



CITY COUNCIL AGENDA REPORT

MEETING DATE: MARCH 1, 2004

ITEM NUMBER:

SUBJECT: RELOCATION IMPACT REPORT FOR
SNUG HARBOR VILLAGE AND EL NIDO TRAILER PARKS
1626/1640 NEWPORT BOULEVARD

DATE: FEBRUARY 25, 2004

FROM: DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION

PRESENTATION BY: KIMBERLY BRANDT, SENIOR PLANNER

FOR FURTHER INFORMATION CONTACT: KIMBERLY BRANDT, SR. PLANNER, (714) 754-5604

RECOMMENDATION:

Adopt attached resolution approving the Snug Harbor Village and El Nido Trailer Parks Relocation Impact Report, as modified by staff.

BACKGROUND:

As indicated in Figure 1, the Snug Harbor Village and El Nido Trailer Parks are located in the 1600 block of Newport Boulevard, just north of the Shurgard mini-warehouse business. Snug Harbor Village contains 53 lots, and El Nido contains 64 lots and 6 apartments.

In May 2002, Council approved a General Plan amendment (GPA) screening request for the property containing the Snug Harbor and El Nido Trailer Parks. The property owner wishes to close both parks and construct a 4-story medical office building. The property owner requested the GPA in order to increase the commercial office square footage allowed on the property. The property is currently shown as General Commercial on the 2000 General Plan Land Use Map and is zoned C2; therefore, both mobilehome parks are legal nonconforming land uses.

In May 2003, the property owner provided the mobilehome owners and tenants a one-year written notice of his intent to close both parks by June 1, 2004. Although, the City has an established procedure for mobilehome park conversions, the City does not have any regulations that require the park owner to obtain City approval prior to closing the parks. Therefore, the property owner is only required to follow State laws governing mobilehome park closures.

State law requires a property owner of a mobilehome park to prepare a relocation impact report prior to closing or converting the mobile home park to another land use. It is the intent of the report to determine the reasonable costs of relocating the mobilehome park's residents to another appropriate location. State law further stipulates that the City shall review the relocation report and make a finding as to its adequacy of providing for the reasonable costs of relocation. The property owner prepared this report and provided

a copy to each mobilehome resident in May 2003, as well as a copy of the updated report in December 2003 (Attachment 3).

In July 2003, City Council authorized a third party independent review of the adequacy and accuracy of the relocation impact report. This independent review has been completed and is contained in Attachment 4.

ANALYSIS:

In evaluating the relocation impact report, it is important to note that there is a distinction between the park residents that own their mobilehomes (homeowners) and the residents that rent their mobilehomes from the park owner (tenants). In respect to mobilehome closures, State law only requires relocation mitigation be given to the homeowners. Tenants are not eligible for relocation assistance and are subject to the same eviction laws and rights as apartment tenants.

The report indicates the following information regarding the mobilehome parks' occupancy as of December 2003.

	Snug Harbor Village	El Nido	Total
Owner-occupied Mobilehomes	14	22	36
Renter-occupied Mobilehomes	11	8	19
Renter-occupied apartments	0	6	6
Vacant	28	34	62
Total:	53	70	123

The report further states that all of the homeowners' mobilehomes in El Nido are moveable, and 2 of the 14 mobilehomes homes in Snug Harbor cannot be moved due to age and/or condition.

Although a mix of ages can be found in both parks, the majority of the El Nido residents are elderly (62 years of age or older), while only 12% of the residents are elderly in Snug Harbor Village. Although income information was not available for every household, both parks contain some very-low-income households (12 in Snug Harbor Village and 17 in El Nido, for a total of 29 households).

Replacement Housing Availability

Replacement Lots for Homeowners: The report indicates that for the 36 homeowners, the park owner has acquired 33 available lots in comparable mobilehome parks in Costa Mesa for relocating homeowners with moveable mobilehomes. Additional lots (5 to 10) may become available in Huntington Beach.

The park owner also moved seven of his own park model units to a mobilehome park in Santa Ana. These units would be available to homeowners who may wish to upgrade from their current mobilehome.

Replacement Housing for Tenants: For the 25 tenant households, the report indicated that available rental housing (both apartments and mobilehomes) exceeds the demand that will be created by the park closures. Rent for mobilehomes in other parks were found to be comparable to El Nido and Snug Harbor Village.

Relocation Assistance

The property owner has offered the following relocation assistance to both the parks' homeowners and tenants.

Homeowners with moveable mobilehomes:

1. Disassemble and reassemble the mobilehome and all legally constructed additions (including but not limited to rooms, porches, skirting, carports, patios and other movable amenities legally installed) to a similar park within 30 miles, at no cost to the homeowner;
2. Payment of new utility connections;
3. Reimbursement of previously paid security deposit, and payment of any new security deposit that may be required; and
4. Payment of temporary lodging expenses, if the mobilehome relocation results in the homeowner being displaced over one or more nights.

Homeowners with mobilehomes that cannot be moved:

1. Provision of a comparable unit, at no cost, in another park within a 30-mile radius. A comparable unit is a unit with the same or more legally constructed interior area, same number of legally constructed bedrooms, bathrooms and other rooms, of the same age and in approximately the same condition as the homeowner's mobilehome; or
2. Sell to the homeowner a one-bedroom Cavco Park Model (2001) that is set up in another park located within 30 miles. The payment options are as follows:
 - a. Cash option: \$12,000 minus the relocation benefit value. The relocation benefit value is \$3,000 for single-wide mobilehomes/trailers and \$6,300 for double-wide mobilehomes, plus an additional benefit of \$1,000 for elderly and/or disabled households.
 - b. Long-term Payment option: \$15,000 minus the relocation benefit value. The relocation benefit value is \$3,000 for single-wide mobilehomes/trailers and \$6,300 for double-wide mobilehomes, plus an

additional benefit of \$1,000 for elderly and/or disabled households. The maximum monthly payment for this option is \$155 per month (based on an interest rate of 4.5% over 10 years).

- c. Other Payment options: Several payment plans can be arranged, including no payment for the first two years. Under no circumstances would the maximum monthly payment exceed \$155.

Tenants:

Although the State's Mobilehome Residency law does not require any relocation assistance to tenants, the park owner has offered the following:

1. A one-time rent subsidy of \$1,200; and
2. An extra \$1,000 to households that are elderly (62 years or older) and/or disabled.
3. Relocation Specialist Services regarding comparable housing throughout the course of the relocation period.

Third Party Review

The City contracted with an independent consultant to evaluate the adequacy and accuracy of the relocation impact report (see Attachment 4). This independent review concluded that the housing resource data regarding the availability of replacement mobilehome lots, units, and rents is accurate.

The review also concluded that the relocation assistance for homeowners with mobilehomes that can be relocated is appropriate, as is the compensation offer for homeowners with mobilehomes that cannot be relocated.

Staff's Review

Staff generally concurs with the relocation mitigation measures proposed by the park owner with the following additions (as noted by underlining). Staff believes that the park owner's measures combined with these additional mitigation measures provide reasonable costs of relocation to the homeowners. Staff is not recommending any changes to the tenant relocation assistance, since neither State law nor the City's municipal code require it.

"Homeowners with moveable mobilehomes:

1. Disassemble and reassemble the mobilehome and all legally constructed additions (including but not limited to rooms, porches, skirting, carports, patios and other movable amenities legally installed to a similar park within 30 miles, at no cost to the homeowner. If any legal improvement is not permitted at the

new lot, the park owner shall pay the homeowner fair compensation for these improvements;

2. Payment of new utility connections, only when the homeowner currently has such service;
3. Reimbursement of previously paid security deposit, and payment of any new security deposit that may be required;
4. Payment of temporary lodging living expenses, if the mobilehome relocation results in the homeowner being displaced over one or more nights from the date of actual displacement until the date of occupancy at the new comparable mobilehome park;
5. Payment of moving costs associated with moving all personal property;
6. Provision of a Relocation Specialist's services; and
7. Payment of a lump sum to compensate for any rent differential between the rental rates at the closing park and the new comparable mobilehome park during the first year of tenancy.

Homeowners with mobilehomes that cannot be moved:

1a. Provision of a comparable unit, at no cost, in another park within a 30-mile radius. A comparable unit is a unit with the same or more legally constructed interior area, same number of legally constructed bedrooms, bathrooms and other rooms, of the same age and in approximately the same condition as the homeowner's mobilehome; or

1b. Sell to the homeowner a one-bedroom Cavco Park Model (2001) that is set up in another park located within 30 miles. The payment options are as follows:

- a. Cash option: \$12,000 minus the relocation benefit value. The relocation benefit value is \$3,000 for single-wide mobilehomes/trailers and \$6,300 for double-wide mobilehomes, plus an additional benefit of \$1,000 for elderly and/or disabled households.
- b. Long-term Payment option: \$15,000.00 minus the relocation benefit value. The relocation benefit value is \$3,000 for single-wide mobilehomes/trailers and \$6,300 for double-wide mobilehomes, plus an additional benefit of \$1,000.00 for elderly (62 years or older) and/or disabled households. The maximum monthly payment for this option is \$155 per month (based on an interest rate of 4.5% over 10 years).
- c. Other Payment options: Several payment plans can be arranged, including no payment for the first two years. Under no circumstances shall the maximum monthly payment exceed \$155.

2. Payment of new utility connections, only when the homeowner currently has such service;
3. Reimbursement of previously paid security deposit, and payment of any new security deposit that may be required;
4. Payment of moving costs associated with moving all personal property;
5. Provision of a Relocation Specialist's services; and
6. Payment of a lump sum to compensate for any rent differential between the rental rates at the closing park and the new comparable mobilehome park during the first year of tenancy."

Staff is also recommending that the following language be included in the report approval that addresses the potential situation of a homeowner who rejects the offered mitigation measures:

"Homeowner Rejects Relocation Mitigation

If a homeowner rejects the relocation measures stated above, the park owner's remaining obligation is limited to:

1. \$3,000 cash payment to homeowners of single-wide mobilehomes/trailers.
2. \$6,300 cash payment to homeowners of double-wide mobilehomes.
3. An additional \$1,000 cash payment to elderly homeowners (62 years or older) and/or disabled households."

ALTERNATIVES CONSIDERED:

The City Council may approve the relocation impact report as proposed by the park owner or as modified by staff. In addition, the Council may modify any of the relocation assistance measures or add additional mitigation measures, provided that the measures do not exceed the reasonable costs of relocation.

FISCAL REVIEW:

Fiscal review is not required for this item.

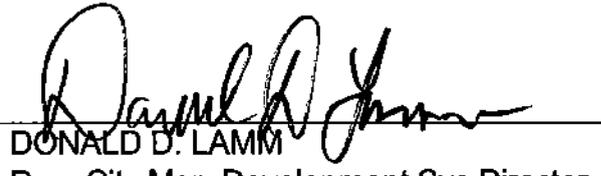
LEGAL REVIEW:

The City Attorney has reviewed and approved the attached resolution as to form and content.

CONCLUSION:

Staff believes that the relocation impact report, as modified by staff, is consistent with State Government Code Section 65863.7 and the proposed mitigation measures do not exceed the reasonable costs of relocation.


KIMBERLY BRANDT
Senior Planner


DONALD D. LAMM
Dep. City Mgr.-Development Svs. Director


TOM WOOD
Acting City Attorney

DISTRIBUTION: City Manager
Acting City Attorney
City Clerk (2)
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Mr. Jeffrey A. Goldfarb (w/o Attachments 3 and 4)
Rutan & Tucker, LLP
611 Anton Boulevard, 14th Floor
Costa Mesa, CA 92626-1931

El Nido Trailer Park Residents (w/o Attachments 3 and 4)
Snug Harbor Village Residents (w/o Attachments 3 and 4)

ATTACHMENTS: 1 Vicinity Map
2 Draft Resolution
3 Trailer Park Conversion Impact Report
4 Third Party Review Report

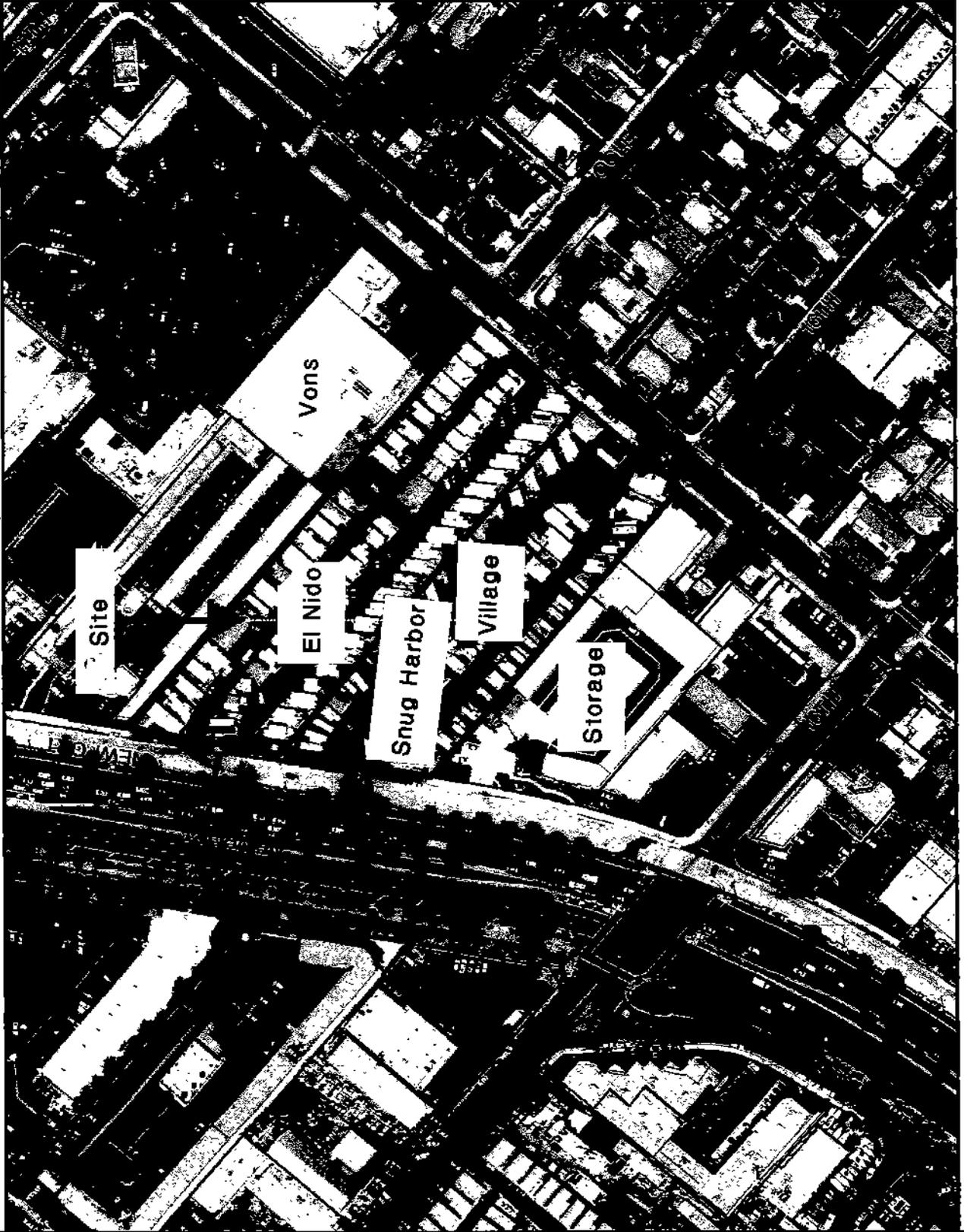
File Name: 030104RIRReport

Date: February 18, 2004

Time: 10:00 am

1626 / 1640 NEWPORT BOULEVARD

Vicinity Map



Legend

-  Identified Features
-  Street Names
-  Parcel Lines
-  Ortho-Photography
-  Parcels

ATTACHMENT 2
DRAFT RESOLUTION

RESOLUTION NO. 04-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COSTA MESA, CALIFORNIA, APPROVING THE RELOCATION IMPACT REPORT PREPARED FOR THE SNUG HARBOR VILLAGE AND EL NIDO MOBILEHOME PARKS LOCATED AT 1626 AND 1640 NEWPORT BOULEVARD.

THE CITY COUNCIL OF THE CITY OF COSTA MESA DOES HEREBY RESOLVE AS FOLLOWS:

WHEREAS, the California Government Code Section 65863.7 requires the City Council to review the relocation impact report prepared for the closure of the Snug Harbor Village and El Nido Mobilehome Parks; and

WHEREAS, California Government Code Section 65863.7 allows the City Council to take steps to mitigate any adverse impact of the parks closures on the ability of the displaced homeowners to find adequate housing in a mobilehome park; and

WHEREAS, the mitigation measures imposed do not exceed the reasonable cost of relocation; and

WHEREAS, the City held a public hearing on the relocation impact report on March 1, 2004.

NOW, THEREFORE, BE IT RESOLVED that the Costa Mesa City Council does hereby find the Snug Harbor Village and El Nido Mobilehome Parks Relocation Impact Report, dated December 2003, sufficient in its background information.

BE IT FURTHER RESOLVED that the Costa Mesa City Council adopts the homeowner relocation mitigation measures, as set forth in attached Exhibit A, and finds that these measures comply with California Government Code Section 65863.7 and said measures do not exceed the reasonable costs of relocation.

BE IT FURTHER RESOLVED that the Costa Mesa City Council directs the property owner of Snug Harbor Village and El Nido Mobilehome Parks to provide a

copy of this resolution, including Exhibit A to every homeowner, non-resident homeowner, and tenant residing within said parks within seven days of this resolution's adoption.

BE IT FURTHER RESOLVED that the Costa Mesa City Council directs the property owner of Snug Harbor Village and El Nido Mobilehome Parks to comply with the relocation mitigation measures specified in Exhibit A.

PASSED AND ADOPTED this _____ day of _____.

Mayor of the City of Costa Mesa

APPROVED AS TO FORM:

ATTEST:

Dep. City Clerk of the City of Costa
Mesa

City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss.
CITY OF COSTA MESA)

I, JULIE FOLCIK, Deputy City Clerk and ex-officio Clerk of the City Council of the City of Costa Mesa, hereby certifies that the above and foregoing Resolution No. __ was duly and regularly passed and adopted by said City Council at a regular meeting thereof held on the __ day of _____, 2004.

IN WITNESS WHEREOF, I have hereby set my hand and affixed the Seal of the City of Costa Mesa this __ day of _____, 2004.

Deputy City Clerk and ex-officio Clerk of the
City Council of the City of Costa Mesa

EXHIBIT A

RELOCATION MITIGATION MEASURES

**Snug Harbor Village and El Nido Trailer Parks
1626/1640 Newport Boulevard
Relocation Mitigation Measures**

In compliance with California Government Code Section 65863.7, the property owner of the Snug Harbor Village and El Nido Trailer Parks is solely responsible for providing the following relocation measures to the homeowners residing in these parks:

Homeowners with moveable mobilehomes:

1. Disassemble and reassemble the mobilehome and all legally constructed additions (including but not limited to rooms, porches, skirting, carports, patios and other movable amenities legally installed to a similar park within 30 miles, at no cost to the homeowner. If any legal improvement is not permitted at the new lot, the park owner shall pay the homeowner fair compensation for these improvements;
2. Payment of new utility connections, only when the homeowner currently has such service;
3. Reimbursement of previously paid security deposit, and payment of any new security deposit that may be required;
4. Payment of temporary living expenses from the date of actual displacement until the date of occupancy at the new comparable mobilehome park;
5. Payment of moving costs associated with moving all personal property;
6. Provision of a Relocation Specialist's services; and
7. Payment of a lump sum to compensate for any rent differential between the rental rates at the closing park and the new comparable mobilehome park during the first year of tenancy.

Homeowners with mobilehomes that cannot be moved:

- 1a. Provision of a comparable unit, at no cost, in another park within a 30-mile radius. A comparable unit is a unit with the same or more legally constructed interior area, same number of legally constructed bedrooms, bathrooms and other rooms, of the same age and in approximately the same condition as the homeowner's mobilehome; or
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 4. Payment of moving costs associated with moving all personal property;
 5. Provision of a Relocation Specialist's services; and
 6. Payment of a lump sum to compensate for any rent differential between the rental rates at the closing park and the new comparable mobilehome park during the first year of tenancy.

Homeowner Rejects Relocation Mitigation

If a homeowner rejects the relocation measures stated above, the park owner's remaining obligation is limited to:

1. \$3,000 cash payment to homeowners of single-wide mobilehomes/trailers.
2. \$6,300 cash payment to homeowners of double-wide mobilehomes.
3. An additional \$1,000 cash payment to elderly homeowners (62 years or older) and/or disabled households.



CITY OF COSTA MESA

P.O. BOX 1200 • 77 FAIR DRIVE • CALIFORNIA 92628-1200

DEVELOPMENT SERVICES DEPARTMENT

If you wish to read attachments 3 and 4, please contact the
City Clerk's office at (714) 754-5225