ORDINANCE NO.

ORDINANCE OF THE CITY OF CHULA VISTA AMENDING CHAPTER 9.50 OF THE CHULA VISTA MUNICIPAL CODE "MOBILEHOME PARK SPACE RENT REVIEW" TO ADD SECTION 9.50.025 "MOBILEHOME RENT REVIEW HEARING OFFICER – CREATION OF POSITION – AUTHORITY", AMEND SECTION 9.50.030 "ADMINISTRATIVE FEE", AND AMEND VARIOUS SECTIONS TO STREAMLINE ADMINISTRATIVE FEE COLLECTION

WHEREAS, California State Mobilehome Residency Law allows local jurisdictions to establish rent control; and

WHEREAS, the City of Chula Vista has recognized the role of mobilehome parks and the need to regulate rents within such housing type since February 11, 1982; and

WHEREAS, on August 17, 1982 via Ordinance 1997, the City Council adopted Chapter 9.50, "Mobilehome Park Space Rent Mediation" (Chapter 9.50), of the Chula Vista Municipal Code (CVMC) establishing a mechanism for mediating mobilehome park space rents and establishing the basis for our current ordinance; and

WHEREAS, on May 7, 1991 via Ordinance 2451, CVMC Chapter 2.31 was added to create the Mobilehome Rent Review Commission (the "Commission"), and renamed Chapter 9.50 to "Mobilehome Park Space Rent Review"; and

WHEREAS, the Commission was created to provide an advisory body to provide an independent review of the disputes over rent increases in mobilehome parks within the City of Chula Vista under Chapter 9.50; and

WHEREAS, from 2011-2013 the City adopted various amendments to Chapter 9.50 resulting in no new rent review cases for over ten years and, the reduced need to meet with the Commission; and

WHEREAS, the infrequency of Commission meetings has resulted in administrative difficulty surrounding staffing of the commission or ensuring a quorum is available if the need for a Commission meeting arose and led staff to identify this at the November 8, 2022 City Council meeting where Citywide efforts to consolidate and enhance Boards and Commissions was presented; and

WHEREAS, to address current conditions and streamline administration, staff has identified new procedures to conduct rent review hearings by disbanding the Mobilehome Rent Review Commission and authorizing the City Manager, or designee, to act as the mobilehome rent review hearing officer; and

WHEREAS, staff recommends adding section 9.50.025, establishing the position of Mobilehome Rent Review Officer; and

WHEREAS, on August 18, 2011, via ordinance 3195, CVMC Chapter 9.50 the City adopted section 9.50.030 "Administrative Fee" to establish an administrative fee to provide the mobilehome residents services and benefits available to them only under Chapter 9.50, including, but not limited to, a rent calculation (via the annual permissive and exceeding the annual permissive) which results in reduced rents and related services; and

WHEREAS, on February 14, 2012, the City adopted "Mobilehome Park Space - Rent Review Administrative Fee Regulations" establishing a process for determining and collecting such fee; and

WHEREAS, section 9.50.030 currently requires an annual report to City Council regardless of any proposed changes to the fee; and

WHEREAS, in order to streamline administration, staff proposes to amend section 9.50.030 to only require an annual report when an amendment to the administrative fee is required; and

WHEREAS, City staff has identified other recommended, clean-up amendments to Chapter 9.50.

NOW, THEREFORE the City Council of the City of Chula Vista does ordain as follows:

Section I. Chapter 9.50, Mobilehome Rent Space Rent Review, is hereby amended to read as follows:

Chapter 9.50 MOBILEHOME PARK SPACE RENT REVIEW

[Sections 9.50.001 and 9.50.005 remain unchanged.]

9.50.010 Definitions.

[Definitions A through J remain unchanged.]

K. "Mobilehome Rent Review Hearing Officer" or "Hearing Officer" means the City Manager, or designee; the City Manager's designee may include a City staff member, at the Director level or above, or an independent third-party acting as an agent of the City, in the City Manager's discretion.

9.50.020 Legal requirements and procedures created.

This chapter creates legal requirements and procedures that must be followed when rent is increased in mobilehome parks. In the event a mobilehome park owner increases rent without complying with the provisions of this chapter, including but not limited to providing the required notice, the park owner may be held accountable for such failure through criminal, civil and administrative action in accordance with CVMC 9.50.100 and 9.50.102. A park owner who willfully and improperly collects rent shall be subject to repayment of up to three times the amount of rent improperly collected, after a hearing before the Mobilehome Rent Review Hearing Officer, or in a civil action brought by a mobilehome resident. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.025 Mobilehome Rent Review Hearing Officer - Creation of Position - Authority

A. In order to relieve the Mobilehome Rent Review Commission and the City Council of certain routine functions necessary to the proper administration of this chapter, the position of Mobile Home Rent Review Hearing Officer is created.

B. Authority. The Mobilehome Rent Review Hearing Officer shall have the authority to consider cases, preside at hearings, and make impartial decisions on matters based on the written materials prepared and submitted to the Hearing Officer prior to the hearing, and information received at the hearing, including any permitted testimony.

9.50.030 Administrative fee.

The City Council finds that this chapter provides unique benefits and services to a limited segment of the public, specifically mobilehome residents. Such benefits and services include, but are not limited to, a calculation of rents under this chapter (annual permissive and increase above annual permissive) that results in reduced rents and attendant ombudsman activities. An administrative fee shall be required of mobilehome residents to receive the benefits and services provided by this chapter. The aforementioned administrative fee shall be established as follows:

A. The City shall report to the City Council each fiscal year with a recommendation regarding the amount necessary to recover the costs of administering this chapter, and the proportion of said fee levied on the mobilehome residents based on the relative services provided. Notwithstanding the foregoing, if the City Manager or designee determines that the recommendation to the City Council would be to maintain the fee at its then-current level, the fee shall continue at that level, without City Council action required.

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- B. The administrative fee shall be set forth in the City of Chula Vista master fee schedule. The fee and manner in which to collect it shall be determined by the standards set forth in the City Council approved fee resolution. Pursuant to section 9.50.030.A., above, if the fee will not be increased in any given year, the standards adopted in the previous fee resolution shall remain in effect.
- C. This fee shall not be included in the rent base when calculating ministerial rent increases.
- D. This chapter shall apply to each mobilehome rental space within parks, except such spaces that are exempt from such fee because of a space rental agreement that meets the requirements of Section 798.17 of the California Civil Code. Such exemptions shall be verified as identified in the City Council approved fee resolution.
- E. The provisions of this chapter shall not apply and no petition will be accepted from a resident opposing a rent increase above the annual permissive and no hearing or other proceeding shall be scheduled or take place for a mobilehome space rent in which there is an unpaid administrative fee. The City shall establish a grace period for unpaid fees to be made current. For any new incoming residents to a park, charges for the fee shall not begin until the start of the next fiscal year of their first year of occupancy.
- F. Park owners shall notice individual residents one time annually by each May 1st with a "Courtesy Notice" as provided below. The aforementioned "Courtesy Notice" may be provided to a resident via U.S. mail, included in the monthly rental statement, or delivered to their residence or individual "in box" where rental statements may be placed. The noticing of residents under this paragraph shall not be a condition precedent to a rental increase.

ADMINISTRATIVE FEE COURTESY NOTICE

TO: RESIDENT

SUBJECT: CITY OF CHULA VISTA RENT CONTROL FEE

The purpose of this communication is to remind you of the City of Chula Vista's "Mobilehome Park Space Rent Review" ordinance (Chula Vista Municipal Code Chapter 9.50) and associated fee; the City will be billing for such fee prior to June 1st.

Please be advised that per Section 9.50.030(E) of the City's Municipal Code, in order to be eligible for rent control under the City's ordinance during the upcoming year, you must pay an administrative fee to the City. To be eligible you must meet the following criteria:

- 1) You own the coach/trailer;
- 2) You have a valid space rental agreement for a term of 12 months or less; and

3) The home is your principal residence.

If a resident does not pay the rent control fee for that year, the resident is no longer covered by the rent control ordinance for the period July 1-June 30 of the subsequent year. This means that the landlord can increase the rent on the resident's site to any amount chosen by the landlord. The amount of the increase will not be limited to the rent control increase amount (annual permissible rate) published by the City of Chula Vista or as otherwise provided in the rent control ordinance.

If the fee is not paid within 60 days (grace period) of the due date with any associated late fees, you will lose the protection of rent control and if the landlord raises your rent, the new rent level becomes your new base rent even if you pay the rent control fee in the future window of time when you can once again be covered by rent control, beginning July 1st of the subsequent year.

For additional information or if do not receive your bill from the city by June 7th, please call the City of Chula Vista mobile home information line at (619) 585-5600.

G. This section shall be operative July 1, 2012. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011).

[Sections 9.50.050 and 9.50.063 remain unchanged.]

9.50.064 Informal meeting requirements.

Within 10 days after service of a notice of increase, as provided in CVMC <u>9.50.063</u>, the park owner shall hold an informal meeting for the benefit of the affected residents to discuss the increase. It is hoped that such a meeting may lead to voluntary settlement of the dispute.

The meeting should be set for a time and date believed to be convenient for residents and may be changed to a different date based on the reasonable request of the majority of affected residents.

If a resident does not attend this meeting or is not represented by someone, he or she shall have no right to a hearing but may rely on other residents of the mobilehome park to cause a public hearing to be scheduled. The decision of the Mobilehome Rent Review Hearing Officer shall be applicable to all affected homeowners.

In the event that more than 50 percent of the resident(s) and park owner reach a voluntary written agreement of the increase in space rent, the rent shall be fixed as specified in CVMC <u>9.50.075</u>. Should the affected resident(s) and the park owner be unable to reach a voluntary settlement of the dispute in the increase in space rent, the resident shall be entitled to file a "Request for Hearing" form as permitted in CVMC <u>9.50.066</u> and <u>9.50.070</u>. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.066 Request for hearing form.

Mobilehome residents shall have a right to file for a hearing and determination by the the Mobilehome Rent Review Hearing Officer of rent increases in excess of the annual permissive rent increase. To file for such a hearing, a resident must deliver the request for hearing form to the City within 30 days of the delivery of "Notice of Rent Increase in Excess of the Annual Permissive Rent Increase" from the park owner or their agent.

The request for hearing shall be in substantively the form prescribed in Appendix One of this chapter. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.070 Initiation of space rent review.

- A. Request for Hearing. If a rent dispute cannot be resolved at a meeting with a park owner, a resident may initiate a rent review by the Mobilehome Rent Review Hearing Officer by filing a request for hearing with the City, in the form prescribed in CVMC 9.50.066 (the "Request").
- B. Scheduling of Hearing. Upon the filing of a Request for hearing in accordance with this chapter, the City shall notify the Mobilehome Rent Review Hearing Officer of such request, who shall schedule a hearing on the matter within 30 days after the date of receipt of such Request or as soon thereafter as practical. The City shall send written notice to the park owner and the resident(s) filing such Request for hearing of the time and place set for the hearing. The hearing will be noticed and held in a manner that provides due process to all affected parties. Should such hearing affect more than 50 percent of those spaces at the mobilehome park, the park owner or their agent shall post in a conspicuous place within the mobilehome park a copy of the written notice of the hearing. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.073 Factors to consider in fixing space rent through the hearing process.

If a proposed rental increase is submitted to the Mobilehome Rent Review Hearing Officer pursuant to the provisions of this chapter, the Hearing Officer shall determine the rent that affords the park owner a fair and reasonable return on investment, and, in doing so, shall consider the factors listed below. The Hearing Officer has the authority to request information and/or documentation related to these factors that will assist them in making such determination. The City and/or their designee shall review all evidence to be presented to the Hearing Officer for their consideration. The Hearing Officer's decision shall be based on the preponderance of the evidence at the hearing. The Hearing Officer shall consider the following factors:

A. The need for the proposed rental increase in order to permit the owner to secure a fair and reasonable return, when considering the existing rental scheme for all spaces in the park and all existing or expected expenses in owning and operating the park. A fair and reasonable return

may be determined by the Hearing Officer by reference to industry standards, risk of investment, or other acceptable standards.

- 1. In considering the existing or expected expenses in owning and operating the park in following prudent business practices, the Hearing Officer should consider the following or any similar or related items of expense, the reasonableness of such items, and changes to them:
 - a. Actual financial investment in park improvements.
 - b. Property or other taxes.
 - c. Mortgage or ground rent payments.
 - d. Utility costs.
 - e. Capital improvements or rehabilitation work.
 - f. Repairs required.
 - g. Other operating and maintenance costs. Operating costs shall not include the following:
 - i. Avoidable and unnecessary expenses, including refinancing costs;
 - ii. Any penalty, fees or other interest assessed or awarded for violation of this or any other law;
 - iii. Legal fees, except legal fees incurred in connection with successful good-faith attempts to recover rents owing, and successful good-faith unlawful detainer actions not in derogation of applicable law, to the extent same are not recovered from residents;
 - iv. Depreciation of the property;
 - v. Any expense for which the park owner has been reimbursed by any security deposit, insurance settlement, judgment for damages, settlement or any other method. Cost of replacement or repair incurred or necessary as a result of the park owner's negligence or failure to maintain, including costs to correct serious code violations at the park.
- 2. In considering the existing or expected income from owning and operating the park, the Hearing Officer should consider the rent schedule for all spaces in the park and any similar or related items verifying income for the mobilehome park for the last three years, the reasonableness of such items, and changes to them.

- B. Rate of return earned by the park owner in previous years as determined by a fair return analysis expert. All parties, including the City, shall have the right to hire their own expert.
- C. The extent to which the proposed rental increase will cause a reduction in the resale value of the mobilehome.
- D. Changes in the Consumer Price Index for all urban consumers in the San Diego Metropolitan Area published by the Bureau of Labor Statistics.
- E. Fair market rental value as determined by "comparables" of similar and existing mobilehome spaces or mobilehomes in the South Bay area of San Diego County, including those in Chula Vista, as determined by an MAI appraiser. All parties, including the City, shall have the right to hire their own independent MAI appraiser.
- F. The timing and amount of rents and increases for this and other spaces at the mobilehome park.
- G. The quantity and quality of the improvements and features at the mobilehome park and any decrease or increase in such improvements and features.
- H. The quantity and quality of services offered to park residents and any decrease or increase in such improvements and features. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.075 Fixing of space rent in excess of the permissive rent increase.

The rent on any particular mobilehome space shall be fixed as established herein. Any determination of fair, just, and reasonable rent determined by the Hearing Officer shall not be applicable to those spaces exempt from this chapter nor to those spaces not covered by the written notice of an increase in rent.

- A. In the event that the resident and an owner reach agreement as to the space rent in excess of the annual permissive rent increase for that calendar year, with or without the benefit of a hearing, the rent shall be fixed at the agreed upon rent at such time as the agreement is reached unless the agreement provides for a different effective date.
- B. In the event that the resident and an owner do not reach agreement, and the rent has been established by the Hearing Officer according to the procedures herein established, the rent shall be fixed at the rental rate so established by the Hearing Officer as of 90 days after the resident's original receipt of the notice of rent increase. The Hearing Officer shall have the right to fix a different date, if the Hearing Officer deems the park owner nonresponsive to the hearing requests.
- C. Consistent with its findings, the Hearing Officer may:

- 1. Permit the requested increase which is in excess of the annual permissive rent increase to become effective in whole or in part; or
- 2. Deny the increase which is in excess of the annual permissive rent increase.

However, the Hearing Officer may not set the rent lower than the pre-existing rent or higher than the amount contained in the notice of rent increase in excess of the annual permissive rent increase.

- D. *Unilateral Refusal to Participate in the Hearing Process*. In the event the Hearing Officer finds that the resident or owner has failed or refused to, in good faith, follow the procedure herein fixed for the establishment of rent, which may include but not be limited to refusal to attend noticed hearings or failure to provide a copy of all rent increase notices to residents, then the Hearing Officer shall fix the rent as follows:
 - 1. If the resident has failed or refused to follow the procedures herein fixed for the establishment of rent, then the rent shall be fixed at the rental rate contained in the notice of rent increase in excess of the annual permissive rent increase.
 - 2. If the owner has failed or refused in good faith to follow the procedures herein fixed for the establishment of rent, then the rent shall be fixed at the annual permissive rent increase.
- E. Waiver of Fixed Rent. Notwithstanding the aforementioned manner in which the rent shall be fixed, a refusal or failure, accompanied with the knowingly improper assertion that a greater rental is due by the owner or his or her agent, to accept a rent payment from a resident in an amount which is equal to or greater than the rent fixed by subsection (A), (B) or (C) of this section shall constitute a waiver by the owner of the right to collect said rent, in its entirety, for the rental period for which the rent was refused, unless the tenant consents, in writing, to waive the provisions of this subsection.
- F. All parties to the hearing shall be advised of the Hearing Officer's decision and be given a copy of the findings upon which the decision is based. The conclusions and findings of the Hearing Officer shall be final. Any party disputing the final conclusions and findings of the Hearing Officer may seek review of the Hearing Officer's actions pursuant to Sections 1094.5 and 1094.6 of the California Code of Civil Procedure. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

[Sections 9.50.076 and 9.50.077 remain unchanged.]

9.50.078 Right to mediate mobilehome resale price.

A. In line with the purpose of this chapter to maintain a supply of more affordable housing choices in the mobilehome market, it is the goal and objective of the City that a current mobilehome owner should not be able to command, due to limited mobilehome space

availability, a higher price for a mobilehome upon sale due to the fact that the rent is regulated by the provisions of this chapter. The City Council finds that there is currently no evidence that overcharging for mobilehomes is a significant problem in Chula Vista, and that it has little, if any, significant effect on the supply of more affordable housing choices in the City of Chula Vista, so as to require mobilehome resale price regulation by the City. The City Council finds that this is due, in part, to the annual permissive rent increases provided in this chapter. The City Council further finds that if, after time, it appears that the mediation process offered by this section is inadequate to address any potential problem with overcharging, it may reconsider more stringent control over mobilehome overcharging in the future.

B. The park owner shall post the following notice in a prominent place, in the on-site office:

NOTICE OF THE RIGHT TO MEDIATE THE PURCHASE PRICE OF MOBILEHOME

A potential purchaser of a mobilehome has the right to mediate the purchase price of a mobilehome, if you contend that the purchase price is higher because of rent regulation, than the purchase price might ordinarily be without rent regulation.

In order to submit the purchase price dispute, based solely on the grounds that the purchase price is more than would ordinarily be without rent regulation, between yourself and your potential seller to the Chula Vista Mobilehome Rent Review Hearing Officer for non-binding mediation you must:

- 1. Extend an offer to purchase the mobilehome, but not execute an agreement to purchase;
- 2. Sign and file with the city the form requesting mediation prior to executing a purchase agreement; and
- 3. Participate in the mediation process provided by the Mobilehome Rent Review Hearing Officer.
- C. If, prior to executing a mobilehome purchase agreement, the new or prospective mobilehome resident contends that the price at which the mobilehome is offered by the current mobilehome owner is higher because of rent regulation than the price of the mobilehome without rent regulation, the new or prospective mobilehome owner has the right, upon tender to the seller of an offer to purchase the mobilehome at a price acceptable to the new or incoming mobilehome owner, to submit the price dispute to the Mobilehome Rent Review Hearing Officer for mediation.
- D. Upon submittal of the price dispute to the Mobilehome Rent Review Hearing Officer by the new or prospective mobilehome owner, the Hearing Officer shall hear the dispute as soon as

practical, not sooner than 10 days' notice to the buyer and seller of the time and place at which the mediation shall occur. If the seller fails to appear, the Hearing Officer should hear the complaint and evidence of the new or prospective mobilehome owner for the purpose of creating a record of such abuses, if any. However, the Hearing Officer shall have no power to set the resale price of a mobilehome with or without the presence of the parties.

E. The purpose of the mediation, and the sole jurisdiction of the Hearing Officer in the mediation, is to get the parties to agree, if possible, to a price which reflects the value of the mobilehome as if the rents in the park were not regulated by this chapter. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

[Sections 9.50.079 and 9.50.080 remain unchanged.]

9.50.081 Proposed space rent increases at a time when there exist serious code violations at park.

The City Council finds that at times residents in parks have alleged that their rents are being increased, even though the park is in a state where serious code violations which affect the health, safety, and welfare of the residents exist. The City Council further finds that park owners should be required to operate and maintain their parks in substantial compliance with applicable codes and particularly in a manner which is not hazardous to the health, safety, and welfare of the residents. Therefore, in order to encourage compliance with code requirements and to protect the health, safety and welfare of park residents, the City Council finds that it is necessary and appropriate to establish a process to limit or prohibit increases in rents which are above the annual permissive rent increase unless and until it has been reasonably determined by City staff that no serious code violations as listed in Appendix Two hereto exist at the park which would be hazardous to the health, safety, and welfare of the residents.

Therefore, in a situation where a mobilehome park owner wishes to increase the rent in excess of the annual permissive rent increase, the City shall schedule an inspection of the subject mobilehome park consistent with Appendix Two within 21 calendar days of receiving a notice of such rent increase. Subject to staffing limitations, City staff will make a determination within 30 calendar days of the inspection of the subject mobilehome park as to whether or not a serious violation or violations exist within the park and whether it or they do adversely affect the health, safety, and general welfare of residents. The notice of such determination shall be provided to any homeowners association at the park, which is registered with the City, and to the park owner. The park owner may meet with City staff to discuss the violation(s) determined to exist and possible actions needed to cure such violation(s).

If a serious violation as specified above is determined to exist, the park owner may cure the violation, in which case the rent increase will become effective upon such cure, after the 90 days as specified in the notice of rent increase, or upon fixing of the space rents by the Hearing

Officer whichever date or event last occurs and in compliance with CVMC <u>9.50.063</u>. The park owner will receive written notification from the City of the cure of any such serious violation as determined by City staff. In the alternative, the matter of any alleged code violation shall be considered as part of the hearing process on the proposed increase or the park owner may request a hearing before the Mobilehome Rent Review Hearing Officer on the matter of the alleged violation's relation to the proposed rent increase. The Hearing Officer may take into consideration any code violation which has not been resolved, in determining to what extent a rent increase, if any, should be allowed. After making such determination, the Hearing Officer shall fix the rent as provided for in CVMC <u>9.50.082</u>.

It is not the intent of this section to delay rent increases, but to attempt to resolve serious code violations during the 90-day period required by state law prior to the effective date of any rent increase. This section does not limit or preclude the City from proceeding in accordance with all applicable laws against a park owner if it is found that a violation of code exists at the park. Furthermore, any review of the specific code violations listed in Appendix Two is not intended to substitute for the comprehensive inspection program for mobilehome/trailer parks administered by the City in compliance with Title 25 of the California Code of Regulations. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.082 Denial or partial reduction of rent increases based upon code violations.

The violations which may result in a denial or reduction in any proposed rent increase which is in excess of the annual permissive rent increase are limited to those listed in Appendix Two. Each year, the City shall send a copy of Appendix Two to each park for posting in a common area as required above. Violations listed in Appendix Two hereto may be modified from time to time by the City Manager without necessity of additional ordinance by the City Council.

In making a determination regarding whether to permit that rent increase which is in excess of the annual permissive rent increase when serious code violations exist, the Hearing Officer and City staff shall have the discretion to work with a park owner to bring a park into compliance over a period of time. If a park owner contends that immediate compliance would result in the immediate closure of a park, the Hearing Officer and City staff shall consider this contention and address the issues of compliance on a case-by-case basis. However, the City Council finds that compliance with the minimal health and safety standards provided for herein will not result in such closures. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.085 Compliance with law and posting and disclosure requirements.

A. Every mobilehome park owner shall comply with the provisions of the Mobilehome Residency Law (Chapter 2.5, Section <u>798</u> of the California Civil Code), and the provisions of this chapter. Also, a copy of the Mobilehome Residency Law and this chapter shall be prominently posted in a common area of each park's premises at all times.

- B. In addition, the information contained in the disclosure below shall be provided as follows:
 - 1. When a mobilehome in a park is to be sold and it will remain in the park, the seller shall show the disclosure to all potential buyers;
 - 2. The park owner will provide a copy of the disclosure to a buyer of a mobilehome that will remain in the park prior to signing of a rental/lease agreement; and
 - 3. A copy of the disclosure acknowledged by the buyer shall be an addendum to every rental agreement, copies of which shall be kept by both the park owner and resident.

MUNICIPAL CODE CHAPTER 9.50 ("RENT CONTROL") DISCLOSURE

Chula Vista Municipal Code Chapter <u>9.50</u>, Mobilehome Park Space Rent Review, governs all mobilehome park spaces for leases of 12 months or less. For leases of more than 12 months, Chapter <u>9.50</u> does not apply, per Section <u>9.50.012</u> and State law.

Chapter 9.50 generally applies to, but is not limited to, rent control measures. Of particular interest is Section 9.50.077, which prohibits rental petitions upon change of ownership or space vacancy.

Once in place, existing resident rights are defined in Section <u>9.50.063</u>, which details the noticing requirements for increases in space rent. Please initial to acknowledge reading of each section:

(initial) 1. I understand that in order to be eligible for rent control within the
City of Chula Vista my rental agreement terms must be eligible under State law and
meet the following criteria: (1) the coach/trailer is owned by the resident; (2) the
resident has a valid space lease/rental agreement for a term of 12 months or less;
and (3) it is the resident's principal residence.

_____(initial) 2. I further understand that under Section <u>9.50.030</u> I must pay an administrative fee to have my space protected by rent control. The City will send a bill in June of my first year of residency and each subsequent June to receive the benefits and services provided for in Chapter 9.50. Failure to pay the fee means my space will not be subject to rent control and the information in the remainder of this disclosure will not be applicable to my space.

____(initial) 3. If I receive a written statement of rental increase where the "cumulative annual increase" (total rent increase for the space within the past year) is greater than the applicable change in the CPI, when the CPI is three percent (3%) or less, and 75 percent of that change in the CPI above three percent (3%) I have the

rights to petition such increase to the City after attending an informal meeting with
the park owner where we shall attempt to negotiate, in good faith, a fair rental rate.
(initial) 4. If resolution to the rental dispute is not reached at the informal meeting, I may request a hearing before the City of Chula Vista Mobilehome Rent Review Hearing Officer for enforcement of Chapter 9.50 within 30 days of receiving such written statement of rental increase by submitting a Request for Hearing Form to the City of Chula Vista, the address of which is listed below.
A copy of the Mobilehome Rent Review Ordinance is available at the City of Chula Vista, Attn: Mobilehomes, 276 Fourth Avenue, Chula Vista, CA 91910 or one can be obtained from park management.
Acknowledgment:
Mobilehome Owner Signature
Date:
Printed Name

(Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

9.50.087 Implementation guidelines.

The City may adopt guidelines or regulations to aid in the implementation of this chapter and to assure a fair hearing process. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

[Sections 9.50.090 and 9.50.092 remain unchanged.]

9.50.100 Civil and administrative remedies.

- A. *Civil Action*. Any person who demands, accepts, receives or retains any payment of rent in excess of the maximum rent allowable by this chapter shall be liable in a civil action, including unlawful detainer, to the person upon whom the demand was made or from whom the rent was accepted in an amount of up to triple the amount of such improperly collected rent, and for such reasonable attorney's fees and costs as may be determined by the court.
- B. *Administrative Action*. In the event any owner is determined, after a duly noticed hearing by the Mobilehome Rent Review Hearing Officer, to have willfully and improperly collected rents or other fees or charges, the Hearing Officer may, on the basis of evidence received at such hearing supporting a determination that such rents, fees or charges were willfully and improperly collected, require a reduction in rent or a reimbursement of such improperly collected rents, fees,

or charges, in an amount of up to triple the amount of such improperly collected rents, fees or charges. (Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011; Ord. 2862 § 1, 2002).

[Sections 9.50.102 and 9.50.115 remain unchanged.]

Appendix One

NOTICE – RENT INCREASE IN EXCESS OF THE ANNUAL PERMISSIVE RENT INCREASE

IF YOU DO NOT TAKE ACTION TO REQUEST A HEARING BY THE MOBILEHOME RENT REVIEW HEARING OFFICER WITHIN THIRTY DAYS, THIS INCREASE SHALL BE AUTOMATICALLY EFFECTIVE ON (DATE) [Not sooner than ninety days after date of notice.], EXCEPT AS PROVIDED IN SECTION 9.50.079 ET SEQ AND SUBJECT TO THE NOTICING REQUIREMENTS CONTAINED THEREIN

This is a notice of a rent increase which exceeds the annual permissive rent increase as
set forth in Section <u>9.50.050</u> of the City of Chula Vista's Municipal Code. An annual
rent increase of the percentage increase of the Consumer Price Index (CPI) for the most
recent twelve (12) month period, as reported by the Bureau of Labor Statistics,
preceding this notice, when the CPI is three percent (3%) or less, and 75 percent of that
change in the CPI above three percent (3%) is allowed without a right to a hearing of
the Hearing Officer. The CPI is% and the annual permissive rent increase is
%. This increase is% of your current rent.

Additionally, this is your notice that Chapter <u>9.50</u> of the City of Chula Vista Municipal Code specifies that rents in excess of the annual permissive rent increase as set forth in Section <u>9.50.050</u> cannot be automatically increased for any park when there exists serious violations of applicable codes, as specifically listed in Appendix Two to Chapter 9.50.

Under the city's Municipal Code, you are entitled to the following rights:

- 1. **Informal Meeting.** I am required to hold a meeting with the residents to discuss the general reasons for the increase. The meeting will be at ______ [state time (must be within ten days) and place (should be at mobilehome park)]. Under the City's ordinance, owners and residents are encouraged to attempt to resolve differences and reach a voluntary agreement regarding this increase.
- 2. **Right to a Hearing.** If you have paid the administrative fee described in Section 9.50.030 for this fiscal year (July 1-June 30), you have the right to file for a hearing and determination by the Mobilehome Rent Review Hearing Officer by delivering a form as

described in Section <u>9.50.066</u>. You may file for such hearing only if you or your representative attends the meeting to discuss the increase. To file for such hearing you must deliver the request for Hearing form to the City within thirty days of the date this notice is served on you.

If you are unable to attend the meeting as scheduled, you may elect to send a representative. Please submit in writing to the park owner and the City notification that you have elected to be represented at such meeting by another party and stating the name of your representative.

- 3. **Failure to Attend Informal Meeting.** If a resident does not attend this meeting or is not represented by someone, he or she shall have no right to a hearing but may rely on other residents of the mobilehome park to cause a public hearing to be scheduled. In the event a request for hearing is initiated, the action will include the rent increase issues with regard to all the affected residents.
- 4. **Review of Serious Code Violations.** In order to establish a minimal level of health and safety standards which must exist in all mobilehome parks prior to any rent increase in excess of the annual permissive rent increase, the City will conduct an inspection of this mobilehome park in compliance with the requirements of Section 9.50.079 and based upon Appendix Two. A list of the specific code violations which apply may be obtained from the City during normal business hours, and is required to be posted in a common area of each park's premises at all times.

The City will provide notice of its determination as to whether or not a serious violation or violations exist at the mobilehome park and whether it or they do adversely affect the health, safety, and general welfare of residents to any homeowners association at the park, which is registered with the City, and to the park owner. It is the City's intent to attempt to resolve serious code violations during the 90-day period required by State law prior to the effective date of any rent increase. Sections 9.50.080 does not limit or preclude the City from proceeding in accordance with all applicable laws against a park owner if it is found that a violation of code exists at the park.

The following space numbers are subject to this increase: [insert numbers of affected spaces].

If you have questions, or need more information regarding the hearing process or
serious code violations, you can call the City at (619) 585-5722.

Park Owner/Manager Date

Rent Increase in Excess of the Annual Permissive Rent Increase

The undersigned hereby requests a hearing before the Mobilehome Rent Review

Hearing Officer with regard to a proposed rent increase described in the attached notice – Rent Increase in excess of the annual permissive rent increase relating to the
Mobilehome Park. [Note: make certain you attach a copy of the notice of Rent Increase you received from the park owner.]
The undersigned is a resident of the park and has attended a meeting with the park owner, or sent a representative on his behalf, as required in Section <u>9.50.064</u> of the Chula Vista Municipal Code. The dispute has not been settled. The undersigned has also paid the administrative fee required under Section <u>9.50.030</u> .
It is understood that this request is irrevocable and that it may be relied on by other residents of the mobilehome park to cause a public hearing to be scheduled, and that the Mobilehome Rent Review Hearing Officer will schedule a public hearing to consider the proposed rent increase, taking into consideration the factors described in Chula Vista Municipal Code Section 9.50.073, and that the decision of the Mobilehome Rent Review Hearing Officer shall be applicable to all affected homeowners and shall be final and binding.
Signed
Print Name
Address
Telephone No
Date
[The completed form must be delivered to the City of Chula Vista, Attn: Mobilehomes, 276 Fourth Avenue, Chula Vista CA 91910]
(Ord. 3255 § 1, 2013; Ord. 3195 § 1, 2011).
[Appendix 2 remains unchanged.]

Section II. Severability

If any portion of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid, unenforceable or unconstitutional, by a court of competent jurisdiction, that portion shall be deemed severable, and such invalidity, unenforceability or unconstitutionality shall not affect the validity or enforceability of the remaining portions of the Ordinance, or its application to any other person or circumstance. The City Council of the City of Chula Vista hereby declares that it would have adopted each section, sentence, clause or phrase of this

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Ordinance, irrespective of the fact that any one or more other sections, sentences, clauses or phrases of the Ordinance be declared invalid, unenforceable or unconstitutional.

Section III. Construction

The City Council of the City of Chula Vista intends this Ordinance to supplement, not to duplicate or contradict, applicable state and federal law and this Ordinance shall be construed in light of that intent.

Section IV. Effective Date

This Ordinance shall take effect and be in force on the thirtieth day after its final passage.

Section V. Publication

The City Clerk shall certify to the passage and adoption of this Ordinance and shall cause the same to be published or posted according to law.

Presented by	Approved as to form by
Stacey Kurz	Marco A. Verdugo
Director of Housing and Homeless Services	City Attorney