Chapter 234 MOBILEHOME PARK CONVERSION ORDINANCE City of Huntington Beach - 2004

234.02 Applicability

A. All findings required for removal of the MHP overlay zone shall also be applied to requests for rezoning existing RMP districts to different zoning districts, and for any change of use as hereinafter defined.

B. All findings required for removal of the MHP overlay, rezoning from RMP or change in use shall be required for all property upon which a mobilehome park then exists, or upon which a mobilehome park existed at any time within the preceding five years.

234.04 Definitions

Words and phrases whenever used in this chapter shall be construed as defined herein unless from the context a different meaning is intended and more particularly directed to the use of such words and phrases.

Affordable Unit. A unit that is sold to and occupied by a low or moderate income household. Affordable unit shall also mean a rental unit for which the monthly payment does not exceed 25% of the household's gross income for low income households or 30% of the household's gross income for moderate income households.

Applicant. The person, firm, corporation, partnership, or other entity having leasehold interest or fee ownership in the operation of a mobilehome park.

Change of Use. Use of the park for a purpose other than the rental or the holding out for rent of two or more mobilehome sites to accommodate mobilehomes used for human habitation, and shall not mean the adoption, amendment, or repeal of a park rule or regulation. "Change of use" may affect an entire park or any portion thereof, and such "change of use" shall include, but is not limited to, a change of a park or any portion thereof to a condominium, stock cooperative, planned unit development, commercial use, industrial use, or vacant land.

Eligible Owner. Any mobilehome owner owning a mobilehome in a park at the time of issuance of the notice of intent to change use, but shall not include any mobilehome owner who is renting his/her unit to another party at such time.

Manufactured Home. Shall mean the same as mobilehome as used in this chapter.

Market Rate Unit. A residential unit that is sold on the open market without constraints imposed on the sales price, rental rate, or buyer qualifications.

Mobilehome. A structure designed for human habitation and for being moved on a street or highway under permit pursuant to the California <u>Vehicle Code</u> Section 35790. Mobilehome does not include a recreational vehicle, as defined in the California <u>Civil Code</u> Section 799.24, or a commercial coach, as defined in <u>Health</u> and <u>Safety Code</u> Section 18218.

Mobilehome Park. An area of land where two or more mobile home sites are rented, or held out for rent, to accommodate mobilehomes used for human habitation. Mobilehome park shall not include a mobilehome subdivision of stock cooperative.

Mobilehome Space. Any area, tract of land, site, lot, pad or portion of a mobilehome park designated or used for the occupancy of one mobilehome.

Notice of Intent to Change Use. Notification as required by California Civil Code Section 798.56(g)(2).

Senior Citizen Unit. A residential unit which meets the standards for an affordable unit which is situated in a project that is designed to accommodate senior citizens through special financing programs and/or modified development standards. (3595-1/03, 3689-12/04)

234.06 Removal of MHP Overlay or RMP Zone or Change of Use

The City Council shall not approve a zone change for any parcel when such change would have the effect of removing the MHP or RMP designation from that property, or approve a change of use unless the following findings have been made:

A. That all applicable requirements as set forth in California <u>Government Code</u> Section 66427.4, or 65863.7, whichever is applicable, have been completed.

B. That the proposed zoning is consistent with the General Plan of the City of Huntington Beach and all elements thereof; and for projects located within the coastal zone that the proposed zoning is consistent with the land use plan portion of the Local Coastal Program.

C. That the proposed change of land use will not have an adverse effect upon the goals and policies for provision of adequate housing for all economic segments of the community, as set forth in the Housing Element of the Huntington Beach General Plan.

D. That the property which is the subject of the zone change would be more appropriately developed in accordance with uses permitted by the underlying zoning, or proposed zoning.

E. That a notice of intent to change the use of a mobilehome park and relocate mobilehome owners was delivered to such owners and to the Department of Community Development at least 18 months prior to the date the mobilehome owner is required to vacate the premises.

F. The zone change shall not become effective unless a Local Coastal Program amendment is effectively certified by the Coastal Commission. (3334-6/97, 3595-1/03)

234.08 Mitigation of Adverse Impacts and Reasonable Costs of Relocation-Relocation Assistance Plan

A. Consistent with California <u>Government Code</u> Section 65863.7(e), the applicant shall take steps to mitigate the adverse impact of the conversion, closure or cessation of use on the ability of displaced mobilehome park residents to find adequate housing in a mobilehome park. These required steps shall not exceed the reasonable cost of relocation as detailed in paragraph 1 of this subsection.

1. <u>Relocation Costs</u>. All eligible mobilehome owners shall be entitled to receive the cost of relocation. As used in this section, the reasonable costs of relocation shall include the cost of relocating displaced homeowners' mobile/manufactured home, accessories and possessions to comparable mobile/manufactured home park within 20 miles of its existing location, including costs of disassembly, removal, transportation, and reinstallation of the mobile/manufactured home and accessories at the new site, and replacement or reconstruction of blocks, skirting, siding, porches, decks, awnings or earthquake bracing if necessitated by relocation; reasonable living expenses of displaced park residents from the date of actual displacement until the date of occupancy at the new site; payment of any security deposit required at the new site; and the difference between the rent paid in the existing park and any higher rent at the new site for the first 12 months of the relocated tenancy.

2. <u>Mobilehome Purchase</u>. If the mobilehome cannot be relocated to a comparable mobile/manufactured home park within 20 miles of its existing location, and the homeowner has elected to sell his or her mobile/manufactured home, the reasonable costs of relocation shall include the cost of purchasing the mobile/manufactured home of a displaced homeowner, including any optional equipment and/or tag-a-longs and expando rooms at its in-place value. Such value shall be determined after consideration of relevant factors, including the value of the mobile/manufactured home in its current location, assuming the continuation of the mobile/manufactured home park in a safe, sanitary and well maintained condition and not considering the effect of the change of use on the value of the mobile/manufactured home, but at no time shall the value of the mobile/manufactured home be less than the replacement cost of a new home of similar size and square footage.

B. Extensions of Time—In-Park Relocation.

1. The applicant may grant one six-month extension to the length of time given to the mobilehome owners in the notice of intent to change use by notifying the mobilehome owners of such extension at least four months prior to the date specified in such notice. The extension shall be granted for no more and no less than six months.

2. An applicant may, with the consent of the mobilehome owner, transfer a mobilehome unit to another space in the park. Such transfer shall not constitute permanent relocation, and the cost of all such moves shall be borne by the applicant, including reasonable living expenses of the residents from the date of actual displacement until the date of occupancy at the new site. All damages to the home incurred during the relocation shall be immediately repaired or replaced by the applicant.

C. In order to facilitate the intentions of the mobilehome owners and an applicant for a change of use with regard to a change of use, the parties may agree to mutually satisfactory relocation assistance. To be valid, such an agreement shall be in writing, shall include a provision stating that the mobile home owner is aware of the provisions of this chapter, shall include a copy of this chapter as an attachment, shall include a provision in at least 10-point type which clearly states the right to seek and the importance of obtaining an attorney's advice prior to signing the agreement, and shall be drafted in form and content otherwise required by applicable state law. No mobilehome owner signing a relocation assistance agreement provided for in this subsection may contest the adequacy of the conversion impact report at the hearing on such report. Any mobile home owner signing such an agreement may rescind it in writing within 10 days of signing it. Any such agreement which is procured by fraud, misrepresentation, coercion or duress, of any kind, shall be void and unenforceable.

D. No benefits shall be provided to any person who is renting a mobilehome from the park owner (who owns the mobilehome) where such tenant shall have executed a written agreement with such park owner waiving his or her rights to any such benefits. No such waiver shall be valid, unless it contains the text of this section, and unless such tenant shall have executed a written acknowledgment that he or she has read and understands his or her rights pursuant to this chapter and knowingly agrees to waive them.

E. No waiver by an eligible mobilehome owner of any of his/her rights pursuant to this section shall be valid or effective for any purpose except with regard to a relocation assistance agreement as provided in subsection C of this section.

F. **Alternative Housing**. If the mobilehome owner cannot be relocated in accordance with the procedures contained herein, the applicant has the option of making available suitable, and acceptable, alternative housing, together with compensation, to such mobilehome owner.

Where alternative housing is proposed, it shall be available in the following categories:

1. Senior citizen housing;

2. Affordable housing; and

3. Market rate housing.

G. **Compensation Appeals**. Appeals from the amount of compensation to be given a mobilehome owner shall be filed with the applicant within 30 days after the mobilehome owner has notice of the amount he/she is to receive. The applicant shall acknowledge any appeal within 30 days, and if an agreement cannot be reached, the matter shall be referred to a professional arbitrator.

H. **Purchase Rights**. The mobilehome owners shall receive written guarantee of first-right-of-refusal to purchase units if the development which replaces the mobilehome park is to be residential in whole or in part.

I. **Miscellaneous**. That the applicant has complied with all applicable City ordinances and state regulations in effect at the time the relocation assistance plan was approved.

That the applicant has complied with the conditions of approval, including the following items:

1. Mobilehome owners will not be forced to relocate prior to the end of their leases.

2. Mobilehome owners have been given the right to terminate their leases upon approval of the relocation assistance plan.

3. Demolition or construction will not occur until the relocation assistance plan is approved and the 18month notification period has expired. (3689-12/04)

234.09 Application for Exemption from Relocation Assistance Obligations

A. Any person who files an application for change of use of a mobilehome park may, simultaneous with such application, file an application for total or partial exemption from the obligation to provide relocation assistance.

B. If such application is filed, notice of such application, with the information contained therein, and distribution thereof to the owners and residents of the mobilehome park shall be provided with the application for change of use.

C. Any such application shall state that it is made on either or both of the following bases:

1. That provision for relocation assistance would eliminate substantially all reasonable use or economic value of the property. Such basis may only be established if it is demonstrated that the imposition of such obligations would eliminate the reasonable use or economic value of the property for alternate uses, and that continued use of the property as a mobilehome park would eliminate substantially all reasonable use or economic value of the property for reasonable use or economic value of the property.

2. That a court of competent jurisdiction has determined in connection with a proceeding in bankruptcy that the closure or cessation of use of said property as a mobilehome park is necessary, and that such court has taken further action which would prohibit or preclude payment of relocation assistance benefits, in whole or in part.

D. Any such application made pursuant to subsection (C)(1) shall contain, at a minimum, the following information:

1. Statements of profit and loss from the operations of the mobilehome for the most recent five-year period of the date of the application or request, certified by a certified public accountant. All such statements shall be maintained in confidence as permitted by the California Public Records Act.

2. If the applicant contends that continued use of the property as a mobilehome park necessitates repairs or improvements or both, that are not the result of the park owner or applicant's negligent failure to properly maintain said property, and that the costs thereof makes continuation of the park economically infeasible, a statement made under penalty of perjury by a general contractor licensed as such pursuant to the laws of the State of California certifying that such contractor has thoroughly inspected the entire mobilehome park; that such contractor has determined that certain repairs and improvements must be made to the park to maintain the park in decent, safe and sanitary condition, and that those certain repairs are not the result of the park owner or applicant's negligent failure to properly maintain said property; the minimum period of time in which such improvements or repairs must be made; and itemized statement of such improvements and repairs; and the estimated cost thereof of repairs and improvements, if any, due to deferred maintenance separately identified. The applicant shall also submit a statement verified by a certified public accountant as to the necessary increase in rental rates of mobilehome spaces within the park within the next five years necessary to pay for such repairs or improvements that are not the result of the park owner or applicant's negligent failure to properly maintain said property. If the director requires an analysis of the information submitted by the general contractor, the director may procure services of another such licensed general contractor to provide such written analysis, and the cost thereof shall be billed to and payment therefor shall be required from the applicant.

3. The estimated total cost of relocation assistance which would otherwise be required to the provided pursuant to this chapter, which shall be based upon documented surveys, included with the application, of the available mobilehome spaces within 20 miles of the mobilehome park, residents of the park who are willing to relocate and those who would elect to sell their mobilehomes, and the value of the mobilehomes in the park.

4. An estimate of the value of the mobilehome park by a qualified real estate appraiser if the park were permitted to be developed for the change of use proposed in the application for redevelopment of the park, and an estimate of the value of such park by such appraiser if use of the property as a mobilehome park is continued.

5. Such other information which the applicant believes to be pertinent, or which may be required by the director.

E. Any such application filed pursuant to subsection (C)(2) of this section shall be accompanied by adequate documentation as to the title, case number, and court in which the bankruptcy proceeding was held, and copies of all pertinent judgments, orders, and decrees of such court. (3689-12/04)

234.10 Acceptance of Reports

The final form of the impact of conversion report and relocation assistance plan will be as approved by the Planning Commission. The reports, if acceptable, shall remain on file with the director for review by any interested persons. Each of the mobilehome owners shall be given written notification within 10 days of approval of the relocation assistance plan.

234.12 Actions of Planning Commission

At the conclusion of its hearing, noticed as provided in this code, the Planning Commission shall approve, conditionally approve, or deny said impact of conversion report and relocation assistance plan pursuant to the provisions of this article, and such decision shall be supported by a resolution of the Planning Commission, setting forth its findings.

234.14 Fees Required

Each impact report and relocation assistance plan submitted shall be accompanied by a fee established by resolution of the City Council.