect of reducing the number, or changing the location, of existing mobilehome spaces.

(e) If the local agency imposes requirements on an applicant to mitigate a health or safety condition, the applicant and the local agency shall enter into an unsecured improvement agreement. The local agency shall not require bonds or other security devices pursuant to Chapter 5 (commencing with Section 66499) for the performance of that agreement. The applicant shall have a period of one year from the date the agreement was executed to complete those improvements.

(f) If the waiver application provided for in this section is denied by the local agency pursuant to the provisions of subdivision (a), the applicant may proceed to convert the mobilehome park to a tenant-owned, condominium ownership interest, but shall file a parcel map or a tentative and final map. The local agency may not require the applicant to file and record a tentative and final map unless the conversion creates five or more parcels shown on the map. The number of condominium units or interests created by the conversion shall not determine whether the filing of a parcel or a tentative and final map shall be required.

(g) For the purposes of this section, the meaning of "resident ownership" shall be as defined in Section 50781 of the Health and Safety Code.

**GOVERNMENT CODE
SECTION 65590-65590.1**

65590. (a) In addition to the requirements of Article 10.6 (commencing with Section 65580), the provisions and requirements of this section shall apply within the coastal zone as defined and delineated in Division 20 (commencing with Section 30000) of the Public Resources Code. Each respective local government shall comply with the requirements of this section in that portion of its jurisdiction which is located within the coastal zone.

(b) The conversion or demolition of existing residential dwelling units occupied by persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code, shall not be authorized unless provision has been made for the replacement of those dwelling units with units for persons and families of low or moderate income. Replacement dwelling units shall be located within the same city or county as the dwelling units proposed to be converted or demolished. The replacement dwelling units shall be located on the site of the converted or demolished structure or elsewhere within the coastal zone if feasible, or, if location on the site or elsewhere within the coastal zone is not feasible, they shall be located within three miles of the coastal zone. The replacement dwelling units shall be provided and available for use within three years from the date upon which work commenced on the conversion or demolition of the residential dwelling unit. In the event that an existing residential dwelling unit is occupied by more than one person or family, the provisions of this subdivision shall apply if at least one such person or family, excluding any dependents thereof, is of low or moderate income.

For purposes of this subdivision, a residential dwelling unit shall be deemed occupied by a person or family of low or moderate income if the person or family was evicted from that dwelling unit one year prior to the filing of an application to convert or replace the unit and if the eviction was for the purpose of avoiding the requirements of this subdivision. If a substantial number of persons or families of low or moderate income were evicted from a residential development within one year prior to the filing of

an application to convert or demolish that structure, the evictions shall be presumed to have been for the purpose of avoiding the requirements of this subdivision and the applicant for the conversion or demolition shall bear the burden of proving that the evictions were not for the purpose of avoiding the requirements of this subdivision.

The requirements of this subdivision for replacement dwelling units shall not apply to the following types of conversion or demolition unless the local government determines that replacement of all or any portion of the converted or demolished dwelling units is feasible, in which event replacement dwelling units shall be required:

(1) The conversion or demolition of a residential structure which contains less than three dwelling units, or, in the event that a proposed conversion or demolition involves more than one residential structure, the conversion or demolition of 10 or fewer dwelling units.

(2) The conversion or demolition of a residential structure for purposes of a nonresidential use which is either "coastal dependent," as defined in Section 30101 of the Public Resources Code, or "coastal related," as defined in Section 30101.3 of the Public Resources Code. However, the coastal-dependent or coastal-related use shall be consistent with the provisions of the land use plan portion of the local government's local coastal program which has been certified as provided in Section 30512 of the Public Resources Code. Examples of coastal-dependent or coastal-related uses include, but are not limited to, visitor-serving commercial or recreational facilities, coastal-dependent industry, or boating or harbor facilities.

(3) The conversion or demolition of a residential structure located within the jurisdiction of a local government which has within the area encompassing the coastal zone, and three miles inland therefrom, less than 50 acres, in aggregate, of land which is vacant, privately owned and available for residential use.

Exhibit 10
Oxnard LCPA 2-06
Ca. Govt. Code § 65590 (Mello Act)

(4) The conversion or demolition of a residential structure located within the jurisdiction of a local government which has established a procedure under which an applicant for conversion or demolition will pay an in-lieu fee into a program, the various provisions of which, in aggregate, will result in the replacement of the number of dwelling units which would otherwise have been required by this subdivision. As otherwise required by this subdivision, the replacement units shall, (i) be located within the coastal zone if feasible, or, if location within the coastal zone is not feasible, shall be located within three miles of the coastal zone, and (ii) shall be provided and available for use within three years from the date upon which work commenced on the conversion or demolition.

The requirements of this subdivision for replacement dwelling units shall not apply to the demolition of any residential structure which has been declared to be a public nuisance under the provisions of Division 13 (commencing with Section 17000) of the Health and Safety Code, or any local ordinance enacted pursuant to those provisions.

For purposes of this subdivision, no building, which conforms to the standards which were applicable at the time the building was constructed and which does not constitute a standard building, as provided in Section 17920.3 of the Health and Safety Code, shall be deemed to be a public nuisance solely because the building does not conform to one or more of the current provisions of the Uniform Building Code as adopted within the jurisdiction for new construction.

(c) The conversion or demolition of any residential structure for purposes of a nonresidential use which is not "coastal dependent", as defined in Section 30101 of the Public Resources Code, shall not be authorized unless the local government has first determined that a residential use is no longer feasible in that location. If a local government makes this determination and authorizes the conversion or demolition of the residential structure, it shall require replacement of any dwelling units occupied by persons and families of low or moderate income pursuant to the applicable provisions of subdivision (b).

(d) New housing developments constructed within the coastal zone shall, where feasible, provide housing units for persons and families of low or moderate income, as defined in Section 50093 of the Health and Safety Code. Where it is not feasible to provide these housing units in a proposed new housing development, the local government shall require the developer to provide such housing, if feasible to do so, at another location within the same city or county, either within the coastal zone or within three miles thereof. In order to assist in providing new housing units, each local government shall offer density bonuses or other incentives, including, but not limited to, modification of zoning and subdivision requirements, accelerated processing of required applications, and the waiver of appropriate fees.

(e) Any determination of the "feasibility" of an action required to be taken by this section shall be reviewable pursuant to the provisions of Section 1094.5 of the Code of Civil Procedure.

(f) The housing provisions of any local coastal program prepared and certified pursuant to Division 20 (commencing with Section 30000) of the Public Resources Code prior to January 1, 1982, shall be deemed to satisfy all of the requirements of this section. Any change or alteration in those housing provisions made on or after January 1, 1982, shall be subject to all of the requirements of this section.

(g) As used in this section:

(1) "Conversion" means a change of a residential dwelling, including a mobilehome, as defined in Section 18008 of the Health and Safety Code, or a mobilehome lot in a mobilehome park, as defined in Section 18214 of the Health and Safety Code, or a residential hotel as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code, to a condominium, cooperative, or similar form of ownership; or a change of a residential dwelling, including a mobilehome, or a mobilehome lot in a mobilehome park, or a residential hotel to a nonresidential use.

(2) "Demolition" means the demolition of a residential dwelling, including a mobilehome, as defined in Section 18008 of the Health and

Safety Code, or a mobilehome lot in a mobilehome park, as defined in Section 18214 of the Health and Safety Code, or a residential hotel, as defined in paragraph (1) of subdivision (b) of Section 50519 of the Health and Safety Code, which has not been declared to be a public nuisance under Division 13 (commencing with Section 17000) of the Health and Safety Code or any local ordinance enacted pursuant to those provisions.

(3) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technical factors.

(h) With respect to the requirements of Sections 65583 and 65584, compliance with the requirements of this section is not intended and shall not be construed as any of the following:

(1) A statutory interpretation or determination of the local government actions which may be necessary to comply with the requirements of those sections; except that compliance with this section shall be deemed to satisfy the requirements of paragraph (2) of subdivision (c) of Section 65583 for that portion of a local government's jurisdiction which is located within the coastal zone.

(2) A limitation on the program components which may be included in a housing element, or a requirement that a housing element be amended in order to incorporate within it any specific provision of this section or related policies. Any revision of a housing element pursuant to Section 65588 shall, however, take into account any low- or moderate-income housing which has been provided or required pursuant to this section.

(3) Except as otherwise specifically required by this section, a requirement that a local government adopt individual ordinances or programs in order to implement the requirements of this section.

(i) No provision of this section shall be construed as increasing or decreasing the authority of a local government to enact ordinances or to take any other action to ensure the continued affordability of housing.

(j) Local governments may impose fees upon persons subject to the provisions of this section to offset administrative costs incurred in order to comply with the requirements of this section.

(k) This section establishes minimum requirements for housing within the coastal zone for persons and families of low or moderate income. It is not intended and shall not be construed as a

limitation or constraint on the authority or ability of a local government, as may otherwise be provided by law, to require or provide low- or moderate-income housing within the coastal zone which is in addition to the requirements of this section.

65590.1. Any local government which receives an application as provided in Section 30600.1 of the Public Resources Code to apply the requirements of Section 65590 to a proposed development shall apply these requirements within 90 days from the date on which it has received that application and accepted it as complete. In the event that the local government has granted final discretionary approval to the proposed development, or has determined that no such approval was required, prior to receiving the application, it shall, nonetheless, apply the requirements and is hereby authorized to conduct proceedings as may be necessary or convenient for the sole purpose of doing so.

3.7.3 AFFORDABLE HOUSING

Coastal Act Policies

30213: Lower cost visitor and recreational facilities and housing opportunities for persons of low and moderate income shall be protected, encouraged and, where feasible, provided.... New housing in the coastal zone shall be developed in conformity with the standards, policies and goals of local housing elements adopted in accordance with the requirements of Subdivision (c) of Section 65302 of the Government Code.

Definitions

The following definitions are from the Revised Local Coastal Plan Manual, Housing Section:⁶

1. A very low income family is a family whose income does not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families.
2. A low income family is a family whose income does not exceed 80 percent of the median income for the area.
3. A moderate income family is a family whose income does not exceed 120 percent of the median income for the area.

Affordable rental housing is defined as units where the rents do not exceed 25 percent of the family's gross annual income. A general rule of thumb has been that affordable purchase housing is 2.5 times a family's gross annual income. Recently, however, lending institutions have been lending up to 3.5 times the gross annual income. Housing costs include the rent or mortgage payment, property taxes, insurance, heat and utilities, and maintenance and repairs.

In Ventura County, the median annual income for a family of four is \$19,100 (1979 figures). Using this median, the present levels of very low, low and moderate incomes can be calculated for the Ventura County area.

Very low income: not exceeding \$9,550 annually.
Low income: not exceeding \$15,280 annually.
Moderate income: not exceeding \$22,920 annually.

These income levels give affordable rental housing costs of:

Very low income: \$199 per month
Low income: \$318 per month
Moderate income: \$477 per month

Affordable purchase prices range from:

Very low income: \$23,875 to \$33,425
Low income: \$38,200 to \$53,480
Moderate income: \$57,300 to \$80,220

Local Issues

Housing opportunities within the coastal zone are concentrated in the Oxnard Shores Neighborhood, the Inland Waterway, Channel Islands Harbor, and the Mandalay Bay "Colony." Housing types include single-family homes, duplexes, condominiums, apartments and mobile homes.

The prices and rental rates of homes within the coastal zone vary widely. Rents for the 665 apartment units in Channel Islands Harbor range from \$200 per month for a studio to \$475 for a 2-bedroom unit.⁷ Although not designed for families, these units are within the low and moderate rental rates for a family of four. The smaller units are affordable to moderate income couples.

Harborwalk Condominiums are located adjacent to the Channel Islands Harbor. Of the 244 total units, the Harborwalk Homeowners Association estimates that one-third are available for rent.⁸ Unit sizes range from one-bedroom with a loft to three bedrooms. An average of the rental rates was estimated to be \$500 in November 1979,⁹ beyond the reach of low and moderate income families. The purchase price of these units is also beyond reach for low- and moderate-income families, starting at approximately \$85,000 for the smaller units and going as high as \$150,000.¹⁰

The Inland Waterway development includes townhouses and attached and detached single-family homes with private access to the waterway. Many of the homes have private boat docks and other amenities. Purchase prices range from \$165,000 for a townhouse to well over \$300,000 for a large single-family home with a private boat dock.¹¹

The Oxnard Shores Neighborhood includes apartments, condominiums, duplexes and single-family homes. Apartment rental rates range widely. Beachfront or oceanview properties are the highest, starting at about \$500 per month for a 2-bedroom apartment. Away from the beach, rental rates fall to \$250 and up for 2-bedroom units, and \$450 and up for 3-bedroom units.¹² Many of the available units away from the beachfront are affordable for both low and moderate income families.

Single-family homes are less expensive to purchase in Oxnard Shores than in the Inland Waterway, but they are still beyond the reach of low and moderate income buyers. Prices start at over \$100,000.¹³

There are also two mobile home parks within the coastal zone: Oxnard Shores Mobile Home Park and Channel Islands Marina Mobile Home Park. Oxnard Shores Park has 181 spaces for double-wide mobile homes, and Channel Islands Marina Park has 96 for single-wide mobile homes. Rental rates for the spaces are similar in both parks, ranging from \$175 to \$185 per month. Neither park has rental mobile homes; a prospective resident must have a mobile home. These homes are available for sale from approximately \$18,000 to \$65,000.¹⁴ Combining the monthly payments on purchase of a mobile home and space rental of \$185 per month, it is possible to live in a single-wide

mobile home on the beach for approximately \$400 per month.¹³ Double-wide mobile homes are more expensive to purchase, raising the monthly rates above the moderate-income limit.

Vacancy rates are difficult to quantify, but a survey of coastal zone apartment managers and rental agencies indicates a very low vacancy rate and, in some cases, waiting lists. Owner-occupied units turn over more slowly than rental units, reflecting other factors, including mortgage availability and interest rates. The very low overall vacancy rate for the coastal zone is a result of the desirability of the area, the recent limitations on development citywide due to the sewer moratoriums, and the comparatively low costs in Oxnard.

Most of the residential development in the coastal zone has been built in the last 20 years, and concentrated in the last 10 years, minimizing the need for rehabilitation in this area in the near future.

The conversion of existing rental units to units for purchase (as condominiums, community apartments or stock cooperatives) can, if not regulated, severely impact the supply of rental housing. Controlled conversion can, however, increase the supply of moderately priced housing for sale.

The existing supply of housing for people of low and moderate incomes in the Oxnard Coastal Zone is in the form of rental units. Maintenance of this housing option is essential to the goal of equal access to the coast.

Recognizing this, the Oxnard City Council enacted a moratorium on all conversions of apartments to condominiums in March 1978 to allow time for the preparation of an ordinance with standards for conversion. The moratorium was extended in July 1978, March 1979, May 1979, September 1979 and March 1980.

Issues Affecting New Housing

New industrial development has the potential to impact the housing stock in an area by attracting new residents to the area and increasing the demand for housing units.

New coastal industrial development will be concentrated in the Ormond Beach area. Of the 528 acres of land industrially designated on the land use map, approximately 308 acres (53 percent of the total) are presently developed. Approximately 112 acres of the remaining 220 acres are wetlands. This leaves approximately 108 acres of land suitable for future industrial development. The average number of employees per acre of industrial development in the city is 10.9, which indicates that approximately 1,177.2 new industrial jobs could be generated by full development of Ormond Beach.

It is very unlikely that these new jobs will cause any significant immigration. In 1978, 8.5 percent of the City's work force, or 3,400 people, was unemployed. The October 1979 County-wide average figures indicate the unemployment rate has fallen slightly to 7.9 percent. Even at this lower rate, over 3,000 City residents are out of work. The new jobs generated by development at Ormond Beach could be easily filled by presently unemployed City residents. This in turn minimized the demand for new housing as a result of the development.

Other Areas

Although the Hollywood by the Sea and Silver Strand communities are not part of the City of Oxnard, they are contiguous to the City and part of the same market area. Low and moderate income housing, particularly rental units, are also provided in these areas, supplementing the stock in the City. The County's proposed preservation and rehabilitation policies (Ventura County LCP Draft Working Paper "Housing in the Coastal Zone," September 1979) will protect these units, and add to the housing opportunities for low and moderate income people in the Oxnard Coastal Zone.

The City of Port Hueneme is also within the same general market area. A significant number of affordable units are provided within the city of Port Hueneme's Coastal Zone, including 130 new units. A rehabilitation program to preserve and upgrade existing units is also a part of Port Hueneme's housing program.

Local Coastal Policies

86. The City of Oxnard has traditionally provided housing for a substantial number of low and moderate income families. This has led to the City receiving a "Negative Fair Share" designation in the Southern California Association of Governments' (SCAG) Regional Housing Allocation Plan. As a result, the City is now striving to achieve a better overall balance of housing types by encouraging the construction of new, high-quality units in certain areas. Thus, the City's overall policy will be to protect existing affordable housing in the coastal zone, and to provide for improved access from other parts of the City to the coast.
87. Existing housing within the low to moderate income price range, either rental or owner-occupied, shall not be demolished unless it is a health and safety hazard and cannot be rehabilitated, or unless an equal or greater number of housing units for people of low to moderate income are built within the coastal zone to replace the demolished units.
88. Existing mobile home parks shall not be demolished or converted to another use, including purchase mobile home lots unless an equal or greater number of comparably priced housing units are built in the coastal zone to replace the demolished or converted units.
89. The following standards shall be used to evaluate all applications for the conversion of rental units in the coastal zone to condominiums, community apartments, stock cooperatives or other purchase plans.
 1. The availability of rental units of similar size and price in the coastal zone shall be considered. The construction of an equal or greater number of new rental units in the coastal zone shall be required to allow any conversion of existing rental units. The new units shall be available at the time of conversion.
 2. Tenants of the building being proposed for conversion shall be given at least 120 days notice of the proposed conversion. The right of first refusal to purchase a unit in the conversion shall be offered to all existing tenants, and shall run for a least 60 days.

3. The subdivider of the units shall assist tenants who decline to purchase a unit with finding suitable new housing.
 4. Any unit to be converted must meet City requirements for off-street parking, handicapped accessibility and building codes.
90. The City shall support and encourage the construction of new rental units in the coastal zone.

(I) Application of planned unit development - Concurrent with any application for a land division, or as required above, a coastal development permit shall be approved which shall serve as the application for a planned unit development. Development standards and regulations which differ or vary from the standards of the coastal sub-zones to be applied may be proposed and adopted as provisions of the coastal development permit. ('64 Code, Sec. 37-2.6.9)

(J) Applicable provisions - All uses shall be subject to the applicable standards of this chapter, including standards contained in the following sections:

- (1) Section 17-5, General requirements;
- (2) Article III, Specific Coastal Development and Resource Standards;
- (3) Article IV, General Coastal Development and Resource Standards; and
- (4) Article V, Administration.

('64 Code, Sec. 37-2.6.10)
(Ord. No. 2034, 2716)

*** SEC. 17-16. MHP-C, COASTAL MOBILE HOME PARK, SUB-ZONE. ***

(A) Purpose - The purpose of the MHP-C sub-zone is to implement Policy No. 65 of the Oxnard coastal land use plan relating particularly to the preservation of low to moderate income housing within the city's coastal zone, which states: "Existing mobile home parks shall not be demolished or converted to another use, including purchase mobile home lots, unless an equal or greater number of comparably priced housing units are built in the coastal zone to replace the demolished or converted units." ('64 Code, Sec. 37-2.7.1)

(B) Permitted uses - The following uses shall not result in the reduction of two or more mobile home spaces and are permitted only within existing mobile home parks:

- (1) Mobile homes for single-family use only;
- (2) Common recreation facilities and structures;
- (3) Accessory structures normally incidental to and contained within mobile home parks;
- (4) Adult day care facilities serving no more than six adults;
- (5) Child care centers serving no more than six children;

(6) Congregate living health facilities of no more than six beds;

(7) Large family day care homes that the Planning Manager finds to comply with the standards set out in section 16-440;

(8) Residential care facilities for the elderly serving no more than six persons; and

(9) Small residential health or care facilities that conform to city ordinances restricting building heights, setbacks, lot dimensions, placement of signs and other matters applicable to dwellings of the same type in the same zone, and that provide services to no more than six persons, or to no more than eight children in the case of a small family day care home.

(`64 Code, Sec. 37-2.7.2)

(C) Conditionally permitted uses - The following uses are permitted subject to the approval of a coastal development plan pursuant to the provisions of article V: common recreational facilities, structures, and accessory uses normally associated with a mobile home park which would result in a reduction of two or more mobile home spaces within an existing mobile home park; and congregate living health facilities of seven to 15 beds. (`64 Code, Sec. 37-2.7.3)

(D) Property development standards - Mobile home space requirements:

(1) Minimum mobile home lot area: 3,000 square feet.

(2) Front yard setback: 10 feet from mobile home space line.

(3) Side yard setback: 10 feet from mobile home space line.

(4) Rear yard setback: 10 feet from mobile home space line.

(5) Maximum space coverage: 75%.

(6) Interior yard space: 450-square-foot minimum; per space minimum dimension of 15 feet.

(7) Off-street parking required: two spaces on each mobile home lot; one guest parking space for each five mobile home lots.

(`64 Code, Sec. 37-2.7.4)

(E) Special requirements -

(1) Patio covers and parking space covers may extend up to five feet from side property line.

(2) A six-foot high masonry wall is required along all exterior mobile home park property lines. Such wall shall be set back a minimum of ten feet from any public right-of-way.
(`64 Code, Sec. 37-2.7.5)

(F) Applicable provisions - All uses shall be subject to the applicable standards of this chapter, including standards contained in the following sections:

- (1) Section 17-5, General regulations;
- (2) Article III, Specific Coastal Development and Resource Standards;
- (3) Article IV, General Coastal Development and Resource Standards; and
- (4) Article V, Administration.

(`64 Code, Sec. 37-2.7.6)
(Ord. No. 2034, 2671, 2716)

SEC. 17-17. CNC, COASTAL NEIGHBORHOOD COMMERCIAL, SUB-ZONE.

(A) Purpose - The purpose of the CNC sub-zone is to protect an area of established convenience shopping and personal services to serve the existing coastal residential community of Oxnard Shores and the public who visit the area. Development within the CNC sub-zone shall be compatible with the adjoining residential neighborhood and consistent with Policy 61 of the certified Oxnard coastal land use plan. (`64 Code, Sec. 37-2.8.1)

(B) Principally permitted uses - Uses within the following categories are subject to the approval of a development review permit, pursuant to the provisions of section 17-57 of this chapter.

(1) Neighborhood commercial services: financial, banks, savings and loans, personal, barber, beauty shop, health spa, laundry, professional, real estate, medical, public parking, parks, library.

(2) Neighborhood commercial sales: eating/drinking (nonalcoholic) restaurant, café, neighborhood retail market, liquor, pharmacy, stationery, florist, baker, book stores.
(`64 Code, Sec. 37-2.8.2)

(C) Secondary permitted uses - The following categories are subject to the approval of a coastal development permit, pursuant to the provisions of section 17-57 of this chapter.

(1) Services: commercial recreation, skating rink, amusement center, entertainment, theater, night-club, motor vehicle service station.

(2) Sales: eating/drinking (serving alcoholic beverages) restaurant, cocktail lounge.
(`64 Code, Sec. 37-2.8.3)

(5) Visitor-serving commercial or recreational developments on shoreline parcels shall enhance the shoreline experience by providing (or preserving) views of the ocean, vertical access through the project, and accessway facilities and maintenance as part of the project. Industrial development near beachfront parcels shall provide vertical access and parking improvements appropriate to safe, public shoreline use and equal to the potential public use of shoreline displaced by the industrial facility.

(6) Subdivision of beachfront parcels shall provide a vertical accessway to the beach area either as a separate parcel or as an easement over the parcels to be created.

(7) Vertical accessways may be developed with a range of facilities including stairways, ramps, trails, right-of-way overpasses and underpasses, or any combination thereof. Vertical accessways shall include design features which minimize bluff and shoreline erosion such as drainage systems, planting of native cover, fencing, and elevation of stairways away from bluff area. Vertical accessways shall include appropriate support facilities, such as signs and fencing.

(8) (a) In determining the specific siting of an accessway, the protection of the right of privacy of the adjacent residence shall be considered. Where a residential structure is located on the beach with no physical barrier, such as a seawall separating the residential structure from the accessway, the accessway shall not extend closer than 10 feet to the occupied residential structure. In such cases, the area from 10 to 20 feet from the residential structure may be used for pass and repass with all areas seaward of the 20-foot line available for passive recreational use. In determining an appropriate access buffer, the need for privacy should be considered in light of the public's right to obtain access and use along the shoreline. The buffered area should not act to preclude the public's right of access to and use of publicly-owned tidelands.

(b) A vertical accessway for pedestrian use on a parcel where a residential structure exists or is anticipated for construction in the proposed project shall not be sited closer than five feet to the residential structure. This five-foot buffer shall be provided to protect the privacy rights of the residents of the site. In some instances, the proposed project may have to be relocated in order to provide the accessway and still allow for a buffer between the accessway and the residential structure.

(`64 Code, Sec. 37-3.8.8)

(Ord. No. 2034, 2716)



SEC. 17-40. HOUSING DEMOLITION, CONVERSION OR REPLACEMENT.

(A) Purpose - The purpose of this section is to provide standards designed to preserve sound and safe housing for low- and moderate-income families in a manner consistent with the standards contained in this section, other general and specific coastal development and resource standards contained in this chapter, and all applicable provisions and policies of the housing element of the Oxnard general plan.

(`64 Code, Sec. 37-3.9.1)

(B) Applicability and specific standards - Specific standards are contained in Policy Nos. 87, 88 and 89 of the Oxnard coastal land use plan. (^64 Code, Sec. 37-3.9.2)
(Ord. No. 2034, 2716)

SEC. 17-41. RECORDATION OF LAND RESTRICTIONS.

(A) Purpose - The purpose of this section is to provide for timely compliance with permit condition requirements, recordation of land restrictions and ensure full compliance with the Oxnard certified coastal program. (^64 Code, Sec. 37-3.10.1)

(B) Responsibilities - Any permit requiring recordation (or any other similar legal form) of land restrictions imposed pursuant to this chapter shall not be issued until the recordation (or other similar legal form) is duly accomplished and finalized. (^64 Code, Sec. 37-3.10.2)
(Ord. No. 2034, 2716)

ARTICLE IV. GENERAL COASTAL DEVELOPMENT AND RESOURCE STANDARDS

SEC. 17-45. CONDOMINIUM CONVERSIONS.

(A) Purpose - The purpose of this section is to provide standards designed to preserve sound and safe rental housing for low- to moderate-income families in a manner consistent with the standards contained in the general and specific coastal development and resource standards contained in this section and all applicable policies of the Oxnard coastal land use plan. (^64 Code, Sec. 37-4.1.1)

(B) Applicability and specific standards - In order to provide for appropriate protection for existing housing stock, any application for conversion from apartments to condominium ownership shall be subject to the community housing conversion standards contained in chapter 16 of the code. (^64 Code, Sec. 37 4.1.2)
(Ord. No. 2034, 2716)

SEC. 17-46. DESIGN STANDARDS.

(A) Purpose - Design review shall be required in order to assure that new or modified uses and development will produce an environment of stable, desirable character which will be in harmony with the existing or potential development of the surrounding neighborhood to ensure the compatibility of development proposed adjacent to resource protection and recreation areas and to avoid excessive