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Recording Requested by:

CITY OF ROSEVILLE

When Recorded Mail to:

City Clerk  
City of Roseville  
311 Vernon Street  
Roseville, CA 95678

Exempt from recording fees  
Pursuant to Govt. Code 27383

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FIFTH AMENDMENT OF DEVELOPMENT AGREEMENT BY AND BETWEEN THE  
CITY OF ROSEVILLE AND DIAMOND CREEK PARTNERS RELATIVE TO THE  
NORTH ROSEVILLE SPECIFIC PLAN, THE VILLAS CONDOMINIUMS (PARCEL DC-8)



RECORDING REQUESTED BY AND  
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**FIFTH AMENDMENT OF DEVELOPMENT AGREEMENT  
BY AND BETWEEN THE CITY OF ROSEVILLE AND  
DIAMOND CREEK PARTNERS  
RELATIVE TO THE NORTH ROSEVILLE SPECIFIC PLAN,  
THE VILLAS CONDOMINIUMS (PARCEL DC-8)**

This Agreement ("Agreement") to amend the development agreement entitled "Development Agreement By and Between the City of Roseville and Diamond Creek Partners, Ltd. Relative to the North Roseville Specific Plan" ("Development Agreement") relative to the development known as The Villas Condominiums is entered into on the date set forth below, by and between the City of Roseville, a municipal corporation ("City"), and the Villas at Diamond Creek, a California corporation ("Developer"), pursuant to the authority of Sections 65864 through 65869.5 of the Government Code of California.

**RECITALS**

A. On August 20, 1997, City and Diamond Creek Partners, Ltd. ("Diamond Creek") entered into the Development Agreement, pursuant to which Diamond Creek agreed to develop certain property more particularly described in the Development Agreement ("North Roseville Specific Plan"), subject to certain conditions and obligations set forth in the Development Agreement. The Development Agreement was recorded against the North Roseville Specific Plan in the Official Records of Placer County on September 29, 1997, Series No. 97-0059806-00.

B. The subject of this Agreement is the proposed condominium conversion of an existing 200-unit apartment complex ("Project"). The Project is located on approximately 10 acres located in the City of Roseville, County of Placer, as described in Exhibit "A-1" and shown on Exhibit "A-2" ("Property"), attached hereto and incorporated herein by this reference. Property is a portion of the North Roseville Specific Plan covered in the Development Agreement.

C. As current owner of the Property, Developer is the successor in interest to Diamond Creek with respect to Diamond Creek's rights and obligations under the Development Agreement.



Developer represents that all persons holding legal or equitable interests in the Property shall be bound by the Agreement.

D. Section 1.4 of the Development Agreement provides for the amendment of the Development Agreement by mutual consent of the City and Developer.

E. This Amendment to the Development Agreement is authorized by Section 65868 of the Government Code of the State of California.

F. To strengthen the public planning process, encourage private participation in Comprehensive planning and reduce the economic risk of development, the Legislature of the State of California adopted Section 65864, et seq., of the Government Code (the "Development Agreement Statute"), which authorizes the City of Roseville and an applicant for a development project to enter into a development agreement, establishing certain development rights in the Property which is the subject of the development project application.

G. On June 2, 2004, the City Council amended Chapter 58 of Title 19 of the Roseville Municipal Code establishing procedures and requirements for the conversion of apartments to condominiums and requiring that applicants for a condominium conversion enter into a development agreement that provides for a public safety services assessment and community benefit fee payment. (Roseville City Code Section 19.58.030.E.)

H. On August 12, 2004, the City Planning Commission, designated by Roseville ordinance No. 1774 as the planning agency for purposes of development agreement review pursuant to Government Code Section 65867, in a duly noticed and conducted public hearing, considered this Agreement and recommended that the City Council approve this Agreement.

I. The City has approved the following land use entitlements for the Project ("Entitlements"), which entitlements are the subject of this Agreement:

1. Tentative Condominium Map (Subdivision Map No. 03-15 as approved on August 12, 2004 ("Tentative Map"))
2. This Agreement, as adopted by Ordinance No. 4119, Dated, September 15 2004 (the "Adopting Ordinance").

J. Developer has incurred and will incur substantial costs in order to comply with Conditions of Approval of the Entitlements and to assure development of the Property in accordance with the Entitlements and the terms of this Agreement.

K. Development of the Property will result in a need for municipal services and facilities, which services and facilities will be provided by City to such development subject to the performance of Developer's obligations hereunder.



L. City and Developer have taken all actions mandated by and fulfilled all requirements set forth in the Development Agreement Ordinance of the City of Roseville, Article V, Chapter 19.84 of Ordinance No.3014 of the Roseville Municipal Code.

M. Having duly examined and considered this Agreement and having held properly noticed public hearings hereon, the City finds and declares that this Agreement is consistent with the General Plan of the City of Roseville.

## 1. AGREEMENT

1. The Parties agree to amend the Development Agreement to include the following additional provisions with respect to the Property. These provisions shall only apply to the portion of the North Roseville Specific Plan described in **Exhibit A1**. The Parties further agree that all provisions of the Development Agreement shall continue to apply to the Property to the extent required under the Development Agreement.

### “3.17 Villas Condominiums.

3.17.1 Community Benefit Fee. As partial consideration for this Agreement, and to ensure that the Project will benefit current and future residents of Roseville, Developer shall pay a Community Benefit Fee at the close of escrow for each unit, or within 12 months from the recordation of a Final Condominium Map ("Final Map"), whichever is sooner. The Community Benefit Fee for each unit shall be \$3,500. The City acknowledges that Roseville Municipal Code §19.58.030.E.3, as adopted June 2, 2004, requires the one-time payment of a Community Benefit Fee of \$5,000 per unit. However, in return for Developer's agreement to provide additional affordable housing units above and beyond Developer's obligations under Roseville Municipal Code §19.58.030.E.1, the City agrees that payment of the Community Benefit Fee of \$3,500 per unit as set forth in this Agreement, together with compliance with the Tenant Relocation Assistance Program attached as Exhibit "B," shall satisfy all of Developer's obligations under Roseville Municipal Code §19.58.030.E.3.

3.17.2 Consent, Waiver and Special Benefit. Developer agrees to either form a Services CFD for the provision of public safety services to the Property or to annex the Property into an existing Services CFD as a condition precedent to issuance of a final subdivision map for the Project. Developer consents to and shall cooperate in such formation or other such financing mechanism for services purposes and consent herewith to the levy of such special taxes as are necessary to fund the provision of police, fire and other public safety services deemed necessary by the City. For the purposes of Article 13D of the California Constitution, Developer acknowledges hereby that all the services described herein to be provided by the Services CFD will provide a "special benefit" to the Property as defined by said Article and that the foregoing support and consent shall apply as to any claim that any portion of the services supported by the special tax does not provide special benefit to the property. The initial amount of the assessment shall be



\$186 per dwelling unit. The City agrees that formation of, or annexation into, a Services CFD as provided in this Agreement shall satisfy all of Developer's obligations under Roseville Municipal Code §19.58.030.E.2, as adopted June 2, 2004.

3.17.3 Termination of Development Agreement. This Agreement shall automatically be terminated, without any further action by either party or need to record any additional document, with respect to any condominium unit within Parcel DC-8, upon completion of sale for any condominium unit and conveyance of such condominium unit by Developer to a bona-fide good faith purchaser thereof. Termination of this Agreement for any such condominium unit as provided for in this Section 3.17.3 shall not in any way be construed to terminate or modify any assessment district or Mello-Roos Community Facilities District lien affecting such unit at the time of termination."

2. All other sections of the existing Development Agreement shall remain in full force and effect.

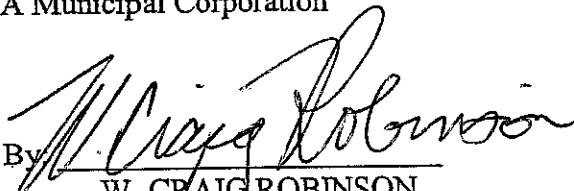
Approved this 15th day September 2004 by the City Council of the City of Roseville.


CITY

DEVELOPER

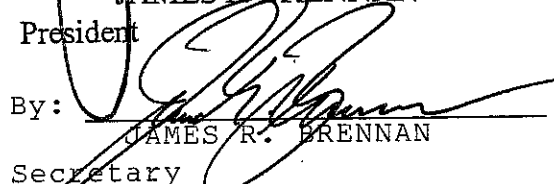
City of Roseville  
A Municipal Corporation


Villas at Diamond Creek  
A California Corporation

By:   
W. CRAIG ROBINSON  
City Manager


By:   
JAMES P. BRENNAN  
President

ATTEST:

By:   
JAMES R. BRENNAN  
Secretary

By:   
SONIA OROZCO  
City Clerk

APPROVED AS TO FORM:

By:   
MARK J. DOANE  
City Attorney



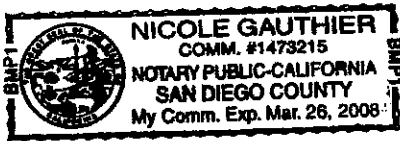
**ALL-PURPOSE ACKNOWLEDGMENT**

State of California  
County of San Diego } ss.

On Oct 13, 2004, before me, Nicole Gauthier  
Date Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared James P. Brennan and James R. Brennan  
Name(s) of Signer(s)

- personally known to me
- proved to me on the basis of satisfactory evidence



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

*Nicole Gauthier*  
Signature of Notary Public

Place Notary Seal Above

**OPTIONAL**

*Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.*

**Description of Attached Document**

Title or Type of Document: \_\_\_\_\_

Document Date: \_\_\_\_\_ Number of Pages: \_\_\_\_\_

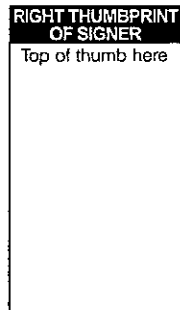
Signer(s) Other Than Named Above: \_\_\_\_\_

**Capacity(ies) Claimed by Signer**

Signer's Name: \_\_\_\_\_

- Individual
- Corporate Officer — Title(s): \_\_\_\_\_
- Partner —  Limited  General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: \_\_\_\_\_

Signer Is Representing: \_\_\_\_\_

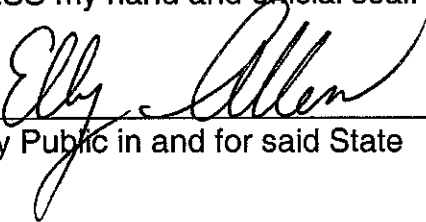


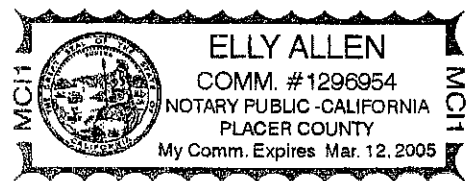


STATE OF CALIFORNIA            )  
  ): ss.  
COUNTY OF PLACER            )

On this 19th day of October in the year of 2004, before me, the undersigned, a Notary Public in and for said State, personally appeared W. Craig Robinson, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

  
\_\_\_\_\_  
Notary Public in and for said State

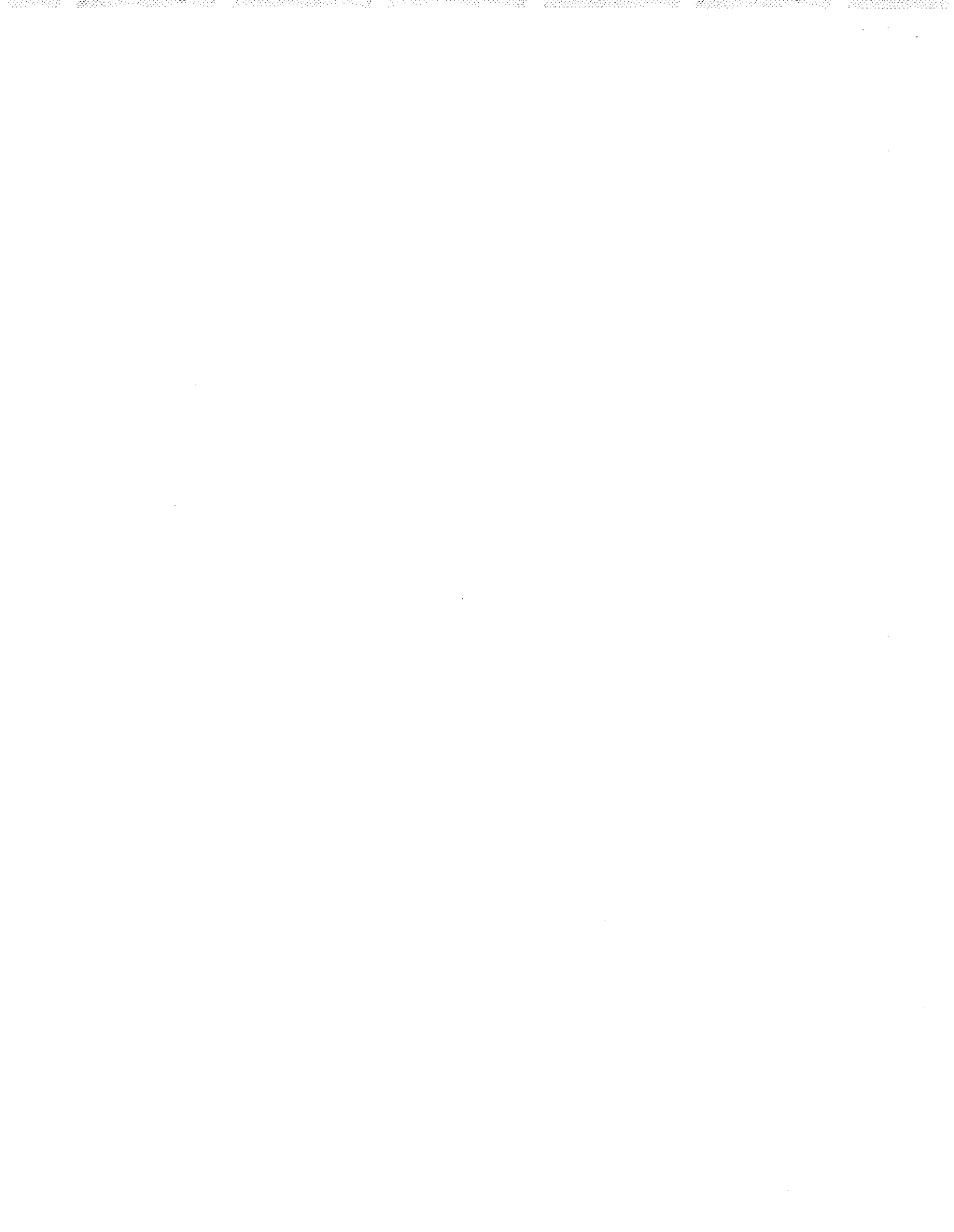


THIS CERTIFICATE MUST BE ATTACHED TO THE DOCUMENT DESCRIBED AS FOLLOWS:

Title or Type of Document: Fifth Amendment of Development Agreement with Diamond Creek Partners Relative to the North Roseville Specific Plan, The Villas Condominiums (Parcel DC-8)

Date of Document: October 19, 2004

Acknowledgment – All Purpose



APPROVED AS TO SUBSTANCE:

By:   
\_\_\_\_\_  
PAUL RICHARDSON  
Planning Director

**LIST OF EXHIBITS**

- |     |                                      |
|-----|--------------------------------------|
| A-1 | Legal Description of the Property    |
| A-2 | Legal Map of the Property            |
| B   | Tenant Relocation Assistance Program |

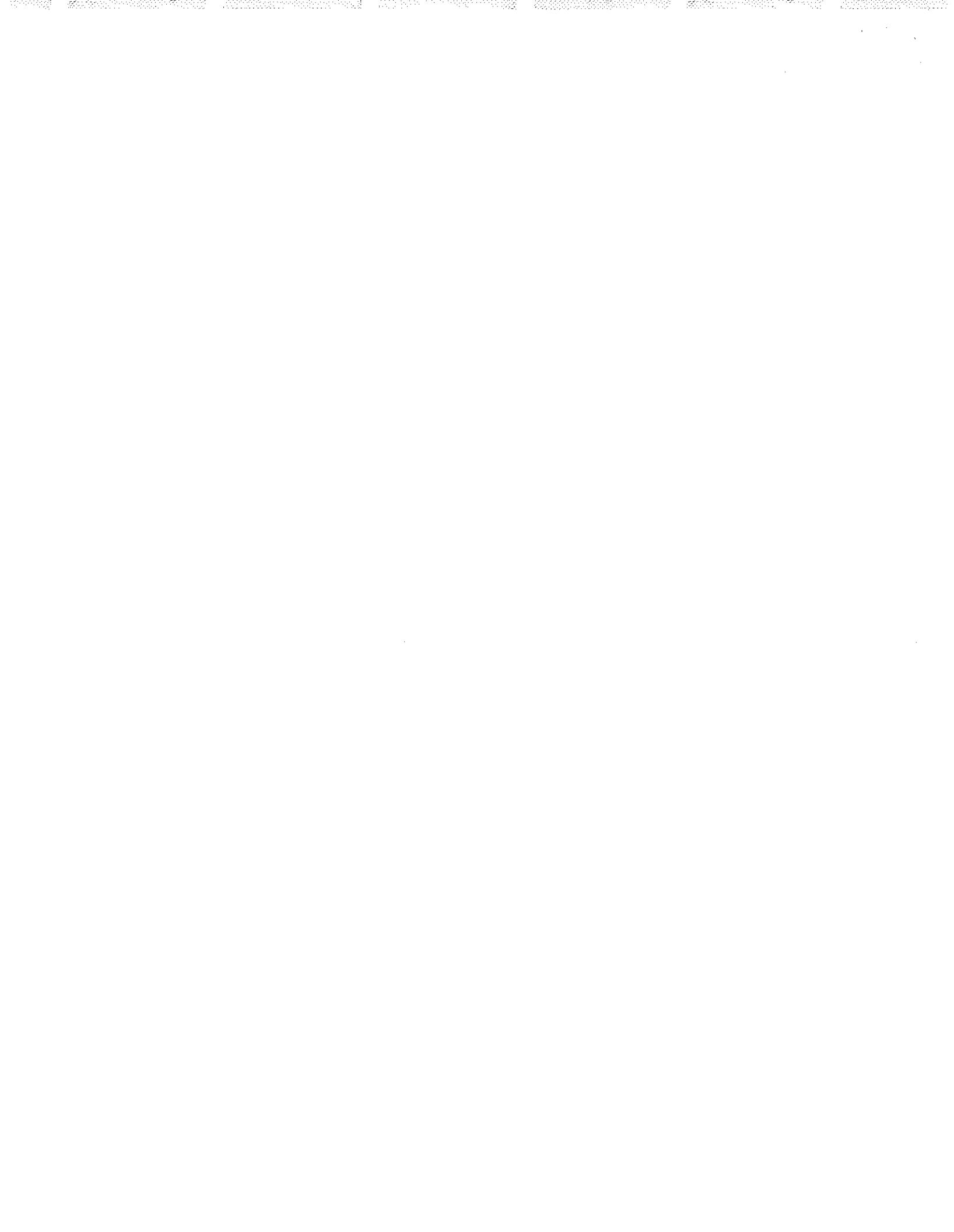


EXHIBIT A-1

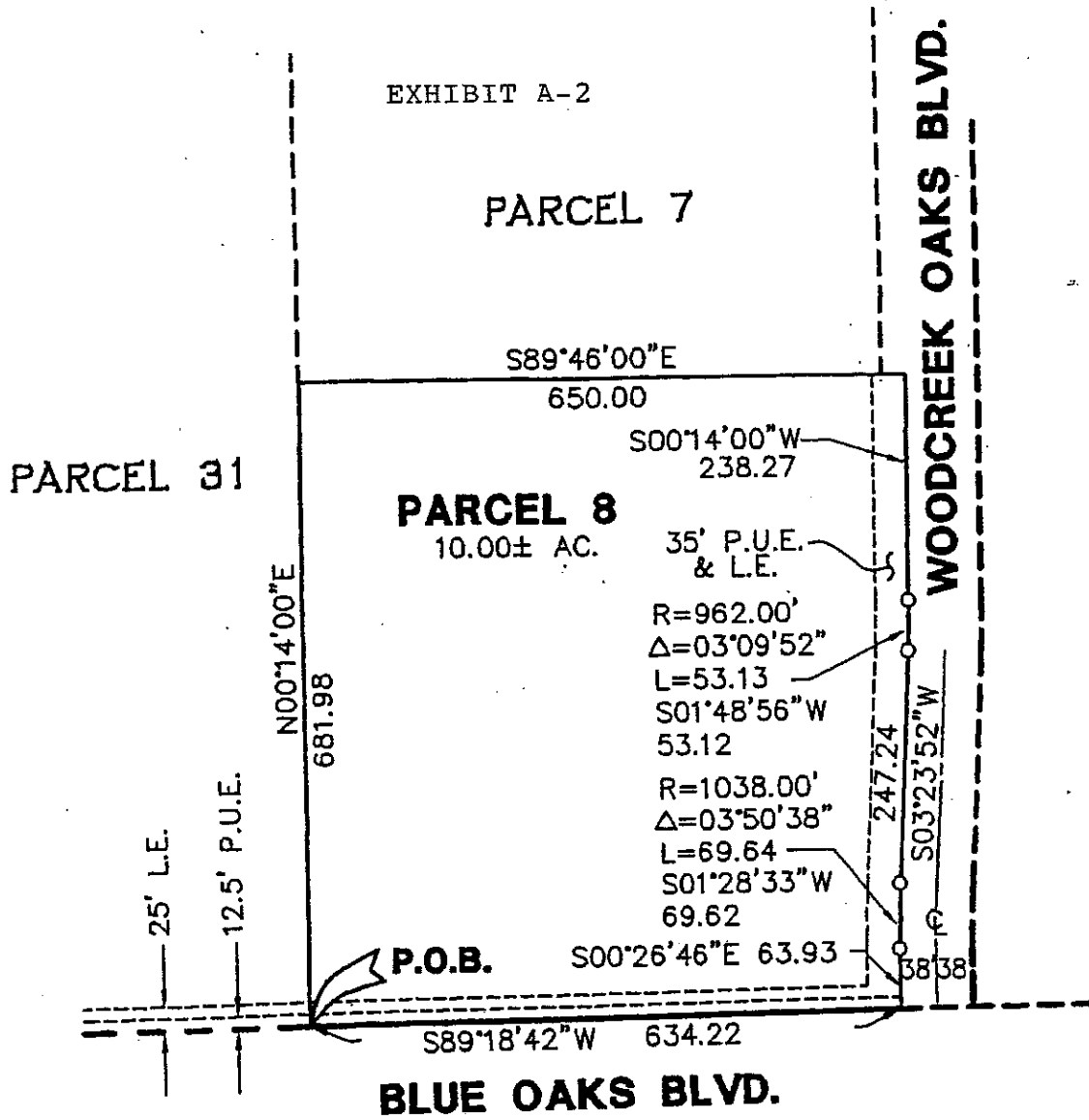
All that certain real property situate in the County of Placer, State of California, described as follows:

(City of Roseville)

Parcel 8, as shown and designated on that Map entitled, "Diamond Creek Large Lot Subdivision", filed in the Office of the County Recorder of Placer County, California on July 22, 1998 in Book "U" of Maps, at Page 86.

Assessor's Parcel Number      **017-115-031-000**





**EXHIBIT MAP**  
**DIAMOND CREEK PARCEL 8**  
 LARGE LOT SUBDIVISION  
 BOOK U OF MAPS PAGE 86, P.C.R.  
 POR SEC 17, T 11 N, R 06 E, MDM  
 CITY OF ROSEVILLE  
 PLACER COUNTY CALIFORNIA  
 SCALE 1"=200' JUNE 1999

A.R. ASSOCIATES  
 AUBURN, CALIFORNIA



EXHIBIT B



*THE VILLAS CONDOMINIUM CONVERSION  
PROJECT*

*TENANT RELOCATION ASSISTANCE PLAN*

Prepared for:

The Brenson Corporation

By:

Overland, Pacific & Cutler, Inc.  
8950 Cal Center Drive, Suite 102  
Sacramento, California 95826  
(800) 385-0244

Prepared  
March, 2004  
Revised  
June, 2004  
Final  
July, 2004



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## INTRODUCTION

The Brenson Corporation of San Diego, California is in the process of complying with the various state and local legal requirements that apply to the proposed condominium conversion of the Villas apartment complex in the city of Roseville (the City). Among the local requirements are those expressed in Title 19 (Zoning) of the Roseville Municipal Code (the Code). Code section 19.58.050 lays out the required contents of the Condominium Conversion Application, one of which is a Tenant Relocation Assistance Plan. Code section 19.58.070 (see **Exhibit A**) details the specific requirements of the tenant relocation plan and provides the basis for the following document.

Over the course of the last 8 months, the Brenson Corporation has issued a series of notifications to residents concerning the proposed conversion (see **Exhibit B**). In the course of this communication, tenants have been informed of their right to purchase a unit in the complex along with all applicable terms, conditions and incentives (see **Exhibit D**). To date, 16 residents have indicated a desire to pursue or consider the purchase option. Some residents, opting to take advantage of nearby available housing opportunities, have moved on their own volition and have waived any right to relocation assistance.

The Brenson Corporation has made all residents aware that there is no need to vacate presently and that notices-to-vacate will only be issued in the event the Conversion Application were to be approved.

The objectives of the Brenson Corporation are to meet all of its legal responsibilities associated with the conversion application process and to assure the City and Villas Apartment residents that the company will extend every effort and courtesy it can to minimize the disruption of the relocation process. The company realizes it has a special obligation to low income, elderly, families with children in grades K through 12, and handicapped households and will act, as required, to provide the special protections called for in the Municipal Code.

This plan was written by Overland, Pacific & Cutler, Inc. (OPC), a professional consulting firm with offices in Sacramento specializing in public agency acquisition and relocation projects.



# A. PROJECT LOCATION

The Villas Condominium Conversion Project is located in the City of Roseville, within the south-western part of Placer County. The Villas can be reached by traveling east on Highway 80 then exiting north onto Highway 65, then exiting east onto Blue Oaks Blvd. (See Figures 1 & 2)

Figure 1: Regional Project Site

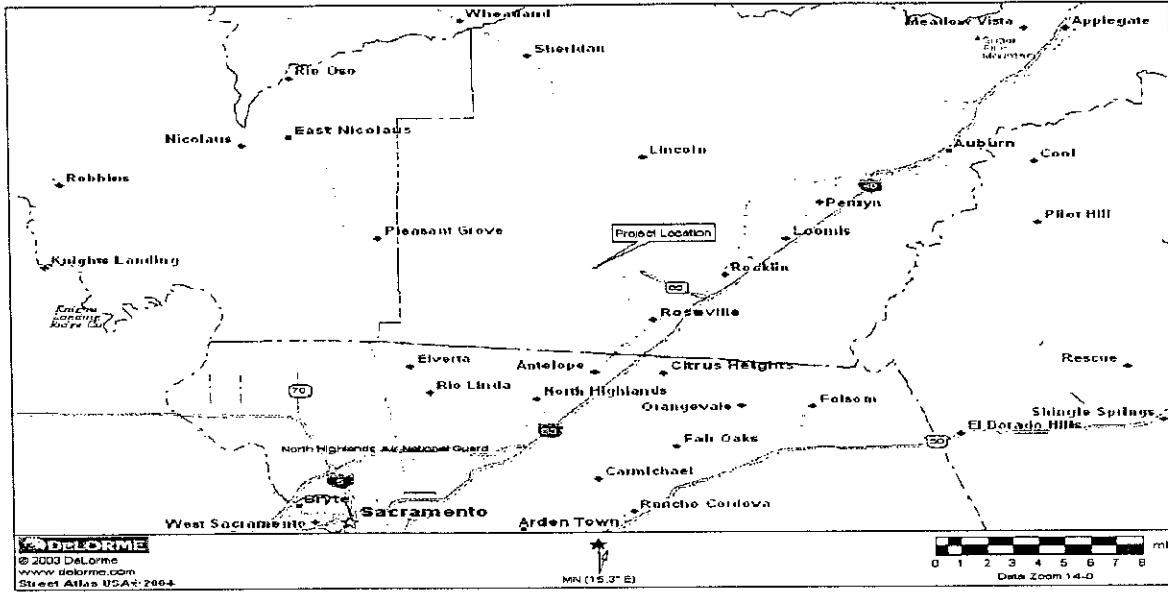
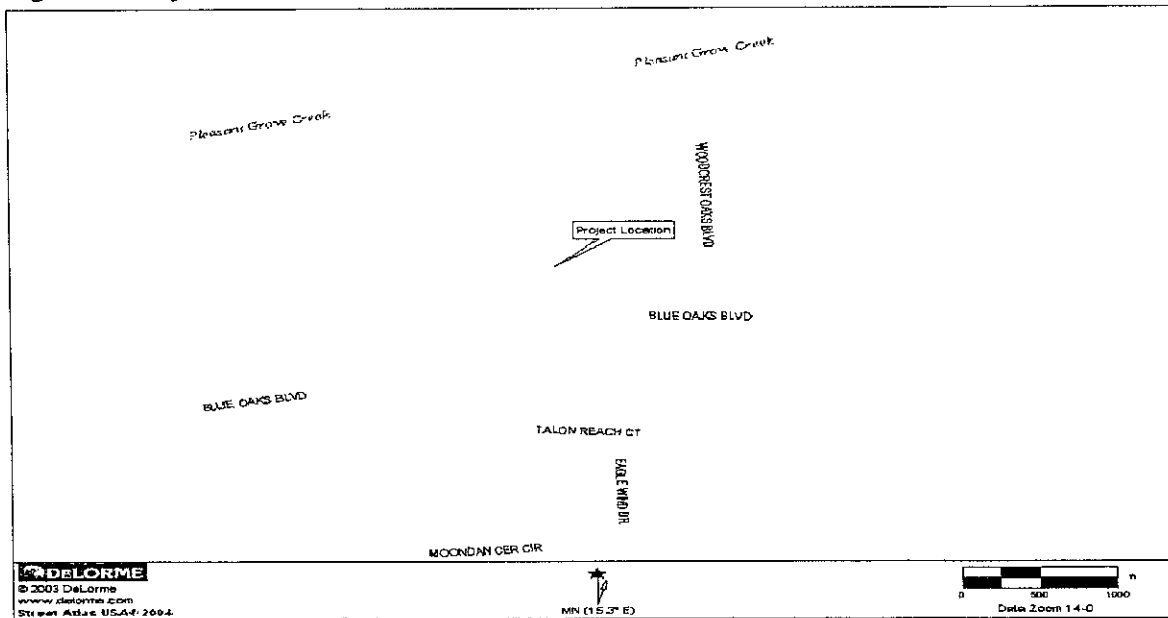


Figure 2: Project Site Location





## B. TENANT PROFILE

Efforts were made over a one week period in January of this year to personally interview all residents of the complex. The purpose of the interviews was to gather general demographic information, the data necessary to identify households that might qualify for special assistance under the Municipal Code, and to become broadly acquainted with tenants' rehousing requirements and preferences.

At the time the interview process began, there were 152 households renting units at the Villas. Of these, 30 had moved in after the 11-03-03 cut-off date which establishes eligibility for cash assistance. An additional 22 households which might otherwise have qualified for assistance were in the midst of moving and voluntarily relinquished any claim to benefits. Of the 100 remaining eligible households, 63 were interviewed on-site and 37 were interviewed by phone. Demographic details concerning the 100 surveyed households are presented below followed by a discussion of the "special assistance" households.

### 1. Demographic Data

a. Total Occupant Population - 225

b. Adults/Children - 151/74

c. Ethnicity:

| Ethnicity of Project Households (98 Households) |                 |           |
|---|-----------------|-----------|
| Ethnicity                                       | # of Households | Project % |
| White   | 75              | 76.5      |
| Black   | 2               | 2.0       |
| Hispanic  | 8               | 8.2       |
| Asian   | 6               | 6.1       |
| Some Other Race                                 | 7               | 7.1       |

d. Income Breakdown: (See Exhibit C - 2004 Income Limits) Of the 100 households surveyed, only 92 were willing to provide income information.

| Income Levels of Residential Households (92 Households) |                                |                             |                                 |                           |
|---|--------------------------------|-----------------------------|---------------------------------|---------------------------|
| Extremely Low<br>(<30% of median)                       | Very Low<br>(31-50% of median) | Lower<br>(51-80% of median) | Moderate<br>(81-120% of median) | High<br>(>121% of median) |
| 4   | 9                              | 18                          | 32                              | 29                        |



e. Project Rents:

| <b>Project Rents (84 Households)</b> |               |                 |                 |
|--------------------------------------|---------------|-----------------|-----------------|
| <b>Bedroom Size</b>                  | <b>One</b>    | <b>Two</b>      | <b>Three</b>    |
| <b>Market Rent Range</b>             | \$950-\$1,050 | \$1,100-\$1,275 | \$1,375-\$1,550 |
| <b>Average (rounded)</b>             | \$1,020       | \$1,220         | \$1,465         |

## 2. Special Assistance Households

The Municipal Code requires enhanced assistance to those households with any of the following five characteristics: a) persons with permanent disabilities (as defined in 42 U.S.C. 423, or Section 102(7) of the Development Disabilities Assistance Bill of Rights Act [42 U.S.C. 6001], or 24 C.F.R. 8.3); b) low-income tenants (defined as having incomes equal or below eighty (80) percent of the Sacramento Primary Metropolitan Statistical Area median income); c) permanently disabled tenants that are sixty (60) years of age or older; d) low-income tenants that are sixty (60) years of age or older or, e) families with children in grades K through 12.

According to the above criteria, there is one (1) permanently disabled tenant over the age of sixty (60), two (2) senior low income households, twenty-nine (29) non senior low-income households, and 52 households with children in grades K through 12 which potentially qualify for enhanced assistance.

## 3. Replacement Housing Needs

The replacement housing needs of Villas residents match the current housing mix according to bedroom size. Eligible households currently occupy 29 one-bedroom, 55 two-bedroom and 16 three-bedroom units. According to the City of Roseville Affordable Rental Housing Development Agreement with Diamond Creek Apartments, 26 housing units are to be held for tenants with below 80% income level, currently 16 of those units are in-use.

## C. THE RELOCATION ASSISTANCE PROGRAM

The relocation assistance program for the Project conforms to the requirements of the Municipal Code. Assistance will be provided as shown in the table below to 6 groups of individuals. To qualify for assistance all households must be residents of the Villas at the time the Conversion Application is approved and must have been occupants prior to November 1, 2003.



| GROUP   | BENEFIT   |
|---|---|
| Displaced tenants with incomes that exceed eighty (80) percent of the Sacramento Primary Metropolitan Statistical Area median income  | Relocation assistance including, but not limited to, active assistance in securing replacement housing, not higher in cost than the unit being converted, and a payment for displacement cost. Such payment shall be equal in amount to two months rent and the security deposit amount paid by the tenant for the existing apartment unit. If the Brenson Corporation cannot supply the displaced tenant with an available referral to a comparable replacement dwelling, not higher in cost than the unit being converted, a 12 month price differential payment will be paid to the displaced tenant.  |
| Tenants with permanent disabilities (as defined in 42 U.S.C. 423, or Section 102(7) of the Development Disabilities Assistance Bill of Rights Act [42 U.S.C. 6001], or 24 C.F.R. 8.3) | Leases with terms no less than twelve (12) months, either in the building being converted, or in alternative housing provided by the Brenson Corporation comparable in location, amenities, and cost to that being converted. If off-site alternative housing is provided, Brenson Corporation will provide a payment for displacement cost. Such payment shall be equal in amount to two months rent and the security deposit amount paid by the tenant for the existing apartment unit. If the Brenson Corporation cannot supply alternative housing, not higher in cost than the unit being converted, a 12 month price differential payment will be paid to the displaced tenant. |
| Tenants who are low-income (defined as having incomes equal or below eighty (80) percent of the Sacramento Primary Metropolitan Statistical Area median income)                       | Leases with terms no less than twelve (12) months, either in the building being converted, or in alternative housing provided by the Brenson Corporation comparable in location, amenities, and cost to that being converted. If off-site alternative housing is provided, Brenson Corporation will provide a payment for displacement cost. Such payment shall be equal in amount to two months rent and the security deposit amount paid by the tenant for the existing apartment unit. If the Brenson Corporation cannot supply alternative housing, not higher in cost than the unit being converted, a 12 month price differential payment will be paid to the displaced tenant. |
| Permanently disabled tenants that are sixty (60) years of age or older  | Lifetime lease at the Villas starting at current rent and adjusted according to HUD Section 8 criteria.   |
| Low-income tenants that are sixty (60) years of age or older  | Lifetime lease at the Villas starting at current rent and adjusted according to HUD Section 8 criteria.   |
| Families with children in grades K through 12 Actual moving services provided by Brenson Corporation or professional mover and  | A displacement payment equal in amount to two months rent plus the security deposit amount paid by the tenant for the existing apartment unit, a 12 month rent differential, if applicable. In addition, households that fall into this category will not be required to vacate during the school year.   |



### 1. Referral Assistance

Prior to, or upon issuance of the 60 Day Notice-to-Vacate, a referral list of available apartment units will be distributed to each eligible household. The referral list will provide addresses, contact names, bedroom size, rental amount, lease terms and a description of amenities, if available. Staff will be available on-site, at the Villas complex to assist residents in the process of locating and securing units.

### 2. Displacement Payments

Displacement payments will be disbursed in a lump sum upon confirmation that a replacement unit has been secured.

### 3. Deposits

The full amount of the security deposit paid by the tenant for the existing apartment unit will be refunded in full to the tenant upon vacation of the unit.

### 4. Rent Differential

A household may qualify for a rent differential payment if it is determined that comparably priced, similar sized housing is unavailable to that household after service of the 60 Day Notice-to-Vacate and before the household commits to rent a replacement unit. Rent differential amounts will reflect the lesser difference between the monthly rent for an available referral unit and the actual new rent of the replacement dwelling. Rent differential payments will be calculated over a 12 month period and paid in a lump sum following vacation of the Villas unit. Claim for rent differential assistance will have to be made prior to vacation of the Villas unit.

## D. REPLACEMENT HOUSING RESOURCES

Replacement housing resources in the Roseville/Rocklin area were surveyed in mid-March, 2004. As the data presented in the table below show, there appears to be a more than sufficient number necessary to meet the re-housing requirements of Villas residents. The median prices of found units compare favorably with current rents at the Villas complex.

| <b>Availability and Cost of Replacement Rental Housing - Roseville/ Rocklin Area</b> |               |                 |                 |
|--|---------------|-----------------|-----------------|
| <b>Bedroom Size</b>  | <b>One</b>    | <b>Two</b>      | <b>Three</b>    |
| <b># Found ( # needed)</b>   | 47 (29)       | 118 (55)        | 41 (16)         |
| <b>Rent Range</b>  | \$885-\$1,040 | \$1,076-\$1,295 | \$1,244-\$1,570 |
| <b>Market Median Rent</b>  | \$955         | \$1,225         | \$1,350         |



## E. CONCLUSION

The Brenson Corporation recognizes its obligations pursuant to Roseville Municipal Code Section 19.058.070 and has fashioned a tenant assistance program which complies with the spirit and intent of the Code. The residents of the Villas complex have been personally surveyed to determine eligibility for benefits and have been apprised of their rights to pursue a purchase of a converted unit in the complex. The tenant assistance program provides for coordination and counseling services as well as potential financial benefits to offset increases in monthly rent. Three households will receive lifetime assistance because of qualifying conditions. Because of the number of individuals who are opting to move prior to actual approval of the Conversion Application, it is estimated that it would be necessary, upon approval, to relocate approximately 80 households from the complex. Replacement housing resource data obtained as recently as the middle of March, 2004 suggest there will be more than sufficient units available to meet the needs of Villas residents



## EXHIBITS

|   |       |
|---|-------|
| Exhibit A: Roseville Municipal Code.....              | 9-12  |
| Exhibit B: Notices to Tenants.....                    | 13-16 |
| Exhibit C: 2004 Income Limits - County of Placer..... | 17    |
| Exhibit D: Buyer Incentive Program.....               | 18    |



# EXHIBIT A

## CHAPTER 19.58 – RESIDENTIAL CONDOMINIUM CONVERSION

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### Section 19.58.010 - Mitigation Measures

The Council finds that the existing stock of rental housing provides the majority of housing opportunities for lower and middle income households. A shortage of such units exists, and any reduction in the stock of such units would be incompatible with the goals of the Housing Element of the General Plan. Conversion of such units into condominiums often results in displacement of lower and middle-income households. It is the intention of this section to regulate such conversion and to mitigate displacement where conversion occurs. (Ord. 3014 (part), 1996.)

### Section 19.58.020 - Condominium Conversion Defined

Condominium conversion occurs whenever a multiple residential dwelling unit building or a residential housing project containing three (3) or more dwelling units under the same ownership, or such a project that has been granted an occupancy permit is subdivided so that individual dwelling units are available for sale as condominiums within the meaning of Civil Code Section 783. The subdivision shall be processed in accordance with Roseville Municipal Code Title 18 and the Subdivision Map Act. (Government Code section 66410 et seq.) All notices to tenants required by Government Code Section 66427.1 shall be given by the developer. (Ord. 3922 § 12, 2003; Ord. 3901 § 1, 2002; Ord. 3014 (part), 1996.)

### Section 19.58.030 - Limitations on Conversions

- A. **Where Allowed.** A conversion to condominiums shall be permitted only in the R3, Attached Housing District, Residential Mixed Use District (RMU) and Planned Development (PD) District.
- B. **Minimum Community Vacancy Rate.** No conversion to condominiums shall be accepted or approved when the City-wide vacancy rate for multiple unit housing, as determined by the Director, is equal to or less than five (5) percent averaged over the previous four (4) quarters prior to application submittal. If the averaged vacancy rate exceeds five (5) percent, then an application for a conversion to condominiums may be accepted by the City. A request for conversion shall apply to an entire multi-family housing project and partial conversions shall not be permitted.
- C. **Determination of Vacancy Rate.** The vacancy rate shall be determined by using information regarding vacancies within multi-family complexes of fifty (50) or more units. Supplemental information on rental vacancies in multi-family complexes of between three (3) and fifty (50) units obtained by City staff, the applicant, or other interested parties may also be utilized if available.
- D. **Minimum Multi-Family Rental Unit Pool.** No conversion to condominiums shall be accepted or approved if the current percentage of multi-family units (within complexes of 3 or more units) is at or below fifteen percent (15%) of the total number of housing units within the city. Under no circumstance shall a conversion reduce the percentage of multi-family rental units below fifteen percent (15%) of the total number of housing units within the city.
- E. Applicants requesting a Condominium Conversion shall enter into a Development Agreement which provides for the following:
  - 1. **Affordable Housing Requirements.** Condominium conversions may be permitted only when the following criteria are met:
    - a. Projects not already subject to recorded affordable rental obligations ("affordable rent component") shall subject 10% of the units within the project to affordable purchase obligations, without City subsidy, as part of the conversion.



- b. Parcels that have an existing affordable rent component shall convert the affordable rental units to affordable purchase units. In addition, a condominium conversion shall increase the total number of affordable units by a number equal to 5% of the total number of units within the project. However, the total number of affordable purchase units shall not be less than 10% of the total units in a project. The converted and new affordable units shall be provided with out City subsidy.
  - c. Projects with an existing affordable rent component shall provide affordable purchase units in the same ratio of middle, low, and very low-income units as required by the project's existing Affordable Housing Development Agreement. Without City subsidy, the new or additional affordable units as required by Sections 19.58.030.E.1 and 2, shall be provided at a ratio reflection the then current City requirement for middle, low, and very-low income, as determined by the Economic and Community Services Director.
2. **Public Safety Services Assessment.** All residential units converted to condominiums shall be included in a new or existing Community Facilities District for Services (CFD-Services) to provide for costs associated with the provision of public safety services. Low or Medium Density Residential units shall be assessed two-hundred eighty five dollars per unit annually (baseline year 2004). High Density Residential units shall be assessed one-hundred eight six dollars per unit annually (baseline year 2004). The per-unit assessment shall be adjusted annually based on any increase in the City's Public Safety budget, not to exceed an increase of four percent annually.
3. **Community Benefit Fee.** All residential units converted to condominiums shall be subject to payment of a one-time Community Benefit Fee of \$5,000 per unit (baseline year 2004). Said fee shall be paid at the close of escrow for each unit or within 12 months for the recordation of a Final Condominium Map, whichever is sooner. The Community Benefit Fee shall be subject to annual adjustments above the baseline year based on the Construction Cost Index. At the discretion of the City Manager, the Community Benefit Fee may be reduced on a case-by-case basis for projects that provide a community benefit that is above and beyond the requirements of this title. The Community Benefit Fee shall be deposited into the General Fund and shall be allocated at the City Council's discretion.
- F. **Lease Agreements.** Upon the filing of an application for condominium conversion, existing tenants living within a project seeking to convert to condominiums shall be allowed to terminate a preexisting lease without penalty. However, any tenant who terminates a lease prior to receiving a notice to vacate from the property owner shall not be entitled to relocation benefits as provided in Section 19.58.070.
- G. **Final Map Approval.** No Final Condominium Map shall be approved within a period of 90 days following Tentative Condominium Map approval

#### **Section 19.58.040 - Processing of Conversion, Notice to Tenants**

A condominium conversion shall be filed and processed with a subdivision map in accordance with Roseville Municipal Code Title 18 and the Subdivision Map Act (Government Code Section 66410 et seq.). All notices to tenants required by Government Code Section 66427.1 shall be given by the developer. (*Ord 3014 (part), 1996.*)



### **Section 19.58.050 - Application Required**

The application for a Condominium Conversion to implement the provisions of the chapter shall be submitted with the tentative map application. The application shall include the following information, in addition to the information required by Chapter 19.84:

- A. A site/development plan;
- B. A detailed list of rents for each unit to be converted for the twelve (12) months prior to the application, a copy of the lease for each unit and the renting history for each unit;
- C. Economic and demographic information regarding the current tenants as required by the Director;
- D. Evidence that all current tenants have received a Notice of Intention to Convert and Notice of Purchase Rights as required by the Subdivision Map Act;
- E. A Tenant Relocation Assistance plan as provided in Section 19.58.070, below;
- F. A vacancy rate survey of multi-family rental complexes of at least fifty (50) units or more, located within the City limits of Roseville and current to within six (6) months of the condominium conversion application date, if requested by the Director; and
- G. Any additional information as the Director deems necessary.

*(Ord. 3014 (part), 1996.)*

### **Section 19.58.060 - Retrofitting of Units Required**

All converted units shall be retrofitted to the standards required of new residential condominiums as required by the Chief Building Inspector, including energy conservation. *(Ord. 3014 (part), 1996.)*

### **Section 19.58.070 - Tenant Relocation Assistance Plan**

If any tenants are displaced, the applicant shall, as a condition of approval, be required to implement a Tenant Relocation Assistance Plan.

- A. **Plan Content.** The Tenant Relocation Assistance Plan shall be prepared by the applicant and indicate how the applicant will assist tenants who are displaced or will be displaced in securing decent, safe, sanitary, and affordable replacement housing, not higher in cost than the rent of the existing unit being converted. The plan shall, at a minimum, include a specific commitment by the applicant to provide.
  - 1. Leases with terms no less than twelve (12) months for persons with permanent disabilities (as defined in 42 U.S.C. 423, or Section 102(7) of the Development Disabilities Assistance Bill of Rights Act [42 U.S.C. 6001], or 24 C.F.R.8.3) or low-income tenants (defined as having incomes equal or below eighty (80) percent of the County or the Sacramento Primary Metropolitan Statistical Area median income), either in the building being converted, or in alternative housing provided by the subdivider comparable in location, amenities, and cost to that being converted. Lease extensions may be granted and the length of such extension shall be based on individual tenant needs. Such permanently disabled or low-income tenants, that are sixty (60) years of age or older, shall receive a lifetime lease in which the annual rent increase shall coincide with the increases as shown in the Section 8 Housing Assistance Payments Program published for the West Census Region by the United States Department of Housing and Urban Development (HUD). In the event HUD terminates the publication, rents shall be adjusted annually to coincide with the annual percentage increase for residential rent as shown in the "Rent, Residential" component of the Housing Component in the Consumer Price Index for all urban consumers in the Sacramento Primary Metropolitan Statistical Area.



2. Relocation assistance including, but not limited to, active assistance in securing replacement housing, not higher in cost than the unit being converted, for tenants who will be displaced, and a payment as determined by the Council to each household for displacement costs. At a minimum, such payment shall be equal in amount to two months rent and the security deposit amount paid by the tenant for the existing apartment unit.
  3. Families with children in grades K through 12 shall not be required to vacate during the school year.
- B. **Ownership Incentives.** In order to reduce the number of tenants being displaced, the applicant shall consider providing incentives that would aid tenants in becoming owner/shareholders in the converted project. Any such incentives, including terms and conditions, shall be documented and filed with the application to convert. Incentives may include, but are not limited to, low-interest loans, reduced prices, application of a percentage of rent payment toward a down payment for purchase of a unit within the project, or other similar items approved by the Commission. At a minimum, the incentives offered to existing tenants for purchase of a unit within a project shall be equal or greater in value to the dollar amount of compensation provided to tenants who are relocated. (*Ord. 3014 (part), 1996.*)

#### **Section 19.58.080 - Notice to New Tenants**

Following submittal of a condominium conversion application to the City, any prospective tenant shall be notified in writing of the intent to convert prior to leasing or renting a unit but shall not be eligible for any relocation benefits or moving expenses as provided by Subsection 19.58.070, above. (*Ord. 3014 (part), 1996.*)



**EXHIBIT B**  
**Notice of Intent to Convert**

January 15, 2004

Welcome to the Villas!

Thank you for your interest in renting an apartment here at The Villas. We are currently in the process of converting this community from an apartment complex into a for sale condominium community. And in so doing we must bring a couple of items to your attention. We are only offering month to month rental agreements because we will soon be converting the interior of each apartment and will have to have all units vacant to accomplish the conversion process. Many of the tenants who currently reside here at the villas have been or will be given relocation benefits because they were here or have been here for an extended amount of time.

We will not be offering relocation benefits to any individuals who have been residing here after November 1, 2003. If you decide to take residence here on a month to month basis we will give you a written notice 60 days prior to the time that we need your unit vacated.

Please sign below if you are going to reside here to acknowledge that you have been notified by management that the owners of The Villas are in the process of converting, and that you understand that you will not be given any relocation benefits.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Sincerely,

James P. Brennan  
Managing Member  
Diamond Creek West, LLC.



January 15, 2004

Dear Friends and Residents:

Hello, as you know, the owners of The Villas are in the process of converting The Villas in to a condominium community. We are working with the City of Roseville and other government agencies on a daily basis to achieve this goal. Our primary concern however is to make this as easy and stress free on you during this transition as possible. We are going to start some of the conversion requirements immediately; you will begin to see construction crew's onsite modifying exterior areas of the community with landscaping, painting, repairs etc. So not be alarmed, this whole conversion process will take approximately 8-10 months.

Some of you have now been contacted by Tammie, Annette, or Tony. They work with the relocation company Overland, Pacific & Cutler, Inc. Their goal is to sit down with each of you to get information about your needs and wants as tenants; so that we can help you relocate to another community if you are not interested in purchasing a home here at The Villas. Again they are just getting information so that we can better serve you during this transition period.

One of our primary goals is to get each of you interested in purchasing a new home here at The Villas. There are many advantages to owning your own home, as some of you may already know. We would like to, with your permission below start having a representative from our lending institution begin contacting those of you who have even a remote interest in purchasing a home, so that we can work with you to get you pre-approved for ownership. There are many lending programs that are available to first time home buyers and we would like to have our representative take a moment on a one on one basis to give you some information that may steer you toward owning your own home.

For those of you who are not interested at all in ownership but enjoy the community that you have come to know at The Villas, there may still be an opportunity for you to remain here if you are interested in renting a home from an investor (someone who buys a home and rents it out).

Please fill out the information below and return to the management offices as quickly as possible, we do not want anyone of you to lose out on this wonderful opportunity to purchase a home here at The Villas.

Name/Address/Telephone#: \_\_\_\_\_

I/We Will Purchase a Home \_\_\_\_\_, I/We are interested in purchasing a home \_\_\_\_\_,

I/We do not want to Purchase a Home \_\_\_\_\_,

I/We would like to rent from an investor \_\_\_\_\_,

We look forward to working with each one of you in the coming week/months ahead, and hope to see each of you in your own new home here at the wonderful community at The Villas.

Sincerely,

James P. Brennan  
Managing Member  
Diamond Creek West, LLC



January 9, 2004

Occupant  
10001 Woodcreek Oaks Blvd APT  
Roseville, CA 95747

Subject: Roseville Condominium Conversion Project – Brenson Corporation

Dear Occupant:

As you may be aware, the Brenson Corporation is considering a **condominium conversion project** that involves the property which you occupy at **10001 Woodcreek Oaks Blvd., Roseville.** In order to comply with the City of Roseville's Condominium Conversion Ordinance, it will be necessary to prepare a study of possible relocation needs of the occupants residing within The Villas at Diamond Creek.

The Brenson Corporation has retained our firm of **Overland, Pacific & Cutler, Inc. (OPC)**, to prepare a Relocation Plan. In order to obtain the required information, OPC will conduct personal interviews of all the households living within the Villas at Diamond Creek.

OPC relocation personnel will be conducting the surveys from January 14<sup>th</sup> through 17<sup>th</sup>, 2004. It should take no more than 10 or 15 minutes of your time to complete the interview. In order to minimize inconvenience, the personal interviews will be conducted in your home. Please contact Annette Fox of OPC at their local number, (916)857-1520 to set up the date and time that will be most convenient for your interview.

**PLEASE BE ADVISED THAT THIS IS NOT A NOTICE TO VACATE.** This survey is just for the purpose of gathering information regarding your needs for possible future relocation. You should not move at this time and if you do move, you may lose potential relocation benefits.

Thank you in advance for your cooperation.

Sincerely,

Tammie Bedlington  
Senior Project Manager  
Overland, Pacific & Cutler, Inc.



July 29, 2003

DEAR OCCUPANT:

CONGRATULATIONS! You have a unique opportunity coming your way. The owners of The Villas, the property you presently reside at are entertaining an opportunity to convert the existing apartment complex into an attached for-purchase housing complex. The prices of the units at The Villas will range from \$185,000 - \$250,000.

As an existing occupant you will be given the first opportunity to purchase your unit or another unit in the complex before the general public is notified. You will also be given a credit of \$250 for every month you have resided at the complex at the close of escrow. (For example, 12 months of occupancy would provide you a credit of \$3,000) This credit will apply towards your down payment, closing costs or etc. Your unit will be completely refurbished with new appliances, carpet, vinyl flooring and blinds.

If after the tentative map has been approved by the City of Roseville, you do not wish to purchase a unit then the owners of the complex will assist you in location to another apartment complex in the surrounding area and will give you a \$1,500.00 moving allowance. Remember this is only after the tentative map has been approved.

We are presently starting to process all the necessary government paperwork. You will be kept informed as to the progress of the applications and given every opportunity possible to convert from a renter to an owner.

Well Fargo Savings and Loan intends to be our lender on this project. As you know in today's financial environment the lending rates are extremely favorable for first time home buyers.

Attached is a more formal notification form which we are providing as part of the undertaking of this process. Remember, this conversion has not been approved and may not be approved. There is no need to look for a new unit until approval which could be the middle of 2004. Please contact FPI, the existing management company, regarding any question you may have. They will be compiling a list of current tenants who are interested in purchasing a unit. We look forward to working with and assisting you in this exciting opportunity.

Sincerely,

James P. Brennan  
Managing Member  
Diamond Creek, LLC



## EXHIBIT C

The following figures are approved by the United States Department of Housing and Urban Development (H.U.D.), for use in the **Placer County**, to define and determine housing eligibility by income level.

| <b>Area Median:<br/>\$64,100</b> |                                 |                            |                         |                          |                            |
|----------------------------------|---------------------------------|----------------------------|-------------------------|--------------------------|----------------------------|
| <b>Family Size</b>               | <b>Extremely<br/>Low Income</b> | <b>Very Low<br/>Income</b> | <b>Lower<br/>Income</b> | <b>Median<br/>Income</b> | <b>Moderate<br/>Income</b> |
| <b>1 Person</b>                  | 13,450                          | 22,450                     | 35,900                  | 44,850                   | 53,850                     |
| <b>2 Person</b>                  | 15,400                          | 25,650                     | 41,000                  | 51,300                   | 61,500                     |
| <b>3 Person</b>                  | 17,300                          | 28,850                     | 46,150                  | 57,700                   | 69,200                     |
| <b>4 Person</b>                  | 19,250                          | 32,050                     | 51,300                  | 64,100                   | 76,900                     |
| <b>5 Person</b>                  | 20,750                          | 34,600                     | 55,400                  | 69,250                   | 83,050                     |
| <b>6 Person</b>                  | 22,300                          | 37,200                     | 59,500                  | 74,350                   | 89,200                     |
| <b>7 Person</b>                  | 23,850                          | 39,750                     | 63,600                  | 79,500                   | 95,350                     |
| <b>8 Person</b>                  | 25,400                          | 42,300                     | 67,700                  | 84,600                   | 101,500                    |

Figures are per the Department of Housing and Community Development (California), Division of Housing Policy Development, **January 28, 2004**.







ORDINANCE OF THE COUNCIL OF THE CITY OF ROSEVILLE  
ADOPTING A FIFTH AMENDMENT TO DEVELOPMENT AGREEMENT  
REGARDING THE NORTH ROSEVILLE SPECIFIC PLAN PARCEL DC-8  
(THE VILLAS CONDOMINIUMS),  
AND AUTHORIZING THE CITY MANAGER TO  
EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

THE CITY OF ROSEVILLE ORDAINS:

SECTION 1. In accordance with Chapter 19.84 of Title 19 of the Roseville Municipal Code (the Zoning Ordinance) of the City of Roseville, the City Council has received the recommendation of the Planning Commission that the City of Roseville enter into a Fifth Amendment to Development Agreement by and between the City of Roseville and Diamond Creek Partners, Inc., relative to the development known as the North Roseville Specific Plan (hereinafter, the "Fifth Amendment to Development Agreement").

SECTION 2. The Council of the City of Roseville has reviewed the findings of the Planning Commission recommending approval of the Fifth Amendment to Development Agreement, and makes the following findings:

1. The Fifth Amendment to Development Agreement is consistent with the objectives, policies, general land uses and programs specified in the City of Roseville General Plan and the North Roseville Specific Plan;
2. The Fifth Amendment to Development Agreement is consistent with the City of Roseville Zoning Ordinance and Zoning Map;
3. The Fifth Amendment to Development Agreement is in conformance with the public health, safety and welfare;
4. The Fifth Amendment to Development Agreement will not adversely affect the orderly development of the property or the preservation of property values; and
5. The Fifth Amendment to Development Agreement will provide sufficient benefit to the City to justify entering into said Amendment;

SECTION 3. The Fifth Amendment to Development Agreement, a copy of which is on file in the City Clerk's Department and incorporated herein by reference, is hereby approved and the City Manager is authorized to execute it on behalf of the City of Roseville.

SECTION 4. The City Clerk is directed to record the executed Fifth Amendment to Development Agreement, within ten (10) days of its execution by the City Manager, with the County Recorder's office of the County of Placer.



SECTION 5. This ordinance shall be effective at the expiration of thirty (30) days from the date of its adoption.

SECTION 6. The City Clerk is hereby directed to cause this ordinance to be published in full at least once within fourteen (14) days after it is adopted in a newspaper of general circulation in the City, or shall within fourteen (14) days after its adoption cause this ordinance to be posted in full in at least three public places in the City and enter in the Ordinance Book a certificate stating the time and place of said publication by posting.

PASSED AND ADOPTED by the Council of the City of Roseville this 15th day of September, 2004, by the following vote on roll call:

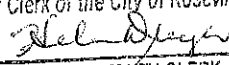
|        |                 |   |
|--------|-----------------|---|
| AYES   | COUNCILMEMBERS: | John Allard, Richard Roccucci, Jim Gray, Gina Garbolino, Rocky Rockholm |
| NOES   | COUNCILMEMBERS: | None  |
| ABSENT | COUNCILMEMBERS: | None  |

  
MAYOR

ATTEST:

  
City Clerk

The foregoing instrument is a correct copy of the original on file in this office.

ATTEST: \_\_\_\_\_  
City Clerk of the City of Roseville, California  
  
DEPUTY CLERK

certifying

11.11.04