

ANALYSIS

This ordinance amends Chapter 8.57 (Mobilehome Rent Stabilization) of Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code by modifying or clarifying: (1) section, titles, and definitions; (2) permitted rent increases and applications for rent adjustments; (3) permitted pass-through recovery of costs; (4) annual registration requirements; (5) remedies and penalties for violations of retaliation and anti-harassment provisions and imposing additional penalty if tenant is age 62 or older or disabled; and (6) mobilehome owner's ability to pursue a private right of action for violations of this Chapter 8.57.

RODRIGO A. CASTRO-SILVA
County Counsel

Behnaz Tashakorian
By
BEHNAZ TASHAKORIAN
Principal Deputy County Counsel
Government Services Division

BT:eb

Requested: 04/17/2020
Revised: 07/20/2021

ORDINANCE NO. _____

This ordinance amends Chapter 8.57 (Mobilehome Rent Stabilization) of Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code by modifying or clarifying: (1) section, titles, and definitions; (2) permitted rent increases and applications for rent adjustments; (3) permitted pass-through recovery of costs; (4) annual registration requirements; (5) remedies and penalties for violations of retaliation and anti-harassment provisions and imposing additional penalty if tenant is age 62 or older or disabled; and (6) mobilehome owner's ability to pursue a private right of action for violations of this Chapter 8.57.

The Board of Supervisors of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 8.57 is hereby amended to read as follows:

Chapter 8.57 MOBILEHOME RENT STABILIZATION AND

MOBILEHOME OWNER PROTECTIONS.

SECTION 2. Section 8.57.010 is hereby amended to read as follows:

8.57.010 Short Title.

This Chapter shall be known as "Mobilehome Rent Stabilization And Mobilehome Owner Protections."

SECTION 3. Section 8.57.030 is hereby deleted in its entirety:

~~**8.57.030 Definitions.**~~

~~The following terms shall have the meaning provided below when used in this Chapter, whether plural or singular:~~

~~A. "Board" means the County of Los Angeles Board of Supervisors.~~

~~B. "Capital Improvement" means the addition, substantial repair or replacement of any improvement to a Mobilehome Space within the geographic boundaries of a Mobilehome Park which materially adds to the value of the Mobilehome Park and appreciably prolongs its useful life or adapts it to new uses, and which is of the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations.~~

~~C. "Code" means the Los Angeles County Code.~~

~~D. "County" means the County of Los Angeles.~~

~~E. "CPI" means Consumer Price Index for all urban consumers of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the United States Department of Labor. Calculation of the CPI percentage will be determined by the County and outlined in its procedures and/or guidelines.~~

~~F. "Department" means the County's Department of Consumer and Business Affairs.~~

~~G. "Housing Services" means all services provided by a Mobilehome Park Owner related to the use or occupancy of a Mobilehome Space, including water and sewer, natural gas, electricity, refuse removal, management and administration, maintenance and repairs, recreation facilities (including pools), laundry facilities, storage space, and parking (including one or more automobiles), security services, insurance and the payment of property taxes. The term "Housing Services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.~~

~~H. "LACDA" means the Los Angeles County Development Authority.~~

~~I. "Mobilehome" means the definition set forth in California Civil Code section 798.3, as it may be amended from time to time.~~

~~J. "Mobilehome Park" means any area of land in the unincorporated area of the County where two or more Mobilehome Spaces are rented, or held out for rent, to accommodate Mobilehomes used as residences.~~

~~K. "Mobilehome Owner" means a person who owns a Mobilehome and is also renting a Mobilehome Space in a Mobilehome Park under a Rental Agreement with the Mobilehome Park Owner, which may include the use of services of the Mobilehome Park and other amenities.~~

~~L. "Mobilehome Residency Law" means California Civil Code sections 798 through 799.11, as it may be amended from time to time.~~

~~M. "Mobilehome Space" means the site within a Mobilehome Park intended, designed, or used for the location or accommodation of a Mobilehome and any accessory structures or appurtenances attached thereto whether or not the Mobilehome space is permitted pursuant to State or local law.~~

~~N. "Mobilehome Park Owner" means the owner, lessor, operator or manager of a Mobilehome Park in the unincorporated County who receives, or is entitled to receive, rent for the use and occupancy of any Mobilehome Space, and the agent, representative or successor of any of the foregoing.~~

~~O. "Rent" means consideration paid for the use or occupancy of a Mobilehome Space or for Housing Services provided, or both, but does not include any of the following:~~

- ~~1. Any amount paid for renting the Mobilehome;~~
- ~~2. Security deposits;~~
- ~~3. User fees for services or facilities which may be utilized at the option of the Mobilehome Owners and are expressly not included as Rent in the Rental Agreement;~~
- ~~4. Utility charges for those Mobilehome Parks which bill Mobilehome Owners separately whether or not the Mobilehomes are individually metered; or~~
- ~~5. Any pass-through authorized pursuant to this Chapter.~~

~~P. "Rental Agreement" means a lease or other oral or written agreement between the Mobilehome Park Owner and Mobilehome Owner establishing the terms and conditions of the Tenancy.~~

~~Q. "Rental Housing Oversight Commission" or "Commission" means the Commission created by the Board pursuant to Code Chapter 8.64 to oversee the implementation of this Chapter.~~

~~R. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Mobilehome Park on or after February 13, 2018, including but not limited to, services the Mobilehome Park Owner is required to provide pursuant to:~~

~~1. California Civil Code section 1941 et. seq., as it may be amended from time to time;~~

~~2. The Mobilehome Residency Law;~~

~~3. The Mobilehome Parks Act, California Health and Safety Code section 18200 et seq., as it may be amended from time to time;~~

~~4. The Mobilehome Park Owner's implied warranty of habitability, which cannot be contractually excluded or waived;~~

~~5. A Rental Agreement between the Mobilehome Park Owner and the Mobilehome Owner;~~

~~6. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Mobilehome Owner at the time of execution of the Rental Agreement with the Mobilehome Park Owner; and~~

~~7. Applicable rules or regulations of the Mobilehome Park.~~

~~S. "State" means the State of California.~~

~~T. "Tenancy" means the legal right of a Mobilehome Owner to use a Mobilehome Space within a Mobilehome Park on which to locate, maintain, and occupy a Mobilehome, site improvements, and accessory structures for residence, including the use of the Housing Services and facilities of the Mobilehome Park.~~

SECTION 4. Section 8.57.030 is hereby added to read as follows:

8.57.030 Definitions.

The following terms shall have the meaning provided below when used in this Chapter, whether plural or singular:

A. "Base Rent" means the Rent charged on February 13, 2018, when the County Board declared its intent to regulate Rent for Mobilehome Parks in the unincorporated County, or at the initiation of the Tenancy, whichever is later, plus any Rent increase allowed thereafter pursuant to the Interim Mobilehome Rent Stabilization Ordinance adopted by the County Board on September 4, 2018, and this Chapter unless otherwise provided.

B. "Board" means the County of Los Angeles Board of Supervisors.

C. "Capital Improvement" means the addition, substantial repair, or replacement of any improvements to a Mobilehome Space within the geographic boundaries of a Mobilehome Park which materially adds to the value of the Mobilehome Park and appreciably prolongs its useful life or adapts it to new uses, and which is of the same type of improvement as those allowed to be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and its regulations and as specified in Section 8.57.070.

D. "Code" means the Los Angeles County Code.

E. "Commission" means the Rental Housing Oversight Commission created by the Board pursuant to Code Chapter 8.64 to oversee the implementation of this

Chapter. The Commission shall also act as the advisory agency for overseeing mobilehome park closures as specified in Section 8.57.200.

F. "County" means the County of Los Angeles.

G. "CPI" means Consumer Price Index for all urban consumers of the Los Angeles-Riverside-Orange County, California area, or any successor designation of that index that may later be adopted by the United States Department of Labor. Calculation of the change in CPI percentage will be determined by the Department and outlined in its procedures and guidelines.

H. "Department" means the County's Department of Consumer and Business Affairs.

I. "Housing Services" means all services provided by a Mobilehome Park Owner related to the use or occupancy of a Mobilehome Space, including but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration, maintenance and repairs, recreation facilities (including pools), laundry facilities, storage space, parking (including one or more automobiles), security services, insurance and the payment of property taxes. The term "Housing Services" shall not include legal fees, mortgage payments, whether for principal, interest, or both, bonuses of any nature paid to Mobilehome Park employees, penalties, fees, damages, or interest assessed or awarded for violations of this Chapter or any other law, or any expenses for which the Mobilehome Park Owner has been reimbursed by any security deposit, insurance, settlement, judgment for damages, settlement, or any other method.

J. "Mobilehome" means the definition set forth in California Civil Code section 798.3.

K. "Mobilehome Park" means any area of land in the unincorporated area of the County where two or more Mobilehome Spaces are rented, or held out for Rent, to accommodate Mobilehomes used as residences.

L. "Mobilehome Owner" means a person who owns a Mobilehome and is also renting a Mobilehome Space in a Mobilehome Park under a Rental Agreement with the Mobilehome Park Owner, or any other person entitled under the terms of a Rental Agreement to the use or occupancy of the Mobilehome, which may include the use of the Housing Services of the Mobilehome Park and any other amenities.

M. "Mobilehome Residency Law" means California Civil Code sections 798 through 799.11.

N. "Mobilehome Space" means the site within a Mobilehome Park intended, designed, or used for the location or accommodation of a Mobilehome and any accessory structures or appurtenances attached thereto whether or not the Mobilehome Space is permitted pursuant to State or local law.

O. "Mobilehome Park Owner" means the owner, lessor, operator or manager of a Mobilehome Park in the unincorporated County who receives, or is entitled to receive, Rent for the use and occupancy of any Mobilehome Space, and the agent, representative or successor of any of the foregoing.

P. "Rent" means consideration paid for the use or occupancy of a Mobilehome Space or for Housing Services provided, or both, but does not include any

of the following, each of which shall be separately listed and identified in the Rental Agreement:

1. Any amount paid for renting the Mobilehome;
2. Security deposits;
3. User fees for services or facilities which may be utilized at the option of the Mobilehome Owners and are expressly not included as Rent in the Rental Agreement;
4. Utility charges for those Mobilehome Parks which bill the Mobilehome Owner separately, whether or not the Mobilehomes are individually metered;
5. Any Rent discounts, incentives, concessions, or credits offered by the Mobilehome Park Owner; or
6. Any pass-through authorized pursuant to this Chapter.

Q. "Rental Agreement" means a lease or other oral or written agreement between the Mobilehome Park Owner and Mobilehome Owner establishing the terms and conditions of the Tenancy.

R. "Service Reduction" means any decrease or diminution in the level of Housing Services provided by the Mobilehome Park on or after February 13, 2018, including but not limited to, services the Mobilehome Park Owner is required to provide pursuant to:

1. California Civil Code section 1941 et. seq.;
2. The Mobilehome Residency Law;

3. The Mobilehome Parks Act, California Health and Safety Code section 18200 et seq.;

4. The Mobilehome Park Owner's implied warranty of habitability, which cannot be contractually excluded or waived;

5. A Rental Agreement between the Mobilehome Park Owner and the Mobilehome Owner;

6. The level of service as implied by the condition of improvements, fixtures, and equipment, and their availability for use by the Mobilehome Owner at the time of execution of the Rental Agreement with the Mobilehome Park Owner; and

7. Applicable rules or regulations of the Mobilehome Park.

S. "State" means the State of California.

T. "Tenancy" means the legal right of a Mobilehome Owner or any other occupant who took possession of the Mobilehome for the use or occupancy of the Mobilehome, to use a Mobilehome Space within a Mobilehome Park on which to locate, maintain, and occupy a Mobilehome, site improvements, and accessory structures for residence, including the use of the Housing Services and facilities of the Mobilehome Park, subject to the terms and conditions of the Rental Agreement and Mobilehome Residency Law.

SECTION 5. Section 8.57.045 is hereby added as follows:

8.57.045 Base Rent.

A. Except as hereinafter provided, a Mobilehome Park Owner shall not demand, accept, or retain Rent for a Mobilehome Space exceeding the Rent in effect for

said Mobilehome Space on February 13, 2018, when the County Board declared its intent to regulate Rent in the unincorporated County, or at the initiation of the Tenancy, whichever is later, plus any Rent increase allowed thereafter pursuant to the Interim Mobilehome Rent Stabilization Ordinance adopted by the County Board on September 4, 2018, and this Chapter.

B. If a Mobilehome Space is rented for the first time after February 13, 2018, the Mobilehome Park Owner shall not demand, accept, or retain Rent for said Mobilehome Space exceeding the Rent first charged for the Mobilehome Space, plus any allowable Rent increases as permitted by Section 8.57.050.

SECTION 6. Section 8.57.050 is hereby amended to read as follows:

8.57.050 Permitted Rent Increases for Mobilehome Spaces.

A. A Mobilehome Park Owner may impose an annual Rent increase for any Mobilehome Space, as allowed in this Section, only after providing at least thirty (30) days written notice to the Mobilehome Owner of the Rent increase pursuant to the California Civil Code section 798.30, ~~as may be amended.~~

B. A Mobilehome Park Owner may ~~not~~ impose an annual Rent increase, ~~unless only upon registering the Mobilehome Space is registered with the Department, is not delinquent in registration payments required in the County's Registry System, paying required annual registration fees pursuant to Section 8.57.080, and is being in~~ compliance with federal, State, and local laws and requirements.

C. Annual Rent increases shall be limited ~~as specified below to~~

1. ~~Seventy-five~~seventy-five percent (75%) of the percentage change in the average CPI over the previous twelve (12) month period ending in September; ~~1~~ or

2. ~~Three~~three percent (3%) of the Rent charged at the time of increase, whichever is greater.

3. In no event shall a Rent increase exceed eight percent (8%) per each twelve (12) month period.

D. Only one Rent increase may be imposed on a Mobilehome Owner in any twelve (12) month period, unless otherwise permitted by the Department pursuant to this Chapter.

~~E. Exemptions. The following are exempt from this Section:~~

1. ~~Mobilehome Spaces that meet the exemption requirements of the Mobilehome Residency Law, or are otherwise expressly exempt under State or federal law.~~

2. ~~Newly constructed Mobilehome Spaces which were initially held out for Rent on or after January 1, 1990, per California Civil Code section 798.45.~~

3. ~~Mobilehome Spaces Rented for non-residential uses.~~

4. ~~Mobilehome Spaces owned, managed, or operated by a government agency.~~

E. Notice and Calculation of Allowable Annual Rent Increase.

1. Calculation of Annual Rent Increase. The allowable annual Rent increase shall be calculated annually by the Department.

2. Notice of Annual Rent Increase. The amount of the annual Rent increase shall be provided in accordance with the Department's procedures and guidelines.

F. Rent Excess Paid.

1. In the event a Mobilehome Owner paid Rent in excess of that permitted by the Department, the Mobilehome Park Owner shall reimburse the Mobilehome Owner for the Rent overpayment.

2. The Mobilehome Park Owner may elect to either:

a. Reimburse the Mobilehome Owner for the Rent overpayment through one lump sum payment, which must be paid by the time the next monthly obligation is due; or

b. Reimburse the Mobilehome Owner for the Rent overpayment over a six (6) month period in the form of a monthly credit towards Rent otherwise due from the Mobilehome Owner, to which the first credit must be applied at the time the next monthly obligation is due.

3. Reimbursement(s) For Overpayment Exceeds Rent Due. Where the reimbursement(s) due to the Mobilehome Owner exceeds the Rent due for the remainder of the Tenancy, the reimbursement(s) exceeding the Rent due shall be immediately paid to the Mobilehome Owner as a lump sum payment.

FG. ~~Rent Increases~~ Paid Following Vacancy of Mobilehome Space.

1. A Mobilehome Park Owner may set the initial Rent for the next Mobilehome Owner for a Mobilehome Space as provided in this Section, whenever either of the following events occurs:

a. The termination of the Tenancy of the affected Mobilehome Owner in accordance with the Mobilehome Residency Law; or

b. The voluntary, permanent removal of a Mobilehome by a Mobilehome Owner from a Mobilehome Space. A removal of the Mobilehome from the Mobilehome Space due to fire, earthquake or water damage, or for the purpose of upgrading the Mobilehome, shall not constitute a voluntary removal of the Mobilehome.

2. Upon the sale of a Mobilehome located in a Mobilehome Space where the Rental Agreement with the original Mobilehome Owner has expired, a Mobilehome Park Owner may increase the Rent for that Mobilehome Space in an amount not to exceed ten percent (10%) of the Rent for that Mobilehome Space then in effect.

3. Rent increases following vacancy shall not incorporate any previously approved pass-through fees or costs.

GH. Allowable Rent Following Expiration of an Exempt Lease. In the event a Mobilehome Space was previously exempt under a Rental Agreement pursuant to California Civil Code section 798.17, the Rent for purposes of calculating the annual Rent adjustment, shall be the Rent in effect as of the date of expiration of the Rental Agreement.

~~H.~~ Allowable Rent Increases upon "In-Place" Transfer of Mobilehome Ownership.

1. For Mobilehome Spaces subject to this Chapter, upon the Mobilehome Owner's "in-place" sale, transfer, or other conveyance of a Mobilehome to a new Mobilehome Owner, the Mobilehome Park Owner may increase the Rent in an amount not to exceed ten percent (10%) of the annual Rent paid by the prior Mobilehome Owner.

2. No Rent increase under an existing Rental Agreement subject to this Chapter may be imposed pursuant to this Section when ~~either~~:

a. An existing Mobilehome Owner or resident replaces an existing Mobilehome with another Mobilehome, and occupies the same Mobilehome Space under an existing Rental Agreement subject to the provisions of this Chapter;

b. Title to the Mobilehome passes to one or more person(s) who, at the time of the title transfer, (i) ~~was/were also~~ is a lawful, authorized resident(s) of the Mobilehome, or (ii) ~~were/are~~ is a spouse, registered domestic partner, ~~children~~, grandchildren under 18 years of age, parent, or grandparent of the Mobilehome Owner, and the Mobilehome remains in the same Mobilehome Space; or

c. A Rent increase was ~~previously~~ imposed pursuant to this Section within the twelve (12) month period preceding the most recent proposed Rent increase.

~~I.~~ Mobilehome Owner's Right of Refusal. A Mobilehome Owner may refuse to pay a Rent increase which is in violation of this Chapter. Such refusal to pay the

increased amount shall be a defense in any action brought to recover possession of a Mobilehome Space or to collect the Rent increase.

~~JK.~~ Rent Banking. A Mobilehome Park Owner who does not impose an annual Rent increase or a portion of the permitted annual Rent increase, in any twelve (12) month period, as provided in this Section, waives the annual Rent increase or the remaining portion of the permitted annual Rent increase, for the remainder of the Tenancy.

L. Exemptions. The following are exempt from this Section:

1. Mobilehome Spaces that meet the exemption requirements of the Mobilehome Residency Law, or are otherwise expressly exempt under State or federal law.

2. Newly constructed Mobilehome Spaces which were initially held out for Rent on or after January 1, 1990, per California Civil Code section 798.45.

3. Mobilehome Spaces used or rented for non-residential uses.

4. Mobilehome Spaces owned, managed, or operated by a government agency.

SECTION 7. Section 8.57.060 is hereby deleted in its entirety:

~~**8.57.060 Application for Rent Adjustments.**~~

~~A. Mobilehome Park Owner's Application for Rent Adjustment for Fair Return. Mobilehome Park Owners, who believe they are not receiving a fair return on their Mobilehome Park or Space(s) may file an application with the Department to request an increase in Rent beyond that which is permitted under Section 8.57.050.~~

~~1.——Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Mobilehome Park Owner on February 13, 2018, and Rent increases allowed under Section 8.57.050, provide the Mobilehome Park Owner with a fair return on the investment. A Mobilehome Park Owner shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair return.~~

~~2.——Application. Upon the Department's receipt of an application for Rent adjustment, the Department shall review and evaluate whether the Rent may be adjusted in accordance with this Section and its procedures and guidelines.~~

~~a.——The application shall be in a form provided by the Department, signed upon penalty of perjury, and must be accompanied by any applicable fee.~~

~~b.——An application for a Rent adjustment must include the following:~~

~~(i)——The specific Rent adjustment requested increase.~~

~~(ii)——Copies of any books, records and papers deemed pertinent in review of the application; and~~

~~(iii)——Other documentations required by the Department.~~

~~c.——Application fees. The Department may set a reasonable fee per Mobilehome Space to be paid by the Mobilehome Park Owner at the time of filing based on the administrative expenses incurred in reviewing and processing applications for Rent adjustment.~~

~~d. The Department shall have the authority to deem an application complete.~~

~~3. Notices Upon Filing Application.~~

~~a. Within five (5) calendar days after submission of a Mobilehome Park Owner's Application with the Department for Rent adjustment, the Mobilehome Park Owner shall serve each affected Mobilehome Owner with a notice of said application, via personal service or certified mail, return receipt requested. The Mobilehome Park Owner must provide the application with all supporting documents, reasonably available to each affected Mobilehome Owner that shall be provided at the Mobilehome Park Owner's expense.~~

~~b. Within ten (10) calendar days after service on the affected Mobilehome Owner, the Mobilehome Park Owner shall file with Department, a proof of service, signed under penalty of perjury, stating that a copy of the notice of application was served upon each affected Mobilehome Owner.~~

~~4. Fees and costs incurred by a Mobilehome Park Owner to prepare and submit an application for a Rent increase pursuant to this Section are not allowable as operating expenses and may not be passed on to Mobilehome Owners. Such fees and costs include, but are not limited to, attorney fees, accountant fees, and other similar professional services costs.~~

~~5. Standard for Approving an Application for Rent Adjustment.~~

~~a. The Department shall approve an application for a Rent adjustment if the Department determines the adjustment is necessary and appropriate~~

~~to ensure the Mobilehome Park Owner receives a fair and reasonable return on the Mobilehome Park Owner's investment in the property, will not cause an undue financial burden on the affected Mobilehome Owner(s), and complies with all provisions of this Chapter.~~

~~b. The Department may approve a lesser Rent adjustment if the Department determines the lesser Rent adjustment more appropriately ensures a fair return on the Mobilehome Park Owner's investment and does not cause an undue financial burden on the affected Mobilehome Owners, and complies with all provisions of this Chapter.~~

~~6. All Rent adjustment increases authorized may become effective only after all of the following:~~

~~a. A Mobilehome Park Owner has provided written notice of the Rent increase for the Mobilehome Space in accordance with California Civil Code section 798.30, as may be amended;~~

~~b. A Mobilehome Park Owner has registered all Mobilehome Spaces in the Mobilehome Park pursuant to Section 8.57.080; and~~

~~c. A Mobilehome Park Owner makes the completed application with all supporting documents, reasonably available to each Mobilehome Owner, that shall be provided at the Mobilehome Park Owner's expense upon request.~~

~~B. Mobilehome Owner's Application for Rent Adjustment. Mobilehome Owners, subject to Section 8.57.050, who believe they should receive a decrease in Rent because of a Mobilehome Park Owner's violation of this Chapter may file an~~

~~application with the Department to request a decrease in Rent as a result of a Service Reduction in Housing Services. Mobilehome Owners must file such application for Rent adjustment within one hundred eighty (180) days from the date the Mobilehome Owner knew, or reasonably should have known, of the Mobilehome Park Owner's potential violation. A Service Reduction, without a corresponding reduction in Rent, is considered an increase in Rent. Before filing an application with the Department, a Mobilehome Owner shall provide the Mobilehome Park Owner prior written notice identifying the Service Reduction in Housing Services and provide a reasonable opportunity to correct the issue(s).~~

~~1. Application.~~

~~a. The application shall be made in a form provided by the Department and shall be accompanied by any applicable fee.~~

~~b. The application must include the following information:~~

~~(i) The affected Mobilehome Spaces;~~

~~(ii) The prior level of Housing Service established by the Mobilehome Park Owner for that Mobilehome Owner's Mobilehome Space and common Housing Services and facilities used by that Mobilehome Owner;~~

~~(iii) The specific changes in the prior level of Housing Services and facilities comprising the alleged Service Reduction in Housing Services;~~

~~(iv) The date the Service Reduction was first noticed by the Mobilehome Owner;~~

~~(v) — The date of notice to the Mobilehome Park Owner of the alleged Service Reduction, and if such notice was given and whether the notice was given orally or in writing;~~

~~(vi) — When and how the Mobilehome Park Owner responded to the Mobilehome Owner's notice, if notice was given;~~

~~(vii) — Whether the condition was improved or corrected, and if so, when and how;~~

~~(viii) — The status of the condition as of the date the complaint is signed;~~

~~(ix) — Whether such Service Reduction was the result of a vote of a majority of the affected Mobilehome Owner; and~~

~~2. — Notices Upon Filing Application.~~

~~a. — Within five (5) calendar days after submission of an application with the Department, the Mobilehome Owner shall serve the Mobilehome Park Owner with a notice of said application via personal service or certified mail, return receipt requested.~~

~~b. — Within ten (10) calendar days after service on the Mobilehome Park Owner, the Mobilehome Owner shall file with Department a proof of service, signed under penalty of perjury, stating that a copy of the notice of application for Rent adjustment was served upon such Mobilehome Park Owner.~~

~~3. — Standard for Approving Application for Rent Reduction. The Department shall approve an application for a Rent reduction as a result of a Service~~

~~Reduction if the application complies with all provisions of this Chapter and the Department finds:~~

- ~~a. The Service Reduction was material;~~
- ~~b. Deprived the Mobilehome Owner of a Housing Service to which the Mobilehome Owner was entitled to pursuant to a Rental Agreement; or~~
- ~~c. By established practice such that the Mobilehome Owner reasonably understood that the Housing Service was included as part of the Rental Agreement without additional cost.~~

~~C. The Department may consider any and all evidence submitted by the Mobilehome Owner or Mobilehome Park Owner in making its determination. Either the Mobilehome Owner or Mobilehome Park Owner may contest the Department's decision regarding approval or disapproval of the rental decrease by requesting a hearing before the Commission in accordance with Section 8.57.120.~~

~~D. Notwithstanding any other provision of this Section, if a determination has been made with regard to the Rent adjustment for a Mobilehome Park or Space within the previous six (6) months by either the Department or the Commission, then the Department may refuse to hold a hearing or refuse to grant an individual a Rent adjustment for such Mobilehome Park or Space.~~

~~E. Right of Assistance. All parties to an application for Rent adjustment may seek assistance from attorneys, recognized organization representatives, or any other persons designated by said parties.~~

~~F. Consolidation. All Mobilehome Park Owner applications for Rent adjustment pertaining to Mobilehome Owners in the Mobilehome Park shall be consolidated for determination. Mobilehome Owner applications for Rent adjustment who live in the same Mobilehome Park may be consolidated at the election of the Department.~~

SECTION 8. Section 8.57.060 is hereby added to read as follows:

8.57.060 Application for Rent Increase and Adjustment.

A. Mobilehome Park Owner's Application for Rent Increase. A Mobilehome Park Owner who believes they are not receiving a fair and reasonable return from the allowable increases, as determined in Section 8.57.050, may file an Application for Rent Increase with the Department to request an increase in Rent for Mobilehome Space(s) beyond that which is permitted under Section 8.57.050.

1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Mobilehome Park Owner, and Rent increases allowed under Section 8.57.050, provide the Mobilehome Park Owner with a fair and reasonable return on the investment. A Mobilehome Park Owner shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair and reasonable return.

2. Approval of the Mobilehome Park Owner's Application for Rent Increase may become effective only after all of the following:

a. A Mobilehome Park Owner has provided written notice to Mobilehome Owner of the approved Rent increase for the Mobilehome Space in accordance with California Civil Code section 798.30;

b. A Mobilehome Park Owner has registered each Mobilehome Space in the Mobilehome Park, has not lapsed on registration of Mobilehome Spaces in previous years, and is current on payment of registration fees, pursuant to Section 8.57.080; and

c. A Mobilehome Park Owner has met any other conditions imposed for the Rent increase as determined by the Department's procedures and guidelines.

3. Review and Approval of Application for Rent Increase.

a. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in reviewing the application and making its determination, and no one (1) factor shall be determinative.

(i) Changes in the CPI. If the Bureau of Labor Statistics subsequently changes the geographic reporting in which the County is located, the Department shall use the most current applicable reporting area established.

(ii) The rental history of the affected Mobilehome Space(s) and the Mobilehome Park since February 13, 2018:

(a) The Base Rent;

- (b) The pattern of past Rent increases or decreases; and
- (c) The Mobilehome Park Owner's income and expenses as they relate to the Mobilehome Park.
- (iii) Increases or decreases in property taxes.
- (iv) The length of time since either the last hearing and final determination on an Application for Rent Increase by Mobilehome Park Owner or the last Rent increase if no previous Application for Rent Increase has been made by Mobilehome Park Owner.
- (v) The addition of Capital Improvements in the Mobilehome Park.
- (vi) The physical condition of the affected Mobilehome Space and Mobilehome Park, including the quantity and quality of maintenance and repairs performed during the preceding twelve (12) months, as well as the long-term patterns of operating, maintenance and Capital Improvement expenditures.
- (vii) The need for repairs caused by circumstances other than ordinary wear and tear.
- (viii) Any increase of Housing Services or Service Reductions since the last Rent increase.
- (ix) Any existing Rental Agreement lawfully entered into between the Mobilehome Park Owner and the Mobilehome Owner.
- (x) A decrease in net operating income.

(xi) A fair and reasonable return on the Mobilehome Park prorated among the Mobilehome Spaces in the Mobilehome Park.

(xii) If the Mobilehome Park Owner received Rent in violation of this Chapter or has otherwise failed to comply with this Chapter.

b. The Department may approve an Application for Rent Increase and make the following determinations, in compliance with its procedures and guidelines and all provisions of this Chapter:

(i) The Department determines the Rent increase is necessary and appropriate to ensure the Mobilehome Owner receives a fair and reasonable return on Mobilehome Park Owner's investment, and will not cause an undue financial burden on the affected Mobilehome Owner.

(ii) The Department determines a lesser Rent increase more appropriately ensures a fair and reasonable return on the Mobilehome Park Owner's investment and will not cause an undue financial burden on the affected Mobilehome Owner.

(iii) The Department determines a Rent increase beyond that which is permitted under Section 8.57.050 appropriately ensures a fair and reasonable return on the Mobilehome Park Owner's investment and will not cause an undue financial burden on the affected Mobilehome Owner.

c. An Application for Rent Increase shall not be approved if the Rent increase for that year, plus any amount allowed for a fair and reasonable return on the Mobilehome Park Owner's investment, will result in an increase of the Rent from the

prior year of an affected Mobilehome Owner by more than eight percent (8%), unless otherwise determined by the Department.

4. Notices Upon Filing an Application for Rent Increase.

a. Within five (5) calendar days after submission of a Mobilehome Park Owner's Application for Rent Increase with the Department, the Mobilehome Park Owner, at their own expense, shall serve each affected Mobilehome Owner with a notice of said application via personal service or certified mail return receipt requested. The Mobilehome Park Owner, at their own expense, must make the supporting documents reasonably available to each affected Mobilehome Owner within five (5) calendar days of such request.

b. Within ten (10) calendar days after submission of a Mobilehome Park Owner's application with the Department, the Mobilehome Park Owner shall file a proof of service with the Department, on a form provided by the Department, signed under penalty of perjury, stating that a copy of the notice of Application for Rent Increase was served upon each affected Mobilehome Owner.

c. Fees and costs incurred by a Mobilehome Park Owner to prepare, file, or pursue an Application for Rent Increase are not allowable as operating expenses and may not be passed on to Mobilehome Owner. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

5. Examination and Inspection. A Mobilehome Park Owner, at their expense, must retain the Application for Rent Increase, any supporting documents, and

the final decision, and make reasonably available for review and/or copy for six (6) months following the completion of the appeal process set forth in Section 8.57.120.

B. Mobilehome Owner Application for Adjustment. A Mobilehome Owner who believes they should receive an adjustment in their monthly obligation(s) because of a Mobilehome Park Owner's violation of this Chapter may file an Application for Adjustment with the Department. A Mobilehome Owner must file such Application for Adjustment within one hundred eighty (180) days from the date the Mobilehome Owner knew, or reasonably should have known, of the Mobilehome Park Owner's potential violation(s).

1. Unlawful Rent and/or Fees, Charges or Pass-Throughs. If a Mobilehome Owner believes that the Mobilehome Park Owner's demand for Rent, fees, charges or pass-throughs is in excess of that permitted for the Mobilehome Space, or in excess of the Rent permitted, then the Mobilehome Owner may file an Application for Adjustment with the Department for its determination.

a. If a Mobilehome Park Owner demands, receives, or retains any payment in excess of the maximum allowable Rent, fees, charges or pass-throughs permitted by this Chapter, then a Mobilehome Owner may withhold the excess amount.

b. In any action to recover possession based on nonpayment of Rent, possession shall not be granted where the Mobilehome Owner has withheld Rent in good faith under this Section.

2. Decrease in Housing Services. A Service Reduction in Housing Services, without a corresponding reduction in Rent, may be considered an increase in

Rent. Before filing an application with the Department, a Mobilehome Owner shall provide the Mobilehome Park Owner all of the following:

- a. Written notice identifying the Service Reduction; and
- b. A reasonable opportunity to correct the issue(s).

3. Review and Determination of Application for Adjustment. The Department shall consider the following factors, in accordance with its procedures and guidelines, as well as any other relevant factors, in making its determination, and no one (1) factor shall be determinative.

- a. Increases or decreases in Rent or Housing Services since February 13, 2018.
- b. The pattern of recent Rent or Housing Service increases or decreases.
- c. Whether the Mobilehome Park Owner has received payment in excess of the maximum allowable Rent, fees, charges or pass-throughs permitted by this Chapter or has otherwise failed to comply with this Chapter.
- d. The date the Service Reduction was first noticed by the Mobilehome Owner, when and how oral or written notice was provided to the Mobilehome Park Owner of the alleged Service Reduction, the Mobilehome Park Owner's response to such notice, whether the service was reinstated or restored by the Mobilehome Park Owner, and if so, when and how.
- e. Whether such Service Reduction was the result of a vote of a majority of the affected Mobilehome Owners.

4. Notice upon Filing Application for Adjustment. Within five (5) calendar days after submission of an Application for Adjustment with the Department, the Mobilehome Owner shall serve the Mobilehome Park Owner with a notice of said application via personal service or certified mail return receipt requested.

C. Application Submission to Department for Rent Increase or Adjustment. Upon receipt of an application, the Department shall review and evaluate whether there should be a Rent increase or adjustment in accordance with this Section and its procedures and guidelines.

1. The application shall be on a form provided by the Department, signed under penalty of perjury, and must be accompanied by an application fee, if any, and must include the following:

- a. The specific Rent increase or adjustment requested;
- b. Copies of any books, records, papers, or other financial information relevant to the review of the application; and
- c. Other documentation required by the Department in accordance with this Section and its procedures and guidelines.

2. Application fees. The Department may set a reasonable application fee to be paid by the applicant at the time of filing based on the administrative expenses incurred in reviewing and processing the application.

3. The Department shall have the authority to deem an application complete.

D. Right of Assistance. All parties to an Application for Rent Increase or an Application for Adjustment may seek assistance from attorneys or any other persons designated by said parties.

E. Consolidation. Applications for Rent Increase pertaining to Mobilehome Owners in the same Mobilehome Park shall be consolidated for determination. Applications for Adjustment for Mobilehome Owners who live in the same Mobilehome Park may be consolidated at the election of the Department.

F. Notwithstanding any other provision of this Section, if the Department has made a determination on an application for a Mobilehome Space pursuant to this Section within the previous six (6) months, then the Department may refuse to grant an application for such Mobilehome Space.

SECTION 9. Section 8.57.070 is hereby deleted in its entirety.

~~**8.57.070 Pass-Through Cost Recovery.**~~

~~A. Pursuant to this Section, a Mobilehome Park Owner may file an application with the Department, on a form approved by the Department, to pass-through Capital Improvement costs to affected Mobilehome Owners in Mobilehome Spaces subject to Section 8.57.050.~~

~~B. A Mobilehome Park Owner may not pass-through Capital Improvement costs to Mobilehome Owners until the Department approves the Mobilehome Park Owner's application, the Mobilehome Park Owner registers each Mobilehome Space pursuant to Section 8.57.080 and is in compliance with State or federal law requirements. The approved pass-through Capital Improvement costs should appear~~

~~as a separate line item on the Rent statement along with their date of expiration. An approved pass-through is not considered Rent.~~

~~C. Pursuant to this Section, no pass-through cost recovery may be approved if the amount allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent for the prior year of an affected Mobilehome Space by more than eight percent (8%).~~

~~D. Pass-throughs of Capital Improvement costs shall be subject to the following pre-conditions and limitations:~~

~~1. The Capital Improvement shall primarily benefit the majority of impacted Mobilehome Owners rather than Mobilehome Park Owners and be a functional improvement serving primarily the Mobilehome Owners.~~

~~2. The Capital Improvement shall have a life expectancy of five (5) years or more.~~

~~3. The Capital Improvement shall be permanently fixed in place.~~

~~E. Capital Improvement Cost Recovery.~~

~~1. A Mobilehome Park Owner can only recover up to fifty percent (50%) of the Capital Improvements costs from Mobilehome Owners, subject to this Chapter.~~

~~2. A Mobilehome Park Owner must cease collecting Capital Improvement costs when the Mobilehome Park Owner recovers the costs permitted by the Department pursuant to this Chapter.~~

~~3. In the event a Mobilehome Owner paid Capital Improvement costs in excess of that permitted by the Department or beyond the date of expiration of the Capital Improvement pass-through, as determined by the Department, the Mobilehome Park Owner shall credit the Mobilehome Owner for the balance of the overpayment. The Mobilehome Park Owner may elect to either: (a) pay the Mobilehome Owner the balance of the overpayment directly in one lump sum; or (b) give the Mobilehome Owner a credit against the Rent otherwise due from the Mobilehome Owner over a six (6) month period.~~

~~F. The Department's procedures and guidelines will set forth all of the following:~~

~~1. The cost recovery calculations and date of expiration for the Capital Improvement pass-through cost for each Mobilehome Space; and~~

~~2. Factors for the Department to evaluate a Mobilehome Park Owner's application for a pass-through cost of a Capital Improvement include, but are not limited to, whether the work was necessary to bring the Mobilehome Park into compliance or maintain compliance with Code requirements affecting health and safety.~~

~~G. Capital Improvements do not include the following:~~

~~1. Normal routine maintenance and repair, including, but not limited to routine maintenance or repair of a street or driveway by means of patching a seal coat for slurry seal.~~

~~2. Costs of maintenance and repair, as opposed to replacement.~~

~~3.——Costs of replacement if the replacement was necessary because of the Park Owner's failure to carry out said maintenance responsibilities, as determined by the Department.~~

~~4.——Costs to maintain physical improvements in the common facilities in good working order and condition pursuant to California Civil Code section 798.15.~~

~~5.——Additions or replacements made to bring the Mobilehome Park into compliance with a provision of the State or local law where the Mobilehome Space has not been in compliance with said provision from the time of its original construction or installation and such provision was in effect at the time of such construction or installation.~~

~~H.——Application for Recovery of Capital Improvements Costs.~~

~~1.——A Mobilehome Park Owner must submit an application for recovery of Capital Improvement costs with the County, in a form approved by the Department, for review and determination, within one hundred twenty (120) days of completion of the Capital Improvement(s) in the Mobilehome Park.~~

~~2.——Said application must contain the following information and be accompanied by copies of relevant supporting documentation:~~

~~a.——A description of the completed Capital Improvement;~~

~~b.——A copy of all estimates, contracts, bills, invoices, canceled checks and other documentation reasonably necessary to establish the reasonable cost of the Capital Improvement and the cost of financing the Capital Improvement;~~

~~c. The proposed amortization period to be used, if the period differs one hundred twenty (120) months;~~

~~d. A list of the Mobilehome Owners that will be affected by or benefit from the Capital Improvement;~~

~~e. The formula used to calculate the pro rata share of each Mobilehome Owner;~~

~~f. The monthly cost to each affected or benefiting Mobilehome Owner;~~

~~g. The commencement and completion dates of the Capital Improvements; and~~

~~h. Such other information as the Department may request.~~

~~i. Notice to Mobilehome Owners.~~

~~1. Mobilehome Park Owner must provide notice within ten (10) days to affected Mobilehome Owners of his or her application with the Department.~~

~~2. Notice must include copies of the Mobilehome Park Owner's application and shall be mailed or personally delivered to all affected Mobilehome Owners, together with a notice of the projected monthly cost to be passed through for each Mobilehome Space.~~

~~3. Notice must state that the complete documentation supporting the application can be reviewed at the Mobilehome Park office during regular business hours.~~

~~4. Proof of mailing or personal delivery of the notice to the Mobilehome Owners shall be required before the application will be deemed complete by the Department.~~

~~J. Mobilehome Park Owner shall make available for examination within ten (10) business days of the written request of any Mobilehome Owner copies of bills for property taxes, any government required services charges, copies of insurance policies and records of insurance payments, and the books and records of the Mobilehome Park Owner relating to costs of the Capital Improvements to verify any increases or decreases sought by the Mobilehome Park Owner under this Section.~~

~~K. Department shall be permitted by a Mobilehome Park Owner, during reasonable business hours, to visit the Mobilehome Park and confirm the Capital Improvement was completed and that the Capital Improvement cost amount is justified. The Mobilehome Park Owner is responsible for the Capital Improvement and confirming that it is in compliance with all federal, State or local laws.~~

~~L. Standard for Approving Capital Improvement Pass-through Cost.~~

~~1. The Department shall approve an application for a Capital Improvement pass-through if the Department determines the Capital Improvement costs are reasonable based on the prevailing costs of such improvements, considering the following:~~

~~a. The unique features on the Mobilehome Park affecting the cost;~~

~~b. That the costs incurred were necessary and appropriate to complete the Capital Improvement; and~~

~~c. That the proposed amortization of the Capital Improvement and all other aspects of the application comply with the provisions of this Chapter.~~

~~2. The Department may approve a Capital Improvement cost recovery or amortization schedule different than that proposed by the Mobilehome Park Owner if the Department finds the different cost recovery or amortization schedule is necessary to comply with the provisions of this Chapter, provided the approved Capital Improvement cost shall not be greater than that requested by the Mobilehome Park Owner.~~

SECTION 10. Section 8.57.070 is hereby added to read as follows:

8.57.070 Pass-Through Capital Improvement Cost Recovery.

A. Pursuant to this Section, a Mobilehome Park Owner may file an application with the Department, on a form approved by the Department, to pass-through Capital Improvement costs to affected Mobilehome Owners in Mobilehome Spaces. Such application may include a request to exceed any prescribed limitations described in Section 8.57.050 if necessary for the Mobilehome Park Owner to pass-through Capital Improvement costs.

B. A Mobilehome Park Owner may not pass-through Capital Improvement costs to Mobilehome Owners until the Department approves the Mobilehome Park Owner's application, the Mobilehome Park Owner registers each Mobilehome Space pursuant to Section 8.57.080 and is in compliance with federal, State, or local law

requirements. The approved pass-through Capital Improvement costs should appear as a separate line item on the Rent statement along with the end date of the amortization period and any remaining pass-through balance. An approved pass-through cost is not considered Rent.

1. A Mobilehome Park Owner must cease collecting the pass-through Capital Improvement cost when the Mobilehome Park Owner recovers the costs permitted by the Department.

2. In the event a Mobilehome Owner paid pass-through Capital Improvement costs in excess of that permitted by the Department or beyond the date of expiration of the pass-through, the Mobilehome Park Owner shall reimburse the Mobilehome Owner for the pass-through overpayment.

a. The Mobilehome Park Owner may elect to either:

(i) Reimburse the Mobilehome Owner for the pass-through overpayment through one lump sum payment, which must be paid by the time the next monthly obligation is due; or

(ii) Reimburse the Mobilehome Owner for the pass-through overpayment over a six (6) month period in the form of a monthly credit towards any monthly obligation(s) due from the Mobilehome Owner, to which the first credit must be applied at the time the next monthly obligation is due.

b. Reimbursement(s) for Overpayment Exceeds Monthly Obligation(s) Due. Where the reimbursement(s) due to the Mobilehome Owner exceeds the total monthly obligation(s) due for the remainder of the Tenancy, the

reimbursement exceeding the monthly obligation(s) shall be immediately paid to the Mobilehome Owner as a lump sum payment.

C. Pursuant to this Section, no Capital Improvement cost pass-through shall be approved if the amounts allowed to be a pass-through cost, plus any Rent increase for that year, would result in an increase of the Rent from the prior year of an affected Mobilehome Space by more than eight percent (8%), unless approved by the Department.

D. Capital Improvement Cost Pass-Through. A Mobilehome Park Owner may recover up to fifty percent (50%) of a Capital Improvements cost from existing Mobilehome Owners if the Capital Improvement is in accordance with the Department's procedures and guidelines and with this Chapter.

1. Capital Improvement must be for the primary benefit, use and enjoyment of Mobilehome Owners, cost-factored, and amortized over a useful life of at least five (5) years, and permanently fixed in place or relatively immobile and appropriate to the use of the Mobilehome Park.

2. Capital Improvements do not include the following:

a. Normal routine maintenance and repair, including, but not limited to routine maintenance or repair of a street or driveway.

b. Costs of maintenance and repair, as opposed to replacement.

c. Costs of replacement if the replacement was necessary because of the Mobilehome Park Owner's failure to carry out said maintenance responsibilities, as determined by the Department.

d. Costs to maintain physical improvements in the common facilities in good working order and condition, including pursuant to California Civil Code section 798.15.

e. Additions or replacements made to bring the Mobilehome Park into compliance with a provision of the State or local law if the Mobilehome Space has not been in compliance with said provision from the time of its original construction or installation and such provision was in effect at the time of such construction or installation.

f. Coin-operated improvements or improvements for which a "use fee" or other charge is imposed on Mobilehome Owners for their use.

E. Application for Recovery of Pass-Through Capital Improvement Costs.

1. A Mobilehome Park Owner must submit an Application for Recovery of Pass-Through Capital Improvement Costs, on a form approved by the Department, within one hundred twenty (120) days of completion of the Capital Improvement.

2. Said application must be in compliance with the Department's procedures and guidelines, contain the following information, and be accompanied by copies of relevant supporting documentation:

a. A description of the completed Capital Improvement;

- b. A copy of all estimates, contracts, bills, invoices, canceled checks and other documentation reasonably necessary to establish the cost of the Capital Improvement and the cost of financing the Capital Improvement;
 - c. The proposed amortization period to be used based on the Department's procedures and guidelines, if the period differs from one hundred twenty (120) months;
 - d. A list of Mobilehome Owners that will be affected by or benefit from the Capital Improvement;
 - e. The formula used to calculate the pro rata share of each Mobilehome Owner;
 - f. The monthly cost to each affected or benefiting Mobilehome Owner;
 - g. The commencement and completion dates of the Capital Improvement; and
 - h. Such other information as the Department may request.
3. Notice Upon Filing Application for Recovery of Pass-Through Capital Improvement Costs.
- a. Within five (5) calendar days after submission of a Mobilehome Park Owner's application with the Department, the Mobilehome Park Owner shall serve each affected Mobilehome Owner with a notice of said application via personal service or certified mail return receipt requested.

b. Notice must include copies of the Mobilehome Park Owner's application, together with the projected monthly Capital Improvement cost to be passed through to each Mobilehome Owner.

c. Notice must state that all documentation supporting the application can be reviewed at the Mobilehome Park's office during regular business hours.

d. Within ten (10) calendar days after submission of a Mobilehome Park Owner's application, the Mobilehome Park Owner shall file with the Department a proof of service, on a form approved by the Department, signed under penalty of perjury, stating that a copy of the notice of application was served upon the affected Mobilehome Owners.

e. Proof of mailing or personal delivery of the notice to the Mobilehome Owners shall be required before the application will be reviewed by the Department.

F. Examination and Inspection.

1. Mobilehome Park Owners, at their expense, shall make available for examination within ten (10) business days of the written request of any Mobilehome Owner copies of bills for property taxes, any government required service charges, copies of insurance policies and records of insurance payments, and the books and records of the Mobilehome Park Owner relating to costs of the Capital Improvements to verify any increases or decreases sought by the Mobilehome Park Owner under this Section.

2. The Department shall be permitted by a Mobilehome Park Owner, during reasonable business hours, to visit the Mobilehome Park and confirm the Capital Improvement was completed and that the Capital Improvement cost amount is justified.

3. The Mobilehome Park Owner is responsible for the Capital Improvement and confirming that it is in compliance with all federal, State or local laws.

F. Standard for Approving Pass-Through Capital Improvement Cost.

1. The Department may approve an application for recovery of a Capital Improvement cost if the Department determines the Capital Improvement cost is reasonable based on the prevailing cost of such improvements, considering the following and any other factors set forth in its procedures and guidelines:

a. The unique features of the Mobilehome Park affecting the cost;

b. That the cost incurred was necessary and appropriate to complete the Capital Improvement;

c. Whether the work was necessary to bring the Mobilehome Park into compliance or maintain compliance with County Code requirements affecting health and safety; and

d. Any supplemental information provided by the Mobilehome Owner to the Department in support of or in opposition to the Mobilehome Park Owner's application.

2. The proposed amortization of the Capital Improvement and all other aspects of the application comply with the provisions of this Chapter and the Department's procedures and guidelines.

3. Fees and costs incurred by a Mobilehome Park Owner to prepare, file, or pursue an application pursuant to this Section may not be passed on to Mobilehome Owners. Such fees and costs include, but are not limited to, attorney fees and other similar professional services costs.

SECTION 11. Section 8.57.080 is deleted in its entirety:

~~**8.57.080 Annual Rental Registration.**~~

~~A. Registration of Mobilehome Space. On or before September 30 of each year, a Mobilehome Park Owner must register all Mobilehome Spaces in the Mobilehome Park as of February 13, 2018. Mobilehome Park Owner will contact Department if there are any subsequent changes to the Mobilehome Park.~~

~~1. Registration of Amenities. When registering each Mobilehome Space, the Department may also require a Landlord to register all amenities available to the Mobilehome Owners pursuant to the Department's procedures and guidelines.~~

~~2. County Registry System. Registration under this Section must be completed through the County's registry system or in a form approved by the Department. The Department is responsible for accepting annual rental registration and any subsequent changes made or requested by the Mobilehome Park Owner.~~

~~B. Registration must include, but not limited to, the following information:~~

~~1.——Rent for each Mobilehome Space in the Mobilehome Park and the date of the last Rent increase for the Mobilehome Space.~~

~~2.——The name(s), business address(es), business telephone number(s) of each Mobilehome Park Owner in the Mobilehome Park and the nature of such ownership interest.~~

~~3.——The number of Mobilehome Spaces in the Mobilehome Park.~~

~~4.——The name and address to which all required notices will be sent.~~

~~5.——A map of the Mobilehome Park.~~

~~6.——The name and mailing address of each Mobilehome Owner.~~

~~7.——A description of Housing Services provided by the Mobilehome Park Owner.~~

~~C.——Rental Registration Fee. Each Mobilehome Park Owner must pay an annual rental registration fee for each Mobilehome Space in the Mobilehome Park.~~

~~1.——This fee shall be determined by the Board and be sufficient to pay operating costs for this Chapter, including but not limited to administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, and enforce this Chapter.~~

~~2.——Rental Registration Pass-through Fee. A Mobilehome Park Owner may recover up to fifty percent (50%) of a rental registration fee from the Mobilehome Owners subject to the permitted rent increases contained in Section 8.57.050. A Mobilehome Park Owner must meet the following requirements to pass through this rental registration fee:~~

- ~~a. The pass-through cost appears as a separate line item;~~
- ~~b. Mobilehome Park Owner timely and accurately submits an annual rental registration for each Mobilehome Space in the Mobilehome Park prior to any deadline published by the Department;~~
- ~~c. A Mobilehome Owner's payment to the Mobilehome Park Owner for the pass-through cost is paid in twelve (12) equal, monthly installments; and~~
- ~~d. The Mobilehome Park Owner provides to the Department the amount of the pass-through cost to the Mobilehome Owners.~~

SECTION 12. Section 8.57.080 is hereby added to read as follows:

8.57.080 Annual Registration.

A. Registration of Mobilehome Spaces. On or before September 30th of each year, a Mobilehome Park Owner must register each Mobilehome Space that is rented or available for rent in the County's Registry System or in a form approved by the Department. A Mobilehome Park Owner must contact the Department or update the County's Registry System within thirty (30) calendar days of any subsequent changes to the Mobilehome Space or the discovery of any errors in the County's Registry System. No fee shall be imposed for any Mobilehome Space exempted from this Chapter pursuant to the Mobilehome Residency Law.

B. Registration of Housing Services. When registering each Mobilehome Space, the Department may also require a Mobilehome Park Owner to register all Housing Services available to the Mobilehome Owners.

C. Registration must include, but is not limited to, the following information:

1. Rent for each Mobilehome Space in the Mobilehome Park and the date of the last Rent increase for the Mobilehome Space.

2. The name, business address, and telephone number of each Mobilehome Park Owner in the Mobilehome Park and the nature of such ownership interest.

3. The number of Mobilehome Spaces in the Mobilehome Park.

4. The name and mailing address of each Mobilehome Owner.

5. A map of the Mobilehome Park.

6. Move-in and vacancy dates for each Mobilehome Owner.

7. A description of Housing Services provided by the Mobilehome Park Owner.

D. Registration Fee. A Mobilehome Park Owner must pay an annual registration fee for each Mobilehome Space in the Mobilehome Park. This registration fee shall be determined by the Board and shall be sufficient to pay operating costs for this Chapter, including but not limited to, administrative time and costs, legal fees and costs, and any other expense incurred to implement, administer, and enforce this Chapter.

E. Registration Fee Pass-Through. A Mobilehome Park Owner may recover up to fifty percent (50%) of a registration fee from the Mobilehome Owners. The registration fee pass-through cost shall be calculated in accordance to the Department's procedures and guidelines. A Mobilehome Park Owner may only collect one annual

registration fee pass-through cost at a time and must also meet the following requirements to pass-through this registration fee:

1. Timely and accurately submits an annual registration for each Mobilehome Space and Housing Services in the Mobilehome Park;
2. Lists the registration fee pass-through cost as a separate line item on the monthly obligation(s) statement;
3. Provides Mobilehome Owner with thirty (30) days notice before collecting any registration fee pass-through cost; and
4. A Mobilehome Owner's payment to the Mobilehome Park Owner for the registration fee pass-through cost is paid in twelve (12) equal, monthly installments, unless otherwise agreed to by the Mobilehome Owner.

F. Excess Registration Fee Pass-Through Cost Paid:

1. In the event a Mobilehome Owner paid registration fee pass-through cost in excess of that permitted by the Department, the Mobilehome Park Owner shall reimburse the Mobilehome Owner for the registration fee pass-through cost overpayment.
2. The Mobilehome Park Owner may elect to either:
 - a. Reimburse the Mobilehome for the registration fee pass-through cost overpayment through one lump sum payment, which must be paid by the time the next monthly obligation is due; or
 - b. Reimburse the Mobilehome Owner for the registration fee pass-through cost overpayment over a six (6) month period in the form of a monthly

credit towards any monthly obligation(s) otherwise due from the Mobilehome Owner, to which the first credit must be applied at the time the next monthly obligation is due.

3. Reimbursement for Overpayment Exceeds Monthly Obligation(s) Due. Where the reimbursement due to the Mobilehome Owner exceed the total monthly obligation(s) due for the remainder of the Tenancy, the reimbursement exceeding the monthly obligation(s) shall be immediately paid to the Mobilehome Owner as a lump sum payment.

SECTION 13. Section 8.57.090 is hereby deleted in its entirety:

~~**8.57.090**~~ ~~**Notice to Mobilehome Owners.**~~

~~A. A Mobilehome Owner shall be offered a Rental Agreement for: (1) a term of twelve (12) months, or (2) a lesser period as the Mobilehome Owner may request, or (3) a longer period as mutually agreed upon by both the Mobilehome Owner and the Mobilehome Park Owner or its management.~~

~~B. No Rental Agreement shall contain any terms or conditions with respect to charges for Rent, utilities, or incidental reasonable service charges that would be different during the first twelve (12) months of the Rental Agreement from the corresponding terms or conditions that would be offered to the Mobilehome Owners on a month-to-month basis.~~

~~C. No Rental Agreement for a term of twelve (12) months or less shall include any provision which authorizes automatic extension or renewal of, or automatically extends or renews, the Rental Agreement at the sole option of either the~~

~~Mobilehome Park Owner or the Mobilehome owner beyond the initial term for a term longer than twelve (12) months.~~

~~D. No Rental Agreement for a Mobilehome Space shall contain a provision by which the Mobilehome Owner waives his or her rights under the provisions of the Mobilehome Residency Law. Any such waiver shall be deemed contrary to public policy and void.~~

~~E. Neither a Mobilehome Owner nor a prospective Mobilehome Owner shall be required to sign a Rental Agreement that is exempt from the provisions of this Chapter.~~

~~F. Prior to, or at the time of agreeing to Rent a Mobilehome Space to a new Mobilehome Owner in a Mobilehome Park, the Mobilehome Park Owner must provide each new Mobilehome Owner with a copy of the Mobilehome Residency Law.~~

~~G. Mobilehome Park Owner shall provide a notice, which conforms to the following language and printed in at least 12 point boldface type, to the Mobilehome Owner at the time a Rental Agreement is presented creating a Tenancy with a term greater than twelve (12) months:~~

~~IMPORTANT NOTICE TO PROSPECTIVE MOBILEHOME OWNER
REGARDING THE PROPOSED RENTAL AGREEMENT FOR TENANCY.~~

~~PLEASE TAKE NOTICE THAT THIS RENTAL AGREEMENT CREATES A
TENANCY WITH A TERM IN EXCESS OF 12 MONTHS. BY SIGNING THIS RENTAL
AGREEMENT, YOU ARE EXEMPTING THIS TENANCY FROM THE PROVISIONS OF
THE MOBILEHOME RENT STABILIZATION ORDINANCE OF THE COUNTY OF LOS~~

~~ANGELES FOR THE TERM OF THIS RENTAL AGREEMENT. THE MOBILEHOME RENT STABILIZATION ORDINANCE (COUNTY OF LOS ANGELES CODE CHAPTER 8.57) AND THE STATE MOBILEHOME RESIDENCY LAW (CALIFORNIA CIVIL CODE SECTION 798, et seq.) GIVE YOU CERTAIN RIGHTS, INCLUDING THE RIGHT TO A TENANCY OF 12 MONTHS OR LESS THAT IS NOT EXEMPT FROM THE PROVISIONS OF THE MOBILEHOME RENT STABILIZATION ORDINANCE. BEFORE SIGNING THIS RENTAL AGREEMENT, YOU MAY WANT TO CONSULT AN ATTORNEY. YOU MAY CANCEL THE RENTAL AGREEMENT BY NOTIFYING THE PARK MANAGEMENT IN WRITING OF THE CANCELLATION WITHIN 72 HOURS OF YOUR EXECUTION OF THE RENTAL AGREEMENT. IT IS UNLAWFUL FOR A MOBILEHOME PARK OWNER OR ANY AGENT OR REPRESENTATIVE OF THE PARK OWNER TO DISCRIMINATE OR RETALIATE AGAINST YOU FOR EXERCISING OF ANY RIGHTS YOU MAY HAVE UNDER THE MOBILEHOME RENT STABILIZATION ORDINANCE OF THE COUNTY OF LOS ANGELES, OR BECAUSE OF YOUR CHOICE TO ENTER INTO A RENTAL AGREEMENT THAT IS SUBJECT TO THE PROVISIONS OF THAT ORDINANCE.~~

~~H. The notice described above must be translated into the primary language of the Mobilehome Owner and must contain a place for the prospective Mobilehome Owner to acknowledge receipt of the notice and shall also contain an acknowledgment signed under penalty of perjury by the person offering the Rental Agreement that the notice has been given to the prospective Mobilehome Owner in accordance with the~~

~~previous subsection. A copy of the notice executed by the person offering the Rental Agreement shall be provided to the prospective Mobilehome Owner.~~

~~I. A prospective Mobilehome Owner may cancel a Rental Agreement by notifying the Mobilehome Park Owner or its management in writing of the cancellation within seventy-two (72) hours of the execution of the Rental Agreement.~~

~~J. Mobilehome Park Owner shall post a notice containing the material provisions of this Chapter. The notice shall be provided by the Department and shall be posted in the Mobilehome Park Owner's on-site management office.~~

SECTION 14. Section 8.57.090 is hereby added to read as follows:

8.57.090 Mobilehome Owner Rental Agreements.

A. A Mobilehome Owner shall be offered a Rental Agreement for: (1) a term of twelve (12) months, or (2) a lesser period as the Mobilehome Owner may request, or (3) a longer period as mutually agreed upon by both the Mobilehome Owner and the Mobilehome Park Owner or its management.

B. Rental Agreements executed between a Mobilehome Park Owner and a Mobilehome Owner shall be in compliance with the requirements and procedures set forth in the Mobilehome Residency Law and this Chapter.

C. No Rental Agreement for a Mobilehome Space shall contain a provision by which the Mobilehome Owner waives his or her rights under the provisions of the Mobilehome Residency Law. Any such waiver shall be deemed contrary to public policy and void.

D. Neither a Mobilehome Owner nor a prospective Mobilehome Owner shall be required to sign a Rental Agreement that is exempt from or that does not comply with the provisions of this Chapter.

E. A Mobilehome Park Owner shall include language in the Rental Agreement that a Mobilehome Owner may be subject to pass-through costs that have been reviewed and approved by the Department.

F. A prospective Mobilehome Owner who has not moved into the Mobilehome Space may cancel a Rental Agreement by notifying the Mobilehome Park Owner or its management in writing of the cancellation within seventy-two (72) hours of the execution of the Rental Agreement.

SECTION 15. Section 8.57.095 is hereby added to read as follows:

8.57.095 Notices to Mobilehome Owners.

A. Mandatory Notices to Mobilehome Owners. Mobilehome Park Owners must provide to each Mobilehome Owner, prior to, or at the time of agreeing to Rent a Mobilehome Space, a notice of Mobilehome Owner's rights under this Chapter and a copy of the Mobilehome Residency Law. The Department shall publish a form notice of Mobilehome Owner's rights in English and other frequently spoken languages. A Mobilehome Park Owner must provide the form notice in the following circumstances:

1. When entering into a Rental Agreement, by including a copy of the form notice as an exhibit or attachment to the written Rental Agreement;
2. When renewing a Rental Agreement; and

3. When providing a notice of a Rent increase or decrease or a Service Reduction.

B. Notice Regarding Potential Pass-Through Costs and Fees. A Mobilehome Park Owner shall include language in the Rental Agreement that Mobilehome Owner may be subject to pass-through costs and fees that have been reviewed and approved by the Department.

C. If the Rental Agreement is negotiated or written in a language other than English, the Mobilehome Park Owner must also provide the form notice of Mobilehome Owner's rights in English and the language in which the Rental Agreement was negotiated or written.

D. Posting on Property. A Mobilehome Park Owner must post a copy of the form notice of Mobilehome Owner's rights, as published by the Department, in an on-site management office or in an accessible area of the Mobilehome Park.

SECTION 16. Section 8.57.100 is hereby amended to read as follows:

8.57.100 Retaliatory Eviction and Anti-Harassment.

A. No Mobilehome Park Owner, or any person, acting as a principal or agent, offering a Mobilehome Space for Rent, or any contractor, subcontractor or employee of the Mobilehome Park Owner may retaliate against a Mobilehome Owner for the Mobilehome Owner's assertion or exercise of rights under this Chapter in any manner, including but not limited to:

1. Threatening to bring or bringing an action to recover possession of a Mobilehome Space;

2. Engaging in any form of harassment that causes a Mobilehome Owner to quit the Mobilehome Space;
3. Preventing a prospective Mobilehome Owner from freely exercising his or her legal options to choose a month-to-month Rental Agreement;
4. Decreasing Housing Services;
5. Increasing the Mobilehome Space Rent; or
6. Imposing or increasing a security deposit or any other charge payable by a Mobilehome Owner.

B. Mobilehome Owners have a right to organize an association without ~~hinderance~~hindrance from the Mobilehome Park Owner to exercise the rights provided under the provisions of this Chapter.

...

E. ~~Any action to recover possession of a Mobilehome Space by a Mobilehome Park Owner brought within one (1) year of an application filed with the Department by the Mobilehome Owner pursuant to this Chapter shall be presumed to be retaliatory. This presumption affects the burden of proof, and is rebuttable by the Mobilehome Park Owner.~~Remedies and Penalties. For purposes of this Section:

1. If any Mobilehome Park Owner or any person, acting as a principal or agent, offering a Mobilehome Space for rent, or any contractor, subcontractor, or employee of the Mobilehome Park Owner violates the terms of this Section, an aggrieved Mobilehome Owner may institute a civil action, as allowed under Section 8.57.140, for injunctive relief, direct money damages, and any other relief that

the court deems appropriate. Such relief shall include a civil penalty of no less than Two Thousand Dollars (\$2,000), and no more than Five Thousand Dollars (\$5,000), per violation, at the discretion of the court. If the aggrieved Mobilehome Owner is older than sixty-two (62) or disabled, the court may award an additional civil penalty of up to Five Thousand Dollars (\$5,000) per violation, at the discretion of the court.

2. The above remedies are not exclusive and do not preclude any Mobilehome Owner from seeking other remedies or penalties provided by applicable law. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.

~~F. Any action brought by a Mobilehome Owner for a violation of this Section must be brought in a court of competent jurisdiction. In a civil suit, a Mobilehome Park Owner found to violate this Section shall be liable to the aggrieved Mobilehome Owner. A prevailing Mobilehome Owner in a civil action shall be awarded attorneys' fees and costs. No administrative remedy need be exhausted prior to filing suit pursuant to this Section.~~

SECTION 17. Section 8.57.110 is hereby amended to read as follows:

8.57.110 Procedures and Guidelines.

The Director of the Department, or designee, may develop and publish procedures and guidelines to aid in the implementation of this Chapter.

SECTION 18. Section 8.57.115 is hereby added to read as follows:

8.57.115 Enforcement.

The Department is authorized to take any and all appropriate steps it deems necessary to enforce this Chapter.

SECTION 19. Section 8.57.120 is hereby amended to read as follows:

8.57.120 Administration Determination Administrative Review and Appeals to the Rental Housing Oversight Commission.

A. ~~Administration Determination~~ Administrative Review:

1. The Department shall review and evaluate applications pursuant to this Chapter.

2. The Department may request documents, interview witnesses and affected parties, and gather necessary evidence to review and make appropriate conclusions and findings.

~~3. The conclusions and findings of the Department shall be reviewable by the Commission. The decision of the Commission shall be final.~~

B. Authorization. Any party dissatisfied by the Department's final decision pursuant to this Chapter may request an appeal of ~~that~~ the Department's decision to the Commission, unless otherwise prohibited by this Chapter. The Department's administrative record shall be reviewable by the Commission.

C. Time Limit. A party must file ~~a request to review an appeal~~ before the Commission within fifteen (15) days of the Department's final decision. The

Commission shall have no authority to consider matters not filed within fifteen (15) days of the Department's final decision.

D. Filing of Appeals. An appeal shall be filed with the secretary ~~or clerk~~ of the Commission or Department staff assigned to the Commission, on the prescribed form, along with any accompanying appeal fee, and shall state specifically whether the basis of the appeal is that:

1. The Department's determination or interpretation is not in accord with the purposes of this Chapter;
2. ~~It is claimed that~~ There was an error or abuse of discretion by the Department;
3. The administrative record includes inaccurate information; or
4. The Department's decision is not supported by the administrative record.

E. Procedures for Appeals.

1. Hearing Dates. The Commission may delegate the setting of hearing dates to its secretary or ~~clerk~~ Department staff assigned to the Commission.
2. Public Hearing. The appeal hearing shall be conducted at a hearing open to the public. At the hearing, the Commission shall review the record of the decision and hear testimony of the party requesting the appeal, representatives of the Department, and any other interested party.

3. Application and ~~m~~Materials. At an appeal hearing, the Commission shall consider only the ~~application~~ administrative record that was the subject of the Department's final decision.

F. Decision and Notice.

1. After the hearing, the Commission shall either:

a. Affirm, modify, or reverse the Department's decision and specify the ~~specific~~ reasons for its decision; or

b. Refer the matter back to the Department for further review.

2. Decisions shall be rendered within thirty (30) days of the close of the hearing. If the Commission fails to act within thirty (30) days of the close of the hearing, the Department's decision shall be deemed affirmed.

3. The secretary or ~~clerk of the Commission~~ Department staff assigned to the Commission shall mail the Commission's decisions to the parties within ten (10) days after it is rendered.

G. Final decision. The decision of the Commission shall be final and not subject to further appeal.

SECTION 20. Section 8.57.130 is hereby amended to read as follows:

8.57.130 Administrative Fines.

A. Administrative Fines. Any Mobilehome Park Owner or Mobilehome Owner who violates any provision of this Chapter, or Department's procedures and guidelines, is subject to an administrative fine not to exceed One Thousand Dollars (\$1,000).

B. Remedies are Cumulative. Each day that a violation continues shall constitute a separate and distinct offense. The remedies set forth in this Section are cumulative and in addition to any other penalty provided by law, including any remedies which may be sought in a civil action. The provisions of this Chapter shall not be construed as limiting any party's right to obtain relief to which he or she may be entitled at law or in equity.

C. Notices of Violation and Administrative Fine. If the Department determines that a Mobilehome Park Owner or Mobilehome Owner has violated this Chapter, or Department's procedures and guidelines, the Department may issue Notices of Violation and Administrative Fine in accordance with the authority and procedures set forth in ~~Title 4~~County Code, Chapter 1.25 ~~of this Code~~.

D. Administrative Appeals and Judicial Review.

1. Administrative Appeal. Any Mobilehome Park Owner or Mobilehome Owner who receives a Notice of Administrative Fine may request an administrative hearing before a hearing officer in accordance with ~~Title 4~~County Code, Chapter 1.25 ~~of this Code~~.

2. Judicial Review of Hearing Officer Decision. Any Mobilehome Park Owner or Mobilehome Owner may seek judicial review of a hearing officer's decision pertaining to the imposition of an administrative fine in accordance with ~~Title 4~~County Code, Chapter 1.25 ~~of this Code~~.

SECTION 21. Section 8.57.140 is hereby amended to read as follows:

8.57.140 Remedies.

A. ~~Civil Remedies~~Liabilities. ~~County Counsel~~Any Mobilehome Owner, or any other person or entity acting on behalf of the Mobilehome Owner who will fairly and adequately represent Mobilehome Owner's interest, including the County, is authorized to bring a civil action and/or proceeding in a court of competent jurisdiction for violation of this Chapter, ~~or any Department's procedures and guidelines,~~ for civil penalties, injunctive, declaratory and other equitable relief, restitution and reasonable attorneys' fees and costs, and may take such other steps as necessary to enforce this Chapter. The court may award reasonable attorneys' fees and costs to a Mobilehome Park Owner who prevails in any such action if the court determines that the Mobilehome Owner's action was frivolous.

B. Civil Penalty. Any person violating any of the provisions, or failing to comply with any of the requirements of this Chapter, may be liable for a civil penalty, not to exceed One Thousand Dollars (\$1,000-00) for each violation, except for as allowed in Section 8.57.100.

C. Criminal Penalty. Any person violating any of the provisions or failing to comply with any of the requirements of this Chapter, shall be guilty of a misdemeanor and punished by a fine of not more than One Thousand Dollars (\$1,000-00), or by imprisonment in the County jail for a period of not more than six (6) months, or by both.

D. Each violation of any provision of this Chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

E. The above remedies are not exclusive and do not preclude the County or any Mobilehome Owner from seeking other remedies or penalties provided by applicable law.

SECTION 22. Section 8.57.180 shall be added to read as follows:

8.57.180 Mobilehome Park Closure, Conversion or Change of Use - Relocation Impact Reports.

A. Statement of Purpose. The purpose of this Section is to implement Sections 65863.7-65863.8 and 66427.4-66427.5 of the California Government Code, which require a person or entity proposing to convert, close or cease the use of a Mobilehome Park to address the impact on the Mobilehome Owners to be displaced, and, where required, to take steps to mitigate the adverse impacts on the Mobilehome Owners.

B. Definitions. For purposes of this Section, the following definitions shall apply in addition to the definitions set forth in Section 8.57.030.

1. "Applicant" means any person or entity seeking approval of a Mobilehome Park Closure, Conversion or Change of Use, or a Mobilehome Park Owner whose Mobilehome Park has been determined to be undergoing conversion due to reduced occupancy.

2. "Closure, Conversion or Change of Use" means changing the use of a Mobilehome Park such that it no longer contains occupied Mobilehomes, as described in and regulated by California Government Code section 66427.4.

a. A "Closure" includes ceasing to Rent Mobilehome Spaces for human habitation and displacement of Residents, or when 25 percent or more of the Mobilehome Spaces within a Mobilehome Park become vacant.

b. "Conversion" means the conversion of a Mobilehome Park composed of rental spaces to a condominium or common interest development, as described in and/or regulated by California Government Code section 66427.5 and/or section 66428.1.

c. "Change of Use" has the meaning set forth in California Civil Code section 798.10, and means the use of the Mobilehome Park for a purpose other than the rental, or the holding out for Rent, of two or more Mobilehome Spaces to accommodate Mobilehomes used for human habitation, and does not mean the adoption, amendment or repeal of a Mobilehome Park rule or regulation. A "Change of Use" may affect an entire Mobilehome Park or any portion thereof, and includes, but is not limited to, a change of the Mobilehome Park or any portion thereof to a condominium, stock cooperative, planned unit development or any form of ownership wherein Mobilehome Spaces within the Mobilehome Park are to be sold.

3. "Comparable Housing" means housing that meets the minimum standards of the California Building Code, and that is similar to the subject Mobilehome in term of rent, size, number of bedrooms and bathrooms, and other relevant factors

such as location and proximity to the Resident's place of employment, amenities, schools and public transportation.

4. "Comparable Mobilehome" means a Mobilehome that is similar in size, age, condition, number of bedrooms and amenities to the Mobilehome that is being displaced by Closure, Conversion or Change of Use of the Mobilehome Park.

5. "Relocation Impact Report" means a written report meeting the requirements of this Section and that describes: (1) the impacts of the Closure, Conversion or Change of Use of the Mobilehome Park on affected Residents, and (2) the measures that will be taken to mitigate adverse impacts of such Closure, Conversion or Change of Use on affected Residents.

6. "Relocation Specialist" means the Department-approved individual or firm retained by the Applicant, as required by this Chapter, to assist in the preparation of the Relocation Impact Report and to provide the support described herein to eligible Residents. The Relocation Specialist shall be familiar with region's housing market and qualified to assist Residents to evaluate, select, and secure placement in Comparable Housing, to arrange the moving of all the Resident's personal property, and to render financial advice on qualifying for various housing types.

7. "Resident" means a Mobilehome Owner and/or other person legally residing in a Mobilehome Park whose Mobilehome was located in a Mobilehome Park on the date of issuance of a Notice of Intent to apply for an application for Closure, Conversion or Change of Use of the Mobilehome Park. Residents includes the spouse,

parents, children, and grandchildren of the Resident who reside in the Mobilehome in the Mobilehome Space on the date of the application.

C. Notice of Intent of Closure, Conversion or Change of Use of Mobilehome Park.

1. Notice of Intent. Applicant shall provide each Resident a written Notice of Intent of Closure, Conversion or Change of Use of Mobilehome Park at least one hundred twenty (120) days prior to a Relocation Impact Report being filed with the Department. Proof of service of the Notice of Intent on the Residents, via personal service or certified mail return receipt requested, must be provided to the Department on a form approved by the Department, within ten (10) days of providing each Resident a Notice of Intent. A Notice of Intent provided to each Resident does not relieve a Resident from his or her obligation to pay Rent.

2. Notice to Prospective Residents. When an application for a Conversion or Change of Use of Mobilehome Park has been filed with the County or the Mobilehome Park has been determined to be undergoing Closure, the Applicant shall advise each prospective new Resident who proposes to occupy a Mobilehome within such Mobilehome Park, in writing, prior to the execution of a Rental Agreement or commencement of such occupancy whichever occurs first, that such application has been filed or Closure determined, and that the prospective new Resident may not be entitled to any relocation assistance under this Section.

D. Relocation Assistance. As a condition of a Mobilehome Park Closure, Conversion or Change of Use, an Applicant shall be required to employ a Relocation

Specialist and provide relocation assistance to Residents in an amount not to exceed the reasonable costs of relocation. The minimum relocation assistance required shall be determined based on the Department's procedures and guidelines.

1. Eligibility for Relocation Assistance. A Resident who has received a Notice of Intent from the Applicant is entitled to relocation assistance.

2. Protections.

a. No Applicant shall require any Resident to waive his or her rights to relocation assistance as a condition of renting a Mobilehome Space in the Mobilehome Park.

b. Residents who are eligible for relocation assistance shall be entitled to the assistance required by the Department, consistent with this Section, as a condition of Closure, Conversion or Change of Use even if they move out of the Mobilehome Park before the Commission's final determination on the Relocation Impact Report.

3. Reasonable Cost of Relocation. Reasonable cost of relocation includes a moving allowance and other applicable types of relocation assistance based on the Relocation Impact Report and set forth in this Section and the Department's procedures and guidelines.

E. Relocation Impact Report. The Relocation Impact Report shall be in compliance with this Section and set forth the impact of the Closure, Conversion or Change of Use upon the Residents who will be displaced.

1. Timing for Filing Relocation Impact Report. A Relocation Impact Report, prepared by an Applicant or Relocation Specialist, must be filed with the Department within one hundred twenty (120) days of Applicant providing a Notice of Intent to the Residents. Applicant must use a Relocation Specialist to assist Residents as required by this Section and the Department's procedures and guidelines.

2. No Closure, Conversion, or Change of Use Until Approval of Relocation Impact Report. No Applicant shall cause or permit the filing of an application for Closure, Conversion or Change of Use with the County's Department of Regional Planning and/or permit the Closure, Conversion or Change of Use of a Mobilehome Park until the Relocation Impact Report has been reviewed and approved by the Commission, which will enable each displaced Resident to relocate into Comparable Housing.

3. Contents of Relocation Impact Report. A Relocation Impact Report shall contain the following information:

a. Resident Information.

(i) The names and address of all Residents within the Mobilehome Park; and

(ii) The total number of Residents, categorized on a space by space basis identifying the following categories:

(a) If the Residents are owners or renters of the Mobilehome;

(b) Residents under the age of eighteen (18);

(c) Residents who are physically disabled,
including the chronically ill; and

(d) Residents who are sixty-two (62) years of age
or older.

b. Converting Mobilehome Park Information.

(i) A legal description of the property;

(ii) The age of the Mobilehome Park;

(iii) The proposed schedule for Closure, Conversion or
Change of Use of the Mobilehome Park;

(iv) A description of any proposed new use for the
Mobilehome Park, including the approximate number of proposed residential units, if
any;

(v) The number of Mobilehomes existing in the
Mobilehome Park, length of occupancy by the current Resident of each Mobilehome
Space, and the current Rent for each Mobilehome Space; and

(vi) A site plan of the Mobilehome Park showing all
Mobilehome Spaces within the Mobilehome Park, identified by number.

c. Comparable Housing Information.

(i) Applicant shall provide information regarding the
availability of Comparable Housing.

(ii) Each Comparable Housing shall be identified by: (A)
name and address; (B) age; (C) lease or rental rates; (D) terms, policies, and

restrictions on the types of homes and residents accepted; an estimate of number of replacement spaces within each Mobilehome Park as of the date of survey.

d. Relocation Assistance Information. The Applicant shall state how relocation assistance will be implemented to comply with this Section. The Relocation Impact Report shall include the following:

(i) Applicant's procedure to accommodate the Residents or Mobilehomes that are not able to relocate and the specific relocation assistance and options available to each Resident;

(ii) Identification of the Relocation Specialist assisting the Residents in finding and moving to Comparable Housing;

(iii) The specific relocation assistance and options proposed shall be provided to each Resident by certified or registered mail at least fifteen (15) days prior to filing the Relocation Impact Report with the Department. Proof of service via personal service or certified mail return receipt requested of the specific relocation assistance and options proposed to the Residents of the Mobilehome Park must be provided to the Department at the time of filing of the Relocation Impact Report;

(iv) Proposed measures to mitigate the adverse impacts of the Mobilehome Park Closure, Conversion or Change of Use on the Residents in the Mobilehome Park; and

(v) An appraisal if a displaced Resident cannot obtain Comparable Housing in another Mobilehome Park, in compliance of Government Code section 65863.7.

e. Any other information and mitigation measures as the Department shall deem necessary, as set forth in its procedures and guidelines.

4. Failure to Prepare Relocation Impact Report.

a. The failure of an Applicant to prepare a complete Relocation Impact Report within the time required pursuant to this Section is hereby determined to have a severely adverse economic effect on Residents due to the delay in providing necessary relocation assistance which would result from such failure. Such failure is hereby determined to be a public nuisance.

b. If the Applicant fails to prepare or cause to be prepared a Relocation Impact Report within such required time, the Department shall cause such Relocation Impact Report to be prepared at the expense of the Applicant. Failure of the Applicant to reimburse the County for such cost within thirty (30) days of receipt of such statement, may cause the matter to be brought before the Commission resulting in potential fines and penalties assessed against the Applicant.

F. Hearing and Notice.

1. Department Review of the Relocation Impact Report. The Commission shall not be required to take any action to hold public hearings to consider a Relocation Impact Report until the Department has had a reasonable time, not to exceed thirty (30) days, within which to verify that the Relocation Impact Report is complete and contains all of the information required by this Section. If the Department determines that the Relocation Impact Report does not contain all of the information required by this Section, it shall set forth in writing the specific deficiencies.

2. Setting of Hearing. The Department will deem a Relocation Impact Report complete and shall set a time, date, and place for hearing to take place not less than sixty (60) days after the date the Department determines the Relocation Impact Report is complete and upon Applicant payment of any applicable fees in accordance with this Section and the Department's procedures and guidelines. The secretary of the Commission or Department staff may give such additional notice as it deems necessary or desirable. Such time may be extended to the extent necessary to comply with any State regulations, including the California Environmental Quality Act.

3. Notice of Hearing. The Department shall provide Applicant a Notice of Hearing containing a general explanation of the matters to be considered by the Commission and any other information as the Department shall deem necessary, as set forth in the procedures and guidelines.

a. Applicant shall furnish a written Notice of Hearing to each Resident proposed to be displaced in the Mobilehome Park at least sixty (60) days prior to the hearing informing Residents that the Applicant will appear at the Commission for review and approval of a Relocation Impact Report.

b. Applicant shall provide a copy of the Relocation Impact Report to each Resident proposed to be displaced in the Mobilehome Park, which shall include the appraisal of the Mobilehome owned or resided in by that particular Resident. Applicant, at his or her expense, must provide the Relocation Impact Report in English and the language in which the Rental Agreement was negotiated or written.

c. Applicant must provide a proof of service, on a form approved by the Department, of the Notice of Hearing sent to each Resident within ten (10) days of the hearing before the Commission.

d. The Commission shall not hold any hearing on the Relocation Impact Report or render a decision thereon before the Applicant has satisfactorily verified that the Residents have been notified as required by State and this Chapter.

e. The Applicant shall pay all costs associated with providing notices, including any publishing and postage expenses and translation expenses.

G. Findings and Decision.

1. The Commission shall conduct a hearing to review the Relocation Impact Report at the noticed date and time. The Commission may consider all relevant evidence presented at the hearing and shall render its findings and decision within thirty (30) days therefrom. The secretary of the Commission or Department staff assigned by the Director shall mail the Commission's decision within ten (10) days after it is rendered to the Applicant, Residents and to all persons who have filed a written request for notification. The decision of the Commission shall be final and not subject to further review by the County.

2. The Commission shall approve, conditionally approve or disapprove a Relocation Impact Report. The Commission shall approve the Relocation Impact Report if it finds that the Relocation Impact Report has satisfactorily addressed the following:

- a. The Relocation Impact Report contains the information required pursuant to the County's procedures and guidelines and Sections 65863.7 and 66427.4-66427.5 of the California Government Code, as applicable;
- b. The Applicant has complied with all applicable notice requirements as provided for by State Law and by this Section and each Resident has had adequate notification of the Relocation Impact Report;
- c. The Relocation Impact Report accurately represents the total costs associated with the relocation of each Resident;
- d. Each Resident will receive the reasonable costs of relocation from Applicant consistent with State law, this Section and the Department's procedures and guidelines; and
- e. Whether or not approval of the Mobilehome Park Closure, Conversion or Change of Use and the Mobilehome Park's Conversion into its intended new use, taking into consideration both the Relocation Impact Report as a whole and the overall housing availability within the County, will result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the County.

3. In approving the Relocation Impact Report, the Commission may require the imposition of such conditions as it finds necessary to mitigate the adverse impacts on the Residents to find Comparable Housing.

4. Extensions. Any of the time limits specified in this Section may be extended by mutual consent of Applicant and the Commission.

5. No person shall cause or permit the Mobilehome Park Closure, Conversion or Change of Use until the Relocation Impact Report has been approved by the Commission and the specified mitigation measures have been completed.

H. Performance of Mitigation Measures. The Applicant shall fully perform the mitigation measures set forth in, and the conditions imposed in connection with, the approved Relocation Impact Report and such performance shall be a condition of approval of any concurrent or subsequent development application proposing an alternate or replacement use of the Mobilehome Park. No Resident or person shall be required to remove his or her Mobilehome and no Resident shall be required to vacate a Mobilehome Park until all of the following conditions have been satisfied:

1. The Commission's approval of the Relocation Impact Report;
2. The Applicant has given six (6) months or more notice of termination of tenancy as required by California Civil Code section 798.56(g) and that at least a six-month period has elapsed.
3. Each Resident has received the reasonable costs of relocation from the Applicant as required by the Commission and pursuant to California Government Code section 65863.7(e); and
4. Such performance has been verified by the Department.

I. Modification of Relocation Impact Report.

1. The Commission may, upon request of Applicant, modify the provisions of an approved Relocation Impact Report. A modification may be approved where the Commission finds that there has been a change in circumstances, or there is

new information that could not have reasonably been known or considered at the time of the original hearing approving the Relocation Impact Report.

2. The Commission may impose additional conditions as deemed necessary to mitigate any adverse impacts resulting from a modification of an approved Relocation Impact Report.

J. Nullification of Approved Relocation Impact Report.

1. The Commission, upon request of the Department and after holding a public hearing, may nullify an approved Relocation Impact Report. No nullification shall be ordered unless the Commission makes either of the following findings:

a. Approval of the Relocation Impact Report was obtained fraudulently;

b. The Applicant has failed to comply with the mitigation measures set forth in, or the conditions imposed in connection with, the approved Relocation Impact Report.

2. If an approved Relocation Impact Report is nullified, then the Applicant shall not be entitled to perform the Closure, Conversion or Change of Use of the Mobilehome Park until a new Relocation Impact Report is approved in accordance with this Section.

K. Evictions Pending Compliance with Relocation Impact Report.

Termination of a Tenancy of any Mobilehome Owner pursuant to California Civil Code section 798.56 or any other provision of law shall not relieve Applicant of its obligation to comply with the conditions or requirements of the Relocation Impact Report applicable

to that Applicant. However, if the termination of tenancy is based on subdivisions (a), (b), (c), (d) or (e) of Section 798.56 of the California Civil Code, the Commission, upon request by Applicant, may grant the Applicant's extensions of time within which to comply with the conditions of the Relocation Impact Report.

L. Remedies.

1. The failure of an Applicant to comply with this Section or with any condition of the Relocation Impact Report shall be defense in any action to terminate tenancy under subdivision (f) of Section 798.56 of the California Civil Code.

2. Violation of any valid condition of a Relocation Impact Report imposed by the Commission pursuant to this Chapter shall be subject to the remedies and penalties set forth in Sections 8.57.140 and 8.57.180.

M. Effective Date. The provisions of this Section shall apply to any judgment. Accordingly, any affirmative defenses to an unlawful detainer proceeding created or modified by this Section shall apply to any such proceeding not reduced to final judgment, as of the effective date of this Section.

[857010BTCC]