



**Mobilehome Rent Review Commission  
Agenda**

**March 22, 2016 – 1:30 PM**

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

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**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 COMMISSION 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 COMMISSION 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**

**DISCUSSION AND ACTION**

P. 2 1. **SUBJECT:** APPROVE COMMISSION MINUTES OF JANUARY 13, 2016.

**RECOMMENDATION:** That the Commission approve the Mobilehome Rent Review Commission Minutes of January 13, 2015.

P. 14 2. **SUBJECT:** BIENNIAL REVIEW OF MOBILEHOME RENT STABILIZATION ORDINANCE AND RESOLUTION (CONTINUED FROM JANUARY 13, 2016).

**RECOMMENDATION:** That the City of Yucaipa Mobilehome Rent Review Commission review and consider the remaining discussion issues for the biennial review, and provide recommendations to the City Council

**ADJOURNMENT**

City of Yucaipa  
Mobilehome Rent Review Commission Minutes  
Regular Meeting of January 13, 2016

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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 January 13, 2016 at 1:00 PM.

**PRESENT:** Hayden Martin, Chairperson  
Mark Marnati, Vice-Chairperson  
Mark Bender, Commissioner  
James Ewing, Commissioner  
Thomas Powell, Commissioner  
Jennifer Shankland, Deputy City Manager/Rent Administrator  
Amy Greyson, Commission Attorney

**ABSENT:** None

**CONVENE MOBILEHOME RENT REVIEW COMMISSION**

The meeting was opened with the Pledge of Allegiance led by Chairperson Martin.

**CEREMONIAL**

Deputy City Manager/Rent Administrator Shankland administered the Oath of Office to Commissioner Ewing.

**PUBLIC COMMENT**

None

**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 Shankland provided procedural guidelines for the process and opened nominations for the position of Chairperson.

Commissioner Marnati nominated Commissioner Martin for Chairperson.

Commissioner Ewing nominated Commissioner Powell for Chairperson.

Deputy City Manager/Rent Administrator Shankland closed nominations for the office of Chairperson.

Deputy City Manager/Rent Administrator Shankland called for votes.

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**ACTION: AFFIRMATIVE VOTES WERE RECEIVED FROM COMMISSIONER MARNATI, COMMISSIONER BENDER, AND COMMISSIONER MARTIN, CARRIED 3-2, (COMMISSIONER EWING AND COMMISSIONER POWELL VOTED NOE) TO SELECT COMMISSIONER MARTIN FOR THE OFFICE OF CHAIRPERSON.**

Deputy City Manager/Rent Administrator Shankland opened nominations for the position of Vice-Chairperson.

Chairperson Martin nominated Commissioner Marnati for Vice-Chairperson.

Deputy City Manager/Rent Administrator Shankland closed nominations for the office of Vice-Chairperson.

Deputy City Manager/Rent Administrator Shankland called for votes.

**ACTION: AFFIRMATIVE VOTES WERE RECEIVED FROM CHAIRPERSON MARTIN, COMMISSIONER BENDER, COMMISSIONER EWING, COMMISSIONER MARNATI AND COMMISSIONER POWELL, CARRIED 5-0, TO SELECT COMMISSIONER MARNATI FOR THE OFFICE OF VICE-CHAIRPERSON.**

**DISCUSSION AND ACTION**

2. **SUBJECT: APPROVE COMMISSION MINUTES OF MARCH 4, 2015.**

**RECOMMENDATION:** That the Commission approve the Mobilehome Rent Review Commission Minutes of March 4, 2015.

**ACTION: MOTION BY COMMISSIONER POWELL, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO APPROVE MOBILEHOME RENT REVIEW COMMISSION MINUTES OF MARCH 4, 2015.**

3. **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.

**DISCUSSION:** Deputy City Manager/Rent Administrator Shankland proposed that the Commission review one item at a time to allow public comment and to receive Commission direction on each item separately. The Commission concurred.

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**RECOMMENDATIONS FOR POLICY CHANGES AND IMPROVEMENTS IN THE ADMINISTRATION OF THE ORDINANCE:**

**Admin #1: Temporary Rent Adjustment**

Deputy City Manager/Rent Administrator Shankland presented Admin #1.

Public Comment

Tony Slaick, YMRA, requested that the Commission amend the Administrative Rules and Ordinance with language to limit recovery to the actual cost of the hearing process incurred by the legal challenge. Mr. Slaick stated YMRA's concerns pertaining to the interest rate.

Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), stated that as a non-profit, they run a tight budget and the cost of the litigation and the application impacts them.

Clay Hage, Director of Operations for Park Management Inc. (Las Casitas Mobilehome Park), questioned how the process would be implemented in the event the Commission denied the temporary rent increase and the court overturned that decision.

Commission Attorney Greyson provided clarification to issues raised during public comment.

Chairperson Martin closed the public comment.

Commission Attorney Greyson addressed questions raised by Commissioners.

After Mobilehome Rent Review Commission discussion, the following Motion was made:

**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY COMMISSIONER BENDER, CARRIED 5-0, TO AMEND ADMINISTRATIVE RULES §6.0004(E)(1) AND ADMINISTRATIVE RULES §6.0004(G) AS DETAILED IN THE STAFF REPORT.**

**Admin #2: Capital Improvement Bid/Proposal Application Requirements**

Deputy City Manager/Rent Administrator Shankland presented Admin #2.

Public Comment

Tony Slaick, YMRA, spoke in support of staff recommendation and requested that the language that requires the park owner to meet with the park residents "prior to the completion ..." be amended to read "prior to the application...".

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Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), spoke in support of open communication with the residents and raised concerns about being reimbursed for the improvement after the work has been completed.

Chairperson Martin closed the public comment.

Commission Attorney Greyson addressed questions raised by Commissioners.

After Mobilehome Rent Review Commission discussion, the following Motion was made:

**ACTION: MOTION BY COMMISSIONER BENDER, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO AMEND YMC §15.20.085(A)(1) AS DETAILED IN THE STAFF REPORT.**

**Admin #3: Permits, Inspections and Quality of Code Improvements**

Deputy City Manager/Rent Administrator Shankland presented Admin #3.

Public Comment

Clay Hage, Director of Operations for Park Management Inc. (Las Casitas Mobilehome Park), spoke in opposition to staff recommendation and cautioned against making administrative changes to Title 25.

Julie Paule, WMA, spoke in opposition to staff recommendation and requested that the Commission decline this recommendation.

Peter Herzog, MHET, spoke in opposition to staff recommendation and requested that this item be continued to a future meeting.

Deputy City Manager/Rent Administrator Shankland clarified the intent of Admin #3.

Commission Attorney Greyson provided clarification to issues raised during public comment and reiterated that the Commission would welcome suggestions and ideas from park owners and representatives.

Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), spoke in favor of moving this item to a future meeting for a more thorough discussion and raised concerns pertaining to potential added costs.

Tony Slaick, YMRA, stated YMRA's concerns pertaining to this item and requested that the Commission consider adding language to the Ordinance that would require the park owner and the tenants to each pay 50% of the cost of the Capital Improvement.

Chairperson Martin closed the public comment and recommended that this item be continued in order to obtain input from all interested parties.

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Commission Attorney Greyson advised the Commission that they have the option to delay voting on this item until the end of the meeting. The Commission moved to General #1.

The Commission returned to this item at the end of the meeting. After discussion, it was Commission consensus to request staff to return to the Commission with input provided by interested parties. It was also Commission consensus to establish February 10, 2016 as the deadline for interested parties to submit their input to the City.

**GENERAL ISSUES:**

**General #1: Annual Adjustments**

Deputy City Manager/Rent Administrator Shankland presented General #1.

Public Comment

Julie Paule, WMA, spoke in support of establishing 100% of the increase in the CPI (Option #2).

Clay Hage, Director of Operations for Park Management Inc. (Las Casitas Mobilehome Park), spoke in support of establishing 100% of the increase in the CPI (Option #2).

Peter Herzog, MHET, spoke in support of establishing 100% of the increase in the CPI (Option #2).

Tony Slaick, YMRA, spoke in support of making no change to the existing Ordinance and Rules and maintaining 80% of the increase in the CPI (Option #3).

Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), requested that the Commission consider how the CPI applies to parks with lower rents versus higher rents.

Chairperson Martin closed the public comment.

After Mobilehome Rent Review Commission discussion, the following Motions were made:

**ACTION: MOTION BY COMMISSIONER POWELL, SECOND BY COMMISSIONER EWING, FAILED 2-3, (CHAIRPERSON MARTIN, VICE-CHAIRPERSON MARNATI AND COMMISSIONER BENDER VOTED NOE) TO AMEND THE ANNUAL ADJUSTMENT FORMULA TO 85% OF THE INCREASE IN CPI.**

**ACTION: MOTION BY CHAIRPERSON MARTIN, FAILED DUE TO A LACK OF A SECOND, TO SELECT OPTION #2 OF STAFF RECOMMENDATION (100% OF THE INCREASE IN CPI, OR BY 5% PERCENT OF THE CURRENT SPACE RENT, WHICHEVER IS LESS).**

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**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY COMMISSIONER POWELL, CARRIED 4-0-0-1, (COMMISSIONER EWING ABSTAINED) TO SELECT OPTION #3 OF STAFF RECOMMENDATION. (NO CHANGE TO THE EXISTING ORDINANCE AND RULES)**

The Commission recessed for five minutes.

**ISSUES PRESENTED BY YMRA:**

**YMRA #1: Application Fee and Costs to Administer Ordinance**

Deputy City Manager/Rent Administrator Shankland presented YMRA #1.

Public Comment

Tony Slaick, YMRA, stated YMRA's request to amend the Ordinance or Administrative Rules to allow park residents or a group of residents to seek a waiver or postponement of the \$1,750 application fee.

Chairperson Martin closed the public comment.

**ACTION: MOTION BY CHAIRPERSON MARTIN, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT CHANGE THE ORDINANCE OR ADMINISTRATIVE RULES PERTAINING TO WAIVERS OF APPLICATION COSTS.**

**YMRA #2: Annual Adjustments**

Deputy City Manager/Rent Administrator Shankland presented YMRA #2.

Public Comment

None

**ACTION: MOTION BY COMMISSIONER POWELL, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT MAKE ANY AMENDMENTS TO THE ANNUAL ADJUSTMENT PROVISIONS TIED TO CHANGES OR ELIMINATION OF THE CAPITAL IMPROVEMENT RENT ADJUSTMENT PROVISIONS OF THE ORDINANCE OR ADMINISTRATIVE RULES.**

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**YMRA #3: Vacancy Decontrol**

Deputy City Manager/Rent Administrator Shankland presented Vacancy Decontrol, reiterated the positions of YMRA #3, WMA, MHET and Rottenbacher, and addressed questions raised by the Commission.

**Public Comment**

Clay Hage, Director of Operations for Park Management Inc. (Las Casitas Mobilehome Park), requested that this item be postponed to allow the opportunity for discussion between the various stakeholders and spoke in support of vacancy decontrol for spaces that become vacant.

Peter Herzog, MHET, spoke in support of vacancy decontrol and requested that this item be deferred to allow the opportunity for discussion between the various stakeholders.

Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), spoke in support of vacancy decontrol.

Tony Slaick, YMRA, spoke in opposition to vacancy decontrol and requested that this item be postponed.

Chairperson Martin closed the public comment.

Deputy City Manager/Rent Administrator Shankland advised stakeholders that they may wish to meet to form a consensus pertaining to recommended amendments that may be included as additional information to the agenda report that will be presented to the City Council.

Commission Attorney Greyson addressed questions raised by Commissioners.

After Commission discussion, the following Motion was made:

**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY CHAIRPERSON MARTIN, CARRIED 4-0-0-1 (COMMISSIONER EWING ABSTAINED), TO REQUEST STAFF TO RETURN WITH VACANCY DECONTROL OPTIONS RELATING TO VACANT PADS FOR COMMISSION CONSIDERATION AND TO ESTABLISH FEBRUARY 10, 2016 AS THE DEADLINE FOR INTERESTED PARTIES TO SUBMIT THEIR INPUT TO THE CITY.**

**YMRA #4: Financial Information for MNOI Rent Adjustment**

Deputy City Manager/Rent Administrator Shankland presented YMRA #4.

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Public Comment

None

**ACTION: MOTION BY CHAIRPERSON MARTIN, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT CHANGE THE ORDINANCE OR THE ADMINISTRATIVE RULES WITH REGARD TO DOCUMENTATION SUPPORTING APPLICATIONS FOR SPECIAL RENT ADJUSTMENTS INCLUDING MNOI RENT ADJUSTMENTS.**

**YMRA #5: Minimum Notice Requirements for Special Meetings**

Deputy City Manager/Rent Administrator Shankland presented YMRA #5.

Public Comment

None

**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY CHAIRPERSON MARTIN, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT CHANGE THE ADMINISTRATIVE RULES WITH REGARD TO SCHEDULING OF SPECIAL MEETINGS OR MINIMUM NOTICE REQUIREMENTS FOR SPECIAL MEETINGS.**

**YMRA #6: Other Issues Raised by YMRA**

Deputy City Manager/Rent Administrator Shankland stated YMRA #6 identified opinions and were not specific requests to change the Ordinance or Administrative Rules.

**ISSUE PRESENTED BY ROSE MARY CONWAY OF BEL AIRE MOBILE ESTATES:**

**Conway #1: Annual Adjustments**

Deputy City Manager/Rent Administrator Shankland presented Conway #1.

Public Comment

Tony Slaick, YMRA, stated support for the CPI increase based on an average of the prior year.

Chairperson Martin closed the public comment.

**ACTION: MOTION BY CHAIRPERSON MARTIN, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO NOT CHANGE THE EXISTING**

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**ORDINANCE AND RULES. (REFERENCE THE COMMISSION'S ACTION UNDER GENERAL #1)**

**ISSUES PRESENTED BY WESTERN MANUFACTURED HOUSING COMMUNITIES' (WMA) AND MANUFACTURED HOUSING EDUCATIONAL TRUST (MHET):**

**WMA #1: Annual Adjustments**

(Addressed in General #1)

**MHET #1: Annual Adjustments**

(Addressed in General #1)

**WMA/MHET #2: Capital Improvement**

Deputy City Manager/Rent Administrator Shankland presented WMA/MHET #2.

Public Comment

Peter Herzog, MHET, spoke in support of automatic pass thru of capital improvements.

Commission Attorney Greyson provided clarification on the capital improvement process as it relates to the Ordinance and the Administrative Rules.

Julie Paule, WMA, spoke in support of automatic pass thru of capital improvements.

Clay Hage, Director of Operations for Park Management Inc. (Las Casitas Mobilehome Park), spoke in support of automatic pass thru of capital improvements and stated that there are alternatives.

Deputy City Manager/Rent Administrator Shankland addressed questions raised by the Commission and clarified the capital improvement application process.

Commission Attorney Greyson reiterated the administrative review process and provided background information.

Tony Slaick, YMRA, spoke in opposition of automatic pass thru of capital improvements.

Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), stated concerns pertaining to capital improvements as it relates to non-profit parks and requested staff clarification pertaining to the administrative process.

Chairperson Martin closed the public comment.

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**ACTION: MOTION BY CHAIRPERSON MARTIN, SECOND BY VICE-CHAIRPERSON MARNATI, CARRIED 5-0, TO NOT AMEND THE ORDINANCE OR ADMINISTRATIVE RULES TO ALLOW AN AUTOMATIC RENT INCREASE BASED ON AMORTIZED CAPITAL IMPROVEMENT COSTS.**

**WMA #3: Vacancy Decontrol**

(Addressed in YMRA #3)

**MHET #3: Vacancy Decontrol**

(Addressed in YMRA #3)

**ISSUES PRESENTED BY ANDREW ROTTENBACHER, CALANDRA REAL, LP. ON BEHALF OF LAKEVIEW MOBILEHOME PARK**

**Rottenbacher #1: Annual Adjustment**

(Addressed in General #1)

**Rottenbacher #2: Minimal Annual Adjustments**

(Addressed in General #1)

**Rottenbacher #3: Vacancy Decontrol**

(Addressed in YMRA #3)

**ISSUE PRESENTED BY SUZANNE TAYLOR, AUGUSTA COMMUNITIES, ON BEHALF OF VALLEY VIEW MOBILEHOME PARK**

**Taylor #1: Nonprofit Mobilehome Parks Rent Adjustment Policy**

Deputy City Manager/Rent Administrator Shankland presented Taylor #1.

Public Comment

None

**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY CHAIRPERSON MARTIN, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT AMEND THE ORDINANCE AND ADMINISTRATIVE RULES TO CREATE A SEPARATE PROCEDURE OR POLICY REGULATING RENTS IN NON-PROFIT PARKS.**

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**Taylor #2: Vacancy Decontrol**

Deputy City Manager/Rent Administrator Shankland presented Taylor #2 and stated that this item pertains specifically to non-profit parks.

Public Comment

None

It was Commission concurrence at the end of the meeting to treat non-profit parks the same as profit parks. Vacancy Decontrol will be brought back for Commission consideration at a future meeting.

**Taylor #4: Capital Improvements – Eliminate Park Resident Vote**

Deputy City Manager/Rent Administrator Shankland presented Taylor #4.

Public Comment

Suzanne Taylor, Executive Director of Augusta Communities (Valley View Mobilehome Park), stated concerns pertaining to capital improvements and requested clarification regarding health and safety projects.

Deputy City Manager/Rent Administrator Shankland and Commission Attorney Greyson addressed questions raised by Ms. Taylor.

Tony Slaick, YMRA, spoke in opposition of eliminating the park resident's vote.

Chairperson Martin closed the public comment.

**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY CHAIRPERSON MARTIN, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT CHANGE THE ORDINANCE OR ADMINISTRATIVE RULES WITH RESPECT TO THE VOTE PROVISIONS RELATING TO CAPITAL IMPROVEMENT RENT ADJUSTMENTS.**

**Taylor #5: Capital Improvements – Approval Prior to Commencement**

Deputy City Manager/Rent Administrator Shankland presented Taylor #5.

Public Comment

None

After Commission discussion, the following Motion was made:

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**ACTION: MOTION BY CHAIRPERSON MARTIN, SECOND BY COMMISSIONER POWELL, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT CHANGE THE CAPITAL IMPROVEMENT RENT ADJUSTMENT PROVISIONS OF THE ORDINANCE OR ADMINISTRATIVE RULES REGARDING TIMING OF SUBMITTAL OF CAPITAL IMPROVEMENT RENT ADJUSTMENT APPLICATIONS.**

**ISSUE PRESENTED BY IAN DYER, REAL ESTATE ADVISORS, INC, ON BEHALF OF YUCAIPA VALLEY AND HIDE-AWAY MOBILEHOME PARK**

**Dyer #1: Park Owned Mobilehomes**

Deputy City Manager/Rent Administrator Shankland presented Dyer #1.

Public Comment

None

**ACTION: MOTION BY VICE-CHAIRPERSON MARNATI, SECOND BY CHAIRPERSON MARTIN, CARRIED 5-0, TO SUPPORT STAFF RECOMMENDATION TO NOT CHANGE THE ORDINANCE OR ADMINISTRATIVE RULES WITH RESPECT TO PARK-OWNED MOBILEHOMES.**

**ADJOURNMENT**

The meeting adjourned.

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Hayden Martin  
Chairperson

ATTEST:

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Jennifer Shankland  
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 Shankland, Rent Administrator   
**FOR:** Mobilehome Rent Review Commission of March 22, 2016  
**SUBJECT:** Biennial Review of Mobilehome Rent Stabilization Ordinance and Resolution  
 (continued from January 13, 2016)

**RECOMMENDATION**

That the City of Yucaipa Mobilehome Rent Review Commission review and consider the remaining discussion issues for the biennial review, and provide recommendations to the City Council.

**DISCUSSION**

The Mobilehome Rent Review Commission met on January 13, 2016, to conduct the biennial review of the Yucaipa Mobilehome Rent Stabilization Program (Chapter 15.20 of the Yucaipa Municipal Code) (“Ordinance”) and the Administrative Rules for the Implementation of the Yucaipa Mobilehome Rent Stabilization Ordinance (“Administrative Rules”). During that meeting, the Commission reached consensus on all but two issues, (1) permits, inspections and quality of capital improvements; and (2) vacancy decontrol. After discussion and comments from representatives of park management and the park residents, the Commission continued discussion of these two items to a future Commission meeting, in order to allow the stakeholders to meet and discuss these issues and to then provide input to staff on these issues for further consideration by the Commission. The Commission also requested options on vacancy decontrol relating to vacant pads for consideration by the Commission. The Commission also established February 10, 2016, as the deadline for stakeholders to submit their input to the City.

**BACKGROUND**

The January 13, 2016 staff report contained a discussion of each of the remaining two issues, along with the previous comments raised by park management representatives and park resident representatives. The portion of the January 13, 2016 staff report which addresses each of the issues is set forth below:

Admin

3. **(Permits, Inspections and Quality of Capital Improvements)** - State and local law regulate construction and development in mobilehome parks. The California Building Code identifies building and safety permitting requirements for construction projects. These requirements include compliance with the urban storm water runoff management requirements of the MS-4 Permit issued pursuant to California Regional Water Quality Control Board (SRWQCB Order No. R8-2010-0036, NPDES No. CAS 618036), which requires that a property owner prepare a Water Quality Management Plan and/or Storm

Water Pollution Prevention Plan for certain construction projects. The Yucaipa Development Code also identifies zoning and other use and development standards for land uses in the City including mobilehome parks. The City requires that public and private streets inside single-family subdivisions must meet City construction standards, including construction of streets to City specifications. The City Engineer is also developing a construction standard which includes minimum requirements for construction of private streets and parking areas in multi-family developments, such as apartment projects, condominium projects and mobilehome parks, to ensure quality of work and also for compliance with disability access, stormwater and drainage issues, trash, circulation, fire and safety access, and similar requirements.

The City serves as the enforcement agency for the California Mobilehome Parks Act (“MPA”), contained in Health and Safety Code (“HSC”) §18200 et seq., and Chapter 2 of Division 1 of Title 25 of the California Code of Regulations (“CCR”) §§1000-1758. The MPA contains provisions regulating the construction of mobilehome parks and the installation of mobilehomes in mobilehome parks, including permits to operate, construction permits, mobilehome installation permits, and inspections to ensure that the park and its residents comply with state standards. The MPA also incorporates certain requirements of the California Building Code and/or California Residential Code. Pursuant to the MPA, the City may adopt rules and regulations by ordinance or resolution prescribing park perimeter walls or enclosures on public street frontage, signs, access, and vehicle parking or from prescribing the prohibition of certain uses for mobilehome parks. (See Health & Safety Code §18300(g).) Also, to the extent that a mobilehome park or any portion thereof constitutes a “public accommodation” under the Americans with Disabilities Act of 1990 (“ADA”), the park must comply with certain disability access requirements of the ADA and the applicable federal regulations set forth in the 2010 Standards for Accessible Design and the California Building Code. Mobilehome parks must also comply with the requirements of the federal Fair Housing Act, which prohibits discrimination against persons with disabilities.

**Staff Comments:** A Capital Improvement Rent Adjustment is intended to reimburse the park owner for costs incurred in carrying out a completed capital improvement. The City sometimes receives complaints about the quality of capital improvements constructed by park owners, or objections from residents stating that they should not have to pay for capital improvements that are poorly done or will not last for the claimed useful life of the capital improvement.

The issue of deferred maintenance of mobilehome parks was addressed in previous amendments to the Administrative Rules. For example, under the MNOI Rent Adjustment process, the definition of “operating expenses” excludes costs resulting from the park owner’s failure to undertake prudent and ongoing maintenance activities or costs which were caused by unnecessarily and unreasonably deferred negligent, or otherwise improper repair and/or maintenance or other acts or omissions of the park owner. (Administrative Rules, §4.0003(D)(4)(h).)

Also, when a park owner submits a Capital Improvement Rent Adjustment application, Administrative Rules, §5.0009 provides that the Rent Administrator, or the Commission on an appeal, must consider whether the costs of the capital improvement, in whole or in part, could have been minimized or avoided by the park owner through prudent and ongoing repair and maintenance activities. If the need for or extent of the claimed capital improvement was exacerbated through unnecessarily deferred, negligent or otherwise improper repair and maintenance or other acts or omissions of the park owner, those costs shall be disregarded in determining the amount of any capital improvement rent adjustment otherwise determined to be appropriate. The Rent Administrator or Commission may also condition the approval of any capital improvement rent adjustment application in order to ensure that future ongoing repair and maintenance activities will be taken by the park owner to minimize or avoid the need for replacement or reconstruction of said capital improvement in the future, including a condition providing that should the capital improvement not last the duration of the amortization period, the park owner may not pass on all or a portion of the cost of any replacement or reconstruction of the same capital improvement to the park residents.

As explained above, under the MPA, the City may enact rules and regulations regarding circulation, access and parking inside mobilehome parks, including with respect to fire, life safety, service vehicles and trash trucks. The City, as the enforcement agency under the MPA, may also ensure that the grading of lots and streets comply with the applicable drainage requirements of the MPA and Title 25 with regard to drainage, such as compliance with urban storm water runoff management requirements of the SRWQCB MS-4 permit. In order to address these concerns, the Commission may wish to consider recommending that the Administrative Rules be amended to require that if a park owner intends to apply for a capital improvement rent adjustment for expenses incurred in carrying out street improvements or flat work improvements (e.g., sidewalks, driveways, patios), the application must include a certification signed by a registered or licensed civil engineer verifying that the capital improvements meet engineering standards and federal and state law requirements. Costs incurred by the park owner for such inspections or certifications could be included in an application for a capital improvement rent adjustment submitted to the City by the park owner and if approved by the City, would become part of the capital improvement rent adjustment charged to the residents for the useful life of the improvement.

**Staff Recommendation:** Add new Administrative Rules §5.0010, Certification of Capital Improvements, as follows:

**5.0010 CERTIFICATION OF CAPITAL IMPROVEMENTS**

**A. If a park owner intends to apply for a capital improvement rent adjustment for expenses incurred in carrying out street improvements or flatwork improvements (e.g., sidewalks, driveways, patios), the application shall include a**

**certification signed by a registered or licensed civil engineer under penalty of perjury and verifying the following:**

**1. That the work was carried out under the supervision of a licensed or certified engineer to make sure that the capital improvements were properly constructed in accordance with the proposal, contract or bid;**

**2. That the improvement meets the standards required by the City of Yucaipa AC Pavement Specifications or other engineering standards to ensure adequacy of access and parking throughout the area of the improvement;**

**3. That the improvement complies with all grading and drainage requirements of Title 25 including but not limited to the urban storm water runoff management requirements of the applicable MS-4 permit issued by the California State Regional Water Quality Control Board;**

**4. That the improvement will provide equal or improved circulation and parking areas in the mobilehome park as previously approved in the conditional use permit or other entitlement for the subject park;**

**5. That the improvement complies with all applicable accessibility requirements of the Americans With Disabilities Act (42 U.S.C. §12101 et seq.), including but expressly not limited to parking;**

**6. That the improvement will provide adequate circulation and access for fire, life safety, service vehicles and trash trucks; and**

**7. That the improvement will last at least as long as the amortization period.**

**B. The application for a capital improvement rent adjustment shall not be deemed complete by the rent administrator under YMC §§15.20.085 (A) (2) and 15.20.105 unless the application contains this certification.**

**Staff Recommendation:** Renumber Administrative Rule, §5.0010 as §5.0011, as follows:

**5.0010 5.0011** APPLICABILITY OF THESE ADMINISTRATIVE RULES.... [continue as in current Rule]

YMRA

3. **(Vacancy Decontrol)** YMRA supports the Mobilehome Rent Stabilization Ordinance and Administrative Rules pertaining to Vacancy Control, on the basis that the current structure lends to a fair balance for mobilehome park owners and resident. YMRA also opposes amending the Ordinance and Administrative Rules to allow vacancy decontrol because the Annual Adjustment process allows park owners to experience gains and earn

profits that are consistent with inflation. However, YMRA also states that if the City considers adopting some form of vacancy decontrol, the City should only allow rent to increase on vacancy by one-half (50%) of the prior period CPI adjustment, or 40% of the actual CPI; that only one vacancy increase should be allowed in a 12-month period even if more than one vacancy results during that 12-month period; and the vacancy increase should also be capped at 5% of current rent. YMRA makes this suggestion in the hope that it will finally resolve the matter of vacancy control or decontrol in the City's Ordinance. (Attachment D).

WMA 3. **(Vacancy Decontrol)** WMA requests that the Ordinance be amended to provide for vacancy decontrol. WMA contends that vacancy decontrol will fundamentally change mobilehome communities for the better and reduces litigation. (Attachment J)

MHET 3. **(Vacancy Decontrol)** MHET requests that the Ordinance be amended to provide rent adjustments upon vacancy. MHET contends that allowing rent adjustments at the time of vacancy is fair and reasonable, and still protective of the residents. (Attachment K)

Staff Comments: Staff provided an extensive discussion of vacancy control and decontrol under YMRA #3, above. As noted therein, the Ordinance was enacted with a vacancy control provision in order to protect the investment of mobilehome owners in their homes, given the unequal bargaining position of residents, exorbitant rents, and the immobility of mobilehomes. If a resident sells his or her mobilehome to someone else, the park owner cannot raise the rent to market levels, and the space continues to be subject to rent control. Park owners have frequently brought legal challenges against vacancy control in the past, but those challenges have generally not been successful.

Staff Comments: 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).)
- 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)(3).)

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, Park Owners and Park Owner Organizations have proposed 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 form of vacancy decontrol.

Numerous legal challenges have been brought by park owners against vacancy control ordinances in the past, but these challenges have generally not been successful. For example, the Ninth Circuit Court of Appeals rejected a facial challenge to the Goleta mobilehome park rent control ordinance in *Guggenheim v. City of Goleta*, 638 F.3d 1111 (9<sup>th</sup> Cir.2010) (en banc), cert. denied 131 S.Ct. 2455 (2011). In that case, the plaintiffs purchased their mobilehome park while it was in unincorporated land subject to a Santa Barbara County rent control ordinance. On the same day as the city's effective date of incorporation, Goleta adopted the County's rent control ordinance. The Goleta rent control ordinance contains a form of vacancy de-control, which allows a park owner to increase rents by 10% upon the sale of a mobilehome. Plaintiffs challenged the ordinance as a taking, on the grounds that the below-market rents enabled park tenants to sell their mobilehomes to new tenants at higher prices, resulting in a wealth transfer of ninety percent of the mobilehome's value from the park owners to the park tenants.

The Ninth Circuit rejected the park owners' contention. The court ruled that because the plaintiffs bought their park when it was already under the county's rent control ordinance, the plaintiffs did not suffer any taking when the newly incorporated City of Goleta adopted the county's ordinance immediately upon its incorporation. The court's opinion also suggests that future courts may consider the interests of both the park owners and park tenants in considering challenges to a rent control ordinance. The court commented that a change in the rent control ordinance would have no effect on the park owners' investment-backed expectations, since they bought the park subject to rent control, but a change in the ordinance would impair the investment-backed expectations of the tenants who bought their homes after rent control went into effect by destroying the value those tenants thought they were buying.

The *Guggenheim* decision ruled only upon a facial challenge to the Goleta mobilehome rent control ordinance containing a limited form of vacancy de-control, and the decision emphasized that the Ninth Circuit was not ruling on an as-applied challenge. As such, the viability of a challenge to an ordinance containing full vacancy control remains uncertain, particularly in any as-applied challenges.

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 96 jurisdictions surveyed, 53 of those cities and counties have some type of vacancy control, such as a prohibition on any rent increase at the time of an in-place transfer of ownership of a mobilehome, exclusions for transfers to relatives, dollar caps, or caps based on a percentage of rent as of date of transfer. A copy of the GSMOL survey is enclosed with this staff report as (Attachment O).

The City of Yucaipa has 41 mobilehome parks and a total of 4,268 spaces. Examples of various types of vacancy decontrol are summarized below.

City of Oxnard (25 parks and 2,780 spaces)

Oxnard's ordinance addresses vacancy control in City Code §24-11, which contains "change of occupancy adjustment". Upon a change of occupancy of a space, the owner may increase the rent up to 15 percent of the average space rent for regulated spaces, or \$80, whichever is less. The change of occupancy increase may be applied to a specific space no more than once every five years, and is determined by the rent stabilization director once a year for each mobilehome park. A change of occupancy adjustment is not permitted upon the transfer of rights to a space by a resident to any joint tenant or blood relation by gift, devise or operation of law.

On or before January first of each year, the owner shall post a written notice stating the maximum amount of rent to be charged for each space upon change of occupancy. The notice may be revised and posted no more than three times in the next 12 months. Upon a written request, the owner must provide a resident a written commitment for the space stating the exact amount of the rent for the resident's space to be effective upon a change of occupancy. This commitment must be effective for six months.

The rent stabilization director may review a change of occupancy adjustment based on a written complaint, and it may be subject to a hearing to resolve the dispute.

County of Riverside (124 parks and 12,376 spaces)

Riverside County Code §5.36.050 allows several types of increases upon vacancies: Except as provided below, if the mobilehome space or mobilehome is (i) voluntarily vacated, abandoned or repossessed, or (ii) vacated pursuant to California Civil Code Sections 798.56 or 798.75 the landlord may adjust the rental rate to an amount determined in the park owner's discretion. However, if the mobilehome is sold in place and is to remain on site, the landlord may only increase the space rental rate to the new owner to an amount that is no greater than the average of the three highest rentals then currently being charged by the park owner for resident owner occupied spaces of comparable size, location and amenities in the park. Also, if a resident owner must move from his or her mobilehome because of a need for long term medical or custodial care, the space remains subject to the ordinance during the time that the owner is absent and

remains incapacitated. In those parks that allow subletting, the absent and incapacitated owner may sublet the mobilehome for a charge not to exceed the space rent and utilities and all legally allowable pass through costs for a period of time not to exceed twenty-four (24) months without removing the space from the protection of the ordinance.

City of Fremont (3 parks and 732 spaces)

Under Fremont Municipal Code §9.55.030(k), an “in-place transfer” is a sale, transfer or other conveyance of a mobilehome with the mobilehome remaining on the mobilehome space following the sale, transfer or other conveyance. Section 9.55.030(bb) defines “vacancy decontrol” as the partial or full removal of rent increase limitations otherwise required by this chapter when an existing mobilehome owner is party to an in-place transfer or the mobilehome is abandoned in-place.

The ordinance allows partial vacancy control upon the closure of an in-place sale, transfer or other conveyance of a mobilehome. The rent increase is limited to 15%. The provision applies to initial turnovers January 1, 2002, through December 31, 2019. The park owner may also obtain approval of an inflationary adjustment for subsequent turnovers, by transfers of title through December 31, 2019, equal to the percentage change in the Consumer Price Index between the time of the previous transfer and the time of the then relevant transfer, but capped at 15 percent.

The ordinance also allows full vacancy decontrol in certain situations. (Fremont Municipal Code §9.55.060(b)): A park owner may increase space rent in any amount (i) when a commercial purchaser replaces a mobilehome with a new or different mobilehome; or (ii) when a mobilehome is abandoned in-place or when a vacancy results from a lawful eviction. The new rent base is thereafter subject to all the requirements of the City’s ordinance. A homeowner intending to sell a mobilehome may submit a written request to the park owner for a written statement of increase in rent due to vacancy decontrol. The park owner must provide the written statement within five days, and it remains valid for 120 days. (Fremont Municipal Code §9.55.060(c)) Certain transfers are exempt from vacancy decontrol, including (i) an in-place transfer of a mobilehome to a spouse, parent, child, siblings, grandparent, grandchild, or domestic partner of the mobilehome owner or a person who was a joint tenant of the mobilehome owner on the effective date; and (ii) a temporary removal of a mobilehome to allow rehabilitation, capital improvements, or upgrades of the mobilehome or a replacement of a mobilehome with a new or different mobilehome by an existing home owner on the same space.

City of Concord (11 parks and 1,800 spaces)

Concord Municipal Code §15.05.160 defines a “vacancy decontrol space rent increase” as the increase in space rent permitted upon the qualifying sale, transfer, or other conveyance of a mobilehome. Section 15.105.190 allows limited rent increases upon vacancy. The park owner may increase space rent by ten percent upon the closure of an in-place sale, transfer or other conveyance of a regulated mobilehome space. However,

no vacancy decontrol space rent increase may be assessed where (i) an existing mobilehome owner or resident replaces an existing mobilehome with another mobilehome, occupying the same mobilehome space; (ii) where title to the mobilehome passes to the owner's spouse, domestic partner, or son/daughter who at the time of the title transfer was also a resident of the mobilehome; or (iii) a vacancy decontrol space rent increase may not be assessed to the same mobilehome space more than once every 24 months.

City of Redlands (7 or 8 parks and 684 spaces)

Under Redlands Municipal Code §5.48.100, if a mobilehome owner sells his or her home, the park owner cannot increase the rental rate above the amount of rent being paid by the seller of the mobilehome. The Ordinance does not prohibit a mobilehome park owner from increasing the monthly space rent for a mobilehome park space when the mobilehome has been removed from the park, where the mobilehome has been abandoned by its owner, or when a legal eviction of a mobilehome owner-occupant is effected by the property owner.

City of Palmdale (15 parks and 2,084 spaces)

Palmdale allows increases upon vacancy in certain situations. A "vacancy" includes any space upon which there is no mobile home, a transfer of ownership of a mobile home that remains in the park (but excluding transfer to a spouse or other specified relatives, trustees, heirs, and also excluding if a space becomes vacant because a mobile home is removed to replace it with a new mobile home). Under Palmdale Municipal Code §5.44.060, a park owner may impose a vacancy increase subject to certain procedures. Using a City-approved form, the park owner must post a notice of the rent increases that will be imposed on any space that becomes vacant in the following six months. If different rents are charged based on type of space or coach size, the notice must include the vacancy increases for those space categories. At least 15 days prior to posting the notice in the park, park management must also provide the City with a copy of the proposed notices, and also provide information including all spaces which became vacant during the previous 6-month period; the rent levels charged for re-rented spaces; dates of re-rental, and other specified information. Vacancy increases are only allowed if the vacancy results from the lawful termination of tenancy for just cause or by the voluntary termination of tenancy by the resident, and only if the park owner complies with all ordinance requirements and the rent increase does not exceed the posted amount.

**STAKEHOLDER INPUT:**

Following the January 13, 2016 Commission meeting, the City understands that representatives of YMRA, WMA and MHET met and discussed these two issues. The City received a letter from MHET, dated February 3, 2016, and an email from YMRA outlining their discussions. Copies of that correspondence are enclosed with this staff report. The MHET letter does not contain any specific recommendations or options on either issue. The YMRA proposals made to

the park management representatives are set out in their letter. With regard to vacancy decontrol, YMRA indicated that its proposal included a small increase of 40% of the annual CPI upon vacancy (excluding in-place transfers or transfers to relatives). YMRA also expressed a willingness to support additional vacancy increases in a future biennial review, such as an increase when a home is changed out due to a tenant move and necessary replacement for an upgrade or due to fire, modernizing, etc.

At this time, City staff has not received any further input from any of the stakeholders on either of these two remaining issues.

### **DISCUSSION:**

As reflected in the examples of ordinances provided to the Commission, in California in this report, there are various methods used by cities and counties in addressing vacancies resulting when a mobilehome space becomes completely vacant. Examples include, but are not limited to, the following:

- Ordinances may prohibit any rent increases upon any kind of change in occupancy or vacancy (complete vacancy control).
- Ordinances may limit increases in space rent upon removal of a mobilehome from the park to only specific situations, such as (i) when a mobilehome is voluntarily vacated, abandoned, or repossessed in accordance with state law; or (ii) when a vacancy results from a lawful eviction under state law.
- Ordinances may limit the amount of permissible increases when a pad becomes vacant, such as a specific dollar limit or a defined percentage of the current space rent; other ordinances may allow space rent to be set by a level determined by park management in its discretion.
- Ordinances may limit the frequency of vacancy increases, such as (1) a limit on the number of times space rent may be increased during a 12-month period on the same space; or (2) providing that a vacancy decontrol space rent increase may not be assessed to the same mobilehome space more than once every 24 months.
- Ordinances typically provide that upon imposition of the vacancy increase, rent control thereafter applies to the space and cannot be increased except in compliance with the rent adjustment provisions of the applicable ordinance.

**Staff Recommendation:** Based on the comments of the Commission at the last meeting, the sample ordinances provided with this report, and the limited input received from the stakeholders since the last meeting, the Commission may wish to consider any of the following options regarding vacancy increases when a mobile home is removed from the pad and the pad becomes vacant. Staff proposes that these options be drafted to exclude vacancies that result from (i) when the mobile home remains on the space (an in-place

transfer), (ii) the home is replaced by the same tenant or resident for any reason (including age, fire, substantial destruction, or replacement with a new mobile home); or (iii) transfers of ownership of the mobile home by inheritance or other transfers to relatives, heirs, personal representatives, and successors in interest.

**Option #1 (YMRA proposal):** Upon a vacancy resulting in a vacant pad (as defined), the park owner may increase the last rent in effect prior to the vacancy by forty percent (40%) of the annual CPI.

**Option #2:** Same as Option #1, but cap the vacancy increase at five percent (5%) of the last rent in effect prior to the vacancy.

**Option #3:** Upon a vacancy (as defined), allow a park owner to impose a one-time space rent increase of \$25. If a space becomes vacant more than once during a calendar year, the park owner may increase the rent once more by an additional \$25 rent increase, but no further vacancy increases would be allowed regardless of the number of additional vacancies during that calendar year,

**Option #4:** Upon a vacancy (as defined), allow the park owner to increase the space rent by eighty percent (80%) of the annual increase in CPI (the same amount as the Permitted Annual Rent Adjustment). Also limit vacancy increases to more than twice in the same calendar year, regardless of the number of vacancies during that calendar year.

**Option #5:** Same as Option #4, but cap the vacancy increase at five percent (5%) of the last rent in effect prior to the vacancy.

**Option #6:** Allow the park owner to increase rents to market upon a vacancy (as defined).

**Option #7:** Require the park owner to post notice of the dollar amount or percentage of the vacancy increase in that calendar year and limit increases to the posted amount; and require prior notification to the City of the proposed vacancy increase and past 6 months' increases, before the vacancy increases are posted.

If the Commission recommends any of these options, staff also recommends that the Ordinance and Rules be amended to require park management to file notice with the City upon a vacancy, and require the park owner to update its annual registration form to list the new proposed rent within a specified number of days of the mobile home space becoming vacant. In addition, staff recommends that the Ordinance and Rules make clear that upon re-rental following a vacancy, rent control is reapplied to the space and rent increases may only be imposed in compliance with the rent adjustment provisions of the Ordinance and Rules.

**The Commission may wish to consider other options for potential amendments to allow limited vacancy decontrol based on further input from the Park Residents, Park Owners and other stakeholders.**

**CONCLUSION:**

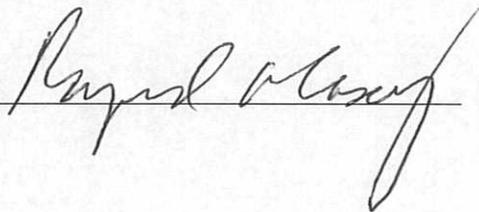
Staff requests that the Commission obtain further public input and thereafter discuss and reach consensus on the two remaining issues, (1) permits, inspections and quality of capital improvements; and (2) vacancy control or decontrol when a pad becomes completely vacant.

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:**

- (1) Letter dated February 3, 2016 from Peter Herzog, MHET
- (2) Email dated February 8, 2016, from Tony Slaick, YMRA

Approved by: \_\_\_\_\_





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February 3, 2016

Chair Hayden Martin and Commissioners  
Mobile Home Rent Review Commission  
City of Yucaipa  
34272 Yucaipa Boulevard  
Yucaipa, CA 92399

Sent via Email

Re: Biennial Review – Further Discussions on Vacancy Control

Dear Chair Martin and Commissioners:

At the January 13, 2016 Biennial Review hearing the issue of vacancy control was discussed. The result was the residents and parkowners were to privately discuss the issue further, and we were to report back by February 10.

Additional discussions have occurred between YMRA representatives, MHET and WMA with parkowner presence. Although no final agreements were reached, the discussions were very positive and fruitful. Not only was vacancy control discussed, but so were many of the varying issues surrounding the Ordinance. All parties felt positively about how the discussions went and we are in agreement to continue to meet to continue the dialogue. The parties are now reviewing the numerous points raised and plan to reconvene in the near future.

We look forward to the continuance of these initial good faith discussions between the residents and park owners.

Sincerely,

Peter Herzog  
Inland Empire Representative

Cc: Jennifer Shankland  
Kim Everts

## Jennifer Shankland

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**From:** Tony Slaick <datonestir@aol.com>  
**Sent:** Monday, February 08, 2016 1:47 PM  
**To:** Jennifer Shankland  
**Subject:** Fwd: Rent Review Commission follow up; Vacancy Control (from 1/13/2016 meeting)

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FEB 08 2016

GENERAL SERVICES/CITY CLERK'S  
DEPARTMENT

February 8, 2016

Yucaipa Mobile home Residents Association (YMRA)  
Tony Slaick, Chairman  
P. O. Box 1052  
Yucaipa, CA 92399

Jennifer Shankland  
Director of General Services/City Clerk/Rent Administrator, Rent Review Commission and City Council  
City of Yucaipa  
34272 Yucaipa Blvd.  
Yucaipa, CA 92399

Re: Rent Review Commission follow up; Vacancy Control (from 1/13/2016 meeting) as per the Rent Review Commission's consent and encouragement.

For submission, inclusion and consideration

Biennial Review of Mobilehome Rent Stabilization , (Yucaipa Municipal Code [YMC] 15.20) and Administrative Rules - Vacancy Control

Dear Ms. Shankland,

On 2/1/2016 YMRA Chairman Tony Slaick and YMRA Vice Chairman Chuck Barnes met with Peter Herzog, Manufactured Housing Educational Trust (MHET), Julie Paule, Western Manufactured Housing Communities Association (WMA) and a Yucaipa mobile home park owner.

Our meeting was to see if we could agree on concerns relating to Vacancy Control (as the Rent Review Commission also supported and encouraged).

The Yucaipa Rent Control Ordinance has been in existence for about 25 years. There has never been a change to Vacancy Control and YMRA has approached this with a spirit of openness and cooperation.

YMRA has not been known for working *on behalf* of mobile home park owners as YMRA represents the many thousand park residents here in Yucaipa. We are looking for ways to address mobile home

park owner concerns, while supporting the park residents with efforts to protect them from possible undue or unnecessary hardships as well as possible abuses of misconduct or unethical practices.

Regarding Vacancy Control, YMRA has proposed some measures to help mobile home park owners raise rents due to various types of vacancies.

YMRA is concerned about possible misconduct and abuses to mobile home park residents by some park owners and/or their management. Most park owners/managers seem to run good honest businesses and are fair and reasonable with their residents. We have found however, that on a regular and on going basis, there are park owners/managers looking for any reason to evict tenants.

We have found that there are a number of tactics used to pressure tenants in moving and/or selling their coaches to park owners. The motivation for this is well known as YMRA receives the calls from park tenants on a regular basis and the end results often reveal that truth.

Many park owners pressure tenants in moving and/or selling their coaches in order to re-rent the coach as a park owned coach and/or with a long term lease. This allows a park owner to avoid rent control completely.

YMRA has proposed the following, including additional compromises and concessions beyond our original letter submitted to the Rent Administrator relating to changes in the Rent Ordinance during the biennial review process that began in 2015.

The proposal was as follows: Upon a vacancy in a mobile home park, the park owner would be allowed a space rent increase of  $\frac{1}{2}$  of the current annual allowance of the CPI (80%, half being 40%) one time per year. YMRA initially proposed that if there were additional vacancies during the period from 12 -24 months, that would only allow a space rent increase of  $\frac{1}{4}$  of the current CPI allowance of the regular annual rent adjustment (80%,  $\frac{1}{4}$  being 20%). This 20% would have continued until a park had an established resident in the space for a period exceeding 12 months. YMRA has agreed to support the additional 40% CPI increase year over year without the clause requiring a 12 month occupancy as an additional compromise and also in consideration of the accounting/governance that would have impacted city staff.

YMRA would only support this if rents did not adjust with 'In Place Transfers' or transfers to relatives.

In addition, YMRA proposed that when a park owner changes out a coach, due to a tenant move and a necessary replacement for an upgrade (or due to fire, modernizing, etc), that the space rent be allowed to increase the average of the highest three rent controlled spaces in the park or 10%, whichever is greater.

YMRA felt that after 25 years of the rent control ordinance and no changes in the area of Vacancy Control, we have made a generous offer to compromise in the spirit of showing good faith, in an effort to work with park owners while protecting mobile home park residents. In our letter to the Rent Administrator regarding the biennial review of the ordinance, YMRA stated that we would only agree to the proposed changes if the changes put this issue to rest. In our recent meeting (2/1/2016) with park owner/industry representatives, this statement was brought up. YMRA agreed that we could revisit the issue of possible changes regarding park owners replacing coaches due to fires, upgrading and modernizing, etc. sometime in the future; most likely during the next biennial review of the ordinance.

YMRA feels that we are not only willing to come to the table and discuss this matter, but even asked for the opportunity. We understand that park owner industry representatives are paid to gain as much as possible for park owners. We would like to give support to reasonable proposals that benefit park owners,

however, are also concerned about possible abuses and unintended consequences. We feel it prudent to make changes that opt for caution, while recognizing that park owners can enjoy these added benefits with minimal impact to park residents.

We thank you for your consideration on the matter and look forward to further discussions in the future.

Sincerely,

Tony Slaick, Chairman YMRA  
Yucaipa Mobilehome Residents Association