

CALIFORNIA COASTAL COMMISSION

SOUTH CENTRAL COAST DISTRICT 89 S.
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W20a

**LCP-4-CPN-20-0050-1 (Condominium/Cooperative
Conversion Ordinance)
January 13, 2020**

EXHIBITS

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14.74.010 - Purpose.

The purpose of this Chapter is to establish criteria for the Conversion of existing multiple unit rental apartment housing to Condominiums, Community Apartments ~~and~~, Stock Cooperatives, and Cooperative Apartments, as defined in this Chapter. The need for these criteria is based on the following findings:

A. Opportunities for affordable housing for persons of Low and Moderate Income are becoming increasingly scarce.

~~B. The availability of workforce housing that accommodates local residents across the income spectrum cannot keep up with demand, making it difficult to attract and retain employees for employers and businesses within the city.~~

~~C. B.-~~ Existing rental housing stock in the city, which is in limited supply, provides a substantial portion of the housing opportunities for the local workforce as well as for Low and Moderate Income households. Thus, the existing rental stock needs to be preserved.

~~D. C.-~~ Conversion of rental apartment units ~~to cooperative/condominiums~~ often results in the displacement of Low and Moderate Income households and ~~that~~ mitigation of such action is desirable and consistent with the policies set forth in the city's general plan and local coastal plan program.

~~E. D.-~~ Conversion of rental units ~~to condominiums, community apartments or stock cooperatives,~~ is a potential means of providing home ownership opportunities for households who cannot afford a detached single-family home.

~~F. E.-~~ There is a need to ensure that converted housing achieves high quality appearance and safety and is consistent with all applicable city codes and ordinances. ~~(Ord. 315 § 1 (part), 1981)~~

14.74.020 - Definitions.

~~1. "Affordable housing" means a dwelling unit which is affordable to low or moderate income households as follows:~~ The following terms, as used in this Chapter, shall be defined as follows:

~~a. Such a unit is capable of being rented by a low income household if the monthly rental cost does not exceed twenty five percent (25%) of the gross monthly household income of the renter and is capable of being rented by a moderate income household if the monthly rental cost does not exceed thirty percent (30%) of the gross monthly income of the renter.~~

~~b. Such a unit is capable of being purchased by a low or moderate income household if the total purchase price of the unit does not exceed two and one half (2 ½) times the annual income of the low or moderate income purchaser for whom the unit is intended to provide a housing opportunity.~~

~~A. 2.-~~ "Apartment" shall be as defined in the ~~state Uniform Building Code~~ city's zoning ordinance as it shall be amended from time to time. Apartments shall exclude Accessory Dwelling Units (ADUs).

~~3. "Community apartment" means an estate in real property consisting of an undivided interest in land coupled with the right to exclusive occupancy of the apartment located thereon.~~

B. "Applicant" means the owner or subdivider with a controlling interest in the proposed Conversion project, or representative thereof, and any successors in interest.

C. 4. "Conversion" means a proposed change in the type of ownership of a parcel of land containing two or more Apartments, together with the existing attached structures, to any one of the following, regardless of the present or prior use of such land and structures and ~~of whether substantial improvements have been made to such structures. The provisions of this chapter shall apply to conversion to any of the following: a:~~

1. "Condominium development, a" as defined in Section 783 of the Civil Code;

2. "Community Apartment Project, a stock cooperative or membership association." as defined in Section 4105 of the Civil Code;

3. "Stock Cooperative" as defined in Section 11003.2 of the Business & Professions Code;

4. ~~5.~~ "Condominium" means an estate in real property consisting of an undivided interest in common in a portion of a parcel of real property together with a separate interest in air space in a residential, industrial, or commercial building or such real property, such as an apartment, office, or store. A condominium may include, in addition, a separate interest in other portions of such real property. Such estate may, with respect to the duration of its enjoyment, be either: (1) an estate of inheritance or perpetual estate, (2) an estate for life, or (3) an estate for years, such as a leasehold or subleasehold. "Cooperative Apartment," defined as a project of more than four (4) units in which an undivided interest in land is coupled with the exclusive right of occupancy of any dwelling unit located thereon, whether or not such right is contained in the form of a written or oral agreement, when such right does not appear on the face of the deed. Such ownership encompasses tenancies-in-common (Civil Code section 685).

~~6. "Handicapped" means a household in which the primary wage earner suffers from an orthopedic disability impairing his or her ability to obtain employment, or a single person with such physical disability where the person requires special care facilities in the home. "Handicapped" also includes a family in which the head of household suffers from a development disability or mental disorder which would render him or her eligible to participate in programs of rehabilitation or social services conducted by or on behalf of a public agency, or a single person with such developmental disability or mental disorder.~~

D. "Elderly" means individuals sixty-two (62) years of age or older.

E. "Eligible Tenant" means any tenant not purchasing a unit within the project who is a resident of the property on the date that notice of intent to convert is given pursuant to Section 14.74.060 of this Chapter. An eligible tenant also must not be subject to just cause for eviction under state law following the date notice of intent to convert is given pursuant to Section 14.74.060 of this Chapter until such time rental and relocation assistance is due.

F. "Handicapped" or "Disabled" means the same as defined in Section 50072 of the California Health and Safety Code or Section 223 of the United States Social Security Act.

G. ~~7.~~ "Low Income ~~household~~" means a ~~tenant or~~ household that earns eighty percent (80%) or below of the ~~county or SMSA median income~~ area median income (AMI) applicable to Santa Barbara County, adjusted for family size as published and annually updated by the United States Department of Housing and Urban Development.

~~8. "Median income" means the median family income as established annually by HUD for the county and updated on an annual basis.~~

~~9.~~

H. "Moderate Income ~~household~~" means a ~~tenant or~~ household that earns more than eighty percent (80%), but not more than one hundred twenty percent, ~~of the county or SMSA median income.~~

~~10. "Stock cooperative" means a corporation which is formed or availed of primarily for the purpose of holding title to, either in fee simple or for a term of years, improved real property. All or substantially all of the shareholders of such corporation must receive a right of exclusive occupancy in a portion of the real property, title to which is held by the corporation, which right of occupancy is transferable only concurrently with the transfer of the share or shares of stock in the corporation held by the persons having such right of occupancy.~~

~~11. "Limited equity housing cooperative" is as defined in Section 33007.5 of the California Health and Safety Code. (120%), of the area median income (AMI) applicable to Santa Barbara County, adjusted for family size as published and annually updated by the United States Department of Housing and Urban Development.~~

I. "Special Category" means an Eligible Tenant, as defined in this Chapter, who falls within one or more of the following categories:

1. "Elderly" as defined in this Section;

2. "Handicapped" as defined in this Section;

3. "Low Income" or "Very Low Income" as defined in this Section;

4. "Moderate Income," as defined in this Section; or

5. "Single Head of Household," meaning an unmarried person residing with and primarily responsible for one or more dependent children.

J. "Very low income" means a household whose income does not exceed fifty percent (50%) of the area median income (AMI) applicable to Santa Barbara County, adjusted for family size as published and annually updated by the United States Department of Housing and Urban Development.

~~(Ord. 315 § 1 (part), 1981)~~

14.74.030 - ~~Permit required~~—Exemptions General Requirements.

~~1.~~

A. Permit required. A ~~condominium conversion permit, as approved by the planning commission or the city council on appeal and issued by the community development department,~~ shall be required prior to ~~the conversion of existing dwelling units to a condominium~~

~~subdivision, community apartment or stock cooperative by any person, firm, corporation, partnership or other entity.~~ any Conversion.

B. Where permitted. Conversion projects may be allowed in and shall conform to the requirements of any zone in which multifamily housing is permissible, subject to the requirements of this Chapter.

C. ~~2. The provisions of this chapter~~Where applicable, all other requirements and procedures of state law and the city's Code, including its subdivision ordinance found at Title 16, shall ~~not~~ apply to Conversions ~~to non or limited equity housing cooperatives for low to moderate income residents.~~

~~(Ord. 315 § 1 (part), 1981)~~ **14.74.040 - Application ~~submittal~~ requirements.**

A. Application contents. Application for a conversion permit shall be made on forms provided by the city and shall include the following information:

~~1. Applications for conversion of rental apartments units shall not be accepted when:~~

A list of all consultants proposed to be involved with the project, or a statement that none are proposed to be involved;

~~a. The vacancy factor for available apartment units in the city is less than five percent as determined by the community development department; or~~

~~b. The number of converted units in the city, as a proportion of the total number of apartments, exceeds fifteen percent.~~

~~2. Applications may be accepted for review if all the following findings can be made by the community development department at the time the application is submitted:~~

~~a. The conversion as proposed will not result in relocation or displacement of any tenant for a period of not less than two years from the date of approval of the conversion; and~~

~~b. Each and every unit proposed for conversion shall be acquired for personal living purposes (as contrasted with investment and speculation) by the tenant living in such unit at the time the application is approved; and~~

~~c. Unit(s) to be converted shall meet current health and safety, building and zoning codes.~~

~~3. For those applications that are accepted, the applicant/subdivider shall provide the city with the following information necessary to evaluate the proposed conversion:~~

2. a. A tentative tract or parcel map;

a. Tentative tract map. A tentative tract map shall be required for all Conversions resulting in five or more Condominiums, Community Apartments, or Stock Cooperative units, unless an exception under the Subdivision Map Act or Title 16 of this Code applies. In the case of an exception, a parcel map shall be required.

~~b. A development plan in conformance with the applicable provisions of the city's zoning ordinance;~~
Parcel map. Where a tentative tract map is not required, Applicant shall submit a parcel map, except as provided in Section 14.74.040 (A)(2)(c).

~~c. A physical elements report in conformance with the provisions of Section 14.74.070;~~ No map shall be required for a Conversion to a Cooperative Apartment.

- ~~d. Tenant information in conformance with the provisions of Section 14.74.080;~~
- ~~e. An affidavit attesting to the accuracy of all submitted material;~~
- ~~f. Documents adequate to the description and the assessment of the prior two years history of tenancy.~~

3. A Development Plan, if applicable, in conformance with Chapter 14.68 of this Code;

~~4. The final form of the physical elements report and other documents shall be approved by the community development director. The reports in their acceptable form shall remain on file with the community development department for review by any interested persons. The reports shall be referenced in the subdivision report to the planning commission.~~ A Coastal Development Permit, if applicable, in conformance with the city's certified local coastal program;

5. Provision of parking in accordance with the standards in Chapter 14.54 of this Code.

6. Description of sales information including, but not limited to, anticipated range of sales prices of individual dwelling units or shares based on information known at the time of application; anticipated terms of sale to existing tenants and Special Category tenants; incentives for tenants and Special Category tenants to purchase dwelling units; and the number of tenants that have expressed interest in purchasing their dwelling unit.

7. A rental history report detailing:

a. The size, in square footage, of the building and each unit;

b. The name and address of each current tenant;

c. The current rental rates and the rates for the prior twenty-four months (24) for each unit, including any rental incentive(s) provided to tenants;

d. A complete list of the number and type of Special Category tenants for each unit presently residing in the project and over the preceding twenty-four (24) months;

e. Identification of tenants receiving federal or state rent subsidies; and,

f. The number of evictions over the preceding twenty-four (24) months.

8. Tenant relocation plan.

a. At a minimum, the tenant relocation plan shall include the following:

1. Current information on available apartments of comparable size, quality and price within a twenty (20) mile radius of the building to be converted;

2. A description of the feasibility of providing all or a portion of the converted units for sale to Low and Moderate Income households;

3. A description of the feasibility of not converting a portion of the total units to retain them for rental occupancy; and,

4. A calculation of the total amount of the relocation and rental assistance due in accordance with Section 14.74.090, Subsections C. and D.

b. _____ If the Applicant seeks a waiver or reduction in rental or relocation assistance pursuant to Section 14.74.090.F., application for the same is due at the time the tenant relocation plan is submitted.

c. _____ The approved tenant relocation plan shall be incorporated into the conditions of approval on the project and shall be provided to each tenant in the project within five (5) days of approval of the conversion permit.

9. _____ Tenant surveys.

a. _____ The Applicant shall provide a survey to each tenant on a form provided by the city, with an envelope, postage prepaid, addressed to the community development department. The affected tenants shall have no less than thirty (30) days from the postmark date of certified mailing to complete the survey.

b. _____ The survey shall ask the tenants to indicate identity; unit number; length of tenancy; rent; rent incentives, if any; identification as a Special Category tenant, if applicable; rent subsidies, if any; how long the tenant had planned to continue living in the building; knowledge of available alternative housing acceptable to tenant; interest in purchasing the unit within the price range estimated for the project; and the extent of tenant's approval in principle of the conversion.

c. _____ The completed survey results shall be confidential, but may be disclosed to those individuals, including Applicant, as is deemed appropriate and necessary to accomplish the purposes of this Chapter or as required by law.

d. _____ The survey results shall be anonymized for presentation to the relevant hearing body, which will use the information to make a determination on a request for a waiver or reduction in rental or relocation assistance, if any, and may be one factor the hearing body considers in approving the conversion permit. A tenant may decline to provide the information requested; however, the hearing body's determination of the reasonableness of the Applicant's request for a waiver or reduction in assistance shall be based on the responses to the tenant surveys, and the level or elements of assistance in an individual case may be limited or eliminated based on a tenant's verified refusal to provide information necessary to make a determination.

10. An inclusionary housing plan in conformance with Chapter 14.75 of this Code, if applicable;

11. _____ Any additional information deemed necessary by the community development director, planning commission, or city council for proper evaluation of the project and/or imposition of conditions of approval in accordance with the purposes, intent and requirements of this Chapter, the general plan, local coastal program, or any specific plan in effect at the time of application for Conversion.

12. _____ The application shall be supported by a declaration under penalty of perjury as to the truth and accuracy of all submitted materials.

~~(Ord. 435 § 1, 1999; Ord. 315 § 1 (part), 1981)~~

14.74.050 ~~Conditions for approval.~~ Reserved.

~~1. Tenant Notification.~~

14.74.060 - Notices.

A. Notice of intent to convert.

1. Notice to city and current tenants.

- a. ~~Notification of Hearing on Tentative Map (and Development Plan). Not less than ten calendar days prior to the public hearing on the tentative map, the applicant shall give all tenants of the building(s) proposed for conversion a written notice in nontechnical language in both English and Spanish. Evidence of delivery (i.e., tenant signature, certified mail receipt) shall be submitted to _____~~ In addition to compliance with the notice provisions in the Subdivision Map Act and/or Title 16 of this Code, if applicable, at least sixty (60) days prior to filing an application to convert with the community development department. Such notice shall indicate: that the subdivider intends to convert the building; the date and location of the public hearing; the steps and actions the subdivider and others, including governmental agencies, will or must take in order for the building to be converted. Such notice shall further specify that: , the Applicant shall provide the city and all tenants of the property to be converted, individually and in a nontechnical comprehensible writing, with the following information:

1. A general description of the proposed Conversion;

2. The name of the current owner and Applicant and how such person(s) can be contacted;

3. The anticipated schedule for Conversion;

4. A copy of Chapter 14.74 of the Carpinteria Municipal Code;

5. Notification of the tenant's ninety (90) day right of first refusal to purchase the unit he or she is renting, or applicable share, pursuant to Section 14.74.090(B) upon issuance of a final public report from the Department of Real Estate, or in the case of a Cooperative Apartment, upon the effective date of the conversion permit;

6. The right to receive notice of intent to convert prior to termination of tenancy due to the Conversion;

7. A description of the Applicant's plans for relocation and rental assistance for Eligible Tenants and Special Category tenants;

8. Notification of the tenant's right to receive notice of all public hearings, and the right to appear and be heard at such hearings;

9. (1)- The tenant ~~will~~shall be permitted to terminate any lease or rental agreement without penalty upon ~~notifying the subdivider in writing~~thirty (30) days ~~in advance~~prior written notice of such termination.;

10. (2) ~~No existing tenant's rent will~~ The economic terms of the tenant's tenancy, including, but not limited to, rent and utilities allowance, shall ~~not~~ be increased from the level that existed ~~one month~~thirty (30) days prior to issuance of the ~~date of application for a tentative~~

~~map~~ notice of intent to convert until tenant's purchase of the unit, ~~or tenant relocation takes place~~ or applicable share, or the tentative tract/parcel map application is denied, whichever is later. ~~The tenant may credit any amount of rent paid in excess of the allowable rent to the rental payment(s) immediately following the approval of the tentative map. Any rent increase following the allotted period shall not exceed the rate of increase in the Consumer Price Index (all items: Los Angeles-Long Beach).~~ For Cooperative Apartments, the economic terms of tenancy shall not be increased from the level that existed thirty (30) days prior to issuance of the notice of intent to convert until tenant's purchase of his or her shares. This limitation shall not apply if rent increases are provided for in leases or contracts in existence ~~to one month~~ thirty (30) days before the ~~date of application for a tentative map.~~ notice of intent is submitted; and,

~~(3) — Tenants will have an exclusive right or option to contract for the purchase of the dwelling unit or, in the case of cooperative, the share controlling the dwelling unit then occupied by the tenant, or any other dwelling unit in the project not claimed by the present tenant, upon the same or more favorable terms and conditions as those under which such unit is initially offered to the general public, and that this right shall be in effect for no less than ninety days from the date of issuance of the Subdivision Public Report or commencement of sales, whichever date is later.~~

~~(4) — The provisions for relocation assistance specified in Section 14.74.050(3) (a) and (b) are applicable.~~

~~(5) — No tenant will be evicted during a period beginning with the date of application for tentative map and ending one hundred twenty days after the issuance of the notice of intention to convert (see subdivision b below) except for reasons of default under the obligations of the rental agreement or lease under which he/she occupies his/her unit.~~

11. No tenant shall be evicted during a period beginning thirty (30) days prior to the date of application for the conversion permit and ending with the issuance of the conversion permit. The provisions of this paragraph shall not apply where there is just cause to evict the tenant under state law.

b. The notice of intent to convert shall be conspicuously posted in at least two residential common areas, such as an on-site rental office, a community club house, or mail pick-up area. In addition, said notice shall also be posted at each driveway entrance to the project site. All required notices of intent shall remain posted until the converted units are first offered for sale.

2. Notice to prospective tenants. Commencing at least sixty (60) days prior to filing with the community development department an application to convert or a tentative/parcel map, whichever is earlier, the Applicant shall provide all prospective tenants written notice of such anticipated or actual filing, prior to the time a rental agreement is executed or a deposit is paid for, whichever is earlier. Prospective tenants shall receive all accompanying documents and information described in Section 17.74.060(A)(1). A signed writing by the prospective tenant confirming receipt of the notices, as described herein, shall be retained by the applicant as proof of compliance with this provision.

B. Other Notices. In addition to the notice of intent to convert as set forth in Section 14.74.060(A), the Applicant shall also be responsible for the following written notifications to each tenant:

1. Each tenant in a building with five (5) or more units will be given notice of application to the Department of Real Estate for a public report to be given within ten (10) days before or after the application is filed.

~~2. b. Notice of Intention to Convert. Following~~ Within three (3) days of the city's approval of the tentative map each tenant of a conversion project shall be given a notice of intention to convert prior to termination of his or her tract or parcel map, and/or conversion permit, each tenant will be given notice of the decision of approval and right to appeal, along with the final tenant relocation plan.

3. Each tenant in a building with five (5) or more units will be given notice of receipt of the final public report from the Department of Real Estate within five (5) days after receipt. This notice must advise that the tenant's ninety (90)-day right to purchase has begun. If no public report from the Department of Real Estate is issued, the right to purchase shall run from the commencement of sales.

4. Notice of final map approval, if applicable, must be given within ten (10) days after final or parcel map approval.

5. After the city approves the tentative tract or parcel map, if applicable, one hundred eighty (180) days' notice of owner's planned conversion shall be given to each tenant before termination of tenancy. The subdivider Applicant shall, at his/her discretion, establish the date of issuance of the this notice of intention to convert; however, each vacating tenant shall have not less than one hundred twenty (120) days from the date of receipt of the notice of intention to convert planned conversion or from the filing date of the final subdivision map, whichever date is later, to vacate the premises. Such notices shall apply to existing and subsequent tenants of units to be converted. Each person who becomes a tenant of a unit for which a notice of intention to convert has already been issued, shall be informed and given a copy of the notice before entering into any written or oral rental agreement. At that time, such tenant shall also receive, in writing, At that time, such tenant shall also receive notification of the number of days remaining before the expiration of the notice of intention to convert previously issued. Evidence of delivery (i.e., tenant signature, certified mail receipt) shall be submitted to the community development department. planned conversion previously issued and shall be bound to the number of days remaining before termination of tenancy.

a. Such notices shall apply to existing and subsequent tenants of units to be converted.

~~6. _____~~

b. A thirty (30)-day notice to quit as authorized by Civil Code Section 1946 must be served after the expiration date of the notice of intention intent to convert.

~~d. Any person who moves into a unit after any or all notices required by this section have been issued shall receive copies of all such notices before entering into any lease or rental agreement.~~

C. Evidence of tenant notification. The Applicant shall submit proof of compliance with the notice provisions of this Section not less than thirty (30) days prior to a hearing by the relevant hearing body. Proof shall consist of signatures from each tenant confirming notification or evidence that a certified letter was sent to each tenant.

D. The community development director may waive the tenant notification requirements where the property proposed for Conversion is not tenant-occupied at the time of conversion permit application.

E. The Applicant shall bear all costs associated with publication, printing and delivery of required notices, including those incurred by the City.

14.70.070 – Reserved.

14.74.080 – Reserved.

14.74.090 - Tenant Rights.

A. Each tenant shall have a right of occupancy of at least one hundred eighty (180) days from the issuance of the final public report from the Department of Real Estate or, if none is issued, from the commencement of sales prior to termination of tenancy due to Conversion. Eligible Special Category tenants shall have up to one (1) year following issuance of the final public report or commencement of sales, if there is no public report.

B. Tenant purchase option. The Applicant shall provide each tenant with a ninety (90) day right of first refusal to purchase his or her respective unit or the share controlling the unit then occupied by the tenant, or any other unit in the project not claimed by the present tenant, on the same or better terms than the unit will be offered to the general public. Where a map is required, notice of the right to purchase, which is expressly conditioned on the filing and approval of the final subdivision map or parcel map, may be given concurrently with notice of receipt of the public report. Where a map is not required, notice of the right to purchase may be given after the effective date of the conversion permit. All tenants residing within a unit whose name appears on the lease who elect not to exercise their right must sign a written waiver of the right.

C. Relocation assistance. For all non-purchasing Eligible Tenants, the Applicant shall provide relocation assistance in an amount determined by resolution of the city council. No more than one such payment shall be made per unit at the time the unit is vacated. An otherwise Eligible Tenant is not entitled to relocation assistance pursuant to this subsection if the tenant is evicted for just cause under state landlord-tenant law.

D. Rental assistance.

1. All non-purchasing tenants shall be provided with up-to-date information on available apartments of comparable size, quality and price located within a twenty (20) mile radius of the building to be converted.

~~2. In order to mitigate the impact of displacement on low and moderate income tenants and the surrounding community, the subdivider shall allocate units for lower and moderate income households to the maximum extent feasible under the applicable provisions of the city's inclusionary housing program. Those units set aside for lower and moderate income families shall be offered first to tenants residing in the~~

~~project, based on a seniority system ranked by length of tenancy. Any remaining units shall be offered to eligible persons in the general public. For the purposes of this section, affordable low and moderate income housing shall be as defined in Section 14.74.020(1)(a) and (b).~~ A rental assistance payment shall be provided to non-purchasing Eligible Tenants equal to two month's rent at the existing rental amount. No more than one payment per unit is required.

3. ~~Relocation Assistance. There shall be a specific commitment by the applicant to provide:~~

Special Category tenants. In addition to the rental assistance specified in Subsection (D)(2) of this Section, the Applicant shall provide Eligible Special Category tenants five hundred dollars (\$500) in 2020 dollars, escalated annually by the Consumer Price Index (CPI) for Los Angeles-Riverside-Orange County. No more than one payment per unit is required.

4. The rental assistance payments referenced herein only apply to those Eligible Tenants and Eligible Special Category tenants who are not evicted for just cause under state law at the time they vacate the premises. Payment shall be made in one lump sum at the time the tenant vacates his or her unit.

E. The Applicant's offer of relocation and rental assistance shall be free of any coercion, intimidation, inducement, or promise not herein specified and shall not require the tenant to vacate in advance of a timetable or schedule for relocation as approved in the application for Conversion.

F. Upon a showing of good cause, the Applicant may apply for a reduction or waiver in the amount of rental and/or relocation assistance due. Good cause shall mean a factual and evidentiary showing by the Applicant that the amount, if not waived, will deprive the Applicant of substantially all reasonable economic use of his or her property. Good cause may also be shown where a court of competent jurisdiction has determined in connection with a proceeding in bankruptcy that cessation of use of the property as an apartment building is necessary, and that such court has taken further action that would prohibit or preclude the payment of rental and relocation assistance, in whole or in part.

1. All such applications for reduction or waiver in assistance shall be filed with the community development department no later than at the time the proposed tenant relocation plan is submitted, with prompt notification of such given to all tenants.

2. Applications for a reduction or waiver in assistance, as well as any disputes regarding eligibility for this assistance, shall be reviewed by the planning commission at the hearing for the conversion permit. Fees for such applications and associated appeals of the same shall be in an amount in accordance with the existing fee schedule.

G. Ownership incentives. In order to reduce the number of tenants being displaced, the Applicant shall provide incentives that would aid existing tenants in becoming owners in the Converted project that are equal to, or greater than, the total dollar value of relocation and rental assistance provided to similarly situated tenants who are relocated. Any such incentives, including terms and conditions, shall be documented by the Applicant and approved by

the community development director. Incentives may include, but are not limited to, low-interest loans, reduced prices, and application of a percentage of rent payment toward a down payment for purchase of a unit within the project.

H. Phasing Plan. The Applicant shall work with the community development department to limit unnecessary interference with existing tenants. A phasing plan shall be incorporated into the conditions of approval of the project. No remodeling or improvements planned as part of the Conversion shall be performed in a unit occupied by a non-purchasing tenant without first receiving their written permission.

I. Despite any provision to the contrary within this Chapter, no tenant who occupies a unit with children who are in school and who is not in default under the rental agreement or lease under which they occupy their unit shall be required to move from their unit prior to the end of the current grade year. For purposes of this Chapter, "grade year" shall refer to the Carpinteria Unified School District year.

J. Any non-Eligible Tenant not properly noticed pursuant to the Government Code or as required by this Chapter shall receive the rental and relocation assistance described in this Chapter regardless of the date of tenancy so long as just cause for eviction under state law does not exist.

K. Where the building is vacated of tenants pursuant to Government Code Section 7060 et seq. prior to application for a conversion permit or tentative/parcel map, relocation and rental assistance obligations shall be applicable and due to former tenants for up to one year after vacation of the units where a conversion permit is sought.

L. Anti-discrimination. The Applicant or owner of any unit within a project shall not discriminate in the sale, or in the terms and conditions of sale, of any dwelling unit against any person who is or was a lessee or tenant of any such dwelling unit because such person opposed, in any manner, the Conversion of such building.

Sec. 14.74.100 – Compliance with Mello Act.

A. Pursuant to Government Code Sections 65590 and 65590.1, 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 an exemption within the state Code applies or provision has been made for the replacement of those dwelling units on a one-to-one basis within the city unless the planning commission determines that replacement is not feasible.

1. If the Applicant claims that it is not feasible to provide affordable replacement housing units, an independent feasibility analysis shall be prepared prior to any approvals being granted for the proposed project by an independent firm under the direction of the community development director. The feasibility analysis shall examine the feasibility of providing the replacement housing units within the city and in Santa Barbara County, within the coastal zone or three miles thereof. The selected firm shall have prior experience in the preparation of real estate feasibility analyses and shall provide

an unbiased, neutral opinion as to the feasibility of complying with the requirements of this Chapter.

2. In order to conclude that the replacement of affordable housing units is not feasible, the hearing body shall find the following:

a. ~~Active assistance, particularly to tenants who are elderly, handicapped, families with children or students, in securing replacement housing, comparable in location, amenities and cost to that being converted, either in the building being converted or in alternative housing. Such assistance could be in the form of a rental referral service, supplying the tenant with at least two referrals for replacement housing.~~ The feasibility analysis was prepared in a professional and appropriate manner, and the facts and information presented in the feasibility analysis are accurate to the best of the hearing body's knowledge; and,

b. ~~A displacement payment of one and one-half times the existing monthly rent to any tenant who relocates from the building to be converted after approval of the conversion by the city, except when the tenant has given notice of intent to move prior to receipt of notification of the hearing on the tentative map.~~

The feasibility analysis concluded that the provision of affordable housing as required by this Chapter and the Mello Act is not feasible.

~~The provisions of relocation assistance shall apply to all tenants (a) who are occupants of the building on the date of filing of the tentative map with the city; or (b) who became tenants before the date of issuance of the notice of intention to convert.~~

3. Where it is not feasible to provide the replacement housing units in the city, the city shall require the Applicant to provide such housing, if feasible to do so, at another location within Santa Barbara County, either within the coastal zone or, if that is infeasible, within three miles thereof. Alternatively, Applicant may pay the in-lieu fee referred to in Section 14.75.090, which shall be fixed by a schedule adopted from time to time by resolution of the city council.

B. An affordable housing agreement governing the replacement housing units shall be executed in a recordable form prior to the issuance of a building permit for any portion of a residential development project subject to the requirements of this Chapter.

Sec. 14.74.110 – Standards.

A. 4. The city shall require conformance with the following standards herein in approving an application for Conversion. Failure to meet the these standards set forth in this chapter shall result in a denial of the conversion (project) permit unless conditions of approval can be imposed that will achieve conformity with such standards prior to the date of final map approval issuance of an occupancy permit. The Applicant shall agree in writing to comply with the conditions of approval, whether in the form of an improvement agreement or otherwise, and

the hearing body may additionally require the posting of bonds with the city clerk to ensure compliance with such conditions of approval.

B. The following are required as conditions of approval for all Conversion projects:

1. ~~a-~~ All structures shall be in compliance with the current applicable minimum standards of the Uniform California Building Code and any amendments thereto ~~and as~~ adopted by the city.
2. ~~b-~~ All structures shall be in compliance with those provisions of the California Administrative Code ~~relative~~applicable to construction. ~~(Noise, insulation, etc.)~~
3. ~~c-~~ All residential structures shall be in compliance with the current applicable minimum standards of the Uniform Housing Code and any amendments thereto as adopted by the city.
4. ~~d-~~ All structures shall be in all respects in compliance with ~~the zoning ordinance~~Titles 14, 15 and 16, as applicable, of this Code and the goals and policies of the general plan and coastal land use plan, or legally nonconforming therewith.
5. ~~e-~~ ~~All condominium, community apartment and stock cooperative~~ All Conversion projects shall be subject to all current applicable provisions of the Subdivision Map Act and Title 16 of ~~the city's municipal~~this Code.
6. ~~f-~~ ~~All conversion projects shall conform to the city's municipal code in effect at the time of approval, except as otherwise provided in this title, and~~ In addition to the other requirements of this Section, the following physical standards shall apply:
 - a. ~~(1)~~ Unit Size. The enclosed living or habitable area of each unit shall ~~be not~~ be less than six hundred (600) square feet unless the ~~planning commission~~hearing body determines at the time of approval that other project amenities compensate for the minimum required enclosed area. Compensating amenities may include, but are not limited to, the following:
 1. ~~(a)~~ Private enclosed open space;
 2. ~~(b)~~ Enclosed developed facilities within the common areas;
 3. ~~(c)~~ Covenants, conditions and restrictions restricting density;
 4. ~~(d)~~ Compatibility of the density of the total project in relation to the project's amenities and surrounding neighborhood.
 - b. ~~(2)~~ Fire Prevention. Fire Prevention.
 - ~~(a)~~ Smoke Detectors. ~~Each living unit shall be provided with approved detectors of products of combustion other than heat conforming to the latest Uniform Building Code standards, mounted on the ceiling or wall at a point centrally located in the corridor or area giving access to rooms used for sleeping purposes.~~
 - ~~(b)~~ Maintenance of Fire Protection Systems. ~~All on-site fire hydrants, fire alarm systems, portable fire extinguishers, and other fire protective appliances shall be retained in an operable condition at all times, maintained by the homeowners' association and delineated in the covenants, conditions and restrictions.~~

1. All fire suppression systems, which include, but are not limited to, smoke and carbon monoxide detectors, fire hydrants, and portable fire extinguishers, shall be in conformance with the city's existing Fire Code, as it is amended from time to time.

2. ~~(e)~~ Attics. If attics are a part of the ~~development~~project, they shall be separated as a condition ~~to~~of Conversion and in compliance with the ~~Uniform~~California Building Code.

c. ~~(3)~~ Sound Transmissions.

1. ~~(a)~~ Wall and floor-ceiling assemblies shall conform to ~~Title 25,~~the requirements of the California ~~Administrative~~Building Code, ~~Section 4092,~~ or its successor, or permanent mechanical equipment, including domestic appliances, which is determined by the ~~planning~~community development director to be a potential source of vibration or noise, shall be shock mounted, isolated from the floor and ceiling, or otherwise installed in a manner approved by the ~~planning~~community development director to lessen the transmission of vibration and noise. Floor covering that provides the same or greater insulation. The requirements of this subdivision shall not apply to a unit in a building with no other unit(s).

d. ~~(4)~~ Utility Metering.

1. ~~(a)~~ The consumption of gas and electricity within each unit shall be separately metered so that the unit owner can be separately billed for each utility. A water shutoff valve shall be provided for each unit or for each plumbing fixture. Each unit shall have access to its own meter(s) and heater(s) which shall not require entry through another unit.

2. ~~(b)~~ Each unit shall have its own panel, or access thereto for all electrical circuits which serve the unit.

e. ~~(5)~~—Private Storage Space. Each unit shall have at least two hundred (200) cubic feet of enclosed weather-proofed and lockable private storage space, in addition to guest, linen, pantry, and clothes closets customarily provided within the unit. Such space shall be for the sole use of the unit owner. Such space may be provided in

any location as approved by the planning commission at the time of approval of the conversion permit, but shall not be divided into two or more locations. In such cases where the Applicant can demonstrate that this standard cannot or should not reasonably be met, this standard may be modified by the planning commission.

f. ~~(6)~~ Laundry Facilities. A laundry area shall be provided in each unit; or if common laundry facilities are provided, such facilities shall consist of not less than one automatic washer and dryer for each unit or fraction thereof. In such cases where the Applicant can demonstrate that this standard cannot or should not reasonably be met, this standard may be modified by the planning commission.

g. ~~(7) Condition of Equipment and Appliances. The applicant shall provide written certification to the buyer of each unit on the initial sale after conversion that any dishwashers, garbage disposals, stoves, refrigerators, hot water tanks, and air conditioners that are provided are in working condition as of the close of escrow.~~ Condition of Equipment. At such time as the homeowners' association takes over management of the development, the Applicant shall provide written certification to the association that any pool and pool equipment and any appliances and mechanical equipment to be owned in common by the association ~~is~~ are in working condition.

h. Common ~~(8)~~ Open Space. At least twenty percent (20%) of the site shall remain in common open space. If existing structures, equipment, or paved areas preclude obtaining the twenty percent (20%) common open space, such structures, paved areas, etc., shall be modified to enable the development to obtain a minimum twenty percent (20%) of common open space. Common open space is ~~defined as: landscaping, patios, walkways, lawns and recreation areas but excluding areas covered by dwelling units, garages, carports, parking areas or driveways. All development rights of the open space shall be dedicated to the city. Nothing in this section shall require the city to improve, maintain, or care for any such open space, and the rights granted to the city shall be only those rights that will preclude further development on, or over, such open space.~~ as defined in Section 14.08.485 of this Code. The common open space shall be deeded to the homeowners' association or similar entity and held in undivided ownership by the residents of the project, subject to the city's approval. Preservation and maintenance of all common open space shall be guaranteed by a restrictive covenant describing the open space and its maintenance and improvement running with the land as described in the approved final development plan, if any, and project covenants, conditions and restrictions (CC&Rs). Any changes to the CC&Rs affecting common open space shall be reviewed and approved by the city.

i. ~~(9)~~ Public Easements. The Applicant shall make provisions for the dedication of land or easements for street widening, public access or other public purpose in connection with the project where necessary and in accordance with established planned improvements.

j. ~~(10)~~ Underground Utilities. All utility lines shall be undergrounded from the nearest pole. The Applicant shall waive the right, through a deed restriction, to protest the formation of an underground utility district.

k. ~~(11)~~ Refurbishing and Restoration. All main buildings, structures, fences, patio enclosures, carports, accessory buildings, sidewalks, driveways, landscaped areas, irrigation systems, and additional elements as required by the ~~community development~~

~~department~~ hearing body shall be refurbished and restored as necessary to achieve high quality appearance and safety.

~~(12) — Physical Elements. Any physical element identified in the physical elements report as having a useful life of less than two years shall be replaced.~~

C. Surveying. Permanent survey monuments shall be installed at all parcel/lot corners of a map by a California-licensed land surveyor or registered civil engineer authorized to practice land surveying, in accordance with Government Code Section 66495.

D. Undertaking a Conversion without compliance with the physical standards for improvement described in this Section shall constitute a public nuisance, and the subject property shall be deemed substandard.

14.74.120 – Application review.

A. The community development department shall review all applications and make a recommendation to the planning commission based on the standards set forth in this Chapter. The planning commission shall hear the application for a conversion permit concurrently with any other discretionary approval required for Conversion. The planning commission has final review authority for development plans, coastal development permits, tentative parcel maps, variances, and Conversions, with any decision being appealable to the city council. The planning commission makes a recommendation to the city council regarding tentative tract maps.

B. When corrective work is identified, such work shall be incorporated as conditions of approval on the project if not corrected in advance of the first public hearing. All corrective work required shall be completed prior to the issuance of an occupancy permit. The city shall charge a reasonable hourly fee for any inspections required by this Chapter.

C. Architectural Review Board. Where the Applicant proposes any modifications to the project site that fall within the review criteria of Chapter 2.36 of this Code, such modifications shall be reviewed according to the requirements of said Chapter.

14.74.130 – Findings - Conversion permit.

A. Standards of approval. The hearing body shall not approve the conversion permit unless it finds all of the following criteria have been met:

1. The proposed project meets all of the development and other standards set forth in this Chapter;

2. The proposed project is in conformance with the provisions of the applicable zoning district, coastal plan and implementation programs, general plan, and specific plan(s) if required;

3. All notices required by the this Code and/or state subdivision law, as applicable, pertaining to Conversions have been properly and timely served;

4. The Applicant does not seek to convert an Apartment complex or development which received a certificate of occupancy for any unit located therein within the preceding twelve (12) months;

5. The proposed project will not be detrimental to the peace, health, safety, comfort, convenience, property values, or general welfare of the neighborhood;

6. The rental vacancy rate within the city exceeds five percent (5%);

7. The converted units represent less than fifteen percent (15%) of the Apartment rental housing supply within the city. If the converted units represent fifteen percent (15%) or more of the Apartment rental housing supply within the city, the hearing body may nonetheless find this factor satisfied if the Applicant agrees to make a 1:1 replacement of the rental housing units with new rental units of at least comparable quality. The new units will be located in the city and will be provided no later than issuance of occupancy permits for the Conversion project; and,

8. The proposed Conversion will not cause a net reduction in the number of units occupied by Low and Moderate Income tenants within the city, in accordance with Section 14.74.100 of this Chapter.

B. Notwithstanding 14.74.130(A) of this Chapter, the planning commission, or city council on appeal, shall deny approval of a conversion permit if it finds that:

1. The Applicant vacated units in the building proposed for Conversion to avoid providing rental or relocation assistance and other benefits to tenants as described in the tenant relocation plan; or,

2. The Applicant's relocation and/or rental assistance, or provision of notices pursuant to Section 14.74.060 (notices), is unacceptable or otherwise inconsistent with the city's housing goals and policies.

C. In approving a conversion permit, the planning commission or city council on appeal may impose such conditions of approval as may be necessary to carry out the intent, purpose, and objectives of this Chapter, the general plan, local coastal program, and applicable specific plans and elements thereof, or to protect the public health, safety, or welfare. Any application with the Department of Real Estate for a public report shall include the permit's conditions of approval and evidence of the certificate of occupancy, where applicable.

14.74.140- Action on the application.

A. Action on the tentative tract map or tentative parcel map shall be governed by Title 16 of this Code.

B. If the tentative tract map or tentative parcel map is approved, Applicant shall prepare a final tenant relocation plan describing in detail tenant relocation and rental assistance in conformity with the conditions of approval, if any. Within three (3) days of receiving approval of the conversion permit, the Applicant shall distribute a copy of the tenant relocation plan to each tenant and to the community development director. If the planning commission approves the tentative tract map, the tenant relocation plan shall be

accompanied by a written notice advising tenants of the action of the planning commission and informing them of their right to appeal the decision to the city council.
C. Where no subdivision map is required, Applicant shall prepare a final tenant relocation plan describing in detail tenant relocation and rental assistance in conformity with the conditions of approval, if any. Within five (5) days of receiving approval of the conversion permit, the Applicant shall distribute a copy of the tenant relocation plan to each tenant and to the community development director. The tenant relocation plan shall be accompanied by a written notice advising tenants of the action of the planning commission and informing them of their right to appeal the decision to the city council.
~~(Ord. 315 § 1 (part), 1981)~~

~~14.74.060~~14.74.150 - Findings. Appeals.

The planning commission and/or city council shall make the following findings prior to approval of the conversion and/or final map:

~~1. The proposed conversion will not displace a significant percentage of tenants who are of low and moderate income, elderly, handicapped or families with children, and that there is a sufficient supply of affordable replacement units in the area available to low and moderate income tenants who will be displaced as a result of the conversion.~~

~~2. A notice of prospective buyers has been completed and will be made available to all prospective buyers, including existing tenants, prior to the buyer completing an escrow agreement or other contract to purchase a unit in the project. Such notice shall include, but not be limited to, the following:~~

~~a. The information and reports referred to in Section 14.74.050 and supplementary reports indicating steps taken to correct any deficiencies noted in the prior reports along with the Department of Real Estate white report;~~

~~b. Estimated future property maintenance costs;~~

~~c. Estimated homeowners' association or management fees;~~

~~d. A notice stating that the covenants, conditions and restrictions (CC&R's) or equivalent document, shall contain:~~

~~(1) A notification in substantially the following terms: "Notice. The terms of this document are legally binding. Read it carefully. A real estate broker is qualified to advise you on real estate matters. If you desire legal advice, consult an attorney"; and~~

~~(2) A provision that discrimination against families with minor children is prohibited in selling, leasing or renting any dwelling unit in the project with the exception of studio units within such projects. "Studio unit," as used for this provision, means a dwelling unit having not more than one habitable room in addition to the kitchen and bathroom. (Projects which have a publicly established and maintained policy of selling, leasing or renting dwelling units exclusively to elderly persons, i.e., those persons sixty-two years of age or older, shall not be subject to this provision.)~~

~~(Ord. 315 § 1 (part), 1981) 14.74.070 Physical structure and condition report.~~

~~1. The applicant shall submit building plans or other documents containing the following information:~~

~~a. Description of the type of building and project, including age, type of construction, number of dwelling units, number of habitable rooms per dwelling unit;~~

~~b. Site plan, including buildings, structures, yards, open spaces, and accessory storage areas including trash storage areas;~~

~~c. Parking plan, including the total number of spaces actually provided and the total number required if different from that actually provided; dimensions of stalls, aisles, and driveways; locations of columns, walls, and other obstructions; total number of covered and uncovered parking spaces, and location and number of guest parking spaces;~~

~~d. Floor plan and elevation plans, including indication of common and private areas and required exits;~~

~~e. Description of security and fire alarm systems if any.~~

~~2. The applicant shall submit an inspection/structural condition report prepared by the city building official which shall detail any applicable code violations in effect at the time of permit application.~~

~~(Ord. 315 § 1 (part), 1981) 14.74.080 Tenant profile report.~~

~~1. The applicant shall compile the following information to be submitted with the application for the tentative map:~~

~~a. — A complete list of the rents for each unit in the project at the time of application, one month prior to the date of application, and six months prior to the date of application;~~

~~b. — A complete list of the number of tenant households in the project who fall into the following categories:~~

~~(1) — Elderly (having a member of the household who is sixty-two (62) years of age or older);~~

~~(2) — Handicapped (as defined in Section 14.74.020);~~

~~(3) — Households with small children (households with children under five years of age);~~

~~(4) — Households with school-age children (households with children between the ages of five and eighteen (18));~~

~~(5) — Students (tenants who are heads of households or alone and who are enrolled as full-time students);~~

~~(6) — Low income households (households whose income is less than eighty percent of the county median income, and/or households who are receiving rental assistance through the Section 8 program or any other federal, state or local program);~~

~~(7) — Moderate income households (households whose income is within eighty-one (81) percent to one hundred twenty (120) percent of the county median income).~~

~~(Ord. 315 § 1 (part), 1981)~~

An appeal of the planning commission's decision on the conversion permit may be made to the city council pursuant to the procedure outlined in Chapter 14.78 of this Code.

14.74.160 - Effective date of conversion permit.

The decision of the planning commission shall be final after the time for appeal to the city council has lapsed, unless the project is located in the coastal appeals overlay and subject to requiring a coastal development permit, in which case the action is final once the California Coastal Commission appeal period has expired.

14.74.170 – Documents to be provided to city.

Prior to offering for sale to the public any unit within a Conversion project for which a conversion permit has been issued pursuant to this Section, the Applicant shall submit to city a copy of each of the following documents relating to the proposed project: the completed application for issuance of a final public report from the Department of Real Estate for the project proposed for Conversion, including all attachments and exhibits thereto; and the completed supplemental questionnaire, including all attachments and exhibits.

14.74.180 – Lapse of conversion permit.

A. An approved conversion permit shall expire with the associated map; any extensions of time for the map shall also extend the conversion permit. Where no map is required, the conversion permit shall expire two (2) years following the date the permit became effective, unless prior to the expiration of the permit, a

written request for an extension that states the reason for the request is submitted to the community development director. The hearing body that granted the conversion permit may grant a one (1) year extension of the permit upon a showing of good cause. If the time limit expires and no extension has been granted, then the conversion permit shall be considered null and void.

B. Any extension of a conversion permit shall be conditioned to require compliance with any new provisions applicable to such Conversion projects and payment of all fees in effect at the time the extension is granted.

14.74.190 – Enforcement.

A. It shall be unlawful to offer for sale, to offer to purchase, to agree to sell or buy, to sell or buy, or to assist in the sale or purchase of any Condominium, Community Apartment, Stock Cooperative, or Cooperative Apartment if the Conversion fails to comply with any provision of this Chapter or the claimed compliance was procured by fraud, misrepresentation, threat or payment of sums of money not authorized by this Chapter. Any such transaction is hereby declared to be contrary to public policy, and null and void.

B. The city attorney may bring an action on behalf of the city seeking injunctive relief to restrain or enjoin any violation of this Chapter. In any such action, all relief which may redress the violation may be awarded including, but not limited to, an order to make whole any individuals aggrieved by such violation. Where a public nuisance is created by the failure to comply with the physical improvements set forth in this Chapter, the city shall be entitled to record a notice of violation with the County Recorder. Where a notice of violation is so recorded, the city may avail itself to all the remedies found in state law, including, but not limited to, Health and Safety Code Section 17980.7, and the affected property shall be ineligible for a vacation rental license until such time the notice of violation is remedied.

C. In addition, the penalties in Chapter 1.08 shall be available to the city to remedy a violation of this Chapter.

D. Any resident of the city may bring an action seeking damages, penalties, and/or injunctive relief to restrain or enjoin any violation of this Chapter.

E. The remedies provided by this Section shall be in addition to any other remedies provided by law.

14.74.200 – Administrative fee.

The city council shall, by resolution, establish reasonable fees and deposits to fully defray the cost of administering this Chapter.

14.74.210 - No vested rights in tenants.

No tenant, by virtue of the provisions of this Chapter, shall have a vested right from the city to any of the benefits or other interest provided herein. Nothing in this Chapter is

intended to abridge any rights of tenants or obligations of owners as provided in state law.”

EXHIBIT 2
SUGGESTED MODIFICATIONS TO THE PROPOSED
IMPLEMENTATION PLAN AMENDMENT
LCP Amendment No. LCP-4-CPN-20-0050-1 (Condominium/Cooperative Conversion
Ordinance)

The City's proposed amendment language to the certified Implementation Plan is shown in ~~strikeout~~ and underline. Language recommended by Commission staff to be deleted is shown in ~~double-strikeout~~.

SUGGESTED MODIFICATION 1

a. Subsection 4 of Section 14.74.040 (Application Requirements) shall be modified as follows:

4. A Coastal Development Permit, ~~if applicable,~~ in conformance with the city's certified local coastal program.

b. Section 14.74.160 (Effective date of conversion permit) shall be modified as follows:

The decision of the planning commission shall be final after the time for appeal to the city council has lapsed, unless the project is located in the coastal appeals overlay ~~and subject to requiring a coastal development permit,~~ in which case the action is final once the California Coastal Commission appeal period has expired.