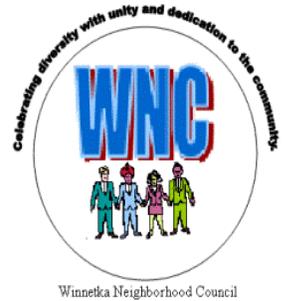




**WINNETKA NEIGHBORHOOD COUNCIL**

PO Box 3692, Winnetka, CA 91306  
(818) 648-6219

[www.winnetkanc.com](http://www.winnetkanc.com)



**PLANNING & LAND USE MANAGEMENT COMMITTEE**

	Chair	Vice Chair	Secretary	
	JJ Popowich	Armineh Chelebian		
Members				
Open Seat	Saeid Faal	Chris Jurgenson	Lisa Haberman	Art Sims

**To: Council Members, Public**  
**From: J.J. Popowich, PLUM Chair**  
**Date: June 7, 2006**  
**Subject: PLUM Meeting Minutes 06/07/06**

1. Call to Order and Committee Members Roll Call.

Committee Member	Present	Absent	Excused
JJ Popowich	X		
Armineh Chelebian	X		
Saeid Faal			X
Chris Jurgenson		X	
Lisa Haberman	X		
Art Sims	X		

2. Approval of minutes from the last meeting.

2.1.

3. Public Comments – Comments from the public on non-agenda items within the Committee’s subject matter jurisdiction.

4. Discussion and possible action on a presentation by Davlyn Properties in a request for support for a proposed apartment to condominium conversion at 20211 Sherman Way, Winnetka.

- 4.1. Mr. Popowich introduced Mr. Corbitt Kerr from Davlyn Properties as the representative of the property owners. He asked Mr. Kerr to give his presentation.
- 4.2. Mr. Kerr introduced himself and announced that he does understand that this is a rent controlled property. He said that he is sympathetic to them but would not be able to answer every question. He offered to take questions via email and provide answers if he could.

Mr. Kerr described the property. He said the plan on a conversion is to gut the units down to the walls and replace everything with the exception of electricity and plumbing. They have a structural engineer inspect the property in regards to roofing, structure and so on. They also hire an environmental individual to inspect the property and provide reports which are provided to the public. They also replace air conditioning in most cases and appliances.

He reviewed the current structure of the property. He pointed out that they typically place garage doors on the parking units. With the site plan it shows 164 parking spots. He pointed out that each condo has two parking lots per unit. Under the city plans they are 40 parking spots short. Mr. Kerr said that parking on the lot tends not to be bad as most are single bedroom units (78 or studio). Mr. Kerr said that they have done 3 parking surveys at different times and days to determine the status of the parking.

They will be adding car ports to the parking that is uncovered. They have added gates and an intercom system. He said they usually will also do extensive landscaping to the property. In other properties they have resurfaced the pool and improved the look.

He summarized that the parking issue is the biggest hurdle he feels they face. He feels that there isn’t a current parking problem.

- 4.3. A stakeholder commented that it sounds like it will be a beautiful project when it’s done. She said the problem is where will these people go.

- 4.4. Mr. Kerr responded that it's required to offer the current residents the opportunity to buy. He said the company usually offers it to them at 5% below market value. After that has been offered the remaining units are offered to public employees like teachers, firefighters, police, etc. Generally this is at 3%. After this it's offered to the public.
- 4.5. The stakeholder commented that right now the residents seem to be just getting by.
- 4.6. A second stakeholder asked for the time line for this conversion.
- 4.7. Mr. Kerr said that at this point they have processed the application and are now coming up on the hearing date. After the hearing date it takes about a year to get through the city if they approve it and 6 months for the Department of Real Estate.
- 4.8. The stakeholder asked about advanced notification requirements.
- 4.9. Mr. Kerr said its 90 days. There is also a 60 day notice that they have the right to give at any time. He also said that they have provided two mailings regarding renter rights on what is available and what they are entitled to receive.
- 4.10. A third survey commented that the parking survey is incorrect. He said that he has parking spots 1 and 37. He said from his experience his family has had difficulty getting in and out of their spot. He said that people park in the no parking fire zone and that blocks his access. He also commented that when they moved in a year ago they waited 6 months to get a parking spot.
- 4.11. A fourth stakeholder said that he's in space 76 and friends of another apartment left their car parked in a fire zone and blocking his space. He had to push it out of the way due to the time in the morning and his need to get to work.
- 4.12. A fifth stakeholder asked if the parking spaces would still be double stacked under the units themselves. He pointed out that this limits the ability of people to park under the units. He asked how this would be resolved. He pointed out this would be a deterrent. In reality he said that there are less usable spots.
- He asked how many of the tenants have been there more than 5 years. Most in the audience commented that they have been there over 10 or 15 years. He asked what can be done regarding rent control ordinances.
- 4.13. Mr. Kerr commented that this is an effort to map the project for a potential condo conversion. He said if the market is not favorable then they will keep them as apartments. He pointed out that if the market isn't good then they would lose more money converting them at this time.
- 4.14. The stakeholder asked why they are taking up the time at this point in time.
- 4.15. Mr. Kerr said that it's important to the owner of the property.
- 4.16. The stakeholder asked if this had been offered for sale and failed.
- 4.17. Mr. Kerr said yes it was but it didn't fail. They decided to hold it to sell as condos.
- 4.18. The stakeholder asked about the mortgage on the property.
- 4.19. Mr. Kerr commented that he could not release that info.
- 4.20. A sixth stakeholder commented that she has had to park on the street. When it was on the street it was stolen. It has also been vandalized on the property.
- 4.21. Mr. Kerr commented that if homeowners were there it may be less likely to be vandalized.
- 4.22. The stakeholder commented that it was later discovered to be residents of the property.
- 4.23. Mr. Kerr commented that he feels this is an important part of the issue. He said he respects the rent control concerns. However, he commented that the addition of homeownership to those areas ultimately improved the area. Some gang activity was rooted out and the homeowners improved the area.
- 4.24. The stakeholder commented that if any one here could afford to move they would.
- 4.25. A seventh stakeholder commented that the people attending the meeting have been a community for 10 or more years. He pointed out that these are working people who if they didn't make the payments then they would be kicked out. He pointed out that the people living here and attending this meeting are regular people and not gang bangers and criminals. He said that he feels they are being disrespectful towards them for being good residents.
- 4.26. An eight stakeholder commented that this is likely to happen in this area. He said he understands that it is business. He said that he understands that they can give a 60 day notice, but the plan is for this to happen a year out. He asked if they would provide a longer notice so that they aren't inconvenienced.
- 4.27. Mr. Kerr said typically they would give a 90 day notice.
- 4.28. The stakeholder asked how he can watch the process to find out when they will do it so he can make the determination on his own and not be told.

- 4.29. Mr. Kerr said that they have to give a final map and other legal notices.
- 4.30. The stakeholder said that he feels it will happen. Who can he call to assist him in monitoring this?
- 4.31. Mr. Kerr said that they have provided a letter with contact information to call. He said that anyone who called would get a straight answer on the progress.
- 4.32. A ninth stakeholder said that there are a lot of families there who have been there for some time. He said that they have showed that they are good people. He said that he has a small business and it's not likely that he can find another place to live at the prices today. He pointed out that if they could afford it they wouldn't be in a rent controlled unit.
- 4.33. Ms. Haberman asked what the rent was
- 4.34. The stakeholder commented he pays about \$1000.00. He said that most apartments out now are \$300 or more a month. He pointed out that it's been poorly managed and has been getting worse. He said that there is no onsite management. He went on to say that the gate to the alley is locked and they couldn't get out in the earthquake...in another emergency there is no one to unlock it. Management was asked and they were told that it was up to the police or the fire department. He went on to point out that the parking problems have been also compounded by management allowing visitors to park there. The fire zone parking is even worse. There is no supervision for the pool and Jacuzzi area and this is a major problem. Some of the newer residents are not even aware of the plans. He said that some have been told that it would not affect them and only certain units would be converted.
- 4.35. Mr. Kerr said that he would like to respond to the allegations. He said that off the top all renters are advised and they are required to sign a waiver when they move in. In regards to dogs and the upkeep this is standard in apartments and it's up to us to deal with it. He said that he could say that the problems that were outlined are typical of a unit this size. He said that they just have to agree to disagree.
- 4.36. The stakeholder said that there have been other managers and that it has gone down.
- 4.37. Mr. Kerr said he will take these back to his clients and explain that these types of issues only compound his problems and that it will make it harder.
- 4.38. A tenth stakeholder said that there has been parking problems for years even when it was named differently. He has been forced to park in the fire zone.
- 4.39. An eleventh stakeholder commented that in the past there has been a manager on the property. In the past it was usually a husband and wife team. Over the last two years or so it's been reduced to only an office, open 6AM to 9 PM.
- 4.40. Mr. Kerr said that his clients usually have a management team that is given reduced rent.
- 4.41. A twelfth stakeholder commented that she has complained two or three times that there is no management on the property. They have been told that it's not necessary.
- 4.42. A thirteenth stakeholder said she used to be a manager there and when she worked there they would help the residents. She said that now the office manager will not respond to any of the problems.
- 4.43. Mr. Kerr asked how many people have a problem with the current property manager.
- 4.44. Most raised their hand.
- 4.45. The stakeholder commented
- 4.46. Mr. Popowich said that it's now the committee's opportunity.
- 4.47. Mr. Sims asked about the asking price for the units.
- 4.48. Mr. Kerr said it depends on the market value and he couldn't say. In response to the stakeholders he commented that if he were to guess a studio would go for the high 1's, a two bedroom would go for the mid 2's.
- 4.49. Mr. Sims commented that he's heard some legitimate complaints. He said that it sounds like management is derelict in its responsibility. He went on to ask if they have considered the fact that if they were owners they would be able to have a say in the property management. He pointed out that there would be a way to correct the problems. He said this is an advantage.
- 4.50. A stakeholder said that if they were owners they would be responsible for the units. Now they can't fix it.
- 4.51. Mr. Sims commented that we can't control what is happening now. He pointed out again the benefits of the ownership issue.
- 4.52. A few objected to the term "just renters".
- 4.53. Mr. Sims apologized for the term used. He said that he respects them.
- 4.54. A stakeholder commented that the parking problem could become even worse and that there would be possible problems with a HOA and having to make a decision on who gets what parking.
- 4.55. Mr., Kerr objected.

- 4.56. The stakeholder said that these may be rented out and the same problems would be here.
- 4.57. Mr. Kerr commented that they limit it to one year as an owner occupied unit only. After that they can do what they want.
- 4.58. There was some discussion about the renting issue and HOAs.
- 4.59. The stakeholder commented that vandalism still takes place and it's currently locked and gated. He feels he didn't think this would change.
- 4.60. Ms. Haberman agreed.
- 4.61. The stakeholder commented the current management has actually made the property worse. They removed most of a rec room and a pond area.
- 4.62. Ms. Haberman said that she lives in a townhouse complex. She said this is similar. She commented that homeownership will not eliminate vandalism and they do have problems they are responsible for. She asked if they plan on updating electric and water to current standards.
- 4.63. Mr. Kerr said that it will only be done if it's identified by the structural engineer.
- 4.64. Ms. Haberman asked what would happen if people can't afford to live there.
- 4.65. Mr. Kerr said there is a lot that goes in the relocation program. They provide up to \$3500 to relocate and at times they are given up to one year.
- 4.66. A stakeholder said that in most cases they get \$1000.00 per the documentation they have been provided.
- 4.67. Mr. Kerr said that it's based on the unit.
- 4.68. Another stakeholder said that seniors will get \$8500.
- 4.69. Another commented they would try to relocate in another owned facility.
- 4.70. Mr. Sims asked if the amount of the relocation reimbursement could be applied to a down payment.
- 4.71. Mr. Kerr said that they worked as best they can with the current renters. He said that they will try to identify special programs with the City, HUD loans, FHA loans, and they try to find a way for them to stay.
- 4.72. Mr. Sims asked if they would actually furnish this type of information to the renters.
- 4.73. Mr. Kerr said they do this. He said that the lenders will meet with interested parties.
- 4.74. Ms. Haberman said she had a few more questions. She said that people are concerned about vandalism in the complex. She asked how the owners would make sure that the people who stay there will live in a better environment.
- 4.75. Mr. Kerr said that on two other projects they have built security fees into the HOA dues so that there is security on a temporary basis for private security.
- 4.76. A stakeholder commented that in the past there have some problems with security representatives threatening residents.
- 4.77. Ms. Haberman commented that the parking is a major issue and why would anyone want to move into a unit with limited parking.
- 4.78. Mr. Kerr said that the parking would be assigned and they are advised of what they get. If the potential owners are not satisfied with the arrangement then they wouldn't buy it. He said that ultimately this may cause the price of the unit to be lowered.
- 4.79. Ms. Haberman asked if they would stagger the work so that everyone doesn't leave.
- 4.80. Mr. Popowich commented that sympathized. He asked why the WNC would reward a current owner if the property was not kept up in the first place.
- 4.81. Mr. Kerr said that it was news to him.
- 4.82. Mr. Popowich asked if they did get approval would they agree to a longer notification period. And he asked if they would get written detail
- 4.83. Mr. Kerr said they might consider a longer notification period. He asked for clarification.
- 4.84. Mr. Popowich explained getting the best deal possible if they do get through.
- 4.85. Mr. Kerr commented that his clients do offer mortgage counseling on site in a fair format like Mr. Popowich described. He also said that they will do individual counseling.
- 4.86. Mr. Sims said that he welcomes this type of crisis because it spurs change. He went on to say that maybe it could be a positive if they are going to sit down and help them review their options.

- 4.87. A stakeholder said that he feels that there is a difference between hopes and reality. He asked what the percentage of success for converting the renters to owners.
- 4.88. Mr. Kerr commented that they haven't looked at that.
- 4.89. Mr. Popowich asked about other areas.
- 4.90. Mr. Kerr said the demographics are different. The other areas had major crime problems and its been about 2 to 5%
- 4.91. A stakeholder commented that this building is not the worst in the area.
- 4.92. A stakeholder commented that he and his wife work for school districts. He said that he feels that he never qualifies for these types of programs.
- 4.93. Mr. Kerr said it's their own program and all they have to do is show a pay stub.
- 4.94. Mr. Sims commented that the he is just trying to promote ownership if possible.
- 4.95. A stakeholder asked where the resident may live if they want to stay.
- 4.96. Mr. Kerr said that they will move them into another unit on the property. The use the units that have been vacated and move people into those units. They also offer the current residents an opportunity to buy a unit that is not renovated at a lower cost.
- 4.97. A stakeholder asked if they would allow current residents to apply some of the rent that they have paid as equity in the new unit.
- 4.98. Mr. Kerr said he's not sure.
- 4.99. Mr. Popowich said his proposal to the Board would be to ask for a delay in the project hearing.
- 4.100. Mr. Kerr said that if it doesn't make sense to the Board and Councilman Zine then they will likely keep it as an apartment building.
- 4.101. Ms. Haberman commented that she likes the idea but the parking and ability to afford it is a problem for her.
- 4.102. Mr. Sims took objection to Ms. Haberman's statement about affordability since she doesn't know about the incomes. He said that they need to meet with the mortgage lenders first before they make a decision. They need more information. He went on to say that he feels we have an obligation to do something about these conditions.
- 4.103. The following motion was made by

Committee Member	Aye	Nay	Abstain	Absent/Excused
JJ Popowich	X			
Armineh Chelebian	X			
Saeid Faal				<b>Excused</b>
Chris Jurgenson	X			
Lisa Haberman	X			
Art Sims	X			
<b>RESULTS</b>	<b>5</b>	<b>0</b>		

4.104. Motion:

*WNC-061406-01: The WNC recommends that this [20211 Sherman Way, Winnetka, CA 91306]condo conversion be denied. The WNC feels that the development company has not made adequate provisions for parking at this location and that the lack of rent controlled and affordable housing in the area causes an undue hardship on the residents of this location.*

5. Discussion and possible action on drafting the Make Winnetka Sparkle letters.

5.1. No action taken.

6. Discussion and possible action on setting budget items for submission for the 2006-2007 Fiscal Year Budget.

6.1. A brief discussion was held and the budget submission for the 06-07' budget was drafted.

7. Committee Business –

A. Comments on Committee Member's own activities/ Brief announcements.

B. Brief response to statements made or questions posed by persons exercising their general public comment rights.

- C. Introduction of any new issues for consideration by the Committee at its next meeting/request that the item be placed on the next meeting's agenda.
- D. Requests for Committee Members to research issues and report back to the Committee at a future time.

8. Adjournment