



**COMMUNITY DEVELOPMENT COMMISSION/
HOUSING AUTHORITY
of the County of Los Angeles**

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August 14, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**INTERIM URGENCY ORDINANCE TO IMPOSE A MORATORIUM PROHIBITING
MOBILEHOME SPACE RENT INCREASES FOR A PERIOD OF ONE HUNDRED
EIGHTY (180) DAYS
(ALL DISTRICTS) (4 VOTES)**

SUBJECT

This Board Letter recommends that your Board adopt an interim urgency ordinance to impose a 180-day moratorium on rent increases in excess of three percent (3%) per year for mobilehome spaces that are leased for a period of 12 months or less in all mobilehome parks in the unincorporated areas of Los Angeles County.

IT IS RECOMMENDED THAT THE BOARD:

1. Find that approval of this ordinance is exempt from the California Environmental Quality Act, for the reasons stated in this letter and in the record.
2. Adopt an interim urgency ordinance to impose a 180-day moratorium on rent increases in excess of three percent (3%) per year for mobilehome spaces that are leased for a period of 12 months or less.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On February 13, 2018, your Board instructed the Community Development Commission of the County of Los Angeles (Commission), in consultation with the Director of Planning, Director of Consumer and Business Affairs (DCBA), the Chief Executive Office, and County Counsel to report back within six months with recommendations for a Mobilehome Space Rent Regulation Ordinance informed by appropriate legal analysis, existing

conditions surveys, market analysis, best practices from other jurisdictions, and stakeholder engagement.

Additionally, the Board instructed County Counsel to report on the County's ability to freeze space rents for mobilehomes as an interim measure to prevent unreasonable space rent increases that might be imposed during the development of a space rent regulation ordinance.

The departments above formed a working group to prepare the Mobilehome Space Rent Regulation Ordinance. The ordinance is in development and is expected to be provided to your Board at a later date. Because development of the ordinance requires additional time to research and study appropriate regulations and finalize surveys, the working group determined that an interim temporary mobilehome space rent moratorium is appropriate to maintain the status quo and prevent unreasonable rent increases in response to your Board's February 2018 directive.

The attached interim urgency ordinance imposes a 180-day moratorium on rent increases in excess of three percent (3%) per year for mobilehome spaces that are leased for a period of 12 months or less in all mobilehome parks in unincorporated Los Angeles County. Prior to the expiration of the period, the Mobilehome Space Rent Regulation Ordinance will be presented to your Board for your consideration.

This recommended action is permitted pursuant to Section 25123(d) of the California Government code, which provides that an urgency ordinance may be adopted to preserve the public peace, health, and/or safety, which shall contain a declaration of facts constituting the urgency and shall be effective immediately upon its adoption. The facts supporting this urgency are set forth in Section 9 of the interim ordinance.

This action is also permitted by the State Mobilehome Residency Law, (California Civil Code Sections 798 - 798.14), which expressly contemplates that the setting and/or increasing of rent for the use and occupancy of a mobilehome space may be regulated by cities and counties throughout the State.

Following this analysis, it is being recommended that this interim urgency ordinance be adopted in order to protect the owners and occupiers of mobilehomes from unreasonable space rent increases, while at the same time recognizing the need for park owners to receive a fair return on their property and rental income sufficient to cover increases in costs of operation.

FISCAL IMPACT/FINANCING

DCBA has identified a need for \$60,000 in one-time funding for as-needed hearing officers and/or temporary workers in order to provide support services to constituents affected by the six-month emergency moratorium. The request for funding will be included in DCBA's FY 2018-19 Supplemental Budget request.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This is an interim urgency ordinance (interim ordinance), which temporarily imposes a moratorium prohibiting any space rent increase related to mobilehomes for a period of one hundred eighty (180) days on all properties located in the unincorporated areas of Los Angeles County.

The interim ordinance requires that, unless expressly exempt under the State Mobilehome Residency law, no mobilehome park owner in the unincorporated areas of the Los Angeles County may request or receive a space rent increase for the monthly use and occupancy of a mobilehome in excess of the amounts permitted under the interim ordinance. The interim ordinance does allow mobilehome park owners to increase the space rent by three percent (3%) per year, while it is in effect.

The interim ordinance authorizes the Director of DCBA (Director) to administer and enforce the interim ordinance and permits a mobilehome park owner and mobilehome homeowner to file petitions for relief or noncompliance before a hearing officer appointed by the Director. A mobilehome park owner may file a Petition for Relief if the park owner contends that the limitations on rent increases will prevent the park owner from receiving less than a fair and reasonable return with respect to the mobilehome space. A mobilehome homeowner may file a Petition for Noncompliance if the homeowner contends that a proposed or actual space rent increase is not in compliance with the interim ordinance.

The County, at its sole discretion, may choose to enforce provisions of this interim ordinance through administrative fines or other administrative procedures set forth in Chapter 1.25 of the County Code. Each violation of this interim ordinance may be subject to an administrative fine of up to \$1,000. The County's decision to pursue or not pursue enforcement of any kind shall not affect a mobilehome homeowner's right to pursue civil remedies.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Adopting of this interim ordinance will address the immediate threat of unreasonable space rent adjustments faced by mobilehome park tenants.

This interim ordinance expires on the one hundred eightieth (180th) day following its adoption, unless extended or replaced by the Board of Supervisors with a Mobilehome Space Rent Regulation Ordinance.

ENVIRONMENTAL DOCUMENTATION

By adoption of this interim ordinance, the Board finds that the adopting and implementation of this interim ordinance are exempt from the provisions of California

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Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines 15061(b)(3) in that the Board finds there is no possibility that the implementation of this interim ordinance may have significant effects on the environment.

CONCLUSION

Upon Board approval, please return one adopted copy of this letter to the Department of Consumer and Business Affairs.

Respectfully submitted,



for

MONIQUE KING-VIEHLAND
Executive Director
Community Development Commission



JOSEPH NICCHITTA
Interim Director
Department of Consumer and Business Affairs

MKV:LN:dr

Enclosures