

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF MOUNTAIN VIEW
ENACTING MOBILE HOME RENT STABILIZATION

THE CITY COUNCIL OF THE CITY OF MOUNTAIN VIEW DOES HEREBY
ORDAIN AS FOLLOWS:

Section 1. Chapter 46 of the Mountain View City Code is hereby added to read as follows:

“CHAPTER 46

MOBILE HOME RENT STABILIZATION

SEC. 46.1. - Findings.

a. There are six (6) mobile home parks with a total of one thousand one hundred thirty (1,130) spaces located within the incorporated area of the city of Mountain View. Mobile homes comprise about three (3) percent of the housing units in the city of Mountain View.

b. In recent years, rent increases in some of the city of Mountain View mobile home parks have substantially exceeded the percentage increase in the Consumer Price Index (CPI), resulting in significant burdens for some mobile home residents.

c. A significant portion of mobile home residents are senior citizens, with limited or fixed incomes, who have chosen a mobile home park as their retirement home.

d. Mobile home residents can be particularly vulnerable to rent increases because ownership is commonly divided between two (2) parties, with one (1) party owning the home and another party owning the land. The mobile home owner usually owns only the housing unit and rents a site in a mobile home park on which to place the home. This division of ownership impacts the overall affordability of mobile homes because the cost of living in a mobile home depends not only on the cost of the home, but also on the rent charged by park owner.

e. Mobile home residents that do not own their home but instead rent it from a park owner or an individual home owner in a mobile home park are also subject to rent increases and at risk of displacement because neither state nor local law currently provide

eviction protections for these tenants, although mobile home residents who rent spaces and apartment tenants both receive just cause for eviction protections.

f. The Community Stabilization and Fair Rent Act currently does not regulate rental amounts or rent increases for mobile homes or mobile home spaces, and the city of Mountain View does not otherwise regulate or control such rents.

g. The city council finds and declares that it is necessary to protect mobile home residents from unreasonable rent increases, while at the same time protecting the rights of park owners and mobile home landlords 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. 46.2. - Definitions.

a. "Accord" shall mean a written agreement between a Park Owner and ~~a Park Owner's tenants that satisfies each of the criteria in Sec. 46.4 of this Chapter to qualify for a temporary exemption from this Chapter's provisions~~the city, the form of which has been adopted by the city council.

b. "Annual General Adjustment" shall be equal to the amount announced by the rental housing committee as provided for in this Chapter.

c. "Base Rent" is the reference point from which the lawful Rent shall be determined and adjusted in accordance with this Chapter.

1. The Base Rent for Tenancies that commenced on or before March 16 of the Base Year shall be the Rent in effect on that date.

2. The Base Rent for Tenancies that commenced after March 16 of the Base Year shall be the initial rental rate charged upon initial occupancy, provided that amount is not a violation of this Chapter or any provision of state law. The term "initial rental rate" means only the amount of Rent actually paid by the tenant for the initial term of the Tenancy.

d. "Base Year" shall be the calendar year of 2021.

e. "Capital Improvement" means the addition, substantial repair or replacement of any improvement to a Mobile Home Space or Housing Services within the geographic boundaries of a Mobile Home Park that materially adds to the value of the Mobile Home Park and appreciably prolongs its useful life or adapts it to new uses, and that 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.

f. "Committee" means the rental housing committee as set forth in Section 1709 of the Community Stabilization and Fair Rent Act (Charter Article XVII).

g. "Communal Facilities" means those services and facilities within the Mobile Home Park that Mobile Home residents are entitled to use, including, but not limited to, any private roads or rights-of-way, clubs or clubhouses and each other common area facility that is open or available to Mobile Home residents of the Mobile Home Park.

h. "Hearing Officer" means an official appointed by the Committee to conduct an investigation or administrative hearing pursuant to this Chapter.

i. "Housing Services" means any benefit, privilege or facility connected with the use or occupancy of a Mobile Home Space and shall include a proportionate part of access to and services provided to Communal Facilities.

j. "Individual Rent Adjustment" means an adjustment to the otherwise lawful Rent authorized by a Hearing Officer or the Committee pursuant to this Chapter.

k. "Mobile Home" has the same meaning as the definition of "mobilehome" defined in California Civil Code Section 798.3, as it may be amended from time to time, or a successor code section.

l. "Mobile Home Landlord" means the person(s) or entity(ies) that lawfully owns a Mobile Home and rents, including each manager, agent and representative authorized to act on behalf of the owner or operator, as well as the predecessor and any successor-in-interest to the landlord.

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

n. "Mobile Home Park" has the same meaning as the definition of "mobilehome park" defined in California Civil Code Section 798.4, as it may be amended from time to time, or successor code section.

o. "Mobile Home Rental Agreement" means a lease or other oral or written agreement between the Mobile Home Landlord and Mobile Home tenant establishing the terms and conditions of the Tenancy.

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

q. "Mobile Home Space" means the lot or space of land in a Mobile Home Park, where a Mobile Home is or may be located, as well as the right or license to access that space or lot and any other Communal Facilities in the Mobile Home Park.

r. "Park Owner" means the person(s) or entity(ies) that lawfully owns and/or operates a Mobile Home Park, including each manager, agent and representative authorized to act on behalf of the owner or operator, as well as the predecessor and any successor-in-interest to the owner.

s. "Petition" means a request for an Individual Rent Adjustment pursuant to this Chapter.

t. "Rent" means the sum of all periodic payments and all nonmonetary consideration provided to a Park Owner for the use or occupancy of a Mobile Home Space or a Mobile Home Landlord for the use or occupancy of a Mobile Home, access to and from the Mobile Home Space and any Communal Facilities and Housing Services, including, but not limited to, the fair-market value of goods accepted, labor performed or services rendered. Rent excludes:

1. Any incidental reasonable charges for services actually rendered in accordance with California Civil Code Sections 798.31 and 798.32 as they may be amended or successor code sections; and

2. Any separately billed utility fees and charges, which shall not be deemed to be Rent charged for a Mobile Home Space in accordance with California Civil Code Section 798.41 as it may be amended or successor code section; and

3. Any fee, assessment or charge paid pursuant to California Civil Code Section 798.49(a), including any actual fee or cost imposed by a local government pursuant to California Civil Code Section 798.37 as it may be amended or successor code sections.

u. "Space Rental Agreement" means a lease or other oral or written agreement between the Mobile Home Park Owner and Mobile Home Owner establishing the terms and conditions of the Tenancy.

v. "Tenancy" means the legal relationship created by a Space Rental Agreement with a Park Owner for use or occupancy of a Mobile Home Space or the legal relationship created by a Mobile Home Rental Agreement with a Mobile Home Landlord, for use or occupancy of a Mobile Home in a Mobile Home Park.

w. "Written Notice to Cease" means a written notice provided by a Mobile Home Landlord that gives a tenant an opportunity to cure an alleged violation or problem prior to service of a notice to terminate Tenancy. Any Written Notice to Cease must:

1. Provide the tenant a reasonable period to cure the alleged violation or problem;
2. Inform the tenant that failure to cure may result in the initiation of eviction proceedings;
3. Inform the tenant of the right to request a reasonable accommodation;
4. Inform the tenant of the contact number for the Committee; and
5. Include sufficient details about the conduct underlying the Written Notice to Cease that allow a reasonable person to comply.

SEC. 46.3. - Application.

a. This Chapter applies to all Park Owners that rent Mobile Home Spaces and Mobile Home Landlords that rent Mobile Homes in Mobile Home Parks in the city, unless an exemption defined below is applicable.

b. This Chapter regulates both the rental of a Mobile Home Space and the rental of a Mobile Home in a Mobile Home Park, whether rented together or separately.

SEC. 46.4. - Exemptions.

a. In accordance with California Civil Code Sections 798.45 and 798.7, each newly constructed space initially held out for rent after January 1, 1990 is fully exempt from this Chapter.

b. A Tenancy for a Mobile Home Space that is created by a qualifying lease agreement in excess of twelve (12) months' duration that meets the criteria identified in California Civil Code Sections 798.17(b)(1) through 798.17(b)(5), as those sections may be amended, is a temporarily exempt Tenancy, which Tenancy and the Mobile Home Space to which it pertains are generally exempt from this Chapter, unless and until the Mobile Home Space is no longer subject to:

1. A lease agreement meeting the criteria of California Civil Code Section 798.17(b) or successor code section;

2. An extension of a lease agreement meeting the criteria of California Civil Code Section 798.17(b) or successor code section; or

3. A new lease agreement meeting the criteria of California Civil Code Section 798.17(b) or successor code section.

c. A Mobile Home Space that is not used and not occupied as a principal or primary residence by the Mobile Home Owner or a tenant of a Mobile Home Landlord is temporarily exempt unless and until the Mobile Home Space is used and occupied as a principal or primary residence, in accordance with California Civil Code Section 798.21 or successor code section.

d. ~~A Mobile Home Space~~All Mobile Homes Spaces and Mobile Homes in a Mobile Home Park that ~~is are~~ subject to an Accord that has been approved by the city council and at least eighty (80) percent of the residents in a Mobile Home Park shall be temporarily exempt from the provisions of this Chapter, ~~so long as while~~ the Accord is in effect ~~and satisfies all of the following conditions:~~

~~1. The Accord is executed by the Park Owner and the Mobile Home Owner that is a tenant of the affected Mobile Home Space.~~

~~2. A true and correct copy of the Accord is provided to the Committee or designee, and the Committee or designee have determined in writing that the Accord satisfies the criteria of this Section.~~

~~3. The Accord includes a term of at least five (5) years.~~

~~4. The Accord does not allow Rent increases or Capital Improvement pass-throughs that exceed the amount of Rent that would be legally charged under this Chapter.~~

~~5. To the extent that the Park Owner is also a Mobile Home Landlord, the Accord includes the same bases for eviction applicable to Mobile Home Landlords defined under this Chapter.~~

~~6. The Accord is recorded as a covenant against the Mobile Home Park and is effective to bind subsequent Park Owners and Mobile Home Owners.~~

SEC. 46.5 - Stabilization of rents.

a. It shall be unlawful to demand, accept, receive or retain Rent for a Mobile Home Space or a Mobile Home in excess of the Base Rent plus any increases that are authorized by this Chapter, unless the Tenancy or Mobile Home Space is exempt.

b. The Annual General Adjustment shall be equal to one hundred (100) percent of the annual percentage increase from February to February in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics.

c. The Base Rent for a Tenancy for a Mobile Home or a Mobile Home Space shall be the monthly Rent in effect on ~~December 31~~March 16 of the Base Year.

d. Rent may be increased only once in any twelve (12) month period starting September 1, 2022.

1. Rent for an existing Tenancy of a Mobile Home or a Mobile Home Space may only be increased under an Annual General Adjustment or an approved Petition for upward adjustment.

2. Upon commencement of a new Tenancy of a Mobile Home Space, the maximum Rent for the Mobile Home Space may only be increased ~~ten (10)~~by an amount no greater than one hundred (100) percent of the annual percentage increase from February to February in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, more than the last lawful Rent applicable to the Mobile Home Space; provided, however, that the Park Owner shall be permitted to set the Base Rent for a new tenant without regard to the last lawful Rent applicable to the Mobile Home Space following: (a) the legal termination of a Mobile Home Owner's Tenancy in compliance with the Mobilehome Residency Law; (b) abandonment of a Mobile Home in place on a Mobile Home Space; or (c) when a commercial purchaser replaces a Mobile Home with a new or different Mobile Home.

3. Upon commencement of a new Tenancy of a Mobile Home, the Mobile Home Landlord may establish the maximum Rent for the Mobile Home.

e. A Park Owner or Mobile Home Landlord that collected Rent in excess of the Base Rent after March 16 of the Base Year and prior to the effective date of this Chapter shall be liable to the tenant for any corresponding overpayment, and the Rent shall be adjusted to reflect the lawful Rent allowed pursuant to this Chapter and any implementing regulations adopted by the Committee.

SEC. 46.6. - Rent increases pursuant to Annual General Adjustment.

a. The Committee shall announce the amount of the Annual General Adjustment no later than June 30 each year.

b. The Annual General Adjustment shall be equal to one hundred (100) percent of the annual percentage increase from February to February in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics.

c. In no event shall the Annual General Adjustment be less than two (2) percent or more than five (5) percent.

d. A Park Owner or Mobile Home Landlord who refrains from imposing a Rent increase or any portion thereof pursuant to an Annual General Adjustment may accumulate said increase and impose the unimplemented amount in subsequent years. The ability to accumulate and impose unimplemented Rent increases shall not carry over to a successor Park Owner or Mobile Home Landlord in the event of a change in ownership of the Mobile Home Park or the Mobile Home, as applicable. Any such subsequent Rent increase shall be subject to a maximum annual increase limit of ten (10) percent. The Committee may issue rules and regulations that modify, restrict or prohibit the ability of Park Owners or Mobile Home Landlords to impose accumulated increases upon a finding that the banking of Annual General Adjustments causes undue hardship, provided that Park Owners and Mobile Home Landlords retain the ability to earn a fair return.

SEC. 46.7. - Capital Improvement pass-through cost recovery.

a. Pursuant to this Section, a Park Owner may file an application with the Committee or designee, on a form approved by the Committee, to pass through Capital Improvement costs to Mobile Home Owners in Mobile Home Spaces that are subject to this Chapter.

b. A Park Owner may not pass through Capital Improvement costs to Mobile Home Owners until the Committee or designee approves the Mobile Home Park Owner's application. 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 for purposes of this Chapter.

c. No pass-through cost recovery may be approved under this Section if the amount allowed to be a pass-through cost would equal more than five (5) percent of the Base Rent.

d. The pass-through of Capital Improvement costs shall be subject to the following preconditions and limitations:

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

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

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

4. A Park Owner may only recover up to fifty (50) percent of the Capital Improvement costs from Mobile Home Owners.

5. A Park Owner must cease collecting Capital Improvement costs when the Park Owner recovers the costs that were approved by the Committee or designee pursuant to this Chapter and any implementing guidelines adopted by the Committee.

6. In the event a Mobile Home Owner pays Capital Improvement costs in excess of those permitted under this Section or beyond the date of expiration of the Capital Improvement pass-through, the Park Owner shall credit the Mobile Home Owner for the balance of the overpayment. The Park Owner may elect to either: (a) pay the Mobile Home Owner the balance of the overpayment directly in one (1) lump sum; or (b) give the Mobile Home Owner a credit against the Rent otherwise due from the Mobile Home Owner over a six (6) month period, with any overpayment balance remaining after six (6) months due in a lump sum at that time.

e. Capital Improvements do not include the following:

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

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

3. Costs of replacement if the replacement was necessary because of the Park Owner's failure to carry out said maintenance responsibilities.

4. Costs to maintain physical improvements in the Communal Facilities in good working order and condition pursuant to California Civil Code Section 798.15.

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

f. Applications must be filed and certification issued prior to the collection of Capital Improvement costs. In order to promote advance fiscal planning, Park Owners shall have the option of precertifying Capital Improvements in advance of performing the work. In the alternative, Park Owners may apply for certification after the work is completed. Park Owners who seek to ascertain whether the cost of proposed Capital Improvements will be certified in advance of performing work may file an application with the Committee or designee to have the determination regarding whether the costs may be passed on to the Mobile Home Owners made in advance of incurring those costs, subject to the following additional procedures upon completion of the Capital Improvements to determine the actual costs:

1. If the actual cost of the Capital Improvement was less than the estimated cost, only the amounts actually incurred may be passed through to the Mobile Home Owners in their proportionate share.

2. If the actual cost of the Capital Improvement was more than estimated, the Park Owner has the option of waiving the excess amount and collecting only the precertified amount. Alternatively, the Park Owner may provide a second notice of Capital Improvement costs in the full amount incurred. In the event that the Park Owner notices an increase in the full amount, affected Mobile Home Owners will be entitled to object to that portion and only that portion of the increase that exceeds the amount allowed in the precertification decision.

g. Whether made in advance of performing the work or after the work is completed, Capital Improvement pass-through applications must contain the following information and be accompanied by copies of relevant supporting documentation:

1. A description of the improvement.

2. Contracts or bid documents showing the cost estimate of the proposed improvement or the actual incurred costs, supported by invoices and copies of checks or other evidence of payment, as applicable.

3. The amortization period to be used.

4. The interest rate to be used.

5. A list of the Mobile Home Owners that will be affected by or benefit from the Capital Improvement.

6. The formula used to calculate the pro-rata share of each affected Mobile Home Owner.

7. The monthly cost to each affected Mobile Home Owner in dollars.

8. The commencement and completion dates of the Capital Improvements.

h. Whether an application is made in advance of performing the work or after the work is completed, the Park Owner must provide notice of the application to affected Mobile Home Owners within ten (10) days after its submittal. The notice must also satisfy the following requirements:

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

2. Notice must state that the complete documentation supporting the application can be reviewed at the Mobile Home Park office during regular business hours.

3. Proof of mailing or personal delivery of the notice to the Mobile Home Owners shall be required before the application will be deemed complete.

i. Mobile Home Owners shall have sixty (60) days from the postmarked date of the above-described notification to file an objection to the application for a Capital Improvement cost pass-through. If objections signed by ten (10) percent of the affected Mobile Home Owners are not filed within the sixty (60) day period, the Committee or designee shall certify the Capital Improvements in the amount requested. If the application is for precertification, the increase may not go into effect until the Capital Improvements are completed. If objections signed by the requisite number of affected Mobile Home Owners are received in a timely fashion, a hearing on objections shall be held.

j. The Committee or designee shall approve an application for a Capital Improvement pass-through if the Park Owner establishes that the Capital Improvement costs are reasonable based on the prevailing costs of such improvements, considering the following:

1. Whether there are unique features on the Mobile Home Park affecting the cost.

2. Whether the costs of the Capital Improvement are necessary and appropriate to complete the project, or whether costs are excessive given industry standards.

3. Whether the Capital Improvement was necessitated due to the elimination, reduction or deferment of maintenance, thereby requiring replacement of the preexisting improvement prior to the expiration of its normal expected life.

4. Whether the interest rate charged is greater than financing reasonably available to the Park Owner in an arm's-length transaction with a private lending institution.

5. Whether the improvement was not reasonably related to the operation of the Mobile Home Park business.

6. Whether the proposed amortization of the Capital Improvement and all other aspects of the application comply with the provisions of this Chapter.

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

SEC.46.8. - Just cause for eviction protections.

a. No Mobile Home Landlord shall take action to terminate any Tenancy, including, but not limited to, making a demand for possession of a Mobile Home, threatening to terminate a Tenancy orally or in writing, serving any notice to quit or other eviction notice or bringing any action to recover possession or be granted recovery of possession of a Mobile Home unless at least one (1) of the following conditions exists:

1. **Failure to pay rent.** The tenant has failed, after three (3) days' written notice as provided by law, to pay the amount stated in the notice, so long as the amount stated does not exceed the Rent to which the Mobile Home Landlord is legally entitled under the Mobile Home Rental Agreement, this Chapter, state, and any other local law.

2. **Breach of lease.** The tenant has continued, after the Mobile Home Landlord has served the tenant with Written Notice to Cease, to substantially violate any of the material terms of the Mobile Home Rental Agreement, except the obligation to surrender possession on proper notice as required by law, and provided that such terms are reasonable and legal and have been accepted in writing by the tenant; and provided

further that, where such terms have been accepted by the tenant or made part of the Mobile Home Rental Agreement subsequent to the initial creation of the Tenancy, the Mobile Home Landlord shall have first notified the tenant in writing that the tenant need not accept such terms.

(a) Notwithstanding any contrary provision in this Section, a Mobile Home Landlord shall not take any action to terminate a Tenancy based on a tenant's sublease of the Mobile Home if the following requirements are met:

(1) The tenant continues to reside in the rental unit as the tenant's primary residence;

(2) The sublessee replaces one (1) or more departed tenants under the Mobile Home Rental Agreement on a one-for-one basis; and

(3) The Mobile Home Landlord has unreasonably withheld the right to sublease following written request by the tenant. If the Mobile Home Landlord fails to respond to the tenant in writing within fourteen (14) days of receipt of the tenant's written request, the tenant's request shall be deemed approved by the Mobile Home Landlord. A Mobile Home Landlord's reasonable refusal of the tenant's written request may not be based on the proposed additional occupant's lack of creditworthiness, if that person will not be legally obligated to pay some or all of the Rent to the Mobile Home Landlord. A Mobile Home Landlord's reasonable refusal of the tenant's written request may be based on, but is not limited to, the ground that the total number of occupants in a Mobile Home exceeds the maximum number of occupants as determined applicable state law.

(b) Notwithstanding any contrary provision in this Section, a Mobile Home Landlord shall not take any action to terminate a Tenancy as a result of the addition to the Mobile Home of a tenant's child, parent, grandchild, grandparent, brother, sister or the spouse or domestic partner (as defined in California Family Code section 297) of such relatives or as a result of the addition of the spouse or domestic partner of a tenant so long as the number of occupants does not exceed the maximum number of occupants allowed under state law. The Committee may promulgate regulations that will further protect families and promote stability for school-aged children.

3. **Nuisance.** The tenant has continued, after the Mobile Home Landlord has served the tenant with a Written Notice to Cease, to commit or expressly permit a nuisance in the Mobile Home.

4. **Criminal activity.** The tenant has continued, after the Mobile Home Landlord has served the tenant with a Written Notice to Cease, to be so disorderly as to destroy the peace, quiet, comfort or safety of the Mobile Home Landlord or other tenants

at the Mobile Home Park. Such disorderly conduct includes violations of state and federal criminal law that destroy the peace, quiet, comfort or safety of the Mobile Home Landlord or other tenants at the Mobile Home Park.

5. **Failure to give access.** The tenant has continued to refuse, after the Mobile Home Landlord has served the tenant with a Written Notice to Cease and without good cause, to grant the Mobile Home Landlord reasonable access to the Mobile Home as required by state or local law.

6. **Necessary and substantial repairs requiring temporary vacancy.** The Mobile Home Landlord, after having obtained all necessary permits from the city, and having provided written notice to the tenant pursuant to state law, seeks in good faith to undertake substantial repairs that are necessary to bring the Mobile Home into compliance with applicable codes and laws affecting the health and safety of tenants of the Mobile Home, provided that:

(a) The repairs necessitate that the tenant vacate the Mobile Home because the work will render the Mobile Home uninhabitable for a period of not less than thirty (30) days;

(b) The Mobile Home Landlord gives advance notice to the tenant of the tenant's right to elect between:

(1) The right of first refusal to any comparable vacant Mobile Home owned by the Mobile Home Landlord at the same Rent, if such comparable vacant Mobile Home exists; or

(2) The first right of return to reoccupy the Mobile Home upon completion of the repairs at the same Rent charged to the Tenant before the Tenant temporarily vacated the Mobile Home.

(c) In the event the Mobile Home Landlord files a Petition for Individual Rent Adjustment within six (6) months following the completion of the work, the tenant shall be party to such proceeding as if the tenant were still in possession, unless the Mobile Home Landlord shall submit with such application a written waiver by the tenant of the tenant's right to reoccupy the premises pursuant to this Subsection.

7. **Owner move-in.** The Mobile Home Landlord seeks, after providing written notice to the tenant pursuant to state law, to recover possession of the Mobile Home in good faith for use and occupancy as a primary residence by the Mobile Home Landlord, or the Mobile Home Landlord's spouse, domestic partner, children, parents or grandparents, provided that as used in this paragraph, the Mobile Home Landlord shall only include a Mobile Home Landlord that is a natural person and has at least a fifty (50)

percent recorded ownership interest in the Mobile Home. The Committee may adopt regulations governing the determination of good faith.

8. **Withdrawal of the mobile home permanently from rental market.** The Mobile Home Landlord seeks in good faith to recover possession to withdraw all Mobile Homes on an individual parcel from the rental market. Tenants shall be entitled to a minimum of one hundred twenty (120) days' notice or one (1) year in the case tenants are defined as senior or disabled under Government Code section 12955.3. Notice times may be increased by regulations if state law allows for additional time.

9. **Demolition.** The Mobile Home Landlord, having obtained all necessary permits from the city or state, as applicable, and having provided written notice to the tenant pursuant to state law, seeks in good faith to recover possession of the Mobile Home to remove the Mobile Home permanently from rental housing use through demolition.

b. In accordance with Civil Code Section 798.19, Tenancies for a Mobile Home Space may only be terminated by a Park Owner in accordance with Civil Code Sections 798.55 through 798.61, or successor code sections.

c. **First right of return.** All tenants whose Tenancy is terminated based upon a basis enumerated in Subsections (a)(6)-(9) herein shall have the first right of return to the Mobile Home if that Mobile Home is returned to the market by the Mobile Home Landlord or successor Mobile Home Landlord. Rent for the Mobile Home shall be the Rent lawfully paid by the tenant at the time the Mobile Home Landlord gave notice of termination based upon Subsections (a)(6)-(9) herein.

d. **Retaliation is barred.** Notwithstanding the above provisions, no Mobile Home Landlord shall take action to terminate any Tenancy or otherwise recover possession of a Mobile Home in retaliation for the tenant reporting violations of this Chapter, for exercising rights granted under this Chapter or for forming or participating in a tenant organization.

e. **Notice to specify basis for termination.** Any notice purporting to terminate Tenancy on any of the bases specified in this Section must state with specificity the basis on which the Mobile Home Landlord seeks to terminate the Tenancy.

f. **Mobile Home Landlord compliance with this Chapter.** In any action brought to recover possession of a Mobile Home, the Mobile Home Landlord shall allege compliance with this Chapter.

g. **Filing termination notices with the Committee.** The Mobile Home Landlord shall file with the Committee a copy of any notice terminating Tenancy within three (3) days after serving the notice on the tenant.

h. **Failure to comply.** A Mobile Home Landlord's failure to comply with any requirement of this Chapter, including, without limitation, the failure to serve any of the required notices on the Committee pursuant to Subsection (f) of this Section, is a complete affirmative defense in an unlawful detainer or other action brought by the Mobile Home Landlord to recover possession of the Mobile Home.

SEC. 46.9 - Rental housing committee.

a. The rental housing committee shall have the following additional powers and duties:

1. Set Rents at fair and equitable levels to achieve the purposes of this Chapter.

2. Adopt regulations authorizing Rent increases and/or adjustments required by state or federal law.

3. Establish rules and regulations for administration and enforcement of this Chapter.

4. Determine and publicize the Annual General Adjustment.

5. Appoint Hearing Officers to conduct hearings on Petitions for Individual Rent Adjustment.

6. Adjudicate Petitions and issue decisions with orders for appropriate relief.

7. Administer oaths and affirmations and subpoena witnesses and relevant documents.

8. Establish a budget for the reasonable and necessary implementation of the provisions of this Chapter, including, without limitation, the hiring of necessary staff, and charge fees as set forth herein in an amount sufficient to support that budget.

9. Hold public hearings.

10. Conduct studies, surveys, investigations and hearings and obtain information to further the purposes of this Chapter.

11. Report periodically to the city council on the status of this Chapter's implementation and effects.

12. Publicize this Chapter through reasonable and appropriate means.
13. Establish a schedule of penalties that may be imposed for noncompliance.
14. Pursue civil remedies in courts of appropriate jurisdiction, subject to city council approval.
15. Intervene as an interested party in any litigation brought before a court of appropriate jurisdiction, subject to city council approval.
16. Develop regulations to permit Park Owners to pass through specified Capital Improvements that set forth: (a) the cost recovery calculations and date of expiration for the Capital Improvement pass-through cost for each Mobile Home Space; (b) an amortization schedule for recoverable Capital Improvements; and (c) factors to evaluate a Park Owner's application for a pass-through cost of a Capital Improvement that include, but are not limited to, whether the work was necessary to bring the Mobile Home Park into compliance or maintain compliance with code requirements affecting health and safety.
17. Any other duties necessary to administer and enforce this Chapter.

b. The rental housing committee shall finance the committee's reasonable and necessary expenses, including, without limitation, engaging any staff as necessary to ensure implementation of this Chapter, by charging Park Owners an annual space rental fee, in amounts deemed reasonable by the Committee in accordance with applicable law. The Committee is also empowered to request and receive funding when and if necessary from any available source, including the city, for the Committee's reasonable and necessary expenses.

c. All Park Owners and Mobile Home Landlords shall pay a space rental fee on an annual basis. The Committee may adjust the amount of the space rental fee at the Committee's discretion to ensure full funding of the Committee's reasonable and necessary expenses, in accordance with all applicable law.

SEC. 46.10 - Petitions for individual rent adjustment – Bases.

a. Nothing in this Chapter shall be interpreted to prohibit a Park Owner or a Mobile Home Landlord from earning a just, reasonable and fair return from a Mobile Home Park or a Mobile Home, as applicable.

1. A Mobile Home Landlord's fair return from a Mobile Home or Park Owner's fair return from a Mobile Home Park is generally defined as maintaining the net

operating income earned from the property in the Base Year, on an annual basis. To maintain net operating income, the Base Year Net Operating Income shall be adjusted by the percentage change in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics between the Base Year (annual) and the most recently published bimonthly figure as of the date of submission to the Committee.

(a) It shall be a rebuttable presumption that the Base Year net operating income provided the Mobile Home Landlord or Park Owner a fair return during the Base Year. The petitioner may rebut this presumption by demonstrating that the Rent received during the Base Year did not reasonably reflect general market conditions as applied to the Mobile Home or Mobile Home Space within a Mobile Home Park based on its physical location, condition and amenities relative to similarly situated Mobile Homes, Mobile Home Spaces or Mobile Home Parks.

(b) The Committee may promulgate additional regulations that will further define adjustments of unreasonably low Base Year net operating income and Base Year Rent adjustments.

2. A Mobile Home Landlord or Park Owner may petition for a Rent increase in excess of the Annual General Adjustment in order to obtain a fair return. The city may accept no more than one (1) fair return petition applicable to a Mobile Home Park or an individual Mobile Home in any twelve (12) month period.

b. A tenant of a Mobile Home Space or a Mobile Home may petition for a refund or future Rent decrease based on one (1) or more of the following circumstances:

1. The Park Owner or Mobile Home Landlord demands, accepts, receives or retains Rent from the tenant in excess of the Rent authorized in this Chapter.

2. The Park Owner or Mobile Home Landlord has reduced or eliminated Communal Facilities or Housing Services, or otherwise failed to maintain the Mobile Home Park or the Mobile Home, as applicable, in accordance with minimum health and safety standards.

c. The Committee shall develop regulations to facilitate prompt resolution of Petitions.

SEC. 46.11. - Remedies and enforcement.

a. Any waiver of the rights and responsibilities created by this Chapter shall be deemed void as against public policy.

b. A Mobile Home Landlord or Park Owner's failure to comply with this Chapter shall be an affirmative defense against an unlawful detainer action to recover possession of a Mobile Home or a Mobile Home Space, as applicable.

c. An affected party may bring civil suit in the courts of the state to determine the application of and otherwise avail themselves of the rights created by this Chapter. A prevailing party filing suit to enforce this Chapter shall be awarded reasonable attorneys' fees and costs as determined by the court. No administrative exhaustion requirement shall be applied to this Chapter; an affected party may file suit prior to filing a petition or pursuing any administrative remedy.

d. A Park Owner or Mobile Home Landlord who demands, accepts, receives or retains any payment of Rent in excess of the lawful Rent shall be liable to the tenant in the amount by which the payment or payments have exceeded the lawful Rent. In such a case, the Rent shall be adjusted to reflect the lawful Rent pursuant to this Chapter and its implementing regulations. Additionally, upon a showing that the Park Owner or Mobile Home Landlord has acted willfully or with oppression, fraud or malice, the tenant shall be awarded treble damages.

e. The city, tenants, Mobile Home Landlords and Park Owners may seek relief from the appropriate court in the jurisdiction where the affected Mobile Home or Mobile Home Space is located to enforce any provision of this Chapter or its implementing regulations or to restrain or enjoin any violation of this Chapter and of the rules, regulations, orders and decisions pursuant thereto.

f. The remedies available in this Chapter are not exclusive and may be used cumulatively with any other remedies."

Section 2. The provisions of this ordinance shall be effective thirty (30) days from and after the date of its adoption.

Section 3. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the other remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional.

Section 4. Pursuant to Section 522 of the Mountain View City Charter, it is ordered that copies of the foregoing proposed ordinance be posted at least two (2) days prior to its adoption in three (3) prominent places in the City and that a single publication be made to the official newspaper of the City of a notice setting forth the title of the

ordinance, the date of its introduction, and a list of the places where copies of the proposed ordinance are posted.

Section 5. This ordinance is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) (the activity will not result in a direct or reasonable foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly).

SL/6/ORD
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