



Mobilehome Park Conversion or Closure Ordinance

Why update the City Code?

- Chapter 14-42 of WMC Adopted in 1990
- (Mobile Home Park Conversions to Resident Ownership or to Any other Use)
- Outdated
- Not consistent with State Law
- State law sets the minimum standards and authorizes local jurisdictions to develop additional regulations to address conversions and closures of mobilehome parks
- Ensure that City's regulations are consistent with State Law and sets a clear process for mobilehome park owners and residents regarding conversion or closure of mobilehome parks
- Staff requested City Attorney's Office prepare updates to Municipal Code.

Background on the City's Mobilehome Parks

- 9 mobilehome parks
- 919 mobilehome spaces
- 6.2% of City's housing stock
- Largest mobilehome park has 276 spaces

Current State Law Regarding Conversions or Closures (Gov. Code § 65863.7)

- Prior to a mobilehome park's conversion to another use or closure, park owners are required to submit an impact report to the City
- The report must include a replacement and relocation plan that "adequately mitigates" the impact of the conversion or closure on displaced homeowners
- The City Council is required to hold a hearing on the sufficiency on the report
- Before approval, the City Council must make a finding about whether approval of the park's closure or conversion would "materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction"

Current State Law Regarding Conversions or Closures: Mitigating Adverse Impacts

- A replacement and relocation plan is required as part of the impact report, detailing each displaced homeowner's ability to find adequate housing in a mobilehome park
- If a displaced homeowner cannot obtain adequate housing in another mobilehome park, a park owner "shall pay to the displaced homeowner the in-place market value of the displaced resident's mobilehome"
- The City may require as a condition of approval of a change in use that the park owner "take steps to mitigate any adverse impact of the conversion"

How the Ordinance Interacts with State law

- Requires a Special Conditional Use Permit for any park conversion or closure; State law does not have this land use regulation element
- Requires park owners submit a Relocation Impact Report, as required by State law; Ordinance spells out in detail the information needed in the report to make it easier to determine mitigation benefits.
- Requires park owners provide mitigation benefits (already a state law requirement), but makes it easier for the City to determine what those are.
 - Includes an exemption from the requirement for providing mitigation benefits if there will be a taking

Overview of Proposed Chapter 4 to Title 11

- Requires mobilehome park owners to apply for a “conditional special use permit for conversion or closure” prior to any action to convert or close the park.
 - The permit application goes to the Community Development Director;
 - The application must be considered concurrently with a new use if proposed;
 - At least 30 days prior to filing the application, the Park Owner is required to provide a notice to homeowners of the intent to close or convert;
 - At least 30 days before the hearing on the application, the park owner is required to have an informational meeting with homeowners.
- Requires the preparation of a Relocation Impact Report with specified information included in the report.
- The Council sets a hearing date upon receiving both the use permit application and a complete Relocation Impact Report.
- The use permit expires within two years unless extended.
- A use permit can be revoked if conditions of approval are not complied with, or approval was obtained by fraud, deceit or misrepresentation.

Relocation Impact Report

- The Relocation Impact Report must include specific information analyzing:
 - the impacts of the proposed conversion on the Displaced Homeowners' (residents) abilities to find and obtain adequate housing in Comparable Mobilehome Parks;
 - significant economic and social impacts on the Displaced Homeowners;
 - whether the Park contains any of the City's low- or moderate income affordable housing stock;
 - the proposed closure's consistency with the City's Housing Element;
 - whether the proposed conversion will result in a shortage of low- and moderate-income affordable housing within the City;
 - a description of the proposed new use of the Park property and timetable for closure;
 - the results of a questionnaire to the homeowners to ascertain the impacts.

Displaced Homeowner Housing Replacement and Relocation Plan and Exemption

- “Displaced Homeowner Housing Replacement and Relocation Plan”
 - Must explain mitigation benefits to displaced homeowner
 - Benefits “shall not exceed the reasonable cost of relocation”
- Exemption: A park owner may file an application for a partial or total exemption from the obligations to provide the displaced homeowner mitigation benefits by showing that:
 - The current use of the Park is not economically feasible, or would result in a taking; or
 - The City is not authorized to impose the requirement because of a bankruptcy proceeding

Planning Commission's Recommend Action to the City Council

Introduce, for first reading only, waiving full reading of the text, an Ordinance adding Chapter 4 entitled Mobile Home Park Conversions or Closures to Title 11 (Mobile Homes and Parks) of the Watsonville Municipal Code Relating to Mobilehome Park Conversions or Closures; Repealing Chapter 14-42 of the Watsonville Municipal Code; and Amending Section 14-16.705 (Property Development Standards) within PART 7 (R-MH—RESIDENTIAL MANUFACTURED HOME PARK DISTRICT) of Chapter 14-16 (DISTRICT REGULATIONS) within Title 14 (ZONING) of the Watsonville Municipal Code.