

*** NEWS RELEASE ***

Equity LifeStyle Properties Agrees to Pay \$1.5 Million Settlement in Environmental Protection Case

FOR IMMEDIATE RELEASE

December 31, 2018

**CONTACTS: DIJE NDREU, Deputy District Attorney (831) 647-7743
EMILY HICKOK, Deputy District Attorney (831) 647-7710**

Monterey County District Attorney Dean D. Flippo announced today that his Environmental Protection Unit, along with nine other District Attorney's Offices throughout California, have reached a settlement with Chicago-based Equity LifeStyle Properties, Inc. and their related companies MHC Operating Limited Partnership and Realty Systems, Inc. (collectively, "ELS"), for violations of asbestos-related laws and regulations that occurred at ELS manufactured home parks and RV parks in California. The stipulated judgment agreed to by ELS resolves allegations made in a civil enforcement lawsuit filed in Monterey County and brought by the District Attorneys of Monterey, Marin, San Diego, Santa Cruz, Fresno, Riverside, San Bernardino, Santa Clara, Stanislaus, and Tulare Counties.

This case arose when Monterey Bay Air Resources District ("MBARD") received a complaint concerning dust at ELS's De Anza manufactured home park located in Santa Cruz. MBARD found that ELS's contractors had conducted demolitions of manufactured homes without first thoroughly inspecting for asbestos and without notifying MBARD prior to demolition, as required by the federal asbestos National Emission Standards for Hazardous Air Pollutants for demolitions and renovations, incorporated into MBARD's Rule 424. The investigation by the District Attorneys revealed this to be a practice at other ELS parks in California as well.

The investigation also revealed that ELS had used unlicensed contractors for some of its demolition work, and that ELS had disposed of demolition waste without first making a determination as to whether it was hazardous waste.

ELS was cooperative throughout the investigation and quickly responded by enhancing its policies and procedures related to complying with asbestos laws, rules, and regulations during any ELS renovations and/or demolitions at their California properties.

ELS agreed to pay a total of \$1.5 million to settle the case, comprising \$1 million in civil penalties, \$250,000 in costs, and \$250,000 as a supplemental environmental project. The supplemental environmental project will address Governor Brown's September 2018 Executive Order B55-18, which announced the priority of the State of California "to achieve carbon neutrality as soon as possible," by installing solar electric systems capable of generating more than 100,000 kWh per year in renewable energy, at one or more of ELS's properties.