



# CITY OF CARSON

## PLANNING COMMISSION STAFF REPORT

**PUBLIC HEARING:** May 28, 2019

**SUBJECT:** Proposed Recommendation to City Council Amending Carson Municipal Code Chapter 9, Residential Property Report

**APPLICANT:** City of Carson

**REQUEST:** Proposed Recommendation to the City Council to Adopt Ordinance 19-1933 Amending Article V (Sanitation and Health), Chapter 9 (Residential Property Report) repealing the requirement of obtaining a Residential Property Report (RPR) via pre-sale inspections and related RPR processes

**PROPERTY INVOLVED:** City-wide

### COMMISSION ACTION

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

### COMMISSIONERS' VOTE

AYE	NO		AYE	NO	
		Chairman Pimentel			Palmer
		Vice-Chair Cainglet			Rahman
		Fe'esago			Rashad
		Madrigal			Valdez
		Mitoma			Alt. Diaz Alt. Hellerud Alt. Zuniga

***Item No. 7A***

## I. Introduction

In 1999, the City established the Residential Property Report (RPR) Program ("The Program") with the intent to preserve and improve the quality of neighborhoods in Carson. The Program identifies and generally requires correction of major building code and zoning violations of residential properties (e.g. houses, condominiums and apartments) by the seller prior to closing of escrow. This is accomplished by requiring pre-sale inspections conducted by the Building and Safety Division.

On July 19, 2016, at the direction of Mayor Robles, a RPR Ad Hoc Committee (Committee) was formed consisting of Councilmembers Davis-Holmes and Hicks. Mayor Robles requested the Committee to meet with Lourdes Everett and Irma Vasconcelos of the South Bay Association of Realtors' (SBAOR) and other interested parties to gather input, discuss their concerns about the Program and return with recommendations to the City Council.

The Committee has met several times to discuss the Program and considered various options to modify the Program. At their last meeting on June 12, 2018, the Committee agreed to recommend to the City Council to end the Program because the program duplicates the inspections to correct code violations that are conducted by the real estate professionals. In addition, this elimination will save City funds and reduces City's liability exposure.

On April 2, 2019, based on the recommendation of the Committee, the City Council directed staff to eliminate the Program and bring this matter before the City Council for decision. The City Council made the following requests (Exhibit No. 1):

- Send a letter to the South Bay Association of Realtors of this proposed change and provide the date for when this item will go before City Council for public hearing;
- Meet with the South Bay Association of Realtors representative(s) before this item goes before the City Council on June 18, 2019;
- Recommend removing County liens/notes on all properties;
- Include a checklist consisting of a realtor's responsibilities to ensure all code violations are addressed by the real estate professionals; and
- The City remains obligated to be responsible for overseeing and managing illegal garage conversions and additions.

The Planning Commission will consider making a recommendation to the City Council to discontinue the RPR requirement via pre-sale inspections and related RPR processes.

The recommendation includes adopting Ordinance No. 19-1933 which repeals Ordinance Nos. 99-1155 and 99-1173U, amends Article V (Sanitation and Health), Chapter 9 (Residential Property Report) Sections 5900 and 5912; and delete Sections 5901(d), 5902(A), 5903-5909, 5910(b)(c)(d) and 5913.

The recommendation is proposed via the Planning Commission Resolution (Exhibit No. 2), which incorporates the draft Ordinance as Exhibit No. 3 to this staff report.

## **II. Background**

The Program is a residential pre-sale inspection program that consists of three basic components:

### **1. RPR Notice Recordation**

In 2005, the City Council approved the recordation requirement. A notice is recorded against the title of residential properties to advise the stakeholders to obtain an approved RPR before the close of future escrow.

### **2. Inspections**

The Program currently requires exterior inspections of the properties and interior inspections of garages and other non-residential/non-habitable structures to determine structural additions, modifications, and alterations made without City approval. Most common violations include illegal garage conversions to habitable space, illegal room additions, and unpermitted structural changes. The violations identified during this process are the responsibility of the seller to correct before closing of escrow.

### **3. Property Remediation Agreement**

The Program allows the buyer to accept responsibility to correct the RPR violations after escrow closes with a Property Remediation Agreement ("The Agreement"). The buyer is required to deposit funds into an escrow account (usually with the same escrow holder that is handling the sale) ensuring compliance with the Agreement. The Program currently requires three bids to determine the amount to be placed in an escrow account to correct these violations. The escrow funds are released to the buyer upon compliance with the Agreement.

## **III. Analysis**

The Program also has unintended consequences: transaction delays, overlapping inspections, the process to allow the buyer to assume responsibility can be slow moving and costly, inconsistent notice title recordation results, and the City financial subsidy of the Program.

### **1. Transaction Delays**

Compliance with the Program, pre-sale inspections and the requirement to correct violations could necessitate escrow extensions and delay closing of escrow. Over the years, the City has adopted various statewide and countywide plumbing, electrical and fire code updates that require operable smoke and carbon monoxide detectors, GFCI (ground-fault

circuit interrupter), and water heater safety (e.g. earthquake strapping), etc. In response to these updates, the City has expanded the Program inspections into the interior of residential buildings. This expansion has caused some duplication with real estate inspections required by appraisers, agents, and home inspectors. The representatives of South Bay Association of Realtors identified seventeen (17) out of eighteen (18) RPR inspections as overlapping inspections between the RPR inspector, real estate agents, appraisers, and home inspectors (Exhibit No. 4).

2. Property Remediation Agreement: Cumbersome and Costly

A property remediation agreement allows the buyer to assume responsibility to clear the noted violations after the residential property sells. This process can be cumbersome, as it requires submitting three contractor bids to determine the cost of corrections. This process can be costly to the buyer as it requires a deposit equal to the cost of the corrections into escrow.

3. RPR Notice Recordation: Inconsistent Results

Over the years, the recordation has not been as consistent as expected because sales of properties have occurred through auctions, online sales, or ordinary sales by agents without an approved RPR, resulting in inconsistent application of the Program.

4. Fiscal Responsibility: End City Subsidy to the Program

Sellers of properties file the Program application and pay the associated fee to ensure compliance with the Program. The \$150 fee (e.g. for single-family house) only pays for a portion of staff time that administers the Program. For the 2017-2018 fiscal year, the cost to operate the Program was approximately \$232,000 (this includes staff time). According to staff's analysis, the revenue generated was \$81,525 resulting in the Program operating at an approximate \$150,475 deficit.

With the elimination of the Program, the City Council has emphasized identification and elimination of unpermitted additions and garage conversions. In addition, the City Council directed staff to remove the RPR Notices from residential properties.

*Unpermitted Garage Conversions and Additions*

The Council asserted that the City shall continue its oversight of abating illegal garage conversions and additions. Observed violations and submitted complaints regarding these concerns shall be handled by the Public Safety Division through Code Enforcement action.

The Public Safety Department's Code Enforcement generally has a three-step process for these type of violations:

- Step 1  
Issue a Warning Notice requesting to correct the violation;

- Step 2  
Issue an official Notice of Code Violation consisting of a deadline to correct the violation if unresponsive to the Warning Notice; and
- Step 3  
Legal action: Citation to go to court if uncooperative to correcting the violation

#### *Notice Recordation*

The Council has directed staff to remove the RPR Notices from the titles of the City's residential properties. According to the Los Angeles County Recorder's Office, the cost to remove the notices is \$8.00 per parcel. Records show about 21,110 properties were recorded with the RPR Notices in 2005 and there are currently 22,897 residential properties in Carson (source: GIS). The cost to remove the Notices from all residential properties is approximately \$183,176.

Since the cost of removing all notices at the same time is considerable, staff would like to offer the following less costly alternatives for to Planning Commission to consider and make a recommendation to the City Council:

- Option 1:  
*Do not remove RPR Notices:* Send a letter to the South Bay Association of Realtors and local escrow companies advising that the Program has ended. This option allows real estate professionals to share the information with their respective members.
- Option 2:  
*Do not remove RPR Notices:* Upon inquiries, staff will advise that the Program has ended and offer to provide a confirmation letter.
- Option 3:  
*Remove RPR Notices:* On a "case-by-case" basis upon the property owner's request, staff would remove the notice at a cost of \$8 per removal.

#### **IV. Conclusion**

The Program verifies that residential buildings meet certain zoning and building code requirements; and provides the buyer with an additional "set of eyes" prior to purchasing a home in Carson by providing a report on the condition of the property before purchasing a house.

On April 2, 2019, the City Council voted 4-0 agreeing to direct staff to bring back an ordinance eliminating the program. The City Council's decision was based on the following:

- Potential delays in transactions and close of escrow;
- Increased costs burden to buyers;

- Duplicity of inspection efforts by the City, realtors, appraisers, and home inspectors; and
- Negative Fiscal impact to the General Fund.

*Carson Municipal Code (CMC) Article 5, Chapter 9*

The following are the proposed amendments to the CMC, Residential Property Report Program, (Exhibit No 5).

5900 – Short Title	Amend, add Ord. 19-1933
5901 – Definitions	Delete 5901(d)
5902 – Required	Delete 5902(a)
5903 – Proof of Delivery	Delete
5904 – Application	Delete
5905 – Issuance	Delete
5906 – Scope of Inspection	Delete
5907 – Contents	Delete
5908 – Duration	Delete
5909 – Remediation of Property	Delete
5910 – Refunds, Fees and Penalties	Delete 5910(b), (c), (d)
5912 – City Immunity	Amend
5913 – Exemptions	Delete

**V. Environmental**

Pursuant to Section 15061(b)(3) the proposed Ordinance amendment is exempt from the California Environmental Quality Act (CEQA) since the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**VI. Public Notice**

Public notice was published in Our Weekly on May 16, 2019. The agenda was posted at City Hall 72 hours prior to the Planning Commission meeting.

**VII. Recommendation**

TAKE the following Action:

WAIVE further reading and ADOPT Resolution 19- recommending that the City Council Adopt Ordinance No. 19-1933 which Appeals Ordinance Nos. 99-1155 and 99-1173U; Amends Article V (Sanitation And Health), Chapter 9 (Residential Property Report) Sections 5900 and 5912; and Deletes Sections 5901(d), 5902(a), 5903-5909, 5910(b)(c)(d) and 5913 to eliminate the Residential Property Report (RPR) pre-sale application, inspection and related processes.

**VIII. Exhibits**

1. Post-Council Agenda CC 4-2-2019 (excerpt)
2. PC Resolution No. 19-
3. Draft City Council Ordinance No. 19-1933
4. RPR Checklist Comparison to Real Estate Professionals
5. Copy of CMC Chapter 9: Residential Property Report
6. Ordinance No. 99-1155
7. Ordinance No. 99-1173U


**Prepared by:** McKina Alexander, Associate Planner



TIME: 10:44 PM

Item No. 34. 2019-350

**CONTINUED REVIEW, DISCUSSION AND UPDATE OF THE RESIDENTIAL PROPERTY REPORT PROGRAM (CITY COUNCIL)**

APPROVED AND ADOPTED BY CARSON CITY COUNCIL			
Approved Recommendations 1-5 on Pg. 18 of Staff Report			
			04-02-2019
1st: JD	2 <sup>nd</sup> : CH		
Ayes: 4	Noes: 0	Abstain: 0	Absent: JH

Recommendation:  
PROVIDE DIRECTION REGARDING THE RESIDENTIAL PROPERTY REPORT PROGRAM.

**RECOMMENDATION LISTED ON PAGE 18 OF STAFF REPORT:**

1. Bring this matter before City Council for consideration to eliminate the RPR program in its entirety and remove any involvement from private real estate sales activities/transactions;
2. Send a letter to the real estate industry of this proposed change and date for when this item will go before City Council for public hearing, but also meet with realtors before this item goes to City Council for public hearing
3. Recommend removing County liens/notes on all properties
4. Staff report to provide a checklist of a realtor's responsibilities, wanting to make sure all health and safety violations are addressed by the real estate professionals
5. \*City is still obligated to be responsible for overseeing/managing illegal garage conversions and illegal additions

TIME: 11:12 PM

Item No. 35. 2019-353


**CONSIDER ADOPTION OF REVISED COUNCIL POLICY AND PROCEDURE 1.1.05 (FORMALLY SMP 3.19) FLOWERS - AUTHORIZATION AND ORDERING (CITY COUNCIL)**

APPROVED AND ADOPTED BY CARSON CITY COUNCIL			
Continued to 5/21/2019 Regular City Council Meeting			
			04-02-2019

Recommendation: REQUEST the City Attorney review and opine on the proposed revisions to the City Council flower policy and MAKE any additional revisions the Council deems appropriate.

Item No. 36. 2019-354

**CONSIDER REVISING SMP 2.11 EVENT ATTENDANCE AND REPORTING AND RESCINDING SMP 1.46 FOR REIMBURSEMENT OF EXPENSES FOR CONFERENCE ATTENDANCE BY COUNCILMEMBERS (CITY COUNCIL)**

APPROVED AND ADOPTED BY CARSON CITY COUNCIL			
Approved Recommendations 1 and 2			
			04-02-2019
1st: AR	2 <sup>nd</sup> : JD		
Ayes: 5	Noes: 0	Abstain: 0	Absent: 0

Recommendation: TAKE the following actions:  
1. RESCIND SMP 1.46  
2. DIRECT staff to revise SMP 2.11 to reflect today's practices in alignment with the City Charter and the California Government code related to the compensation and expenses.





**CITY OF CARSON**

**PLANNING COMMISSION**

**RESOLUTION NO. 19-**

**A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF CARSON RECOMMENDING THAT THE CITY COUNCIL ADOPT ORDINANCE NO. 19-1933 WHICH APPEALS ORDINANCE NOS. 99-1155 AND 99-1173U; AMENDS ARTICLE V (SANITATION AND HEALTH), CHAPTER 9 (RESIDENTIAL PROPERTY REPORT) SECTIONS 5900 AND 5912; AND DELETES SECTIONS 5901(D), 5902(A), 5903-5909, 5910(B)(C)(D) AND 5913 TO ELIMINATE THE RESIDENTIAL PROPERTY REPORT (RPR) PRE-SALE APPLICATION, INSPECTION AND RELATED RPR-RELATED PROCESSES**

**WHEREAS**, in 1999, the City established the Residential Property Report (RPR) Program (“The Program”) with the intent to preserve and improve the quality of neighborhoods in Carson. The Program identifies and generally requires correction of major building code and zoning violations of residential properties (e.g. houses, condominiums and apartments) by the seller prior to closing of escrow. This is accomplished by requiring pre-sale inspections conducted by the Building and Safety Division.

**WHEREAS**, On July 19, 2016, at the direction of Mayor Robles, a RPR Ad Hoc Committee (Committee) was formed consisting of Councilmembers Davis-Holmes and Hicks. Mayor Robles requested the Committee to meet with Lourdes Everett and Irma Vasconcelos of the South Bay Association of Realtors’ (SBAOR) and other interested parties to gather input, discuss their concerns about the Program and return with recommendations to the City Council; and

**WHEREAS**, the Committee has met several times to discuss the Program and considered various options to modify the Program. At the last meeting on June 12, 2018, the Committee concluded that it is best to recommend to the City Council to end the Program because it end the City’s financial subsidy of the Program (save City funds), the real estate professionals are already responsible for correcting code violations, and reduce liability exposure; and

**WHEREAS**, on April 2, 2019, based on the recommendation of the Committee, the City Council directed staff to eliminate the Program; and

**WHEREAS**, the City Council determined to repeal the Residential Property Report program due to the Program’s disadvantages: delays in transactions and close of escrow, increased costs burden to buyers, duplicity of inspection efforts by the City, realtors, appraisers, and home inspectors, and negative fiscal impacts on the City’s budget; and

**WHEREAS**, on May 16, 2019, the Planning Division published a public hearing in the “Our Weekly”; and

**WHEREAS**, on May 28, 2019, the Planning Commission conducted a duly noticed public hearing on the proposed amendment, at which hearing the Commission carefully reviewed and considered all of the evidence presented in connection with the proposed amendment, including but not limited to the staff report and all written and oral testimony presented; and

**EXHIBIT NO. - 2**



**WHEREAS**, the Planning Commission recommends that the City Council should Adopt Ordinance No. 19-1933 which Appeals Ordinance Nos. 99-1155 and 99-1173U; amend the Carson Municipal Code (CMC) Article V (Sanitation and Health), Chapter 9 (Residential Property Report) Sections 5900 and 5912; and delete Sections 5901(d), 5902(a), 5903-5909, 5910(b), (c), (d) and 5913 to eliminate the RPR Program's pre-sale application, inspection and related processes; and

**WHEREAS**, the Planning Commission finds that, Pursuant to Section 15061(b)(3) the proposed Ordinance amendment is exempt from the California Environmental Quality Act (CEQA) since the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

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

**Section 1.** The Planning Commission finds that the recitals herein are true and correct, and incorporates the same by reference.

**Section 2.** The Planning Commission recommends that the City Council adopt the proposed Ordinance No. 19-1933 attached hereto as Exhibit No. 3. The proposed ordinance repeals Ordinance Nos. 99-1155 and 99-1173U, and amends the Carson Municipal Code Sections 5900 and 5912; and deletes Sections 5901(d), 5902(a), 5903-5909, 5910(b), (c), (d) and 5913 to eliminate the RPR Program's pre-sale application, inspection and related processes.

**Section 3.** Pursuant to Section 15061(b)(3) the proposed ordinance amendment is exempt from the California Environmental Quality Act (CEQA) since the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**Section 4.** The Secretary shall certify to the adoption of the Resolution and shall transmit copies of the same to the City Council.

**PASSED, APPROVED AND ADOPTED THIS 28<sup>TH</sup> DAY OF MAY 2019.**

\_\_\_\_\_  
**CHAIRMAN**

**ATTEST:**

\_\_\_\_\_  
**SECRETARY**



**ORDINANCE NO. 19-1933**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, REPEALING ORDINANCE NOS. 99-1155 AND 99-1173U AND AMENDING ARTICLE V (SANITATION AND HEALTH), CHAPTER 9 (RESIDENTIAL PROPERTY REPORT) SECTIONS 5900 AND 5912; AND DELETE SECTIONS 5901(D), 5902(A), 5903-5909, 5910(B), (C), (D) AND 5913 THEREBY ELIMINATING THE RESIDENTIAL PROPERTY REPORT (RPR) PRE-SALE APPLICATION, INSPECTION AND RELATED RPR-RELATED PROCESSES.**

**WHEREAS**, in 1999, the City established the Residential Property Report (RPR) Program ("The Program") with the intent to preserve and improve the quality of neighborhoods in Carson. The Program identifies and generally requires correction of major building code and zoning violations of residential properties (e.g. houses, condominiums and apartments) by the seller prior to closing of escrow. This is accomplished by requiring pre-sale inspections conducted by the Building and Safety Division.

**WHEREAS**, On July 19, 2016, at the direction of Mayor Robles, a RPR Ad Hoc Committee (Committee) was formed consisting of Councilmembers Davis-Holmes and Hicks. Mayor Robles requested the Committee to meet with Lourdes Everett and Irma Vasconcelos of the South Bay Association of Realtors' (SBAOR) and other interested parties to gather input, discuss their concerns about the Program and return with recommendations to the City Council; and

**WHEREAS**, the Committee has met several times to discuss the Program and considered various options to modify the Program. At the last meeting on June 12, 2018, the Committee concluded that it is best to recommend to the City Council to end the Program because it end the City's financial subsidy of the Program (save City funds), the real estate professionals are already responsible for correcting code violations, and reduce liability exposure; and

**WHEREAS**, on April 2, 2019, based on the recommendation of the Committee, the City Council directed staff to eliminate the Program; and

**WHEREAS**, the City Council determined to repeal the Residential Property Report program due to the Program's disadvantages: delays in transactions and close of escrow, increased costs burden to buyers, duplicity of inspection efforts by the City, realtors, appraisers, and home inspectors, and negative fiscal impacts on the City's budget; and

**WHEREAS**, on May 16, 2019 the Planning Commission held a duly noticed public hearing and adopted Resolution No. \_\_\_\_\_ recommending that the City Council approve the amendments to the Carson Zoning Code as set forth in this ordinance; and

**WHEREAS**, the City Council held a duly noticed public hearing on May 28, 2019, to consider introducing this Ordinance and take public testimony; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, DOES FIND AND ORDAIN AS FOLLOWS:**



**SECTION 1.** The public health, safety and welfare would not be adversely affected by approval of the proposed amendment to repeal Ordinance No. 99-1155 and 99-1173U, and amend the Carson Municipal Code Sections 5900 and 5912; and delete Sections 5901(d), 5902(a), 5903-5909, 5910(b), (c), (d) and 5913 that eliminate the RPR pre-sale application, inspection and related processes.

**SECTION 2.** Pursuant to Section 15061(b)(3) the proposed ordinance amendment is exempt from the California Environmental Quality Act (CEQA) since the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

**SECTION 3.** The following sections will be deleted from Carson Municipal Code Article 5, Chapter 9:

**5901 Definitions.**

(d) "Residential property report" shall mean a document issued by the City pursuant to this Chapter.

**5902 Required.**

(a) No owner of residential real property shall transfer title and/or convey ownership for such property without first providing the prospective buyer with a copy of a valid residential property report for the property.

**5903 Proof of Delivery.**

Within ten (10) City business days after transfer of title or conveyance of ownership for residential real property, the owner(s) of such property shall file with the Community Development Department written proof that a copy of a valid residential property report for such property has been provided to the buyer. This Section may be satisfied by either (i) personal delivery; (ii) facsimile and deposit in the U.S. mail so as to be postmarked within the ten (10) day filing period; or (iii) deposit in the U.S. mail so as to be postmarked within the ten (10) day filing period. Such written proof shall be signed and dated by the buyer and shall contain the substance of the following statement: "I hereby acknowledge under penalty of perjury that I have received a copy of the City of Carson's residential property report for the property located at \_\_\_\_\_ (address). I also acknowledge that the issuance of the report is not a representation by the City of Carson that this property is in compliance with all applicable laws." (Ord. 99-1155, § 2; Ord. 99-1173U, § 7)

**5904 Application.**

Applications for a residential property report shall be filed with the Community Development Department on a form provided by the Director. Each application shall indicate whether or not the owner (i) consents to an inspection of the residential real property by City personnel, and (ii) has made appropriate arrangements with any affected tenants. No application shall be accepted unless accompanied by an application fee in an amount established by City Council resolution. (Ord. 99-1155, § 2; Ord. 99-1173U, § 5)

**5905 Issuance.**

Upon receipt of a complete application, the Director shall prepare a residential property report based on available City records and an inspection of the residential real property. Residential property reports shall be issued within ten (10) City business days following inspection of the subject property. (Ord. 99-1155, § 2; Ord. 99-1173U, § 6)

**5906 Scope of Inspection.**





Except as specified in this Section, inspections conducted in conjunction with the preparation of a residential property report shall be limited to the exterior areas of the subject property and to the interior areas of attached garages and/or accessory buildings such as detached garages, laundry rooms and storage sheds. If the Director has reasonable cause to believe that a main dwelling unit has been illegally subdivided, then an interior inspection of such building shall be conducted. Interior inspections also shall be conducted as necessary to determine whether portions of the building were constructed with the proper permits and whether window security bars are equipped with a proper release mechanism. If the applicant refuses to consent to an inspection, or frustrates an inspection for which consent was given, then the inspection shall be conducted pursuant to an inspection warrant as required by law. (Ord. 99-1155, § 2)

#### **5907 Contents.**

To the extent such information is available, residential property reports issued by the Director shall indicate all of the following:

- (a) Street address, assessor number, zone classification and permitted occupancy.
- (b) Description of existing structures and buildings.
- (c) Applicable entitlements (e.g., variance, conditional use permit).
- (d) Applicable special restrictions.
- (e) Existing code violations.
- (f) Building permits required for existing structures and buildings.

The Director may include any additional information on a residential property report as deemed appropriate. (Ord. 99-1155, § 2)

#### **5908 Duration.**

Residential property reports shall be null and void six (6) months after the date of issuance unless previously extended by the Director. The Director may extend the validity of a residential property report, free of charge, for a period of four (4) months upon a showing of good cause. (Ord. 99-1155, § 2)

#### **5909 Remediation of Property.**

(a) All code violations identified on a residential property report shall be corrected in accordance with the following schedule, unless otherwise authorized by the Director: (i) prior to the transfer of title or conveyance of ownership for such property; (ii) prior to the commencement of a residential care facility on such property; or (iii) for existing residential care facilities renewing a business license, within forty-five (45) days from the issuance of such report.

(b) The Director may authorize an extension of the time periods prescribed by this Section upon a showing of good cause; provided, however, that in no event shall code violations identified on a residential property report be permitted to remain uncorrected more than one (1) calendar year from the issuance of such report.

(c) The buyer of a residential real property may assume responsibility for correcting code violations identified on a residential property report upon a showing to the satisfaction of City staff that such buyer: (i) is capable, financially and otherwise, of making the corrections; (ii) has consented in writing to a compliance schedule; and (iii) has entered into such security agreement or undertaking, if any, as may be required by City staff to ensure that the violations will be correct within the time permitted by the compliance schedule. (Ord. 99-1155, § 2; Ord. 99-1173U, § 8)

#### **5910 Refunds, Fees and Penalties.**

(b) The City shall refund seventy-five (75) percent of the residential property report application fee if (i) an application is withdrawn prior to the close of the City business day following its submission; and (ii) City staff have not conducted any inspection or research in



connection with the application. No refunds shall be awarded after the close of the City business day following submission of a residential property report application.

(c) Any owner who submits a residential property report application after the transfer of title or conveyance of ownership for the subject property shall pay, in addition to the application fee, a late penalty fee in an amount established by City Council resolution.

(d) Any residential property report applicant who fails to appear for a scheduled inspection, or who cancels a scheduled inspection less than twenty-four (24) hours prior to commencement, shall pay an inspection cancellation fee in an amount established by City Council resolution.

**5913 Exemptions.**

The provisions of this Chapter shall not apply to the following:

(a) The first sale of a residential building or condominium located in a subdivision whose final map has been approved and recorded in accordance with the Subdivision Map Act within two (2) years of such sale.

(b) Mobilehomes in mobilehome parks, trailers and apartment units on a month-to-month rental or annual lease agreement where land sales are not involved and the use is in compliance with this Code.

(c) Transfers in which the City is a party to the transaction.

(d) Transfers pursuant to court order.

(e) *Repealed by Ord. 13-1510.*

(f) Transfers by a fiduciary in the course of the administration of a guardianship, conservatorship or trust.

(g) Transfers between co-owners.

(h) Transfers between spouses resulting from a marriage dissolution decree, a legal separation decree or from a property settlement incidental to such decree.

(i) Transfers by the State Controller in the course of administering the unclaimed property law.

(j) Transfers to a governmental entity.

(k) Transactions solely for the purpose of refinancing existing debt secured by the residential real property.

(l) Transfers into a family trust or living trust where the owner is the beneficiary or trustee of the trust. (Ord. 99-1155, § 2; Ord. 99-1173U, §§ 11, 12; Ord. 13-1510, § 12)

THIS SECTION PURPOSELY LEFT BLANK



**SECTION 4.** If any one or more of the provisions contained in this Ordinance shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Ordinance shall be construed as if such invalid, illegal, or unenforceable term or provision had never been contained herein.

**SECTION 5.** This Ordinance shall be in full force and effect thirty (31<sup>st</sup>) days after its adoption.

**SECTION 6.** The City Clerk shall certify to the adoption of this Ordinance, and shall cause the same to be posted and codified in the manner required by law.

**PASSED, APPROVED and ADOPTED** at a regular meeting of the City Council on this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
MAYOR ALBERT ROBLES

ATTEST:

\_\_\_\_\_  
CITY CLERK DONESIA GAUSE-ALDANA

APPROVED AS TO FORM:

\_\_\_\_\_  
CITY ATTORNEY SUNNY K. SOLTANI





RPR Inspection Comparison Checklist		Realtor	Appraiser	Home Inspector	RPR Inspector
<b>1 Security Bars:</b>					
	Operable security bars with quick release		X	X	X
<b>2 Unpermitted Areas</b>					
	Open and enclosed patios, additions, and accessory structures		X		X
<i>Garage:</i>					
<b>3 Unpermitted garage conversion</b>					
	Door between house and garage must be a 1-3/8" solid core door with a self-closing device and a		X	X	X
<b>4 locking latch</b>					
	Install deadbolt lock with thumb latch on house side		X	X	X
<b>5 keyed on garage side self-closing device required.</b>					
<i>Plumbing:</i>					
<b>6 Gas shut off valve is required</b>					
			X	X	X
<b>7 Remove illegal or non-complying gas line and cap off</b>					
			X	X	X
<b>8 All plumbing inspected</b>					
				X	X
<i>Electrical:</i>					
<b>9 Exposed romex not allowed</b>					
	GFCI protection required to legalize unpermitted		X	X	X
<b>10 bathrooms, kitchen, laundry areas</b>					
		X	X	X	X
<b>11 Remove illegal/unpermitted electrical work or bring to code w/in garage or unpermitted areas</b>					
			X	X	X
<i>Smoke and Carbon Monoxide Detectors:</i>					
<b>12 Smoke and Carbon Monoxide Detectors</b>					
		X	X	X	X
<i>Water Heaters:</i>					
<b>13 Earthquake straps required on the top and bottom of water heater</b>					
		X	X	X	X
<b>14 T&amp;P Valve drain to outside/drain downward and 6" above ground and correct gas connector</b>					
			X	X	X
<b>15 Water heater vent required</b>					
			X	X	X
<i>Swimming Pool:</i>					
<b>16 Gates leading to pool/spa must be self-closing</b>					
			X	X	X
<i>Windows:</i>					
<b>17 Broken window</b>					
			X	X	X
<b>18 All windows must be functional</b>					
			X	X	
<b>Emergency Egress</b>					

EXHIBIT NO. - 4



## CHAPTER 9 RESIDENTIAL PROPERTY REPORT

### Sections:

- § 5900 Short Title.
- § 5901 Definitions.
- § 5902 Required.
- § 5903 Proof of Delivery.
- § 5904 Application.
- § 5905 Issuance.
- § 5906 Scope of Inspection.
- § 5907 Contents.
- § 5908 Duration.
- § 5909 Remediation of Property.
- § 5910 Refunds, Fees and Penalties.
- § 5911 Validity of Transactions.
- § 5912 City Immunity.
- § 5913 Exemptions.

### **5900 Short Title.**

This Chapter shall be known and may be cited as the Residential Property Report Ordinance. (Ord. 99-1155, § 2)

### **5901 Definitions.**

As used in this Chapter, unless the context otherwise clearly indicates, the following words and phrases are defined as set forth below:

- (a) "Residential care facility" shall have the same meaning as the term is used in California Health and Safety Code Section 1520.5.
- (b) "Director" shall mean the Community Development Director or the designee thereof.
- (c) "Owner" shall mean any individual, partnership, copartnership, firm, association, joint stock company, corporation or combination thereof having legal or equitable title in residential real property.
- (d) "Residential property report" shall mean a document issued by the City pursuant to this Chapter.
- (e) "Residential real property" shall mean improved or unimproved real property zoned or used for dwelling purposes and shall include any structures or buildings located on such property.
- (f) "Agreement" shall mean any agreement providing for the transfer of title or conveyance of ownership in residential real property.
- (g) "Beneficiary" means a lender under a promissory note to pay money secured by a deed of trust on property. The word "beneficiary" as used in this Chapter means and includes any assignee or successor to such beneficiary, whether such assignee or successor acquires its interest in the beneficiary's promissory note either before a note of default is recorded. In the event that a property may provide security for the loan or obligation of more than one (1) beneficiary, the beneficiary who causes its notice of default to be recorded shall be responsible for registering the property as set forth in this Chapter. (Ord. 99-1155, § 2; Ord. 99-1173U, § 3; Ord. 13-1510, § 7)

### **5902 Required.**

**EXHIBIT NO. - 5**



(a) No owner of residential real property shall transfer title and/or convey ownership for such property without first providing the prospective buyer with a copy of a valid residential property report for the property.

(b) No person shall commence operation of a residential care facility on residential real property without first obtaining a residential property report for such property.

(c) No person shall renew a business license for an existing residential care facility operating on residential real property without first obtaining a residential property report for such property; provided, however, that this paragraph shall not apply to any residential care facility that has previously obtained a residential property report for such property.

(d) Foreclosed Vacant Residential Property.

A. The beneficiary or its agent shall register the property with the Chief Building Official, on forms provided by the City, within ten (10) days from the earlier of the following dates: (i) the date a notice of default is recorded on a property; or (ii) the date of a default inspection which indicates that the property is vacant or abandoned. The provisions of subsection (d) (A)(i) of this Section shall apply to each property for which a notice of default is recorded on or after July 31, 2010.

B. Property which is acquired by a beneficiary following the recordation of a notice of default, whether acquired by such beneficiary by foreclosure, deed in lieu of foreclosure or judgment of foreclosure, shall also be subject to compliance with the provisions of this Section, upon the sale, exchange, transfer or other conveyance of such property by the beneficiary to a third person.

C. Property which is vacant or abandoned at the time of acquisition by a beneficiary, whether acquired by such beneficiary by foreclosure, deed in lieu of foreclosure or judgment of foreclosure, shall also be subject to compliance with the provisions of this Section, prior to the earlier date of either: (i) re-occupancy of such property by any tenant of the beneficiary; or (ii) sale, exchange, transfer or other conveyance of such property by the beneficiary to a third person.

a. Property which is occupied by either the trustor or a tenant of the trustor at the time of acquisition by a beneficiary, whether acquired by such beneficiary by foreclosure, deed in lieu of foreclosure or judgment of foreclosure, shall also be subject to compliance with the provisions of this Section prior to the earlier date of either: (i) the re-occupancy of such property by any successor tenant to the trustor or such other successor tenant to the tenant in possession of the property at the time of the beneficiary's acquisition of the property; or (ii) sale, exchange, transfer or other conveyance of such property by the beneficiary to a third person.

(e) Re-Registration of Property Subject to This Chapter.

A. The beneficiary or its agent shall annually renew a registration of each property which the beneficiary has previously registered with the City under this Chapter, and in which such beneficiary retains either an equitable or legal interest as of the first anniversary of the registration of such property with the City. The beneficiary or its agent shall re-register the property on forms provided by the City.

B. The provisions of this subsection (e) shall apply to each property for which a notice of default was recorded on or after October 1, 2009.

(f) Special Provisions Where Property Is Encumbered with the Security Interests of Multiple Beneficiaries.

A. In the event that a property is encumbered by the security interests of more than one beneficiary at the time when a notice of default is recorded, the beneficiary who causes a notice of default for its security interest to be recorded shall be responsible for registering the property with the City as provided in this Section and CMC 5910.

B. Upon the recordation of a notice of default on a property by any beneficiary, regardless of the security lien interest priority of such beneficiary in the property in relation to the priority of the security interests of the other beneficiaries in the



same property, the City in its discretion may elect to enforce the provisions of this Chapter against one (1) or more beneficiaries who have not separately recorded a notice of default against the property.

**(g) Notice by Beneficiary to City of Disposition of Registered Property.**

A. Within ten (10) days following the release of a notice of default and the reinstatement of the loan of the trustor, the beneficiary or its agent shall give the City written notice of such release and reinstatement.

B. Within ten (10) days following the sale, transfer or their conveyance to a third person of a property registered with the City under this Chapter, the beneficiary or its agent shall give the City written notice of such sale, transfer or other conveyance together with current contact information for such bona fide purchaser/successor in interest to the beneficiary in such property. (Ord. 99-1155, § 2; Ord. 99-1173U, § 4; Ord. 13-1510, §§ 8 – 10, 14)

**5903 Proof of Delivery.**

Within ten (10) City business days after transfer of title or conveyance of ownership for residential real property, the owner(s) of such property shall file with the Community Development Department written proof that a copy of a valid residential property report for such property has been provided to the buyer. This Section may be satisfied by either (i) personal delivery; (ii) facsimile and deposit in the U.S. mail so as to be postmarked within the ten (10) day filing period; or (iii) deposit in the U.S. mail so as to be postmarked within the ten (10) day filing period. Such written proof shall be signed and dated by the buyer and shall contain the substance of the following statement: "I hereby acknowledge under penalty of perjury that I have received a copy of the City of Carson's residential property report for the property located at \_\_\_\_\_ (address). I also acknowledge that the issuance of the report is not a representation by the City of Carson that this property is in compliance with all applicable laws." (Ord. 99-1155, § 2; Ord. 99-1173U, § 7)

**5904 Application.**

Applications for a residential property report shall be filed with the Community Development Department on a form provided by the Director. Each application shall indicate whether or not the owner (i) consents to an inspection of the residential real property by City personnel, and (ii) has made appropriate arrangements with any affected tenants. No application shall be accepted unless accompanied by an application fee in an amount established by City Council resolution. (Ord. 99-1155, § 2; Ord. 99-1173U, § 5)

**5905 Issuance.**

Upon receipt of a complete application, the Director shall prepare a residential property report based on available City records and an inspection of the residential real property. Residential property reports shall be issued within ten (10) City business days following inspection of the subject property. (Ord. 99-1155, § 2; Ord. 99-1173U, § 6)

**5906 Scope of Inspection.**

Except as specified in this Section, inspections conducted in conjunction with the preparation of a residential property report shall be limited to the exterior areas of the subject property and to the interior areas of attached garages and/or accessory buildings such as detached garages, laundry rooms and storage sheds. If the Director has reasonable cause to believe that a main dwelling unit has been illegally subdivided, then an interior inspection of such building shall be conducted. Interior inspections also shall be conducted as necessary to determine whether portions of the building were constructed with the proper permits and whether window security bars are equipped with a proper release mechanism. If the applicant refuses to consent to an inspection, or frustrates an inspection for which consent was given, then the inspection shall be conducted pursuant to an inspection warrant as required by law. (Ord. 99-1155, § 2)

**5907 Contents.**

To the extent such information is available, residential property reports issued by the Director shall indicate all of the following:



- (a) Street address, assessor number, zone classification and permitted occupancy.
- (b) Description of existing structures and buildings.
- (c) Applicable entitlements (e.g., variance, conditional use permit).
- (d) Applicable special restrictions.
- (e) Existing code violations.
- (f) Building permits required for existing structures and buildings.

The Director may include any additional information on a residential property report as deemed appropriate. (Ord. 99-1155, § 2)

#### **5908 Duration.**

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Residential property reports shall be null and void six (6) months after the date of issuance unless previously extended by the Director. The Director may extend the validity of a residential property report, free of charge, for a period of four (4) months upon a showing of good cause. (Ord. 99-1155, § 2)

#### **5909 Remediation of Property.**

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- (a) All code violations identified on a residential property report shall be corrected in accordance with the following schedule, unless otherwise authorized by the Director: (i) prior to the transfer of title or conveyance of ownership for such property; (ii) prior to the commencement of a residential care facility on such property; or (iii) for existing residential care facilities renewing a business license, within forty-five (45) days from the issuance of such report.
- (b) The Director may authorize an extension of the time periods prescribed by this Section upon a showing of good cause; provided, however, that in no event shall code violations identified on a residential property report be permitted to remain uncorrected more than one (1) calendar year from the issuance of such report.
- (c) The buyer of a residential real property may assume responsibility for correcting code violations identified on a residential property report upon a showing to the satisfaction of City staff that such buyer: (i) is capable, financially and otherwise, of making the corrections; (ii) has consented in writing to a compliance schedule; and (iii) has entered into such security agreement or undertaking, if any, as may be required by City staff to ensure that the violations will be correct within the time permitted by the compliance schedule. (Ord. 99-1155, § 2; Ord. 99-1173U, § 8)

#### **5910 Refunds, Fees and Penalties.**

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- (a) By resolution, the City Council may establish such fees as necessary or appropriate for the implementation of this Chapter.
- (b) The City shall refund seventy-five (75) percent of the residential property report application fee if (i) an application is withdrawn prior to the close of the City business day following its submission; and (ii) City staff have not conducted any inspection or research in connection with the application. No refunds shall be awarded after the close of the City business day following submission of a residential property report application.
- (c) Any owner who submits a residential property report application after the transfer of title or conveyance of ownership for the subject property shall pay, in addition to the application fee, a late penalty fee in an amount established by City Council resolution.
- (d) Any residential property report applicant who fails to appear for a scheduled inspection, or who cancels a scheduled inspection less than twenty-four (24) hours prior to commencement, shall pay an inspection cancellation fee in an amount established by City Council resolution.





(e) Fees and charges for the administration of the regulatory program established by this Chapter shall be set by resolution of the City Council including without limitation the fee for registering with the City a property for which a notice of default has been recorded, and the separate fee for registering with the City a property which either the beneficiary or the City has found to be vacant or abandoned.

(f) Fine for Failure to Timely Register a Property with the City.

A. Notwithstanding any other provision of this Chapter or Chapter 1 or 7 of Article V to the contrary, the City may impose a fine on a beneficiary for its failure to timely register a property with the City under this Chapter in the following amounts:

(i) Two hundred and fifty dollars for the first violation in the twelve (12) months preceding the date of such violation;

(ii) Five hundred dollars for the second violation in the twelve (12) months preceding the date of such violation;

(iii) One thousand dollars for the third and each subsequent violation in the twelve (12) months preceding the date of such violation.

B. The special fine amount provisions of this Section shall be applicable to citations issued on or after March 1, 2013, by the City under Chapter 7 of Article V to a beneficiary for a violation of this Chapter. (Ord. 99-1155, § 2; Ord. 99-1173U, § 9; Ord. 13-1510, §§ 11, 13)

### **5911 Validity of Transactions.**

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No sale or transfer of title of residential real property or lease of residential real property for a residential care facility shall be invalidated solely because of a failure to comply with this Chapter. (Ord. 99-1155, § 2; Ord. 99-1173U, § 10)

### **5912 City Immunity.**

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The City shall not be liable for any injury or damage caused by the preparation and delivery of a residential property report, or as a result of an error in or omission of such a report. Nor shall the City bear any liability not otherwise imposed by law. (Ord. 99-1155, § 2)

### **5913 Exemptions.**

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The provisions of this Chapter shall not apply to the following:

(a) The first sale of a residential building or condominium located in a subdivision whose final map has been approved and recorded in accordance with the Subdivision Map Act within two (2) years of such sale.

(b) Mobilehomes in mobilehome parks, trailers and apartment units on a month-to-month rental or annual lease agreement where land sales are not involved and the use is in compliance with this Code.

(c) Transfers in which the City is a party to the transaction.

(d) Transfers pursuant to court order.

(e) *Repealed by Ord. 13-1510.*

(f) Transfers by a fiduciary in the course of the administration of a guardianship, conservatorship or trust.

(g) Transfers between co-owners.

(h) Transfers between spouses resulting from a marriage dissolution decree, a legal separation decree or from a property settlement incidental to such decree.

(i) Transfers by the State Controller in the course of administering the unclaimed property law.



(j) Transfers to a governmental entity.

(k) Transactions solely for the purpose of refinancing existing debt secured by the residential real property.

(l) Transfers into a family trust or living trust where the owner is the beneficiary or trustee of the trust. (Ord. 99-1155, § 2; Ord. 99-1173U, §§ 11, 12; Ord. 13-1510, § 12)







ORDINANCE NO. 99-1155

AN ORDINANCE OF THE CITY OF CARSON  
REGARDING RESIDENTIAL PROPERTY REPORTS  
AND AMENDING THE CARSON MUNICIPAL CODE

THE CITY COUNCIL OF THE CITY OF CARSON DOES ORDAIN AS FOLLOWS:

**Section 1. Intent.** The purpose of this Ordinance is to ensure that persons seeking to buy residential real property are furnished a report of matters of City record pertaining to such property's authorized use, occupancy, zoning classification and existing code violations. This Ordinance is further intended to facilitate the orderly remediation of substandard residential real property. This Ordinance does not provide, and is not intended to provide, for the comprehensive inspection of residential real property.

**Section 2. Code Amendment.** Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended by adding a new Chapter 9 to read as follows:

**"CHAPTER 9 RESIDENTIAL PROPERTY REPORT**

5900. Short Title. This Chapter shall be known and may be cited as the Residential Property Report Ordinance.

5901. Definitions. As used in this Chapter, unless the context otherwise clearly indicates, the following words and phrases are defined as set forth below:

- (a) "Residential care facility" shall have the same meaning as the term is used in California Health and Safety Code Section 1520.5.
- (b) "Director" shall mean the Community Development Director or the designee thereof.
- (c) "Owner" shall mean any individual, partnership, copartnership, firm, association, joint stock company, corporation or combination thereof having legal or equitable title in residential real property.
- (d) "Residential property report" shall mean a document issued by the City pursuant to this Chapter.
- (e) "Residential real property" shall mean improved or unimproved real property zoned or used for dwelling purposes and shall include any structures or buildings located on such property.
- (f) "Sale agreement" shall mean any agreement providing for the transfer of title in residential real property.

**EXHIBIT NO. - 6**



5902. Residential property report—required.

- (a) No owner of residential real property shall execute a sale agreement for such property without first providing the prospective buyer with a copy of a valid residential property report for the property.
- (b) No person shall commence operation of a residential care facility on residential real property without first obtaining a residential property report for such property.
- (c) No person shall renew a business license for an existing residential care facility operating on residential real property without first obtaining a residential property report for such property; provided, however, that this paragraph shall not apply to any residential care facility that has previously obtained a residential property report for such property.

5903. Same—Proof of Delivery. Within three City business days of executing a sale agreement for residential real property, the owner(s) of such property shall file with the Community Development Department written proof that a copy of a valid residential property report for such property has been provided to the buyer. This section may be satisfied by either (i) personal delivery; or (ii) deposit in the U.S. mail so as to be postmarked within the three-day filing period. Such written proof shall be signed and dated by the buyer and shall contain the substance of the following statement: "I hereby acknowledge under penalty of perjury that I have received a copy of the City of Carson's residential property report for the property located at \_\_\_\_\_ (address) \_\_\_\_\_. I also acknowledge that the issuance of the report is not a representation by the City of Carson that this property is in compliance with all applicable laws."

5904. Same—Application. Applications for a residential property report shall be filed with the Community Development Department on a form provided by the Director. Each application shall indicate whether or not the owner (i) consents to an inspection of the residential real property by City personnel and (ii) has made appropriate arrangements with any affected tenants. No application shall be accepted unless accompanied by an application fee in an amount established by City Council resolution.

5905. Same—Issuance. Upon receipt of a complete application, the Director shall prepare a residential property report based on available City records and an inspection of the residential real property. Residential property reports shall be issued within ten City business days following inspection of the subject property.

5906. Same—Scope of Inspection. Except as specified in this section, inspections conducted in conjunction with the preparation of a residential property report shall be limited to the exterior areas of the subject property and to the interior areas of attached garages and/or accessory buildings such as detached garages, laundry rooms and storage sheds. If the Director has reasonable cause to believe that a main dwelling unit has been illegally subdivided, then an interior inspection of such building shall be conducted. Interior inspections also shall be conducted as necessary to determine whether portions of the building were constructed with the proper permits and whether window security bars are equipped with a proper release mechanism. If the applicant refuses to consent to an inspection, or frustrates an inspection for which

consent was given, then the inspection shall be conducted pursuant to an inspection warrant as required by law.

5907. Same—Contents. To the extent such information is available, residential property reports issued by the Director shall indicate all of the following:

- (a) Street address, assessor number, zone classification and permitted occupancy.
- (b) Description of existing structures and buildings.
- (c) Applicable entitlements (e.g. variance, conditional use permit).
- (d) Applicable special restrictions.
- (e) Existing code violations.
- (f) Building permits required for existing structures and buildings.

The Director may include any additional information on a residential property report as deemed appropriate.

5908. Same—Duration. Residential property reports shall be null and void six months after the date of issuance unless previously extended by the Director. The Director may extend the validity of a residential property report, free of charge, for a period of four months upon a showing of good cause.

5909. Remediation of Property.

- (a) All code violations identified on a residential property report shall be corrected in accordance with the following schedule, unless otherwise authorized by the Director: (i) prior to the execution of a sale agreement for such property; (ii) prior to the commencement of a residential care facility on such property; or (iii) for existing residential care facilities renewing a business license, within forty-five days from the issuance of such report.
- (b) The Director may authorize an extension of the time periods prescribed by this section upon a showing of good cause; provided, however, that in no event shall code violations identified on a residential property report be permitted to remain uncorrected more than ninety days from the issuance of such report.

5910. Refunds, Fees and Penalties.

- (a) By resolution, the City Council may establish such fees as necessary or appropriate for the implementation of this Chapter.
- (b) The City shall refund seventy-five percent of the residential property report application fee if (i) an application is withdrawn prior to the close of the City business day following its submission; and (ii) City staff have not conducted any inspection or research in connection with the application. No refunds shall be awarded after the close of the City business day following submission of a residential property report application.



- (c) Any owner who submits a residential property report application after the execution of a sale agreement for the subject property shall pay, in addition to the application fee, a late penalty fee in an amount established by City Council resolution.
- (d) Any residential property report applicant who fails to appear for a scheduled inspection, or who cancels a scheduled inspection less than twenty-four hours prior to commencement, shall pay an inspection cancellation fee in an amount established by City Council resolution.

5911. Validity of Transactions. No sale or lease of residential real property shall be invalidated solely because of a failure to comply with this Chapter.

5912. City Immunity. The City shall not be liable for any injury or damage caused by the preparation and delivery of a residential property report, or as a result of an error in or omission of such a report. Nor shall the City bear any liability not otherwise imposed by law.

5913. Exemptions. The provisions of this Chapter shall not apply to the following:

- (a) The first sale of a residential building or condominium located in a subdivision whose final map has been approved and recorded in accordance with the Subdivision Map Act within two years of such sale.
- (b) Mobile homes in mobile home parks, trailers and apartment houses occupying land on a month-to-month rental or annual lease agreement where land sales are not involved and the use is in compliance with this Code.
- (c) Transfers in which the City is a party to the transaction.
- (d) Transfers pursuant to court order.
- (e) Transfers to a mortgagee by a mortgagor in default, transfers to a beneficiary to a deed of trust by a trustor in default, transfers by foreclosure sale after default, transfers by foreclosure sale under default in an obligation secured by a mortgage, or transfers by sale under a power of sale after default in an obligation secured by a deed of trust or another instrument containing a power of sale.
- (f) Transfers by a fiduciary in the course of the administration of a guardianship, conservatorship or trust.
- (g) Transfers between co-owners.
- (h) Transfers between spouses resulting from a marriage dissolution decree, a legal separation decree or from a property settlement incidental to such decree.
- (i) Transfers by the State Controller in the course of administering the unclaimed property law.



- (j) Transfers to a governmental entity.
- (k) Transactions solely for the purpose of refinancing existing debt secured by the residential real property.
- (l) Transfers into a family trust or living trust where the owner is the beneficiary or trustee of the trust."

**Section 3. Severability.** If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance or any part hereof is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining portions of this Ordinance or any part hereof. The City Council of the City of Carson hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared invalid.

PASSED, APPROVED AND ADOPTED this 20<sup>th</sup> day of April, 1999.

ATTEST:

  
CITY CLERK

  
MAYOR

APPROVED AS TO FORM:

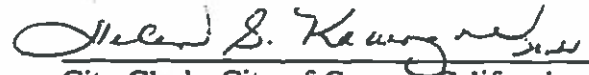
  
CITY ATTORNEY



STATE OF CALIFORNIA )  
COUNTY OF LOS ANGELES ) ss.  
CITY OF CARSON )

I, Helen S. Kawagoe, City Clerk of the City of Carson, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing ordinance, being Ordinance No. 99-1155, passed first reading on April 6, 1999 was duly and regularly adopted by the City Council of said City at a regular meeting of said Council, duly and regularly held on the 20th day of April, 1999, and that the same was passed and adopted by the following roll call vote:

AYES:	COUNCIL MEMBERS:	Mayor Fajardo, Calas, Sweeney, Frank, and Ontal
NOES:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	None
ABSENT:	COUNCIL MEMBERS:	None

  
\_\_\_\_\_  
City Clerk, City of Carson, California







**ORDINANCE NO. 99-1173U  
AN ORDINANCE OF THE CITY OF CARSON REGARDING  
RESIDENTIAL PROPERTY REPORTS, AMENDING THE  
CARSON MUNICIPAL CODE, AND DECLARING THE URGENCY  
THEREOF**

THE CITY COUNCIL OF THE CITY OF CARSON DOES ORDAIN AS FOLLOWS:

**Section 1. Findings and Declaration of Urgency.**

A. The City of Carson adopted Ordinance No. 99-1155 on April 20, 1999, which requires that persons seeking to buy residential real property in the City of Carson are furnished a report of matters of City record pertaining to such property's authorized use, occupancy, zoning classification and existing code violations. The Ordinance is intended not only to help protect the expectations of prospective buyers as to the future uses of their property, it is also intended to facilitate the orderly remediation of substandard residential real property within the City.

B. On June 30, 1999, the City Council adopted Ordinance No. 99-1166U which temporarily suspended the enforcement of certain sections of Ordinance No. 99-1155 to avoid unreasonable hardships on current and prospective homeowners. On July 27, 1999, the Planning Commission reviewed proposed revisions to Ordinance No. 99-1155 which were designed to clarify and refine the provisions for the implementation and enforcement of its requirements for residential property reports.

C. The effect of Ordinance No. 99-1966U expired as of September 1, 1999, and the provisions of Ordinance No. 99-1155 are now in full force and effect without the necessary revisions recommended by the Planning Commission. In order to adopt those revisions and avoid unintended consequences which would result from the enforcement of the original provisions of Ordinance No. 99-1155, the City Council finds that it is necessary that the provisions of this ordinance take effect immediately to avoid unreasonable hardships on current and prospective homeowners. This Ordinance is therefore necessary for the immediate preservation of the public peace, health, safety and welfare and shall take effect immediately.

**Section 2. Statement of Intent.** Section 1 of Ordinance No. 99-1155 is hereby amended to read as follows:

**"Section 1. Intent.** The purpose of this Ordinance is to ensure that persons seeking to buy residential real property or operate a residential care facility are furnished a report of matters of City record pertaining to such property's authorized use, occupancy, zoning classification and existing code violations. This Ordinance is further intended to facilitate the orderly remediation of substandard residential real property. This Ordinance does not provide, and is not intended to provide, for the comprehensive inspection of residential real property."

**EXHIBIT NO. - 7**





**Section 3. Code Amendment.** Subsection (f) of Section 5901 (Definitions) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"(f) "Agreement" shall mean any agreement providing for the transfer of title or conveyance of ownership in residential real property."

**Section 4. Code Amendment.** Subsection (a) of Section 5902 (Residential property report—required) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"(a) No owner of residential real property shall transfer title and/or convey ownership for such property without first providing the prospective buyer with a copy of a valid residential property report for the property."

**Section 5. Code Amendment.** Section 5903 of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"5903. Same—Application. Applications for a residential property report shall be filed with the Community Development Department on a form provided by the Director. Each application shall indicate whether or not the owner (i) consents to an inspection of the residential real property by City personnel and (ii) has made appropriate arrangements with any affected tenants. No application shall be accepted unless accompanied by an application fee in an amount established by City Council resolution."

**Section 6. Code Amendment.** Section 5904 of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"5904. Same—Issuance. Upon receipt of a complete application, the Director shall prepare a residential property report based on available City records and an inspection of the residential real property. Residential property reports shall be issued within ten City business days following inspection of the subject property."

**Section 7. Code Amendment.** Section 5905 of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"5905. Same—Proof of Delivery. Within ten City business days after transfer of title or conveyance of ownership for residential real property, the owner(s) of such property shall file with the Community Development Department written proof that a copy of a valid residential property report for such property has been provided to the buyer. This section may be satisfied by either (i) personal delivery; (ii) facsimile and deposit in the U.S. mail so as to be postmarked within the ten day filing period or (iii) deposit in the U.S. mail so as to be postmarked within the ten day filing period. Such written proof shall be signed and dated by the buyer and shall contain the substance of the following statement: "I hereby acknowledge under penalty of perjury that I have received a copy of the City of Carson's residential property report for the property located at (address) . I also acknowledge that the issuance of the report is not a



representation by the City of Carson that this property is in compliance with all applicable laws."

**Section 8. Code Amendment.** Section 5909 (Remediation of Property) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

**"5909. Remediation of Property.**

- (a) All code violations identified on a residential property report shall be corrected in accordance with the following schedule, unless otherwise authorized by the Director: (i) prior to the transfer of title or conveyance of ownership for such property; (ii) prior to the commencement of a residential care facility on such property; or (iii) for existing residential care facilities renewing a business license, within forty-five days from the issuance of such report.
- (b) The Director may authorize an extension of the time periods prescribed by this section upon a showing of good cause; provided, however, that in no event shall code violations identified on a residential property report be permitted to remain uncorrected more than one calendar year from the issuance of such report.
- (c) The buyer of a residential real property may assume responsibility for correcting code violations identified on a residential property report upon a showing to the satisfaction of City staff that such buyer: (i) is capable, financially and otherwise, of making the corrections; (ii) has consented in writing to a compliance schedule; and (iii) has entered into such security agreement or undertaking, if any, as may be required by City staff to ensure that the violations will be corrected within the time permitted by the compliance schedule."

**Section 9. Code Amendment.** Subsection (c) of Section 5910 (Refunds, Fees and Penalties) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

- "(c) Any owner who submits a residential property report application after the transfer of title or conveyance of ownership for the subject property shall pay, in addition to the application fee, a late penalty fee in an amount established by City Council resolution."

**Section 10. Code Amendment.** Section 5911 (Validity of Transactions) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

**"5911. Validity of Transactions.** No sale or transfer of title of residential real property or lease of residential real property for a residential care facility shall be invalidated solely because of a failure to comply with this Chapter."

**Section 11. Code Amendment.** Subsection (b) of Section 5913 (Exemptions) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"(b) Mobile homes in mobile home parks, trailers and apartment units on a month-to-month rental or annual lease agreement where land sales are not involved and the use is in compliance with this Code."

**Section 12. Code Amendment.** Subsection (e) of Section 5913 (Exemptions) of Chapter 9 (Residential Property Report) of Article V (Sanitation and Health) of the Carson Municipal Code is hereby amended to read as follows:

"(e) Transfers to a mortgagee by a mortgagor in default, transfers to a beneficiary to a deed of trust by a trustor in default, transfers by foreclosure sale after default, transfers by foreclosure sale under default in an obligation secured by a mortgage, or transfers by sale under a power of sale after default in an obligation secured by a deed of trust or another instrument containing a power of sale, except that a subsequent transfer of title or conveyance of ownership by the transferee shall not be exempt from the provisions of this Chapter."

PASSED, APPROVED AND ADOPTED this 7<sup>th</sup> day of September, 1999.

ATTEST:

  
\_\_\_\_\_  
CITY CLERK

  
\_\_\_\_\_  
MAYOR

APPROVED AS TO FORM:

  
\_\_\_\_\_  
CITY ATTORNEY

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    )    ss.  
CITY OF CARSON                )

I, Helen S. Kawagoe, City Clerk of the City of Carson, California, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing ordinance, being Ordinance No. 99-1173U was duly and regularly adopted by the City Council of said City on an urgency basis at a regular meeting of said Council, duly and regularly held on the 7th day of September, 1999, and that the same was passed and adopted by the following roll call vote:

AYES:	COUNCIL MEMBERS:	Mayor Fajardo, Sweeney, Frank, and Ontal
NOES:	COUNCIL MEMBERS:	None
ABSTAIN:	COUNCIL MEMBERS:	Calas
ABSENT:	COUNCIL MEMBERS:	None

  
\_\_\_\_\_  
City Clerk, City of Carson, California

