RENTAL HOUSING COMMITTEE RESOLUTION NO. RHC - __ SERIES 2022

A RESOLUTION OF THE RENTAL HOUSING COMMITTEE OF MOUNTAIN VIEW AMENDING REGULATIONS CHAPTER 2: DEFINITIONS, AND CHAPTER 5: PETITION PROCESS OF THE MOBILE HOME RENT STABILIZATION ORDINANCE (MHRSO)

WHEREAS, MHRSO section 46.9 authorizes the Rental Housing Committee to establish rules and regulations for administration and enforcement of the MHRSO; and

WHEREAS, the Rental Housing Committee has held a publicly noticed meeting on June 20, 2022, and solicited input to clarify the definition of Base Rent in furtherance of the MHRSO; and

NOW, THEREFORE, BE IT RESOLVED by the Rental Housing Committee that amendments to Chapter 2 (Definitions) and Chapter 5 (Petition Process), as set forth in <u>Exhibit A</u>, are hereby adopted.

Mobile Home Rent Stabilization Ordinance

Amendment to Chapter 2 - Definitions

Paragraph (c) of Chapter 2 of the MHRSO Regulations is amended as follows:

- "(c) <u>Base Rent</u>. The Base Rent is the reference point from which the lawful Rent shall be determined and adjusted in accordance with the Ordinance.
 - (1) <u>Tenancies Commencing on or before March 16, 2021</u>. The Base Rent for tenancies that commenced on or before March 16, 2021 shall be the Rent in effect on March 16, 2021.
 - (2) <u>Tenancies Commencing After March 16, 2021.</u> The Base Rent for tenancies that commenced after March 16, 2021 shall be the initial rental rate charged upon initial occupancy, provided that amount is not in violation of this Article or any provision of State law. The term "initial rental rate" means only the amount of Rent actually <u>demanded to be paid and paid</u> by the Tenant for the initial term of the tenancy.
 - (i) Rent Concession. If a temporary rent concession is provided by the Park Owner or Mobile Home Landlord during the initial term of the tenancy, the "initial rental rate" shall be the average amount of Rent actually demanded to be paid and paid by the Mobile Home Owner or Mobile Home Tenant during the initial term of the tenancy. A "rent concession" includes, but is not limited to, any of the following:
 - One or more months' free Rent; or
 - A dollar or percentage amount reduction of the Rent provided over the course of the initial term of the tenancy.
 - (ii) <u>Exclusions.</u> The following shall not be considered in the calculation of "Base Rent" for any Tenancy:
 - The Mobile Home Owner's or Mobile Home Tenant's withholding of or failure to pay Rent in violation of the Rental Agreement, the Ordinance or state law; or
 - Any reduction in Rent imposed pursuant to the final decision of a Hearing Officer or the Rental Housing Committee in a petition for downward adjustment based on failure to maintain a habitable premises or a decrease in

- housing services or maintenance, as outlined in Sections F and H of Chapter 7 of these Regulations, respectively.
- (iii) <u>Initial Term of Tenancy.</u> The "initial term of the tenancy" refers to either the initial term as agreed upon by the Park Owner or Mobile Home Landlord and Mobile Home Owner or Mobile Tenant in the Space Rental Agreement or Mobile Home Rental Agreement, or if the Space Rental Agreement or Mobile Home Rental Agreement is month to month or longer than twelve (12) months, the initial term shall mean twelve (12) months.
- (iv) Examples. For example, if a Mobile Home Tenant agrees to pay \$1000/month for 12 months for a Mobile Home and the Mobile Home Landlord provides a concession of two free months, then the Base Rent for the Mobile Home shall be \$833.33 ((10 x \$1000)/12). On the other hand, if the Mobile Home Landlord provides a 25 percent discount over the course of the 12 months, then the Base Rent for the Mobile Home shall be \$750, regardless of the rental amount noted in the Mobile Home Rental Agreement.

Mobile Home Rent Stabilization Ordinance

Amendment to Chapter 5 - Petition Process

Section G of Chapter 5 of the MHRSO Regulations is amended to add the following paragraph (6):

- 6. <u>Limitations on Unlawful Rent Petitions</u>. Where a Petition for an Individual Rent Adjustment would reduce Rent based on the alleged collection of unlawful Rents related to "rent concessions," as that term is defined in Chapter 2 of these Regulations, the following limitations shall apply:
 - a. For rent concessions provided for a Tenancy that commenced before September 1, 2022, a Mobile Home Owner or Mobile Home Tenant shall be entitled to a rollback to the Base Rent and a refund of only the Rent that was overpaid within one (1) year prior the date of the filing of the Petition.
 - b. For rent concessions provided for a Tenancy that commenced on or after September 1, 2022, the Mobile Home Owner or Mobile Home Tenant shall be entitled to a rollback to the Base Rent and a refund of any Rent that was overpaid, subject to applicable statutes of limitations in state law.

c. A former Mobile Home Owner or Mobile Home Tenant may file a Petition for an Individual Rent Adjustment based on the alleged collection of unlawful Rent related to "rent concessions" so long as the Petition is filed within six (6) months of the date that the Mobile Home Owner or Mobile Home Tenant vacated the Mobile Home Space or Mobile Home.