



*Planning Division Services*

## PLANNING COMMISSION STAFF REPORT

**TO:** Planning Commission

**FROM:** Christopher Williamson, AICP, Senior Planner CW

**DATE:** June 5, 2008

**SUBJECT:** Planning and Zoning Permit No. 08-300-1 (Tentative Subdivision Map for Tract No. 5776) for Conversion of Mobile Home Park from Rental to Condominium Ownership.

- 1. Recommendation:** That the Planning Commission adopt a resolution recommending that the City Council deny the application for Tentative Subdivision Map for Tract No. 5706 (PZ 06-300-15).
- 2. Project Description and Applicant:** The project proposes to convert an existing 154-unit space-rental mobile home park located at 205 E. Driffill Boulevard (APN Nos. 201-0-360-085 and 201-0-351-075) to condominium ownership. No physical changes are proposed to the park facilities and there are no resident age restrictions, currently or proposed. Filed by Royal Palms, LLC, 23622 Calabasas Road, Suite 100, Calabasas, CA 91302.
- 3. Existing Land Use:** The gated 16-acre park is fully developed with private internal streets, 152 mobile homes, two vacant home spaces, and a clubhouse with guest parking. There is no park or playground. The park is known as the Royal Palms and was opened in 1963 by Martin V. Smith. Even though the over-age 55 restriction was removed by the park owner in 2003, most residents are seniors.
- 4. General Plan Policies and Zoning Conformance:** Both the 2020 General Plan and Zone designations are Central Business District in which mobile home parks are allowed. These designations are consistent with each other.
- 5. Environmental Determination:** Public Resource Code Section 21080(b)(5) exempts disapproved projects from California Environmental Quality Act review.

**6. Surrounding Zoning and Land Uses:**

LOCATION	ZONING	GENERAL PLAN	EXISTING LAND USE
Project Site	CBD	CBD	mobile home park
North	CBD	CBD	Retail on 7 <sup>th</sup> Street
South	CBD	CBD	Retail on Oxnard Blvd.
East	CBD	CBD	Industrial
West	CBD	CBD	Industrial and commercial

**7. Analysis:**

The conversion of mobile home parks to resident ownership is prescribed by state law. The role of local government is largely to ensure the state-mandated process is followed. The mobile home park conversion process is outlined by California Government Code Section 66427.5 and includes the following:

**1. Obtain a survey of resident support for the conversion.**

The Applicant states in a letter dated March 21, 2008 that they attempted on two occasions to "...survey the residents regarding their interest in ownership. The HOA [homeowner's association of park residents] leadership refused to fulfill its agreement to complete the initial survey. The park owner conducted a second survey directly with the residents, but received only 33 responses" (Exhibit B, pg. 2). The Tenant Impact Report states that four responses supported the conversion (pg. 3): the responses have not been provided to the City. On May 19, 2008, a survey signed by 128 residents was hand-delivered to the Planning Division office (Exhibit C) asking that the City of Oxnard deny the conversion permit.

Government Code Section 66427.5(d)(1) states, "The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion." With 128 of 151 (84.7%) occupied spaces requesting denial of the conversion request and no evidence of a "survey of support" provided by the subdivider, staff cannot make the finding that the Applicant has "...obtain[ed] a survey of support of residents of the mobilehome park for the proposed conversion."

**2. Complete, file, and distribute a Tenant Impact Report (TIR).**

The TIR is the state-required disclosure document that outlines how low income existing residents will be protected from economic dislocation in compliance with Government Code Sections 66427.5. A TIR was filed with the project application dated January, 2008 and previously distributed to the residents. A copy is included as Attachment D. The TIR explains that if a low -income tenant chooses not to purchase, their space rent would increase annually based on the consumer price index (CPI), and they may continue renting their space indefinitely. Higher income residents would see their space rent rise to a market-rate level over four years. All residents will have a three-month period of exclusive first refusal to purchase,

commencing with the issuance of the Final Public Report by the California Department of Real Estate which is anticipated early next year.

7. **Community Input:** The conversion proposal was presented at the May 19, 2008 monthly community workshop. At the meeting, the Applicant presented three voluntary conditions of approval listed in their letter of April 17, 2008 (Exhibit E):
- a. Parkowner agrees to hold all space rent increases to the Consumer Price Index-Urban or five percent (whichever is greater) until either 25 percent of the lots are sold or 36 months from sale of the first lot, whichever comes first.
  - b. Existing residents would receive an eight percent discount from the list price.
  - c. Parkowner will designate a third party to assist buyers in obtaining financing and related services.

There were at least 12 Royal Palms park residents in attendance who did not express support for the conversion after the Applicant's presentation.

8. **Recommendation for Denial:** As the Applicant has presented no evidence of resident support as required by Government Code Section 66427.5(d)(1) and the Royal Palms residents have, instead, presented significant evidence of non-support, staff recommends that the Planning Commission recommend that the City Council deny the application for Tentative Subdivision Map for Tract No. 5706 (PZ 06-300-15).

9. **Attachments:**
- A. Vicinity Map and Tract Map
  - B. March 21, 2007 Applicant Letter
  - C. May 19, 2008 Resident Survey
  - D. January 2008 Tenant Impact Report
  - E. April 17, 2008 Applicant Letter
  - F. Planning Commission Resolution
  - G. Government Code Section 66427.5

Prepared by:	<u>CW</u> CW
Approved by:	<u>SM</u> SM

# EXHIBIT A

## Location Map and Tentative Tract Map



Royal Palms Mobile Home Park  
2007 Aerial Photo PZ 08-300-1







# EXHIBIT B

March 21, 2007 Applicant Letter

MAR 25 2008

PLANNING DIVISION  
CITY OF OXNARD  
Mark D. Albert  
malpert@hkclaw.com

March 21, 2008

Our File Number: 25383.360/4850-4022-1442v.1

**VIA ELECTRONIC AND U.S. MAIL**

Sue Martin, AIPC  
Planning Manager  
City of Oxnard  
300 West 3rd Street, Ste. 300  
Oxnard, CA 93030

James F. Rupp, Jr., Esq.  
Office of the City Attorney  
City of Oxnard  
300 West 3<sup>rd</sup> Street, Ste. 300  
Oxnard, CA 93030

Re: Royal Palms Mobilehome Park

Dear Ms. Martin and Mr. Rupp:

As you know, our office represents the owner of Royal Palms Mobilehome Park (the "Park"), which has submitted a subdivision application for the Park to "convert" the Park to a tenant-owned community. On March 10, 2008, one of the park owner's engineers on the project received a message from Chris Williamson from planning at the City of Oxnard in which he stated that the processing of the application was in something of a limbo because of uncertainty regarding whether the lack of tenant support for the application rendered the application "incomplete."

I found this very surprising for two reasons. First, on February 4, 2009, I received an email from Mr. Williamson confirming "The application for the conversion of the Royal Palms MHP to resident ownership is complete." Second, there is nothing in the relevant state law or even the City's ordinance which requires majority resident support to process, much less "complete" a subdivision application. Indeed, I specifically addressed this issue with the City Attorney before we submitted the application, after our surveys were completed. In addition to our conversation, I provided Mr. Rupp detailed information regarding the relevant state law, including supporting legislative history which demonstrated that majority resident support was not required to proceed with a subdivision. After considering these materials, Mr. Rupp specifically advised that the park owner should proceed with submitting the application.

I spoke with Mr. Williamson by telephone on March 19 to get some understanding of why the City's planning division was now apparently waffling on whether the completed application was actually complete. He offered two explanations. First, he indicated he was relying on the advice of the City Attorney. Second, he explained that the City was waiting to see whether the County of Ventura would adopt a conversion ordinance of the kind adopted by Sonoma County, an ordinance which he understood had been "upheld by the courts."

The adoption of such an ordinance in Sonoma County or Ventura County is irrelevant to whether Royal Palm's application is complete under the City of Oxnard's existing statutory framework. Indeed, it has already been deemed complete by the City. The refusal to process Royal Palm's application on that basis is improper. It is our view that any conversion ordinance which purports to require majority support of tenants violates state law. The decision of a Sonoma County Superior Court will likely be reversed for that reason. In any event, superior

Sue Martin  
James F. Rupp, Jr., Esq.  
March 21, 2008  
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court decisions from other counties simply have no precedential value—it would be improper for a lawyer or court to rely on such a decision in any other court proceeding.

The City treads on very dangerous ground in intentionally failing and refusing to process a completed subdivision application. In his letter stating the application was complete, Mr. Williamson described the expected processing to proceed as follows:

“The next step in the process will be to send the TSM out for 30-day review by various agencies, and then receive and review their comments.

The mailout will occur by the end of this week, with a call for comments by March 10, 2008. We probably will schedule a community workshop on Monday, March 17th. Assuming no issues are raised by the TSM review or at the workshop, the permit should get to the Planning Commission in early April.”

I understand from Mr. Williamson that the tentative subdivision map did go out for review. He did not indicate he received any comments of concern.

Mr. Williamson’s March 4<sup>th</sup> phone message had indicated the community workshop would not go forward in March and probably would not go forward in April because of the concerns over the survey. In other words, the subdivision process has already been improperly delayed for at least a month.

A community workshop should proceed in April and should be set for hearing before the Planning Commission as shortly thereafter as possible. The City’s actions in failing to process a completed subdivision application are improper, illegal and must cease. I am requesting immediate confirmation in writing from the City that it will proceed with processing Royal’s subdivision application.

I do not wish this letter to convey to the City that the park owner is not concerned with resident support for conversion. This is a bona-fide conversion effort by the park owner. It is not an effort to avoid rent control. The park owner will consider and may propose conditions on the application that will address concerns regarding a “sham conversion,” but such conditions are not relevant or appropriate to consider in determining whether the application is complete.

It is important to consider the fact that the park owner has twice sought to survey the residents regarding their interest in ownership. The HOA leadership refused to fulfill its agreement to complete the initial survey. The park owner conducted a second survey directly with the residents, but received only 33 responses. We believe the HOA “leadership” actively discouraged participation of residents in the second survey. The HOA leadership should not be rewarded by its efforts to interfere with a legally required survey process.

Sue Martin  
James F. Rupp, Jr., Esq.  
March 21, 2008  
Page 3

As we have previously indicated, it is our belief that there will eventually be substantial resident support for subdivision as the process proceeds and when a tentative price can eventually be disclosed. It is simply not proper to disclose sale prices at this time. With the electronic copy of this letter, I am attaching the Department of Real Estate's publication which makes clear that even a tentative price cannot be disclosed until after a preliminary report has been obtained from the DRE.

Finally, I think it is important to emphasize that is not the role of the City and particularly its planning department to be a political advocate for the residents, or for the park owner for that matter. The park owner has the right to the processing of the subdivision application in conformance with the law. The park owner, not the residents, own Royal Palms. The City cannot refuse to process the application because of political resistance from tenants. To the extent the City is perceived as taking the tenants' sides, rather than independently performing its legal duty, it prevents the very resident support that your staff claims it would like to see. If the tenants perceive that the City can and will prevent the transition of Royal Palms from a rent controlled park (with rents unreasonably low), the tenants have no incentive to negotiate in good faith with the park owner. The refusal of the HOA to participate in the survey process illustrates this point.

We hope and expect that the City will process Royal Palm's completed subdivision application consistent with state and local law. Please confirm that the application will be set for a Community Workshop in April and on schedule for hearing before the Planning Commission at the earliest possible date.

Sincerely,

HART, KING & COLDREN  


Mark D. Alpert  
MDA\mda

Enclosure

cc: May Davoudian (w/out enclosure)  
Robert S. Coldren, Esq. (w/out enclosure)  
Rose Fistrovic (w/out enclosure)

# EXHIBIT C

May 19, 2008 Resident Survey

## Summary of Survey

May 19, 2008

Royal Palms Mobile Home Park  
205 E. Driffill Blvd.  
Oxnard, CA 93030

### **Park Location**

Park boundaries are East of Oxnard Blvd., North of Wooley Rd., South of Seventh St., west of Factory Lane. This is just northeast of the Five Points Intersection. The park entrance is on Driffill Blvd. east of Ninth Street.

The area is heavy industrial and (old Oxnard sugar factory) to the east, light industrial/commercial to the south, auto body/auto repair shops, 2 old homes for low income, and low income apartments on southwest, used car lots, auto repair, retail and vacant bar on northwest and remodeled Boys and Girls Club and condominiums on north side. The Oxnard Homeless Shelter is one block north of Royal Palms.

### **Brief history of the park**

The park was opened in 1963. The park was built and owned by Martin V. "Bud" Smith until about 1997. There are 154 spaces in the park. Between 1963 and the 1980's the park became an "over 55 age park" as the resident became seniors. The few that were slightly younger were "grand-fathered" in when the park became an official "55 and older park". The park owners changed the park to an "all age park" even though the residents didn't want the change. The majority of the residents are "55 and older" and many are retired on a fixed income. There is no park or playground for children in Royal Palms or nearby.

The park space rents have been controlled by the Oxnard Rent Stabilization Ordinance since it was first established in the early 1980's (when all the park owners in Oxnard and City Staff got together and established it). The major revisions in the Ordinance were made in the mid 1990's. Michael Cirillo of Star Management and an Oxnard park owner was one of the active representatives of the Oxnard park owners in the group of meetings to establish the revisions.

The majority of the residents are not interested in condo/conversion. Most cannot afford to buy the land or live in the park without the current Oxnard Mobile Home Rent Stabilization Ordinance.

129 spaces surveyed, (69 of them are on fixed income)

12 spaces could not be reached, nobody home

Three residents are in Convalescent Homes

Three residents have passed away recently

Five mobile homes are for sale (Two of them are exempt from rent control, new homes)

Two mobile homes are currently vacant (One of them is for sale)

Space #27 - Manager space cannot count (exempt from rent control)

1

Royal Palms Mobile Home Park  
Homeowner's Association  
205 E. Drifill Blvd.  
Oxnard, CA 93030

May 10, 2008

City Of Oxnard  
Chris Williamson, Planning Division  
214 South C Street  
Oxnard, CA 93030

Dear Chris Williamson,

The Royal Palms Mobile Home Park located at 205 E. Drifill Blvd., Oxnard, CA was initially developed in 1963 and has 154 Spaces. Royal Palms was an "Over 55" Seniors Park until June 2003. Many of the residents are seniors living on low or very low fixed income and retired. Most of the residents attended a meeting in the park on August 29, 2007 with the park owners' representatives at their request to discuss Condo Conversion. The Homeowners have discussed the Condo Conversion pros and cons at our monthly meetings many times and in small groups as well within the park since the August meeting. The park owners have sent the residents surveys to fill out on two occasions. The Homeowner's Association estimates that 99 % of the current residents do not support the proposed conversion to condominium ownership. *Of those in sample who signed, 69 are on fixed income.*

The following Royal Palms Homeowners ask the City of Oxnard to deny the consideration of PZ 08-300-1 (Conversion in the Royal Palms Mobile Home Park):

Space #	Print Name	Sign Name	Retired and on Fixed Income	(Check)
3	LINDA EGREY	<i>Linda Egrey</i>		No
8	Michael Phaneuf	<i>MI P</i>		no
63	Miguel Cortez & Rosie Alvarez			NO
129	Miguel Cortez & Elvia Martinez			NO
21	<i>Memeri Hernandez</i>			NO
25	<i>Carmen Hernandez</i>			<del>NO</del>
79	MOSES VARGAS			NO
113	BOVITA THAAMUN B Phaneuf			NO
138	MARCO MORADO			no
128	<i>Jh B</i>			
5	JUDITH PALMER	<i>Judith Palmer</i>		

(see pg. 2)

Royal Palms Mobile Home Park  
Homeowner's Association  
205 E. Driffill Blvd.  
Oxnard, CA 93030

May 10, 2008

City Of Oxnard  
Chris Williamson, Planning Division  
214 South C Street  
Oxnard, CA 93030

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The following Royal Palms Homeowners ask the City of Oxnard to deny the consideration of PZ 08-300-1 (Conversion in the Royal Palms Mobile Home Park):

Space #	Print Name	Sign Name	(Check) Retired and on Fixed Income	
25	Griselda Ramirez	<i>Griselda Ramirez</i>	Yes	NO
41	Eduardo Medina	<i>Eduardo Medina</i>	yes	NO
109	Francisco Flores	<i>Francisco Flores</i>	yes	NO
83	Betty Boyet	<i>Betty Boyet</i>	yes	NO
128	Jerry Cox	<i>Jerry Cox</i>	yes	NO
149	Salvador Jimenez	<i>Salvador Jimenez</i>	yes	NO
65	William Marming	<i>William Marming</i>	yes	NO
#14	Claudia L. Mell	<i>Claudia L. Mell</i>	yes	NO
31	KAREN ADKISON	<i>Karen Adkison</i>	yes	<input checked="" type="checkbox"/>
125	dosefina hopez G.	<i>dosefina hopez G.</i>	yes	No
143	Olga Ortega	<i>Olga Ortega</i>	yes	NO
76	Rosalia Padilla	<i>Rosalia Padilla</i>	yes	NO

11 spaces      12/10

28 BARBARAS NODGASS Barbara Nodgrass yes

11 Pat Brown Pat Brown

34 Pedro May Pedro May yes

153 CARLOS CASTANEDA Carlos R Castaneda yes

75 JULIA MORA Julia Morera yes

~~109 FRANCISCO FLORES Jaco Flores Duplicate NO~~

~~41 Eduardo Medina Eduardo Jaco Duplicate NO~~

43 Maria S. Rivera Maria Silvestre Rivera NO

97 Maria Vargas Maria Vargas NO

122 Annie Brownstein ANNIE BROWNSTEIN yes

103 Concepcion Hernandez yes

~~76 Rosa A Padilla Duplicate yes~~

142 Ruth Dixon Ruth Dixon ~~yes~~ yes

82 VICENTE ARENAS White Cross NO

134 Elsa Casillas Elsa Casillas NO

133 maria Ramos MARIA E. RAMOS NO

130 Eliseo Zavala Eliseo Zavala Frotas YES

132 Jorge Medina Jorge Medina NO

139 Robin G. Stewart Robin G. Stewart NO

140 Maria Del Carmen Romero M D Romero no

93 Silveira Pereira YES

94 Ana Rosa Sligo Manzo

92 AL & NANCY HALL Al & Nancy Hall YES

102 SAMUEL MACIAS Samuel Macias NO

104 MARION HAYWARD Marion A Hayward

Space #                      Print Name                      Sign Name                      Retired and on Fixed Income

Space #	Print Name	Sign Name	Retired and on Fixed Income
<del>88</del>			
88	Jesus Bobadilla	Jesus Bobadilla	yes
69	Ignacio Medina	<del>Ignacio Medina</del>	NO
86	WARRID Couch	WARRID Couch	Yes
85	JESSE SUTTON		yes
58	Jose Trujera		yes
32	Raymond Lara	Raymond LARA	yes
120	Jose esquivel PEROT		NC
42	Ramil Reyes / R. Reyes		NO
119	ROBERT HEARN / R. Hearn		YES
112	ELVIRA CARRILLO	Elvira Carrillo	Yes
116	MAXINE J. WHITE	Maxine White	YES
115	Edward W. Torre		yes
124	DELORES BRIEGO	Delores Briego	yes
75	Jorge Martinez	<del>Jorge Martinez</del>	NO
108	ARTHUR C. SIRON		NO
44	Helen Rodriguez	<del>Helen Rodriguez</del>	Yes
150	BETTIE L SCOTT	Bettie L Scott	yes
52	Neva Bray (Nina Bray)		YES
53	PAT DAVIS	Pat Davis	YES
74	Helen Bernander	<del>Helen Bernander</del>	NO
56	Cindy Wells	Cindy Wells	NO
68	Sando Ipatzi		
59	Nels Seidel		

Family members

(Check)

Space #	Print Name	Sign Name	Retired and on Fixed Income
36	WILFORD M. STEWARD	<i>W. Steward</i>	YES
84	CARMEN	<i>Carmen</i>	NO
131	AGOSTA	<i>Agosta</i>	NO
144	ENRIQUE FERNANDEZ	<i>Enrique Fernandez</i>	NO
138	SHIRLEY M. CORMACK	<i>Shirley M. Cormack</i>	Yes.
<del>125</del>	<del>Josefina Lopez</del>	<del><i>Patricia</i></del> <sup>Duplicate</sup>	<del>yes</del>
70	JAMES V. JAMES	<i>James V. James</i>	yes
72	ADOLFO AMBRIZ	<i>Adolfo Ambriz</i>	NO
71	JOSE A. DOMINGUEZ	<i>Jose A. Dominguez</i> ?	?
114	YOSFINA JUNA	<i>Baltasar Juna</i> ?	?
107	PEDRO M. ROMERO	<i>Pedro M. Romero</i> ?	?
29	THOMAS AVILA	<i>Thomas Avila</i>	yes
19	RAMIRO ORTIZ	<i>Ramiro Ortiz</i>	yes
17	ALMA THAXTON	<i>Alma Thaxton</i>	YES
10	JOHN M. STEVENS	<i>John M. Stevens</i>	Yes
1	MIGUEL A. ORTIZ	<i>Miguel A. Ortiz</i>	?
2	RUTH RIDGE	<i>Ruth Ridge</i>	yes
152	JOSE FELIX ORTIZ	<i>Jose Felix Ortiz</i>	NO
15	MARIA HARTMAN	<i>Maria Hartman</i>	74.9
13	MICHAEL GIBBONS	<i>Michael Gibbons</i>	74.0
14	NATALIA GARCIA	<i>Natalia Garcia</i>	74.4
20	LUPITA SING	<i>Lupita Sing</i>	74.5
18	ANITA BUSCH	<i>Anita Busch</i>	NO
148	RODRIGO SOLER	<i>Rodrigo Soler</i>	?

(Check)

Space #	Print Name	Sign Name	Retired and on Fixed Income
81	Bella Medina	Bella Medina	yes
38	Penelope R Conaway	Penelope R Conaway	NO
78	Maria G Amercia + Rafael Amercia	Maria G Amercia	Fixed income
99	Billy Toms	Billy Toms	Fixed yes
100	Helen Higginbotham	Helen Higginbotham	yes
91	George Miller	George Miller	yes
105	SHIRLEY SEDLE	Shirley Sedle	FIXED-INC.
87	Juan Ortiz	Juan Ortiz	NO
60	Gustavo Chavez	Gustavo Chavez	NO
61	Jorge Livanos	Jorge Livanos	NO
66	JOHN SWARTON	John Swarton	yes
54	Louis Salinas	Louis Salinas	?
49	Carolyn Fischbach	Carolyn Fischbach	YES
47	Barbara Littenberg	Barbara Littenberg	yes
46	Woodrow Kendrick Jr	Woodrow Kendrick Jr	yes
145	Maria Fersich	Maria Fersich	yes
146	Michael MacLennan	Michael MacLennan	RETIRED
23	Howie Anale	Howie Anale	NO
150	Francis Mares	Francis Mares	NO
154	GUSTAVO ECHEVERRIA	Gustavo Echeverria	NO
80	GEORGE S MARRI	George S MARRI	NO
80	Millie Torres	Millie TORRES	NO
81	THOMAS ROGERS	Thomas Rogers	NO
55	ENRIQUE GARCIA	Enrique Garcia	YES

same phone  
same phone  
same phone

same phone

Space #	Print Name	Sign Name	(Check) Retired and on Fixed Income
123	Katherine Bamford	Katherine Bamford	NO
64	MARY CAVE	Mary Cave	YES
77	Marys Thompson	Mary Thompson	
24	Laura Villagomez	Yanuel	NO
24	JOSE Luis Villagomez	Jose Luis Villag	NO
95	Marietta Maranan	Marietta R. Maranan	No
94	FAUSTINO Q. CORPUZA	faustino	NO
26	Margaret Vasquez		YES
22	Jose m Reyes	Jose m Reyes	no
6	Israel Cantada	I	yes
111	Jaime Arellano	JAIME ARELLANO	YES
89	Maxine Marie Connolly	Maxine M. Connolly	YES
89	Donald C. Connolly	Don Connolly	YES
101	Luis Reyes		NO
67	DONALD JENKINGS	Donald Jennings	YES
42	Rocio Uribe	Rocio Uribe	No
40	Guadalupe Solis	GUADALUPE SOLIS	YES
137	Juan (known)		No
139	Roxana Landero	Roxana Landero	No
84	Bob Miller	Bob Miller	NO
39	Dolores Barrera	Dolores Barrera	Yes

129 units

ROYAL PALMS MOBILE HOME PARK

VACANT

FOR SALE

DECEASED

CONVALESANT

SP-7  
SP-57

gone →

SP-35  
SP-57  
SP-90  
SP-120  
SP44

SP-110  
SP-50  
SP-12

SP-127  
SP-4  
SP-136

ROYAL PALMS			based on May 10, 2008 submission		OW
1	K	53	K	105	K
2	K	54	K	106	
3	X	55	K	107	K
4	CONVALESCANT	56	K	108	K
5	X	57	VACANT SP.	109	X
6	K	58	K	110	DECEASED
7	VACANT, SP.	59	K	111	K
8	X	60	X	112	K
9		61	K	113	K
10	K	62	K	114	K
11	X	63	X	115	K
12	X (FAMILY)	64	K	116	K
13	K	65	X	117	
14	X	66	K	118	
15	K	67	K	119	K
16	K	68	K	120	
17	K	69	K	121	FOR SALE
18	K	70	K	122	K
19	K	71	K	123	K
20	K	72	K	124	
21	X	73		125	X
22	K	74	K	126	
23	K	75	X	127	CONVALESCANT
24	K	76	K	128	X
25	X	77	K	129	K
26	K	78	K	130	K
27	PARK EMPLOYEE	79	X	131	K
28	X	80	K	132	K
29	K	81	K	133	X
30		82	K	134	K
31	X	83	X	135	K
32	K	84	K	136	CONVALESCANT
33		85	K	137	K
34	X	86	K	138	X
35	FOR SALE	87	X	139	K
36	K	88	K	140	K
37		89	K	141	
38	K	90	FOR SALE	142	K
39	K	91	K	143	X
40	X	92	K	144	X
41	K	93	K	145	K
42	K	94	K	146	K
43	K	95	K	147	
44	K	96	K	148	K
45	K	97	K	149	X
46	K	98	K	150	K
47	K	99	K	151	K
48		100	K	152	K
49	X	101	K	153	K
50	DECEASED	102	K	154	K
51		103	K		
52	K	104	K		

RESPONSES

128

OCCUPIED  
(EXCLUDE #27)

151

% RESPONSE

84.7%

Prepared by  
Chris Williamson  
May 22, 2008

# EXHIBIT D

## January 2008 Tenant Impact Report

**TENANT IMPACT REPORT**  
**Royal Palms Mobilehome Park**  
**January 2008**

**Section I. Purpose of Tenant Impact Report (“TIR”):**

This Tenant Impact Report (“TIR”) is being prepared pursuant to California Government Code Section 66427.5 (“**Section 66427.5**”), a copy of which is attached hereto as Exhibit “A”. The purpose of this TIR is to explain the protections afforded to those “**Resident(s)**,”<sup>1</sup> that elect not to purchase a “**Condominium Interest**” in Royal Palms Mobilehome Park (“**Park**”), located at 205 E. Driffill Blvd, City of Oxnard, State of California, 93030. All Resident Households will be afforded the opportunity to either: (i) buy the space on which their manufactured home (“**Manufactured Home**” or “**Home**”) is situated (“**Space**”), or (ii) continue to rent the Space on which their Manufactured Home is situated. Further, if a Resident Household elects to continue to rent the Space on which their Manufactured Home is situated, then the rent increases will be set in accordance with the provisions of 66427.5.

**1.1 Description of Change of Use:** Whenever a mobilehome park is converted to another use, Section 66427.5 requires the entity which is converting the Park to file a report on the impact that the conversion to another use will have on the “**Residents**” (as defined in Section 1.2(c) below) and occupants of the Park.

(a) **Change of Use Resulting in Resident Removal from the Property:** The change of use of a mobilehome park, in some cases, results in a closure of the park to enable an alternative use. This is NOT what is occurring at the Park. The Park will remain a manufactured housing community, with the existing Residents having the right to either buy their “**Condominium Unit**”<sup>2</sup> or to remain and rent their space.

(b) **Change of Ownership Rather Than Traditional Change of Use:** While conversion of a rental mobilehome park to a Resident-owned mobilehome park is identified as a change of use under California law, it is more accurately described as a change of the form of ownership. The Park is not being closed and the Residents are not being required to vacate the property. Rather, the Residents have available to them additional options

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<sup>1</sup> “Resident” or “Residents” is defined in Section 1.2(e) of this TIR. Please note that this definition does not mean the same as “Resident Household” or Resident Households” as defined in Section 1.2 herein.

<sup>2</sup> “Condominium Unit” means the airspace unit which is defined as 1’ below grade and 40’ above grade, with the lateral and horizontal planes demarked by the exclusive easement lines established on the ground [in other words, the space the Resident is currently occupying], plus 1/154<sup>th</sup> fee simple ownership of the common area and facilities and one membership in the Homeowner’s Association to be formed as part of the entitlement process. Those households will continue to rent the same space they were renting prior to the conversion of the Park.

that were not available to them before the conversion occurs. After conversion, the Residents will be able to either purchase their individual Spaces and will have the right to use the common area and facilities (“Common Area”) from the Owner, and participate in the operation of the Park through a Homeowners' Association, or continue to rent their individual Spaces. As detailed below, the conversion of the Park will result in neither actual nor economic displacement of Park Residents.

(c) **Applicable Code Section is Government Code Section 66427.5:** The State of California recognizes the substantial difference between a change of use which results in the closure of a mobilehome park from the change of use which results in the change of the method of ownership of the Park. The change is seen in the enactment of and implementation of different State statutes applicable to each type of change of use. For all purposes hereunder, Section 66427.5 controls the process of determining what rights the non-purchasing Residents will have after the conversion is completed.

**1.2 Definition of Resident(s):**

(a) **Categories of Resident Households within the Park:** Section 66427.5 divides the Residents of a Park into two (2) income categories for the Resident Households: (1) non-low income and, (2) low income households. “Low Income Households” are defined in California Health & Safety Code Section 50079.5 as “those persons and families whose income does not exceed the qualifying limits for low income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937.” The greatest protections are given to the Low Income Households. The income limits are based on Ventura County's median income and the household size as prepared and distributed under the United States Housing Act. To qualify as a Low Income Household, the following income limits were established for calendar year 2007.

Household Size (# of Persons)	1	2	3	4
Income Must be at or Below:	\$30,000	\$34,300	\$38,550	\$42,850

(b) **Resident Survey (Demographics):** Pursuant to California Government Code Section 66427.5(d)(1), the subdivider has conducted a survey of support of the residents of the conversion of the Park. A sample copy of the Survey is attached hereto as Exhibit “B”. The Survey was first provided to the President of the Homeowners' Association, who agreed to conduct the survey. A general meeting was held at the Park to discuss the Survey with Residents at a park meeting in August 2007. The HOA, through its president Jerry Cox, agreed with the subdivider to conduct the survey by distributing the survey, collecting the survey results and reporting the results no later than September 22, 2007. A copy of the letter confirming the agreement is attached as Exhibit C. Each occupied

Manufactured Home Space was to have one (1) vote.

(c) The subdivider was subsequently advised that the HOA, through its president was refusing to conduct the survey pursuant to the agreement, but orally reported the residents were “opposed” to subdivision. (Declaration of Mike Cirillo, Exhibit D) The subdivider thereafter conducted a survey directly with the residents, inviting the HOA president (or his designee) to participate in counting the results of the second survey. (Cirillo Declaration) A copy of the letter provided to the residents on or about October 5, 2007 and accompanying survey form are attached as Exhibits E and F. The residents were allowed until October 16, 2007 to vote on the second survey. See Exhibits E and F.

(d) The second survey was conducted anonymously. The survey form was based on the format used by the MPROP Program administered by the Department of Housing and Community Development (“HCD”). At the time of the vote, there were one hundred fifty-four (154) occupied Manufactured Home Spaces. The results of the written (second) Survey were as follows:

<u># Responses</u>	<u>Support Yes</u>	<u>Support No</u>	<u>Decline to State Support</u>
33	4	23	5

(e) **Resident or Resident(s):** As used in this Tenant Impact Report, a “Resident” or “Residents” is any person(s) who is a permanent resident of the Park on the date the application for conversion (including, without limitation, this Tenant Impact Report) is first heard by the City of Oxnard Planning Commission. A Resident(s) of the Park is a person, or persons, who (i) has his or her name on the Title to the Manufactured Home; (ii) lives in the home as his or her permanent residence; and (iii) has been approved as a tenant under the Mobilehome Residency Law and all other applicable City, County and State laws, ordinances, regulations, or guidelines.

1.3 **Description of the Property:** The Park was constructed in approximately 1963 and is a one hundred fifty-four (154)-space mobilehome park, situated on approximately fifteen (15) acres. The fenced Park has wide asphalt streets with gutters, and all utilities are underground. The Common Area contains a clubhouse with billiards, television room, kitchen, reading room, swimming pool and grass area. The Common Area also contains two laundry rooms, RV parking and additional recreational areas.

**Section 2. Residents' Current Position/Rights:**

2.1 **Current Occupancy:** All of the spaces at the Park are occupied. There are 151 month to month tenancies. Two spaces are occupied with homes pursuant to storage agreements. One space contains a Park owned home occupied by staff. For

those Resident Households who are on a one year or month-to-month tenancy, the City of Oxnard Rent Control Ordinance currently regulates rent increases.

**2.2 Residents' Rights:** In addition to the terms of the Rental Agreements, the tenancy rights of Residents residing in the Park are governed by California Civil Code Section 798 et seq. ("**Mobilehome Residency Law**"), other applicable California statutory and case, law, and the City of Oxnard Rent Control ordinance.

**Section 3. Park Owner's Rights Upon Conversion:**

**3.1 Right to Change Use:** The owner of the Park (the "**Owner**"), pursuant to the California Government Code and the Mobilehome Residency Law, has the right to terminate all existing tenancies and require the Residents to vacate the property and go out of business or change the use of the property, providing all applicable laws are followed. The Owner, however, through this TIR, agrees to waive the right to terminate any tenancies and existing Leases or require that the Residents vacate the property. **Non-purchasing Residents will NOT be required to vacate their Space and, as described in more detail in Section 4 below, will have occupancy rights subject to a Lease or written Rental Agreement, the Mobilehome Residency Law, and California law, as applicable. Therefore, there will be no actual eviction or displacement due to the conversion and Resident-purchase of the Park.**

**Section 4. No Actual nor Economic Displacement:**

**4.1 Impact of Conversion:** Under California Government Code and the Mobilehome Residency Law (California Code of Civil Procedure Section 798 Et Seq. "**MRL**"), the converter (Owner in this case) is required, as a condition of conversion, to prepare a TIR to set forth the impact of the conversion on the Resident Households who elect not to purchase the Space on which their Manufactured Home is situated. Further, the rental increase amount, which may be charged by the Owner subsequent to the conversion, is specified and is mandatory as provided in Section 66427.5. As a result of the conversion, there will be no physical change of use. The property before and after conversion will continue to be operated as a mobilehome park. A non-profit Homeowners' Association to be formed will operate the property rather than the Owner.

**4.2 Rental Rate Increases: No Economic Displacement:** The potential economic displacement of non-purchasing Resident Households shall be mitigated by allowing the Resident Households who elect not to purchase the Space on which their Home is situated to continue their tenancy in the Park under the California Subdivision Map Act rental increase restrictions ("**Map Act Rents**"). The Map Act Rents are based upon two (2) formulas: i) one formula for permanent non-low income Resident Households, and ii) one formula for permanent Low Income Resident Households, as defined in California Health & Safety Code Section 50079.5.

(a) **Non-Low Income Resident Households:** For Resident Households, which are not low income, the base rent may be increased over a four (4) year period to market rent. Base rent is defined as that rent which is in effect immediately prior to the “**Conversion Date**” (as defined in Section 4.3 below). Market rent will be established by an appraisal conducted in accordance with nationally recognized appraisal standards. Rents may be raised to market over a four (4) year period beginning on the **Conversion Date** to allow the adjustment of rents, which under rent control have remained artificially low, to occur gradually. This protection for the otherwise financially advantaged Resident Households also provides time for those households to plan for the rental adjustment to market. This limitation on rent increases only applies to individuals who are Residents on the **Conversion Date**.

(b) **Low Income Resident Households:** The State has set forth a goal of protecting housing for the low income population of California in Section 66427.5. The Low Income Resident Households, who are permanent residents of the Park, receive a guarantee of reduced rental increases beyond that which any local jurisdiction can enact under the current rent control cases and laws of California. Low income is defined in Section 66427.5 by reference to California Health & Safety Code Section 50079.5, which, in turn defines Low Income Households as persons and families whose income does not exceed the qualifying limits for lower income families as established and amended from time to time pursuant to Section 8 of the United States Housing Act of 1937. The other qualifying requirements, including, without limitation, asset limitations, shall be as defined in the United States Housing Act of 1937, as amended from time to time. Low Income Households are protected for the entire term of their tenancy. This limitation on rent increases for low income Households only applies to individuals who are Residents on the **Conversion Date**.

i) **Rent Increase Formula.** The base rent increase for Low Income Houses is the average increase for the previous four (4) years but shall not exceed the Consumer Price Index (“CPI”) average monthly percentage increase for the most recently reported period. The formula will be calculated based upon the date of the issuance of the Final Public Report from the California Department of Real Estate.

ii) **Application Process:** The Resident must provide the same information and confirmation of the Resident's income and permanent status at the Park as though that Resident were applying for a State of California, Mobilehome Park Ownership Program (“MPROP”) loan each year. In the event that program is no longer in existence, the last application documents will become the permanent documents, and the qualifying income levels will be those established by either the State of California

Housing and Community Development Department (“HCD”) or the United States Housing and Community Development Department (“HUD”), at the election of the Owner of the Space.

iii) **Comparison:** Based on these State rent control provisions, the Low Income Households enjoy greater protection than under the City of Oxnard Rent Control. The Oxnard Rent Control Ordinance provides that the annual rent increase is limited to seventy-five percent (75%) of the CPI. However, the Owner may, upon proper showing and approval, institute a hardship rent increase. In 2005, space rents were increased substantially in excess of the increase in the CPI via a hardship rent increase application and could be increased further depending on the resolution of pending litigation. After subdivision, those residents in Low Income Households would not be subject to “hardship” rent increases or other increases allowed under the City’s Rent Control Ordinance.

(c) **Effective Date of Map Act Rents:** The effective date of the Map Act Rents shall be 90 days after notice of the **Conversion Date** by the Owner and notice of the new space rents after Conversion.

4.3 **“Conversion Date”:** Conversion Date is defined as the date of the first sale of a unit.

4.4 **No Actual Displacement:** All Residents will be given the choice to buy the Space on which his or her Manufactured Home is situated or to continue tenancy in the Park as a renter as described in this Tenant Impact Report. To receive the protections provided herein and under the California Subdivision Map Act, the Resident must have been a Resident, as defined in Section 1.2(c) on the date of Conversion. The Owner has specifically waived its right to terminate tenancies (see Section 3). Therefore, there will be no actual eviction of any Resident or relocation of their Home by reason of the Park conversion to Resident ownership.

4.5 **Conclusion: No Actual or Economic Evictions:** The legislative intent behind relocation mitigation assistance as contained in California Government Code Section 66427.4 is to ensure that Residents who were being actually evicted due to the conversion of a park to another use are protected, and that a plan was submitted and approved to ensure that protection. Where an actual relocation is required, the purpose for the impact report is to explain how and when the Residents have to vacate the property and what financial assistance the Residents would be receiving to assist in the costs of removing the Home and other personal effects. However that is not occurring here. Under the present conversion, which will not result in another use or vacation of the property, the purpose of this Tenant

Impact Report is to explain the options of the Residents regarding their choice to purchase or to rent their Space. The Owner has agreed, by this TIR, to waive its right to terminate existing tenancies and Leases upon the conversion, and any Resident who chooses not to purchase a "Condominium Interest" may continue to reside in the Park under the terms set forth in this TIR and the leasehold and law of California. There will be no economic displacement based on the Map Act Rents, nor actual eviction of any Resident because of the conversion, and, therefore, no relocation mitigation is required.

**Section 5. Benefits of Conversion:**

The purpose of the conversion of a park from a rental park to a Resident-owned park is to provide the Residents with a choice. The Residents either may choose to purchase an ownership interest in the Park, which would take the form of a Condominium Interest, or continue to rent a Space in the park. This will allow the Residents to control their economic future. The conversion provides the Resident occupants the opportunity to operate and control the Park. Since the new owners (Park Residents) are motivated to ensure the best possible living conditions at the most affordable rates, payable through the Homeowners' Association Dues, directly or through rent, both buyers and renters benefit from the conversion.

**Section 6. CONDOMINIUM Interest: Three Month Right of First Refusal**

**6.1 Condominium Interest:** The conversion provides the Residents with the opportunity to acquire an ownership interest in the Park, which certainly would not otherwise occur. As stated above, the form of ownership will be a Condominium Interest ("Condominium Interest"). The Condominium Interest is treated as any other type of real property, with ownership transferred by a grant deed where title will be insured by a policy of title insurance. The exclusive easement boundaries of each Condominium Interest will be properly marked by a certified Civil Engineer, and specific legal descriptions shall be set forth on a "Condominium Plan" (as defined in California Civil Code Section 1351(e)), which will be a matter of public record when filed and recorded: Each Condominium Interest comprises the airspace directly over the current rental spaces, a one hundred fifty-fourth interest in the Park's Common areas, and a one hundred fifty-fourth (1/154<sup>th</sup>) interest in the Common Area lot, as tenants in common. All Condominium Interests are held pursuant to the description of general rights and associated factors as set forth in the Articles and Bylaws of the Homeowner's Association, Conditions Covenants and Restrictions and California law pertaining to such ownership.

**6.2 Right of First Refusal:** With reference to California Government Code Section 66459, each Resident shall be informed that they have a three (3) month right of first refusal period, commencing on the issuance by the California Department of Real Estate and delivery of the "Final Public Report." During the three (3) month period, each Resident shall have the exclusive right to decide whether or not to purchase a Condominium Interest or continue to rent his or her Space.

**Section 7. Legal Notices:**

The Residents have received all notices required by law and will receive a copy of the final version of this report at least 15 days prior to the hearing on the map. The Residents and will also receive all additional required legal notices in the manner and within the time frame required by the state and local laws and ordinances.

**Section 8. Conclusion:**

**8.1** The above purchase rights and rental protections are being offered only to persons who are defined in Section 1.2(c) herein as Residents in the Park as of the Conversion Date.

**8.2** The above described purchase rights, lease programs, and protections will be offered only if the Park is converted to a Resident-owned mobilehome park. Such programs become effective on the Map Act Rent Date or the Offering Date, which is the date of issuance and delivery of the Final Public Report from the California Department of Real Estate, whichever is the later occurrence.

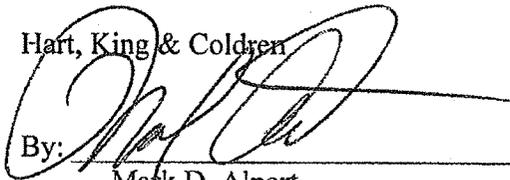
**8.3** Upon conversion of the Park to Resident ownership, the current owner of the Park, as well as subsequent owners of Condominium Interests in the Park, shall abide by all terms and conditions set forth in this TIR. This TIR is a covenant that encumbers each individual Unit.

**8.4** The conversion of the Park from a rental park to a Resident-owned park provides the Residents with an opportunity of choice. Park Residents may choose to purchase a Condominium Interest or continue to rent. The conversion also provides the potential for Residents to enjoy the security of living in a Resident-owned, controlled, and managed Park, whose motivation is achieving the best living environment at the most affordable rate.

**8.5** All Residents choosing to continue to rent will have occupancy rights exactly as they have now, and all existing Leases and/or Rental Agreements will be honored, subject to Government Code Section 66427.5, the MRL, and other California law, as applicable. The protections and programs offered to the Residents are greater than those required by law and are better than the Residents currently have as rent-paying tenants in the Park.

Dated: January 3, 2008

Hart, King & Coldren

By: 

Mark D. Alpert  
Attorneys for Park

**EXHIBIT "A"**

Government Code Section 66427.5

66427.5. At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, the subdivider shall avoid the economic displacement of all nonpurchasing residents in the following manner:

(a) The subdivider shall offer each existing tenant an option to either purchase his or her condominium or subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant.

(b) The subdivider shall file a report on the impact of the conversion upon residents of the mobilehome park to be converted to resident owned subdivided interest.

(c) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.

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

(2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.

(3) The survey shall be obtained pursuant to a written ballot.

(4) The survey shall be conducted so that each occupied mobilehome space has one vote.

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

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

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

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

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

**EXHIBIT "B"**

**ROYAL PALMS ESTATES**  
**SURVEY OF COMMUNITY RESIDENTS**  
**BALLOT FORM**

This ballot is provided to you pursuant to the requirements of Government Code § 66427.5. The purpose of the ballot is to show Royal Palms Estates resident support for the proposed conversion of Royal Palms Estates from a rental mobilehome community to a resident owned mobilehome community subdivision. Each occupied lot shall have one vote. Please indicate below whether or not you support conversion to a resident owned mobilehome community subdivision.

Unfortunately, we cannot provide you with an estimated purchase price

I support conversion of Royal Palms Estates from a rental mobilehome community to a resident owned manufactured home community subdivision, and intend to purchase my space or membership/share as follows:

- A. I think I will be able to obtain, and intend to apply for financing [    ]
- B. I intend to purchase my interest with cash
- C. I think I am a lower-income resident, and may need government assistance in order to purchase

I support conversion of Royal Palms Estates, but cannot buy (for example: I am sub-leasing, I am unable to obtain credit at this time or my resident status prevents me from buying an interest.

I do not support conversion of Royal Palms Estates from a rental mobilehome community to a resident owned mobilehome community subdivision.

I decline to state my opinion at this time.

**I understand that this form does not constitute an offer to sell at a specific price, no is it a commitment to purchase an interest in the mobilehome park, but is merely an indication of support/non-support for the park conversion.**

Space No. \_\_\_\_\_

\_\_\_\_\_  
Signature

Date: \_\_\_\_\_

\_\_\_\_\_  
Print Name

**EXHIBIT "C"**

# HK&C

HART, KING & COLDREN

Mark D. Alpert  
malpert@hkclaw.com

August 31, 2007

Our File Number: 25383.360/27

Mr. Jerry Cox  
205 E. Driffill Bl #128  
Oxnard, CA 93030

Re: Royal Palms MHP Subdivision Survey

Dear Mr. Cox:

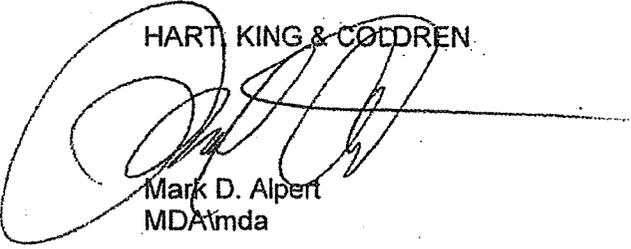
Thank you for your agreement to conduct the tenant survey on behalf of the Royal Palms Homeowners Association. Just to confirm, you have agreed to report the results of the survey to park management by September 22, 2007. Please report the results of the survey in writing.

We understand that the HOA will be distributing the ballots we provided you very soon, if it hasn't done so already. We would hope, at the very least, that they will all be distributed by next Tuesday, to provide the residents plenty of time to consider their vote. If we have not included a ballot for any space, please let management know.

At the meeting, we assured the tenants that upper management would not know how anyone voted. Please assist us in that regard by protecting the anonymity of the vote. We would ask you to retain the original resident survey forms and the envelopes containing the forms. Please let me know if we can assist you in providing a secure location, such as a safe deposit box. Thanks again.

Sincerely,

HART, KING & COLDREN



Mark D. Alpert  
MDA/mda

Cc: Mike Cirillo

**EXHIBIT "D"**

Declaration of Michael Cirillo

I, Mike Cirillo, Declare,

1. I am an individual over the age of 18. I am a principal of Star Property Management, who provides management services for the Royal Palms Mobilehome Park. I have personal knowledge of the facts set forth in this declaration and could and would testify competently to those facts if called upon at time of trial.

2. A sample copy of the initial survey submitted to park residents is attached as Exhibit "B". The Survey was first provided to the President of the Homeowners' Association, Jerry Cox, who agreed to conduct the survey. A general meeting was held at the Park to discuss the Survey with Residents at a park meeting in August 2007. Jerry Cox agreed to distributing the survey, collect and report the survey results no later than September 22, 2007.

3. I spoke with Mr. Cox shortly after the September 22, 2007 deadline to determine the results of the election. Mr. Cox advised me that the HOA had decided to refuse to conduct the survey. I thereafter helped conduct a second survey directly with the residents. A copy of the letter provided to the residents on or about October 5, 2007 and accompanying survey form are attached as Exhibits E and F. The residents were allowed until October 16, 2007 to vote on the second survey. See Exhibits E and F. I invited Mr. Cox to participate in counting the survey votes, but he declined.

4. The second survey was conducted anonymously. The survey form (for both surveys) was based on the format used by the MPROP Program administered by the Department of Housing and Community Development ("HCD"). At the time of the vote, there were one hundred fifty-four (154) occupied Manufactured Home Spaces. Thirty-three residents responded to the second survey. Of those who responded, four supported conversion, twenty three stated opposition to conversion and five declined to state their position.

I certify that the foregoing is true. Executed under the penalty of perjury of the laws of California, this 3 day of January at San Francisco, California



Michael Cirillo

**EXHIBIT "E"**

ROYAL PALMS MOBILEHOME COMMUNITY  
205 EAST DRIFFILL BLVD.  
OXNARD, CA 93030  
805-486-2181

October 5, 2007

firstname lastname  
add1  
add2  
city, st zip

RE: Survey of Support for Resident Owned Subdivision

Dear Resident:

As most of you know, the owners of Royal Palms Estates ("Royal Palms") have made the decision to convert Royal Palms from a rental mobilehome community to a resident owned mobilehome community subdivision. Many of you attended the August 29, 2007 meeting in which subdivision was discussed and we initiated the resident survey process which is required under state law. At that meeting, your HOA president, Jerry Cox, agreed to conduct the survey and report the results to the park owner by September 22, 2007. We confirmed this agreement with Mr. Cox both in a phone conversation and with a letter to him dated August 31, 2007.

We learned on October 2, 2007 from Mr. Cox that he would not live up to his agreement and that he and some unknown number of residents decided they would not participate in the survey. We believe it is improper for Mr. Cox to violate his agreement and refuse to participate in a survey required under state law. In addition, Mr. Cox (and/or any group of residents) should not seek to deny all homeowners an opportunity to express their views on whether the park should become resident owned. For that reason, we have decided to conduct a second survey directly with the homeowners to allow each of you an opportunity to express your opinion, whether in favor or against resident ownership.

Enclosed with this letter is a second survey form and a stamped envelop addressed to park management. As with the prior survey, we will protect the confidentiality of the vote by eliminating any identification of the homeowner on the ballot itself. You can either mail the envelope or return it to the management office by October 15, 2007. The ballots will be counted on October 16, 2007. We will allow Mr. Cox (or whoever is designated by the HOA) to participate in counting the ballots, should he choose to do it.

The subdivision of the park will move forward regardless of the level of participation in the survey. We will report to the City the refusal of the HOA to participate in the survey as part of our submission to the City. Whether you favor or oppose resident ownership, your participation in the second survey is your opportunity to have your opinion heard.

If you have any questions, please do not hesitate to contact park management.

Sincerely,

STAR MOBILEHOME PARK MANAGEMENT

by: Michael A. Cirillo  
for: Royal Palms

**EXHIBIT "F"**

**ROYAL PALMS ESTATES**  
**SURVEY OF COMMUNITY RESIDENTS**  
**BALLOT FORM—Second Ballot**

This ballot is provided to you pursuant to the requirements of Government Code § 66427.5. The purpose of the ballot is to show Royal Palms Estates resident support for the proposed conversion of Royal Palms Estates from a rental mobilehome community to a resident owned mobilehome community subdivision. Each occupied lot shall have one vote. Please indicate below whether or not you support conversion to a resident owned mobilehome community subdivision.

Unfortunately, we cannot provide you with an estimated purchase price

I support conversion of Royal Palms Estates from a rental mobilehome community to a resident owned manufactured home community subdivision, and intend to purchase my space or membership/share as follows:

- A. I think I will be able to obtain, and intend to apply for financing, or
- B. I intend to purchase my interest with cash, or
- C. I think I am a lower-income resident, and may need government assistance in order to purchase

I support conversion of Royal Palms Estates, but cannot buy (for example: I am sub-leasing, I am unable to obtain credit at this time or my resident status prevents me from buying an interest.

I do not support conversion of Royal Palms Estates from a rental mobilehome community to a resident owned mobilehome community subdivision.

I decline to state my opinion at this time.

**I understand that this form does not constitute an offer to sell at a specific price, nor is it a commitment to purchase an interest in the mobilehome park, but is merely an indication of support/non-support for the park conversion.**

# EXHIBIT E

April 17, 2008 Applicant Letter

April 17, 2008

Our File Number: 25383.360/4836-7969-8946v.1

**VIA ELECTRONIC AND U.S. MAIL**

Chris Williamson, AICP  
Senior Planner, City of Oxnard  
300 West 3rd Street, Ste. 300  
Oxnard, CA 93030

RECEIVED  
APR 21 2008  
PLANNING DIVISION  
CITY OF OXNARD

Re: Royal Palms Mobilehome Park

Dear Mr. Williamson:

Thank you for your correspondence setting forth the scheduling of the relevant hearings for the Royal Palm's subdivision application.

Our client ("Parkowner") seeks to subdivide Royal Palms as part of a genuine effort to convert the park to resident ownership. Transitioning Royal Palms from a rental mobile home park to a resident-owned community will have advantages for residents, the City, the public, and Parkowner. Among these are the opportunity for affordable homeownership for residents of Royal Palms and members of the general public. Also, conversion will bring an end to further acrimonious disputes over rent control.

Although under existing law the City of Oxnard does not have the legal authority to impose conditions on the subdivision of Royal Palms, we are aware of certain Staff concerns. In the interest of demonstrating its bona fides and facilitating the necessary approvals for the subdivision, Parkowner is prepared to agree to the following conditions associated with its subdivision map for Royal Palms:

1. Parkowner will agree that for a period of up to thirty-six (36) months after conversion (defined as the sale of the first lot), the space rents for residents of Royal Palms as of that date ("existing tenants"), excluding very low income (who are already rent protected), will remain rent protected until Twenty-Five Percent (25%) of the lots in Royal Palms are sold. During this period, space rents for existing tenants will not be increased annually by more than the CPI-U or Five Percent (5%), whichever is greater;
2. Existing tenants who purchase lots in Royal Palms from Parkowner will receive an Eight Percent (8%) discount from Parkowner's list price for sale of the applicable lot to the general public. Existing tenants will also be entitled to reduced title and escrow costs; and
3. Parkowner will designate an approved third party institutional lender in connection with its lot sale program for Royal Palms and Parkowner will work with that lender to establish a lending program to facilitate residents' obtaining of financing to purchase lots in Royal Palms. Residents will not be obliged to use the approved lender and may obtain their own financing if they wish.

Chris Williamson, AICP  
April 17, 2008  
Page 2

Parkowner will work with the City to keep the residents of Royal Palms informed regarding the subdivision and to support efforts to provide opportunities for homeownership to the residents. As you know, certain residents have interfered with the efforts of the Parkowner to twice survey residents. Parkowner believes that further attempts to conduct surveys would only disturb the harmony of residents of Royal Palms. By keeping residents informed and continuing efforts with the City to reach out to residents who wish to purchase in Royal Palms, the interests of those who wish to rent and those others who wish to purchase can both be served.

We would appreciate hearing from you as soon as possible regarding the foregoing proposal. Thank you for your assistance in bringing this matter to hearing. Please feel free to call me should you have any questions.

Sincerely,

HART, KING & COLDREN



Mark D. Alpert  
MDA\mda\sm

cc: May Davoudian  
Robert S. Coldren, Esq.  
Rose Fistrovic  
James Rupp, Esq.

# EXHIBIT F

## Planning Commission Resolution

RESOLUTION NO. 2008-[PZ 08-300-1]

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF OXNARD RECOMMENDING THAT THE CITY COUNCIL DENY TENTATIVE SUBDIVISION MAP FOR TRACT NO. 5776 (PLANNING AND ZONING PERMIT NO. PZ 08-300-1) FOR PROPERTY LOCATED AT 205 EAST DRIFILL BOULEVARD. FILED BY ROYAL PALMS, LLC, 23622 CALABASAS ROAD, SUITE 100, CALABASAS, CA 91302.

WHEREAS, the Planning Commission of the City of Oxnard has considered Tentative Subdivision Map for Tract No. 5776 (Planning and Zoning Permit No. 08-300-1), filed by Royal Palms, LLC, in accordance with Chapter 27 of the Oxnard City Code; and

WHEREAS, said tentative map was referred to various public utility companies, City departments and the Development Advisory Committee for recommendations; and

WHEREAS, the Planning Commission finds the tentative subdivision map conforms to the City's General Plan and elements thereof; and

WHEREAS, Section 21080.8 of the California Public Resource Code exempts the project from the requirement for the preparation of environmental documents imposed by the California Environmental Quality Act; and

WHEREAS, Government Code Sections 66427.5 and 66428.1 prescribe the conversion and subdivision map waiver process and prohibit the City Of Oxnard from requiring impact fees, off-site improvements, or any other conditions other than those directly related to public safety, and

WHEREAS, the Planning Commission finds that the applicant has not provided evidence of resident support as required by Government Code Section 66427.5(d)(1).

NOW, THEREFORE, BE IT RESOLVED that the Planning Commission of the City of Oxnard hereby recommends that the City Council deny Tentative Subdivision Map for Tract No. 5776 (PZ 08-300-01).

PASSED AND ADOPTED by the Planning Commission of the City of Oxnard on this 5th day of June, 2008, by the following vote:

AYES:

NOES:

ABSENT:

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Michael Sanchez, Chairperson

ATTEST: \_\_\_\_\_  
Susan L. Martin, Secretary

# EXHIBIT G

Government Code Section 66427.5

**Section 66427.5 of the Government Code:**

66427.5. At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a rental mobilehome park to resident ownership, the subdivider shall avoid the economic displacement of all nonpurchasing residents in the following manner:

- (a) The subdivider shall offer each existing tenant an option to either purchase his or her condominium or subdivided unit, which is to be created by the conversion of the park to resident ownership, or to continue residency as a tenant.
- (b) The subdivider shall file a report on the impact of the conversion upon residents of the mobilehome park to be converted to resident owned subdivided interest.
- (c) The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.
- (d) (1) The subdivider shall obtain a survey of support of residents of the mobilehome park for the proposed conversion.  
(2) The survey of support shall be conducted in accordance with an agreement between the subdivider and a resident homeowners' association, if any, that is independent of the subdivider or mobilehome park owner.  
(3) The survey shall be obtained pursuant to a written ballot.  
(4) The survey shall be conducted so that each occupied mobilehome space has one vote.  
(5) The results of the survey shall be submitted to the local agency upon filing of the tentative or parcel map, to be considered as part of the subdivision map hearing prescribed by subdivision (e).
- (e) The subdivider shall be subject to a hearing by a legislative body or advisory agency, which is authorized by local ordinance to approve, conditionally approve, or disapprove the map. The scope of the hearing shall be limited to the issue of compliance with this section.
- (f) The subdivider shall be required to avoid the economic displacement of all nonpurchasing residents in accordance with the following:
  - (1) As to nonpurchasing residents who are not lower income households, as defined in Section 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent to market levels, as defined in an appraisal conducted in accordance with nationally recognized professional appraisal standards, in equal annual increases over a four-year period.
  - (2) As to nonpurchasing residents who are lower income households, as defined in Sec. 50079.5 of the Health and Safety Code, the monthly rent, including any applicable fees or charges for use of any preconversion amenities, may increase from the preconversion rent by an amount equal to the average monthly increase in rent in the four years immediately preceding the conversion, except that in no event shall the monthly rent be increased by an amount greater than the average monthly percentage increase in the Consumer Price Index for the most recently reported period.

**AB 930 (Keeley, 2002), Un-codified Intent Language:**

SEC. 2. It is the intent of the Legislature to address the conversion of a mobilehome park to resident ownership that is not a bona fide resident conversion, as described by the

Court of Appeal in El Dorado Palm Springs, Ltd. v. City of Palm Springs (2002) 96 Cal.App.4th 1153.

The court in this case concluded that the subdivision map approval process specified in Section 66427.5 of the Government Code may not provide local agencies with the authority to prevent non-bona fide resident conversions. The court explained how a conversion of a mobilehome park to resident ownership could occur without the support of the residents and result in economic displacement. It is, therefore, the intent of the Legislature in enacting this act to ensure that conversions pursuant to Section 66427.5 of the Government Code are bona fide resident conversions.