Chapter 15.20
MOBILEHOME PARK RENT STABILIZATION PROGRAM

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15.20.010 Purpose and findings.

A. Findings. Complaints concerning excessive rents by tenants of mobilehome parks led the city council to conduct a study of the situation in the mobilehome parks in the city. As a result of that study, staff investigation and testimony at public hearings held by the city, the city found an extremely low vacancy rate and a pattern of excessive rent increases beginning as early as 1983, when rent control was first sought from the county board of supervisors for the Yucaipa area. Excessive rent was an issue in the 1986 incorporation campaign, which resulted in the filing of a petition with the Local Agency Formation Commission ("LAFCO") on December 18, 1986 and again in the 1989 incorporation petition filed with LAFCO on March 2, 1989, which resulted in the incorporation of the city on November 27, 1989. The forty-three (43) mobilehome parks in the city contain approximately four thousand one hundred (4,100) spaces and provide approximately thirty (30) percent of the thirteen thousand eight hundred (13,800) dwelling units in the city. Mobilehome owners, unlike apartment tenants or residents of other rental stock, are in the unique position of having made a substantial investment to purchase a mobilehome for which they must rent a space in a mobilehome park. They have also made investments in maintaining and improving those homes as well as landscaping and exterior improvements to the mobilehomes and the rental spaces on which they are located. Alternative sites for the relocation of mobilehomes are difficult to find due to the shortage of vacant spaces, the restrictions on the age, size or style of mobilehomes permitted in many parks, and requirements related to the installation of mobilehomes, including permits, landscaping and site preparation. Additionally, the cost of moving a mobilehome is substantial and the risk of damage in moving is significant. Thus, moving a mobilehome is not a feasible option if rent becomes excessive. The result of these conditions is the creation of a captive market of mobilehome owners and tenants. Their immobility and the shortage of spaces, in turn, creates an imbalance in the bargaining relationship between park owners and mobilehome park tenants. Because mobilehomes are often owned by senior citizens, persons on fixed incomes, and persons of low and moderate income, excessive rent increases fall upon these individuals with particular harshness.

On January 28, 1991, the city council enacted Ordinance No. 63 (amended). This ordinance

established a comprehensive scheme for the regulation of space rents in mobilehome parks in the city and limits the rent increases that may be charged by park owners.

B. On November 25, 1991, the city council enacted Ordinance No. 87, (as amended on February 13, 1992, by Ordinance No. 91), which prohibits park owners from requiring prospective residents from signing long-term leases as a condition of moving into a mobilehome park.

C. On September 18, 1992, the city council enacted Ordinance No. 113, which amended Ordinance No. 63 (amended) to allow the de-regulation, or de-control of space rents upon specified vacancies of a mobilehome park space, and provided for the re-imposition of rent control upon the imposition of the rent first charged after such vacancy. At the time of the adoption of Ordinance No. 63 (amended), the city council determined that the rent stabilization provisions of Ordinance No. 63 (amended), would provide sufficient protection for park residents against excessive rent increases without the need for control of rents upon vacancies.

D. Since the enactment of Ordinance No. 63 (amended), residents of mobilehome parks in the city have presented instances of park owners requiring prospective residents to sign long-term leases as a condition of moving into the park which such long-term leases exempt such persons from the protection of Ordinance No. 63 (amended). In addition, residents of mobilehome parks in the city have presented the city with instances of park owners raising rents several fold for new residents. As a result, these park residents have been unable to sell their coaches and move out of the park, and prospective residents have been forced to look for housing elsewhere. In some instances, park residents have been forced to sell their coaches to the park owner at minimal or no cost, such that the coach itself has little or no value, and the park owner has assumed the role of landlord on the specific coach as well.

E. As a result of these repeated problems, and the unnecessarily oppressive and harsh rent increases which have occurred, this city council finds and declares that it is necessary to facilitate and encourage fair bargaining between the prospective residents and park owners, as well as current residents and park owners, from excessive and unreasonable conditions imposed upon vacancies in mobilehome parks, and from unreasonable rent increases in an area of housing shortage. The city council finds that control of rents upon vacancy will not prevent park owners from realizing a fair and just return on their property when seen in the context of mobilehome rent control which has been established in the city.

F. In order to facilitate the above-stated policies, the city council, by Ordinance No. 104, adopted provisions limiting the rent that a park owner may charge upon a vacancy in a park. Ordinance No. 104, amended by Ordinance No. 113 provides for complete vacancy control, where it is believed that Ordinance No. 63 (amended) and other mobilehome rent control provisions adopted by the city council adequately protect the rights and interest of park owners. The ordinance codified in this chapter is intended to apply to any transfer of any mobilehome, as well as any change in occupancy of a mobilehome.

G. On March 28, 1994, the city council approved the annual report with respect to certain definitions and ministerial actions, and thereafter enacted Ordinance No. 126, which incorporated all previous amendments to Ordinance No. 63 (amended) and does not intend to make any substantive changes to Ordinance No. 63 as it was amended by Ordinance Nos. 104 and 113 other than those minor nonsubstantive amendments authorized by city council on March 28, 1994.

H. On December 11, 1995, the city council approved the annual report with respect to certain revisions and additions to Ordinance No. 126. The ordinance codified in this chapter incorporates all existing provisions of Ordinance No. 126, Ordinance No. 140 and Ordinance No. 152, except as modified in light of issues identified in the annual report.

I. On September 8, 1997, the city council approved the annual report with respect to certain revisions and additions to Ordinance No. 161. This ordinance incorporated all existing provisions of Ordinance No. 161, except as modified in light of issues identified in the annual report.

J. On November 8, 1999, the city council approved the biennial report with respect to certain revisions and additions to Ordinance Nos. 161/170. This ordinance incorporates all existing provisions of Ordinance No. 161 and Ordinance No. 170, except as modified in light of issues identified in the biennial report.

K. 1. On August 2, 2001 and November 20, 2001, the mobilehome rent review commission conducted a noticed public hearing, received testimony and made recommendations to the city council on proposed language amendments to the rent stabilization ordinance and administrative rules.

2. On September 24, 2001, at a noticed public hearing the city council received testimony and considered the recommendations of staff and the mobilehome rent review commission with respect to certain revisions and additions to this chapter of the Yucaipa Municipal Code (the "municipal code"), and administrative rules.

3. Based on the record presented, which is incorporated herein, the city council found and determined that the following amendments to this chapter were necessary in order to provide sufficient protection for park residents against excessive rent increases and to preserve the comprehensive scheme for the regulation of space rents in mobilehome parks.

4. On January 28, 2002, the city council approved the biennial report with respect to certain revisions and additions to this chapter and enacted Ordinance No. 214.

L. 1. On August 25, 2003, and October 7, 2003, the mobilehome rent review commission conducted a noticed public hearing, received testimony and made recommendations to the city council on proposed language amendments to the rent stabilization ordinance and administrative rules.

2. On November 24, 2003, at a noticed public hearing the city council received testimony and considered the recommendations of staff and the mobilehome rent review commission with respect to certain revisions and additions to this chapter of the Yucaipa Municipal Code (the "municipal code"), and administrative rules.

3. Based on the record presented, which is incorporated herein, the city council found and determined that the following amendments to this chapter of the municipal code were necessary in order to provide sufficient protection for park residents against excessive rent increases and to preserve the comprehensive scheme for the regulation of space rents in mobilehome parks.

4. On December 8, 2003, the city council approved the biennial report with respect to certain revisions and additions to this chapter and enacted Ordinance No. 226.

M. On September 27, 2004, the city council approved the addition of subsection E to Section 15.20.110 of this code and enacted Ordinance No. 234.

N. On August 8, 2005, the city council approved the repeal of Section 15.20.117 of this code and enacted Ordinance No. 245.

O. 1. On February 22, 2006 the mobilehome rent review commission conducted a noticed public meeting, received testimony and made recommendations to the city council on proposed amendments to this chapter (also referred to as the "rent stabilization ordinance" or the "ordinance") and administrative rules.

2. On April 24, 2006, at a noticed public meeting, the city council conducted the biennial review and received testimony and considered the recommendations of staff and the mobilehome rent review commission with respect to proposed amendments to this chapter, and administrative rules.

3. Based on the record presented, which is incorporated herein, the city council found and determined that the following amendments to this

chapter were necessary in order to adequately protect the interests of park owners and park residents and to preserve the comprehensive scheme for the regulation of space rents in mobilehome parks.

P. 1. On July 15, 2010, July 26, 2010, December 14, 2010, and February 22, 2011, the mobilehome rent review commission ("commission") conducted a noticed public hearing, received testimony and made recommendations to the city council on proposed amendments to Chapter 15.20 of Title 15 of the Yucaipa Municipal Code ("Chapter 15.20 of the YMC" also referred to sometimes as the "rent stabilization ordinance" or the "ordinance") and administrative rules.

2. On April 25, 2011, at a noticed public hearing, the city council conducted the biennial review, received testimony and considered the recommendations of staff and the commission with respect to proposed amendments to Chapter 15.20 of the YMC and administrative rules.

3. Based on the record presented, which is incorporated herein, the city council found and determined that certain amendments to Chapter 15.20 of the Municipal Code were necessary in order to adequately protect the interests of park owners and park residents and to preserve the comprehensive scheme for the regulation of space rents in mobilehome parks.

Q. 1. On January 13, 2016, March 22, 2016 and May 24, 2016, the mobilehome rent review commission ("commission") conducted a noticed public hearing, received testimony and made recommendations to the city council on proposed amendments to Chapter 15.20 of Title 15 of the Yucaipa Municipal Code ("Chapter 15.20 of the YMC" also referred to sometimes as the "rent stabilization ordinance" or the "ordinance") and administrative rules.

2. On August 29, 2016, at a noticed public hearing, the city council conducted the biennial review, received testimony and considered the recommendations of staff and the commission with respect to proposed amendments to Chapter 15.20 of the YMC and administrative rules.

3. Based on the record presented, which is incorporated herein, the city council found and determined that certain amendments to Chapter 15.20 of the Municipal Code were necessary in order to adequately protect the interests of park owners and park residents and to preserve the comprehensive scheme for the regulation of space rents in mobilehome parks.

4. This ordinance has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA"), the State CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq., hereafter the "Guidelines"), and the city's environmental guidelines. The city has determined that this ordinance is not a "project" for purposes of CEQA, as that term is defined by Guidelines Section 15378. Specifically, this ordinance constitutes organizational or administrative activities of city government that will not result in direct or indirect physical changes in the environment. (Guidelines Section 15378(b)(5)). Therefore, because it is not a "project," this ordinance is not subject to CEQA's requirements. Further, even if this ordinance were deemed a "project" and therefore subject to CEQA, the ordinance would be covered by the general rule that CEQA applies only to projects that have the potential to cause a significant effect on the environment. (Guidelines Section 15061(b)(3)). As an organizational or administrative activity which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment, this ordinance does not have the potential to cause a significant effect on the environment and is therefore exempt under this general rule. Further, it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, and thus this ordinance is not subject to CEQA. (Guidelines Section 15061(b)(3)).

R. 1. On October 19, 2017, at a noticed public hearing, the mobilehome rent review commission ("commission") conducted the biennial review, received testimony and made recommendations to the city council on proposed amendments to Chapter 15.20 of Title 15 of the Yucaipa Municipal Code ("Chapter 15.20 of the YMC" also referred to sometimes as the "rent stabilization ordinance" or the "ordinance") and administrative rules.

2. On November 6, 2017, at a noticed public hearing, the city council conducted the biennial review, received testimony and considered the recommendations of staff and the commission with respect to proposed amendments to Chapter 15.20 of the YMC and administrative rules.

S. 1. On February 21, 2019, at a noticed public meeting, the mobilehome rent review commission ("commission") made recommendations to the city council on proposed amendments to Chapter 15.20 of Title 15 of the Yucaipa Municipal Code and Resolution No. 2011-52 pertaining to the U.S. Department of Labor, Bureau of Labor Statistics updated definition of the Consumer Price Index (CPI) for the area that includes Yucaipa.

2. On March 11, 2019, at a noticed public meeting, the city council considered the recommendations of staff and the commission with respect to proposed amendments to Chapter 15.20 of the YMC and Administrative Rules.

T. 1. On January 15, 2020, at a noticed public meeting, the Commission made recommendations to the City Council on proposed amendments to Chapter 15.20 of the YMC and the Administrative Rules pertaining to certain definitions, annual adjustments, rent adjustments upon vacancy, park resident representatives, the Commission, and special rent adjustment application and appeal procedures.

2. On February 26, 2020, March 23, 2020, and April 13, 2020, at a noticed public meeting, the City Council conducted the Biennial Review of the Ordinance and the Administrative Rules, including review and consideration of the Commission's and staff's recommendations and public comments received on the proposed amendments, and thereafter enacted Ordinance No. 390.

3. On April 27, 2020, at a noticed public meeting, the City Council conducted further Biennial Review of the Ordinance and Administrative Rules, including review and consideration of the Commission's and staff's recommendations and public comments received on the proposed amendments, and thereafter enacted Ordinance No. 391.

U. On November 9, 2020 and November 23, 2020, at a noticed public meeting, the City Council reviewed legislative amendments to Civil Code Section 798.17 adopted pursuant to Assembly Bill 2782, Chapter 35, Statutes of 2020 (collectively "AB 2782") phasing out the long-term lease exemption from local rent control ordinances under the Mobilehome Residency Law, and staff's recommendations and public comments received on proposed amendments relating to the determination of annual adjustments for previously exempt spaces in accordance with AB 2782, and thereafter enacted Ordinance No. 397.

V. 1. On May 17, 2022, at a noticed public meeting, the Commission made recommendations to the City Council on proposed amendments to Chapter 15.20 of the YMC and the Administrative Rules, pertaining to annual adjustments, rent adjustments upon vacancy, park resident representatives, park registration procedures, and the biennial review process.

2. On July 11, 2022, and August 8, 2022, at a noticed public meeting, the City Council conducted the Biennial Review of the Ordinance and the Administrative Rules, including review and consideration of the Commission's and staff's recommendations and public comments

received on the proposed amendments, and thereafter enacted Ordinance No. 413.

(Ord. 413 § 3, 2022; Ord. 375 § 3, 2019; Ord. 368 § 3, 2017; Ord. 351 § 1, 2016; Ord. 311 § 1, 2011; Ord. 255 §§ 1, 2, 3, 2007; Ord. 226 § 1, 2003; Ord. 214 § 1, 2002; Ord. 193 § 1, 1999; Ord. 170 § 1, 1997; Ord. 161 § 1, 1996; Ord. 126 § 1, 1994)

15.20.020 Definitions.

"Abandoned in-place" means a resident voluntarily abandons his/her coach and the park owner gains title and sells the coach to a new resident.

"Amortizable expenses" means:

1. Expenses for physical improvements and replacements which consist of more than ordinary maintenance or repairs, have a useful life of at least more than one year but less than five years and can be depreciated pursuant to the U.S. or California income tax codes; and

2. Other expenses that are reasonably expected to cover a period of years, such as maintenance that does not need to be done every year, payments of property taxes or property insurance covering more than one year, a major refurbishment of a park facility such as a clubhouse, where a number of non-capital items (painting, new flooring, new window coverings and furniture) are installed all at one time that will last more than one year, or physical work performed for aesthetic reasons that does not qualify for a capital improvement rent adjustment under Section 15.20.085.

"Annual" means calendar year.

"Capital improvement" means the installation of new improvements and facilities and/or the replacement or reconstruction of existing improvements and facilities which consist of more than ordinary maintenance or repairs, have a useful life of at least five years and satisfy the requirements of Section 15.20.085(A).

"Complete" means submittal of all information and documentation to support any requested rent adjustment and/or appeal, in accordance with the administrative rules adopted by resolution of the city council.

"Consumer Price Index (CPI)" means:

1. For the purpose of calculating the annual adjustments for each of the years 1987 through 2018, the "Consumer Price Index" or "CPI" means the CPI index for the Los Angeles-Riverside-Orange Metropolitan Area, All Urban Consumers, published by the Bureau of Labor Statistics, U.S. Department of Labor.

2. For the purpose of calculating the 2019 annual adjustment the "Consumer Price Index" or "CPI" means the CPI index for the Los Angeles-Long Beach-Anaheim Metropolitan Area, All Urban Consumers, published by the Bureau of Labor Statistics, U.S. Department of Labor.

3. For the purpose of calculating annual adjustments beginning in 2020 the "Consumer Price Index" or "CPI" means the CPI index for the Riverside-San Bernardino-Ontario, Metropolitan Area, All Urban Consumers, published by the Bureau of Labor Statistics, U.S. Department of Labor, or any successor index.

4. For the purpose of calculating special rent adjustments the "Consumer Price Index" or "CPI" for the years subsequent to 2017 means the CPI index for the Riverside-San Bernardino-Ontario, Metropolitan Area, All Urban Consumers, published by the Bureau of Labor Statistics, U.S. Department of Labor, or any successor index.

"Day" means a calendar day, unless otherwise defined in this chapter. If a deadline falls on a day on which City Hall is not open, the deadline shall be extended to the next business day.

"Emergency capital improvements" mean capital improvements: (1) that are necessary in order to prevent an imminent threat to public health and safety of the park, its residents, or neighbors; (2) that must be carried out immediately; and (3) satisfy the requirements of Section 15.20.085(B) and the administrative rules adopted by resolution of the city council.

"Housing services" mean services connected with use or occupancy of a rental space in a

mobilehome park which are provided to residents for the rent charged for a space including, but not limited to: utilities, ordinary repairs, replacement and maintenance, laundry facilities, recreational facilities, a resident manager, refuse removal, parking, street cleaning and maintenance, and other benefits, privileges, facilities or terms and conditions of the residency.

"In-place transfer" of a mobilehome means a sale, transfer or other conveyance of ownership of a mobilehome with the mobilehome remaining on the mobilehome space following the sale, transfer or other conveyance, including the following: (1) replacement of a mobilehome by the same resident for any reason (such as age, fire, flood, substantial destruction, or replacement with a new mobilehome); or (2) transfers ownership of the mobilehome by inheritance or other transfers to relatives, heirs, personal representatives of the estate and successors of interest; or (3) any other voluntary or involuntary transfers of ownership of the mobilehome by the resident to a creditor; or (4) any other voluntary or involuntary transfer of a mobilehome by the resident to the park owner as the result of an eviction or other termination of tenancy. Notwithstanding the foregoing, an in-place transfer of a mobilehome does not include an "abandoned-in-place" mobilehome as defined above.

"Mobilehome" means a vehicle, designed or used for human habitation, including a camping trailer, travel trailer, motor home and slide-in camper, when used as the principal place of habitation for the occupants thereof, as well as mobilehomes as defined by Civil Code Section 798.3.

"Mobilehome park" means any area of land within the city where two or more spaces are rented, or held out for rent, to accommodate mobilehomes used for human habitation, but shall not include parks which rent spaces exclusively to recreational vehicles as that term is defined in Civil Code Section 799.30.

"Owner" means a person or entity that receives or is entitled to receive rent for the use or occupancy of a mobilehome space or an agent or representative authorized to act on behalf of such person or entity.

"Rent" means the consideration paid for use or occupancy of a mobilehome space and the provision of related housing services.

"Rent administrator" means the person designated by the city manager to administer the provisions of this chapter.

"Residency" means the right or entitlement of a mobilehome owner of a mobilehome, or subtenant of a mobilehome owner, to use, occupy and place a mobilehome on a rental space in a mobilehome park and to related housing services.

"Resident" means an owner of a mobilehome who has a residency. "Resident" shall also mean any tenant or subtenant of a mobilehome owner who has a residency.

Resident, Prospective. "Prospective resident" means a prospective purchaser of a mobilehome in a mobilehome park who has applied for a park residency. "Prospective resident" shall also mean a prospective subtenant of a prospective purchaser of a mobilehome park who has applied for a park residency.

"Vacancy" means any of the following:

1. Any mobilehome space which is empty because the mobilehome was voluntarily removed by the mobilehome owner who will no longer be a resident of the park. A vacancy under this subsection (1) shall not include a long-term vacant space as defined in subsection (8) of this section; or

2. Any mobilehome space which is empty because the mobilehome was destroyed by fire, flood, earthquake or other natural catastrophe, and the mobilehome owner will no longer be a resident of the park. A vacancy under this subsection (2) shall not include a long-term vacant space as defined in subsection (8) of this section; or

3. Any mobilehome space that is empty because the mobilehome is abandoned in-place,

and the park owner gains title and sells the coach to a new resident. A vacancy under this subsection (3) shall not include the abandonment of a mobilehome resulting from an eviction or other involuntary termination of tenancy of the resident, or a long-term vacant space as defined in subsection (8) of this section; or

4. Any "in-place transfer" of a mobilehome (as defined in this section) which remains in a the park; or

5. Any change in occupancy of a mobilehome on the same mobilehome space (but excluding an "abandoned in-place" mobilehome or an "in-place transfer" of a mobilehome as defined in this section); or

6. Any replacement of a mobilehome on a space with another mobilehome owned or occupied by the same resident(s); or

7. Any change in occupancy or ownership of an existing mobilehome on a space as a result of an eviction or other involuntary termination of tenancy; or

8. Any long-term vacant space. As used in this section, "long-term vacant space" means a mobilehome space, pad or lot that has been empty (without a coach), for any reason, for more than five consecutive years (Ord. 413 § 4, 2022; Ord. 391 §§ 6—8, 2020; Ord. 375 § 4, 2019; Ord. 311 § 2, 2011; Ord. 255 §§ 5, 6, 2007; Ord. 193 § 2, 1999; Ord. 161 § 2, 1996; Ord. 126 § 2, 1994)

15.20.030 Exemptions.

A. This chapter shall not apply to:

1. Newly constructed mobilehome spaces first held out for rent on or after January 1, 1990;

2. Any mobilehome park which has signed and is in compliance with a mobilehome accord and agreement approved by resolution of the city council. This exemption shall apply during the term of the agreement including any extensions or renewals thereof, provided that upon its expiration, the mobilehome park shall again be subject to this chapter and the base rents in the mobilehome park shall be the rents last charged pursuant to the agreement.

B. The rent regulation provisions of this chapter shall not apply to any space while that space is subject to a lease which exempts that space from rent regulation pursuant to the California Mobilehome Residency Law, Civil Code Section 798 et seq. Upon expiration or termination of such exemption under Civil Code Section 798.17, that space shall become subject to the rent regulations of this chapter (Ord. 413 § 5, 2022; Ord. 193 § 2, 1999; Ord. 161 § 3, 1996; Ord. 126 § 3, 1994)

15.20.040 Maximum permitted rent.

A. The base rent in effect on December 31, 1987, plus any increase imposed between that date and the effective date of the ordinance codified in this chapter which do not exceed eighty (80) percent of the increase in the CPI between that date and the effective date of said ordinance.

B. An owner shall not demand, accept or retain rent for a mobilehome space exceeding the base rent for a space, except as hereinafter provided. No notice of a rent increase may be given by a park owner to residents until the rent increase has been approved pursuant to this chapter and no rent increase approved pursuant to this chapter shall be demanded, collected or retained until lawful notice pursuant to the Mobilehome Residency Law, Civil Code Section 798, et seq., of that increase has been given to the affected residents by the park owner. Retroactive increases shall not be permitted pursuant to this chapter. In the event that the city-approved annual rent increase has not been implemented by the effective increase date, the twelve (12) month period prior to the next increase shall begin at the actual date of implementation.

C. No owner shall reduce the housing services provided for the rent paid on the effective date of the ordinance codified in this chapter. Any reduction in such housing services shall be deemed a rent increase in violation of this

chapter unless the reduction has been approved pursuant to Section 15.20.090.

D. A resident may refuse to pay rent in excess of the maximum rent permitted by this chapter. The fact that any such unpaid rent is in excess of the maximum rent permitted by this chapter shall be a defense in any action brought to recover possession of a mobilehome space and for nonpayment of rent or to collect the illegal rent. (Ord. 226 § 2, 2003; Ord. 193 § 4, 1999; Ord. 161 § 4, 1996; Ord. 126 § 4, 1994)

15.20.050 Maximum permitted rent upon space vacancy.

A park owner shall not be permitted to charge a new space rent for a mobilehome space upon vacancy except as expressly provided in this section. It is the intent of the city that no rent increase shall be allowed as a result of a vacancy resulting in a change in occupancy of a mobilehome on a space, the replacement of a mobilehome with another mobilehome on the same space and occupied by the same resident, or any in-place transfer of a mobilehome (as defined in Section 15.20.020 of this code), and that such mobilehome spaces shall continue to be subject to the rent control provisions of this chapter unless such space is subject to a long-term lease exempt from rent control pursuant to California Civil Code Section 798.17, or a vacancy adjustment is authorized pursuant to subsection B, C, D or E of this section. No vacancy adjustment shall be imposed pursuant to subsection B, C, D or E of this section without the park owner's submittal of a complete application and the prior approval of the RA in accordance with this subdivision and the rules and regulations.

A. Upon "vacancy," as defined in Section 15.20.020, subsection (4), (5), (6), or (7), the park owner shall be prohibited from raising the space rent for that space. No park owner shall impose any space rent in excess of the current rent in effect immediately preceding the vacancy of the space.

B. Upon "vacancy," as defined in Section 15.20.020, subsection (1), (2), (3), or (8), the park owner may increase the last rent in effect on the space prior to such vacancy based on the combined average of rent controlled spaces in the park plus ten percent (10%), provided that space rents prior to the vacancy can be verified by information required on and/or documentation submitted with the annual registration application or annual rent increase application, whichever was approved later. This calculation shall be known as the vacancy adjustment. Any such approved vacancy adjustment shall constitute the new base rent for that space. The new space rent determined in accordance with this subsection B shall become the base rent upon which future rent increases pursuant to this chapter shall be calculated. At the time of rental of that space following a vacancy (as defined in "vacancy" subsection (1), (2), (3), or (8) of Section 15.20.020), no park owner shall impose any space rent in excess of the last rent in effect immediately preceding the vacancy of the space, as modified by any vacancy adjustment approved by the city in accordance with this subsection for that vacant space. Procedures implementing the vacancy adjustment authorized under this subsection B shall be set forth in the rules and regulations adopted by resolution of the city council.

C. Park Owned Mobilehome Sold to an Existing or New Resident.

1. In the event that a park owned coach is sold to an existing resident (through a rent-to-own agreement or straight purchase) and the coach remains in the park, the base rent shall be either the last regulated space rent charged for the space, if the space was previously subject to this chapter, increased by the annual CPI increases properly charged by the park and any other applicable city-approved rent increase for the spaces in the park; or if the space was never subject to this chapter, the average of the rents charged for comparable spaces in the park subject to rent control.

2. In the event a park-owned coach is sold to a new resident and the coach remains in the park, the base rent shall be the combined average of rents in the rent-controlled spaces in the park plus ten percent (10%).

D. Spaces Previously Exempt. In the event a space was previously exempt under a lease pursuant to California Civil Code Section 798.17, the base space rent, for purposes of calculating the annual adjustment, shall be the rent in effect as of the date of expiration of the lease, provided that space rents can be verified by information required on, and/or documentation submitted with the annual registration application.

E. Upon occupancy of a vacant space, the park owner shall be prohibited from increasing the space rent, except in compliance with the provisions of Sections 15.20.080 through 15.20.100, concerning annual adjustments, capital improvement rent adjustments, net operating income adjustments and adjustments based on discontinuance of services or amenities.

F. No park owner shall require that a prospective resident sign a lease exempt from this chapter or code as a condition of tenancy.

G. Procedures for application and approval of rent adjustments upon space vacancy shall be in accordance with administrative rules set forth by resolution of the city council. (Ord. 413 § 6, 2022; Ord. 391 § 9, 2020; Ord. 255 § 7, 2007; Ord. 193 § 5, 1999; Ord. 170 § 2, 1997; Ord. 161 § 4A, 1996; Ord. 126 § 4A, 1994)

15.20.060 Resident representatives.

A. The residents of each mobilehome park in the city shall elect by majority vote, with one vote per regulated space, a resident representative to receive all notices required by this chapter. The elected representative shall continue to serve as park resident representative until his/her resignation or the subsequent election of another resident by the park residents. The residents shall advise the rent administrator of the name, address and phone number of the elected resident representative in writing no later than 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. (Ord. 413 § 7, 2022; Ord. 390 § 3, 2020; Ord. 193 § 6, 1999; Ord. 161 § 5, 1996; Ord. 126 § 5, 1994)

15.20.070 Hearing Officer.

A. There shall be a hearing officer or hearing officers who shall be appointed by the city council. Each hearing officer shall serve a term of three years.

B. Powers and Duties. The hearing officer shall have the following powers and duties:

1. To meet from time to time;

2. To review, hear and determine rent adjustment applications pursuant to the provisions of this chapter and to adjust maximum rents or maintain rents upon completion of its hearings and investigations;

3. To render biennially a written report to the city council concerning its activities, holdings, actions, results of hearings, and all other matters pertinent to this chapter which may be of interest to the city council;

(Ord. 390 § 4, 2020; Ord. 255 § 8, 2007; Ord. 214 § 2, 2002; Ord. 193 § 7, 1999; Ord. 170 § 3, 1997; Ord. 161 § 6, 1996; Ord. 152, 1996; Ord. 126 § 6, 1994)

15.20.073 Registration, posting and fees.

A. Every mobilehome park, except those exempt pursuant to Section 15.20.030(A), shall file an initial registration statement, on a form provided by the rent administrator.

B. Annual Registration. Every mobilehome park shall file an annual registration statement, on a form provided by the rent administrator and in accordance with the administrative rules adopted pursuant to this chapter, no later than the thirty-first (31st) day of January each year.

C. New/Extended Lease Registration. Every park owner shall file a statement on a form provided by the rent administrator whenever (1)

a new lease is executed after the City's approval of the prior year's annual registration statement or (2) an existing lease is renewed or extended after the City's approval of the prior year's annual registration statement. The lease registration statement shall include the duration of the new, renewed or extended lease, new lease execution and expiration dates, renewal/extension execution and expiration dates, current space rent determined under this Chapter, last names of homeowners/tenants, and any other information required by the rules or otherwise deemed necessary by the rent administrator for the implementation and administration of this chapter.

D. Complete Registration Required. The registration statement shall not be accepted as complete unless it includes all information required on the form by the rent administrator, including but not limited to the last names of homeowners/tenants, rents for all spaces in the park (including but not limited to, month-to-month spaces, spaces subject to leases exempted from this chapter under Civil Code Section 798.17, non-exempt leased spaces, spaces occupied by park-owned mobilehomes, spaces occupied by the park manager or other park employees, and rent-to-own spaces), the term of any exempt and non-exempt leases, renewal and/or extension thereof, amount and date of most recent rent increase for each space, all information and documentation that establishes any other exemption from the rent provisions of this chapter, and such other information required by the rules or otherwise deemed necessary by the rent administrator for the implementation and administration of this chapter.

E. Fees. The City Council may adopt fees for the following by resolution:

1. Annual registration fees based on the number of spaces in the mobilehome park to be used for the costs of administering this chapter. Registration fees shall be paid by each park owner to the city for each space, which is not exempt pursuant to Civil Code Section 798.17 or 15.20.030(A) of this code at the time the initial and annual statements are filed.

2. Application fees to cover the costs of processing an application or appeal.

F. A park owner who fails to comply with subsections A, B, C, D and E of this section shall not be entitled to charge, collect, retain or apply for the rent increases permitted by this chapter.

G. The 2004 paramedic special tax, enacted by the voters at the rate of twenty-eight dollars ($28.00) per individual dwelling unit per year, may be collected, commencing on November 1, 2004, in twelve (12) monthly installments, in an amount not to exceed two dollars and thirty-four cents ($2.34) per month, which may be included with the monthly statement of rent due, but must be separately itemized. The tax shall not be included in the base rent when calculating rent adjustments.

H. A copy of the ordinance codified in this chapter shall be posted in the office of every mobilehome park and in the recreation building or clubhouse of every mobilehome park. (Ord. 413 § 8, 2022; Ord. 311 § 3, 2011; Ord. 255 § 15, 2007; Ord. 234 § 1, 2004; Ord. 214 §§ 4—6, 2002; Ord. 193 § 10, 1999; Ord. No. 161 § 10, 1996; Ord. 126 § 10, 1994)

15.20.080 Annual rent adjustments by administrative application.

Annual Adjustment Based on the CPI.

A. Except as otherwise provided in Subsection (B), the rent for a mobilehome space may be increased once every twelve (12) months by the lesser of either four percent of the current space rent as of the date of the complete application, or one hundred percent (100%) of the increase in the CPI during the preceding twelve (12) months, provided that this increase may not be imposed until twelve (12) months after the most recent annual adjustment under this section or an adjustment under section 15.20.100 in the preceding twelve (12) months.

B. If the mobilehome space was previously subject to a long-term lease which exempted the space from rent control under state law, the rent for such space shall not be increased under this

section until twelve months after the most recent rent increase under the previously exempt long-term lease. Thereafter, the rent may be increased once every twelve months in accordance with Subsection (A) of this section.

C. Regulations for implementing this section shall be as set forth in the administrative rules adopted by resolution of the City Council, including, but not limited to, application procedures and dissemination of CPI to park owners. (Ord. 413 § 9, 2022; Ord. 397 § 7, 2020; Ord. 368 § 4, 2017; Ord. 311 § 4, 2011; Ord. 255 §§ 9, 10, 11, 2007; Ord. 214 § 3, 2002; Ord. 193 § 8, 1999; Ord. 161 § 7, 1996; Ord. 152, 1996; Ord. 140, 1995; Ord. 126 § 7, 1994)

15.20.085 Rent adjustments based on capital improvements.

A park owner may request approval of a rent adjustment based on capital improvements or emergency capital improvements in accordance with this section.

A. General Procedures.

1. An application for a rent increase based on the cost of a completed capital improvement may be filed with the rent administrator. It shall be approved if it satisfies the definition of capital improvement set forth in Section 15.20.020 and the criteria set forth in the capital improvement guidelines and as set forth in the administrative rules adopted by resolution of the city council; the park owner has provided documentation to demonstrate that prior to the completion of the proposed capital improvement, the park owner met with the park residents and considered input from the park residents regarding any proposed capital improvement; the park owner held a capital improvement ballot election (see sample "Election Ballot Form" in Exhibit A attached to the ordinance codified in this section and incorporated by reference), in an attempt to gain fifty-one (51) percent approval of the occupied rent controlled spaces, with one vote per space having consented to the proposed capital improvement in one of the following methods: (a) at the noticed resident meeting; or (b) ballot mailed via certified mail/return receipt requested to each rent controlled space. Documentation of the meetings with the park residents shall include, but is not limited to, notice of meeting between the park owner(s) and residents, resident attendance sign-in sheets, official minutes from the meeting, a summary of each of the bids or proposals received and a written explanation from the park owner explaining the reasons for the selection of the contractor, and election ballot form(s). The summary shall include sufficient detail for the park residents to understand the nature and extent of the proposed work and the costs to be incurred therein. If the owner proposes to perform the capital improvement with his or her own labor, the summary provided to the residents shall include an explanation of the proposed work and costs. An increase application which meets all other requirements of this subsection but has not been consented to by fifty-one (51) percent of the occupied spaces may be granted when the improvement is necessary to protect the health and safety of the park, its residents and/or its neighbors. The requirement for the resident meeting and capital improvement ballot election shall not apply to improvements that qualify as emergency capital improvements in accordance with subsection B. Any increase granted under subsection A shall remain in effect only during the useful life of the improvement. Any such increase shall not be included as part of the monthly space rent but shall be itemized as a separate charge on the residents' monthly rent statement. Regulations for implementing subsection A shall be set forth in the administrative rules adopted by resolution of the city council.

2. Upon receipt of the application, the rent administrator shall review the application and determine whether it is complete in accordance with Section 15.20.105. A rent increase application filed under this subsection shall be granted or denied within thirty (30) days of receipt of a complete application and written

notice of the determination by the rent administrator shall be mailed to the applicant and affected residents within that thirty (30) day period. If the rent administrator determines that an application is incomplete, written notice that an application has been determined incomplete and the reasons for that determination shall be given to the applicant by the rent administrator within thirty (30) days of receipt of the application. A written determination to grant a requested increase or a modified increase shall specify the duration and amount of the monthly rent adjustment granted. If a modified increase is granted, the written determination shall specify the reason for the modification. If an increase is denied, the written determination that the application has been denied shall specify the reasons for the denial. All written notifications shall be issued in accordance with Section 15.20.105(E).

B. Emergency Capital Improvements. The rent administrator may approve a capital improvement rent adjustment for emergency capital improvements, as defined Section 15.20.020 and in this subsection, even if the park owner did not hold a resident meeting and capital improvement ballot election prior to completion of the capital improvement, only upon the terms set forth in this subsection and the administrative rules. The purpose of this subsection is to allow the park owner an opportunity to seek approval of a capital improvement rent adjustment application in those situations in which compliance with the resident meeting and capital improvement ballot election procedures is not feasible or possible due to an imminent threat to public health and safety resulting from an emergency event which damages the park.

1. Approval shall not be granted for a rent adjustment based on emergency capital improvements unless the rent administrator finds that all of the following requirements are met:

a. The work meets the definition of an emergency capital improvement; and

b. There was no time to hold a resident meeting and capital improvement ballot election prior to carrying out the emergency capital improvements due to the need to immediately prevent or correct the imminent threat to public health and safety of the park, its residents and/or its neighbors; and

c. The park owner commenced construction of the emergency capital improvement not later than two weeks (fourteen (14) days) after the event constituting the emergency and completed the improvements as expeditiously as possible. "Commencement of construction" means that within two weeks of the emergency event, the park owner obtained signed contracts with contractors, builders and other third parties necessary to carry out the emergency capital improvements, obtained necessary permits and commenced substantial physical construction on the improvements. If physical construction did not actually begin within the two-week period, the city may find that the park owner commenced construction within the required two-week period if the park owner provides documentation establishing that within the two-week period all of the following were met: (i) the park owner obtained signed contracts for construction, (ii) the park owner obtained (or applied for and made reasonable efforts to obtain) all necessary permits, (iii) the park owner established a firm date for the commencement of construction, (iv) construction actually commenced in accordance with that time schedule, and (v) construction proceeded in an expeditious manner and was completed prior to submittal of the application; and

d. The application for a capital improvement rent adjustment based on emergency capital improvements is submitted to the city: (i) within one month (thirty (30) days) of completion of the improvements, or (ii) within four months from the date of occurrence of the emergency, whichever occurs later. In no event shall an application for a rent adjustment based on emergency capital improvements be submitted

more than six months after the occurrence of the emergency except as otherwise provided in the administrative rules.

2. Any increase granted under this subsection shall remain in effect only during the useful life of the emergency capital improvement. Any such increase shall not be included as part of the monthly space rent but shall be itemized as a separate charge on the residents' monthly rent statement.

C. Application for Approval of Capital Improvement Rent Adjustment following Denial of Emergency Capital Improvement Adjustment Application. If the city issues a final decision denying a park owner's application for a rent adjustment based on emergency capital improvements because the city finds that the work does not constitute an emergency capital improvement as defined in Section 15.20.020, or because the park owner failed to comply with the time deadlines set forth in subsection (B)(1)(c) or (B)(1)(d), the rent administrator shall not approve a subsequent capital improvement rent adjustment application based on the same work unless the park owner conducted a resident meeting and a capital improvement ballot election and either: (1) fifty-one (51) percent of the residents approved the improvement; or (2) the improvement was necessary for the health and safety of the park, its residents and/or its neighbors, as provided in the administrative rules. As used in this subsection, a "final decision" means either of the following: (1) a decision that becomes final due to the failure of the park owner or resident to file a timely appeal from the rent administrator's decision denying the emergency capital improvement rent adjustment application; or (2) a decision of the hearing officer denying the emergency capital improvement rent adjustment following a timely appeal of the rent administrator's decision on such application.

D. Exclusion of Capital Improvement Costs from Special Rent Adjustment Applications.

1. Costs incurred for capital improvements or emergency capital improvements shall not be included as operating expenses in an application for an MNOI rent adjustment or a rent adjustment based on a readjusted 1987 NOI under Section 15.20.100(A) or (B). If a park owner includes expenses for capital improvements or emergency capital improvements in any such application, those expenses shall be processed and heard by the hearing officer as a separate capital improvement rent adjustment application under subsection (A)(1) and (2) and the administrative rules. The city shall not approve a separate capital improvement rent adjustment unless such an application meets all requirements of subsection (A)(1), except that if the park owner held the resident meeting and capital improvement ballot election but did not obtain at least fifty-one (51) percent resident consent, the city shall not approve the application unless the city determines that the work qualifies as an improvement necessary for the health and safety of the park, its residents, and/or its neighbors and complies with all other requirements of subsection (A)(1) and (2) and the administrative rules.

2. Costs incurred for capital improvements shall not be included in a special rent adjustment application for a fair return under Section 15.20.100(C) except as expressly provided in the administrative rules. The requirements for a resident meeting, capital improvement ballot election and majority resident consent shall not apply to capital improvements submitted as part of a special rent adjustment application under Section 15.20.100(C).

E. Appeal of Rent Administrator Decision. Any decision of the rent administrator on the merits of a capital improvement rent adjustment or emergency capital improvement rent adjustment application pursuant to this section may be appealed to the hearing officer by filing an application for appeal within ten days of the date the rent administrator's written determination is mailed to the affected park owner and residents. Except as otherwise

provided in this subsection, appeals shall be filed, processed, and determined in accordance with Sections 15.20.105 and 15.20.110 and the administrative rules adopted by resolution of the city council.

(Ord. 351 §§ 2, 3, 2016; Ord. 311 § 5, 2011; Ord. 255 §§ 9, 10, 11, 2007; Ord. 214 § 3, 2002; Ord. 193 § 8, 1999: Ord. 161 § 7, 1996: Ord. 152, 1996; Ord. 140, 1995; Ord. 126 § 7, 1994)

15.20.090 Rent adjustments based on discontinuance or reduction of a service or amenity.

A. Application by Park Owners. A park owner may reduce or discontinue a service or amenity upon a commensurate decrease in rent, provided that the service or amenity is not required by other laws or to maintain health and safety and habitability standards. Prior to the reduction or discontinuance of the service or amenity, the park owner shall submit a rent decrease application to the city pursuant to the requirements of this subsection and Section 15.20.105 and the administrative rules adopted by resolution of the city council.

1. Upon receipt of the application, the rent administrator shall review the application and determine whether the application is complete in accordance with Section 15.20.105(A).

2. If the rent administrator determines that the application is complete, the rent administrator shall provide written notice to the applicant and residents pursuant to Section 15.20.105(B) and (E).

3. If the rent administrator determines that the application is incomplete, the rent administrator shall provide written notice to the applicant of the manner in which the application is incomplete, pursuant to Section 15.20.105(B), (C) and (D), and shall advise the applicant that he/she must submit the additional information or documentation within thirty (30) days of service of the notice. If the applicant fails or refuses to submit the additional information or documentation within the thirty (30) day time period, the rent administrator shall give mailed notice to the affected residents and the park residents' representative of the application and advise them that it is incomplete and of their right to submit opposition to the application pursuant to Section 15.20.105(E).

4. Applications shall be heard and determined by the hearing officer in accordance with Section 15.20.110 and the administrative rules adopted by resolution of the city council.

B. Applications by Residents. A resident or group of residents may apply for a rent decrease based on a discontinuance or reduction in services or amenities. At least thirty (30) days before filing such an application the resident(s) seeking the adjustment shall make a written request to the park owner that the service or amenity be restored. The application shall be filed in accordance with the requirements of this subsection and Section 15.20.105, and the administrative rules adopted by resolution of the city council.

1. Upon receipt of the application, the rent administrator shall review the application and determine whether the application is complete in accordance with Section 15.20.105(A).

2. If the rent administrator determines that the application is complete, the rent administrator shall provide written notice to the applicant and park owner pursuant to Section 15.20.105(B) and (E).

3. If the rent administrator determines that the application is incomplete, the rent administrator shall provide written notice to the applicant pursuant to Section 15.20.105(B), (C) and (D), and shall advise the applicant that he or she must submit the additional information or documentation within thirty (30) days of service of the notice. If the applicant fails or refuses to submit the additional information or documentation within the thirty (30) day time period, the rent administrator shall mail written notice to the affected park owner of the application and advise them that it is incomplete and of their right to submit opposition to the

application pursuant to Section 15.20.105(E). The park owner shall also be required to provide information concerning the cost of the service or amenity alleged to be discontinued or reduced within that time.

4. Any rent decrease granted pursuant to this subsection B shall be equal to the cost to the park owner of providing the service, maintenance or amenity. The resident(s) shall have the burden of proving that the service or amenity has been removed or decreased.

5. Applications shall be heard and determined by the hearing officer in accordance with Section 15.20.110, and the administrative rules adopted by resolution of the city council.

C. Appeals. The decision of the hearing officer on the merits of an application pursuant to subsection A or B of this section shall be final. (Ord. 315 § 1, 2012; Ord. 311 § 6, 2011; Ord. 255 §§ 12, 13, 2007: Ord. 193 § 9, 1999: Ord. 161 § 8, 1996: Ord. 126 § 8, 1994)

15.20.100 Rent increases by application to the hearing officer.

A park owner may seek a rent increase in addition to those permitted by Section 15.20.080 pursuant to subsections A, B and C of this section. The park owner shall bear the burden of proof and provide the evidence to justify a rent increase based on any application submitted under subsections A, B, and/or C of this section. Subsection A provides for increases under a maintenance of net operating income ("MNOI") formula and it is presumed in the absence of evidence to the contrary that the MNOI formula provides a fair or just and reasonable return. An application pursuant to subsection C cannot be filed unless an MNOI application has also been filed and the two applications can be heard together. However, an application can be filed under subsection A without filing an application under subsection C. Subsection B provides for modifications of the base year net operating income ("NOI") used in the MNOI formula under specified circumstances.

The applicant for a special adjustment under this section shall provide documentation of its income and expenses in the base year and of its income and expenses in each of the last five years or since its last special adjustment and such other information and documentation as is necessary to properly determine an MNOI calculation under subsections A and B and/or a fair return application under subsection C. An application cannot be deemed complete until information and documentation, as set forth in Section 15.20.105 and the administrative rules adopted by resolution of the city council, has been provided and the required filing fee paid to the city. Except as otherwise provided in the administrative rules, an application cannot be set for hearing before it is deemed complete. The factors and methodology for the hearing officer to determine the gross income, operating expense and net operating income shall be as set forth in the administrative rules adopted by resolution of the city council.

A. MNOI Rent Adjustment. It shall be presumed in the absence of evidence to the contrary, presented pursuant to subsection B of this section that the NOI earned by the mobilehome park in calendar year 1987 provided a just and reasonable return to the park. Except as otherwise provided in subdivision (1) of this subsection, park owners shall be entitled to increase the park's 1987 NOI by sixty-six and sixty-seven one hundredths (66.67) percent of the increase in the CPI since December 31, 1987, to October 28, 1996, and eighty (80) percent of the increase in the CPI from October 29, 1996, to the date of the application. In the event that there has been an increase of more than three percent in the vacancy rate in the park since the base year, any rent adjustment under this subsection shall be governed by subdivision (1) of this subsection. For the purposes of this subsection, the 1987 CPI shall be one hundred fourteen and eighty one hundredths (114.80) and the current CPI utilized in reviewing a rent increase application shall be the CPI last reported as of the date the application is deemed complete.

1. In the event that there has been an increase of more than three percent in the vacancy rate in the park since the base year, the city finds that it would be contrary to the purposes of rent stabilization to authorize additional rent increases for occupied spaces in order to offset reductions in income due to increased vacancies which occur because there is not sufficient demand to fill the vacant spaces at the legal rent ceiling. In effect, allowing additional rent increases for occupied spaces because there are more vacant spaces in a park would allow park owners to obtain higher rents from existing tenants, than it is possible to obtain from the prospective tenants, whose homes are still "mobile" and whose options have not been restricted by the process of moving into the park. Therefore, in the event that there has been an increase of more than three percent in the vacancy rate in the park since the base year, rent adjustments shall be governed by the following:

a. Gross income per rented space shall be computed based on the total gross income of the park divided by the total number of rented spaces. The park owner shall be entitled to increase the base year NOI per rented space by sixty-six and sixty-seven hundredths (66.67) percent of the increase in the CPI since December 31, 1987, to October 28, 1996, and eighty (80) percent of the increase in the CPI from October 29, 1996.

b. Calculations of base year and current year operating expenses may be adjusted by the hearing officer so that a reasonable comparison of the expenses and charges associated with rented spaces is obtained for the purpose of comparing base year and current year operating expenses and to adjust for variations in operating expenses due to the increased vacancy rate.

2. In the event a park has received a special adjustment since the base year, the income and expense year on which the special adjustment was based shall be deemed the base year for the purposes of evaluating a rent adjustment application, and the CPI used as the "current CPI" in determining the prior special rent adjustment shall be deemed the "base year CPI" for the purpose of evaluating the special rent adjustment application.

B. Rent Adjustment Based on Re-adjusted Base Year NOI. A park owner may rebut the presumption that the park's 1987 NOI provided a just and reasonable return at that time by presenting evidence as set forth in the administrative rules adopted by resolution of the city council.

C. Fair Return Rent Adjustment. A park owner may rebut the presumption that the increased calculations provided in subsection A of this section and modified calculations provided by subsection B of this section are sufficient to provide a just and reasonable return by presenting evidence that the rate of return being earned by the mobilehome park is not just and reasonable as set forth in the administrative rules adopted by resolution of the city council. The park owner shall have the burden of proving the park is not earning a just and reasonable return.

D. Resident Meeting. The city encourages the park owner to meet with the residents prior to a park owner's submittal of an application for a special rent adjustment pursuant to subsections A, B and/or C of this section, in order to facilitate ongoing dialogue and communication between the park owner and park residents regarding the need for and basis of a proposed special rent adjustment, and to allow the park owner and park residents an opportunity to resolve any issues and disputes prior to the park owner filing its special rent adjustment application. Suggested procedures for use by park owners and residents for resident meetings are set out in the administrative rules adopted by resolution of the city council.

E. Rent Adjustment Based on Voluntary Meet and Confer. The city encourages park owners and park residents to voluntarily meet and confer in good faith in order to reach agreement on a proposed MNOI rent adjustment under subsection A or an MNOI rent adjustment based on a readjusted Base Year NOI under subsection B. Any such negotiated special rent adjustment

shall be subject to all of the following requirements:

1. A special rent adjustment negotiated pursuant to a meet and confer shall not be effective unless consented to by at least fifty-one (51) percent of the regulated spaces in the park, and approved by the rent administrator, pursuant to the administrative rules adopted by resolution of the city council.

2. The special rent adjustment must be based upon an MNOI methodology, or MNOI based on a readjusted Base Year NOI, as provided in subsection A or B and the administrative rules. Costs associated with capital improvements shall be excluded.

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 hearing officer.

F. Nonretaliation. The city encourages park owners and residents to engage in the special rent adjustment procedures, including, but not limited to, resident meetings and meet and confer, without any fear of retaliation and in the spirit of cooperation.

G. An application filed under this section shall be reviewed and processed in accordance with Section 15.20.105 and the administrative rules established by resolution of the city council. 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, is complete in accordance with Section 15.20.105 and the administrative rules established by resolution of the city council. Hearings on applications shall be conducted in accordance with Section 15.20.110 and the administrative rules adopted by resolution of the city council. (Ord. 390 §§ 5, 6, 2020; Ord. 311 § 7, 2011; Ord. 255 § 14, 2007: Ord. 193 § 10, 1999: Ord. 161 § 9, 1996: Ord. 152, 1996: Ord. 126 § 9, 1994)

15.20.105 Complete applications.

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. 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 to the city in order for the application to be deemed complete by staff. All information and documentation submitted shall be paginated, labeled and correlated to the specific section, question or item of the city-approved form to which the information and/or documentation pertains. If an applicant or appellant fails or refuses to provide all required information or documentation in accordance with the format of the city-approved forms and these rules, or to pay the required filing fee, the rent administrator is authorized to deem the application or appeal incomplete. At the time the application or appeal is filed, the applicant or appellant shall also post in three conspicuous places in the park, a notice and a complete copy of the application or appeal. The notice shall be in accordance with the city-approved form, and shall advise the park residents or park owner that an application or appeal has been filed with the rent administrator. The park owner shall maintain the copies of the notice and application or appeal in each location in the park for review and inspection by the residents as required by the administrative rules, until the city has issued a final decision on the application or appeal. The applicant or appellant shall also provide any resident representative or park owner with any copies of the complete application, as required by the administrative rules adopted pursuant to this chapter.

B. Upon receipt of an application or appeal, the rent administrator shall determine whether the application or appeal is complete. Within thirty (30) days of receipt of the application or appeal, the rent administrator shall mail written notice to the applicant or appellant advising him or her whether the application or appeal is complete. If the rent administrator determines that the application or appeal is complete, the rent administrator shall also mail written notice to the affected residents or park owner advising them that a complete application or appeal has been filed and that they have the right to submit opposition to the application or appeal pursuant to subsection E. A copy of the application or appeal and the notice to the applicant shall also be concurrently mailed to the park residents' representative.

C. If the rent administrator determines that an application or appeal is incomplete, the rent administrator's written notification to the applicant or appellant shall include an explanation of the deficiencies, and the deadline by which the applicant or appellant must submit the additional documentation or information or filing fee necessary for the rent administrator to find that the application or appeal is complete. If the applicant or appellant fails to submit the additional information or documentation, or pay the required filing fee, to the city by the deadline, the rent administrator shall notify the applicant or appellant in writing that he or she has no more than an additional thirty (30) days to submit the information and documentation or pay the required filing fee necessary to deem the application complete. The rent administrator will also notify the applicant or appellant that failure or refusal to submit the necessary information and/or documentation by the stated deadline may impact the hearing officer's decision on whether the applicant or appellant met his or her burden of proof that he or she is entitled to any rent adjustment or the particular rent adjustment sought by the applicant; and that the application or appeal will not be set for hearing before the hearing officer until payment of the required filing fee.

D. Except as otherwise provided in subdivision (D)(1), if the applicant or appellant fails to submit the additional information or documentation within the deadline established under subsection C, the rent administrator shall provide written notice to the applicant or appellant that the application will be set for hearing on the merits, but that the hearing shall not constitute any determination by the city that the application or appeal is complete, or that the applicant or appellant met his or her burden of proof that he or she is entitled to a rent adjustment under this section. The rent administrator shall also mail a copy of the notice to the affected residents and their resident representative or park owner along with the notice advising them of their right to submit opposition to the application or appeal pursuant to subsection E.

1. An application or appeal shall not be deemed complete until the applicant pays the filing fee. If the application or appeal is incomplete due to the applicant's or appellant's failure to pay the filing fee and/or any required hearing deposit, the written notice shall inform the applicant or appellant that the application or appeal is incomplete and that the application or appeal will not be set for hearing until the filing fee and/or hearing deposit has been paid.

E. Written notice of the application or appeal shall be mailed by the rent administrator to the affected residents or park owner on the date on which it is determined to be either complete or incomplete.

1. If the rent administrator deemed the application or appeal complete, the notice shall inform the affected residents or park owner of the right to submit written, documentary and photographic responses to the application or appeal to the rent administrator within twenty (20) days of the date notice of the application is mailed by the city. The affected residents or park owner shall provide the applicant or appellant with copies of any response or opposition in

accordance with the requirements of the administrative rules adopted pursuant to this chapter. One copy of the application shall be furnished to the resident representative of the affected residents by the rent administrator together with the notice of the application.

2. If the rent administrator deemed the application or appeal incomplete following the failure or refusal of the applicant or appellant to submit all necessary information or documentation by the final deadline imposed pursuant to subsection C of this section, the rent administrator shall mail written notice of the incomplete application or appeal to either the residents or park owner on the date that the rent administrator issued his or her final notification to the applicant or appellant that the application or appeal is incomplete. The notice shall inform the affected residents or park owner of the right to submit written, documentary and photographic responses to the application or appeal to the rent administrator within twenty (20) days of the date notice of the application is mailed by the city. The affected residents or park owner shall provide the applicant or appellant with copies of any response or opposition in accordance with the requirements of the administrative rules adopted pursuant to this chapter. One copy of the application shall be furnished to the resident representative of the affected residents by the rent administrator together with the notice of the application.

F. Procedures for implementation of this section, including, but not limited to, the rent administrator's determination whether an application or appeal is complete shall be set forth in the administrative rules adopted by resolution of the city council (Ord. 390 § 7, 2020; Ord. 315 § 2, 2012; Ord. 311 § 8, 2011; Ord. 255 § 14, 2007: Ord. 193 § 10, 1999: Ord. 161 § 9, 1996: Ord. 152, 1996: Ord. 126 § 9, 1994)

15.20.110 Hearing procedures.

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 hearing officer from a rent administrator decision on an application under Section 15.20.085, shall be processed, heard and determined in accordance with this section.

A. A hearing before the hearing officer shall be held: (i) not later than sixty (60) days from the date on which the rent administrator determines the application or appeal is complete; or (ii) not later than sixty (60) days from the final thirty (30) day deadline by which the applicant or appellant must submit additional information or documentation to the city in order for the rent administrator to find that the application or appeal is complete, as provided in Section 15.20.105. If the applicant or appellant fails to pay the required filing fee, the application or appeal shall not be set for hearing until the filing fee has been paid.

B. The hearing officer shall render its decision in writing, including findings of fact: (i) within seventy-five (75) days after the date that the rent administrator determines that an application or appeal is complete; or (ii) not later than seventy-five (75) days from the final thirty (30) day deadline by which the applicant must submit additional information or documentation to the city in order for the rent administrator to find that the application or appeal is complete, as provided in Section 15.20.105.

C. Any decision of the hearing officer shall be final. (Ord. 390 § 8, 2020; Ord. 311 § 9, 2011; Ord. 255 § 14, 2007: Ord. 193 § 10, 1999: Ord. 161 § 9, 1996: Ord. 152, 1996: Ord. 126 § 9, 1994)

15.20.116 Recovery of application costs in connection with successful approval of a rent adjustment application to the hearing officer.

A. A park owner may seek a temporary rent adjustment to reimburse the park owner for the reasonable cost of professional services actually incurred by the park owner in preparing and presenting an application under Section

15.20.100 to the hearing officer as set forth in the administrative rules adopted by resolution of the city council. The park owner shall bear the burden of proof and shall provide the evidence to justify a temporary rent adjustment submitted under this section, and approval of the application will be conditioned upon the park owner's successfully obtaining approval of a rent adjustment pursuant to Section 15.20.100 of this chapter. Any temporary rent adjustment shall be amortized over a five-year period with interest at the rate of seven percent per year, compounded monthly, and any increase granted shall remain in effect only during the five-year period. Any such increase shall not be included as part of the monthly space rent but shall be itemized as a separate charge on the residents' monthly rent statement. Nothing in this provision shall preclude a park resident from paying the full amount of the temporary rent adjustment as one lump sum without any payment of interest, following issuance of the city's final decision. Any such lump sum payment shall be made in accordance with the administrative rules adopted by resolution of the city council.

B. The procedures, factors and methodology for submittal of applications and consideration by the hearing officer, shall be set forth in the administrative rules adopted by resolution of the city council. (Ord. 368 § 5, 2017; Ord. 311 § 11, 2011)

15.20.120 Rules and guidelines.

The rent administrator may adopt rules and procedures to implement the applications, notices, registration, verification and certification required by this chapter, and for the review of rent increase applications and the conduct of hearings. Such rules and guidelines shall be submitted to the city council for review and approval. (Ord. 193 § 13, 1999; Ord. 161 § 11, 1996; Ord. 126 § 11, 1994)

15.20.130 Remedies.

A. Any person who demands, accepts or retains any rent in excess of the maximum rent permitted by this chapter shall be liable in a civil action to the person from whom such payment is demanded, accepted or retained in the sum of three times the amount by which the payments demanded, accepted or retained exceed the maximum rent permitted by this chapter together with reasonable attorneys' fees and costs as determined by the court.

B. Any person violating any of the provisions of this chapter shall be guilty of an infraction and shall be punishable by a fine of not more than five hundred dollars ($500.00). Each violation of this chapter and each day during which any such violation is committed or continued shall constitute a separate offense.

C. The city council may institute a civil action to compel compliance with this chapter.

D. Any legal challenge to a final decision of the rent administrator on an annual adjustment under Section 15.20.080 must be filed within ninety (90) days of the date of service of the rent administrator's written decision and affidavit of mailing pursuant to California Code of Civil Procedure Section 1094.6 as now in effect or subsequently amended.

E. Any legal challenge to a final decision of the hearing officer granting, denying or modifying a rent adjustment under this chapter must be filed within ninety (90) days of the date of service of the hearing officer's written decision and affidavit of mailings, pursuant to California Code of Civil Procedure Section 1094.6 as now in effect or subsequently amended. The hearing officer's written decision shall be final upon the date that the rent administrator mails a copy of the hearing officer's written determination and affidavit of mailing to the park owner and park residents.

F. Conflicts between the administrative rules and rules adopted pursuant to this chapter shall be resolved in favor of this chapter. (Ord. 311 §§ 12, 13, 2011; Ord. 255 § 17, 2007; Ord. 193 § 14, 1999; Ord. 161 § 12, 1996; Ord. 126 § 12, 1994)

15.20.140 Biennial review.

This chapter shall be reviewed by the city council in odd-numbered years to determine whether it is still appropriate and whether there should be any modifications of its provisions. The Rent Administrator shall issue notice of the biennial review and submittal deadline to the Resident Representative (or if no representative, posted pursuant to Section 15.20.060) and advertised once in the local adjudicated newspaper. (Ord. 413 § 10, 2022; Ord. 193 § 15, 1999; Ord. 170 § 4, 1997; Ord. 161 § 13, 1996; Ord. 126 § 13, 1994)