

ORDINANCE NO. 4366
AN ORDINANCE OF THE VENTURA COUNTY
BOARD OF SUPERVISORS RELATING TO
MOBILE HOME PARK RENT CONTROL

The Board of Supervisors of the County of Ventura ordains as follows:

Ordinance No. 4206 is hereby repealed and the following provisions are hereby adopted:

Sec. 1 - Purpose and Intent. There is presently within the unincorporated area of the County a shortage of spaces for the location of mobile homes, trailers, and other mobile dwelling units. Because of this shortage, there is a low vacancy rate and rents have been for several years, and are presently, rising rapidly and causing concern among a substantial number of County residents. Because of the high cost of moving these mobile dwelling units, potential for damage resulting therefrom, the requirements relating to the installation of mobile dwelling units, including permits, landscaping, and site preparation, the lack of alternative homesites for mobile dwelling units and the substantial investment of owners in such mobile dwelling units, a virtual monopoly exists in the rental of mobile dwelling unit park spaces, creating a situation where park owners have unbridled discretion and ability to exploit park tenants. For these reasons, among others, the Board of Supervisors finds and declares it necessary to protect the owners of mobile dwelling units from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a fair return on their property and rental income sufficient to cover increases in the costs of repairs, maintenance, insurance, employee services, additional amenities, and other costs of operation.

Sec. 2 - Definitions

"Board" or "Mobile Home Park Rent Review Board". The Mobile Home Park Rent Review Board established by this Ordinance.

"Capital Improvements". Those improvements that materially add to the value of the property and appreciably prolong its useful life or adapt it to new uses, and which may be amortized over the useful life of the improvement in accordance with the Internal Revenue Code and regulations issued pursuant thereto.

"Completely New Capital Improvements". Those improvements which are entirely new in the mobile home park. Examples include, a new swimming pool, golf green, electric security gate, etc. Not included are additions, replacement, upgrades, modernization, repairs or modifications of existing features or facilities.

"Housing Services". Services provided by the park owner related to the use or occupancy of a mobile dwelling unit space, including, but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration (including employee salaries and fringe benefits), maintenance and repairs, supplies, advertising, recreation facilities, laundry facilities, parking, security services, insurance, property taxes, other governmental assessments, and other costs reasonably attributable to the operation of the park. The term "housing services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.

"Mobile Dwelling Unit". A dwelling unit designed for human habitation which may be towed by another vehicle or which is self-contained and self-powered, including mobile homes, trailers, and recreational vehicles.

"Mobile Home". A structure with dimensions larger than eight (8) feet by forty (40) feet or a size larger than three hundred twenty (320) square feet designed for human habitation, transported over streets and highways to a permanent occupancy site, and installed on the site either with or without a permanent foundation.

"Mobile Home Park". An area of land having two or more spaces on which are located mobile homes, trailers, or other mobile dwelling units used as residences.

"Mobile Home Park Owner" or "Owner". The owner, lessor, operator or manager of a mobile home park in the unincorporated area of Ventura County.

"Mobile Home Tenant" or "Tenant". Any person entitled to occupy a mobile home, trailer, or other mobile dwelling unit which is located within a mobile home or trailer park in the unincorporated area of Ventura County.

"Park". An area of land where two or more spaces for mobile dwelling units are rented or leased out to tenants.

"Recreational Vehicle". A vehicle for human habitation, which is self-propelled or towed by a light-duty vehicle, in which the plumbing, heating, and electrical system contained therein may be operated without connection to outside utilities. Recreational vehicles do not fall within the definition of mobile homes.

"Social Security Cost of Living Adjustment". This is a rent adjustment based on increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), United States City Average, as determined by the United States Bureau of Labor Statistics, Department of Labor. The Consumer Price Index is a measure of the average change in prices over time in a fixed market basket of goods and services.

"Space Rent". The consideration, including any security deposits, bonuses, benefits, or gratuities demanded or received in connection with the use and occupancy of a space in a mobile home or trailer park, or for housing services provided, but exclusive of any amount paid for the use of a mobile dwelling unit, or utility charges or trash charges which are billed to units separately whether or not the units are individually metered. "Space rent" does not include reasonable user fees for services actually rendered to some, but not all, of the residents of a park.

"Trailer". A structure with dimensions of eight (8) feet by forty (40) feet or less or a size of three hundred twenty (320) square feet or less designed to be drawn by a motor vehicle and to be used for human habitation or for carrying persons and property, including a trailer coach or house trailer.

"Trailer Park". An area of land where two or more trailer spaces are rented or leased out for trailers.

"Trailer Park Owner". The owner, lessor, operator, or manager of a trailer park in the unincorporated area of the County.

"Trailer Park Tenant". Any person entitled to occupy a trailer which is located within a trailer park in the unincorporated area of the County.

"Utility Separation". The separation from the Space Rent of utility charges (water, sewer, electricity, trash, gas).

Sec.3 - Exemptions

- (a) Mobile home park spaces rented for non-residential uses.
- (b) Mobile home or trailer parks, the construction of which began after September 1, 1982; provided, however, that additional spaces created by the expansion of existing parks are not hereby exempted from the provisions of this Ordinance. For the purposes of this section, "construction" shall mean the erection of structures.
- (c) Mobile home or trailer parks managed or operated by the United States Government, the State of California, or the County of Ventura.
- (d) Tenancies for which any Federal or State law or regulation specifically prohibits rent regulations.
- (e) Tenancies covered by leases or contracts which provide for more than a 12 month tenancy, but only for the duration of such lease or contract. Upon the expiration or other termination of any such lease or contract, this Ordinance shall immediately be applicable to the tenancy.
- (f) Parks which sell all spaces or lots for factory built or manufactured housing.
- (g) Those spaces in a mobile home park which provides condominium ownership, provided the owner of the mobile dwelling unit is also the owner of the lot or space on which the mobile home dwelling unit is located.
- (h) Those sections of existing parks which have an approved permit modification identifying a separate area with reduced size spaces specifically designated for travel trailers, provided the modification was approved prior to the effective date of this Ordinance.

Sec. 4 - Mobile Home Park Rent Review Board

- (a) There is hereby established a Mobile Home Park Rent Review Board consisting of five (5) members who shall be appointed by, and serve at the pleasure of, the Board of Supervisors.
- (b) The five (5) members of the Board shall be persons who are neither connected with the real estate or rental housing industry for their personal gain nor tenants with any direct or indirect financial interest (as defined by State law) in any mobile home or mobile home park. Said members shall file a declaration to this effect with the County.
- (c) Board members may be compensated for their services and may receive reimbursement as provided by the Board of Supervisors for traveling and other expenses incurred while on official duty.
- (d) Terms of Board members shall be three (3) years.

Sec. 5 - Powers and Duties of the Board

Within the limitations provided by law, the Board shall have the following power and duties:

- (a) To meet from time-to-time as required by the County staff or upon the filing of a rent increase request and to utilize the County offices and facilities as needed.

- (b) To receive, investigate, hold hearings on, and pass upon the issues relating to mobile home park rent stabilization as set forth in this Ordinance.
- (c) To make or conduct such independent hearings or investigations as may be appropriate to obtain such information as is necessary to carry out its duties.
- (d) To adjust maximum rents either upward or downward upon completion of its hearings and investigations.
- (e) To render a tri-annual comprehensive written report to the Board of Supervisors concerning its activities, holdings, actions, results of hearings, and all other matters pertinent to this Ordinance which may be of interest to the Board of Supervisors.
- (f) To adopt, promulgate, amend, and rescind administrative rules to effectuate the purpose and policies of this Ordinance.

Sec. 6 - Legality of Increases and Ministerial Social Security Cost of Living Adjustment Increase

- (a) Unless specifically exempted by this Ordinance, on and after September 1, 1982, no increase in space rents for any mobile dwelling unit space located in any mobile home parks or trailer parks or mobile home parks containing mobile dwelling units which allow for condominium ownership shall be effective unless approved as set forth in this Ordinance. Additionally, on or after March 7, 1997, no permanent or extended reduction of significant housing services shall be permitted without a corresponding reduction in the amount of space rent.
- (b) A ministerial Social Security Cost of Living Adjustment space rent increase not less than 2%, nor more than 8% shall be granted if:
 - (1) The proposed increase is to become effective no sooner than one (1) year from the date the last increase was approved as required by this Ordinance and became effective at the particular park; the applicant cannot include a request on a space which has had an increase since the last application pursuant to the vacancy decontrol provisions of this Ordinance.
 - (2) The park owner files:
 - (a) a schedule of existing and proposed rents for each affected space;
 - (b) proof that he has provided copies of said schedule to the tenants 90 days prior to the rent increase effective date;
 - (c) Written notification of their right to file complaints with County staff;
 - (3) The park owner shall file the schedule of existing and proposed rents and other documents no less than forty-five days prior to the effective date of increase.

- (c) Special Limitations on Space Rent Increases Upon Sale of Coaches. The Board finds that restrictions on space rent increases at the time of the sale of the coaches are necessary to provide reasonable rent to incoming tenants and also to deter the use of the monopoly

power described in Section 1 (Purpose and Intent) of this Ordinance to force the sale of coaches, to either new tenants or to the park owners themselves, at unreasonably low prices, or to force the abandonment of coaches in place. Therefore, the rent for a space occupied by a mobile home dwelling unit which has changed ownership may be increased no more than once every four years no more than fifteen percent (15%) of the average of the existing space rent of the affected spaces or seventy-two dollars (\$72.00), whichever is less, effective upon the change of ownership subject to the following conditions:

- (1) A mobile home dwelling unit shall be deemed to have changed ownership when an existing tenant transfers all of his or her right, title and interest in it, except that it shall be deemed not to have changed ownership when either (1) an existing tenant acquires a replacement mobile home dwelling unit and locates the replacement on, and continue to occupy, the space on which the replaced unit had been located or (2) when there is a transfer of all right, title and interest in the mobile home dwelling unit by any resident to any joint tenant or family relative by gift, devise or operation of law.
 - (2) The park owner shall post in a prominent place in the park where other notices are customarily posted a written notice stating the amount of rent to be charged for each space upon change of ownership. This notice may be revised on a periodic basis, no more frequently than every three (3) months.
 - (3) Within fifteen (15) days after receiving a written request by certified or registered mail, or personal delivery, the park owner, or his designated agency, shall provide to the tenant requesting it a written commitment stating the exact amount of the space rent to be effective upon the change of ownership of the mobile home dwelling unit in the space occupied by the tenant requesting the written commitment. This written commitment shall be effective for six (6) months from the date it is received by the tenant. The park owner shall post in a prominent place in the park where other notices are customarily posted the name and address of the individual to whom such request for a written commitment is to be directed.
 - (4) In setting the rents to be effective upon the change of ownership the park owner shall not discriminate on any basis prohibited by California Civil Code Section 51 et seq. or discriminate based on some retaliatory or punitive motive, or on any other basis prohibited by law. A tenant shall have the right to petition the Mobile Home Park Rent Review Board to have a hearing concerning such discrimination. The tenant shall have the initial burden of presenting evidence tending to show the existence of such unlawful discrimination, which the park owner shall have the opportunity to rebut. If the Board finds, based on a preponderance of the evidence, that such illegal discrimination has occurred, the Board shall have the authority to reduce the proposed rent increase by that amount it finds is based on the unlawful discrimination.
- (d) In any application for rent increase under this Ordinance, the owner shall indicate which, if any, of the mobile home spaces are covered by leases or contracts which provide for more than a month-to-month tenancy, together with the expiration date of each such lease or contract. Any rent increase approved under this Ordinance shall not be applicable to spaces covered by such leases or

contracts during the terms of such leases or contracts; provided, however, that in acting upon any application for rental increase hereunder, the rents shall be set in accordance with this Ordinance for spaces covered by leases or contracts which shall become applicable to such spaces upon the expiration of each such lease or contract.

- (e) A Utility Separation can be granted at any time during the year. The park owner shall request the MHRR Board in writing to hear the matter and owner shall notice the tenants at least 90 days in advance of the utility separation effective date. The utility separation shall not become effective unless approved by the Board. The owner must provide the most recent utility bill(s) and any other information which will help the Board make an accurate decision on the amount of the space rent reduction.
- (f) In addition to the usual case of an increase in the dollar amount of space rent, on or after March 7, 1997, a rent increase may occur when significant housing services are permanently reduced or disrupted for an unreasonable length of time without a corresponding reduction in the dollar amount of the space rent. It is the specific intent of this Ordinance to prohibit such indirect rent increases.

A permanent or extended reduction of significant housing services may be found to occur when specifically enumerated significant housing services either have been permanently eliminated or are not provided for an unreasonable length of time considering the nature of the service and the reasons for its disruption.

If a majority of affected homeowners concur in writing that such a significant reduction in services has occurred, and they are unable to satisfactorily resolve the dispute with park management, a representative group of homeowners may petition the Ventura County Mobile Home Park Rent Review Board for a finding of the reduction in services. Prior to presenting such a petition, the homeowner group must demonstrate that they have attempted in good faith to resolve the dispute through the mediation process, and that park management has either (1) refused to participate in the mediation process or (2) the attempt to mediate the matter with both parties participating in good faith, was unsuccessful. No Section 6 rent increase application shall be processed until the reduction in services dispute is resolved.

Nothing in this Section shall be construed to effect the rights or obligations set forth in California Civil code sections 798.84, et seq.

- (g) Mobile home spaces of coaches owned by the park owner on those spaces that were at any time subject to rent control under the terms of the Ordinance, but that thereafter were determined to be exempt from rent control for any period of time because of purchase by the park owner, are thereafter subject to rent control whenever the facts supporting the prior finding of exemption no longer are in effect; and at such time as they re-enter rent control, they re-enter at the same level of rent applicable at the initial point in time when the exemption was determined to be in effect for such spaces plus any and all adjustments to rent that would have applied had these spaces never been entitled to an exemption.

Sec. 7 Other Rent Adjustments

- (a) **Completely New Capital Improvements:** Space rent may not be increased to cover completely new capital improvements as defined in Section 2 herein, unless written consent of a majority of affected spaces in the park is obtained prior to making the expenditure. Resident approval is not necessary, however, if such new capital improvements are required by law.

- (1) The provisions of this section shall apply equally to Sec. 6 & 8 applications.
- (2) An application for a special rent increase based on the cost of a completely new capital improvement may be filed not less than 120 days before the effective rent increase date. Section 6 applications including a completely new capital improvement, shall be approved by staff when the definition of a capital improvement set forth in this Ordinance and any related Board procedures are satisfied. Any special rent increase granted under this section shall be amortized over the useful life of the improvement, in line with IRS rules and Board guidelines, and apportioned equally among the affected park spaces.
- (3) A special rent increase application must be filed in conjunction with a Section 6 or Section 8 application and shall be processed according to the requirements of Section 12 of this Ordinance. After receipt of a completed application, written notice of the determination by the staff shall be mailed to the applicant and the affected residents' representative within that time. Written notice that an application has been determined to be incomplete and the reasons for that determination shall be given to the applicant within 30 days of receipt of the application. A written determination to grant a requested special rent increase or a modified special rent increase shall specify the duration and amount of the monthly rent adjustment granted.
- (4) Whenever an application is submitted, all affected residents are entitled to copies of all documents in support of such application and they shall be furnished to such persons by the Park Owner upon request and upon payment by the resident of reasonable copying fees comparable to competitive rates available locally.
- (5) Increases authorized and approved under this section shall be effective as of the rent increase anniversary date, but not earlier than 90 days after the Park Owner gives affected tenants notice of the proposed increase pursuant to the provisions of the State of California Mobilehome Residency law.
- (6) Reasonable market rate interest on any debt incurred to fund completely new capital improvements shall be allowed.
- (7) A Park Owner or tenant appealing a decision of the staff pursuant to the provisions of this subsection must file a written notice of appeal not later than 20 days after the receipt of the notice of said decision to the Park Owner. The notice of appeal must specify the decision appealed from and the grounds for the appeal.
- (8) In computing rent increases, the staff shall not include in the current base rent any amounts that represent approved completely new capital improvement costs.

Sec. 8 - Discretionary Increases

- (a) An owner may apply for a discretionary rent increase in cases where he contends that the facts and circumstances of this particular case warrant such an increase. An owner shall submit with the Rent Schedule a request for such discretionary increase, together with supporting documentation, no less than seventy-five (75) days prior to the effective date of the proposed increase. The notice and proof of service requirements set forth below shall apply to such request. The owner shall also deposit the appropriate processing fee listed in the current Board of Supervisors resolution establishing schedule of land development preliminary processing fee deposits to cover costs of processing the request and conducting any hearing or meeting held to consider the request.

Upon conclusion of such meeting or hearing, the balance of the deposited processing fee, if any, shall be refunded to the owners. If additional expenses are incurred, the owner shall be billed for, and shall be responsible for, payment of such additional expenses.

- (b) The Board shall set a hearing on any request complying with the requirements of subdivision (a) above no sooner than ten (10) days and no later than seventy-five (75) days after receipt of the request and proof of service. The Board shall notify the owner and tenants, in writing, of the time and place set for the hearing. No hearing or any part thereof may be continued beyond thirty (30) days after the initial hearing date without the owner's consent. If the Board approves an increase as requested, or lower than requested, the same shall take effect as noticed by the owner or as the Board may otherwise direct.
- (c) Procedures-The owner shall also deposit the appropriate processing fee listed in the current Board of Supervisors resolution establishing schedule of land development preliminary processing fee deposits to cover costs of processing the proposed Rent Schedule and/or utility separation applications and conducting any hearing or meeting held to consider the proposed Rent Schedule. Upon conclusion of such meeting or hearing, the balance of the deposited processing fees, if any, shall be refunded to the owner. If additional expenses are incurred, the owner shall be billed for, and shall be responsible for, payment of such additional expenses.

The owner shall serve affected residents, either personally or by mail, with written notice of the proposed increase, in accordance with State law, and with written notice that a request for approval of same is being filed with the Board. The owner shall file proof of such service with the Board concurrent with the filing of the rent increase requests. Copies of the Rent Schedule, request for increase, and supporting documentation shall be available free of charge to any tenant requesting same at the owner's office in the affected park.

Sec. 9 - Administrative Fees

The Board of Supervisors finds that this Ordinance protects the owners of mobile dwelling units from unreasonable rent increases and recognizes the need of park owners for a fair return on their property and a sufficient rental income. The Ordinance services a limited segment of the public, the mobile dwelling unit owners and park owners. Therefore, that service is not generally applicable to the public at large. The tenants benefit from the Ordinance provisions, but the owners also benefit. For instance, the administration of the Ordinance provides a certain level of stability for the park owners in that they know they are annually eligible for a reasonable rent increase and that there is a fair process to resolve tenant concern with rent increases. Additionally, in recent years there have been amendments made to the Ordinance and procedures that have allowed greater rental income over and above the annually permitted increases and, or reduced costs to the park owners, i.e., vacancy decontrol, utility separations, amortization extensions and sliding scale application fees. Also, the approval of this new Fee accompanies the elimination of the Section 6 application fee for the park owners. Furthermore, during the administration of the Ordinance it is often necessary for staff to work with tenants and park owners to assist in resolving issues of concern to both. This has benefited the owners as well as the tenants.

The Board of Supervisors finds that the County incurs certain costs administering this Ordinance in the interests described in Sec. 1 (Purpose and Intent), and as noted above. The Board concludes that a fee that bears a reasonable relationship to the services provided is necessary.

- (a) Registration Fee: The total of said fee is in the current Board of Supervisors Land Development Processing Fee Schedule.
- (b) The percent of said fee paid by the park owner and the affected tenants shall be proportionate to the services provided to each as determined by the standards set forth in the Board of Supervisors approved fee resolution. The tenant portion of the fee shall be collected by the park owner in twelve (12) equal monthly installments which may be included with the monthly statement of rent due, but must be separately itemized.
- (c) This fee shall not be included in the rent base when calculating ministerial rent increases, but may be used in enumerating housing service costs. The fee for the entire park must be submitted with the annual rent increase request as part of the annual rent increase application, or in the event there is no application, the fee shall be paid on the month and day of the most recent application's effective date.
- (d) The Planning Director shall report to the Board of Supervisors each fiscal year with a recommendation regarding the amount necessary to recover the costs of administering this Ordinance, and the proportion of said fee levied on the tenants and the park owners based on the relative service provided to each. A notification of the hearing on any proposed fee changes shall be mailed at least 10 days in advance to each mobile home park owner and to the manager of each mobile home park for public posting.

Sec. 10 - Conduct of the Hearing

- (a) All meetings and hearings conducted by the Board shall be open to the public.
- (b) All parties to a hearing may have assistance from an attorney or such other person as may be designated by said parties in presenting evidence or in setting forth by argument their position. All witnesses shall be sworn in and all testimony shall be under penalty of perjury.
- (c) In the event that either the owner or the tenant(s) should fail to appear at the hearing at the specified time and place, the Board may hear and review such evidence as may be presented and make such decisions as if both parties had been present.
- (d) All meetings and hearings shall be tape recorded. Tapes shall be preserved for six months, or longer if requested by any party affected by the meeting or hearing.

Sec. 11 - Standards of Review

- (a) In evaluating a rent increase proposed under Section 8 by the park owner, the Board shall consider, along with all relevant factors, changes in costs to the owner attributable to increases or decreases in master land and/or facilities lease rent, utility rates, property taxes, insurance, advertising, variable mortgage interest rates, governmental assessments and fees, incidental services, employee costs, normal repair and maintenance, and other considerations including, but not limited to, capital improvements, upgrading and addition of amenities or services, net operating income, and the level of rent necessary to permit a just and reasonable return on the owner's property.
- (b) The Board shall adopt guidelines for discretionary rent increases which will assure a just and reasonable return to owners or parks subject to this Ordinance.

Said guidelines shall include, but not be limited to, those items listed in Section 11(a), in addition to procedures for determining eligibility for discretionary rent increases and evaluating such increases.

Sec. 12 - Decisions

- (a) **Staff Decisions:** Decisions by staff shall constitute a written finding of application completeness and a resolution and shall be rendered within 30 calendar days of receipt.
- (b) **All other Decisions:** The Board shall make a final decision no later than ten (10) days after the conclusion of its hearing. The Board's decision shall be based on the preponderance of the evidence submitted at the hearing. All parties to the hearing shall be advised of the Board's decision and given a copy of the findings upon which the decision is based.
- (c) Pursuant to its findings, the Board may: (1) permit the requested increase to become effective, in whole or in part; (2) deny the increase; or (3) if circumstances justify, order reduction in rent to a rate(s) determined by the Board.
- (d) If the Board finds that an increase which went into effect, or any portion thereof, is not justified or authorized by this Ordinance, the owner shall refund the amount found to be unjustified or unauthorized to the tenant(s) within thirty (30) days after the decision of the Board is announced.
- (e) If the Board finds that a proposed increase, or any portion thereof, which was previously inoperative is justified, the tenant(s) shall pay the amount found justified to the owner within thirty (30) days after the decision of the Board is announced.
- (f) The conclusions and findings of staff of Section 6 ministerial annual rent increases and all other decisions by the Board shall be final and there shall be no right of appeal to the Board of Supervisors.

Sec. 13 - Tenant's Right of Refusal

A tenant may refuse to pay any increase in rent which is in violation of this Ordinance, provided that staff or the Board has either not reached its decision or has found the increase violates the provisions of this Ordinance. Such refusal to pay shall be a defense in any action brought to recover possession of a mobile home space or to collect the rent increase.

Sec. 14 - Retaliatory Eviction

Notwithstanding Section 12 above, in any action brought to recover possession of a mobile home space, the court may consider as grounds for denial any violation of any provision of this Ordinance. Further, the determination that the action was brought in retaliation for the exercise of any rights conferred by this Ordinance shall be grounds for denial. Any action brought within three (3) months of the determination of a request for rent increase, petition, or complaint filed by the tenant pursuant to this Ordinance, shall be presumed to be retaliatory; this presumption affects the burden of proof and is rebuttable by the owner.

