



Mobilehome Rent Review Commission Meeting Agenda

January 15, 2020 - 9:00 AM

City Council Chambers - Yucaipa City Hall
34272 Yucaipa Blvd., Yucaipa, California

THE CITY OF YUCAIPA COMPLIES WITH THE AMERICANS WITH DISABILITIES ACT OF 1990. IF YOU REQUIRE SPECIAL ASSISTANCE TO ATTEND OR PARTICIPATE IN THIS MEETING, PLEASE CALL THE CITY CLERK'S DEPARTMENT AT (909) 797-2489 AT LEAST 48-HOURS PRIOR TO THE MEETING.

ANY PUBLIC WRITINGS DISTRIBUTED BY THE CITY TO AT LEAST A MAJORITY OF THE COUNCILMEMBERS REGARDING ANY ITEM ON THIS REGULAR MEETING AGENDA WILL BE MADE AVAILABLE AT THE PUBLIC RECEPTION COUNTER AT CITY HALL, LOCATED AT 34272 YUCAIPA BOULEVARD, DURING NORMAL BUSINESS HOURS.

IF YOU WISH TO ADDRESS THE COUNCIL DURING THE MEETING, PLEASE COMPLETE A SPEAKERS FORM AND RETURN IT TO THE CITY CLERK PRIOR TO THE BEGINNING OF THE MEETING. THERE IS A THREE-MINUTE TIME LIMIT FOR SPEAKING.

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

PUBLIC COMMENT

COMMISSION BUSINESS

P. 2 1. **SUBJECT:** APPROVE COMMISSION MINUTES OF FEBRUARY 21, 2019.

RECOMMENDATION: That the Commission approve the Mobilehome Rent Review Commission Minutes of February 21, 2019.

P. 5 2. **SUBJECT:** BIENNIAL REVIEW OF MOBILEHOME RENT STABILIZATION ORDINANCE AND RESOLUTION

RECOMMENDATION: That the City of Yucaipa Mobilehome Rent Review Commission conduct a review of the Mobilehome Rent Stabilization Ordinance (Yucaipa Municipal Code Chapter 15.20) and the Administrative Rules last amended by Resolution No. 2011-52, and direct staff as appropriate.

ADJOURNMENT

City of Yucaipa
Mobilehome Rent Review Commission Minutes
Regular Meeting of February 21, 2019

A Regular meeting of the Mobilehome Rent Review Commission of the City of Yucaipa, California was called to order in the Council Chambers, 34272 Yucaipa Boulevard, Yucaipa, California, on February 21, 2019 at 9:00 AM.

PRESENT: Holbrook, Commissioner
Johns, Commissioner
Kirkpatrick, Commissioner
Mecham, Commissioner
Powell, Commissioner
Jennifer Crawford, Deputy City Manager/Rent Administrator
Amy Greyson, Assistant City Attorney/Mobilehome Rent Review Commission Attorney

ABSENT: None

CONVENE MOBILEHOME RENT REVIEW COMMISSION

The meeting was opened with the Pledge of Allegiance led by Deputy City Manager/Rent Administrator Crawford.

PUBLIC COMMENT

Tony Slaick, Chairman YMRA, congratulated Commissioners on their appointment to the Commission and encouraged the Commission to nominate Commissioner Holbrook as the Chairperson.

CEREMONIAL

Deputy City Manager/Rent Administrator Crawford administered the Oath of Office to the newly appointed members of the Mobilehome Rent Review Commission.

COMMISSION BUSINESS

1. SUBJECT: COMMISSION REORGANIZATION

RECOMMENDATION: That the Mobilehome Rent Review Commission choose one of its members as Chairperson and another of its members as Vice-Chairperson.

DISCUSSION: Deputy City Manager/Rent Administrator Crawford opened nominations for the position of Chairperson.

ACTION: MOTION BY COMMISSIONER POWELL, SECOND BY COMMISSIONER JOHNS, CARRIED 5-0, TO NOMINATE COMMISSIONER HOLBROOK AS CHAIRPERSON.

Deputy City Manager/Rent Administer Crawford opened nominations for the position of Vice-Chairperson.

ACTION: MOTION BY COMMISSIONER POWELL, SECOND BY COMMISSIONER JOHNS, CARRIED 5-0, TO NOMINATE COMMISSIONER KIRKPATRICK AS VICE-CHAIRPERSON.

DISCUSSION AND ACTION

2. **SUBJECT:** RECEIVE AND FILE MOBILEHOME RENT REVIEW COMMISSION MINUTES OF OCTOBER 19, 2017

RECOMMENDATION: That the Mobilehome Rent Review Commission receive and file Commission Minutes of October 19, 2017.

ACTION: MOTION BY COMMISSIONER MECHAM, SECOND BY COMMISSIONER JOHNS, CARRIED 3-0-0-2 (VICE CHAIRPERSON KIRKPATRICK AND CHAIRPERSON HOLBROOK ABSTAINED), TO RECEIVE AND FILE COMMISSION MINUTES OF OCTOBER 19, 2017.

3. **SUBJECT:** CONSUMER PRICE INDEX UPDATE TO MOBILEHOME RENT STABILIZATION ORDINANCE AND RESOLUTION

RECOMMENDATION: That the City of Yucaipa Mobilehome Rent Review Commission:

1. Conduct a review of the proposed amendments to Yucaipa Municipal Code Chapter 15.20 and Resolution No. 2011-52, as amended; and
2. Recommend that the City Council approve the proposed revisions relating to calculations of increases in the Consumer Price Index for the purpose of determining allowable rent increases.

DISCUSSION: Deputy City Manager/Rent Administrator Crawford presented the staff report.

Lori Ryan, raised concerns with park owners and stated that the CPI needs to be fair to seniors who live on a fixed income.

After Commission discussion, the following Motion was made:

ACTION: MOTION BY COMMISSIONER MECHAM, SECOND BY COMMISSIONER POWELL, CARRIED 5-0, TO APPROVE STAFF RECOMMENDATION.

STUDY SESSION

4. **SUBJECT:** THE COMMISSION WILL HOLD A TRAINING SESSION REGARDING THE YUCAIPA MOBILEHOME RENT STABILIZATION ORDINANCE, ADMINISTRATIVE RULES, AND RULES AND PROCEDURES FOR THE CONDUCT OF HEARINGS

DISCUSSION: Commission Attorney Greyson provided an overview of the Commission

proceedings, emphasized that the Commissioners are a “neutral body”, and thanked the Commissioner’s for being willing to serve on the Mobilehome Rent Review Commission.

Commission Attorney Greyson conducted the training session.

Vice-Chairperson Kirkpatrick stated his concerns with being appointed for the position of Vice-Chairperson for the Commission.

After discussion, the following Motion was made:

ACTION: MOTION BY COMMISSIONER HOLBROOK, 2ND BY VICE-CHAIRPERSON KIRKPATRICK, CARRIED 5-0, TO REOPEN AGENDA ITEM NO. 1 FOR THE PURPOSE OF REOPENING NOMINATIONS FOR THE POSITION OF VICE-CHAIRPERSON.

After discussion, the following Motion was made:

ACTION: MOTION BY VICE-CHAIRPERSON KIRKPATRICK, SECOND BY CHAIRPERSON HOLBROOK, CARRIED 5-0, TO NOMINATE COMMISSIONER MECHAM AS VICE-CHAIRPERSON.

ADJOURNMENT

ACTION: MOTION BY VICE-CHAIRPERSON MECHAM, SECOND BY COMMISSIONER KIRKPATRICK, CARRIED 5-0, TO ADJOURN THE MEETING.

ATTEST:

, CHAIRPERSON

JENNIFER CRAWFORD
DEPUTY CITY MANAGER/
RENT ADMINISTRATOR

APPROVED AT THE MEETING OF: _____

**CITY OF YUCAIPA
MOBILEHOME RENT REVIEW COMMISSION
AGENDA REPORT**

TO: Mobilehome Rent Review Commission
FROM: Jennifer Crawford, Deputy City Manager/Rent Administrator 
Amy Greyson, Assistant City Attorney/Mobilehome Rent Review Commission Attorney
FOR: Mobilehome Rent Review Commission of January 15, 2020
SUBJECT: Biennial Review of Mobilehome Rent Stabilization Ordinance and Resolution

RECOMMENDATION

That the City of Yucaipa Mobilehome Rent Review Commission conduct a review of the Mobilehome Rent Stabilization Ordinance (Yucaipa Municipal Code Chapter 15.20) and the Administrative Rules last amended by Resolution No. 2011-52, and direct staff as appropriate.

BACKGROUND

The Mobilehome Rent Stabilization Ordinance (“Ordinance”) requires that the City carry out a Biennial review of the Ordinance during odd-numbered years (YMC §15.20.140.) The last review was completed in 2017.

On Friday, August 30, 2019, the City held a meeting with representatives of Yucaipa Mobilehome Residents Association (“YMRA”), Manufactured Housing Educational Trust (“MHET”), Western Manufactured Housing Communities Association (“WMA”), Mobilehome Rent Review Commission (“MRRC”) Attorney Amy Greyson, City staff attorney Don Lincoln (via conference call) and City Rent Administrator Jennifer Crawford to discuss and gather input on various issues that will be presented as part of the 2019 review.

On September 10, 2019, staff notified Park Owners, Park Owner Organizations, YMRA and the MRRC of the upcoming Biennial Review and requested that they submit comments regarding the Ordinance and/or Administrative Rules, by September 30, 2019. Staff received comments from YMRA, MHET, WMA, and MRRC member Caecilia Johns (MRRC Johns). In addition, Dr. Kenneth Baar submitted a memo in response to comments made by YMRA and provided an analysis of the CPI requested by City staff.

Since completion of the 2017 Biennial Review, the City Rent Administrator has processed three Meet and Confer Special Rent Adjustment Applications as follows:

Mobilehome Rent Review Commission
Meeting of _____, 2019

| 10/2017 – Current | Final Decision | Type | Increase | Term | Kavanau | Galland |
|--------------------------|--|--|--|----------------------|---------|---------|
| Northview MHP | Apvd – 12/18/17 Administrative | Meet & Confer MNOI | Implemented \$95.00 | Base Rent Adj. | N/A | N/A |
| Executive Mobile Estates | Apvd – 11/29/18 Administrative | Meet & Confer Cap. Imp | Implemented \$24.00 | 15 Yr. | N/A | N/A |
| Valley View MHP | 10/21/19 <i>Failed to get 51% approval from regulated spaces (55% not in favor & 45% in favor of \$85 increase)</i> | Meet & Confer MNOI | Proposed – Not Implemented \$85.00 To be phased in over 3 yrs. | | N/A | N/A |
| Valley View MHP | 11/13/19 <i>Failed to get 51% approval from regulated spaces (52% not in favor & 48% in favor of \$85 increase)</i> | Meet & Confer Revote pursuant to Resident Representatives request | Proposed – Not Implemented \$85.00 To be phased in over 3 yrs. | | N/A | N/A |

In addition, parks have implemented the Annual Adjustments each year, based on the lesser of 80% of the increase in CPI since the prior year or four percent (4%) of current space rent (YMC §15.20.080). A 2019 summary showing high, low and average rents in each park is attached to this Staff Report as (Attachment A).

The intent of the Biennial Review is to address issues that have arisen since the last Biennial Review that are based on legal considerations, clarification to provisions and procedures, political and policy issues, and other issues raised by staff and various stakeholders, and to identify potential amendments to the Ordinance or Administrative Rules based on those issues. This Biennial Review will provide the Commission with an opportunity to discuss these issues and potential amendments, to seek further information if necessary, to receive input from various stakeholders, and ultimately provide general direction to staff and recommendations for consideration by the City Council. Staff will then prepare a report for the City Council conveying the recommendations of the Commission and staff recommendations, if they differ from the Commission recommendations, on possible amendments to YMC Chapter 15.20 or the Administrative Rules.

The following issues that have been raised by staff, staff counsel, and stakeholders, have been broken down into categories to assist in this process. If the City Council adopts any amendments made to the Ordinance or Administrative Rules, which relate to public hearings on rent adjustment applications to the Commission or appeals, those amendments will also be reflected in the Rules and Procedures for Conduct of Mobilehome Rent Public Hearings document and application forms as necessary. To assist the Commission’s review and consideration of the issues, this Staff Report includes additional back-up materials and all the written comments submitted by the stakeholders, and additional supporting materials, which are enclosed as Attachments A through H. Staff previously provided the Commission with copies of the current Ordinance, Administrative Rules, and Rules and Procedures for Conducting Mobilehome Rent Public Hearings.

1. SUBJECT: ANNUAL ADJUSTMENTS

The Ordinance authorizes park owners to raise their rents each year without Commission approval, pursuant to the Annual Adjustment process set forth in YMC §15.20.080 and Administrative Rules, Chapter 3. The Annual Adjustment is calculated based on 80% of the CPI or 4% of current space rent, **whichever is less** (YMC §15.20.080; Administrative Rules, §§3.0001 and 3.0001(B)).

Staff Comments: The Annual Adjustment process allows park owners to obtain a rent increase once each year based on 80% of the increase in the CPI published by the Bureau of Labor Statistics over the prior twelve months, capped at 4% of current base space rent, so that park owners are guaranteed an annual increase based on inflation to cover increased costs and provide a profit. The purpose of the Annual Adjustment process is to provide a relatively simple, expedited process that enables park owners to obtain rent increases without having to go through a formal noticed-hearing process through the Special Rent Adjustment process.

Under the Ordinance and Administrative Rules, park owners may apply for an Annual Adjustment each year. The Rent Administrator provides the park owners with the applicable CPI indexing factor by February 1st of each year. Because the Bureau of Labor Statistics runs about two months behind in publishing the monthly CPI, the CPI most recently available to the City is the CPI reported in December of each year. (See YMC §15.20.080; Administrative Rules, §3.0001.) Commencing in 2020, and thereafter, the Annual Adjustment for each calendar year shall be calculated using the increase in the CPI index for the Riverside-San Bernardino-Ontario areas, All Urban Consumers for the preceding twelve-month period ending November.

The following chart shows the CPI increases between 2012 and 2019:

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|--------------------|--------|--------|--------|--------|--------|--------|--------|--------|
| Prior Year* | 226.64 | 231.57 | 236.04 | 238.74 | 240.48 | 245.36 | 250.19 | 259.22 |
| Current Year* | 231.57 | 236.04 | 238.74 | 240.48 | 245.36 | 250.19 | 259.22 | 267.63 |
| CPI (100%) | 2.17% | 1.93% | 1.14% | 0.73% | 2.03% | 1.97% | 3.61% | 3.24% |
| CPI Factor (80%)** | 1.74% | 1.55% | 0.92% | 0.58% | 1.62% | 1.58% | 2.89% | 2.60% |

*The reported CPI figure most recently available from the Bureau of Labor Statistics of the U.S. Department of Labor as of February 1st, generally is the CPI for December of the prior year, ending in 2019.

**Used in determining each park’s Annual Adjustment to be imposed on or after February 1st of each year.

The following chart shows the difference of Annual Adjustments between using 80% CPI and 100% CPI, using a hypothetical monthly space rent of \$300 beginning in 2012.

Hypothetical Rent Control Monthly Space Rent \$300.00

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Rent | \$ 300.00 | \$ 305.22 | \$ 309.95 | \$ 312.80 | \$ 314.62 | \$ 319.71 | \$ 324.76 | \$ 334.15 |
| 80% CPI | 1.74% | 1.55% | 0.92% | 0.58% | 1.62% | 1.58% | 2.89% | 2.60% |
| Increase | \$ 5.22 | \$ 4.73 | \$ 2.85 | \$ 1.81 | \$ 5.10 | \$ 5.05 | \$ 9.39 | \$ 8.69 |
| | \$ 305.22 | \$ 309.95 | \$ 312.80 | \$ 314.62 | \$ 319.71 | \$ 324.76 | \$ 334.15 | \$ 342.84 |
| Rent | \$ 300.00 | \$ 306.51 | \$ 312.43 | \$ 315.99 | \$ 318.29 | \$ 324.76 | \$ 331.15 | \$ 343.11 |
| 100% CPI | 2.17% | 1.93% | 1.14% | 0.73% | 2.03% | 1.97% | 3.61% | 3.24% |
| Increase | \$ 6.51 | \$ 5.92 | \$ 3.56 | \$ 2.31 | \$ 6.46 | \$ 6.40 | \$ 11.95 | \$ 11.12 |
| | \$ 306.51 | \$ 312.43 | \$ 315.99 | \$ 318.29 | \$ 324.76 | \$ 331.15 | \$ 343.11 | \$ 354.22 |
| Difference | \$ 1.29 | \$ 2.47 | \$ 3.18 | \$ 3.68 | \$ 5.04 | \$ 6.39 | \$ 8.96 | \$ 11.39 |

Based on the analysis conducted by Dr. Baar (Attachment B), the impact of increasing the annual allowable increase from 80% to 100% of the percentage increase in the CPI would be approximately 25% higher. In addition, the Ordinance contains a 4% cap on allowable annual increases, thus even if 100% CPI is granted, and the CPI exceeds 4%, the annual increase will be restricted to 4%.

In addition, Dr. Baar analyzed the impact that a 100% of CPI annual increase standard from 1996 to 2009 (as opposed to the actual 80% of CPI standard) would have had on the allowable increase in the Yucaipa Village fair return case that went before the MRRC in 2011. Based on the analysis outlined in Attachment B, the approved increase of \$81.29 in the fair return decision would have been reduced to \$61.16; a difference of \$20.13/per month/per space.

The following are options that may be considered by the Commission:

Option #1: Amend YMC §15.20.080(A) and Administrative Rules §3.0001(B)(3), to provide that the park owner may increase the rent in each regulated space once annually, by 100% of the increase in CPI, or by 4% percent of the current space rent, whichever is less. This revision would allow park owners to increase rent by the full cost of inflation and in time would likely reduce substantial increases resulting from a Special Rent Adjustment Application.

Option #2: Retain the existing language of the Ordinance and Rules – maintain 80% CPI and 4% cap.

| <u>STAKEHOLDER</u> | <u>STAKEHOLDER COMMENTS</u> |
|----------------------|---|
| Dr. Baar (Att. B) | Clarifies/corrects comments made by YMRA and provides an analysis of the impacts with the change from 80% to 100% of CPI. |

| | |
|------------------|---|
| YMRA (Att. C) | Requests no change to the Ordinance regarding annual CPI rent adjustments. Also requests that if the annual rent adjustment indexing related to CPI were increased, then capital improvement costs be split 50/50% between park owners and residents. |
| MHET (Att. D) | Requests that the Ordinance and Rules be amended to allow for automatic annual rent increases of 100% CPI to stay even with inflation. |
| WMA (Att. E) | Requests an amendment to the Ordinance to allow for 100% CPI, on the basis that the park owner's purchase power diminishes with a sub-inflationary increase. |

Staff Recommendation to the Commission:

That the Commission consider the above options pertaining to the Annual Adjustment formula.

2. SUBJECT: RENT ADJUSTMENTS UPON VACANCY

The City's Ordinance defines a vacancy to mean any of the following: (i) the existence of any space on which no mobilehome is located; (ii) any transfer of ownership of a mobilehome which remains in a park; or (iii) any change in occupancy of any mobilehome space (YMC §15.20.020). The Ordinance regulates rents upon vacancies as follows:

- The Ordinance prohibits any increase in space rent upon a vacancy resulting in the transfer of ownership of a mobilehome that remains in the park (an "in-place transfer" of ownership), or any change in occupancy of a mobilehome space (YMC §15.20.050 (A).)
- If a space is vacant because a mobilehome was removed or never had a mobilehome on it, the Ordinance also limits the rent that may be charged after a home is moved onto the space (YMC §15.20.050 (B) and (B)(1).)
- If a homeowner buys a park-owned mobilehome, the base rent is the last regulated rent charged under the Ordinance, including any Annual Adjustments and any other Commission-approved adjustments, or, if the space was never subject to the Ordinance, the rent is the average of the rents charged for comparable spaces in the park (YMC §15.20.050(B)(2).)
- If a resident abandons his/her coach and the park owner gains title and sells the coach to a new resident, the base rent shall be the last regulated space rent charged for the space, including any Annual Adjustments and any other Commission-approved adjustments, or, if the space was never subject to the Ordinance, the rent is the average of the rents charged for comparable spaces in the park (YMC §15.20.050(B)(3).)

- If a space was previously exempt from the Ordinance under Civil Code §798.17 because the space was subject to a lease in excess of 12 months, upon expiration of the lease the base rent for purposes of calculating the annual rent adjustment shall be the rent in effect as of the date of expiration of the lease. (YMC §15.20.050(B)(4).)

The purpose of the City's vacancy control provision is to protect the investment by mobilehome owners in their homes, given the unequal bargaining position of residents, imposition of exorbitant rents, and the immobility of mobilehomes.

In prior biennial reviews and in this current review, Park Owners and Park Owner Organizations have proposed/are proposing amending the Ordinance to allow rents to increase to market rent level upon an in-place transfer of a mobilehome. YMRA and the park residents have consistently been opposed to any rent increases upon such vacancies, and the City Council in the past has declined to enact any rent increases upon vacancy.

GSMOL periodically surveys the cities and counties in California with some form of mobilehome park rent control. Their most recent survey, updated as of March 2015, indicates that out of 97 jurisdictions surveyed, 54 of those cities and counties have some type of rent adjustment formula (percent adjustment or dollar limits) as to how rents can be increased upon vacancy. A copy of the GSMOL survey is enclosed with this staff report as (Attachment H).

Options presented below for Commission consideration would allow specified increases applicable to vacancies resulting from in-place transfers where a mobilehome remains in the park, but these options would exclude vacancies that result: (i) when the home is replaced by the same tenant or resident for any reason (such as age, fire, substantial destruction, or replacement with a new mobile home); or (ii) from transfers of ownership of the mobile home by inheritance or other transfers to relatives, heirs, personal representatives of the estate, and successors in interest.

Option #1: Upon a vacancy resulting in:

- Vacant pad - defined as a space that was never occupied or mobilehome is completely removed (voluntarily relocated elsewhere, destroyed by fire, flood, or repossessed) and past tenant does not remain in the park, or¹
- Resident abandons his/her coach and the park owner gains title and sells the coach to a new resident.
- Option #1 would not include in-place transfers or evictions.

(#1A) Upon vacancy the park owner may increase rents based on the average of the three highest rent-controlled spaces in the park. This option would not impact existing residents; only *new* residents moving into the park (*Option presented in YMRA submittal pertaining to vacant pad not abandonment.*); or

¹ Note: Under the Mobilehome Residency Law, any newly constructed space initially held out for rent after January 1, 1990, is exempt from any local rent control ordinance. (Civil Code §§798.7 and 798.45.)

(#1B) Upon vacancy the park owner may increase the last rent based on the combined average of rent controlled spaces in the park plus 10% or \$35, whichever is less. This option would not impact existing residents, only *new* residents moving into the park (*Option recommended by staff.*)

Option #2: Allow the park owner to increase rents to market rent upon a vacancy resulting from an in-place transfer (as defined), then space is placed immediately back under rent control and only subject to the permissible annual increase. (*Option recommended in WMA and MHET submittals.*)

Option #3: Retain the existing language of the Ordinance and Rules (*Option recommended by YMRA.*)

| <u>STAKEHOLDER</u> | <u>STAKEHOLDER COMMENTS</u> |
|--------------------|--|
| YMRA (Att. C) | Requests that if the City gives serious consideration to allow vacancy decontrol in any form, it should be limited with a reasonable formula that would not give rise to any possible abuse for unethical or exploitative practices. Option #1A above was included with the YMRA submittal; however, Option #3 is recommended by YMRA. |
| MHET (Att. D) | Requests that the Ordinance and rules be amended to allow for vacancy decontrol, which would allow NEW residents to agree upon the base rent before moving into the park and the rent control would be immediately re-imposed and regulate further rent increases – no impact to current residents. Option #2 is recommended by WMA. |
| WMA (Att. E) | Requests that the Ordinance and rules be amended to allow for vacancy decontrol, which would allow the incoming buyer to make a purchasing decision with their eyes wide open and the rent control would be immediately re-imposed and regulate further rent increases. Option #2 is recommended by WMA. |

Staff Recommendation to the Commission:

That the Commission consider the above options pertaining to rent adjustments upon vacancy.

3. SUBJECT: ADDITIONAL PARK OWNER REQUIREMENTS FOR DISCLOSURE OF CITY-APPROVED RENT ADJUSTMENTS

The 2019 Mobilehome Residency Law (MRL) Article 3.5 pertaining to fees and charges states the following:

Section 798.30 – NOTICE OF RENT INCREASE

The management shall give a homeowner written notice of any increase in his or her rent at least 90 days before the date of the increase.

Administrative Rules Section 3.0001(C) states the following:

Notice of Adjustment to Resident. The park owner shall notify the residents affected by the Annual Adjustment in accordance with State law. A park owner shall not notice an Annual Adjustment prior to approval by Rent Administrator.

Staff Comments: The 90-day advance notice of a rent increase is intended to inform mobilehome park residents of their annual increase so that they can plan accordingly. It appears, based on the submittal made by MRRC Johns (Att. F) and an example of a notice provided by a resident (Att. G), that some park owners may provide very limited information about the City-approved rent adjustment to residents when issuing notices of rent increase to the affected residents.

Staff believes that it would be appropriate to amend the Administrative Rules to: (1) require the park owner to post, in three prominent locations within the park (clubhouse, park office and one other location accessible to the residents), the CPI index factor for annual adjustment notification letter from the City, so that all residents are aware of the applicable CPI and (2) require the park owner to include the City approved annual CPI adjustment percentage increase and dollar increase as part of the 90-day advance notice.

| STAKEHOLDER | STAKEHOLDER COMMENTS |
|------------------------------|--|
| MRRC Johns (Att. F) | Proposes that when a park owner notifies residents of an annual rent increase, the notification should include, 1) a statement that the rent increase was approved by the City, and, 2) the exact dollar amount of the increase (as approved by the City). |
| Resident Invoice (Att. G) | Resident invoice showing limited rent increase notice |

Staff Recommendation to the Commission:

Amend Administrative Rules §3.0001(C) as follows (the additions are marked by italic/bold text):

“C. Notice of Adjustment to Resident. The park owner shall notify the residents affected by the Annual Adjustment in accordance with State law. ***The rent statement or invoice***

issued to the resident shall include the City approved annual CPI adjustment percentage and the dollar amount of the Annual Adjustment to be implemented on the subject space. A Park owner shall not notice an Annual Adjustment prior to approval by the RA and park management shall concurrently post the City notice in the clubhouse, park office and one other location accessible to the residents at the same time as the rent increase notice is issued to the affected resident(s)."

4. SUBJECT: RESIDENT REPRESENTATIVES

Section 15.20.060 of the Ordinance requires the residents of each mobilehome park to annually elect by majority vote, with one vote per space, a resident representative to receive all notices required by the Ordinance. The contact information for the resident representative selected shall be submitted to the RA by January 31st of each year.

Of the 41 mobilehome parks regulated by the Ordinance, only five (5) parks have a resident representative. This presents a problem when a Capital Improvement Application or Special Rent Adjustment Application is submitted to the City because the applicant is required to serve a complete copy of the application (including all supporting documentation) on the park resident representative. In addition, any correspondence, additional information and notifications that are routed (between the park owner, experts or City) during the preparation of the case that will be presented to the MRRC, must also be given to the park resident representative.

Currently, the Ordinance does not address how any of these documents are to be provided to the residents if a resident representative is not identified and residents do not step forward to be the point of contact when an application is submitted. Staff believes that it would be appropriate to amend the Ordinance to add a provision specifying where the documents are to be posted and/or served if a resident representative or point of contact is not established.

In addition, the resident representative is voted on by all spaces in the park versus just the regulated spaces. Since the regulated spaces are governed by the Ordinance and Rules and Capital Improvement and Special Rent Adjustment Applications only impact regulated spaces, staff recommends amending the Ordinance requiring the resident representative to be voted on by regulated spaces only.

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| Staff Recommendation to the Commission: |
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Amend Ordinance §15.20.060 as follows (the additions are marked by italic/bold text):

“A. The residents of each mobilehome park in the city shall annually elect by majority vote, with one vote per *regulated* space, a resident representative.....January 31st of each year and shall promptly notify the rent administrator of any change of representative. *If a resident representative or point of contact is not established, all notices required by this chapter shall be posted, in the clubhouse, park office and one other location accessible to the residents.*”

5. SUBJECT: MNOI SPECIAL RENT ADJUSTMENTS BASED ON VOLUNTARY MEET AND CONFER

Pursuant to YMC §15.20.100(E) and Administrative Rules §4.0006, a park owner and residents may mutually agree to a special rent adjustment by a voluntary meet and confer process. The negotiated special rent adjustment must be based on the MNOI methodology contained in YMC §15.20.100(A) or (B) and must exclude any capital improvements. Under the Ordinance, a park owner initiates the meet and confer process by service of a notice on the residents of the month-to-month spaces, along with a request for appointment of no more than three resident representatives. The park owner representatives and resident representatives must then meet to try to reach preliminary agreement on a proposed special rent adjustment. If the representatives reach preliminary agreement, a confidential vote on the proposed special rent adjustment is then taken by the residents of the regulated spaces. Upon the Rent Administrator’s determination that at least 51% of the residents vote in favor of the proposed special rent adjustment; the park owner may then institute the special rent adjustment in the park. The park owner is not required to file an application with the Rent Administrator before initiating the meet and confer process with the residents. There also is no right to a Commission hearing or any appeal to the Commission or City Council following a resident vote of 51% or more in favor of the proposed special rent adjustment.

Staff Comments: The current procedures for the special rent adjustment process by voluntary meet and confer are contained in YMC §15.20.100(E) and Administrative Rules §4.0002 and 4.0006. Based on a review of how the existing procedures operated during the past two years, it was determined that the Ordinance and Rules should be modified to facilitate the circulation of the proposed special rent adjustment and ballot procedures to the residents, eliminate the requirements for submittal of an application or determination of completion by the Rent Administrator prior to the park owner’s initiation of the meet and confer process, resolve inconsistencies, and revise some of the processes that are burdensome on the resident representatives.

| STAKEHOLDER | STAKEHOLDER COMMENTS |
|--------------------|--|
| None | No comments received for Subject No. 5 |

Staff Recommendation to the Commission:

Amend Ordinance §15.20.100(G) as follows (the additions are marked by italic/bold text):

“G.The rent administrator shall have thirty (30) days in which to determine whether a maintenance of net operating income (MNOI) rent adjustment, rent adjustment based on a readjusted base year NOI, or fair return adjustment application filed under subsections A, B, and or C. ~~, or a special rent adjustment by meet and confer application filed under subsection E, is complete in accordance with Section 15.20.105 and the administrative rules established by resolution of the city council.~~ **Hearings on applications....”**

Amend Administrative Rules §4.0002(B)(1)(d) as follows (the additions are marked by italic/bold text):

“d. In order *to initiate* for an application submitted for a *the procedure for approval of a proposed special* rent adjustment *by voluntary meet and confer* under YMC Section 15.20.100(E), *the park owner shall comply with the provisions of* and Section 4.0006 of these Rules. ~~to be deemed complete, the application shall include in addition to the requirements of subparagraphs (a) and/or (b), documentation establishing each requirement set forth in Rule 4.0006 of these Administrative Rules.”~~

Amend Administrative Rules §4.0002(B)(2) as follows (the additions are marked by italic/bold text):

“2. Not later than thirty (30) days after the application is filed with the City, the RA shall send written notice to the applicant informing him/her whether the application is complete pursuant to YMC Sections 15.20.105(B) and (E). *This completeness determination shall not apply to a proposed special rent adjustment by voluntary meet and confer under YMC Section 15.20.100(E).*”

Amend Administrative Rules §4.0002(B)(3) as follows (the additions are marked by italic/bold text):

“3. If the RA determines that the application is complete, hearings on rent adjustment applications filed under YMC Sections 15.20.090 or 15.20.100(A), (B), or (C), or hearings on appeals to the Commission from a RA decision on an application under YMC Section 15.20.085, shall be processed, heard and determined in accordance with YMC Sections 15.20.105 and 15.20.110. Commission hearings shall be noticed in accordance with the requirements of these Rules and the Ralph M. Brown Act. *A proposed special rent adjustment by voluntary meet and confer under YMC Section 15.20.100(E) shall not be subject to this section.*”

Amend Administrative Rules §4.0002(B)(4) as follows (the additions are marked by italic/bold text):

“4. If the RA determines that the application is incomplete, the notice sent by the RA to the applicant shall include a list of the information and documentation required under YMC Sections 15.20.085, 15.20.090, or 15.20.100(A), (B), *or (C) or (E)*, and Section 15.20.105 and Chapters 4, 5 and/or 7 of these Rules, in order for the RA to find that the application is complete. The applicant shall have thirty (30) days to submit the additional information and/or documentation.”

Amend Administrative Rules §4.0006(A) as follows (the additions are marked by italic/bold text):

“A. In accordance with YMC Section 15.20.100(E), any park owner may initiate a voluntary meet and confer process with the residents of the park’s regulated spaces to reach agreement with those residents on a proposed special rent adjustment and approval by the

RA in place of the application and noticed public hearing process for an MNOI rent adjustment under YMC Section 15.20.100(A) and Section 4.0003 of these Rules, or an MNOI rent adjustment based on a readjusted Base Year NOI under YMC Section 15.20.100(B) and Section 4.0004 of these Rules under this Chapter, *and/or a Fair Return rent adjustment under YMC Section 15.20.100(C)*. ~~This procedure is not required, but if the park owner decides to use this process,~~ *A proposed special rent adjustment by voluntary* the meet and confer *pursuant to YMC Section 15.20.100(E)* shall be conducted by the park owner and park residents in accordance with subdivision (B) through (K) of this Section.”

Amend Administrative Rules §4.0006(C) as follows (the additions are marked by italic/bold text):

“C. Initiation of Meet and Confer. The park owner shall initiate the meet and confer by service of a written notice on all residents of the regulated spaces in the park *and RA*, by personal delivery or first-class mail, along with proof of service of the notice. The written notice shall be consistent with the forms approved by the City, and shall include all of the following:

1. A request for appointment of not more than three (3) persons *residing in the regulated spaces* to represent the park residents at the meet and confer with the park owner; and

2. The amount of the proposed special rent adjustment, the method by which the proposed special rent adjustment was determined; and *that a completed Meet and Confer Application and an MNOI Rent Adjustment and/or MNOI Rent Adjustment based on readjusted MNOI Application, which shall comply with Section 4.0003 and/or 4.0004 of these Rules and YMC Section 15.20.100(A) and (B)*, all information and supporting documentation supporting the proposed special rent adjustment *is posted in the clubhouse, park office and one other location accessible to the residents*; and

3. The proposed date and location for the meet and confer, which shall occur not less than sixty (60) days following service of the *park owner’s* written notice on the park residents. The meet and confer shall be scheduled at a date, time and location mutually convenient to the park owner representatives and the park resident representatives and shall be scheduled not less than fourteen (14) days after the park owner’s service of the notice on each resident pursuant to this subdivision.”

Amend Administrative Rules §4.0006(G) as follows (the additions are marked by italic/bold text):

“G. Confidential Resident Vote. If no agreement is reached at the meet and confer between the park owner representatives and park resident representatives regarding a proposed special rent adjustment, then all further proceedings under this Section shall cease. If agreement is reached at the meet and confer between the park owner representatives and the park resident representatives regarding a proposed special rent

adjustment, then a resident vote by confidential ballot shall take place in accordance with the following provisions:

1. Finalization of Ballot Documents. During the meet and confer, upon agreement to a proposed special rent adjustment, the park owner representatives and the park resident representatives shall each sign the following documents:

a. The confidential ballot containing the agreed-upon proposed special rent adjustment to be voted upon by the residents of the regulated spaces in the park;

b. The agreed-upon notice of results of meet and confer form; and

c. The agreed-upon proof of service. The park owner representatives shall provide the park resident representatives with the originals of these agreed-upon signed documents, along with copies of each agreed-upon signed document in a number equal to at least the total number of regulated spaces in the park.

12. Notice to Residents of Results of Meet and Confer and Circulation of Ballots. Not later than five (5) days following the conclusion of the meet and confer, the park resident representatives shall serve **a copy of the agreed-upon** written notice of results of meet and confer, confidential ballot and envelopes, and a proof of service on all residents of the regulated spaces on City-approved forms. The notice documents shall be served on each resident **by the park resident representatives** by personal delivery or by First Class mail, postage prepaid, and shall contain all of the following information and documentation:

a. The notice shall be on the City-approved form and shall contain all of the following information:

(i) The date(s) and time(s) when the meet and confer was conducted, and the names, addresses and telephone numbers of the representatives of the park owner and park residents at the meet and confer; and

b.(ii) The results of the meet and confer, including whether the park owner representative(s) and the park resident representative(s) reached agreement on the agreed upon proposed special rent adjustment; the method by which the proposed special rent adjustment would be determined; and that all documentation upon which the proposed special rent adjustment may be inspected by the residents at the park clubhouse, park office and a third location as determined by the park resident representatives and specified in the notice; and

e.(iii) The right of the residents from each regulated space to vote by confidential ballot on whether or not to consent to the proposed special rent adjustment (based on a vote by one adult resident per space), by submittal of a confidential ballot to the Rent Administrator not later than fifteen (15) days following service of the notice upon

the resident by the park resident representative, and insertion of the specific deadline date by which the confidential ballot must be filed with the Rent Administrator; **and**

(iv) That the resident or a representative of a resident must return the confidential ballot to the Rent Administrator by personal delivery or by mail, in the pre-addressed envelope to the Rent Administrator provided with the notice by the specified deadline; and

(v) That the proposed special rent adjustment shall not be effective unless consented to by at least fifty-one percent (51%) of the residents of the regulated spaces based on the results of the confidential ballot election.

~~d.b.~~ The proposed ~~e~~Confidential ~~b~~Ballot, in the form approved by the City **and agreed upon between the park owner representatives and park resident representatives at the meet and confer**;

c. A stamped envelope pre-addressed to the Rent Administrator (one envelope per space) as previously provided by the park owner representatives to the resident representatives in accordance with Subdivision (G)(2) of this section; and

~~e.~~ That the residents must return the confidential ballot to the Rent Administrator by personal delivery or by mail; along with a stamped envelope pre-addressed to the Rent Administrator; and

~~f.~~ That the proposed special rent adjustment shall not be effective unless consented to by at least fifty one percent (51%) of the residents of the regulated spaces based on the results of the confidential ballot election; and

~~gd.~~ ~~A~~The **agreed-upon meet and confer results** proof of service, on the City-approved form.

23. Effective Date of Service on Park Residents. For purposes of determining the 15-day deadline for residents to file their confidential ballots with the Rent Administrator, service of the notice and confidential ballot form under Section 4.0006(G)(1) shall be deemed effective on the date of personal delivery to a resident or, if mailed, upon deposit in the U.S. Mail, ~~postage pre-paid~~, to a resident. The park resident representatives shall serve all notices, **envelopes pre-addressed to the Rent Administrator, and confidential ballot forms and supporting documentation required by Subparagraph (2) of this Subdivision (G)** on all residents of regulated spaces at the same time.

34. Park Resident Representative Service on City. Prior to or concurrently with serving the notice and all required documentation on the residents under Section 4.0006(G)(~~1~~2), the park resident representatives shall serve the following documents on the Rent Administrator, **using the City-approved forms**:

a. ~~A~~eComplete ~~copyies~~ of the notice, confidential ballot form and all **other** required documentation set forth in Subdivision (G)(2); and

b. A list of the full names, *and* addresses ~~and telephone numbers~~ of the current occupants of each regulated space in the park; *and*

c. *A declaration or affidavit, on the City-approved form, and signed under penalty of perjury, verifying that the park resident representatives provided the residents of the regulated spaces with all documents and information required by Subdivision (G)(2) of this section.*

45. Park Owner Service on City and Park Resident Representatives Following Meet and Confer. Not later than five (5) days following the conclusion of the meet and confer the park owner or his/her representative shall comply with all of the following requirements:

a. The park owner shall file with the City the following documents:

(1) One set of address labels addressed to the current occupants of each regulated space in the park;

(2) *A declaration or affidavit, on the City-approved form, and signed under penalty of perjury, verifying that the park owner representatives provided the park residents with all information and documentation required by Section 4.0006 and that true and correct copies of all information and documentation required by Section 4.0006(G) has been posted at the three locations in the park as required by Subdivision (C)(2) of this section.*

(3) A proof of service on the resident representatives confirming the park owner's compliance with *the service requirements of* this Subsection 45, ~~in~~ *on* the City-approved form, served by personal delivery or by First Class mail, postage prepaid.

b. The park owner shall serve a copy of the proof of service on the resident representatives, *on the City-approved form*, confirming the park owner's compliance with this Subsection 45, served on the park resident representative by personal delivery or by First Class mail, postage prepaid.

56. Submittal of Confidential Ballots. Within fifteen (15) days of service....”

6. SUBJECT: MNOI SPECIAL RENT ADJUSTMENTS BASED ON VOLUNTARY MEET AND CONFER

Pursuant to YMC §15.20.100(E) and Administrative Rules §4.0002, if at least 51% of the residents of regulated spaces vote in favor of the special rent adjustment by voluntary meet and confer, upon confirmation of the vote by the Rent Administrator, there is no right of appeal to the Commission or City Council.

Staff Comments: Based on a review of how the existing procedures operated during the past two years, it was determined that the Ordinance YMC §§ 15.20.100(E)(3) and 15.20.110 and Rules

§§4.0002 and 4.0006 should be amended to clarify that the appeal provisions do not apply upon confirmation of the 51% vote in favor of the special rent adjustment by voluntary meet and confer.

| <u>STAKEHOLDER</u> | <u>STAKEHOLDER COMMENTS</u> |
|--------------------|---|
| None | No comments received for Subject No. 6. |

Staff Recommendation to the Commission:

Amend Ordinance §15.20.100(E)(3) as follows (the additions are marked by italic/bold text):

“3. The decision of the rent administrator on whether to approve a special rent adjustment pursuant to this subdivision shall be final and not subject to any public hearing before or appeal to the commission, or appeal to the city council. *The provisions of YMC 15.20.100(G), 15.20.105 and 15.20.110 shall not apply.*”

Amend the first paragraph of Ordinance §15.20.110 as follows (the additions are marked by italic/bold text):

“Hearings on rent adjustment applications filed under Section 15.20.090 or 15.20.100(A), (B) and/or (C), or hearings on appeals to the commission from a rent administrator decision on an application under Section 15.20.085, ~~or a rent administrator determination on an application under Section 15.20.100(E)~~, shall be processed, heard and determined in accordance with this section.” [continue as in existing YMC §§15.20.110(A), (B) and (C)]

Amend Administrative Rules §4.0002(B)(3) as follows (the additions are marked by italic/bold text):

“3. If the RA determines that the application is complete, hearings on rent adjustment applications filed under YMC Sections 15.20.090 or 15.20.100(A), (B), and/or (C) or hearings on appeals to the Commission from a RA decision on an application under YMC Section 15.20.085, shall be processed, heard and determined in accordance with YMC Sections 15.20.105 and 15.20.110. Commission hearings shall be noticed in accordance with the requirements of these Rules and the Ralph M. Brown Act.

Amend Administrative Rules §4.0006(J) as follows (the additions are marked by italic/bold text):

“J. Final Decision. The RA’s decision approving or denying a special rent adjustment submitted pursuant to YMC Section 15.20.100(E) and this Section shall be final and not subject to any appeal *to the Commission or City Council.*”

7. SUBJECT: GENERAL APPLICATION PROCEDURES

YMC §15.20.105(A) currently requires that a park owner must submit five paper copies of applications along with an electronic copy. The Administrative Rules contain similar requirements in §§1.0008, 4.0002, and 7.0004.

Staff Comments: Based on a review of how the existing procedures have operated over the past years, it was determined that the City only needs one paper copy of each application, along with an electronic copy on a flash drive or other electronic form acceptable to the City. The Ordinance and Rules should be amended to reflect this change.

| <u>STAKEHOLDER</u> | <u>STAKEHOLDER COMMENTS</u> |
|--------------------|---|
| None | No comments received for Subject No. 7. |

Staff Recommendation to the Commission:

Amend Ordinance §15.20.105(A) as follows (the additions are marked by italic/bold text):

“A. All rent adjustment applications and appeals of decisions of the rent administrator on an application, shall be filed on an application form or appeal form provided by the rent administrator, or in a written form which provides all information and documentation required by the city-approved form and shall be accompanied by payment of filing fee, in accordance with the administrative rules adopted by resolution of the city council. ~~A total of five copies~~ *At least one copy* of the completed application or appeal, a declaration under penalty of perjury and all back-up documentation, along with an electronic copy of the complete application or appeal, must be provided.....”

Amend Rules §1.0008(B) as follows (the additions are marked by italic/bold text):

“B. All applications for any capital improvement adjustments (pursuant to YMC Section 15.20.085), any rent adjustment based on discontinuance or reduction in a service or amenity (YMC Section 15.20.090), or any MNOI, readjustment to base year NOI, and/or fair return rent adjustment (YMC Section 15.20.100), shall be submitted to the RA in accordance with requirements of Chapter 15.20 of the Yucaipa Municipal Code (YMC) – Rent Stabilization Program and these Administrative Rules.

As used herein, the term "application" shall have the meaning set forth in Section 4.0002(A)(1)(a) of these Rules. The applicant shall submit at least ~~five (5) copies~~ *one copy* of each such application to the City, along with an electronic copy (jpeg or pdf format). Concurrently.....”

Amend Rules §1.0008(C)(2)(a) as follows (the additions are marked by italic/bold text):

“a. Any person wishing to submit any written opposition to an application for a capital improvement rent adjustment under YMC Section 15.20.085 or a special rent adjustment

under YMC Section 15.20.100 shall submit at least ~~five (5) copies~~ ***one copy*** of such written opposition, along with an electronic copy (jpeg or pdf format), to the RA and one copy to the applicant in accordance with the following deadlines.....”

Amend Rules §1.0008(C)(2)(b) as follows (the additions are marked by italic/bold text):

“b. Any person wishing to submit any written opposition to an application for a rent decrease under YMC Section 15.20.090 shall submit at least ~~five (5) copies~~ ***one copy*** of such written opposition, along with an electronic copy (jpeg or pdf format), to the RA and one copy to the applicant, in accordance with the following deadlines:”

Amend Rules §4.0002(A)(3) as follows (the additions are marked by italic/bold text):

“3. Any person wishing to submit any written opposition to rent adjustment application or appeals shall submit at least ~~five (5) copies~~ ***one copy*** of such written opposition, along with an electronic copy (jpeg or pdf format), to the....”

Amend Rules §7.0004(A) as follows (the additions are marked by italic/bold text):

“A. Format. The applicant shall submit ~~five (5) copies~~ ***one copy*** of the application, all supporting information and documentation, and the filing fee, along with a copy of the application in electronic format (jpeg or pdf format). The application and all supporting information and documentation shall be submitted in accordance with the City-approved forms.”

8. SUBJECT: CITY COUNCIL APPOINTMENT OF MRRC VERSUS AT-LARGE APPOINTMENTS

Ordinance No. 63 (adopted January 28, 1991) authorized the creation of the MRRC through City Council appointments. The powers and duties of the MRRC, as set forth in the Ordinance (e.g., YMC §15.20.070) and the Administrative Rules, include but are not limited to: meet from time to time with the Rent Administrator; preside over hearings on rent adjustment applications pursuant to the provisions of the Ordinance and Administrative Rules and adjust maximum rents or maintain rents upon completion of its hearings and investigations; and conduct a biennial review of the Mobilehome Park Rent Stabilization Program and Administrative Rules and make recommendations to the City Council.

Staff Comments: The MRRC has performed these functions over the past several years, with an appeal to the City Council if necessary. However, with an increase in MNOI applications and the complexity of the documents submitted by experts, it is imperative that the MRRC understands the MNOI formula, procedures and expert analyses.

Currently, the five member MRRC has one vacancy and four positions filled with terms ending on 1/1/2021. However, serving on the MRRC is not an easy assignment and over the years is has been difficult to find, fill and maintain the five at-large positions. As a result, staff is requesting that City Council consider changing the selection process from at-large to City Council appointed, during the next term cycle, to ensure that the five positions are filled with qualified candidates.

CONCLUSIONS:

In accordance with the City Council's recent action, at this meeting following public comment, the Commission should discuss the issues and provide any recommendations for staff to present to the City Council in November. Following the Commission's review and discussion of this Report, the Report and any Ordinance and Resolution changes recommended by the Commission, will be presented to City Council for review and action.

Attachments:

- A 2019 Summary of High, Low and Average Rents – City of Yucaipa
- B Memorandum from Kenneth Baar, Ph.D., J.D. dated November 5, 2019, in response to YMRA September 26, 2019 comments and request by City staff pertaining to annual allowable rent increase analysis.
- C YMRA
- D MHET
- E WMA
- F MRRC Johns
- G Notice Example provided by a resident
- H GSMOL Survey of CA Jurisdictions with Mobilehome Park Rent Stabilization Ordinances (last update March 2015)

Approved by:



A handwritten signature in black ink, appearing to read "Raymond Blasing", is written over a horizontal line.

2019 CITY OF YUCAIPA
General Services/City Clerk Dept.

| | | | | | | | | | | | | | | |
|--|--|--|--|--|--|--|--|--|--|--|--|---|--|--|
| PARK SPACES Source: 2019 Annual Registration | | | | | | | | | BASE RENTS LONG-TERM LEASE (LTL) SPACES Source: 2019 Annual Registration | | | BASE RENTS RENT CONTROL SPACES (**Source: 2019 Adjusted Space Rents [CPI Increase]) | | |
|--|--|--|--|--|--|--|--|--|--|--|--|---|--|--|

| Mobilehome Park | Address | Total Spaces | Park Owned | LT Lease | Rent Control | Vacant Pads | PO Vacant Coaches | RO Vacant Coaches | LTL High Base Rent | LTL Low Base Rent | LTL Average Base Rent | RC High Base Rent | RC Low Base Rent | RC Average Base Rent |
|---|----------------------|--------------|------------|----------|--------------|-------------|-------------------|-------------------|--------------------|-------------------|-----------------------|-------------------|------------------|----------------------|
| Aladdin Mobilehome Park * | 12813 7th Street | 96 | 45 | 0 | 51 | 0 | 7 | 0 | \$0.00 | \$0.00 | | \$356.12 | \$292.57 | \$342.59 |
| Avalon Mobilehome Park * | 35011 Avenue E | 85 | 51 | 0 | 34 | 0 | 13 | 0 | \$0.00 | \$0.00 | | \$373.55 | \$339.23 | \$367.43 |
| Bel Aire Mobilehome Park | 13060 2nd Street | 111 | 20 | 14 | 77 | 4 | 2 | 0 | \$527.50 | \$317.05 | \$406.73 | \$621.98 | \$308.29 | \$384.28 |
| Bonanza Mobilehome Park * | 13645 5th Street | 83 | 16 | 0 | 67 | 2 | 0 | 0 | \$0.00 | \$0.00 | | \$378.85 | \$347.39 | \$376.19 |
| Caravan Mobilehome Park * | 12656 2nd Street | 70 | 1 | 0 | 69 | 1 | 0 | 0 | \$0.00 | \$0.00 | | \$331.39 | \$273.04 | \$290.75 |
| Carriage Trade Manor MHP * | 12874 California St | 97 | 19 | 0 | 78 | 0 | 5 | 0 | \$0.00 | \$0.00 | | \$359.38 | \$331.02 | \$343.41 |
| Crafton Hills Mobilehome Park | 31816 Avenue E | 159 | 3 | 118 | 38 | 0 | 0 | 0 | \$396.54 | \$306.12 | \$360.45 | \$408.00 | \$330.07 | \$354.72 |
| Crestview I Mobilehome Park * | 12220 5th Street | 145 | 4 | 108 | 33 | 1 | 0 | 0 | \$333.32 | \$304.74 | \$323.83 | \$342.95 | \$316.09 | \$333.60 |
| Crestview II Mobilehome Park | 12821 4th Street | 55 | 29 | 0 | 30 | 0 | 2 | 0 | \$0.00 | \$0.00 | | \$470.08 | \$280.31 | \$367.80 |
| Eldorado Mobilehome Park ¹ * | 35218 Fir Street | 217 | 2 | 0 | 215 | 0 | 1 | 0 | \$0.00 | \$0.00 | | \$503.44 | \$365.37 | \$427.51 |
| Executive Mobilehome Park | 10622 Bryant Street | 152 | 1 | 0 | 151 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$486.18 | \$379.89 | \$438.47 |
| Fremont Heights Mobilehome Park * | 12151 Fremont St | 114 | 4 | 0 | 110 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$595.92 | \$512.24 | \$547.85 |
| Grandview East Mobilehome Park ¹ | 12655 2nd Street | 99 | 2 | 0 | 97 | 1 | 0 | 0 | \$0.00 | \$0.00 | | \$494.28 | \$270.49 | \$385.37 |
| Grandview West Mobilehome Park * | 12700 2nd Street | 51 | 0 | 0 | 51 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$405.27 | \$343.95 | \$367.65 |
| Green Valley Mobilehome Park | 12414 4th Street | 109 | 100 | 0 | 9 | 0 | 23 | 0 | \$0.00 | \$0.00 | | \$337.30 | \$325.65 | \$333.76 |
| Hidden Valley Mobilehome Park * | 12680 4th Street | 60 | 0 | 0 | 60 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$338.72 | \$326.17 | \$334.17 |
| Hidden Village Mobilehome Park* | 12582 2nd Street | 81 | 1 | 0 | 80 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$439.09 | \$373.65 | \$399.82 |
| Hide-Away Mobilehome Park | 34447 Yucaipa Blvd | 46 | 0 | 26 | 20 | 0 | 0 | 0 | \$750.00 | \$400.00 | \$579.23 | \$364.91 | \$362.81 | \$364.80 |
| Hillcrest Mobilehome Park * | 33600 Calimesa Blvd | 196 | 67 | 0 | 129 | 19 | 1 | 0 | \$0.00 | \$0.00 | | \$527.48 | \$437.55 | \$462.96 |
| Hitching Post Mobilehome Park | 34642 Yucaipa BLvd | 110 | 9 | 0 | 101 | 5 | 0 | 0 | \$0.00 | \$0.00 | | \$533.36 | \$291.66 | \$390.31 |
| Holiday Mobilehome Park | 34184 County Line Rd | 128 | 82 | 0 | 46 | 1 | 11 | 0 | \$0.00 | \$0.00 | | \$326.43 | \$246.57 | \$287.97 |
| Knollwood Mobilehome Park | 12941 2nd Street | 124 | 40 | 19 | 65 | 2 | 5 | 0 | \$493.90 | \$338.92 | \$397.79 | \$507.68 | \$315.08 | \$379.79 |
| Lakeview Mobile Estates | 11050 Bryant Street | 296 | 2 | 0 | 294 | 0 | 1 | 0 | \$0.00 | \$0.00 | | \$528.41 | \$444.20 | \$494.72 |

¹ Denotes Non-Profit Status

* Senior Park

** Base rents subject to change with City approval of annual CPI increases that take place throughout the year

2019 CITY OF YUCAIPA
General Services/City Clerk Dept.

| | | PARK SPACES Source: 2019 Annual Registration | | | | | | | BASE RENTS LONG-TERM LEASE (LTL) SPACES Source: 2019 Annual Registration | | | BASE RENTS RENT CONTROL SPACES (**Source: 2019 Adjusted Space Rents [CPI Increase]) | | |
|---|---------------------|---|------------|------------|--------------|-------------|-------------------|-------------------|--|-------------------|-----------------------|---|------------------|----------------------|
| Mobilehome Park | Address | Total Spaces | Park Owned | LT Lease | Rent Control | Vacant Pads | PO Vacant Coaches | RO Vacant Coaches | LTL High Base Rent | LTL Low Base Rent | LTL Average Base Rent | RC High Base Rent | RC Low Base Rent | RC Average Base Rent |
| Las Casitas Mobilehome Park | 33848 Avenue G | 70 | 9 | 37 | 24 | 0 | 2 | 0 | \$601.82 | \$249.68 | \$524.78 | \$596.57 | \$338.58 | \$540.48 |
| Melody Lane Mobilehome Park | 12688 California St | 32 | 5 | 0 | 27 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$351.02 | \$267.24 | \$309.93 |
| Mission Valley Oaks Mobilehome Park * | 12367 4th Street | 76 | 2 | 74 | 0 | 2 | 0 | 0 | \$590.00 | \$535.60 | \$575.36 | \$0.00 | \$0.00 | |
| Mount Vista Mobilehome Park | 13061 2nd Street | 56 | 14 | 0 | 42 | 0 | 2 | 0 | \$0.00 | \$0.00 | | \$362.64 | \$260.24 | \$275.90 |
| Mountain View Mobilehome Park | 12726 California St | 77 | 15 | 0 | 62 | 1 | 4 | 0 | \$0.00 | \$0.00 | | \$351.02 | \$271.42 | \$303.64 |
| Northview Mobilehome Park * | 10675 Bryant Street | 129 | 9 | 18 | 102 | 2 | 0 | 0 | \$290.67 | \$247.29 | \$259.12 | \$369.12 | \$236.04 | \$343.48 |
| Park Terrace Mobilehome Park * | 12177 3rd Street | 73 | 2 | 0 | 71 | 2 | 0 | 0 | \$0.00 | \$0.00 | | \$317.19 | \$317.19 | \$317.19 |
| Patrician Mobilehome Park * | 34480 Countyline Rd | 137 | 4 | 0 | 133 | 0 | 1 | 8 | \$0.00 | \$0.00 | | \$363.18 | \$319.03 | \$342.97 |
| Rancho Del Sol Mobilehome Park ¹ | 12351 4th Street | 110 | 4 | 0 | 106 | 3 | 0 | 0 | \$0.00 | \$0.00 | | \$486.55 | \$319.81 | \$444.69 |
| Skyline Village Mobilehome Park* | 12650 California St | 77 | 41 | 0 | 36 | 19 | 6 | 0 | \$0.00 | \$0.00 | | \$335.98 | \$290.74 | \$321.99 |
| Twin Pines Mobilehome Park | 12300 5th Street | 93 | 82 | 0 | 11 | 0 | 13 | 0 | \$0.00 | \$0.00 | | \$597.05 | \$325.98 | \$358.66 |
| Valley Breeze Mobilehome Park* | 13576 California St | 87 | 35 | 0 | 52 | 12 | 5 | 0 | \$0.00 | \$0.00 | | \$395.08 | \$380.64 | \$383.84 |
| Valley View Mobilehome Park ^{1*} | 12995 6th Street | 75 | 13 | 0 | 62 | 4 | 0 | 0 | \$0.00 | \$0.00 | | \$357.68 | \$274.20 | \$316.48 |
| Westwind Mobilehome Park | 12380 4th Street | 86 | 65 | 0 | 21 | 0 | 4 | 0 | \$0.00 | \$0.00 | | \$362.20 | \$222.34 | \$271.38 |
| Wildwood Canyon Mobilehome Park | 34111 Wildwood Cyn | 147 | 1 | 0 | 146 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$346.35 | \$267.79 | \$301.96 |
| Wishing Well Mobilehome Park* | 13063 5th Street | 73 | 21 | 0 | 52 | 1 | 1 | 0 | \$0.00 | \$0.00 | | \$329.58 | \$243.36 | \$270.15 |
| Yucaipa Valley Mobilehome Park | 12710 3rd Street | 104 | 0 | 85 | 19 | 0 | 0 | 1 | \$797.00 | \$395.00 | \$545.44 | \$357.93 | \$357.52 | \$357.89 |
| Yucaipa Village Mobilehome Park* | 12830 6th Street | 82 | 0 | 0 | 82 | 0 | 0 | 0 | \$0.00 | \$0.00 | | \$505.60 | \$354.51 | \$370.33 |
| Total Spaces: | | 4,268 | 820 | 499 | 2,953 | 82 | 109 | 9 | | | | | | |

All Age/Family Park Spaces: 2,164
Senior Park Spaces: 2,104

¹ Denotes Non-Profit Status

* Senior Park

** Base rents subject to change with City approval of annual CPI increases that take place throughout the year

Nov. 13, 2019

From: Kenneth Baar, Consultant

To: Jennifer Crawford and Mobilehome Rent Review Commission

This memo is in response to comments from the Yucaipa Mobilehome Residents Association regarding my reports and to requests by City Staff for information about the annual allowable rent increase.

Comments Re: Submission of Yucaipa Mobilehome Residents Association (YMRA) (Sept. 26, 2019)

YMRA Comment:

"The City of Yucaipa's financial expert Ken Baar has cited that it has been ruled in the courts that CPI increases as low as 40% have been deemed to be fair."

BAAR Response:

The foregoing statement seems to indicate that I have stated that annual rent increases ("CPI increases") equal to 40% of the percentage increase in the CPI have been deemed fair by the courts. However, my comments in regard to 40% of CPI have involved questions about what growth in net operating income must be permitted in fair return cases. In the context of considering allowable rent under fair return standards (rather than the adequacy of annual increase standards), I have indicated that the courts have upheld standards which provide for increasing net operating income by 40% of the percentage in the CPI since the base year.

In order to provide for growth in net operating income, allowable rent increases must cover increases in operating costs and allow for the required growth in net operating income. Assuming that operating costs increase at the same rate as the CPI, rent increases equal to more than 40% of the percentage increase in the CPI would be required in order to provide for a fair return. While the portion of rent allocated to net operating income may increase at only 40% of the percentage increase in the CPI, the portion of rent used for operating expenses, would have to increase at the same rate as the CPI. The precise amount of the rent increases that are required to provide a fair return for a particular park depends on the particular circumstances, including the ratio of operating expenses to income and the rate of increases in operating costs, which may be higher or lower than the rate of increase in the CPI.

YMRA Comment:

*“... in a study done by the City of Yucaipa’s financial expert, Ken Baar, it has been reported that for every ten dollar increase in a mobile home park space rent, would result in ~\$1,000 of decreased mobile home value. With an allowable 5% or \$25 space rent increase, a homeowner would most likely have to discount their selling price by approximately \$2,500.00 as opposed to obtaining a sale price of \$2,500 higher under the current ordinance. Considering that park owners have never had an opportunity to raise rents in any form related to a vacancy, this would be a substantial change and a significant benefit to park owners, **especially with and in consideration of number three.**”*

BAAR Response:

The passage relied on by YMRA did not state that it was *my* conclusion that: “every ten dollar increase in a mobile home park space rent, would result in ~\$1,000 of decreased mobile home value.” Instead, in the passage I stated that this was a common conclusion in analyses of the issue by appraisers and economists. (“Traditionally, economists and appraisers projected that each \$100 increase in space rents would lead to a \$10,000 reduction in the value of a mobilehome.”)¹

It is generally accepted and seen as economically rational conduct that incoming mobilehome owners consider their overall costs, including space rent, in determining what price they are willing to pay for a mobilehome on a rented space in a mobilehome park. Following this model of conduct, assuming other factors are equal, prospective mobilehome owners would be willing to pay less for a mobilehome on a space with higher space rents.

The projection that each ten dollar rent increase would lead to a \$1,000 decrease in the value of the mobilehome on the space is based on the assumptions of an economic model (which is now decades old) rather than actual data. Apart from space rents, variables affecting purchase prices of mobilehomes include, but are not limited to, the prices of alternate housing and mortgage interest rates. Quantification through empirical research of the precise impact of space rents on mobilehome values is subject to the problems of isolating in a statistical analysis the impact of one variable (space rent) from the impact of numerous other variables that affect mobilehome prices.

¹ Baar and Pojani, Mobilehome Parks and Mobilehome Space Tenancies in Marina, p. 27 (2008, report commissioned by the City of Marina).

Responses to Staff Inquiries

The impact that a 100% of CPI annual increase standard from 1996 to 2009 (as opposed to the actual 80% of CPI standard) would have had on the allowable increase in the Yucaipa Village fair return case.

In 2011, in the Yucaipa Village case, the Yucaipa Mobilehome Rent Review Commission determined that a rent increase of \$81.29 was required to permit a fair return.² (MRRC Resolution 2011-52)

The rent revenues in Yucaipa Village increased from \$198,108 in 1996 to \$259,750 in 2009.³ (This total for 2009 includes the gross scheduled rents of \$233,782 for 2009, reported in the fair return application, and an inclusion in the rental income of a saving of \$25,968⁴ in operating expenses, which the Park Owner realized by transferring water and sewer costs to the residents in 2009.)

If rents had been permitted to increase by 100% of the percentage increase in the CPI from 1996 to 2009, the rent prior to the fair return determination (including an amount to account for the new saving from water and sewer passthrough) would have been \$19,811 higher (\$279,332 instead of \$259,750). Consequently, the rent increase required to provide a fair return would have been \$19,811 (\$20.13/space/month) lower. In terms of monthly space rents, the increase in the fair return decision would have been \$61.16 instead of \$81.29.

The impact of increasing the annual allowable increase from 80% to 100% of the percentage increase in the CPI.

In the past 35 years (1983-2018) the CPI has increased by an average of 2.83% per year. Assuming an average increase in the CPI of 2.83% in future years, if a 100% of CPI standard was adopted the annual increase would be 0.57% higher on the average (2.83% instead of 2.26%).

The largest annual increase was 6.58% which occurred in 1990.

Since 1996, the largest annual increase was 4.46%.

In the last ten years the CPI has increased by an average of 2% per year; the largest annual increase in the past ten years was 3.6%.

Since Yucaipa's ordinance contains a 4% CAP on allowable annual increases, the annual allowable increase could not be increased by more than 0.8% as a consequence of replacing the 80% of CPI standard with a 100% of CPI annual increase standard.

The chart below illustrates the differences in allowable annual increases that would take place under 80% and 100% of CPI standards.

² This total does not include a temporary increase of \$11.61 that was authorized to cover the costs of the application.

³ For the purposes of determining what rents permitted a fair return, 2009 was considered the current year.

⁴ \$26.39 x 82 spaces x 12 months.

**Comparison Annual Rent Increases
Under 80% of CPI and 100% of CPI Standards**

| Hypothetical Projections of Percentage Increase in the CPI Over Prior Year | Allowable Annual Rent Increase Current Ordinance 80% of CPI with 4% CAP | Allowable Annual Rent Increase If 100% of CPI with 4% CAP | Difference Between Allowable Increases Under 80% and 100% of CPI Standards with 4% CAP |
|---|--|--|---|
| 1.0% | 0.8% | 1.0% | 0.2% |
| 2.0% | 1.6% | 2.0% | 0.4% |
| 3.0% | 2.4% | 3.0% | 0.6% |
| 4.0% | 3.2% | 4.0% | 0.8% |
| 5.0% | 4.0% | 4.0% | 0.0% |
| 6.0% | 4.0% | 4.0% | 0.0% |

Kenneth K Baer

**2019 Biennial Review of the Yucaipa Rent Stabilization Ordinance and Administrative Rules
Submission of: Yucaipa Mobilehome Residents Association (YMRA)**

P.O. Box 1052, Yucaipa, CA 92399, (909) 797-9732

Mrs. Jennifer Crawford,
Deputy City Manager/City Clerk/Rent Administrator
City of Yucaipa
34272 Yucaipa Blvd.
Yucaipa, CA 92399

Dear Mrs. Crawford,

Again, we thank you for another opportunity of allowing our input and ideas as we make our submission in the spirit of enhancing the City of Yucaipa's Administrative Rules and Rent Stabilization Ordinance. We strive to consider mobile home park owner needs while keeping the best protections in place for the mobile home park resident community.

In light of many new developments, we request no changes in the Administrative Rules or Rent Stabilization Ordinance at this time.

We would, however, stress that any changes should be examined with careful consideration to best and worst case scenarios regarding benefits vs. abuses. Clearly, there are some practical changes that could bring benefits without significant or material impact to park owners as well as residents. We recognize that there are many park owners and managers that genuinely care about their residents, are mindful of balances that create maximum profits while allowing residents a reasonably good quality of life and affordable living.

Unfortunately, when considering ordinance changes, it is the worst-case scenarios and likelihood of abuses that must weigh heaviest in prudent decision making.

We would like to address the most common submissions:

• **15.20.040 A. Maximum Permitted Rent (CPI)**

Annual rent adjustments - As the current ordinance stands, and has for many years, park owners are allowed annual rent adjustments equal to 80% of inflation based on the Consumer Price Index (CPI). Park owners generally attempt to make their case for one hundred percent of the CPI as it stands to reason that anything less, would cause a park to run negative to inflation and a park owner would experience a continuous erosion of profits. It is also argued that under the current standard (80%), this would ultimately require a Special Rent Adjustment to 'catch up' or 'be whole again'.

It is important to note that under the current ordinance, basically all Capital Improvements (many running into hundreds of thousands of dollars), are paid for separately by the park residents and amortized over the useful life of the improvement.

With this separate charge specific to the residents for full repayment to a park owner, the current 80%, in reality, is very fair as an annual rent adjustment to keep park owners consistent with inflation.

The City of Yucaipa's financial expert Ken Baar has cited that it has been ruled in the courts that CPI increases as low as 40% have been deemed to be fair.

YMRA, on behalf of the mobile home park resident community, requests that there be no change to the ordinance regarding annual CPI rent adjustments.

We would, however, add that if changes were made to the ordinance for higher indexing for annual rent adjustments, Capital Improvement costs should also be factored in, and at the very least, be divided between park owners and residents, if not paid in full by park owners. Higher indexing (at 100%) would reflect that a park owner is compensated for all costs associated with park operations, maintenance, and Capital Improvements.

We request that *if* the allowable annual rent adjustment indexing related to CPI were increased by any amount over the current 80%, that Capital Improvement costs to residents be adjusted down (and at the least, shared 50/50% between park owners and residents) to maintain a fair balance.

- **15.20.050 Maximum permitted rent upon vacancy** (*Vacancy Control*)

There are **three considerations** in this area that are important, and generally in question, if the ordinance should include changes to accommodate park owners.

1. **In place transfers to family and relatives** (a sale or transfer of a mobile home that is to remain in a park, to family or relatives).

2. **A sale of a mobile home through an open market sale** (to an unrelated party).

3. **An increase in space rent when a mobile home has been completely removed**, destroyed (by fire, flood, etc.) and the resident that had occupied the space WILL NOT be returning (as through the purchase of a replacement home).

YMRA's position on behalf of the Yucaipa mobile home park residents is for no change to the current ordinance.

We do request, however, that Staff, the Mobilehome Rent Review Commission, and City Council consider that since the inception of the Yucaipa Rent Stabilization Ordinance, there have been no changes relating to Vacancy Control (30 years). With this in mind, there is no need for immediate or radical changes in this area.

In reference to number one (above), mobile homeowners should be able to transfer their homes through a sale to a family member or relative without any changes to space rents other than the allowable (current) annual rent increases.

Regarding number two (above), this is the most concerning area of possible changes. In light of the fact that there has never been an allowable space rent increase upon the sale of a mobile home, we have legitimate and credible concerns that if space rents were allowed to increase without consideration in comparing *'the value of (one thing) with another'*, that evictions would also increase. There is a level of an allowable amount, that if granted, would prompt unscrupulous park owners and managers to evict people as it becomes more beneficial to create turnover, and gain significant rent increases than to work with and assist people that might have had minor park violations or be in trouble and facing hardships. We currently deal with issues of this nature on a weekly basis. Although only a handful, there are park owners and managers in Yucaipa that currently and continuously use the smallest of infractions to build a file and look for anything that will support/effect an eviction. This ***IS and has been used as a tactic*** for a park owner to gain possession of a mobile home, and rent the home as a 'park owned home' thereby undermining

and completely avoiding the regulations of the rent stabilization ordinance.

We feel that any more than a five percent (5%) or a twenty-five (\$25) dollar rent increase once every few years per space would result in what we believe are legal, but unwarranted evictions.

Furthermore, in a study done by the City of Yucaipa's financial expert, Ken Baar, it has been reported that for every ten dollar increase in a mobile home park space rent, would result in ~\$1,000 of decreased mobile home value. With an allowable 5% or \$25 space rent increase, a homeowner would most likely have to discount their selling price by approximately \$2,500.00 as opposed to obtaining a sale price of \$2,500 higher under the current ordinance. Considering that park owners have never had an opportunity to raise rents in any form related to a vacancy, this would be a substantial change and a significant benefit to park owners, **especially with and in consideration of number three.**

Regarding number three (above), we feel that this scenario would have the least impact to park residents in that if a mobile home were destroyed and the resident that had occupied the space did not wish to replace the home or return, a park owner could raise the space rent with little overall impact to residents. We do feel that in this case, raising rents to the average of the three highest rent-controlled spaces in the park would give park owners an opportunity to generate additional revenue, without impact to the current residents living in the park.

We do believe that this would equate into the supply of affordable housing and diminish inventory, however, a mobile home park is a private business and should not have to bear the responsibility of providing affordable housing. Considering that the ordinance has never allowed a space rent increase in any aspect of turnover or vacancy, this would be a significant change to the ordinance that would benefit park owners with the least impact to current residents.

Last, In reviewing the rent ordinance, we believe that everyone can agree that the concerns and submissions can sometimes be numerous. We have addressed two of the most universally submitted issues that park owners have. As the various interested parties make their submissions, there is no way to possibly address each one in advance since there is no way of knowing what they are until an agenda packet is made available. At that time, written submissions are no longer accepted. With this in mind, we would like the opportunity to address each issue as they come before the Rent Review Commission and City Council in the public sphere.

Again, we thank you for this opportunity to submit our input in this review.

Tony Slaick - Chairman YMRA
Yucaipa Mobilehome Residents Association

Step One - Annual Adjustment – 100% CPI

Initial Comment in Support of 100% CPI – The Ordinance says its' sole purpose is to prevent supposed "excessive" rent increases. A rent increase of 100% of CPI only allows the park owner to keep up with inflation, which the park owner has no control over. Nothing more. It is respectfully submitted that merely staying even with inflation cannot be seen by anyone as "excessive".

Additional Information in Support of 100% CPI

In fact, by only allowing an annual increase of 80% of CPI means that each year the rent falls further and further behind the increased costs of operating a park. As noted earlier, when revenue is restricted, especially for as many years as the 80% provision has been in place, it makes it difficult to maintain a mobilehome park due to the lack of revenue. In Yucaipa, on various occasions, the City Council has expressed concern over the conditions of some parks. This concern received extensive attention in 2015, and the City Council identified 7 parks, nearly 17% of the mobilehome parks in the City, they felt should be given incentives so they could be reused for other purposes. To reuse the park means it would have to be closed and the residents would have to move.

Furthermore, allowing 100% CPI annual increases means future increases slowly rise over an extended period of time. Limiting the annual increase to anything less than 100%, forces the park owner to seek a much larger rent increase through the MNOI process to catch up to what has been lost over the years. Instead of being spread out, the residents are faced with a much larger increase in the monthly rents. It is far easier for the residents to plan and adapt to the more gradual 100% CPI annual increase than face the legally required MNOI increase.

On this issue of forcing MNOI applications, even the City's own expert, Dr. Barr, indicated during the 2017 biennial review;

"the limit on annual rent increases to 80% of the CPI increase the likelihood that in future years there will be more fair return petitions and that greater fair return increases would be justified." (emphasis added)

We would also note the state legislature recently passed a rent control bill, AB 1482, that allowed rents to increase 5% PLUS CPI. We are only asking for the annual increase to increase at 100% of CPI.

Step 2 – Vacancy Decontrol

Initial Comment in Support of Vacancy Decontrol - Again, the purpose of the Ordinance is to protect the residents living in the parks from supposed "excessive" rent INCREASES. Vacancy decontrol merely allows a NEW resident who is considering living in a mobile home park to voluntarily come to an agreement with the park owner on a rent level that is entirely acceptable and affordable to the new resident. The new resident chooses how much rent they want to pay. Once moved into the park, any future rent increase for the new resident of

the park is fully regulated by the Ordinance. Vacancy decontrol does NOT impact the current or future rent level of the existing residents.

Additional Information Supporting Vacancy Decontrol

Vacancy decontrol is a key element of achieving the goal of seeing parks rehabilitated as needed without the need for MNOI increases. The concept of 100% CPI solely keeps park owners even with increasing costs. Treading water so to speak. 100% CPI does not provide any of the revenue needed for rehabilitation projects. Vacancy decontrol helps provide a means of both encouraging rehabilitation and fully protecting all the residents of the park from potential "excessive" rent increases. This truly limits the need for a MNOI or capital improvement rent increase application, which raises the rents on ALL the residents of the park. Vacancy decontrol does NOT affect the rents of existing residents. They keep their same rent level. No increase.

Tis potential for minimizing MNOI applications was also commented upon by the city's expert, Dr. Barr, during the 2017 biennial review. He noted that allowing some form of vacancy decontrol could "reduce fair return applications and rent adjustments." (emphasis added)

As mentioned, the state legislature recently passed the statewide rent control bill, AB 1482. It is well known the state legislature is very progressive and supportive of renters' rights. They are also very supportive of seniors and affordable housing. Yet, they felt it was a key part of the bill to provide for vacancy decontrol, and vacancy decontrol was part of the bill that was passed.

In conclusion, vacancy decontrol provides multiple benefits to all stakeholders; the residents, the city and park owners. MNOI applications are minimized, which is a goal of all stakeholders. Existing residents rents are fully protected, new residents get to choose their own initial rent and then are fully protect by the Ordinance from any potential "excessive" rent increases, the actual purpose of the ordinance. And we reach a closer balance which allows park owners to be better able to maintain the parks for the residents of Yucaipa. This is a policy that should be fully endorsed.

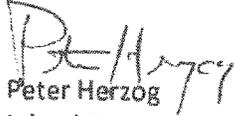
Step 3 – YMRA Proposal Regarding Property Taxes

At a recent meeting with the City, YMRA, MHET and WMA, YMRA proposed the Ordinance be amended to allow that when a park is sold to a new owner, any increase in the property tax would be a pass through to the residents. In exchange, the park owners would relinquish their constitutional right to request an MNOI increase for 3 years. YMRA indicated the park owner would give the appropriate 90 notice of the property tax pass through.

MHET along with WMA have discussed this with parkowners, and we are agreeable to this proposal. We join with YMRA in requesting the Ordinance be amended to reflect this proposal.

In conclusion, MHET appreciates the entire Commission taking the time to evaluate the above material. We firmly believe now is the time and these are the best steps forward to minimize and possibly eliminate the time, cost, negative feelings that surround MNOI applications, and protecting the interests of everyone. We look forward to answering any questions you may have on these proposals now or at the hearing. We do hope any biennial review hearing is structured to allow for a good discussion of these proposals.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Herzog". The signature is written in a cursive style with a large initial "P".

Peter Herzog
Inland Empire Representative

Cc: Jennifer Crawford
Tammy Vaughan

RECEIVED
CITY OF YUCAIPA

SEP 30 2019

GENERAL SERVICES/CITY CLERK'S
DEPARTMENT



Western
Manufactured Housing Communities
Association

September 30, 2019

Ms. Jennifer Crawford
Deputy City Manager/Rent Administrator
City of Yucaipa
34272 Yucaipa Blvd.
Yucaipa, CA 92399

Dear Ms. Crawford,

Thank you for the outreach to all interested parties who wish to participate in the City of Yucaipa's Mobilehome Rent Control Biennial Review. I would also like to reiterate our appreciation for the pre-meeting attended by Tony Slack of YMRA, MHET, WMA, Amy Greyson and yourself. The meeting was productive and informative. I am hopeful it set a positive tone for this review process.

If there is major agreement by all parties it is that the MNOI process is daunting and expensive for all involved. If there is a way to limit applications and the large increases that could follow them it should be explored. I believe the Meet and Confer process developed by your office has shown to be a great outcome for all parties.

Recommendation #1: Increase annual permissible increases to 100% of CPI

At the risk of being repetitive, once again, we recommend amending the ordinance to allow for 100% of the Consumer Price Index (CPI). The current formula of 80% of CPI is harmful to park operations. Every year the parkowner's purchase power diminishes with a sub-inflationary increase. This impacts our ability to operate and maintain our communities. Most importantly to consider is that this approach to annual increases harms residents when a parkowner has to petition the city for an MNOI increase. It contributes to the large increases that accompany the applications. Past analysis by city staff have shown that the impact of this change would be minimal.

Recommendation #2: Implement Full Vacancy Decontrol, Recontrol.

The single element of any mobilehome rent control ordinance that reduces or eliminates MNOI applications is that it contains vacancy decontrol. Vacancy decontrol does not mean "no rent control". Vacancy decontrol, recontrol means that when a space turns over and the rent is adjusted to market, the incoming buyer makes a purchasing decision with their eyes wide open, knowing what they can afford at time of purchase, the space then again is placed under rent control and only subject to the permissible annual increase.

The lack of applications in these jurisdictions with vacancy decontrol are a good indication that parkowners are willing to wait for spaces to naturally turn over, receive a

slight increase on the new homeowner with no impact to the existing resident.

No doubt this process is difficult to institute because some use it to instill fear and suggest that residents will lose their homes when their homes can't be resold. Unfortunately, the data just don't support that claim. Home resale figures, generally speaking, are higher in communities with higher rents. It is actually in the residents' best interest to amend the ordinance to include some form of vacancy decontrol.

If the claim that homes were unsellable with vacancy decontrol were true, it would be leading the news every night. The fact is many ordinances permit for some form of an increase when a home sells. Here is a list of cities in the Inland Empire which permit some form of vacancy decontrol:

Beaumont
Cathedral City
Colton
Hemet
Menifee
Redlands
Riverside
County of Riverside
San Bernardino
Upland

Recommendation #3: Dissolving the Mobilehome Rent Review Commission (MRRC)

Perhaps when mobilehome rent control ordinances were initially passed in California, citizen review had an important role. Unfortunately, with the passage of time, these matters have become increasingly complex and carry significant risk for the city who administers these ordinances. The Mobilehome Rent Review Commission (MRRC) makes decisions that are often, if not always, appealed to the City Council. The MRRC makes decisions, or recommendations in the case of the Biennial Review, void of any fiduciary responsibility to the city. Any radical decision can be made without any responsibility to the law or city resources. Also, recommendations to the Biennial Review are just that, recommendations. The City Council did not adopt many of the MRCC's recommendations last review. So what is the harm to have the MRCC? The costs. There is significant costs associated with the review from city staff and outside legal council. These costs are passed on to residents and parkowners who have to share the burden of the fee to administer the ordinance. Why should the residents and parkowners pay for a process that is dismissed by the City Council? The city would be better served by streamlining the process by replacing the MRCC with a hearing officer (retired judge) and the Biennial Review simply conducted by the City Council.

Finally, at our pre-meeting, YMRA proposed a process where property taxes, when increased over 2%, would be passed through automatically and the parkowner would agree to not file an MNOI application for three years. Parkowners met to discuss this concept and seemed agreeable to it. I suspect this could be developed into another

positive process for all parities.

Thank you again for coordinating stakeholders' participation in the Biennial Review process. We believe working together to find approaches to mobilehome governance that balances the needs of all parities is the best for the City of Yucaipa.

Please feel free to contact me with any questions about these recommendations.

Sincerely,

A handwritten signature in cursive script that reads "Julie Paule".

Julie Paule, Regional Representative

RECEIVED
CITY OF YUCAIPA

SEP 30 2019

GENERAL SERVICES/CITY CLERK'S
DEPARTMENT

Jennifer Crawford
Deputy City Manager/Rent Administrator
City of Yucaipa
September 28, 2019

Re: MRRRC Bi-Annual Review of Mobile Home Rent Stabilization Ordinance
(Yucaipa Municipal Code 15.20)

I would like to make the following suggestion:

When a park owner notifies residents of an annual rent increase, the notification should include, 1. That it was approved by the city, and, 2. The exact amount of the increase (as approved by the city).

Thank you,


Caecilia Johns
MRRRC Commissioner

YUCAIPA, CA 92399
(909)

SP# NOV 2019

Rent due & payable on the 1st.

CITY OF YUCAIPA

OCT 30 2019

OCT 30 2019

YUCAIPA, CA 92399

GENERAL MANAGER

GENERAL MANAGER

PLEASE PAY 459.75

----- PLEASE DETACH AND RETURN ABOVE PORTION TO ENSURE PROPER ACCOUNT PROCESSING -----

GAS RATE CHANGE - PRORATE APPLIED.

BILLING DAYS 27

| | | |
|-----------------------|----------|-----------------------|
| SCG GAS | SCH GR | YVWD SEWER |
| BASELINE 13 | ZONE Z1 | (# Days x Daily Rate) |
| 7797 ON 10/09/19 | | |
| 7783 ON 09/12/19 | | |
| 14 CF USG @ THX .9640 | | 27 x 1.172 |
| 13 TH 18 TH PRV YR | | 39.38 |
| CUST: 27 @.16438 | 4.44 | |
| BASE: 13 @.94196 | 12.25 | |
| NONB: @1.2757 | | |
| PPPS: 13 @.10060 | 1.31 | |
| SRF : 13 @.00247 | .03 | |
| MHPS: @ | .21 | |
| TCA : 13 @ | | |
| UUT : @ | | |
| GAS TOTAL | \$ 18.24 | |

| | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|---|-----|-------|-------|-------|------|--|---------|------|---------|------|--------|------|-------|-------|----------|-------|----------|--|------|--------|--------|--------|-------|--------|
| SP# | NOV 2019 | | | | | | | | | | | | | | | | | | | | | | | | |
| ATTENTION ALL RESIDENTS STARTING JANUARY 1, 2019 THE ANNUAL REGISTRATION FEE WILL INCREASE TO \$2.73 PER MONTH. THERE WILL BE A RENT INCREASE EFFECTIVE DECEMBER 1, 2019 | <table border="1"> <tr> <td>GAS</td> <td>18.24</td> </tr> <tr> <td>WATER</td> <td>17.44</td> </tr> <tr> <td>MISC</td> <td></td> </tr> <tr> <td>87 PARA</td> <td>2.00</td> </tr> <tr> <td>04 PARA</td> <td>2.33</td> </tr> <tr> <td>R.S.F.</td> <td>2.73</td> </tr> <tr> <td>SEWER</td> <td>39.38</td> </tr> <tr> <td>DISPOSAL</td> <td>12.64</td> </tr> <tr> <td>TMP RENT</td> <td></td> </tr> <tr> <td>RENT</td> <td>364.99</td> </tr> <tr> <td>SUBTOT</td> <td>459.75</td> </tr> <tr> <td>TOTAL</td> <td>459.75</td> </tr> </table> | GAS | 18.24 | WATER | 17.44 | MISC | | 87 PARA | 2.00 | 04 PARA | 2.33 | R.S.F. | 2.73 | SEWER | 39.38 | DISPOSAL | 12.64 | TMP RENT | | RENT | 364.99 | SUBTOT | 459.75 | TOTAL | 459.75 |
| GAS | 18.24 | | | | | | | | | | | | | | | | | | | | | | | | |
| WATER | 17.44 | | | | | | | | | | | | | | | | | | | | | | | | |
| MISC | | | | | | | | | | | | | | | | | | | | | | | | | |
| 87 PARA | 2.00 | | | | | | | | | | | | | | | | | | | | | | | | |
| 04 PARA | 2.33 | | | | | | | | | | | | | | | | | | | | | | | | |
| R.S.F. | 2.73 | | | | | | | | | | | | | | | | | | | | | | | | |
| SEWER | 39.38 | | | | | | | | | | | | | | | | | | | | | | | | |
| DISPOSAL | 12.64 | | | | | | | | | | | | | | | | | | | | | | | | |
| TMP RENT | | | | | | | | | | | | | | | | | | | | | | | | | |
| RENT | 364.99 | | | | | | | | | | | | | | | | | | | | | | | | |
| SUBTOT | 459.75 | | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | 459.75 | | | | | | | | | | | | | | | | | | | | | | | | |

CA JURISDICTIONS with Mobilehome Park Rent Stabilization Ordinances
(Revised 2015)

| City/County | DATE | # Pks/Spaces | % Increase | *Vacancy Control | **Committee/Board | Adopted by |
|----------------|--------------------------|--------------|-------------------------|------------------|------------------------------|------------|
| Alameda County | 12/1965 | 22 / 712 | Automatic up to 5% | YES | Board of Supervisors | Ordinance |
| Azusa | 01/1992 | 6 / 548 | 8%/75% of CPI | NO | - | Ordinance |
| Beaumont | 10/1984 | 8 / 459 | Established by Hearing | NO | 2-2-1 | Ordinance |
| Benicia | 09/1978 | 4 / 317 | Established by Hearing | NO | 2-2-1 | Ordinance |
| Calistoga | 08/1984 | 5 / 569 | Established by Hearing | NO | 1-1-3 | Ordinance |
| Camarillo | 12/1981 | 4 / 747 | Established by Hearing | NO | 1-1-3 | Ordinance |
| Capitola | 11/1979 Repeal'd 8/11 | 8 / 623 | Lesser of 5% or 60% CPI | YES | City Council | Ordinance |
| Carpinteria | 03/1982 | 7 / 866 | 75% of CPI | YES | RentStabilization Commission | Ordinance |
| Carson | 08/1979 | 28 / 2565 | Set by Board | YES | 2-2-3 | Ordinance |
| Cathedral City | 03/1983 | 10 / 2064 | 75% of CPI | YES | 0-0-5 | Initiative |
| Chino | 08/1983 | 5 / 554 | 66% of CPI | NO | 1-1-3 | Ordinance |
| Cloverdale | 08/1986 | 4 / 165 | Set by Board | YES to 10% | 0-0-3 | Ordinance |
| Clovis | 09/1978 | 6 / 582 | Rent Review Commission | NO | 1-1-3 | Ordinance |
| Colton | 06/1990 | 8 / 916 | 60% of CPI | NO | - | Ordinance |
| Cotati | 11/1979 | 3 / 106 | Set by Board | YES | Arbitrati | Ordinance |
| Daly City | 06/1980 | 1 / 501 | Set by Board | NO | 1-1-3 | Ordinance |

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|----------------|-------------------------|-----------|------------------------------------|--------|---------------------------------------|------------|
| Delano | 11/1984 Repeal'd '94 | 4 / 310 | 50% of CPI | YES | 1-1-3 | Initiative |
| East Palo alto | 11/1983 | 4 / 274 | Set by Board | YES | - | Initiative |
| Escondido | 06/1988 | 30 / 3585 | Set by Board | YES | City Council | Initiative |
| Fairfield | 11/1984 | 9 / 883 | Set By Board | NO | 1-1-3 | Ordinance |
| Fontana | 02/1987 | 10 / 684 | 100% CPI | NO | Rent Admin. | Ordinance |
| Fremont | 02/1987 | 3 / 732 | Greater \$10 or 70% CPI | YES | Hearing Officer | Ordinance |
| Fresno | 12/1987 | 30 / 3942 | Rent Review Commission | YES | 1-1-3 | Ordinance |
| Gardena | 04/1987 | 27 / 1156 | Rent Mediation With Arbitration | NO | 3-3-3 | Ordinance |
| Gilroy | 05/1987 | 4 / 336 | Less of 5% or 80% CPI | NO | NONE | Ordinance |
| Goleta | 06/2002 | 4/500 | 75% CPI | 10% | 4-4-0 Meet & Confer Arbitration | Ordinance |
| Grover Beach | 12/1987 | 3 / 140 | Graduated CPI | YES 5% | City App. Mediator | Ordinance |
| Hawthorne | 06/1979 | 11 / 327 | Rent Mediation Board | NO | Rent Board | Ordinance |
| Hayward | 02/1980 | 16 / 2160 | Lesser of 3% or 60% CPI to 8% | NO | NONE | Ordinance |
| Hemet | 05/1979 | 20 / 2805 | Set by Board | NO | 1-1-3 | Initiative |
| Hollister | 05/1989 Repeal'd '94 | 1 / 235 | Lesser of 8% or 80% CPI | NO | 1-1-3 | Ordinance |
| Indio | 03/1984 | 6 / 528 | 75% of CPI | NO | Fair Practice Commission | Initiative |
| Lancaster | 03/1985 | 27 / 2584 | Set by Board | YES | 1-1-3 | Initiative |
| La Verne | 10/1994 | 8 / 1762 | Lesser of 7% or CPI | NO | Rent Admin | Ordinance |
| Lompoc | 12/1983 | 7 / 654 | 75% of CPI to 10% | NO | 2-2-1 | Ordinance |

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|---------------|-------------------------|-----------|------------------------------------|------------------------------------|-------------------------------|-----------|
| LA City | 03/1988 | 62 / 5885 | 3-8% based on CPI | Lesser of 10% or comp rent in park | Determined by Rent Adj. Comm. | Ordinance |
| Los Gatos | 10/1980 | 2 / 137 | 100% CPI or 5% | \$25 or average | Mediation/ Arbitration | Ordinance |
| Malibu | 12/1991 | 2 / 527 | 75% of CPI | To 10% | - | Ordinance |
| Marina | 11/2011 | 5 / 399 | 100% CPI | 5% every 2 yrs | Rent Admin | Ordinance |
| Merced | 5/1982 | 3 / 574 | Set by hearing | NO | 2-2-1 | Ordinance |
| Milpitas | 8/1992 | 3 / 521 | 50% CPI or 8% | Avg Rent | City Council | Ordinance |
| Modesto | 10/2007 | 9 / 1400 | 100% CPI | 10% every 5 yrs | Hearing Board | Ordinance |
| Montclair | 11/1985 | 8 / 620 | Lessor of 6% or 6% of CPI | NO | 2-2-1 | Ordinance |
| Moreno Valley | 7/1987 | 7 / 809 | Lessor of % or 65% CPI | With Limit | Park or Res Committee | Ordinance |
| Morgan Hill | 03/1983 | 9 / 875 | 75% CPI | YES | 1-1-3 | Ordinance |
| Morro Bay | 8/1986 Rev'sd 2004 | 15 / 641 | 75% of CPI | 10-15% Cap | 2-2-3 | Ordinance |
| Napa | 12/1983 Repeal'd '85 | 22 / 1605 | 8% cap | - | 1-1-5 | Ordinance |
| Oakland | 9/1980 | 3 / 49 | Automatic 5% | NO | - | Ordinance |
| Oceanside | 5/1982 | 20 / 2401 | Lesser of 8% or CPI | YES | 0-0-5 | Ordinance |
| Oxnard | 3/1983 Rev'sd '98 | 25 / 2780 | Lesser of CPI or 4%, see Ordinance | YES 15% avg space rent | Hearg Adm/ RentRev Bd | Ordinance |
| Pacifica | 09/1991 | 1 / 93 | 75% of CPI | NO | NONE | Ordinance |
| Palmdale | 10/1985 | 15 / 1455 | CPI or Arb Award | NO | 1-1-3 | Ordinance |
| Palm Desert | 04/1980 | 4 / 676 | 75% of CPI | YES | 5 picked | Ordinance |
| Palm Springs | 04/1980 | 14 / 2242 | 75% of CPI | YES | 0-0-5 | Ordinance |
| Paramount | 07/1987 | 17 / 1228 | 100% CPI | NO | 2-2-0 | Ordinance |

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|------------------------|---------|------------|--|--------------------------|------------------------|------------|
| Petaluma | 02/1994 | 9 / 1006 | Lesser of 100% CPI or 6% | NO | Arbitration | Ordinance |
| Pismo Beach | 04/1981 | 2 / 412 | Lesser of 6% or 75% of CPI | YES 10% | City Admin. | Ordinance |
| Pleasanton | 02/1993 | 4 / 412 | Lesser of 100% CPI or 5% | To 25% in 5 years | 2-2-1 | Ordinance |
| Pomona | 05/1992 | 19 / 1836 | Mediation | NO | Hearing Rent Board | Ordinance |
| Rancho Mirage | 07/1982 | 6 / 882 | 75% of CPI | Avg Rent | 1-1-5 | Initiative |
| Redlands | 12/1982 | 8 / 684 | Lesser of 6-9% or 75% CPI | NO | 0-0-3 | Ordinance |
| Rialto | 03/1992 | 12 / 1425 | Rent Review Commission | YES | 0-0-5 | Ordinance |
| Riverside County | 08/1983 | 124/12376 | 100% CPI | NO | 2-2-1 | Ordinance |
| Rocklin | 05/1982 | 3 / 384 | Guaranteed CPI | NO | 1 and up | Ordinance |
| Rohnert Park | 12/1987 | 5 / 1314 | 75% CPI or 4% cap | YES | 5 | Initiative |
| Salinas | 10/1990 | 11 / 1437 | 75% CPI or 8% cap | NO | Rent Review Board | Ordinance |
| San Bernardino | 09/1984 | 16 / 1487 | Lesser of 4% or 75 % CPI | NO | None | Ordinance |
| San Francisco | 06/1970 | 1 / 56 | 4-7% or 60% CPI | YES | - | Ordinance |
| San Jose | 07/1985 | 70 / 11435 | 3-7% or 75% of CPI | YES | None | Ordinance |
| San Juan Capistrano | 03/1979 | 7 / 1209 | 100% CPI | YES | 2-2-1 | Ordinance |
| San Luis Obispo City | 06/1988 | 15 / 1551 | 100% CPI up to 5%, if higher, .75 of diff. | YES 10% (1x in 3 yrs) | Hearing Officer | Initiative |
| San Luis Obispo County | 06/1988 | 39 / 2408 | 60% CPI | YES 10% | 3 Rent Review Bd | Initiative |
| San Marcos | 11/1980 | 17 / 3216 | CPI or NOI | With Limit | Rent Review Commission | Ordinance |
| San Raphael | 04/1990 | 1 / 397 | 3-7.5% or CPI | YES | None | Ordinance |

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|----------------------|------------------------|-----------|---------------------------------------|---------------|-------------------|------------|
| Santa Barbara City | 1984 | 5 / 232 | 75% CPI | 10% 1-5 yrs | Arbitration | Ordinance |
| Santa Barbara County | 09/1994 | 19 / 2161 | 75% CPI | 10% 1-5 yrs | Arbitration | Ordinance |
| Santa Clarita | 12/1990 | 15 / 2070 | 100% CPI with 6% cap | NO | - | Ordinance |
| Santa Cruz County | 01/1979 | 36 / 2212 | 50% of CPI + pass through | YES | Hearing Officer | Ordinance |
| Santa Monica | 04/1979 | 3 / 283 | Set by Board | NO | - | Initiative |
| Santa Paula | 06/1984 | 9 / 838 | Lesser of 7% or 75% of CPI | 10% 1-3 yrs | 0-0-3 | Ordinance |
| Santa Rosa | 2004 | 14/2008 | 100% CPI or up to 6% | YES | Arbitration | Ordinance |
| Scotts Valley | 11/1980 | 5 / 527 | 75% of CPI | YES | 0-0-5 | Ordinance |
| Sebastopol | Revised 08/1992 | 6 / 173 | 100% of CPI | NO | Arbitration | Ordinance |
| Simi Valley | 03/1983 | 6 / 354 | Rent Review / Commission | NO | - | Ordinance |
| Sonoma County | 06/1987 | 51 / 3736 | 100% CPI | YES | Arbitration | Ordinance |
| Thousand Oaks | 07/1980 Rev'sd 2011 | 8 / 897 | Designated 10 Yr Plan - see Ordinance | YES 10-15% | Rent Review Board | Ordinance |
| Ukiah | 02/11 orig 10/10 | 23/1043 | 100% CPI (cap 5% or less) | YES 10% | Arbitration | Ordinance |
| Union City | 05/1980 | 3 / 918 | 90% of CPI or max of 7% | YES | - | Ordinance |
| Upland | 12/1985 Rev'sd 1992 | 6 / 866 | 80% CPI or max of 7% | YES | Arbitration | Ordinance |
| Vacaville | 12/1977 | 12 / 1126 | Graduated CPI | NO | 0-0-3 | Ordinance |
| Vallejo | 02/1982 | 17 / 1990 | 5% | NO | 1-1-3 | Ordinance |
| Ventura City | 06/1981 | 18 / 1087 | Lesser of 7% or 75% CPI | YES to 15% | Rent Review Bd. | Ordinance |
| Ventura County | 02/1983 | 24 / 1421 | Soc. Sec COLA 2%-8%, see Ord. | YES to 15% | 0-0-3 | Ordinance |

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|-------------|---------|-----------|--------------------------|------------------------------|------------------------|-----------|
| Watsonville | 03/1989 | 5 / 717 | 70% of CPI or 5% | NO | - | Ordinance |
| West Covina | 09/1984 | 2 / 265 | Less of 5-9% or 100% CPI | NO | Human ResourcesComm. | Ordinance |
| Windsor | 08/1992 | 4-5 / 567 | 100% CPI cap 6% | NO | Arbitration | Ordinance |
| Yucaipa | 12/1990 | 42 / 4425 | 80% CPI 5% cap | Only annual increase allowed | Rent Review Commission | Ordinance |

* **Vacancy Control** – YES indicates that there are % or \$ limits as to how much rents can be increased at change of ownership of the mobilehome. Some RCO's exclude any increase in inheritance situations; others do not.

** **Comm/Boards** – Refers to who decides whether a rent increase higher than the ordinance permits would be approved, disapproved or modified. Various jurisdictions responded with different types of comments. In a 3 number response, the first # equals how many park owner reps serve on a board or committee, the 2nd # equals how many resident reps and the 3rd # equals people who would "neutral".

Revised by GSMOL: March, 2015