

City of Carson Report to Mayor and City Council

February 4, 2014 New Business Consent

SUBJECT: CONSIDER ADOPTION OF RESOLUTION NO. 14-012 IMPLEMENTING STATE SENATE BILL 510 RELATING TO THE SURVEY OF RESIDENT SUPPORT

REQUIREMENTS FOR THE CONVERSION OF A RENTAL MOBILEHOME PARK

TO RESIDENT OWNERSHIP

Submitted by William W. Wynder

City Attorney

Approved by Jacquelyn Acosta

Acting City Manager

I. <u>SUMMARY</u>

Senate Bill 510 (SB 510) was signed by Governor Brown on September 26, 2013 and took effect on January 1, 2014. SB 510 authorizes a local legislative body to disapprove an application to convert a mobilehome park to resident ownership if the results of the resident survey do not demonstrate the support of at least a majority of the park residents (Exhibit No. 1).

SB 510 also authorizes a local legislative body, in this case the Carson City Council, to implement this survey requirement by ordinance or resolution. The proposed resolution is intended to fully implement SB 510 and to ensure its careful application in the City of Carson. Tonight the City Council is asked to support Resolution No 14-012 (Exhibit No. 2).

II. RECOMMENDATION

WAIVE further reading and ADOPT Resolution No. 14-012, "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, IMPLEMENTING SENATE BILL 510, WHICH AMENDED SECTION 66427.5 OF THE GOVERNMENT CODE RELATING TO REQUIREMENTS FOR A TENTATIVE OR PARCEL MAP FOR A SUBDIVISION TO BE CREATED FROM THE CONVERSION OF A RENTAL MOBILEHOME PARK TO RESIDENT OWNERSHIP".

III. <u>ALTERNATIVES</u>

- 1. TAKE any other action the City Council deems appropriate consistent with the requirements of law.
- 2. RECEIVE and FILE this report and take no action on the same.

IV. <u>BACKGROUND</u>

The California Subdivision Map Act, in Government Code Section 66427.5, requires that 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,



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the subdivider shall avoid the economic displacement of all nonpurchasing residents by following certain specified requirements related to the conversion.

Prior to the effective date of SB 510, Section 66427.5 required, at the very least, that the subdivider obtain a survey of support for the proposed conversion from the residents of the mobilehome park, that the survey results be submitted to the local agency for consideration, and that the subdivider be subject to a hearing before the local agency that is authorized to approve, conditionally approve or disapprove the map.

Senate Bill 510 (which took effect on January 1, 2014) amended Section 66427.5 to specifically authorize the local agency to disapprove the map if it finds that the results of the survey do not demonstrate the support of at least a majority of the park residents. It also authorized the local legislative body to implement Section 66427.5's survey requirements by ordinance or resolution.

Although the Office of the City Attorney is of the legal opinion that the City is not *required* to implement SB 510's survey requirements by ordinance or resolution in order for these requirements to apply to mobilehome park conversions within the City, this office recommends doing so in an abundance of caution to ensure SB 510 is fully and indisputably applicable in the City of Carson.

Adoption of the proposed resolution will ensure that in the event a subdivider seeks to convert a rental mobilehome park to resident ownership, the subdivider must submit a survey of support for the conversion to be considered in the decision to approve, conditionally approve, or disapprove the map, and that the map may be disapproved in the event that the survey does not demonstrate support for the conversion by a majority of the park residents.

V. <u>FISCAL IMPACT</u>

There is no fiscal impact associated with the adoption of this resolution or the implementation of Senate Bill 510.

VI. <u>EXHIBITS</u>

- 1. Senate Bill 510, as adopted. (pgs. 4-7)
- 2. Proposed Resolution No. 14-012. (pgs. 8-9)

Prepared by: William W. Wynder, City Attorney

TO:Rev06-19-2013

Reviewed by:

City Clerk	City Treasurer
Administrative Services	Public Works

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Action taken by City Council		
Date	Action	

Introduced by Senator Jackson

(Coauthors: Assembly Members Aleio and Williams)

February 21, 2013

An act to amend Section 66427.5 of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 510, as amended, Jackson. Land use: subdivisions: rental mobilehome park conversion.

The Subdivision Map Act requires a subdivider, 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, to avoid the economic displacement of all nonpurchasing residents by following specified requirements relating to the conversion, including the requirement that. In this regard, existing law requires that the subdivider obtain a survey of support of residents of the mobilehome park for the proposed conversion, the requirement that the results of the survey be submitted to the local agency for consideration, as specified, and the requirement that the subdivider be subject to a hearing by the legislative body or advisory agency that is authorized to approve, conditionally approve, or disapprove the map.

This bill would provide that the local agency is required to consider the results of the survey in making its decision to approve, conditionally approve, or disapprove the map, and that the agency is authorized to disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the park's homeowners. This bill would provide that local legislative bodies may SB 510 —2—

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enact local regulations to, by ordinance or resolution, implement the survey requirements.

This bill would set forth the findings and declarations of the Legislature that the changes made by this act do not constitute a change in, and are declaratory of, existing law, and would state the intent of the Legislature to clarify the intent of certain provisions of the act.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 66427.5 of the Government Code is 2 amended to read:
- 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:
- 8 (a) The subdivider shall offer each existing tenant an option to 9 either purchase his or her condominium or subdivided unit, which 10 is to be created by the conversion of the park to resident ownership, 11 or to continue residency as a tenant.
- 12 (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.
- 26 (4) The survey shall be conducted so that each occupied 27 mobilehome space has one vote.
- 28 (5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be



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considered in the agency's decision as to whether to approve, conditionally approve, or disapprove the map, and the agency may disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the park's homeowners.

- (6) Local legislative bodies may enact local regulations to, by ordinance or resolution, implement the requirements of this subdivision.
- (e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.
- (f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:
- (1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.
- (2) As to nonpurchasing residents who are lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.
- SEC. 2. (a) The Legislature finds and declares that the amendments to Section 66427.5 of the Government Code made by this act do not constitute a change in, but rather are declaratory of, existing law.
 - (b) It is the intent of the Legislature to clarify that the legislative intent underpinning paragraphs (1) and (5) of subdivision (d) of



SB 510

Section 66427.5 of the Government Code has been, and continues to be, to require a local agency to consider, in making the decision

to approve, conditionally approve, or disapprove the tentative or

parcel map, the level of resident support for the proposed conversion, and that those provisions authorize the agency, at its

discretion, to disapprove the map if it finds that the results of the

survey have not demonstrated the support of at least a majority of

a park's homeowners.

RESOLUTION NO. 14-012

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, IMPLEMENTING SENATE BILL 510, WHICH AMENDED SECTION 66427.5 OF THE GOVERNMENT CODE RELATING TO REQUIREMENTS FOR A TENTATIVE OR PARCEL MAP FOR A SUBDIVISION TO BE CREATED FROM THE CONVERSION OF A RENTAL MOBILEHOME PARK TO RESIDENT OWNERSHIP

WHEREAS, California Government Code Section 66427.5 requires that, at the time of filing a tentative or parcel map for the conversion of a rental mobilehome park to resident ownership, the subdivider must avoid the economic displacement of nonpurchasing residents by following certain specified procedures related to the displacement; and

WHEREAS, prior to the effective date of Senate Bill 510, Section 66427.5(d) required, at the very least, that the subdivider obtain a survey of support of residents of the mobilehome park for the conversion, that the results be submitted to the local agency for consideration and that the subdivider be subject to a hearing by the legislative body or advisory agency that is authorized to approve, conditionally approve, or disapprove the map; and

WHEREAS, Senate Bill 510, which took effect January 1, 2014, amended Section 66427.5(d) so as to specifically provide that the results of the survey are to be considered by the legislative body or local agency in making its decision to approve, conditionally approve, or disapprove the map and that the legislative body or local agency may disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the mobilehome park residents; and

WHEREAS, Senate Bill 510 amended Section 66427.5(d) so as to specifically provide that local legislative bodies may implement the provisions of Section 66427.5(d) by resolution or ordinance; and

WHEREAS, although implementation by resolution or ordinance is not necessary for the legislative body or local agency to apply the provisions of Section 66427.5(d), the City Council desires to implement those provisions by resolution in an abundance of caution.

NOW, THEREFORE, the City Council of the City of Carson does hereby RESOLVE as follows:

Section 1: Pursuant to Government Code Section 66427.5(d)(6), the City Council hereby adopts and implements the provisions of Government Code Section 66427.5(d) to be applied whenever a tentative or parcel map is filed with the City for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, which requirements are as follows:

(1) The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion.



- (2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.
 - (3) The survey shall be obtained pursuant to a written ballot.
 - (4) The survey shall be conducted so that each occupied mobilehome space has one vote.
- (5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be considered in the agency's decision as to whether to approve, conditionally approve, or disapprove the map, and the agency may disapprove the map if it finds that the results of the survey have not demonstrated the support of at least a majority of the park's homeowners.
- Section 2: In addition to complying with the provisions of Government Code Section 66427.5, the subdivider must comply with all other applicable provisions of California law.

Section 3: This resolution shall take effect immediately.

PASSED, APPROVED and **ADOPTED** this day of January, 2014.

_	Mayor Jim Dear	
ATTESTED:	·	
City Clerk Donesia L. Gause, CMC		
APPROVED AS TO FORM:		
City Attorney		

