



CITY OF CARSON

PLANNING COMMISSION STAFF REPORT

PUBLIC HEARING: August 11, 2009

SUBJECT: Tentative Parcel Map No. 067049

APPLICANT/REPRESENTATIVE: Colony Cove Properties, LLC
 c/o: James and Associates
 255 N. El Cielo Rd. Suite 140-285
 Palm Springs, CA 92622

REQUEST: To approve a tentative parcel map necessary to convert an existing 404 unit mobilehome park to nominal "resident ownership" with an additional 21 potential units permitted under a previously approved permit (Modification to Special Use Permit No. 106-74).

PROPERTY INVOLVED: 17700 Avalon Boulevard

COMMISSION ACTION

- Concurred with staff
- Did not concur with staff
- Other

COMMISSIONERS' VOTE

AYE	NO		AYE	NO	
		Chairman Faletogo			Graber
		Vice-Chair Saenz			Park
		Brimmer			Schaffer
		Brown			Verrett
		Gordon			

Item No. 11B

I. Introduction

The applicant is requesting approval of Tentative Parcel Map No. 067049 necessary to convert an existing rental mobilehome park to nominal "resident ownership." The subject property is approximately 52 acres in size, zoned RM-8-D (Residential, Multi-family – 8 units per acre – Design Review), and located at 17700 Avalon Boulevard.

II. Background

This project application and Tenant Impact Report (Exhibit No. 1) were originally submitted and initially reviewed for "completeness" in November, 2006. At that time, staff compared the project against municipal codes currently in effect, including a newly passed Ordinance No. 06-1358 (adopted by City Council October 17, 2006), concerning mobilehome park residential conversions. The status of application letter prepared by staff, dated December 7, 2006, identified deficiencies in the application as compared to this ordinance.

At the time of the adoption, by the City Council, of a moratorium temporary halting all mobilehome park conversions in the city (Ordinance Nos. 07-1373U and 07-1385U), this application had not been deemed complete. As a consequence, under the terms of the moratorium, staff was required to hold the same in abeyance until the moratorium was either terminated by the City Council or expired by operation of law. The moratorium expired by operation of law on March 27, 2009, and at that point staff again resumed review of the application for completeness.

During the pendency of the moratorium, additional analysis and research was focused on the mobilehome park conversion process. On March 20, 2008, Ordinance No. 08-1401, concerning mobilehome park residential conversions, was codified into the Carson Municipal Code (CMC) which sought to implement existing state law by including specific requirements on mobilehome park conversions in addition to those evidentiary presumptions codified in Ordinance No. 06-1358, chiefly adding a "survey of residential support" for a mobilehome park conversion.

Upon the expiration of the moratorium on March 27, 2009, staff reviewed the pending application for the Colony Cove conversion, including additional application materials submitted on October 3, 2007. Staff initially deemed the application "incomplete" in the status of application letter dated April 9, 2009. Upon clarification with the property ownership's legal counsel and the City Attorney's office, the application was deemed "complete" in staff's correspondence to the applicant dated June 24, 2009.

The park is subject to the city's Mobile Home Park Rent Control Ordinance. Under existing State law, the conversion of a mobile home park from a landlord-tenant arrangement to resident ownership is governed by Government Code Section 66427.5 (Exhibit No. 2). The city also has a Mobile Home Park Conversion Ordinance, Sections 9209.1 through 9209.6 of the Carson Municipal Code (Exhibit No. 3).

As described in the published opinion of one California Court of Appeal in *El Dorado v. Palm Springs* (2002) 96 Cal.App.4th 1153, with respect to economic displacement



issues, local government hearings on a park owner's application to subdivide units within a mobile home park are limited to whether the park owner has complied with statutory requirements of Government Code Section 66427.5.

State law is unsettled and unclear as to what various provisions of Government Code Section 66427.5 mean, in particular it is not clear whether a municipality can require that the survey of support conducted pursuant to provision 66427.5 (d)(1) show actual resident support or the level of actual resident support required to approve park conversion applications. It is also not clear whether a municipality can assess whether a discretionary subdivision map is consistent with the city's General Plan. Recent trial court decisions from around the state are split on these and related legal issues.

In *Carson Harbor Village, Ltd. (CHV) v. City of Carson*, (B211777, 2nd District Court of Appeal), Department 85 of the Los Angeles Superior Court ruled against the city on its application of Government Code Section 66427.5 to a CHV conversion application. The city has appealed that case and pending review of that decision by the Court of Appeal, the authority of the city on this issue is unsettled. The same department of the Superior Court has struck down the city's "survey of support" ordinance, adopted by Ordinance No. 08-1401 (*Colony Cove, LLC v. City of Carson*, BS115305). The City is in the process of appealing this decision as well to the Court of Appeal.

However, a number of the important legal issues raised by the CHV and Colony Cove appeals are also pending before the Court of Appeal, First Appellate District, Division 2, in *Sequoia Park Associates, a California Limited Partnership v. County of Sonoma*, 1st Civil Case No. A-120049. In some respects, the County of Sonoma appeal is the "flip side" of these two Carson cases, because the Superior Court in that case upheld the County's "survey of support" ordinance which is essentially identical to the city's Ordinance No. 08-1401 and the city's interpretation of Government Code Section 66427.5.

It is the park owner (not the public agency) who is appealing from such a determination. That matter was argued on June 16, 2009 and the Court of Appeal will issue a decision not later than September 14, 2009. Accordingly, at this time, given the unsettled state of the law regarding the scope of municipal oversight of mobilehome park conversion applications, staff recommends denial of the application based on all the reasons set forth in the staff report and the resolution. However, staff reserves the right to modify or reverse its recommendation depending on the outcome of the Sonoma County or the CHV or Colony Cove appeals.

As an additional note, the State Legislature is currently considering AB 566, which was introduced on February 25, 2009. Currently, Government Code Section 66427.5 requires a subdivider, at the time of filing a tentative parcel map for a subdivision to be created from the conversion of a mobilehome park to resident ownership, to avoid the economic displacement of nonpurchasing residents by obtaining a survey of support of residents of the mobilehome park for the proposed conversion, among other things.



AB 566 would require that survey of residents of the mobilehome park for proposed conversion to demonstrate support of a majority of the residents of the mobilehome park. The bill also would vest discretion in a local agency to consider whether the results of a particular survey of support warrants a finding that such conversion is with bona fide resident support. AB 566 will be considered by the full Senate in mid-to late-August, and if recommended for approval, it will then need to be returned to the Assembly for concurrence with the Senate amendment immediately thereafter, and finally forwarded to the Governor for signature (or Veto). While this proposed legislation is strongly supported by all of Carson's mobilehome parks, this legislation is not expected to be applicable to either of the conversion applications for the Carson Harbor Village or Colony Cove mobilehome parks since the effective date is anticipated to be January 1, 2010, if approved.

Government Code Section 64427.5

When a park is converted from a rental mobilehome park to nominal "resident ownership," existing residents have the option to purchase a subdivided unit in the park or remain as renters. If the households are determined to be lower income as defined in the State Health and Safety Code, and the residents elect to remain as renters, then their monthly rent, including any applicable fees or charges for use of any pre-conversion amenities, 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 increase by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.

The TIR presented to the residents includes outdated income level information. The current lower income levels for Los Angeles County are as follows:

Household Size	Lower Income Category Maximum
1	\$44,400
2	\$50,750
3	\$57,100
4	\$63,450

If a resident chooses to remain as a renter and is not lower income as determined by the State, their monthly rent, including all applicable fees or charges for use of any pre-conversion amenities, may increase from pre-conversion rent to market levels, as defined in an appraisal conducted in the manner specified by law, in equal annual increases over a four year period. The other option is to purchase a space, known as an air space condominium, in the park. Upon the "date of conversion" state law mandates that the park will no longer be under the City's Rent Control Ordinance.



III. Analysis

A survey of Colony Cove MHP residents completed by the city in 2005 indicated that approximately 76 percent of such residents would qualify as having low and very low incomes and 15 percent of such resident would qualify as having moderate incomes. The remaining 9 percent of such residents would qualify as having above moderate incomes. Another questionnaire was prepared by a resident and completed by April, 2007. A copy of the summary result indicated that approximately 84 percent of the residents would qualify as having low and very low incomes (Exhibit No. 4). There were 321 completed questionnaires indicating that 99 percent of those responding were not in support of the conversion. Two separate letters from residents of Colony Cove were also received (Exhibit No. 5 and No. 6).

The applicant indicates in the Tenant Impact Report that a resident survey was conducted pursuant to California Government Code Section 66427.5(d)(1) and CMC Section 9209.3(B)(2) in September, 2006. The results of which indicated that of 350 responses, 36 were in support of a resident conversion and 329 were opposed. In preparation for the Planning Commission public hearing, staff investigated the process by which the applicant conducted the resident survey. Based upon discussions with several residents, the survey appears to have been "provided" to them but there was not an agreement related to the survey. Based upon the information submitted by the applicant, staff can not make the affirmative determination required by state law that the survey was conducted in compliance with Government Code Section 66427.5(d)(1) and CMC Section 9209.3(B)(2).

CMC Section 9209.3(B)(2)(a-c) establishes certain evidentiary presumptions for determining whether the application for conversion can be deemed, in law, to constitute an application with *bona fide* resident support:

- Where the survey of resident shows more than fifty (50) percent of resident households support the conversion to resident ownership, then the conversion shall be presumed to be a *bona fide* resident conversion;
- Where the survey of resident support shows at least thirty-five (35) percent of resident households support the conversion to resident ownership, the subdivider (applicant) shall have the burden of demonstrating that the proposed conversion is a *bona fide* resident conversion and, at a minimum, that a viable plan is in place to convey the majority of the lots to current majority of the lots to current residents within a reasonable period of time;
- Where the survey of support shows less than thirty-five (35) percent of residents support the conversion to resident ownership, the conversion shall be presumed not to be a *bona fide* resident conversion.

The survey submitted by the applicant evidences that ten (10) percent of residents support the conversion to resident ownership. While the low support rate could be seen as an indication that this application is not representative of a conversion with *bona fide* resident support, Section 9209.3(B)(2)(a-c) does not mandate that an applicant demonstrate *bona fide* resident support as a condition precedent to the Planning Commission's decision to approve or conditionally approve an application.

The Planning Commission has the discretion to consider the results of the survey in determining whether to approve a discretionary map. Even in the face of low resident support for conversion, the CMC allows the Planning Commission to approve or conditionally approve an application provided the applicant presents to the Commission a viable plan to convey a majority of the lots to current residents of the park within a reasonable time.

Based upon a review of the TIR, discussions with the applicant and consideration of efforts by the applicant to outreach to existing residents, staff is of the opinion that the applicant has failed to develop or promulgate any such plan to convey the majority of lots to resident ownership within a reasonable time. The Colony Cove residents are predominantly lower income seniors who have limited capacity to undertake new debt in the form of a purchase of their condominium air space. The applicant has expressed an interest in exploring opportunities that might facilitate such a purchase by qualified residents.

The applicant has only recently contacted staff to explore opportunities with the Housing Division or Redevelopment Agency to determine the resources in any public housing funding which may be provided to assist in purchase, including the conditions of such assistance and which tenants could potentially qualify. As such, the TIR currently does not contain any information addressing potential public funding. Staff is of the opinion that a viable plan may be possible but is not represented in the current TIR or information provided by the applicant at the time the application was deemed substantially complete.

III. Environmental Review

Pursuant to Section 15282(e) of the California Environmental Quality Act (CEQA), a conversion of a rental mobile home park to a condominium subdivision is deemed Exempt from further environmental review as the proposed project will generate no significant environmental impacts.

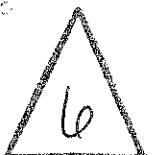
IV. Recommendation

That the Planning Commission:

- WAIVE further reading and ADOPT Resolution No._____, entitled, "A Resolution of the Planning Commission of the city of Carson recommending Denial of Tentative Parcel Map No. 067049 to the City Council to permit a mobile home park conversion to resident ownership for Colony Cove located at 17700 Avalon Boulevard."

V. Exhibits

1. Tenant Impact Report dated November, 2006
2. Government Code Section 66427.5
3. Mobile Home Park Conversion Ordinance, Sections 9209.1 through 9209.6 of the CMC



4. Resident Questionnaire (Conducted by Christine Gaunder) dated April, 2007
5. Letter from Christine Gaunder, Chairperson, Colony Cove Conversion Committee (CCCC) dated August 4, 2009
6. Letter from Francis Mooney dated July 30, 2009
7. Zoning Map
8. Tentative Parcel Map No. 067049
9. Draft Resolution

Prepared by:


Steven C. Newberg, AICP, Associate Planner

Approved by:


Sheri Repp, Planning Manager



TENANT IMPACT REPORT

Colony Cove Mobilehome Park

November, 2006

Section I. Purpose of Tenant Impact Report:

This Tenant Impact Report ("TIR") is being prepared pursuant to California Government Code Section 66427.5 ("66427.5"). The purpose of this TIR is to explain the protections afforded to those "Resident Households,"¹ that elect not to purchase a "PUD/Condominium Interest" in Colony Cove Mobilehome Park ("Park"), located at 17700 South Avalon Blvd. in the City of Carson, County of Los Angeles, State of California, 90746. All Resident Households will be afforded the opportunity to either 1) buy the space on which their manufactured home ("Manufactured Home" or "Home") is situated ("Space"), or 2) 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 Household" or "Resident Households" means any person(s), entity, or group of person(s) who own a mobilehome in Colony Cove 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" or Residents" 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 lot lines established on the ground (in other words, the space the Resident is currently occupying), plus 1/40th fee simple ownership of the common area and facilities and one membership in the Association. For those who elect 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 (as defined in Section 3.1 below), and participate in the operation of the Park through a homeowners' association to be formed as part of the entitlement process (the "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 Los Angeles 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 2005.

	1	2	3	4
Household Size # of Persons				
Income Must be at or Below:	\$41,450	\$47,350	\$53,300	\$59,200



The income limits will be updated to current standards as of the date of the conversion of the park.

- (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 copy of the Survey is attached hereto as Exhibit A. The Survey was first provided to the board of directors of the Association ("Board"). The Survey was discussed with the Board and a general meeting was held at the Park to discuss the Survey with Residents at the September 13, 2006 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 401 occupied Manufactured Home Spaces. The results of the Survey were calculated on October 11, 2006.

# Responses	Support Yes	Support No	Decline to State Support	Low Income	Other
350	36	329	9	228	18

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.

- (c) **Resident or Resident(s):** As used in this TIR, 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 TIR) is first heard by the City of Carson Planning Commission. A Resident(s) of the Park is a person, or persons, who (1) has his or her name on the title to the Manufactured Home; (2) lives in the home as his or her permanent residence; and (3) 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 1975 and is a four-hundred and four (404)-space park, situated on approximately fifty-



two (52) acres. The fenced Park has wide asphalt streets with gutters, and all utilities are underground. The Common Area contains a clubhouse with an auditorium, card room, pool room, library, laundry facilities, spa 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 eighty percent (80%) 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 Carson 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 Carson Rent Control ordinances.

Section 3. Park Owner's Rights Upon Conversion:

- 3.1 **Right to Change Use:** The owner of Colony Cove 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 the California Government Code and the Mobilehome Residency Law, the converter is required, as a condition of conversion, to prepare a tenant impact report 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, the Association will operate the property.

4.2 Rental Rate Increases: No Economic Displacement: The economic displacement of non-purchasing Residents shall be mitigated by allowing the Residents 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: 1) one formula for permanent non-low income households, and 2) one formula for permanent Low Income Households, as defined in California Health & Safety Code Section 50079.5.

(a) Non-Low Income Resident: For the non-low income 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 Households: The State has emphasized its goal of protecting housing for the low income population of California in 66427.5. The Low Income Households 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 then utilized by the City of Carson Rent Control Ordinance ("CPI") average monthly

percentage increase for the most recently reported period.

- 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 similar protection to that of the City of Carson Rent Control Ordinance in that the annual rent increase is limited to CPI or average of last four years rent and there is no hardship pass through. Attached hereto and hereby incorporated as though fully set forth is Exhibit B, a chart of the low-income rent increase maximums, assuming the project was converted as of September 2006.

- (c) Effective Date of Map Act Rents: The effective date of the *Map Act Rents* shall be the "Map Act Rent Date" as defined in section 4.3 herein.

As part of the distribution of the Final Public Report, the Leases and qualifying information shall be simultaneously distributed. The Residents shall have ninety (90) days 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/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 after the date of the issuance and delivery of the Final Public Report and upon sale of the first unit. Once the Owner offers the Units for sale or for lease, at this time each household shall receive the Final Public Report and all documents and financial information approved by the DRE, including without limitation, the Articles and Bylaws of the Association, Enabling Declaration ("CC&Rs"), Deposit Receipt/Purchase Agreement, Escrow Instructions, Preliminary Title Report, Natural Hazards

Disclosure, B&P Park Condition Disclosure, Sample Loan Documents, HOA Budget, HOA Reserve Study, Proposed Lease and/or Written Rental Agreement, Low Income Application, Price and Rental Rates. For the purpose of implementing section 4 of this Tenant Impact Report, the Conversion Date shall be defined as *Map Act Rent Date*.

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 TIR. 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(e). 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, under the present conversion, which will not result in another use and vacation of the property, the purpose of this TIR is to explain the options of the Residents regarding their choice to purchase or to rent their Space. The 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 "PUD/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 PUD/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 Association dues, directly or through rent, both buyers and renters benefit from the conversion.

Section 6. PUD/Condominium Interest - Ninety (90) day Right of First Refusal:

6.1 PUD/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 PUD/Condominium Interest. The PUD/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 lot line boundaries of each PUD/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 "PUD/Condominium Interest" comprises the airspace directly over the current rental spaces, a one four-hundred and fourth ($1/404^{\text{th}}$) interest in the Park's Common Areas, and one four-hundred and fourth ($1/404^{\text{th}}$) interest in the Common Area lot, as tenants in common. All PUD/Condominium Interests are held pursuant to the description of general rights and associated factors as set forth in the articles of incorporation and bylaws of the Association, any conditions, covenants, and restrictions affecting the Park, and California law pertaining to such ownership.

6.2 Right of First Refusal: With reference to California Government Code Section 66459 and City of Carson Ordinance No. 06-1358, each Resident shall be informed that they have a ninety (90) day 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 ninety (90) day period each Resident shall have the exclusive right to decide whether or not to purchase a PUD/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 Carson and will receive the following notices: Notice of Intent to Convert; Notice of Change of Use; 6-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. Relocation:

8.1 This Section is included solely to satisfy the new requirement of Ordinance No. 06-1358 which states the TIR must include information regarding the mitigation of displaced residents and the availability of alternative mobilehome parks. Such information is contained in Exhibit C, attached hereto and incorporated herein by reference.

8.2 NOTWITHSTANDING THE INFORMATION PROVIDED HEREIN AND IN EXHIBIT C, IN COMPLIANCE WITH THE CITY OF CARSON'S PROPOSED NEW ORDINANCE NO. 06-1358, NO ONE WILL BE REQUIRED TO RELOCATE (MOVE) FROM THE PARK.

Section 9. Conclusion:

9.1 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.

9.2 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 effective date of the Map Act Rents 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.

9.3 Upon conversion of the Park to Resident ownership, the current owner of the Park, as well as subsequent owners of PUD/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.

9.4 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.

9.5 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.

COLONY COVE MOBILE ESTATES

Gov't Code § 66427.5(d)(1) SURVEY OF RESIDENTS

SECTION I
Survey

The effect of a change of the method of ownership from a rental park to a resident owned condominium park, as proposed, provides a choice to the resident households. The resident households may purchase their condominium interest or may continue to rent the condominium unit/lot [space] on which their mobilehome is located. You can support the change of ownership to a resident owned condominium park without a personal desire to purchase your lot [condominium interest]. Pursuant to Gov't Code section 66427.5, please answer the following questions:

I support the change of ownership of the park to a resident owned condominium park, if the purchase price of my condominium interest [space + % ownership of common areas & facilities] is affordable to me.

I am low income/moderate income and will need financial assistance to be able to purchase my condominium unit.

I support the change of ownership to a resident-owned condominium park, but at this time I believe that I would remain and rent.

I decline to respond at this time.

I do not support the change of ownership of the park to a resident owned condominium park.

SECTION II
Demographic Information

1. Is your home in Colony Cove Mobilehome Park your primary residence?
 YES / NO

2. How many people [of all ages] live in your home? _____
a. Number of Older Persons [55+] _____
b. Number of Adults [18 & over]: _____
c. Number of Children [under 18]: _____

This Survey does not constitute an offer to sell a condominium unit or any other real estate interest in Colony Cove Mobile Estates. An offer to sell can only be made after the issuance and delivery of the Final Public Report along with all statutory required documents, including, without limitation, the HOA Budget, the Purchase/Sale Agreement, the HOA Articles & Bylaws, and the Declaration of Conditions, Covenants & Restrictions (CC&Rs).

BY PROVIDING THE INFORMATION REQUESTED IN THIS SURVEY, YOU ARE NOT COMMITTING YOURSELF TO ANY DECISION WITH RESPECT TO THE CHANGE IN OWNERSHIP, INCLUDING, WITHOUT LIMITATION, WHETHER YOU WANT TO RENT OR TO PURCHASE IF THERE IS A CHANGE IN THE FORM OF OWNERSHIP OF COLONY COVE MOBILE ESTATES



3. Within which category does your household's total gross income, before taxes, fall?
 [check one box below]

HOUSEHOLD SIZE AND INCOME LEVELS

Check One Box	Income Levels	1 Person Household	2 Person Household	3 person Household	4 person Household	5 person Household
	Very Low	Less than \$24,250	Less than \$27,700	Less than \$31,200	Less than \$34,650	Less than \$40,200
	Low	More than \$24,250 but less than \$38,800	More than \$27,700 but less than \$44,350	More than \$31,200 but less than \$49,900	More than \$34,650 but less than \$55,450	More than \$40,200 but less than \$59,900
	Moderate	More than \$38,800 but less than \$47,200	More than \$44,350 but less than \$53,900	More than \$49,900 but less than \$60,700	More than \$55,450 but less than \$67,400	More than \$59,900 but less than \$72,800
	Other	More than \$47,200	More than \$53,900	More than \$60,700	More than \$67,400	More than \$72,800

THANK YOU FOR YOUR TIME TO RESPOND TO THIS SURVEY!

Date: _____

Date: _____

Signature: _____

Signature: _____

Print Name: _____

Print Name: _____

Address: _____

Address: _____

Day Tele: _____

Day Tele: _____

This Survey does not constitute an offer to sell a condominium unit or any other real estate interest in Colony Cove Mobile Estates. An offer to sell can only be made after the issuance and delivery of the Final Public Report along with all statutorily required documents, including, without limitation, the HOA Budget, the Purchase/Sale Agreement, the HOA Articles & Bylaws, and the Declaration of Conditions, Covenants & Restrictions (CC&Rs).

BY PROVIDING THE INFORMATION REQUESTED IN THIS SURVEY, YOU ARE NOT COMMITTING YOURSELF TO ANY DECISION WITH RESPECT TO THE CHANGE IN OWNERSHIP, INCLUDING, WITHOUT LIMITATION, WHETHER YOU WANT TO RENT OR TO PURCHASE IF THERE IS A CHANGE IN THE FORM OF OWNERSHIP OF COLONY COVE MOBILE ESTATES

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Exhibit B

Colony Cove Mobilehome Park
Four (4) Year Rent Control

Space #	2002	2003	2004	2005	2006	Space #	03 Increase	04 Increase	05 Increase	06 Increase	Total 2003-2006	4-Year Average	CPI Increase
48	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	48	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
49	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	49	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
50	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	50	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
51	\$413.23	\$413.23	\$413.23	\$425.24	\$425.24	51	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
52	\$420.80	\$430.80	\$420.80	\$442.71	\$442.71	52	\$8.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
53	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	53	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
54	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	54	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
55	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	55	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
56	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	56	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
57	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	57	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
58	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	58	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
59	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	59	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
60	\$420.80	\$430.80	\$420.80	\$442.71	\$442.71	60	\$8.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
61	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	61	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.30
62	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	62	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.30
63	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	63	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.30
64	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	64	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.30
65	\$408.05	\$408.05	\$408.05	\$410.49	\$410.49	65	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
66	\$408.05	\$408.05	\$408.05	\$410.49	\$410.49	66	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
67	\$376.37	\$376.37	\$376.37	\$381.01	\$381.01	67	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
68	\$420.80	\$430.80	\$420.80	\$442.71	\$442.71	68	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
69	\$405.86	\$405.86	\$405.86	\$410.48	\$410.48	69	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
70	\$420.80	\$430.80	\$420.80	\$442.71	\$442.71	70	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
71	\$380.49	\$380.49	\$380.49	\$403.13	\$403.13	71	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
72	\$383.75	\$383.75	\$383.75	\$388.39	\$388.39	72	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
73	\$383.75	\$383.75	\$383.75	\$388.39	\$388.39	73	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
74	\$388.48	\$388.48	\$388.48	\$403.13	\$403.13	74	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
75	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	75	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
76	\$383.75	\$383.75	\$383.75	\$417.87	\$417.87	76	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
77	\$383.75	\$383.75	\$383.75	\$417.87	\$417.87	77	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
78	\$383.75	\$383.75	\$383.75	\$417.87	\$417.87	78	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
79	\$388.48	\$388.48	\$388.48	\$403.13	\$403.13	79	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
80	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	80	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
81	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	81	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
82	\$442.71	\$442.71	\$442.71	\$447.35	\$447.35	82	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
83	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	83	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
84	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	84	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
85	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	85	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
86	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	86	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
87	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	87	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
88	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	88	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
89	\$383.75	\$383.75	\$383.75	\$398.39	\$398.39	89	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
90	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	90	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
91	\$408.05	\$408.05	\$408.05	\$410.49	\$410.49	91	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
92	\$383.75	\$383.75	\$383.75	\$417.87	\$417.87	92	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
93	\$352.38	\$352.38	\$352.38	\$357.00	\$357.00	93	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83
94	\$405.86	\$405.86	\$405.86	\$410.48	\$410.48	94	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.18	\$18.83

Mobilehome Rent Schedule - 4 Year Control 03-23-08 (Low Income) class



Colony Cove Mobilehome Park
Four (4) Year Rent Control

2002	2003	2004	2005	2006	Space #	03 Increase	04 Increase	05 Increase	06 Increase	Total 2003-2006	Average	CPI
283	\$413.23	\$413.23	\$413.23	\$417.87	283	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
284	\$413.23	\$413.23	\$413.23	\$417.87	284	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
285	\$413.23	\$413.23	\$413.23	\$417.87	285	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
286	\$413.23	\$413.23	\$413.23	\$417.87	286	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
287	\$413.23	\$413.23	\$413.23	\$417.87	287	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
288	\$413.23	\$413.23	\$413.23	\$417.87	288	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
289	\$413.23	\$413.23	\$413.23	\$417.87	289	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
290	\$413.23	\$413.23	\$413.23	\$417.87	290	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
291	\$413.23	\$413.23	\$413.23	\$417.87	291	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
292	\$413.23	\$413.23	\$413.23	\$417.87	292	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
293	\$413.23	\$413.23	\$413.23	\$417.87	293	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
294	\$413.23	\$413.23	\$413.23	\$417.87	294	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
295	\$413.23	\$413.23	\$413.23	\$417.87	295	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
296	\$413.23	\$413.23	\$413.23	\$417.87	296	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
297	\$413.23	\$413.23	\$413.23	\$417.87	297	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
298	\$413.23	\$413.23	\$413.23	\$417.87	298	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
299	\$413.23	\$413.23	\$413.23	\$417.87	299	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
300	\$413.23	\$413.23	\$413.23	\$417.87	300	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
301	\$413.23	\$413.23	\$413.23	\$417.87	301	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
302	\$413.23	\$413.23	\$413.23	\$417.87	302	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
303	\$413.23	\$413.23	\$413.23	\$417.87	303	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
304	\$413.23	\$413.23	\$413.23	\$417.87	304	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
305	\$413.23	\$413.23	\$413.23	\$417.87	305	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
306	\$413.23	\$413.23	\$413.23	\$417.87	306	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
307	\$413.23	\$413.23	\$413.23	\$417.87	307	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
308	\$413.23	\$413.23	\$413.23	\$417.87	308	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
309	\$413.23	\$413.23	\$413.23	\$417.87	309	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
310	\$413.23	\$413.23	\$413.23	\$417.87	310	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
311	\$413.23	\$413.23	\$413.23	\$417.87	311	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
312	\$413.23	\$413.23	\$413.23	\$417.87	312	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
313	\$413.23	\$413.23	\$413.23	\$417.87	313	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
314	\$413.23	\$413.23	\$413.23	\$417.87	314	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
315	\$413.23	\$413.23	\$413.23	\$417.87	315	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
316	\$413.23	\$413.23	\$413.23	\$417.87	316	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
317	\$413.23	\$413.23	\$413.23	\$417.87	317	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
318	\$413.23	\$413.23	\$413.23	\$417.87	318	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
319	\$413.23	\$413.23	\$413.23	\$417.87	319	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
320	\$413.23	\$413.23	\$413.23	\$417.87	320	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
321	\$413.23	\$413.23	\$413.23	\$417.87	321	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
322	\$413.23	\$413.23	\$413.23	\$417.87	322	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
323	\$413.23	\$413.23	\$413.23	\$417.87	323	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
324	\$413.23	\$413.23	\$413.23	\$417.87	324	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
325	\$413.23	\$413.23	\$413.23	\$417.87	325	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
326	\$413.23	\$413.23	\$413.23	\$417.87	326	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
327	\$413.23	\$413.23	\$413.23	\$417.87	327	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
328	\$413.23	\$413.23	\$413.23	\$417.87	328	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30
329	\$413.23	\$413.23	\$413.23	\$417.87	329	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$18.30

M:\ColonyCove\TR\Exhibit B - 4 yr rent control 06-23-06 (low-income).xls



Colony Cove Mobilehome Park
Four (4) Year Rent Control

Space #	2002	2003	2004	2005	2006	2007	2008	Average	2009
Space #	03 Increase	04 Increase	05 Increase	06 Increase	07 Increase	08 Increase	4 Year	2009	
	No Rental Space		No Rental Space		No Rental Space				
330	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$417.87	\$1.15	\$16.30	
331	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$417.87	\$1.15	\$16.30	
332	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
333	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$417.87	\$1.15	\$16.30	
334	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$403.13	\$1.15	\$17.86	
335	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$403.13	\$1.15	\$17.86	
336	\$383.75	\$383.75	\$383.75	\$380.39	\$380.39	\$380.39	\$1.15	\$17.01	
337	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.01	
338	\$391.11	\$391.11	\$391.11	\$385.75	\$385.75	\$385.75	\$1.15	\$17.33	
339	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
340									
341									
342									
343	\$376.37	\$376.37	\$376.37	\$381.01	\$381.01	\$381.01	\$1.15	\$16.89	
344	\$393.75	\$393.75	\$393.75	\$398.39	\$398.39	\$398.39	\$1.15	\$17.01	
345	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
346	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
347	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
348	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
349	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
350	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
351	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$417.87	\$1.15	\$16.89	
352	\$376.37	\$376.37	\$376.37	\$381.01	\$381.01	\$381.01	\$1.15	\$17.01	
353	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
354	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
355	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
356	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
357	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
358	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
359	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
360	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
361	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
362	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
363	\$383.75	\$383.75	\$383.75	\$386.30	\$386.30	\$386.30	\$1.15	\$17.33	
364	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
365	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$410.49	\$1.15	\$17.56	
366	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.16	\$18.95	
367	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.16	\$18.95	
368	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.16	\$18.95	
369	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.16	\$18.95	
370	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$417.87	\$1.16	\$18.30	
371	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.15	\$18.95	
372	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.15	\$18.95	
373	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.15	\$18.95	
374	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.15	\$18.95	
375	\$427.88	\$427.88	\$427.88	\$432.82	\$432.82	\$432.82	\$1.15	\$18.95	
376	\$420.80	\$420.80	\$420.80	\$425.24	\$425.24	\$425.24	\$1.15	\$16.93	

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Colony Cove Mobilehome Park
Four (4) Year Rent Control

Space #	Total 2003 -					4-Year Average	CPI Increase
	2002	2003	2004	2005	2006		
377	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
378	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
379	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$1.16	\$18.30
380	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$1.16	\$18.30
381	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
382	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
383	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
384	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88
385	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
386	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
387	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
388	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
389	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88
390	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
391	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
392	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
393	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
394	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
395	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
396	\$420.80	\$420.80	\$420.80	\$425.24	\$425.24	\$1.16	\$18.63
397	\$420.80	\$420.80	\$420.80	\$425.24	\$425.24	\$1.16	\$18.63
398	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
399	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
400	\$420.80	\$420.80	\$420.80	\$425.24	\$425.24	\$1.16	\$18.63
401	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
402	\$413.23	\$413.23	\$413.23	\$417.87	\$417.87	\$1.16	\$18.30
403	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
404	\$420.80	\$420.80	\$420.80	\$425.24	\$425.24	\$1.16	\$18.63
405	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
406	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
407	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
408	\$435.34	\$435.34	\$435.34	\$439.98	\$439.98	\$1.18	\$18.95
409	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
410	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
411	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
412	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
413	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
414	\$435.34	\$435.34	\$435.34	\$439.98	\$439.98	\$1.18	\$18.95
415	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88
416	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88
417	\$427.98	\$427.98	\$427.98	\$432.62	\$432.62	\$1.16	\$18.85
418	\$420.80	\$420.80	\$420.80	\$425.24	\$425.24	\$1.16	\$18.63
419	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
420	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88
421	\$405.85	\$405.85	\$405.85	\$410.49	\$410.49	\$1.16	\$17.96
422	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88
423	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13	\$1.16	\$17.88

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Exhibit B

Colony Cove Mobilehome Park
Four (4) Year Rent Control

Space #	2003	2003	2004	2004	2008	2008	Space #	03 Increase	04 Increase	05 Increase	06 Increase	Total 2003-2008	4-Year Average	2008 CPI Increase
424	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13		424	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$17.98
425	\$405.85	\$405.85	\$405.85	\$410.48	\$410.48		425	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$17.98
426	\$405.85	\$405.85	\$405.85	\$410.48	\$410.48		426	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$17.98
427	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13		427	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$17.98
428	\$398.49	\$398.49	\$398.49	\$403.13	\$403.13		428	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$17.98
429	\$405.85	\$405.85	\$405.85	\$410.48	\$410.48		429	\$0.00	\$0.00	\$4.64	\$0.00	\$4.64	\$1.16	\$17.98

CPI Data - <http://www.bls.gov> - Urban Wage Earners and Clerical Workers

Aug-06 196.4
Aug-08 205.0

% increase in CPI for 08
4.38%

State Rent Control
Limits to CPI but not to exceed past 4 year average and no pass-throughs

Gold space numbers indicate low-income households



EXHIBIT C

Alternative Mobilehome Parks

Name of Park	Address	Telephone Number
Laco Mobile Home Park	22325 Main St. Carson, CA	(310) 835-7513
Vera Carson Mobile Home Park	21811 Vera St., Carson, CA	(310) 830-3900
Vista Del Loma Mobile Home Park	20600 Main St., Carson, CA	(310) 532-6650
Imperial Carson Mobile Home	21111 Dolores St, Carson, CA	(310) 830-2664
Park Avalon Mobile Estates	750 E. Carson St, Carson, CA	(310) 834-2039
Bel-Aire Park	21425 Avalon Blvd. Carson, CA	(310) 834-1240
Imperial Avalon Mobile Estates	21207 Avalon Blvd., Carson, CA	(310) 549-2350
Sunset Sails	219 E. Carson St., Carson, CA	(310) 835-1717
Country Estate	1502 E Carson St, Carson, CA	(310) 834-7109
Vera Carson Estates	21711 Vera St, Carson, CA	(310) 830-8800
Golden Rule	17700 Avalon Blvd, Carson, CA	(310) 327-8606
Coast Mobile Home Park	24815 Normandie Ave, Harbor City, CA	(310) 325-1500
Del Amo Mobile Home Park	4895 Oregon Ave, Long Beach, CA	(562) 422-2884
Royal Western Mobile Home Park	17705 S Western Ave, Gardena, CA	(310) 323-6703
Harbor City Mobile Home Park	760 Lomita Blvd, Harbor City, CA	(310) 834-5484
Skyline Mobile Home Park	2550 Pacific Coast Hwy, Torrance, CA	(310) 539-9008
Peter Pan Mobile Home Park	1100 W Alondra Blvd, Compton, CA	(310) 637-1568
Skylark Torrance Mobile Park	1820 Torrance Blvd, Torrance, CA	(310) 328-6381
Adobe Mobile Home Park	1424 W 135th St, Gardena, CA	(310) 327-1311
Adobe Mobile Home Park	1424 W 135th St, Gardena, CA	(310) 327-1311

CALIFORNIA GOVERNMENT CODE SECTION 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.

(5) The results of the survey shall be submitted to the local agency upon the filing of the tentative or parcel map, to be considered as part of the subdivision map hearing prescribed by subdivision (e).

(e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.

(f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:

(1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.

(2) As to nonpurchasing residents who are lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.

PART 9. MOBILEHOME PARK RESIDENTIAL CONVERSIONS

Sections:

- § 9209.1 Purpose. «Unamended section»
- § 9209.2 Applicability. «Unamended section»
- § 9209.3 Application Requirements. «Unamended section»
- § 9209.4 Tenant Notification. «Unamended section»
- § 9209.5 Tentative Map and Preliminary Parcel Map Approval. «Unamended section»
- § 9209.6 Effective Date of Decision and Appeals. «Unamended section»

§ 9209.1 Purpose.

«Unamended section»

The purpose of these provisions is to promote greater individual choice in type, quality, price and location of housing; to provide for the housing needs of all segments of the population; to provide increased homeownership opportunities for all segments of the population; to mitigate the hardship caused by displacement of tenants, particularly those in low to moderate cost housing and those who are elderly, families with minor dependent children, the handicapped and the disabled; to promote the safety of conversion projects and correction of Building Code violations in such projects; to provide adequate off-street parking; to encourage construction of new rental units to replace units lost due to conversions; to protect the existing rental housing stock by reducing conversions; to ensure that conversions of mobilehome parks to resident ownership are bona fide resident conversions in accordance with state law; and to generally regulate projects in accordance with applicable general and specific plans and with the public health, safety and welfare. (Ord. 06-1358, § 1; Ord. 08-1401, § 1)

§ 9209.2 Applicability.

«Unamended section»

The provisions of this Part shall apply to all mobilehome park conversions and all tentative maps and preliminary parcel maps submitted for consideration subsequent to the date upon which the ordinance codified in this Part becomes effective. (Ord. 06-1358, § 1)

§ 9209.3 Application Requirements.

«Unamended section»

A. Compliance with Law. A conversion project shall comply with the Division of Land regulations in Chapter 2 of Article IX of the Carson Municipal Code, the provisions of this Part, and local ordinances and other applicable State laws such as Government Code Sections 66427.5 and/or 66428.1.

B. Information Required. In addition to the information required by other applicable sections of this Code and other applicable law, the following information shall be submitted at the time of filing:

1. Building Plans. Building plans or other documents containing the following information pertaining to the project and certified as to its accuracy by a licensed engineer:

(a) A description of the features of the type of common area building and project, including age, type of construction, number of dwelling units, excluding manufactured housing units; and

(b) A site plan, including common area buildings, structures, open spaces, and accessory storage areas and buildings including trash storage areas, and the footprint of each manufactured housing unit and other dwelling unit (if applicable); and

(c) A parking plan, including the total number of spaces actually provided and the total number required at the time of the original entitlement of the mobilehome park if different from that actually provided; dimensions of stalls, aisles and driveways; locations of columns, walls

and other obstructions; and total number of covered and uncovered parking spaces and location and number of guest parking spaces; and

(d) A phase I and, if indicated from the phase I report, a phase II environmental report; and

(e) A soils report, if that same is required by the County of Los Angeles or indicated from the phase I report; and

(f) A Department of Real Estate budget (Form No. 623, as the same may be modified from time to time), which includes, but is not limited to, information regarding: (i) the condition of park infrastructure and common facilities and the necessity for any replacements of infrastructure and common area facilities or major repairs estimated for the remaining useful life; (ii) building component reports indicating conditions and estimated remaining useful life of the roof, foundation, plumbing, electrical, heating, air conditioning, other mechanical and structural systems, prepared by a registered civil or structural engineer, licensed general building contractor, licensed general engineering contractor or architect; (iii) a reserve study estimating the cost of replacing all these facilities over their useful life and a plan that provides adequate funding for same; and (iv) an estimate of the cost of all overhead and operating costs of maintaining the park, including, but not limited to, maintaining the park's open space areas over the next thirty (30) years; and

(g) Floor and elevation plans, including indications of common and private areas (excluding manufactured housing units) and required exits; and

(h) All existing building inspection reports (if any such report has already been submitted to the California Department of Real Estate, a copy of such report shall be furnished to the City); and

(i) A structural pest control report, prepared by a licensed pest control contractor for all common areas; and

(j) A utility report, if the spaces within a park are not individually metered, confirming (i) the existence of adequate utility services, and (ii) indicating the feasibility of individual or submetering, prepared by qualified engineers; and

(k) All legal documents confirming the legal status of the park, including, but not limited to, documents (i) prepared for and defining the powers and duties of the proposed homeowners' association, including articles of incorporation, bylaws, and conditions, covenants and restrictions; and (ii) any notice(s) from the Department of Housing and Community Development of claimed violations; and (iii) a general title report.

2. Survey of Residential Support. A survey of residential support conducted in compliance with subdivision (d) of Government Code Section 66427.5. The subdivider shall demonstrate that the survey was conducted in accordance with an agreement between the subdivider and an independent resident homeowners' association, if any, was obtained pursuant to a written ballot, and was conducted so that each occupied mobilehome space had one (1) vote. The completed survey of resident support ballots shall be submitted with the application. In the event that more than one (1) resident homeowners' association purports to represent residents in the park, the agreement shall be with the resident homeowners' association which represents the greatest number of resident homeowners in the park. For purposes of determining whether a proposed conversion is a bona fide resident conversion, the following criteria shall be used:

(a) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 shows that more than fifty (50) percent of resident households support the conversion to resident ownership, the conversion shall be presumed to be a bona fide resident conversion.

(b) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 shows that at least thirty-five (35) percent but not more than fifty (50) percent of residents support the conversion to resident ownership, the subdivider shall have the burden of demonstrating that the proposed conversion is a bona fide resident conversion. In

such cases, the subdivider shall demonstrate, at a minimum, that a viable plan, with a reasonable likelihood of success as determined by the decision maker, is in place to convey the majority of the lots to current residents of the park within a reasonable period of time.

(c) Where the survey of resident support conducted in accordance with Government Code Section 66427.5 shows that less than thirty-five (35) percent of residents support the conversion ownership, the conversion shall be presumed not to be a bona fide resident conversion.

3. Tenant Impact Report. The tenant impact report shall include all information required by State law or by the provisions of this Part, including the following:

(a) Identify the anticipated timetable for compliance with Government Code Section 66427.5(a); and

(b) Identify the method and anticipated timetable for making rent determinations required by Government Code Section 66427.5(f)(1); and

(c) Identify the number of tenants likely to be determined to be subject to Government Code Section 66427.5(f)(1); and

(d) Upon conversion, identify the number of tenants likely to be determined to be subject to Government Code Section 66427.5(f)(1) during the period within five (5) years following conversion; and

(e) Upon conversion, identify the number of tenants likely to be determined to be subject to Government Code Section 66427.5(f)(2); and

(f) Upon conversion, and during the period within five (5) years following conversion, identify the number of tenants likely to be determined to be subject to Government Code Section 66427.5(f)(2); and

(g) Include an analysis of the then-feasible mitigation measures to mitigate adverse impacts of the conversion on the ability of the mobilehome park residents, if such residents so choose, to find adequate comparable replacement space in a mobilehome park. The mitigation measures shall include all measures appropriate to assure that residents: (i) are not displaced by being given a reasonable opportunity to purchase in the park; or (ii) if displaced, through relocation assistance services, are substantially likely to be relocated to a comparable mobilehome park; and

(h) Include a survey of resident support meeting the requirements of Government Code Section 66427.5; provided, that the agreement between the subdivider and a resident homeowners' association shall be subject to reasonable review by the City prior to approval by any resident homeowners' association; and

(i) Include an analysis of how the subdivider will avoid the displacement of nonpurchasing tenants by providing the phased increase to market rent as outlined in Government Code Section 66427.5, and include the same in its tenant notice; and

(j) Include a showing that any assistance being provided to tenants to assist with housing purchase and the extent to which such assistance will be likely to permit purchase by eligible tenants, including, as applicable, assistance from private and public sources, including Federal and State. The subdivider shall meet with the City's Redevelopment Agency staff and/or Housing Division staff to determine the resources in any public housing funding which may be set aside to assist in purchase, including the conditions of such assistance and which tenants can qualify and include this information in the report.

4. Resident Information. The following information shall be requested, but cannot be required, for all existing residents:

(a) Name and address of each resident; and

(b) Household size and total number of project occupants; and

(c) Consistent with Government Code Section 66427.5(f)(2), the subdivider shall provide a rent schedule for four (4) years preceding the application date and relocation assistance plan, if any, or if required by law; and

(d) Information concerning the number of residents in the park who are moderate-income, low-income, and very low-income persons as defined by the U.S. Department of Housing and Urban Development; and

(e) Information concerning the number of residents in the park who are disabled or handicapped; and

(f) Information concerning the number of the residents in the park who are senior citizens as defined by law.

5. Required Submittals and Notices. No application for tentative map or preliminary parcel map approval of a residential conversion project or a residential-to-other-use conversion project shall be accepted until the filing of the tenant impact report as required in subsection (B)(2)(g) of this Section and without adequate evidence from the subdivider that each resident of the project has received notice of the application as of the date of application and notice of the relocation assistance provisions of CMC 9209.4. Any person who becomes a resident of a residential rental unit proposed for conversion project after the date of such application shall be given written notice by the subdivider of the pendency of such application prior to entering into any written or oral rental agreement. (Ord. 06-1358, § 1; Ord. 08-1401, § 2)

§ 9209.4 Tenant Notification.

«Unamended section»

A. Notice of Tenant Impact Report. The subdivider shall give existing residents a copy of the tenant impact report within fifteen (15) days of the completion of such report, but not later than fifteen (15) days before the first public hearing pursuant to CMC 9209.5, and shall also provide a copy to new or prospective residents prior to acquiring their interest after the initial distribution of such report.

B. Notification of Exclusive Right to Purchase. In addition to all notification requirements by other provisions of State law, and by other applicable law, the subdivider shall give each resident of any proposed residential conversion project written notice of an exclusive right to contract for the purchase of the dwelling unit occupied by the tenant or purchase of a share in the corporation entitling the shareholder to enjoy exclusive occupancy of the unit upon the same or more favorable terms and conditions than those on which such unit or share will be initially offered to the general public. The right shall run for a period of not less than ninety (90) days from the issuance of the subdivision public report pursuant to California Business and Professions Code Section 11018.2, unless the subdivider receives prior written notice of the resident's intention not to exercise such right.

C. Residential Conversion Project – Notification of Right to Continue Residency as a Resident. In addition to all notification requirements by other provisions of this Code and by other applicable law, the subdivider shall give each resident of any proposed residential conversion project written notice of the right to continue residency as a tenant in the park as required by Government Code Section 66427.5(a). (Ord. 06-1358, § 1)

§ 9209.5 Tentative Map and Preliminary Parcel Map Approval.

«Unamended section»

A. Maps Subject to General and Specific Plans and City Ordinances and Applicable Law. All tentative maps and preliminary parcel maps filed in connection with residential conversion projects shall be subject to the Division of Land Regulations contained in Chapter 2 of Article IX of the Carson Municipal Code, except as herein otherwise provided, all City ordinances and other applicable law. All such maps shall be subject to the general plan and any applicable specific plan. Pursuant to Government Code Sections 66427.5(e) and 66474, the Planning Commission and/or City Council are authorized to approve, conditionally approve, or disapprove a map. The Planning Commission and/or City Council may impose such other conditions in

excess of those provided in this Part as are reasonably necessary to protect the public health, safety and general welfare.

B. Inconsistent with General or Specific Plans. The Planning Commission and/or City Council shall disapprove a tentative map or preliminary parcel map for a residential conversion project as required in the City's Division of Land Regulations contained in Chapter 2 of Article IX of the Carson Municipal Code and Government Code Section 66474.

C. Inconsistent with Zoning and Land Pattern. The Planning Commission and/or City Council shall disapprove a tentative map or preliminary parcel map for a residential conversion project where the conversion would be inconsistent with either the existing zoning pattern or land use pattern, unless it finds that there are special circumstances which justify approval of the map. Such circumstances may exist only with respect to the following facts: (i) the prevailing pattern of residential and other land use in the vicinity of the project site; and (ii) the existing and anticipated need for other use development in the planning area in which the project is located.

D. Violations of Code. The Planning Commission and/or City Council shall disapprove a tentative map or preliminary parcel map for a residential conversion project if it finds that there are uncorrected violations of this Code, or that the conversion plan will not protect the health and safety and general welfare of residents, and that an adequate plan to correct such violations or to correct the factors adversely affecting health and safety has not been developed or accomplished.

E. Inadequate Tenant Impact Report. The Planning Commission and/or City Council shall disapprove a tentative map or preliminary parcel map for a residential conversion project if it finds that the tenant impact report is inadequate under the terms of Government Code Section 66427.5 or the provisions of this Part. (Ord. 06-1358, § 1)

§ 9209.6 Effective Date of Decision and Appeals.

«Unamended section»

The decision of the Planning Commission shall become effective and final fifteen (15) days after the date of its decision unless an appeal is filed in accordance with CMC 9173.4. An appeal shall be considered by the Council as provided in CMC 9173.4. (Ord. 06-1358, § 1)



Colony Cove Conversion Committee The 4 C's

1000 AVALON BLVD SPC 28

CARSON CA 90746

Christine Gaunder, Chairperson

Michigaunder@yahoo.com

August 4, 2009

Planning Commissioners
City of Carson CA

Attached please find a summary of the results the CCCC obtained from a Questionnaire completed by the majority of the residents in 2006-2007. If those results don't show that the conversion that James Goldstein is requesting is totally unwanted by the residents of Colony Cove, then please also consider the below communication.

The *INTENT* of AB 930, coming directly from those who know, namely former head of the Senate Select Committee on Mobile and Manufactured Homes Joseph Dunn and Mr. John Tennyson, Legislative Consultant on mobile home law and mobile home law aficionado, was to provide a Survey of Support in which the residents would determine whether or not they supported a proposed conversion. If the Survey of Support showed that the residents did not support said conversion, then the conversion would be considered a sham conversion and not a bona fide conversion...and thus would not be permitted. "The survey results must be considered when the local government holds a hearing on the conversion application..."

If the Survey of Support was not intended to be used to determine whether a conversion was bona fide or a sham, then why bother to call it a Survey of SUPPORT? If it wasn't intended to show whether or not the residents supported a conversion (and then used as a basis for not converting), why not just call it a "Survey That We're Not Really Going To Pay Any Attention To"? It's just common sense that a survey called a Survey of Support means that a determination on the outcome of a conversion will be made once the residents vote as to whether they support the conversion or not.

The residents of Colony Cove have shown and stated over and over again that they do NOT support the condo conversion of Colony Cove. We do NOT want Colony Cove to turn into another El Dorado. Consider these statistics from El Dorado, which could easily be duplicated -- and worse -- at Colony Cove if we were to be converted:

- . Four years after the conversion, only 227 of El Dorado's 377 spaces have been purchased.
- . About 40 homeowners simply abandoned their spaces, thereby losing almost all of their invested equity in their homes.
- . Only 46 [12 percent] of El Dorado's 377 spaces received the 3 percent — MPROP loans, which Attorney Close falsely claims are easily available, and they only covered part of their purchases.
- . 150 homeowners have not purchased their spaces; they either continued to rent or were forced to abandon their spaces, thereby losing the entire in-place value of their mobile homes.

EXHIBIT NO. 4



- Only 31 households qualified as low-income renters to remain on complete rent control. When they sell their homes someday, they will likely lose most of their financial investment.
- Those homeowners who had to obtain private financing to buy their spaces are now paying about \$600 to \$750 per month or more on their space mortgages. When added to their new \$290 monthly HOA fees and taxes, they monthly space costs increased to \$905-\$1,017 per month, more than double the rent that they had been paying under rent control.
- Residents who continued to rent and then tried to sell their homes got virtually NOTHING for their homes...\$2,000 maximum! Since Colony Cove has more residents on low incomes than El Dorado, most would choose to continue to rent because they don't feel they can afford any monthly payments. If/when they decided to sell, they would get nothing for their investment.
- Currently, the El Dorado owner owns 51 formerly occupied (now vacant) spaces and 99 rented spaces. Residents own 226 spaces. The HOA fees have been increased twice. With the expiration of the four-year rental adjustment period, rents were increased this year to a new level for the non-low-income space renters.

The residents of Colony Cove urge you -- and respectfully request -- that you deny the conversion of Colony Cove Mobile Estates.

Thank you.

Sincerely,

Christine Gaunder

Christine Gaunder
Chairperson, CCCC

Attachments

TABULATION OF COLONY COVE QUESTIONNAIRES

of Questionnaires distributed = 403

of Questionnaires received = 321

Based on deaths, other vacancies, newly moved in residents, etc., the total # of Questionnaires that could have been returned was 383. The 321 total that was received thus represents 84% of the residents of Colony Cove.

AGE	%
Under 55	3.8
55-59	13.7
60-64	18
65-69	16
70-74	17.8
75-79	14
80-84	9.8
85+	6.9
YEARS IN CCME	%
0-4	26.8
5-9	23
10-19	24.6
20-24	13
25+	12.6
INCOME LEVEL	%
Low to Very Low	84
*Other	16
MORTGAGE	%
Yes	30
No	70

*More than \$38,300 for 1
 more than \$44,350 for 2
 more than \$49,900 for 3

IN FAVOR OF CONVERSION	%
YES	Zero
NO	>99%
Undecided (3 total)	<1%

Not all questions were answered by everyone except the one regarding conversion. The non responses were figured in to make the results as accurate as possible. Here are the numbers of respondents who didn't answer the listed questions:

AGE - 5

YEARS IN COLONY COVE - 8

INCOME - 29

MORTGAGE - 30

In regard to the question, "Has your health or state of mind been at all adversely affected since the talk of conversion began?" as already stated, that brought responses from 67 of the 151 respondents who returned that particular Questionnaire. I thought you might be interested in some of the comments. They are listed on the attached sheet. ****NOTE: The last 3 comments were actually submitted this year, 2009.**

Please remember that responses...and thus percentages...would/may change if the Questionnaire were answered today. People in the various age categories have obviously gotten older; new residents have moved in, and other residents have died or moved away.

The qualifying amounts for income categories have changed -- lowered. That, coupled with the fact that the economy is in the tank and many people have lost jobs, would likely increase the number of residents in here on low to very low incomes... conceivably above 90%. Even if it' remained at "only" 84%, it's still an overwhelming majority of the Park.

Sheri and Bill,

Let me say first that the residents wanted me to tell you above all else (something that I know you already know) -- we do not want the conversion. That having been said and understood, these are the concessions or incentives that we all came up with today in case the conversion is unavoidable (not necessarily listed in order of importance, except for #1):

1) Colony Cove will not be changed to a family park. With 77 million baby boomers expected to retire within the next 10 years, Goldstein should want to keep this an over-55 park in order to tap into that huge market. (It was the consensus that we would possibly agree to at least maintain it as an adult park, meaning over age 45. The biggest concern is that we do NOT want children/teenagers in Colony Cove.)

2) Park Upgrades/Improvements. The Applicant agrees to the following AND the residents will not be charged for said upgrades or improvements in any type of rent increase, including a capital improvements increase:

- Shepherd's Crook installed around the entire perimeter of Colony Cove
- Sewer repair throughout the entire Park
- Water lines repaired
- All shut-off lines upgraded and repaired
- No electronic gate at the front entrance
- Installation of a second entrance/exit (which could be an electronic gate). One is not sufficient or practicable, especially since CHV has three, and we were supposed to get a second entrance/exit at the time that the Home Depot Center was being built.
- Repair of all cracked, etc., driveways and cement foundations on which some homes sit
- (Other items were mentioned, but I don't know that they really fall under this request, because, to me, they're more of an maintenance or an internal problems. The people who brought them up are just disgusted, I think, because they've been talking about them for years with management, and the problems are never resolved. So I'll throw them in here just for the heck of it: A/C in exercise room needs to be set lower or fixed so that it

works properly, and another vent needs to be added to the room for better cool air circulation; stop signs need to be put at EVERY intersection...and more predominantly than they are now [i.e., some are in flower pots, which get moved around]; boundary markers placed on the four perimeters of every space so there's no question as to where one lot ends and another begins.)

3) Purchase Price Discount. A 25% discount of the purchase price will be given to residents who open escrow on their space within the first 60 days that the spaces are offered for sale. A 15% discount will be given to residents who open escrow in the second 60 days. Low income households will remain eligible for the discount from the initial purchase price until MPROP funding options are exhausted, providing the escrow funding was opened within the time period.

4) Space Purchase Price. Purchase price shall not exceed the Park owner's original purchase price (approximately \$56,000 per space) plus 10%.

5) Increased Fixed Purchase Price Period. The Applicant shall lengthen the fixed purchase price period from 90 days to one (1) year. The price shall remain fixed until the loan closes.

6) Additional Moderate Income Rent Increase Protections. The moderate-income resident will have their rent increased over six (6) years rather than the four (4) years provided by the Government Code.

7) Additional protection for residents whose income is reduced from Moderate to Low Income. If a moderate-income resident becomes a low-income resident within the first six (6) years of the 6-year rent increase period, they shall have the then monthly base rent paid by the resident be subject to the lower income rate increases. There will be no stipulation limiting this protective measure to only a certain number of households.

8) City Financing. The City will amend the First Time Home Buyer's Program to allow motilehomes and mobilehome spaces to be financed through the program, shall raise the maximum loan amount to \$150,000.00, and provide 3% -- or prevailing rate, whichever is lower -- financing for low-income residents who qualify for the State's Mobilehome Property Resident Ownership Program (MPROP).

9) Owner Financing. The owner shall provide financing (we don't know if \$10 million is adequate...that's why we're leaving the amount open) for low and moderate income residents, utilizing underwriting guidelines that are comparable to the FTHBP administered by the City. The owner's financing commitment will match the funds provided by the FTHBP. The loan will be at 3% (or the lowest prevailing rate) simple interest with a 30-year term. This loan will have all payments of interest and principle deferred until the unit transfers. No prepayment penalties.

10) Mobilehome Residency Law. The Applicant agrees that homeowners who continue to rent will maintain occupancy rights subject to any lease or written agreement and the Mobilehome Residency Law.

11) Membership Voting Rights. Only space-owner occupied residents will be given a vote. (Since residents who choose to continue renting still have to pay association fees, we considered asking for a representative vote on the Board of those residents. However, I don't know whether that is allowable under the Davis-Stirling Act or some other governing document.)

12) The State provisions related to rent control must be incorporated within the TIR, as they provide clear and understandable guarantees that low-income households will not lose rent control protections in the future.

13) Gross Income Exclusions. This item was discussed, but it seems as though there's much confusion and uncertainty (among the residents) as to what is considered "income" to determine what category each space falls under -- Low to Very Low or Moderate. Savings, taxes on inheritance or gifts, other owned property, etc. I'd be willing to wager that only a small fraction of the residents in Colony Cove would need to be concerned about assets or "extra monies" pouring in, but it was a question that was raised and discussed.

14) Downpayment Assistance. Silent Seconds. (Discussion of downpayment not to exceed 2% or no downpayments required.)

15) Tiered Rent Decontrol. This was discussed as a possible incentive to Goldstein for residents to negotiate other issues. In other words, people want to be able to possibly sell their homes now and know that they have a good chance of being sold. The fear revolved around AB 761 passing, and then when a resident attempted to sell their home, they wouldn't be able to, because no one would want to pay the increased rents that would be in place. To me, though, this was putting the cart before the horse, so I said I would include this suggestion as a possibility for future negotiations. If you want to find out more about it, I'd suggest you contact Spencer Haneline.

There was an agreement that we would be willing to meet again if you'd like further, future input. This was, as you know, a spur-of-the-moment meeting, so residents didn't have much of an opportunity to think and formulate ideas and suggestions. I hope this gives you a little to go on for Wednesday, though.

Christine

Some (note that they're just a sampling) Comments and Responses (to how health has been affected):

"Stress has shot my blood pressure way up and now taking two new medications to bring down."

"Excessive weight loss due to stress."

"Constantly worried and unable to sleep."

"I have a severe hatred for Goldstein and Loftin because they have broken my peace and tranquility. I've lost a lot of sleep!"

"Very stressful -- seeing doctors."

"We moved here thinking we could relax in our final years, but now we're confused and stressed about all this. We are not happy."

"Stress in my life every day since James Goldstein owns C.C."

"My golden years are gone, what a heck of a way to live out the years I do have left. I'm sure this act of conversion (causing me excess stress) has shortened my life span."

"Leave the senior citizens alone. They deserve to live a life without all this crap."

"Increase in high blood pressure due to stress."

"We paid off the mortgage this year. My wife was planning to retire next year, but now we'll have to work longer."

"It is an emotional drain on my mind and health. We have enough problems without the conversion problem."

"Nerves! Just leave things the way they are! We don't need to buy! Don't need a conversion!"

"I am a widow and worry constantly as to what my future holds."

"Absolutely -- both have been affected. It's always on my mind -- worry, worry, worry."

"I am sick and lost my job and just started a new one."

"Blood pressure up, anxiety. I cannot see where conversion will help anyone in the park. The only one who benefits is the owner. This seems totally unfair to me to cause so much hardship for one person's benefit."

"Driving me out of my mind. Stressed out totally."

"Yes, I am retiring next year, and this effects my future plans."

"Anything that involves change tends to be stressful for most people, myself included."

"5-year cancer survivor and don't need the stress."

"Yes, my peace of mind is no more. It is unfair that our plans for retirement have been thrown out the window. We will never receive a benefit back on this land purchase. We'll die and Goldstein gets it all."

"I have never been in such poor health."

"Yes, my wife has lupus, and the stress and anxiety has affected her greatly. This is devastating."

"I can't imagine myself getting a loan at my age (93) and income. I want things to stay the way they now are."

"Not knowing what the future holds is very stressful."

"We feel as though no one is listening to us or cares about what happens to us. My husband can't work anymore; I can't eat, and both of us worry to the point where it actually makes us sick."

"Like everyone else, we would like this matter stopped and put to bed so we can all -- all of us -- get on with our lives in peace and harmony. We didn't move in here just two years ago only to find out that the Park might be converted."

"We want to be left alone. Constant stress and anxiety."

"This just HAS to be elder abuse. This Goldstein bought Colony Cove knowing it was a senior park, and I'm sure he knew most of us were on low income. He's abusing some of his own (he doesn't look like a spring chicken) by knowing that he was going to convert it from the beginning."

"Doesn't anybody care about us seniors and those who live on low, fixed incomes? I'm totally stressed out about this...so much for living out our 'golden' years in peace."

"I thought I was stressed out at work. Now I have to come home to it, too, all because of the conversion."

"Was off of my blood pressure medication, but due to the conversion, I've had to start taking it again."

"I couldn't make the meeting last night because of a terrible migraine. I used to get an occasional headache, but ever since this conversion business began, I started getting migraines. They've become even worse lately."

"Have had many headaches, and also stomach problems since the condo conversion issue started."

"My stress levels have been so high lately that sometimes I honestly think I'm going to have a heart attack." (talking about the effects of conversion)

August 3, 2009

Planning Commission, City of Carson
c/o Carson Planning Department
701 E. Carson Street
Carson, CA 90745

Honorable Members of the Planning Commission:

**Subject: Planning Commission Hearing, August 11, 2009 regarding Tenant Impact Report (TIR),
Colony Cove Mobile Estates, RIGHT OF FIRST REFUSAL**

Sue Loftin reviewed the TIR for Colony Cove Mobilehome Park at a meeting for all residents on July 28, 2009. The Right of First Refusal in Section 6.2 changed my perception of how crucial timing would be for a resident considering buying their space.

I do not recall that "Right of First Refusal" was ever previously mentioned in any information provided by the Loftin Firm. I have only one reference to this in notes from a resident meeting on 7/30/06, when the Chairperson stated that right of first refusal was still being considered.

In a Q & A document from the Loftin Firm dated November 10, 2006 in response to questions from the residents, the following question and answer was included:

Q. Who owns a space if someone does not want to buy?

A. "The current Park Owner. The Park Owner, who will then be the owner of the space, will then be responsible for payment of association and other dues owing to the Homeowners Association and the existing Resident will continue to rent from the Owner of the space and upon sale of the mobile home by the current Resident the home and space will be sold the proposed buyer."

Many residents might still be assuming that the spaces are only available for sale to current residents. That would lead residents to think that they could live with the rent increases while they decide whether to buy or not. Obviously, that is not true any longer.

Section 6.2 of the TIR dated 7/28/09, Right of First Refusal states: "With reference to California Government Code Section 66459 and City of Carson Ordinance No. 06-1358, each Resident shall be informed that they have a ninety (90) day 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 ninety (90) day period each Resident shall have the exclusive right to decide whether or not to purchase a PUD/Condominium interest or continue to rent his or her Space."

Section 66459(c) referred to, but not spelled out in Section 6.2 above, explains explicitly that:

"(c) Any tenant of a condominium project, community apartment project, or stock cooperative project pursuant to this section shall be given at least 90 days' written notice of the intention to sell the rental unit to the general public..."

In addition, there are many other subsections in Section 66459 that might be superseded by the Settlement Agreement, but since this Section is referred to in its entirety in the TIR it should be examined carefully for conformance with the terms understood by the residents as to their right to stay in their home if they do not buy the space and, if subsections are not applicable, the specific subsections should be stated.

Many residents of Colony Cove followed the process during the Carson Harbor Village (CHV) conversion proceedings and attended the meetings because we knew we would face similar issues. I purchased a copy of the "Report to Mayor and City Council" dated September 4, 2007 including the "Settlement Agreement" and I sat through the Council hearing as the report was explained. Except for the discounts offered in the CHV Report for purchasing within shorter periods, no mention was made of the Right of First Refusal anywhere in the Report. When I read the TIR for Colony Cove, I personally thought of the 90 days as it applied to the discount packages rather than a deadline to purchase until I read the link to 66459(c) above. I realized that other residents might be under the same impression.

At the 7/28/09 resident meeting Sue Loftin assured the residents that "No one has to move no matter who owns the space; the resident would just pay rent to someone else". For instance: (1) a developer could buy every available space on day 91 (unless restricted as in the CHV Report), or (2) up to 404 members of the public could each buy a space (or two as restricted in the CHV Report), or a resident could buy the space of another resident as an investment. This would create a two-tier rent collection system (based on Sue Loftin's brief comment). The space would no longer be available for the resident to buy, but they would remain in their home and pay rent to the new owner.

If the Planning Commission approves the TIR as submitted, I believe that Right of First Refusal should be explained in detail in all interim documents distributed to residents, and especially in the Final Public Report and Settlement Agreement as follows:

- (1) A separate subheading entitled "Right of First Refusal" placed after the discounts (if any) are listed followed by the explanatory text as contained in the TIR for Colony Cove dated November, 2006 (provided to residents in July 2009);
- (2) Another subheading entitled "California Government Code Section 66459(c)" placed below item (1) followed by the explanatory text instead of being referenced including at least the first sentence regarding 90 day notice to sell to the general public and;
- (3) The conversion date as defined in Section 4.3 of the TIR should be spelled out, instead of referenced, to include at least the first sentence, "Conversion Date is defined as the date after the date of the issuance and delivery of the Final Public Report (Map Act Rent Date) and upon sale of the first unit."

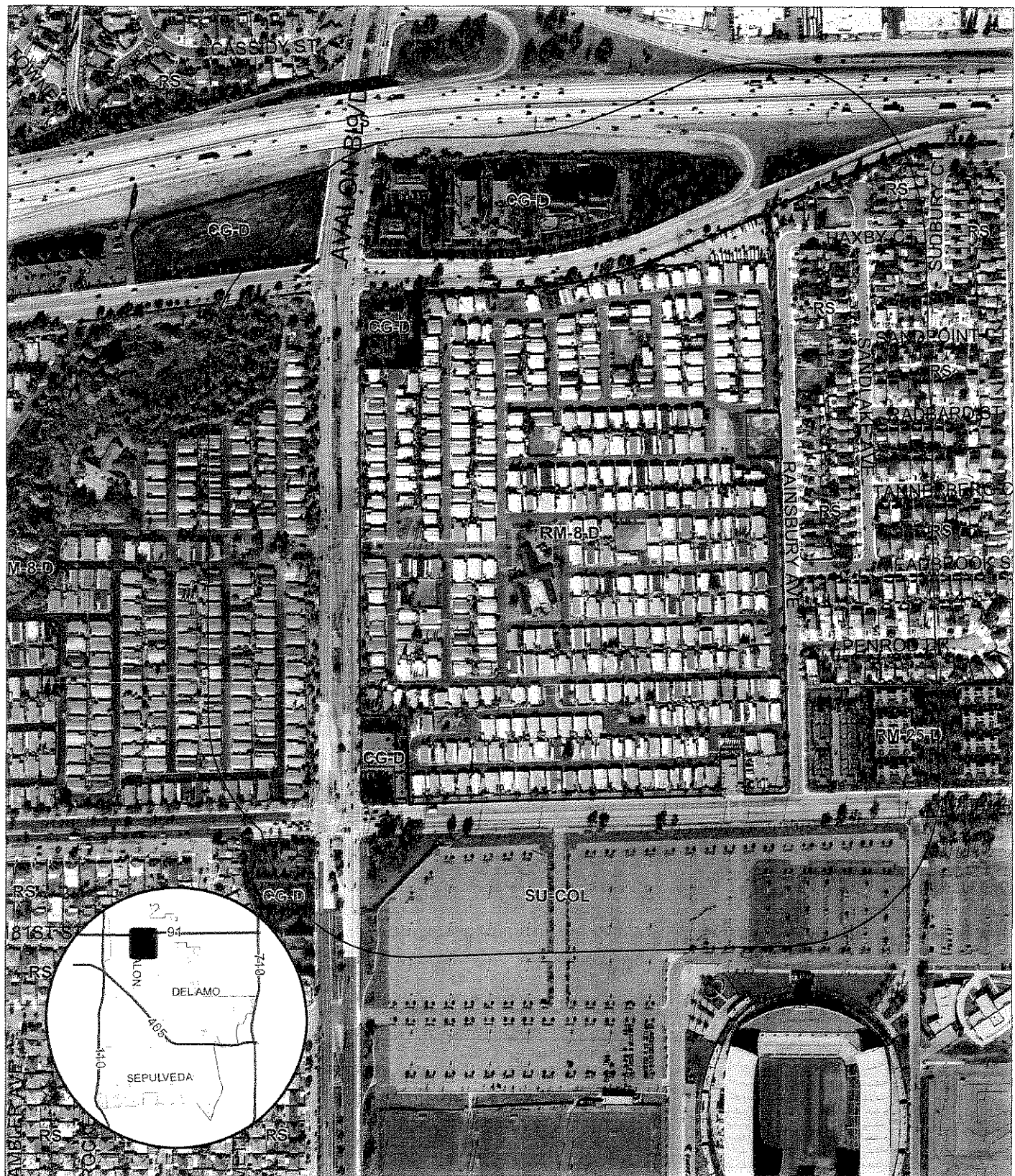
I firmly believe that this information is important to all residents, since low-income residents have options to purchase with financing assistance. Some residents might not have a computer or know where to find the referenced documents, thereby missing essential information.

All the above depends on pending legislation such as AB 566, and/or the Appellate Court decision on AB 930 in the Sonoma County appeal; whether either is retroactive, and whether the conversion is permitted and approved. However, since the conversion is in progress, this information should be presented in detail to correct any confusion among the residents.

Respectfully submitted,

Signed by Frances M. Mooney
Resident of Colony Cove Mobile Estates

cc: Steven Newberg, Associate Planner
Sheri Repp-Loadsman, Planning Manager



City of Carson
17700 Avalon Blvd

Exhibit 7

CITY OF CARSON
PLANNING COMMISSION

RESOLUTION NO. 09-

**A RESOLUTION OF THE PLANNING COMMISSION OF
THE CITY OF CARSON DENYING TENTATIVE PARCEL
MAP NO. 067049 FOR THE CONVERSION TO RESIDENT
OWNERSHIP OF COLONY COVE MOBILE ESTATES
LOCATED AT 17700 AVALON BOULEVARD**

**THE PLANNING COMMISSION OF THE CITY OF CARSON, CALIFORNIA,
HEREBY FINDS, RESOLVES AND ORDERS AS FOLLOWS:**

Section 1. An application was duly filed by the applicant, Colony Cove Properties, LLC, with respect to real property located at 17700 Avalon Boulevard and described in Exhibit "A" attached hereto. The application requests approval of Tentative Parcel Map No. 067049 to convert an existing 404-unit mobilehome rental park ("Colony Cove Mobilehome Park") to a nominal residential ownership park in the RM-8-D (Residential, Multi-family – 8 units per acre – Design Overlay) zone.

Section 2. A public hearing was held, in conformance with law, on August 11, 2009, at 6:30 P.M. at City Hall, Council Chambers, 701 East Carson Street, Carson, California. Notice of the time, place and purpose of the aforesaid meeting was duly given pursuant to applicable law. Evidence, both written and oral, was duly presented to and considered by the Planning Commission at the aforesaid meeting.

Section 3. The Planning Commission finds that:

1. Mobile home park units comprise approximately 9% of the City of Carson's ("City") total households with 2,405 senior and family households located in 23 mobilehome parks citywide.
2. Based on a survey conducted by the City in or about October of 2005, approximately 79% of the mobile home park residents within the City are low-income or very low-income households as defined by United States Department of Housing and Urban Development.
3. Based on a survey conducted by the City in or about October of 2005, approximately 14% of the mobile home park residents within the City are moderate income households as defined by United States Department of Housing and Urban Development.
4. Based on a survey conducted by the City in or about October of 2005, approximately 39% of the mobile home park residents within the City are senior citizens.
5. Based on a survey conducted by the City in or about October of 2005, approximately 49% of the mobile home park households within the City have a disabled member.
6. Approximately 80% of the City's affordable housing units are located within the mobile home parks.



7. Mobile home parks provide a significant pool of affordable housing for very low, low, and moderate income families, senior citizens, and the disabled residents in the City.
8. Approximately 80% of the Colony Cove's residents are low-income or very low-income households as defined by United States Department of Housing and Urban Development.
9. Approximately 15% of the Colony Cove's residents are moderate income households as defined by United States Department of Housing and Urban Development.
10. Colony Cove is currently designated as a senior mobilehome park and the vast majority of households are senior citizens.
11. The General Plan Housing Element Goal H-4 is "Protection of the supply of affordable housing." Policy No. H-4.4 states "The City should limit the conversion of affordable rental units to ownership units." Implementation Measure No. H-IM-4.2 states in part, "Protection of mobile home park tenants. ...Mobile home parks constitute a significant portion of the low- and moderate-income housing in the City. The City has rent control for mobile home spaces only..."
12. The General Plan's current Housing Goals and Policies, specifically goals H-3 and H-4 provide that the City shall seek to provide an adequate supply of housing for all economic segments of the City and the City shall protect and preserve the existing supply of affordable housing. H-4.3 specifically holds that the City's policy is to "[e]ncourage the preservation of affordable rental housing."
13. The 1999-2005 Action Plan from the Housing Element includes:
 - Continue to require rent control for the City's mobile home parks.
 - Assist with mobile home park rehabilitation or conversion to ownership housing if appropriate and/or feasible.
 - Assess the reasons for mobile home park closures and assist mobile home park owners in finding a solution to resist closure.
14. Separate from the policies and goals in the City's General Plan, the City's overall goal is to preserve low and moderate-income housing throughout the City.
15. The proposed subdivision is inconsistent with the above polices and goals of the City's General Plan, and will not advance the City's overall goal to preserve low and moderate-income housing. The proposed subdivision will not maintain the existing supply of affordable mobilehome spaces because, under state law (Gov. Code § 66427.5(f), upon the vacancy of any rental condominium unit, rents to future residents will not be regulated to assure the same remain affordable to low and moderate-income renters, and upon the date of conversion, rents for non-purchasing non-low income renting residents will rise to market

rates not affordable to moderate or low-income residents. Purchasing residents will not be required to maintain their condominium unit as affordable.

16. The General Plan's Housing Goal and Policy H-4.4 states that the City shall "[l]imit the conversion of affordable rental units to ownership units." The proposed subdivision will not advance that goal because the proposed subdivision itself is a conversion of affordable rental units to ownership units. In general, and, in particular, the proposed subdivision will not maintain the existing supply of affordable mobilehome spaces for all economic segments of the City because, under state law, upon the vacancy of any rental condominium unit, rents to future residents will not be regulated to assure the same remain affordable to all economic segments of the City, and upon the date of conversion, rents for non-purchasing non-low income renting residents will rise to market rates not affordable to all income segments of the City. Purchasing residents will not be required to maintain their condominium unit as affordable. Nothing in the proposed subdivision either encourages the preservation of affordable rental housing or limits the conversion of affordable rental units to ownership units.

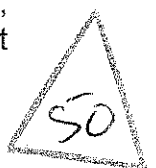
17. The City of Carson is currently preparing an update to the General Plan Housing Element. The Southern California Association of Governments (SCAG) has developed the Final Regional Housing Need Allocation (RHNA) for the 2006-2014 period. SCAG's adopted 2007 Final RHNA figures identify an overall construction need of 1,812 new units in Carson. The city will also analyze the extent to which low income rental units are at risk of becoming market rate housing.

18. Pursuant to City of Carson's Municipal Code § 9209.5(B) the Planning Commission and/or City Council shall disapprove a tentative map or preliminary parcel map for a residential conversion project, if it finds that the map is not substantially consistent with the provisions of the City's General Plan or any applicable specific plans.

19. Approving this application is, therefore, inconsistent with the General Plan housing goals and policies.

20. The legislature has adopted AB-930 (Stats 2002 Ch. 1143, § 1), adding the requirement that an applicant for a discretionary map "obtain a survey of support of residents of the mobile home park for the proposed conversions", and that the survey "be considered as part of the subdivision map hearing."

21. The legislature further declared: "It is the intent of the legislature to address the conversion of a mobile home park to resident ownership that is not a bona fide resident conversion, as described by the Court of Appeal in *El Dorado Palm Springs, Limited v. City of Palm Springs* (2002) 96 Cal. App. 4th 1153. The court in this case concluded that the subdivision map approval process specified in Section 66427.5 of the Government Code may not provide local agencies with the authority to prevent non-bona fide resident conversions. The court explained how a conversion of a mobile home park to resident ownership could occur without the support of residents and result in economic displacement. It is, therefore, the intent of the Legislature in enacting this act to ensure that



conversions pursuant to Section 66427.5 of the Government Code are *bona fide* resident conversions.”

22. The survey of support submitted by the applicant in the record before the Planning Commission established that, of the 404 spaces, there were 350 responses to the survey. Thirty-six of those responses indicated support for conversion; 329 of those responses indicated opposition to the conversion; 9 of those responses declined to state a position on conversion. The demonstrated level of resident support for conversion (at 10%) is insufficient to conclude, based upon substantial evidence from the record, that approval of the application will result in *bona fide* resident conversion as required by Gov. Code § 66427.5(d).

23. There is no evidence in the record that the survey of support was conducted in accordance with an agreement between the applicant and a resident homeowners association that is independent of the applicant or the mobilehome park owner as required by Government Code § 66427.5(d)(2).

24. The tenant impact report submitted by the applicant does not satisfy the requirements of Government Code § 66427.5(b) in that it fails to sufficiently report on the impact of the conversion upon residents of this park.

25. The tenant impact report concludes, without evidentiary support, that there will be no displacement of residents because the applicant will not exercise the right to terminate tenancies, and fails to acknowledge or consider the impact of rent increases on the continued financial viability of non-low income non-purchasing residents remaining as park renters following the date of conversion.

26. The tenant impact report fails to estimate the likely increase in rental rates on non-low income non-purchasing residents, or the impact of such rental adjustments on available disposable income, to determine if such rent increases as are allowed in Government Code § 66427.5 could or will result in short- or long-term resident displacement.

27. The tenant impact report concludes, without evidentiary support, that because the applicant has waived the right to terminate tenancies, there will be no non-low income non-purchasing resident displacement as a result of the conversion without considering whether the economic impact of annual rent increases may result in resident displacement.

28. The tenant impact report fails to address the availability of adequate replacement space in mobilehome parks because the report concludes, without evidentiary support, that because there will not be immediate terminations of tenancies by the applicant, there will be no displacement as a result of the application.

Section 4. Pursuant to Government Code Section 66474, the city shall deny approval of a parcel map if it makes *any* of the findings listed below. The Planning Commission, therefore, finds as follows:

- a) ***That the proposed map is not consistent with applicable general and specific plans as specified in Section 65451.***



Pursuant to the General Plan, the proposed subdivision map is not consistent with the density, goals, policies and objectives for low density residential development applicable to the property in question.

Section 5. Pursuant to Government Code Sections 66427, 66427.5, 66451, 66452 and the City of Carson Municipal Code Sections 9202.1 through 9209.6, the Planning Commission further determines as follows:

- a) That each resident of the park has received all applicable notices and rights now or hereafter required by Section 66427 and in Chapter 3 of the California Subdivision Map Act (commencing with Section 66451);
- b) That the applicant has failed to demonstrate that a survey of support was conducted in conformance with Government Code § 66427.5;
- c) That the applicant has failed to demonstrate that there is sufficient resident support for this application to support a finding that approval of this application is a *bona fide* resident conversion in conformance with Government Code § 66427.5;
- d) That the applicant has failed to comply with Government Code § 66427.5 in that the Tenant Impact Report fails to adequately consider the impact of the proposed conversion upon the residents of the park.
- e) The Tenant Impact Report submitted by the applicant does not satisfy the requirements of Government Code § 66427.5 in that it fails to address the availability of adequate replacement space in mobilehome parks.

Section 6. Pursuant to Section 15282(e) of the California Environmental Quality Act (CEQA), a conversion of a rental mobile home park to a condominium subdivision is deemed Exempt from further environmental review as the proposed project will generate no significant environmental impacts.

Section 7. Based on the aforementioned findings, the Commission hereby denies Tentative Parcel Map No. 067049.

Section 8. The Secretary shall certify to the adoption of the Resolution and shall transmit copies of the same to the applicant.

Section 9. This action shall become final and effective fifteen days after the adoption of this Resolution unless within such time an appeal is filed with the City Clerk in accordance with the provisions of the Carson Zoning Ordinance.

PASSED, APPROVED AND ADOPTED THIS 11th DAY OF AUGUST, 2009

CHAIRMAN

ATTEST:



SECRETARY