



County of Los Angeles  
**CHIEF EXECUTIVE OFFICE  
OPERATIONS CLUSTER**

SACHI A. HAMAI  
Chief Executive Officer

**REVISED DOCUMENTS ATTACHED**

**DATE:** February 5, 2020  
**TIME:** 2:00 p.m. – 4:00 p.m.  
**LOCATION:** Kenneth Hahn Hall of Administration, Room 830

**AGENDA**

Members of the Public may address the Operations Cluster on any agenda item by submitting a written request prior to the meeting.  
Two (2) minutes are allowed for each item.

1. **Call to order – Rick Velasquez/Gevork Simdjian**
2. **INFORMATIONAL ITEM(S):**  
**(5 minutes)**
  - A) Board Letter:  
INTRODUCTION OF AN ORDINANCE TO ESTABLISH A RENTAL  
REGISTRATION FEE RELATED TO THE MOBILEHOME RENT  
STABILIZATION ORDINANCE AND RENT STABILIZATION ORDINANCE  
DCBA – Dana Pratt, Chief
  - B) Board Letter:  
AMENDMENTS TO THE PERMANENT MOBILEHOME RENT  
STABILIZATION ORDINANCE AND PERMANENT RENT STABILIZATION  
ORDINANCE  
DCBA – Dana Pratt, Chief
3. **PRESENTATION/DISCUSSION ITEMS:**

None available.
4. **Public Comment**  
(2 minutes each speaker)
5. **Adjournment**

---

## **FUTURE AGENDA TOPICS**

---

### **CALENDAR LOOKAHEAD:**

(5 minutes)

Board Letter:

MOU AND SECURITY AGREEMENT WITH CALIFORNIA HIGHWAY PATROL  
FOR UNINCORPORATED COMMUNITIES TRAFFIC COLLISION

Board Memo:

NOTIFICATION OF INTENT OF SOLE SOURCE EXTENSION ON PRINT  
OPTIMIZATION AND RELATED SERVICES CONTRACT #77909 WITH  
XEROX CORPORATION

Board Memo:

NOTIFICATION OF INTENT TO ENTER INTO SOLE SOURCE  
NEGOTIATIONS AND EXTEND CONTRACT 76501 WITH AT&T GLOBAL  
SERVICES FOR TELECOMMUNICATIONS SERVICES

Board Letter:

ISSUANCE AND SALE OF THE CALIFORNIA COUNTY TOBACCO  
SECURITIZATION AGENCY TOBACCO SETTLEMENT BONDS

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	2/5/2020	
<b>BOARD MEETING</b>	2/18/2020	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All Supervisorial Districts	
<b>DEPARTMENT</b>	Department of Consumer & Business Affairs (DCBA)	
<b>SUBJECT</b>	Introduction of an Ordinance to Establish a Rental Registration Fee Related to the Mobilehome Rent Stabilization Ordinance (MRSO) and Rent Stabilization Ordinance (RSO)	
<b>PROGRAM</b>	N/A	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	April 2020	
<b>COST &amp; FUNDING</b>	Total cost: \$ 0	Funding source:
	TERMS (if applicable):	
	Explanation:	
<b>PURPOSE OF REQUEST</b>	Recommendation to adopt the proposed annual rental registration fee of \$64.60 specifically to finance the reasonable regulatory costs to administer and enforce the MRSO and RSO.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	Pursuant to your Board's direction, DCBA is authorized to charge appropriate fees to administer and enforce the adopted MRSO and RSO. Accordingly, through this Ordinance, property owners will be required to pay an annual fee per dwelling unit upon registration and can pass up to half of the fee to the tenants, as included in the MRSO and RSO. The proposed annual rental registration fee of \$64.60 has been determined to recover, and not exceed, the County's reasonable regulatory costs for providing necessary programmatic services and duties.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email:  Dana Pratt, Chief Department of Consumer & Business Affairs 213-974-9763 <a href="mailto:dpratt@dcba.laounty.gov">dpratt@dcba.laounty.gov</a>	



BOARD OF SUPERVISORS

Hilda L. Solis  
Mark Ridley-Thomas  
Sheila Kuehl  
Janice Hahn  
Kathryn Barger

---

# COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS

---

*"To Enrich Lives Through Effective and Caring Service"*



Joseph M. Nicchitta  
Director

Joel Ayala  
Chief of Staff

Rafael Carbajal  
Chief Deputy

January 22, 2020

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

Dear Supervisors:

**INTRODUCTION OF AN ORDINANCE TO AMEND LOS ANGELES COUNTY CODE  
TITLE 8 - CONSUMER PROTECTION, BUSINESS AND WAGE REGULATIONS  
TO ESTABLISH A RENTAL REGISTRATION FEE  
RELATED TO THE MOBILEHOME RENT STABILIZATION ORDINANCE  
AND RENT STABILIZATION ORDINANCE  
(ALL DISTRICTS) (3 VOTES)**

**SUBJECT**

Pursuant to your Board's direction, the Department of Consumer and Business Affairs (DCBA) recommends your Board introduce and set for adoption the attached Ordinance that establishes an annual rental registration fee in the amount of \$64.60 related to the Mobilehome Rent Stabilization Ordinance (MRSO) and Permanent Rent Stabilization Ordinance (RSO), effective April 1, 2020. Property owners would be required to pay the rental registration fee per each Dwelling Unit<sup>1</sup> on an annual basis and can pass up to half of the fee to the tenants, as included in the MRSO and RSO.

**IT IS RECOMMENDED THAT THE BOARD OF SUPERVISORS:**

1. Introduce, waive reading, and place on the Board of Supervisors' agenda for adoption on February 18, 2020, the attached Ordinance establishing an annual rental registration fee related to the Permanent Mobilehome Rent Stabilization

---

<sup>1</sup> "Dwelling Unit" means a dwelling unit, as defined under California Civil Code section 1940 subsection (c), including joint living and work quarters, that is used or occupied in consideration of payment of rent, and applies to any dwelling space that is actually used for residential purposes, whether or not the residential use is legally permitted, including live-work spaces, mobilehomes rented by the owner to a tenant, and any accessory dwelling unit in the unincorporated areas of the County.

Ordinance and Permanent Rent Stabilization Ordinance effective April 1, 2020;

2. Find that approval of this Ordinance is exempt from the California Environmental Quality Act (CEQA), for the reasons stated in this letter and in the record.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to require those who rely upon and benefit from the administration and enforcement of the MRSO and RSO to pay an annual fee which is directly related to the financial responsibility placed upon DCBA in carrying out necessary programmatic services and duties.

The MRSO and RSO adopted by your Board on November 26, 2019, protects tenants and Mobilehome Owners in unincorporated areas from excessive rent increases and evictions without just cause, while also ensuring property owners receive a fair return on their investments. The MRSO and RSO include an annual requirement for property owners to register each rental unit, reporting requirements, due processes, appeals through a Rental Housing Oversight Commission, and relocation assistance benefits to tenants. Pursuant to the adopted Ordinances, DCBA is authorized to charge appropriate fees to administer and enforce these provisions, which must be approved and adopted by your Board.

Through this Ordinance, property owners will be required to pay the rental registration fee per each dwelling unit on an annual basis upon registration of each unit and can pass up to half of the fee to the tenants, as included in the MRSO and RSO. The proposed annual rental registration fee of \$64.60 reflects the projected cost for the County to administer and enforce the MRSO and RSO. The fee has been determined to recover, and not exceed, the County's reasonable regulatory costs for providing necessary programmatic services and duties. This consists of applicable costs as determined by a fee study for an annual registration fee, as well as costs associated with staff time to monitor and review required applications and appeals, as included within the MRSO and RSO.

The proposed fee is expected to offset the County's costs fully. As such, DCBA will not charge residents to access services under the MRSO and RSO, including applications, petitions, and other services.

The proposed fee has been reviewed and approved by the Department of Auditor-Controller.

The Ordinance will go into effect on March 19, 2020.

### **FISCAL IMPACT/FINANCING**

Approval of this Ordinance by your Board will establish an annual rental registration fee

for all dwelling units covered by the MRSO and RSO to recover all program costs associated with services provided by DCBA. As the fees are cost recovery, the fiscal impact to the County will depend upon both the dollar amount of the fees adopted by the Board, and fee payment compliance rates. We do not expect a 100% compliance rate the first year the ordinance takes effect. Through outreach, education, and program maturity, we expect compliance rates to gradually increase. In the interim, any programmatic costs that are not covered by the fee in Fiscal Year 2019-2020, will be covered by other sources, with revenue from the fee to be budgeted in Fiscal Year 2020-2021.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Proposition 26, adopted in 2010 by California voters, authorizes local authorities to impose fees charged for any service or regulatory activity in an amount no more than necessary to cover the reasonable regulatory costs to the local government in enforcing a program.

The proposed fee of \$64.60 has been reviewed and approved by the Department of Auditor-Controller, while County Counsel has prepared the attached required ordinance that incorporates the proposed fee outlined in the sections below.

Pursuant to Government Code Section 66018, the County must hold a public hearing prior to the adoption of a new fee or increase of existing fees and a notice of public hearing shall be published pursuant to Government Code Section 6062(a). In accordance with Government Code Section 6062(a), an official notice of the time and place of said meeting, including a general explanation of the fees will be published on or before February 8, 2010.

#### **Rental Registration Fee**

Pursuant to the MRSO and RSO, all property owners will be required to pay an annual registration fee per Dwelling Unit upon registration through a web-based Rental Housing Registry System. Accordingly, it is recommended that property owners be required to pay an annual fee of \$64.60 per dwelling unit, due September 30<sup>th</sup> of each year, to offset the cost of administering and enforcing program services pursuant to the MRSO and RSO, including the creation and maintenance of the registration system.

#### **Penalties for Late Payment or Nonpayment of Rental Registration Fee**

Any property owner who fails to pay the annual rental registration fee by September 30<sup>th</sup> of each year will be assessed a penalty in the amount equal to 10% of the unpaid balance of each dwelling unit, including the unpaid balance remaining from unpaid rental registration fees and late fees from prior years. The penalty may be waived if DCBA determines that good cause exists for failure to pay the rental registration fee by the annual due date.

### Fee Adjustments

The fees in this Chapter may be reviewed annually by the Auditor-Controller. Beginning on July 1, 2021, and thereafter on each succeeding July 1, the amount of the fee may be adjusted as follows: Calculate the percentage movement in the CPI, as published by the United States Government Bureau of Labor Statistics, between January of the previous year and January of the current year, and rounded off to the nearest one dollar (\$1) (Annual Fee Review). No Annual Fee Review shall increase any fee by more than two percent (2%) in any year as a result of an increase in the CPI. No adjustment will decrease any fee nor exceed the reasonable cost of providing the services for which the fee is collected.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Adoption of this Ordinance will establish an appropriate fee that allows the DCBA to recover costs expended to administer and enforce the MRSO and RSO.

### **ENVIRONMENTAL DOCUMENTATION**

The adoption of the Ordinance is exempt from California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines 15061(b)(3), in that there is no possibility that the implementation of this Ordinance will have significant effects on the environment.

### **CONCLUSION**

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

Respectfully submitted,

JOSEPH M. NICCHITTA  
Director  
Department of Consumer and Business Affairs

JMN:DP:lm

The Board of Supervisors  
January 22, 2020  
Page 5

c: Auditor-Controller

Enclosures (1)



## **ANALYSIS**

This ordinance amends Title 8 (Consumer Protection, Business and Wage Regulations) by adding Chapter 8.65 (Annual Rental Registration Fees) related to Chapter 8.52 (Rent Stabilization) and Chapter 8.57 (Mobilehome Rent Stabilization).

This ordinance imposes annual rental registration fees that are imposed in the Rent Stabilization and Mobilehome Rent Stabilization ordinances that require landlords and mobilehome park owners to annually register each dwelling unit and mobilehome space.

MARY C. WICKHAM  
County Counsel

By: SAYUJ PANICKER  
Deputy County Counsel  
Government Services Division

SP/gh

Requested: 1/22/20

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 – Consumer Protection, Business and Wage Regulations of the Los Angeles County Code, adding Chapter 8.65 (Annual Rental Registration Fee).

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

**SECTION 1.** Chapter 8.65 is hereby added to read as follows:

**Chapter 8.65      Annual Rental Registration Fees**

**8.65.010      Short Title**

**8.65.020      Definitions**

**8.65.030      Annual Rental Registration Fee**

**8.65.040      Penalties for Late Payment or Nonpayment of Rental**

**Registration Fee**

**8.65.050      Rulemaking**

**8.65.010      Short Title**

This Chapter shall be known as "Annual Rental Registration Fee."

**8.65.020      Definitions**

The terms in this Chapter shall have the definition set forth in Chapter 8.52 (Rent Stabilization) and Chapter 8.57 (Mobilehome Rent Stabilization).

**8.65.030      Annual Rental Registration Fee**

A. Pursuant to the Rent Stabilization and Mobilehome Rent Stabilization Ordinances, on or before September 30<sup>th</sup> of each year, a registration fee of \$73 per Dwelling Unit and Mobilehome Space is required to be paid by Landlords and Mobilehome Park Owners to perform, carry on, conduct, or

engage in any activity regulated by the Rent Stabilization and Mobilehome Rent Stabilization Ordinances.

B. Annual Fee Review. The fees in this Chapter may be reviewed annually by the Auditor-Controller. Beginning on July 1, 2021, and thereafter on each succeeding July 1, the amount of the fee in this Chapter may be adjusted as follows: Calculate the percentage movement in the CPI, as published by the United States Government Bureau of Labor Statistics, between January of the previous year and January of the current year, and rounded off to the nearest one dollar (\$1) (Annual Fee Review). No Annual Fee Review shall increase any fee by more than two percent (2%) in any year as a result of an increase in the CPI. Notwithstanding the foregoing, no such adjustment shall decrease any fee unless the reasonable costs of providing the services have also decreased and no fee shall exceed the reasonable cost of providing the services.

**8.65.040 Penalties for Late Payment or Nonpayment of Rental Registration Fee**

A. Any Landlord and Mobilehome Park Owner who fails to pay the annual rental registration fee on or before September 30th shall be assessed a penalty in the amount equal to 10% of the unpaid balance of each Dwelling Unit and Mobilehome Space, including the unpaid balance remaining from unpaid rental registration fees and/or penalties from prior years.

B. If the annual registration fee and/or late payment is due and unpaid for a Dwelling Unit or Mobilehome Space, any rent increases pursuant to Chapter

8.52 and Chapter 8.57 are unenforceable and void until the registration fee and late payments are fully paid.

C. If the Department determines that good cause exists for a Landlord's or Mobilehome Park Owner's failure to timely pay the registration fee in accordance with this Chapter, the Department may waive the penalties required by this Section.

#### **8.65.05 Rulemaking**

The Department shall the authority to make written rules for the administration of this Chapter.

[CH865SPCC]

## BOARD LETTER/MEMO – FACT SHEET OPERATIONS CLUSTER

<b>OPS CLUSTER AGENDA REVIEW DATE</b>	2/5/2020	
<b>BOARD MEETING</b>	2/18/2020	
<b>SUPERVISORIAL DISTRICT AFFECTED</b>	All Districts	
<b>DEPARTMENT</b>	Department of Consumer & Business Affairs (DCBA)	
<b>SUBJECT</b>	Amendments to the Permanent Mobilehome Rent Stabilization Ordinance (MRSO) & Permanent Rent Stabilization Ordinance (RSO)	
<b>PROGRAM</b>	N/A	
<b>SOLE SOURCE CONTRACT</b>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
	If Yes, please explain why:	
<b>DEADLINES/ TIME CONSTRAINTS</b>	April 2020	
<b>COST &amp; FUNDING</b>	Total cost: \$500,000	Funding source: Fee - Partial Consumer Protection Settlement (CPS), if compliance rates are low
	TERMS (if applicable):	
	Explanation: Funding for 3.0 new positions and S&S to handle capital passthroughs, primary renovations and relocation assistance. Funding is requested in DCBA's FY 2020-21 recommended budget.	
<b>PURPOSE OF REQUEST</b>	Recommendation to adopt amendments to the MRSO and RSO.	
<b>BACKGROUND (include internal/external issues that may exist)</b>	Consistent with your Board's policy directives on September 10, 2019, and November 19, 2019, related to the establishment of a rent stabilization program, and based on additional departmental review and stakeholder testimony and feedback, DCBA recommends adopting clarifying provisions to the MRSO and RSO.	
<b>DEPARTMENTAL AND OTHER CONTACTS</b>	Name, Title, Phone # & Email:  Dana Pratt, Chief Department of Consumer & Business Affairs 213-974-9673 <a href="mailto:dpratt@dcba.laounty.gov">dpratt@dcba.laounty.gov</a>	



BOARD OF SUPERVISORS

Hilda L. Solis  
Mark Ridley-Thomas  
Sheila Kuehl  
Janice Hahn  
Kathryn Barger

---

# COUNTY OF LOS ANGELES DEPARTMENT OF CONSUMER AND BUSINESS AFFAIRS

---

*"To Enrich Lives Through Effective and Caring Service"*



Joseph M. Nicchitta  
Director

Joel Ayala  
Chief of Staff

Rafael Carbajal  
Chief Deputy

January 22, 2020

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

Dear Supervisors:

**AMENDMENTS TO TITLE 8 – CONSUMER PROTECTION, BUSINESS AND WAGE  
REGULATIONS DIVISION 3 (HOUSING) TO IMPLEMENT CLARIFYING CHANGES  
TO THE MOBILEHOME RENT STABILIZATION AND RENT STABILIZATION  
PROGRAMS  
(3 VOTES - ALL DISTRICTS)**

**SUBJECT**

Adopt amendments to Los Angeles County Code (LACC) Title 8 - Consumer Protection, Business and Wage Regulations to make clarifying changes to Section 8.57 - Mobilehome Rent Stabilization (MRSO) and Section 8.52 - Rent Stabilization (RSO). These changes are intended to clarify the rights and responsibilities of owners and tenants and standardize procedures across the MRSO and RSO.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Introduce, waive reading, and set for adoption the attached ordinance that amends the LACC Title 8 – Consumer Protection, Business and Wage Regulations, Chapter 8.57 - Mobilehome Rent Stabilization.
2. Introduce, waive reading, and set for adoption the attached ordinance that amends the LACC Title 8 – Consumer Protection, Business and Wage Regulations, Chapter 8.52 - Rent Stabilization.
3. Direct the Director of Consumer and Business Affairs to report back in writing to your Board within 18 months with an analysis of rent amounts and trends captured by the County's rental registry and a recommendation for a luxury exemption rent limit that reflects actual rents charged.

500 W. Temple Street, Room B-96, Los Angeles, CA 90012-2706  
Telephone (213) 974-1452 \* (800) 593-8222 \* Fax (213) 687-1137 \* Website: [dcba.lacounty.gov](http://dcba.lacounty.gov)

## **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Consistent with your Board's policy directives on September 10, 2019, and November 19, 2019, related to the establishment of a rent stabilization program, and based on additional departmental review and stakeholder testimony and feedback, the Department of Consumer and Business Affairs (DCBA) recommends adopting clarifying provisions to the MRSO and RSO (collectively, Ordinances). Recommended changes are detailed below.

## **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

### **Recommended Amendments to Section 8.57 - Mobilehome Rent Stabilization Ordinance**

The recommended amendments to the MRSO would do all the following:

1. Clarify the definition of "rent" by specifying that "rent" under the MRSO only includes charges to lease a mobilehome space within a park and any related housing services provided by the park owner, but does not include, for example, charges to rent the mobilehome coach itself. This clarification is consistent with State law pertaining to mobilehome space leases. (LACC Section 8.52.030.)
2. Clarify that permitted rent increases for a covered mobilehome park space shall not exceed 8 percent in any 12-month period. (LACC Section 8.57.050.)
3. Clarify the conditions under which a mobilehome park owner may reset rental rates upon the vacancy of a covered mobilehome space. (LACC Section 8.57.050.)
4. Clarify that rent-banking is not permitted under the MRSO, which would mean that a mobilehome park owner may not wait to charge an allowable rent increase in a subsequent 12-month period. (LACC Section 8.57.050.)
5. Clarify the requirements for submitting a complete application for a rent adjustment, capital passthrough, and primary renovation passthrough, and ensuring the requirements are consistent with RSO procedures and requirements. (LACC Section 8.57.060.)
6. Add a requirement that mobilehome park owners must identify park amenities as part of their annual registration obligations. (LACC Section 8.57.080.)
7. Clarify that mobilehome park owners may pass through up to 50 percent of applicable annual registration fees to mobilehome owners. (LACC Section 8.57.080.)
8. Delegate authority to the Director of DCBA to adopts guidelines to aid in the

implementation of the MRSO. (LACC Section 8.57.110.)

In addition, in coordination with the Los Angeles County Development Authority (LACDA) and County Counsel, DCBA and LACDA recommend that all MRSO and RSO program components be administered by DCBA to ensure uniformity of service delivery and eliminate confusion by park owners and tenants as to which agency has responsibility for certain program components. As such, the recommended amendments would remove references to LACDA from the MRSO.

Lastly, the recommended amendments would effectuate technical, non-substantive changes throughout the MRSO.

### **Chapter 8.52 - Rent Stabilization Ordinance**

The recommended amendments to the RSO would do all the following:

1. Clarify the definition of “landlord’s family member” to include the dependents of a landlord’s spouse or registered domestic partner, over which they have legal guardianship. (LACC Section 8.52.030.)
2. Revise the definition of “payment standard” to ensure consistency with guidelines issued by LACDA with respect to their subsidized housing programs, including Section 8. (LACC Section 8.52.030.)
3. Clarify the definition of “rent” to exclude charges for optional services or facilities not expressly included as rent in the applicable rental agreement. (LACC Section 8.52.030.)
4. Add provisions governing the decision-making and notification processes for rent adjustment applications. (LACC Section 8.52.060.)
5. Clarify that an owner must have at least a 10-percent ownership stake in a covered rental unit to pass through charges from the Measure W parcel tax approved by voters in November 2018. (LACC Section 8.52.070.)
6. Make clarifying changes to ensure consistency with the State Ellis Act. (LACC Section 8.52.090.)
7. Delegate authority to the Director of DCBA to adopts guidelines to aid in the implementation of the RSO. (LACC Section 8.52.140.)

In addition, as described above, the recommended amendments would remove references to LACDA from the RSO.

Lastly, the recommended amendments would effectuate technical, non-substantive changes throughout the RSO.



### **FISCAL IMPACT/FINANCING**

LACDA was initially going to perform duties related to relocation and passthroughs as they relate to the Ordinances. In an effort to consolidate and simplify delivery of services related to the Ordinances, DCBA will be taking over those aforementioned duties. As a result, DCBA has requested 3.0 FTEs in its Fiscal Year 2020-2021 Recommended Budget to account for this change. The cost of the three new positions will be offset by registration fees.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The adoption of these proposed amendments will have no impact on current services or projects and will facilitate the County's ability to implement the RSO and MRSO.

### **CONCLUSION**

DCBA requests that the Executive Officer, upon approval by the Board, return one adopted-stamped copy of this letter to the Director of DCBA.

Respectfully submitted,

JOSEPH M. NICCHITTA  
Director

JMN:DP:sl  
ES:at

Enclosures (2)

c: Chief Executive Officer

## **ANALYSIS**

This ordinance amends Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code relating to Chapter 8.57 (Mobilehome Rent Stabilization) by clarifying: (1) definitions; (2) permitted rent increases and applications for rent adjustments; (3) permitted pass-through recovery of costs; (4) registration of the mobilehome park; and (5) procedures and guidelines to be implemented by the County.

MARY C. WICKHAM  
County Counsel

By

BEHNAZ TASHAKORIAN  
Principal Deputy County Counsel  
Government Services Division

BT:gjh

Requested: 12/18/19  
Revised: 01/28/20

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 (Consumer Protection, Business, and Wage Regulations) of the Los Angeles County Code, relating to Chapter 8.57 (Mobilehome Rent Stabilization).

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

**SECTION 1.** Section 8.57.030 is hereby amended 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:

...

B. "Capital Improvement" means the addition, substantial repair or replacement of any improvement to a Mobilehome Space or ~~property~~ 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. ~~Normal routine maintenance and repair to maintain a facility or improvement in good repair does not constitute a Capital Improvement.~~

...

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~~ and guidelines.

...

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 ~~(including employee salaries and fringe benefits)~~, 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; ~~governmental assessments, and other costs reasonably attributable to the operation of the Mobilehome Park.~~ The term "Housing Services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.

H. ~~"Los Angeles County Development Authority" or "LACDA" shall refer to means the agency that is acting on behalf of the County or the Department in administering this Chapter~~ Los Angeles County Development Authority.

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

...

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 ~~unit~~;

...

4. Utility charges for those Mobilehome Parks which bill Mobilehome Owners separately whether or not the Mobilehomes are individually metered; ~~and/or~~

O. "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. "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;

...

R. "State" means the State of California.

S. "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 2.** Section 8.57.040 is hereby amended to read as follows:

**8.57.040 General Applicability of Chapter.**

A. This Chapter shall be effective on April 1, 2020, and apply to all Mobilehome Park Owners and Mobilehome Owners in Mobilehome Parks within the unincorporated areas of the County, unless otherwise exempted by State law or the provisions of this Chapter.

...  
**SECTION 3.** Section 8.57.050 is hereby amended to read as follows:

**8.57.050 Permitted Rent Increases for Mobilehome Parks Spaces.**

A. A Mobilehome Park Owner may impose an annual Rent increase for any Mobilehome ParkSpace, as allowed in this Section, ~~on or after February 13, 2018~~ 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 ~~if the Mobilehome Park is not registered,~~ unless the Mobilehome Park is registered with the Department or, is not delinquent in registration payments required pursuant to Section 8.57.080, and is in compliance with State laws and requirements.

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

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

E. ~~All Mobilehome Spaces within the unincorporated County subject to this Section, except the following:~~ 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.

...

F. ~~Rent Increases Upon~~ Following Vacancy.

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

...

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 ~~implement an increase of the Rent for that Mobilehome Space for a Rental Agreement subject to this Chapter in an amount equal to up to~~ not to exceed ten percent (10%) of the Rent for that Mobilehome Space then in effect.

...

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

1. For ~~leases that are not exempt under the provisions of this Chapter~~ Mobilehome Spaces subject to this Chapter, upon the Mobilehome Owner's closure of an "in-place" sale, transfer or other conveyance of a Mobilehome subject to this Chapter to a new Mobilehome Owner, the Mobilehome Park Owner may increase the Rent in an amount not to exceed ~~by~~ 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, ~~occupying~~ and occupies the same Mobilehome Space under an existing Rental Agreement subject to the provisions of this Chapter;

...

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

I. Mobilehome Owner's Right of Refusal. A Mobilehome Owner may refuse to pay ~~an increase in 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.



J. 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.

**SECTION 4.** Section 8.57.060 is hereby amended to read as follows:

**8.57.060 Application for Rent Adjustments.**

A. Mobilehome Park Owner's Application for Rent Adjustment for Fair Return.  
~~A Mobilehome Park Owners, subject to Section 8.57.050, who believe they are not receiving a fair return on their Mobilehome Park may file an application with the Department for a Rent adjustment for individual Mobilehome Spaces in accordance with this Section and its procedures and/or guidelines to request an increase in Rent beyond that is which is permitted under Section 8.57.050.~~

1. ~~The Park Owner shall have the burden to prove the necessity of a fair return increase.~~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 Procedure.~~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.

...

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

...

3. Notices Upon Filing of Application.

a. Within five (5) calendar days after submission of a Mobilehome Park Owner's Application for Fair Return ~~to~~ 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 ~~all such~~ each affected Mobilehome Owners.

4. Fees and costs incurred by a Mobilehome Park Owner to ~~make~~ do 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 ~~unduly threaten the housing stability of~~ cause an undue financial burden on the affected Mobilehome Owners ~~affected by the petition~~, 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 ~~unduly threaten the housing stability of~~ cause an undue financial burden on the affected Mobilehome Owners ~~affected by the application~~, 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 the property 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, which may be copied at park Owner's expense that shall be provided at the Mobilehome Park Owner's expense.

B. Mobilehome Owner's Application for Rent Adjustment. A 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 apply file an application with the Department for a Rent adjustment 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 a reasonable opportunity to correct the issue(s).

1. Application.

...

b. The application must include the following information:

...

(ii) The prior level of ~~service~~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;

...

...

(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;

...

2. Notices Upon Filing Application.

a. Within five (5) calendar days after submission of an Mobilehome Owner's Application for Rent Adjustment to application with the Department, the Mobilehome Owner shall serve the Park Owner, ~~via personal service or certified mail, return receipt requested,~~ with a notice ~~that an~~ of said application for approval of decrease ~~has been filed with the Department~~ 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 ~~rental~~ Rent decrease 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;

...

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, ~~the Department may refuse to hold a hearing and/or grant an individual Rent adjustment for a Mobilehome Park~~ if a determination has been made with regard to the Rent adjustment for ~~such a~~ Mobilehome Park within the previous six (6) months by either the Department ~~and/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.

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 5.** Section 8.57.070 is hereby amended to read as follows:

**8.57.070 Capital Improvements Pass-Through.** **Pass-Through Cost Recovery.**

A. ~~A Pursuant to this Section, a Mobilehome Park Owner must obtain permission from the County to pass through to the Mobilehome Owner Capital Improvements costs under this Section. 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. Any Capital Improvement shall be identified separately and listed on Rent statements along with their date of expiration. A pass-through is not considered Rent.~~

B. ~~In order to qualify for a pass-through, the Park Owner must be in compliance with this Section and must have registered his or her Mobilehome Park pursuant to Section 8.57.080 and paid all applicable registration fees. 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. ~~No Capital Improvements cost recovery pursuant to this Section may be approved.~~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 of an affected Mobilehome Space by ~~in more than eight percent (8%) of the Rent for the prior year, subject to this Chapter.~~

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

1. ~~The improvement~~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 improvement~~Capital Improvement shall have a life expectancy of five (5) years or more and must be treated as a Capital Improvement for ~~Federal~~ federal and State income tax purposes and may not be deducted for such tax purposes as expenses.

3. ~~The improvement~~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 Improvements costs in excess of that permitted by the Department or beyond the date of expiration of the Capital Improvement pass-through, 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. Calculation of the Capital Improvements Cost Pass-Through FormulaThe Department's procedures and guidelines will set forth all of the following:

1. Fifty percent (50%) of the Capital Improvement costs paid by the Park OwnerThe cost recovery calculations and amortization period for the Capital Improvement pass-through cost for each Mobilehome Space; and

2. Divided by the total number of Mobilehome Spaces in the Mobilehome Park that have benefitted from the Capital Improvement;Factors for the Department to evaluate a Mobilehome Park Owner's application for a pass-through cost of a Capital Improvement including, but 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.

3. ~~Divided by one hundred twenty (120) months unless otherwise determined by the Department.~~

...

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, ~~after~~ within one hundred twenty (120) days of completion of the ~~Park Owner completes the~~ Capital Improvement(s) in the Mobilehome Park.

...

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.

...

J. ~~Objection by Mobilehome Owners.~~

~~1. Mobilehome Owners shall have thirty (30) days from the post-marked or personal delivery date of the required notice to file an objection, with the County, to the Park Owner's application for recovery of Capital Improvement cost.~~

~~2. If fifty percent (50%) or more of the affected Mobilehome Owners file an objection with the Department, within the thirty (30) day requirement in this Section, the Department shall review the application, together with the objections, and within sixty (60) days of the expiration of the 30 day objection period, file a recommendation with the Commission regarding the approval, modified approval, or denial of the application. The Commission shall conduct a hearing on the recommendation pursuant to Section 8.57.120 and approve, modify, or deny the petition consistent with the standard set forth in subsection N of this Section.~~

~~K.~~ 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.

~~L.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.

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

1. The Department shall approve an application for a ~~capital~~ Capital Improvement pass-through if the Department determines the ~~capital improvement~~

Capital Improvement costs are reasonable based on the prevailing costs of such improvements, considering the following:

- a. The unique features on the ~~site~~ Mobilehome Park affecting the cost;
- b. That the costs incurred were necessary and appropriate to complete the ~~capital improvement~~ Capital Improvement; and,
- c. That the proposed amortization of the ~~capital improvement~~ 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 recover or amortization schedule different than that proposed by the Mobilehome Park Owner if the Department finds the different cost or amortization schedule is necessary to comply with the provisions of this Chapter, provided the approved the ~~capital improvement~~ Capital Improvement cost shall not be greater than that requested by the Mobilehome Park Owner.

**SECTION 6.** Section 8.57.080 is hereby amended to read as follows:

**8.57.080 ~~Park Owner~~ Annual Rental Registration.**

A. Registration of Mobilehome Space. ~~Within ninety (90) one hundred twenty (120) days of the effective date of this Chapter, and on~~ On or before September 30 of each year ~~thereafter~~, 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 must be completed on a form approved by the~~  
~~Department.~~ 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. ~~The Department shall be responsible for accepting annual~~  
~~registrations.~~ 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:

...

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.

...

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

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 their Mobilehome Park.

1. ~~The amount of said~~This fee shall be determined by the Board and be sufficient to ~~cover~~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. ~~—The fee must be paid no later than the time of registration unless otherwise determined by the Department.~~

~~3. —Pass-Through of~~ Rental Registration Pass-Through Fee.  
~~The~~A Mobilehome Park Owner may recover up to fifty percent (50%) of a rental registration fee from ~~pass-through said fee to~~ the Mobilehome Owners ~~residing in their Mobilehome Park who are subject to this Chapter in twelve (12) equal monthly installments starting September 1 of each year. subject to Section 8.57.050.~~  
Mobilehome Park Owner meets the following requirements to pass-through this rental registration fee:

a. ~~Said~~The pass-through must be shown separately on the monthly ~~Rent statement.~~cost appears as a separate line item;

b. ~~The~~ pass-through amount for each Mobilehome Owner shall be an amount equal to fifty percent (50%) of the total annual registration fee for the respective ~~Mobilehome Space.~~ 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. Said pass-through is not considered rent.~~ 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.

~~4. Park Owner must provide to the Department the amount of said~~  
~~pass-through to the Mobilehome Owners residing in their Mobilehome Park.~~

**SECTION 7.** Section 8.57.090 is hereby amended to read as follows:

**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.

...

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 beyond the initial term for a term longer than twelve (12) months at the sole option of either the Mobilehome Park Owner or the Mobilehome Owner.

...

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.

...



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 8.** Section 8.57.100 is hereby amended to read as follows:

**8.57.100 Retaliatory Eviction.**

A. No 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:

...

3. Preventing a prospective Mobilehome Owner from freely exercising his or her legal options to choose a month-to-month ~~rental agreement~~ Rental Agreement;

...

...

C. In any action brought to recover possession of a Mobilehome Space by a Mobilehome Park Owner, the court may consider, as grounds for judgment in favor of the Mobilehome Owner, any violation of any provision of this Chapter by the Mobilehome Park Owner.

...

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.

F. Any action brought by a Mobilehome Owner for a violation of this Section must be brought in a court of ~~competent~~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 9.** Section 8.57.110 is hereby amended to read as follows:

**8.57.110 ~~Procedures and/or~~ and Guidelines.**

The Director may develop and publish procedures ~~and/or~~and guidelines to aid in the implementation of this Chapter, ~~which procedures and/or guidelines must be approved by the Board of Supervisors.~~

**SECTION 10.** 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/or~~ guidelines, is subject to an administrative fine not to exceed \$1,000.

...

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/or~~ and guidelines, the Department may issue Notices of Violation and Administrative Fine in accordance with the authority and procedures set forth in Code Chapter 1.25.

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 Code Chapter 1.25.

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 Code Chapter 1.25.

SECTION 11. Section 8.57.140 is hereby amended to read as follows:

**8.57.140 Remedies.**

A. Civil Remedies. County Counsel 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/or~~ 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.

...

[857BTCC]

## **ANALYSIS**

This ordinance amends Title 8 (Consumer Protection, Business and Wage Regulations) of the Los Angeles County Code relating to Division 3 (Housing) by amending Chapter 8.52 (Rent Stabilization) by clarifying: (1) definitions; (2) permitted rent increases and applications for rent adjustments; (3) permitted pass-through recovery of costs; (4) termination of tenancies; and (5) procedures and guidelines to be implemented by the County.

MARY C. WICKHAM  
County Counsel

By

BEHNAZ TASHAKORIAN  
Principal Deputy County Counsel

BT:gjh

Requested: 12/18/19  
Revised: 01/28/19

**ORDINANCE NO. \_\_\_\_\_**

An ordinance amending Title 8 (Consumer Protection, Business, and Wage Regulations) of the Los Angeles County Code, relating to Chapter 8.52 (Rent Stabilization).

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

**SECTION 1.** Section 8.52.020 shall be amended as follows:

**8.52.020 Declaration of Purposes and Findings.**

...

B. Due to the shortage of rental units, rents in the unincorporated County are increasingly excessively. A substantial number of persons in the unincorporated County who reside in rental units spend a high percentage of their income on rent, and many have been forced to move out because they could no longer afford to pay the increase in rent. Further, low and moderate income tenants have difficulty finding affordable housing after being displaced due to a rent increase or not being able to afford the security deposit at a new location.

...

**SECTION 2.** Section 8.52.030 shall be amended as follows:

**8.52.030 Definitions.**

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

...

M. "Landlord's Family Member" means a Landlord's parent, child, spouse or registered domestic partner, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, or other dependent ~~to~~over which the Landlord has guardianship, ~~and~~ the spouse or registered domestic partner's parent, child, grandparent, grandchild, aunt or uncle at least sixty-two (62) years of age, and other dependent over which the Landlord's spouse or domestic partner has guardianship.

N. ~~"Los Angeles County Development Authority" or "LACDA" means agency that is acting on behalf of the County or the Department in administering this Chapter~~  
the Los Angeles County Development Authority.

...

P. ~~"Payment Standard" means the maximum rental assistance paid by the LACDA pursuant to an agreement with a State or federal law or administrative regulation~~  
the amount determined by the LACDA that is used to set the amount of housing assistance paid on behalf of a tenant under the Section 8 Housing Choice Voucher Program pursuant to 24 Code of Federal Regulations Part 982.

Q. "Primary Renovation" means work performed either on Dwelling Units or the building containing the Dwelling Units that improves the property by prolonging its useful life or adding value as specified in Section 8.52.070.

R. "Rent" means the consideration paid for the use or occupancy of a Dwelling Unit or for Housing Services provided, or both, but does not include any of the following:

...

2. User fees for services or facilities which may be utilized at the option of the Tenant and are expressly not included ~~in as Rent in the Rental Agreement;~~

...

...

**SECTION 3.** Section 8.52.050 shall be amended as follows:

**8.52.050 Permitted Rent Increases for Covered Rental Units.**

...

C. ~~Allowable Annual Rent Increases. This Section shall limit a~~Annual Rent increases, ~~allowable under State law, shall be limited~~ to reflect the average annual change in CPI with a maximum of eight percent (8%), as specified below:

1. If the change in CPI is eight percent (8%) or higher, the ~~annual~~ maximum allowable annual Rent increase will be eight percent (8%);

...

3. If the change in CPI is between one percent (1%) and three percent (3%), the maximum allowable annual Rent increase will be equal to three percent (3%);

...

5. If the change in CPI is less than negative two percent (-2%), no annual Rent increase is permitted.

...

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

...

4. Government Owned or Assisted Housing.

...

b. ~~Government Assisted~~Assisted Housing.

(i) Housing accommodations for which the County, LACDA, or ~~other~~ another public agency or authority provides a tenant-based Section 8 Housing Choice Voucher Program or other similar housing subsidy is exempt under this Section if the Rent paid ~~by the Tenant~~ is equal to or less than the standards as determined by the subsidy program for the bedroom size of the Dwelling Unit, such as the Payment Standard or the U.S. Department of Housing and Urban Development's fair market rent standard.

(ii) This exemption shall not apply if:

(a) The portion of the Rent paid by the Tenant is greater than the Payment Standard for the bedroom size of the Dwelling Unit; or

(b) a proposed Rent increase would result in the portion of the Rent paid by the Tenant being greater than the Payment Standard for the bedroom size of the Dwelling Unit.

...

**SECTION 4.** Section 8.52.060 shall be amended as follows:

**8.52.060 Applications for Rent Adjustments.**

A. Landlord Applications for Rent Adjustment for Fair Return. Landlords who believe they are not receiving a fair return on their property may file an application with the Department to request an increase in Rent beyond that which is permitted under Section 8.52.050.



1. Presumption. It shall be a rebuttable presumption that the annual net operating income earned by a Landlord on September 11, 2018; and Rent increases allowed under Section 8.52.050, provide the Landlord with a fair return on the investment. A Landlord shall have the burden to prove the necessity of any additional Rent increase necessary to earn a fair return.

...

3. All Rent adjustment increases authorized by the Department may become effective only after all of the following:

...

b. A Landlord has registered ~~the property~~ each Dwelling Unit pursuant to Section 8.52.080; and

c. A Landlord ~~makes~~ provides a copy of the completed application for Rent Adjustment for Fair Return, with all supporting documents, ~~reasonably available to each Tenant of a Covered Rental Unit, upon request, that shall be provided at the Landlord's expense.~~

4. Standard for Approving an Application for Landlord Rent Adjustment for Fair Return. ~~The Department will review a Landlord's application submitted pursuant to this Section to determine whether a Rent adjustment is necessary and appropriate to:~~

a. ~~Ensure the Landlord receives a fair return on the investment;~~  
~~and~~ The Department shall approve an application for a Rent adjustment if the Department determines the adjustment is necessary and appropriate to ensure the

Landlord receives a fair and reasonable return on the Landlord's investment, will not cause an undue financial burden on the affected Tenants, and complies with all provisions of this Chapter.

b. ~~Not cause an undue financial burden on the affected Tenant.~~The Department shall approve a lesser Rent adjustment if the Department determines the lesser Rent adjustment more appropriately ensures a fair return on the Landlord's investment, will not cause an undue financial burden on the affected Tenants, and complies with all provisions of this Chapter.

...

6. ~~Fees and costs incurred by a Landlord for making to file or prepare an application for Rent Adjustment for Fair Return increase pursuant to this Section are not allowable as operating expenses and may not be passed on to a Tenants.~~ Such fees and costs include, but are not limited to, attorney fees, accountant fees, and other similar professional services costs.

7. In making an individual Rent adjustment, the Department shall consider the purposes of this Chapter and all other relevant factors including, but not limited to:

a. Increases or decreases in property taxes;

b. Unavoidable increases or any decreases in maintenance and operating expenses;

c. A change in the number of Tenants occupying the Covered Rental Unit, living space, furniture, furnishings, equipment, other Housing Services provided, or occupancy rules;

d. Substantial deterioration of the Covered Rental Unit other than normal wear and tear;

e. The pattern of recent Rent increases or decreases; or

f. Whether or not the Landlord has received Rent in violation of the terms of this Chapter or has otherwise failed to comply with this Chapter.

B. Tenant Applications for Rent Adjustment. Tenants of a Covered Rental Unit who believe they should receive a decrease in Rent because of a Landlord's violation of this Chapter may file an application with the Department to request a decrease in Rent. Tenants must file such application for ~~rent~~ Rent adjustment within one hundred eighty (180) days from the date the Tenant knew, or reasonably should have known, of the Landlord's potential violation.

...

4. Notices Upon Filing Application.

a. Within five (5) calendar days after submission of an application with the Department for ~~rent~~ Rent adjustment, the Tenant shall serve the Landlord with a notice of said application, via personal service or certified mail, return receipt requested.

...

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

1. The application shall be in the form provided by the Department, signed under penalty of perjury, and must be accompanied by an applicable fee, if any.

2. An application for Rent adjustment must ~~contain~~include all of the following:

...

c. Other documentation, ~~as~~ required by the Department.

3. Application Fees. The Department may set a reasonable fee ~~per Covered Rental Unit~~ to be paid by the applicant at the time of the filing based on the administrative expenses incurred in reviewing and processing applications for Rent adjustment.

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

...

~~F. In making an individual Rent adjustment, the Department shall consider the purposes of this Chapter and all other relevant factors including, but not limited to:~~

~~1. Increases or decreases in property taxes;~~

~~2. Unavoidable increases or any decreases in maintenance and operating expenses;~~

~~3. A change in the number of Tenants occupying the Covered Rental Unit, living space, furniture, furnishings, equipment, other Housing Services provided, or occupancy rules;~~

~~4. Substantial deterioration of the Covered Rental Unit other than normal wear and tear;~~

~~5. The pattern of recent Rent increases or decreases; or~~

~~6. Whether or not the Landlord has received Rent in violation of the terms of this Chapter or has otherwise failed to comply with this Chapter.~~

~~G.F.~~ Notwithstanding any other provision of this Section, if a determination for Rent adjustment for a Covered Rental Unit was made within the previous six (6) months by either the Department or the Commission, then the Department or the Commission may refuse to hold a hearing or refuse to grant an individual a Rent adjustment for such Covered Rental Unit.

**SECTION 5.** Section 8.52.070 shall be amended as follows:

**8.52.070 Pass-Through Cost Recovery.**

A. Pursuant to this Section, a Landlord may file an application with the Department, on a form approved by the Department, to pass-through costs to existing ~~Tenancies~~Tenants in Covered Rental Units.

B. A Landlord may not pass-through costs to Tenants in Covered Rental Units until the Department approves the Landlord's application and the Landlord registers ~~the property~~each Dwelling Unit pursuant to Section 8.52.080. The approved

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

1. A Landlord must cease collecting the pass-through cost when the Landlord recovers the costs permitted by the Department pursuant to this Chapter.

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

C. Notices to Tenants. A Landlord shall provide written notice of a pass-through cost to Tenants in accordance with California Civil Code section 827, as may be amended.

D. Safe, Clean Water Act Parcel Tax Pass-Through. A Small Landlord may pass-through the Safe, Clean Water Act parcel tax to Tenants. For purposes of this subsection D only:

...

2. "Owner" means the owner of record or the holder of an equitable or legal interest in property, including which shall mean any natural person, or living trust or legal entity created by said natural person, with at least a ten percent (10%) interest in the property, ~~either directly or by owning or controlling a legal entity with at least a ten percent interest (10%) in the property.~~

...

E. ~~The Addition or Replacement of Improvements to Dwelling Units or Common Areas of a Building~~Capital Improvements Pass-Through. A Landlord may recover up to fifty percent (50%) of a Capital Improvement cost from existing Tenants in Covered Rental Units.

...

F. Primary RenovationPass-Through. A Landlord may recover up to fifty percent (50%) of a Primary Renovation cost from existing Tenants in Covered Rental Units.

...

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

1. The cost recovery calculations and amortization period for the Capital Improvement or Primary Renovation pass-through cost for each Covered Rental Unit; and

2. Factors for the Department to evaluate a Landlord's application for a pass-through cost of a Capital Improvement or Primary Renovation including, but not limited to, whether the work was necessary to bring the property into compliance or maintain compliance with Code requirements affecting health and safety.

3. Notices to Tenants to file objections to the Landlord's application for pass-through cost of a Capital Improvement or Primary Renovation with the Department.

H. 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 a Covered Rental Unit by more than eight percent (8%), or of a Luxury Unit by more than ten percent (10%).

**SECTION 6.** Section 8.52.080 shall be amended as follows:

**8.52.080 Annual Rental Registration.**

A. Registration of Dwelling Unit. ~~Within ninety (90) days of the effective date of this Chapter, and on~~On or before September 30th of each year thereafter, a Landlord must register each Dwelling Unit that is rented or is available for Rent. A Landlord must contact the Department or update the County's registry system if there are any subsequent changes to the Dwelling Unit.

...

E. Rental Registration Fee Pass-Through. A Landlord may recover up to fifty-percent (50%) of a rental registration fee from the Tenant of a Covered Rental Unit where:

...

4. The Landlord provides to the Department the amount of the pass-through cost to the Tenants.

**SECTION 7.** Section 8.52.090 shall be amended as follows:

**8.52.090 Termination of Tenancy.**

...



B. When terminating a Tenancy for Cause or No-Fault, a Landlord must comply with all of the following:

. . .

4. The Landlord has submitted to the Department via certified mail, return receipt requested, within five (5) days after service of the notice of termination on the Tenant, a true and accurate copy of the Landlord's written notice of termination, and proof of such service, signed under penalty of perjury, on the Tenant. The Landlord shall maintain proof of service to the Department as evidence that the Landlord has complied with this Section.

C. A Landlord who is unable to show a For Cause or No-Fault termination of Tenancy, must instead pursue one of the following options:

1. Renew the Rental Agreement. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may offer to renew the Rental Agreement, under substantially similar material terms including, but not limited to, Rent, amenities, services, facilities, and term of the Tenancy.

2. Permit the Tenancy to Continue. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may permit the Tenancy to continue in accordance with California Civil Code section 1945, as may be amended.

3. Propose New Tenancy Terms. At the conclusion of a term of Tenancy under a Rental Agreement, a Landlord may provide notice of new proposed terms of Tenancy in accordance with California Civil Code section 827, as may be amended. This is not applicable to Covered Rental Units.

...

E. No-Fault Termination of Tenancy. If a Landlord can show any of the following circumstances with respect to a termination of Tenancy in a Dwelling Unit, the termination qualifies as a No-Fault termination.

1. Landlord or Landlord's Family Member Occupancy. A Landlord who owns a Dwelling Unit and seeks in good faith to recover possession of said Dwelling Unit for the Landlord's own use and occupancy as the Landlord's principal residence for at least thirty-six (36) consecutive months, or for the use and occupancy as the principal residence by the Landlord's Family Member for at least thirty-six (36) consecutive months.

...

c. Dwelling Unit Limitation. A Landlord with less than one hundred percent (100%) ownership interest in a property may occupy only one Dwelling Unit on that property. A Landlord with one hundred percent (100%) ownership interest in a property may occupy up to two Dwelling Units ~~within the building~~ on that property.

d. A Landlord may only terminate a Tenancy under this Section if the Landlord or Landlord's Family Member who will reside in the Dwelling Unit is similarly situated as the Tenant, who is being displaced:

...

(iii) If the Tenant has a terminal illness as verified by their medical primary care provider, then the Landlord or the Landlord's Family Member who will reside in the Dwelling Unit must also have a terminal illness; or

e. It shall be rebuttably presumed that the Landlord has not acted in good faith if the Landlord or the Landlord's Family Member ~~for whom the Tenant was displaced~~ who displaced the Tenant does not move into the Dwelling Unit within sixty (60) days after Tenant has vacated the Dwelling Unit and occupy said unit as that person's principal residence for a minimum of thirty-six (36) consecutive months.

2. Withdrawal of Dwelling Units from Rental Market. A Landlord seeks to withdraw from the residential rental market pursuant to the Ellis Act, subject to the following conditions and requirements:

...

3. Government Agency or Court Order.

a. The Landlord shall comply with any of the following:

(i) An order issued by a government agency or court relating to habitability that necessitates vacating ~~the residential real property~~ Dwelling Unit;

(ii) An order issued by a government agency or court to vacate the ~~residential real property~~ Dwelling Unit; or

(iii) A local ordinance that necessitates vacating the ~~residential real property~~ Dwelling Unit.

...

4. Tenant's Right of First Return.

a. Return Within Five (5) Years ~~of to a~~ Covered Rental Unit. A Tenant may return to the Covered Rental Unit if a Landlord returns the Covered Rental

Unit to the residential rental market within five (5) years after the effective date of withdrawal of the building. ~~A~~The Tenant of a Covered Rental Unit ~~whose Tenancy was terminated in accordance with this Section~~ is entitled to receive notice of the first right to return to rent the same Covered Rental Unit at the Rent previously charged for the Covered Rental Unit plus any annual ~~general~~Rent increases ~~available~~allowed under this Chapter. The Landlord must deliver the notice to the Tenant in a form approved by the Department. ~~A Tenant may return to the Covered Rental Unit if:~~

(i) ~~— The Tenant has provided the Landlord a current mailing address and/or email address at which to receive notice from Landlord that Covered Rental Unit is available for Rent; and~~

(ii) ~~— The Landlord returns the Covered Rental Unit to the residential rental market within five (5) years after the effective date of withdrawal of a building containing the Covered Rental Unit from the residential rental market.~~

b. Return Within Ten (10) Years of A Dwelling Unit. A Landlord of a building containing a Dwelling Unit that was withdrawn from the residential rental market within the previous ten (10) years must provide one hundred twenty (120) days written notice to the County and previous Tenants of the Landlord's intent to return the Dwelling Unit to the residential rental market.

~~\_\_\_\_\_ c. — Any Tenant displaced from a Dwelling Unit in connection with the withdrawal of a building containing a Dwelling Unit from the residential rental market may request the first right of return from the Landlord within thirty (30) days of~~

~~receiving notice from the County receipt by the County of a~~ the Landlord's written notice of intent to return the Dwelling Unit to the residential rental market.

~~d.c.~~ Nothing in this Section shall be construed to relieve the Landlord of the obligation to directly contact the former Tenant and to advise the Tenant that the withdrawn Dwelling Unit will again be offered for Rent. Notice shall be on a form approved by the Department.

~~e.d.~~ Registry. The County may create a registry of Tenant contact information for use by Tenants and Landlords to facilitate communication regarding the first right of return. Each Landlord shall use relevant information in the registry, in addition to information provided voluntarily by each Tenant, when complying with first right of return obligations and relocation assistance under this Chapter.

5. Fees. The County may establish fees for County-incurred costs ~~that shall be paid by~~ when a Landlord who exercises the ability to withdraws Covered Rental Dwelling Units from renter lease the residential rental market. ~~The County shall set the fee so as to recover all costs of administering the provisions of this Chapter.~~ The fees shall be paid to the County prior to the Landlord's ~~service of the notice to a Tenant to~~ withdraw the Dwelling Units on any Tenant. Failure to pay the fees prior to service of the notice to the Tenants shall invalidate such notice.

6. Recordation of Memorandum. The Landlord shall record a memorandum, on a County approved form, with the County's Registrar Recorder/County Clerk encumbering the property where the Dwelling Unit is located

within ten (10) days of providing notice to the County of the Landlord's intent to withdraw the Dwelling Units from the residential rental market.

a. The memorandum must be executed by the ~~fee owner(s) of the property~~ Landlord.

b. The memorandum shall summarize the obligations of the ~~fee owner and Landlord~~, and any successor in interest to the ~~fee owner and Landlord~~ related to the property, including the Tenant's ~~notice~~ right to be notified receive notice of the first right to return to Rent the ~~upon~~ Dwelling Units returned to the residential rental market.

c. The summary memorandum must encumber the property for ten (10) years from the date of its Landlord's notice to the County to withdraw from the residential rental market.

d. The Landlord shall deliver to the Department a conformed copy of the recorded memorandum within sixty (60) days after filing ~~its~~ notice to the County to withdraw from the residential rental market.

**SECTION 8.** Section 8.52.110 shall be amended as follows:

**8.52.110 Relocation Assistance.**

A. Permanent Relocation Assistance. When relocation assistance is required by this Section to Tenants who are evicted from their Dwelling Unit pursuant to Section 8.52.090(E), the Landlord must make relocation assistance payment to an escrow in accordance with the Department's procedures and guidelines simultaneously served with the notice.

...

2. A Tenant who is either a Qualified Tenant or a Lower-Income Tenant, as defined in this Section, may receive additional relocation assistance.

...

b. Lower-Income Tenant. If one of the Tenants living in the Dwelling Unit from which the Tenants are to be displaced includes a lower-income person, as defined by California Health and Safety Code section 50079.5 and annually listed, as adjusted for household size, then all Tenants living in the Dwelling Unit are collectively entitled to the Lower-Income Tenant relocation assistance listed in the relocation fee schedule.

...

**SECTION 9.** Section 8.52.120 shall be amended as follows:

**8.52.120 Notices to Tenants.**

A. Mandatory Notices to Tenants. Landlords must provide to each Tenant a notice of Tenant rights under this Chapter. The Department shall publish a form notice of Tenant rights in English and other frequently spoken languages. Landlords must provide the form notice in the following circumstances and provide a copy to the Department:

...

**SECTION 10.** Section 8.52.130 shall be amended as follows:

**8.52.130 Retaliatory Eviction and Anti-Harassment.**

A. Retaliatory Eviction.

1. If the main intent of the Landlord ~~is~~in terminating a Tenancy or refusing to renew a Tenancy is retaliatory in nature, and if the Tenant is not in default as to the payment of Rent, then the Landlord may not terminate the Tenancy or refuse to renew the Tenancy or cause the Tenant to quit involuntarily.

...

B. Anti-Harassment. No Landlord, agent, contractor, subcontractor or employee of the Landlord shall, with respect to property used as a Dwelling Unit under any Rental Agreement or other Tenancy or estate at will, however created, do any of the following in bad faith:

1. Interrupt, terminate, or fail to provide Housing Services required by contract or by federal, State, County, or local housing, health, or safety laws;

2. Fail to perform repairs and maintenance required by Rental Agreement or by federal, State or local housing, health, or safety laws;

...

**SECTION 11.** Section 8.52.140 shall be amended as follows:

**8.52.140 Procedures and Guidelines.**

The Director may develop and publish procedures and guidelines to aid in the implementation of this Chapter, ~~which procedures and guidelines must be approved by the Board.~~

[852BTCC]