

San Luis Obispo County Code

Title 25

MOBILEHOME RENT STABILIZATION

Chapters

<u>25.01</u>	<u>Purpose and Intent</u>	(click here)	Page 2
<u>25.02</u>	<u>Definitions</u>	(click here)	Page 3
<u>25.03</u>	<u>Exemptions</u>	(click here)	Page 4
<u>25.04</u>	<u>Mobilehome Rent Review Board</u>	(click here)	Page 4
<u>25.05</u>	<u>Powers and Duties of the Board</u>	(click here)	Page 5
<u>25.06</u>	<u>Determination of Base Rent and Allowable Increases</u>	(click here)	Page 5
<u>25.07</u>	<u>Hardship Exception -- Application</u>	(click here)	Page 6
<u>25.08</u>	<u>Conduct of the Hearing</u>	(click here)	Page 7
<u>25.09</u>	<u>Standards of Review</u>	(click here)	Page 7
<u>25.10</u>	<u>Decision of the Board</u>	(click here)	Page 8
<u>25.11</u>	<u>Appeals</u>	(click here)	Page 8
<u>25.12</u>	<u>Tenant's Right of Refusal</u>	(click here)	Page 9
<u>25.13</u>	<u>Retaliatory Eviction</u>	(click here)	Page 9
<u>25.14</u>	<u>Owner to Provide Copy of this Title</u>	(click here)	Page 9
<u>25.15</u>	<u>Severability</u>	(click here)	Page 9

Chapter 25.01 PURPOSE AND INTENT*

Section: 25.01.010

Purpose and intent.

(a) There is presently within the county of San Luis Obispo a shortage of spaces for the location of existing mobilehomes. Because of this shortage, there is a very low vacancy rate and rents have been for several years, and are presently, rising rapidly and causing concern among a substantial number of San Luis Obispo County residents.

(b) Mobilehome tenants, forced by the lack of suitable alternative housing, have had to pay the rent increases and thereby suffer a further reduction in their standard of living.

(c) Because of the high cost and impracticability of moving mobilehomes, the potential for damage resulting therefrom, the requirements relating to the installation of mobilehomes, including permits, building requirements, landscaping and site preparation, the lack of alternative homesites for mobilehome residents and the substantial investment of mobilehome owners in such homes, it is necessary to protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a suitable profit on their property with rental income sufficient to cover increases in the costs of repair, insurance, maintenance, utilities, employee services, additional amenities, and other costs of operation, and to receive a fair return on their property.

(d) It has been found that the present low vacancy rate and frequent rent increases are particularly hard upon and unfair to residents of mobilehome parks within the county. Large numbers of these residents are senior citizens and others on fixed incomes who installed their mobilehomes in the county when inflationary rent increases could not reasonably have been foreseen.

(e) However, it is recognized that a rent stabilization ordinance must be fair and equitable for all parties and must provide appropriate incentives to mobilehome park operators to continue their parks' profitably, as well as to attract additional investors for new parks. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

* Title 24, renumbered to be Title 25 by Ordinance 2342, was adopted by the voters as an initiative measure on June 5, 1984. Pursuant to Elections Code Section 3719, no ordinance adopted by initiative may be repealed or amended except by a vote of the people.

Chapter 25.02 DEFINITIONS

Section: 25.02.010

Definitions.

For the purpose of this title certain words and phrases used herein are defined as follows:

(a) "Mobilehome park rent review board" or "board" means the mobilehome park rent review board established by this chapter.

(b) "Capital improvements" means those improvements that materially add to the value of the property and appreciably prolong its useful life or adapt it to new uses, and which may be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and regulations issued pursuant thereto, provided that this definition shall be limited to capital improvements either approved by more than fifty percent of the tenants in the affected park or constructed to comply with the direction of a public agency.

(c) "Mobilehome park" means an area of land which rents spaces for mobilehome dwelling units.

(d) "Mobilehome park owner" or "owner" means the owner, lessor, operator or manager of a mobilehome park.

(e) "Mobilehome tenant" or "tenant" means any person entitled to occupy a mobilehome within a mobilehome park pursuant to ownership of the mobilehome or under a rental or lease agreement with the owner of the mobilehome.

(f) "Rehabilitation work" means any renovation or repair work completed or in a mobilehome park performed in order to comply with the direction or order of a public agency or to repair damage resulting from fire, earthquake or other casualty.

(g) "Space rent" means the consideration, including any security deposits, bonuses, benefits or gratuities, demanded or received in connection with the use and occupancy of a mobilehome space in a mobilehome park, or for housing services provided, but exclusive of any amount paid for the use of a mobilehome dwelling unit.

(h) Just and Reasonable Return on the Property. The phrase "just and reasonable return on the property" shall mean a return based upon the actual capital investment of the owner of the mobilehome park as of December 31, 1982, which will allow an efficient owner a rate of return, with adjustments for inflation or deflation, sufficient to enable the owner to maintain the same net profit as obtained in the year January 1, 1982 to December 31, 1982. The phrase "just and reasonable return on the property" for any mobilehome park completed after December 31, 1982, shall mean a return based upon the actual capital investment of the owner of the mobilehome park as of the date of completion, which will allow an efficient owner a rate of return, with adjustments for inflation or deflation, sufficient to enable the owner to maintain a reasonable profit. The phrase "just and reasonable return on the property" for any mobilehome park purchased after December 31, 1982, shall mean a return based upon the actual capital investment of the owner of the mobilehome park at the time of purchase which will allow an efficient owner a rate of return, with adjustments for inflation or deflation sufficient to enable the owner to maintain the same net profit as obtained in the first full fiscal year after the purchase. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.03 EXEMPTIONS

Section: 25.03.010

Exemptions.

The provisions of this chapter shall not apply to the following tenancies in mobilehome parks:

- (a) Mobilehome park spaces rented for nonresidential uses;
- (b) Mobilehome parks managed or operated by the United States Government, the state of California or the county of San Luis Obispo;
- (c) Tenancies which do not exceed an occupancy of twenty days and which do not contemplate an occupancy of more than twenty days;
- (d) Tenancies for which any federal or state law or regulation specifically prohibits rent regulation;
- (e) Tenancies covered by leases or contracts which provide for more than a month-to-month tenancy, but only for the duration of such lease or contract. Upon expiration of or other termination of any such lease or contract, this title shall immediately be applicable to the tenancy;
- (f) Mobilehome parks which sell lots for factory-built or manufactured housing, or which provide condominium ownership of such lots, even if one or more homes in the development are rented or leased out. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.04 MOBILEHOME RENT REVIEW BOARD

Section: 25.04.010

Mobilehome rent review board.

- (a) There is established a mobilehome rent review board consisting of three members who are elected county officials other than members of the board of supervisors.
- (b) There shall be three regular members and two alternate members to serve in the absence or disqualification of regular members.
- (c) The regular members shall be (1) the county assessor, (2) the county auditor and (3) the county clerk-recorder. The first alternate shall be county treasurer-tax collector-public administrator and the second alternate shall be the county sheriff-coroner.
- (d) The board members and the alternates shall be persons who are not connected with the mobilehome rental housing industry for their personal gain. None of the members or alternates shall be tenants of a mobilehome park or have any financial interest (as defined by state law) in any mobilehome park. The members and alternates shall file a declaration to this effect in the office of the county clerk.
- (e) Board members and alternates shall not be compensated for their services as such, but may receive reimbursements as provided by the board of supervisors for traveling and other expenses incurred while on official duty.
- (f) Terms of board members and alternates shall be the same as their term of office for their elected position. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.05 POWERS AND DUTIES OF THE BOARD

Section: 25.05.010

Powers and duties of the board.

Within the limitations provided by law, the board shall have the following powers and duties:

- (a) To meet from time to time as required by the board of supervisors and to utilize the county offices, facilities and personnel as needed;
- (b) To receive, investigate, hold hearings on, and pass upon the issues relating to mobilehome park rent stabilization as set forth in the chapter, or to any decreases in, or charges for, services or facilities;
- (c) To make or conduct such independent hearings or investigations as may be appropriate to obtain such information as is necessary to carry out its duties;
- (d) To increase or decrease maximum rents upon completion of its hearings and investigations;
- (e) To render after every rent review hearing a written report to the board of supervisors concerning its activities, holdings, actions, results of hearing, and all other matters pertinent to this chapter which may be of interest to the board of supervisors;
- (f) To adopt, promulgate, amend and rescind administrative rules, as it deems appropriate to effectuate the purposes and policies of this chapter. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.06 DETERMINATION OF BASE RENT AND ALLOWABLE INCREASES

Section: 25.06.010

Determination of base rent and allowable increases.

- (a) (1) Base Rent. The base rent for purpose of this chapter shall be the monthly space rent as of December 31, 1982. Any reduction in services or amenities after December 31, 1982, shall result in a corresponding decrease in rents.
(2) Lease Expiration. Upon the expiration of any lease, the new space rent shall be the rent in effect at the expiration of such lease.
- (b) Except as otherwise provided in this chapter, the maximum monthly space rent may be increased no more than once a year by an increase over the then existing space rent equal to sixty percent of the cost of living increase (All Urban Consumers, Los Angeles, Long Beach, Anaheim area as furnished by the Division of Labor Statistics and Research, State of California, Department of Industrial Relations) for the preceding twelve-month period.
- (c) Calculation of the one-year limitation on rental increases as provided herein shall be from the date the last increase became effective at the park.
- (d) No Owner shall either (1) demand, accept or retain a rent from a tenant in excess of the maximum rent permitted by this chapter or (2) effect a prohibited rent increase by a reduction of general park facilities or services. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Section: 25.06.011

Continued control of rents on change of ownership.

The maximum space rent may be increased by the park owner when there is a change of ownership of a mobilehome unit. However, such increase may not exceed ten percent of the previous space rent. Space rent increases are not restricted by this title for mobilehome spaces which become vacant due to a change of ownership and the relocation of a mobilehome unit outside of the mobilehome park. Nothing in this section shall preclude any adjustments as may be otherwise provided for in this title. (Meas. F S. 1, passed by voters November 8, 1994)

Chapter 25.07 HARDSHIP EXCEPTION -- APPLICATION

Section: 25.07.010

Hardship exception -- Application.

(a) An owner who has been required to make extraordinary expenditures, or has incurred costs of such amounts that he will be unable to make a just and reasonable return on his property given the maximum increase permitted by the section above, may file with the board an application for a rent increase for one or more spaces or application to reduce, or charge for, certain services of facilities, in either event referred to hereinafter as "application" or "application for rent increase."

(b) An application for rent increase pursuant to this section shall be accompanied by the payment of a fee of three hundred dollars. The application shall specify, as applicable, the address of the mobilehome park, the space number or numbers for which rent is requested to be increased, the amount of the requested rent increase or service or facilities reduction or charges, the proposed effective date of such increase, reduction or charge and the facts supporting the application. The applicant shall produce at the request of the board any records, receipts, reports or other documents that the board may deem necessary for the board to make a determination whether to approve the application.

(c) The owner shall serve each affected tenant, either personally, or by mail, with notice of the rent increase or decrease or change in services or facilities requested and with notice that application or approval of same is being filed with the board. Proof of service complying with the title and all applicable state laws shall be filed with the board concurrent with the filing of the application. Copies of the application shall be available free of charge to any affected tenants requesting same at the business office in the affected park.

(d) The board shall set a hearing on the application complying with the requirements of the section no less than ten days and no more than thirty days after receipt of the application and proof of service. The board shall notify the owner and tenants, in writing, of the time, place and date set for the hearing. No hearing or any part thereof may be continued beyond thirty days after the initial hearing date without the owner's consent. If the board approves an application as requested or as modified, the same shall take effect as noticed by the owner or as the board may otherwise direct. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.08 CONDUCT OF THE HEARINGS

Section: 25.08.010

Conduct of the hearing.

(a) All review hearings held by the board shall be conducted in accordance with the Ralph M. Brown Act, at Section 54950 et seq. of the California Government Code.

(b) All interested parties to a hearing may have assistance from an attorney or such other person as may be designated by the parties in presenting evidence or in setting forth by argument their positions. All witnesses shall be sworn in and all testimony shall be under penalty of perjury.

(c) In the event that either the owner or the tenant(s) should fail to appear at the hearing at the specified time and place, the board may hear and review such evidence as may be presented, and make such decisions as if all parties had been present.

(d) Applicant and affected tenants may offer any relevant evidence and the formal rules of evidence shall not apply.

(e) The board shall maintain a record of all proceedings by electronic recording or by use of a court reporter. Either the applicant or tenants will have the right to procure the services of a court reporter at their own expense to record and transcribe the proceedings. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.09 STANDARDS OF REVIEW

Section: 25.09.010

Standards of review.

In evaluating the application the board may consider, along with all other factors it considers relevant, changes in costs to the owner attributable to an increase or decrease in utility rates, property taxes, insurance, advertising, variable mortgage interest rates, employee costs, normal repair and maintenance, master land and/or facilities lease rent provided such lease to a bona fide third party existed prior to January 1, 1983, and other considerations, including, but not limited to, rehabilitation work, capital improvements, upgrading and addition of amenities or services, net operating income and the level of rent necessary to permit a just and reasonable return on the owner's property. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.10 DECISION OF THE BOARD

Section: 25.10.010

Decision of the Board.

(a) The board shall make a final decision no later than twenty days after the conclusion of its hearing. The board's decision shall be based on the preponderance of the evidence submitted at the hearing. The decision shall be based on findings. All parties to the hearing shall be advised by mail of the board's decision and findings.

(b) Pursuant to its findings, the board may (1) permit the requested rent increase to become effective, in whole or in part, or (2) deny the requested rent increase, or (3) permit or deny, in whole or in part, requested reductions of or charges for, facilities or services.

(c) Any decision of the board shall be final unless, within fifteen days after mailing of the decision and findings the owner or any affected tenant appeals the decision to the board of supervisors. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.11 APPEALS

Section: 25.11.010

Appeals.

(a) Any appeal from a decision of the board shall be filed with the county clerk. The date for consideration of the appeal shall be set by the county clerk no less than ten days nor more than thirty days after the expiration date for filing of an appeal. Notice of the date, time and place shall be given by the county clerk to the owner and all affected tenants.

(b) At the time set for consideration of the appeal, the board of supervisors shall review and consider the record of board hearing and the decision and findings of the board. After review and consideration, the board of supervisors may either: (1) determine that a further hearing shall be held, to be conducted before the board of supervisor at the second regular meeting of the board of supervisors following the determination that such further hearing is necessary; or (2) ratify and adopt the decision and findings of the board.

If a further hearing is conducted, the board of supervisors may, upon conclusion of the hearing, and in no event more than thirty days thereafter, modify, reverse or uphold the decision of the board, and shall make the findings in support thereof. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.12 TENANT'S RIGHT OF REFUSAL

Section: 25.12.010

Tenant's right of refusal.

A tenant may refuse to pay any increase in rent not made in conformity with this chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a mobilehome space or to collect the rent increase. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.13 RETALIATORY EVICTION

Section: 25.13.010

Retaliatory eviction.

Notwithstanding Section 25.12.010, in any action brought to recover possession of a mobilehome space, the court may consider as grounds for denial any violation of any provisions of this title. Further, the determination that the action was brought in retaliation for the exercise of any rights conferred by this title shall be grounds for denial. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.14 OWNER TO PROVIDE COPY OF THIS TITLE

Section: 25.14.010

Owner to provide copy of this title.

Any tenant offered a lease or contract which is accepted would come under the provisions of this act and shall be provided with a copy of this title by the mobilepark owner. (Ord. 2342 S. 4 (Exh. A) (part), 1988).

Chapter 25.15 SEVERABILITY

Section: 25.15.010

Severability.

If any provision of any clause of this title or the application thereof to any person or circumstance is held to be unconstitutional or to be otherwise invalid by a final judgement of any court of competent jurisdiction, such invalidity shall not affect other provisions or clauses or applications thereof which can be implemented without the invalid provision or clause or application, and to this end, the provisions and clauses of this title are declared to be severable. (Ord. 2342 S. 4 (Exh. A) (part), 1988).