



# San Diego City Attorney Jan I. Goldsmith

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## NEWS RELEASE

**FOR IMMEDIATE RELEASE: December 16, 2014**

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### **City and De Anza Cove Homeowners Settle Case that Dates Back to the 1980s**

*Mission Bay mobile-home park dwellers to leave 11 years after lease expired*

A legal dispute that began during the Jimmy Carter Administration has been resolved after 35 years, with tenants of the De Anza Cove mobile-home park agreeing to voluntarily depart their Mission Bay residences more than a decade after their original eviction date.

In October, the De Anza Cove Homeowners Association voted to accept the City of San Diego's terms for settling the case and, today, the City Council approved the settlement. Both sides agreed to the terms of a Superior Court judgment on the amount and terms upon which the City should compensate the tenants.

The City's obligation to compensate the tenants for relocating their households had been established in 2005, and for the nine years since, the principal dispute centered on the amount the City was required to pay.

Under the terms of the settlement, tenants will move out of the park within a year and receive relocation compensation averaging \$77,000 per household, for a total of \$22 million.

The legal dispute, which began with a City Attorney's opinion in 1978, spanned 19 City Councils and eight mayors. With the close of this chapter, the property can return to recreational, commercial and educational uses, as intended by state law.

**“Mission Bay was never intended to be a mobile-home park,”** City Attorney Jan Goldsmith said. **“It is an active and accessible public park -- the world's largest water park – and a place for recreation and tourism, for paddle-boarding and picnics. This settlement fairly compensates the tenants who will be displaced, but most importantly it returns to San Diego 76 waterfront acres we never should have lost.”**

In addition to compensating the tenants, the City will pay attorney fees equal to one-third of the total amount paid.

Tenant compensation will be determined by a combination of factors. In cases where the coach can be physically relocated, the tenant will receive an allowance based on the coach's size, plus \$1,660 to defray additional costs. Where it is not feasible to relocate the coach, the tenant will receive a \$1,660 moving

allowance plus the rent differential for the first four years. Tenants who do not own their coach will receive a \$1,660 moving allowance plus an amount equal to two months' rent for a comparably sized apartment.

The property beneath the mobile homes was originally owned by the State of California, which in 1945 granted it to the City of San Diego as a "tidelands trust" to be used solely for educational, commercial and recreational purposes, to include parks, playgrounds and facilities. Residential uses were not permitted by the terms of the grant.

When the City granted a 50-year ground lease to a master tenant in 1953, that tenant agreed to use the property exclusively for "a tourist and trailer park," language that contemplated camper trailers, not permanent housing. However, De Anza Park soon evolved into a mobile-home park with long-term residents.

In 1978, the City Attorney's Office issued a legal opinion stating that De Anza Park "may be in violation of the tidelands trust [of 1945]" because of its residential users. In 1980, the State Lands Commission agreed that "residential use of these lands is not a public use" setting the stage for eviction.

The tenants were given a reprieve in 1981 when the state Legislature, in an action that required City concurrence, allowed them to continue living on Mission Bay until the 50-year ground lease expired in 2003.

On August 27, 1982, the tenants were notified of an eviction date of November 23, 2003.

Nonetheless, the residents did not leave in November 2003. Instead they sued, winning a court injunction to prevent the City from enforcing the 1982 eviction notice. Although the City argued that it was not required to compensate the tenants for relocation, the court's ruling in 2005 was to the contrary. And, in 2014 the court set forth the amount and terms of payment.

Tenants have 12 months to vacate the park. Future uses of the property will be decided by the City Council. The City, however, is bound by the terms of the trust and may only use the property for educational, commercial and recreational purposes, to include parks, playgrounds and facilities. The City violated that use provision in the 1950s, which caused this problem in the first place, but this time will abide by the trust.

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