# **ORDINANCE NO. 2737**

AN ORDINANCE OF THE CITY OF CHULA VISTA AMENDING CHAPTER 9.50 OF THE CHULA VISTA MUNICIPAL CODE RELATING TO MOBILEHOME PARK SPACE RENT REVIEW

The City Council of the City of Chula Vista does hereby ordain as follows:

SECTION I: That Chapter 9.50 of the Chula Vista Municipal Code is hereby amended to read as follows:

# Chapter 9.50

#### **MOBILEHOME PARK SPACE - RENT REVIEW**

Sections:		
9.50.005	Purpose.	
9.50.010	Applicability.	
9.50.012	Compliance with State Law and City Posting and Disclosure Requirements.	
9.50.015	Applicability of Chapter 9.50 to Recreational Vehicles.	
9.50.019	Created	
9.50.020	Definitions.	
	Repealed.	
9.50.040	Moved to 9.50.064	
9.50.050		
9.50.060	Repealed.	
9.50.063	Rent Increases Without Change of Ownership. (Previously known as 9.50.065)	
9.50.064	Owner Meetings and Possible Voluntary Negotiations. (Previously known as 9.50.050)	
9.50.065	Moved to 9.50.063	
9.50,066	Request for Hearing Form.	
9.50.067	Rent Increases Upon Change of Ownership.	
9.50.068	Notices of CPI, Rent Increases. (And Right to Mediate the Purchase Price of a Mobilehome - Replaced by 9.50.076)	
9.50.070	Initiation of Space Rent Review.	
9.50.073	Factors to Consider in Fixing Space Rent Through the Hearing Process.	
9.50.075	Fixing of Space Rent.	
9.50.076	Right to Mediate Mobilehome Resale Price.	
9.50.078	Criminal Acts.	
9.50.080	Repealed.	
9.50.081	Civil Remedies.	
9.50.083	Criminal Remedies.	
9.50.085	Repealed.	
9.50.090	Repealed.	

Severability.

Repealed.

9.50.100 9.50.110

## 9.50.005 Purpose.

The city intends by this chapter to maintain a supply of affordable housing. The city council finds that there is an ample supply of apartments for rent and that the apartment market place does not need regulation in order to keep the rents at an affordable level. The council finds that the supply of mobilehome space available for rent is not adequate to meet the total demand, and that as a result, the limited supply of such spaces is driving up the space rents in a manner that would, in the absence of regulation result in the elimination of affordable housing.

The city also intends by this chapter to prevent existing residents, who are rendered largely incapable of moving their mobilehomes without suffering a substantial loss in their value, from being charged excessive and unconscionable rents due to this lack of mobility. The council finds that the limited supply of mobilehome space available for rent in this city would, in the absence of regulation, allow for an unconscionable increase of rents to existing mobilehome park residents.

The city also intends by this chapter to prevent existing residents, who are rendered largely incapable of moving their mobilehomes without suffering a substantial loss in their value, from loss of the resale value of their mobilehomes due to the fact that an incoming resident is being charged excessive rents.

The council finds that the limited supply of mobilehome space available for rent in this city would, in the absence of space rent regulation at the time of such sale or other vacancy, allow for an unconscionable loss of resale value of mobilehomes to existing mobilehome park residents.

#### 9.50.010 Applicability.

This chapter shall apply to a mobilehome that requires a permit to be moved on a street or highway.

The procedures contained in this chapter are intended to provide a mechanism for the resolution of disputed increases in rents by making it advantageous for mobilehome owners and mobilehome park owners to establish a better understanding for each other's positions which will result in agreement on the amount of rent to be charged. The procedures of the ordinance are established with the intent that they be accomplished in a timely fashion. The participating parties shall commit to the goal that the entire dispute resolution process be completed within one hundred-twenty days following receipt of the notice of a disputed space rent increase.

This chapter shall not apply to leases for a term exceeding one year which are exempted by California Civil Code Section 798.17, so long as such leases contain all the required provisions for exemption, including a statement in the first sentence of the first paragraph, in at least 12 point type or capital letters, giving notice to the mobilehome resident that, by entering into the lease, the rent control provisions of this ordinance will be automatically superseded by the lease provisions regarding rent and rent increases.

This chapter shall not apply to a mobilehome park if the rents that may be charged for spaces thereat are regulated pursuant to an agreement with the redevelopment agency of the city of Chula Vista under the authority of Section 33334.2 through 33334.4, inclusive, of the California Health and Safety Code, for such period of time as the agreement is in effect.

# 9.50.012 Compliance with State Law and city Posting and Disclosure Requirements.

Every mobilehome park owner shall comply with the provisions of the Mobilehome Residency Law (Chapter 2.5, Section 798 of the California Civil Code.) Also, a copy of that chapter shall be prominently posted in a common area of each park's premises at all times. In addition, the information contained in the disclosure below shall be provided as follows: (1) when a mobilehome in a park is sold and it will remain in the park, the seller shall show it to the buyer, (2) the park owner will ascertain that a buyer of a mobilehome that will remain in the park knows about the disclosure, and (3) a copy of the disclosure shall be an addendum to every rental agreement.

# "Municipal Code Chapter 9.50 Disclosure

Chula Vista Municipal Code Chapter 9.50, Mobilehome Park Space Rent Review, governs all mobilehome park spaces for leases of 12 months or less. For leases of more than 12 months, Chapter 9.50 does not apply, per Section 9.50.010 and state law.

Chapter 9.50 generally applies to, but is not limited to, rent control measures. Of particular interest is Section 9.50.067, which details the following:

Within 15 days of the park owner/management receiving a written notice of the pending sale of a mobilehome including an address at which an incoming mobilehome resident may be contacted, an incoming mobilehome resident will receive a written statement as to the rental rate to be offered to the incoming mobilehome resident and whether that rental rate is reflective of a cumulative annual increase from the outgoing resident's rental rate greater than the annual increase in the applicable Consumer Price Index (CPI). If the cumulative annual increase is greater than the annual increase in the applicable CPI, then the incoming resident or the outgoing resident has the right to request a hearing from the Chula Vista Mobile Home Rent Review Commission for enforcement of Chapter 9.50. For the purposes of this paragraph "cumulative annual increase" means the total rent increase for the space within the past year. For example, if the applicable CPI is 4%, but the rent was increased less than 4%, the park owner may require an additional rent increase for the space up to the total 4% CPI without becoming subject to the right to appeal provisions of the Mobilehome Park Space Rent Review Ordinance. This hearing must be requested within thirty days of receiving such written statement by submitting a Request to Hearing Form at the city of Chula Vista Community Development Department, the address of which is listed below.

After an incoming resident enters into a binding lease with a park owner, he or she shall have no right to a hearing to appeal the rent amount agreed to in the lease.

A copy of the Mobilehome Park Space Rent Review Ordinance is available at the city of Chula Vista, Community Development Department, 276 Fourth Avenue, Chula Vista CA 91910 or one can be obtained from park management."

# 9.50.015 Applicability of Chapter 9.50 to Recreational Vehicles.

Owners/Occupants of recreational vehicles as defined in California Civil Code Section 799.24 are subject to the provisions set forth herein where the recreational vehicle owner/occupant has been in residency for nine or more consecutive months. Notwithstanding the above, this chapter shall not be applicable to recreational vehicles residing in parks

operated as recreational vehicle parks, where the predominant number of spaces are occupied for less than nine months.

## 9.50.020 Legal Requirements and Procedures Created.

This chapter creates legal requirements and procedures which must be followed when space rent is increased in mobilehome parks. In the event a mobilehome park owner increases space rent without complying with the provisions of this chapter, including but not limited to providing required notice, the park owner may be held accountable for such failure through civil and administrative action in accordance with 9.50.081 of this chapter. A park owner who willfully and improperly collects rent shall be subject to repayment of up to three times the amount of rent improperly collected, after a hearing before the Mobilehome Rent Review Commission.

(Section repealed by Ord 2306 §1, 1989; Ord 2282 §2, 1988; Ord 2163 §3, 1986; Ord 1997 §1 (part), 1982).

#### 9.50.030 Definitions.

Words used in this chapter shall have the meaning described to them in this section:

- A. "Space rent" means the consideration, including any payment, bonus, benefits, or gratuity demanded or received in connection with the use and occupancy of the mobilehome space in a mobilehome park, or for the transfer of the lease for park space, services, including, but not limited to, fees and charges for maintenance and operations of park facilities and landscaping, trash collection, sewer, gas, electricity, water, cable T.V., or any other such utility or service not separately metered, owner-provided amenities, subletting and security deposits, but exclusive of any amounts paid for the use of the mobilehome dwelling, and exclusive of other allowable pass-throughs as defined in subsection H below.
- B. "Mobilehome" means a mobilehome as defined in the California Mobilehome Home Residency Law.
- C. "Mobilehome park owner" or "Owner" means and includes the owner, lessor, operator, or manager of a mobilehome park within the purview of this ordinance.
- D. "Mobilehome Resident" or "Resident" means a person who occupies a mobilehome in a mobilehome park as a primary residence by virtue of having a rental agreement.
- E. "Dispute" or "Controversy" means a disagreement or difference which is subject to the resolution process described in this chapter.
- F. "Consumer Price Index" or "CPI" shall mean the all urban consumers/all items component of the San Diego Metropolitan Area U (broader base) consumer price index.
- G. "Major Capital Improvement Pass-Through" means a separately identified monthly charge to residents which represents the repayment of a cost for a major capital improvement with the following characteristics:

- 1. Said improvement shall have a cost of more than \$10,000.
- 2. Said improvement shall be exclusive of maintenance or replacement of existing facilities.
- 3. Said improvement shall have been approved in writing by more than fifty percent of the mobilehome spaces within the mobilehome park after all residents in the park have been informed of the nature, general design, timing, and overall cost of said improvement, and the amount and duration of the related pass-through. A case when a space is occupied by two or more adults, each adult shall have a vote, but where two adults occupy a space, if one votes in favor and the other votes opposed, the result shall be considered a half space in favor of and a half space opposed to the improvement. Likewise, where three adults occupy the space, each vote shall count as one third of a space for or against the improvement.
- H. Other Allowable Pass-Throughs means separately billed utility service fees and charges excluded from rent in accordance with the provisions of Civil Code Section 798.41; increases in rates of such utilities, and governmental assessments such as real property taxes, license fees, and assessments for municipal services or improvements. Copies of bills, invoices, or other appropriate supporting documentation shall be kept on file in the park owner's on-site business office, and made available for review by affected residents upon reasonable request at any time during normal business hours.
- "Mobilehome Park" or "Park" is an area of land where two or more mobilehome spaces are rented, or held out for rent, to accommodate mobilehomes used for human habitation.
- J. "Mobilehome Rent Review Commission" is the advisory body established by Chula Vista Municipal Code 2.31 to provide an independent review of rent increase disputes in mobilehome parks.

# 9.50.040 Negotiation Commission-Membership.

(Section repealed by Ord 2306 §1 (part), 1989; Ord 2291 §1, 1989; 2282 §2, 1988; Ord 2163 §5, 1986; Ord 1997 §1 (part), 1982).

#### 9.50.050 Moved to 9.50.064

#### 9.50.060 Powers of a negotiation commission.

(Section repealed by Ord 2306 §1 (part), 1989; Ord 2282 §2, 1988; Ord 2163 §7, 1986; Ord 1997 §1 (part), 1982).

# 9.50.063 Rent Increase without Change of Mobilehome Ownership. (Previously known as 9.50.065)

A. In any situation where a mobilehome park owner wishes to increase the space rent to an existing resident above the applicable CPI, he or she must first give notice to affected residents, at the same time the ninety day notice required by Civil Code Section 798.30 is given, as follows:

### **NOTICE - RENT INCREASE IN EXCESS OF CPI**

IF YOU DO NOT TAKE AC	TION TO REQUEST A HEARING BY THE MOBILEHOME RENT
REVIEW COMMISSION WITH	HIN THIRTY DAYS, THIS INCREASE SHALL BE AUTOMATICALLY
EFFECTIVE ON (date)	[Not sooner than ninety days after date of notice.]

This is a notice of space rent increase which exceeds the percentage increase of the Consumer Price Index (CPI) for the most recent twelve month period, as reported by the Bureau of Labor Statistics, preceding this notice. The CPI is \_\_% and this increase is \_\_% of your current rent. Under the city's Municipal Code, you are entitled to the following rights:

- I am required to hold a meeting with the residents to discuss the reasons for the increase. The meeting will be at \_\_\_\_\_\_ [state time (must be within ten days) and place (should be at mobilehome park)]. Under the city's ordinance, owners and residents are encouraged to attempt to resolve differences regarding this increase.
- You have the right to file for a hearing and determination by the Mobilehome Rent Review Commission by delivering a form as described in Section 9.50.066. You may file for such hearing only if you attend the meeting to discuss the increase. To file for such hearing you must deliver the request for Hearing form to the city's Community Development Department within thirty days of the date this notice is served on you.
- 3. In the event a request for hearing is initiated, the action will include the rent increase issues with regard to all the affected residents. If you have questions, or need more information, you can call the city at 585-5722.

This increase is in addition to the following allowable pass-throughs: [identify type and amount of major capital improvement or other allowable pass-through]

The following space numbers are subject to this increase: [insert numbers of affected spaces].

- B. If the residents within the affected mobilehome park have established an on-site representative body and notify the owner in writing of its existence, a copy of the rent increase notice must also be sent to the chairperson of that body.
- C. A copy of the rent increase notice shall be mailed (U.S. Postal Mail Service return receipt requested) to the Community Development Department of the city of Chula Vista, 276 Fourth Avenue, Chula Vista, CA 91910, at the same time as issuance of the notice to residents.

D. The rent increase notice must contain the space numbers of all residents who are subject to the increase which is above the amount of the applicable CPI.

# 9.50.064 Owner Meetings and Possible Voluntary Negotiations. (Previously 9.50.050)

Within ten days after service of a notice of increase, as provided in Section 9.50.063, the park owner shall hold an informal meeting for the benefit of the affected residents to discuss the increase. It is hoped that such a meeting may lead to voluntary settlement of any dispute.

The meeting should be set for a time and date believed to be convenient for residents and may be changed to a different date based on the reasonable request of the majority of affected residents.

If a resident does not attend this meeting or is not represented by someone, he or she shall have no right to a hearing.

#### 9.50.065 Moved to 9.50.063

#### 9.50.066 Request for Hearing Form

Request for hearing shall be in substantively the following form:

# REQUEST FOR HEARING

The undersigned hereby requests a hearing before the Mobilehome Rent Review Commission with regard to a proposed rent increase described in the attached notice - Rent Increase in excess of CPI relating to the \_\_\_\_\_ Mobilehome Park. [Note: make certain you attach a copy of the notice of Rent Increase you received from the park owner.]

The undersigned is a resident or incoming resident of the park and has attended a meeting with the park owner as required in Section 9.50.064 of the Chula Vista Municipal Code. The dispute has not been settled.

It is understood that this request is irrevocable and that it may be relied on by other residents of the mobilehome park to cause a public hearing to be scheduled, and that the Mobilehome Rent Review Commission will schedule a public hearing to consider the proposed rent increase, taking into consideration the factors described in Chula Vista Municipal Code Section 9.50.073, and that the decision of the Mobilehome Rent Review Commission shall be final and binding.

Signed	( ) Current Resident
Print Name	( ) Incoming Resident
Date	Space No

[The completed form must be delivered to the city's Community Development Department]

#### 9.50.067 Notice of Rent Increase upon Change of Mobilehome Ownership.

The review process shall also be applicable to the situation where space rent is increased above the applicable CPI upon change of ownership of the mobilehome. Either the incoming or outgoing owner-occupant shall have the right to a hearing and decision by the Mobilehome Rent Review Commission, as provided in this section:

- A. Outgoing Mobilehome Resident's Right to Hearing. If an outgoing mobilehome resident intends to sell his or her mobilehome, the owner shall provide to the outgoing resident within fifteen days of the receipt of a written notice of intent to sell, a written statement as to the rental rate to be offered to the incoming mobilehome resident. If the rate of increase in rent to the new owner-occupant is above the amount of the applicable CPI as provided in Section 9.50.068 A, then the owner shall provide the current resident with a notice as set forth below in Subsection C, and the current resident shall have the right to a hearing and decision regarding the increase under the provisions of Section 9.50.070. A Request for Hearing Form must be filed within 30 days after receipt of the written statement of rental rate in the general form set forth in Section 9.50.66 above.
- B. Incoming Mobilehome Resident's Right to Hearing. The owner shall also provide within fifteen days of receiving written notice of the pending sale of a mobilehome, which notice shall include (1) an address at which the incoming resident can be contacted,(2) the rental rate to be offered to the incoming mobilehome resident, and, (3) notice as to whether the outgoing mobilehome resident completed the hearing process or reached agreement as to the increase a notice as set forth below in Subsection C, if the rental rate is proposed to increase in an amount greater than the applicable CPI. At such time as an incoming mobilehome resident receives such notice, properly and truly prepared, then if the outgoing resident did not exercise or pursue to completion their right to a hearing as stated above in Subsection A, or reach written agreement as to the amount of the space rent for the incoming mobilehome resident, the incoming mobilehome resident shall have the right to a hearing regarding the increase under the provisions of Section 9.50.070, in the same manner as set forth in Section A above. If the incoming mobilehome resident has entered into a binding lease agreement with the park owner, including rent amounts, the incoming resident shall not have any right to a hearing.
- C. The park owner's statement shall contain the following:

# NOTICE - ANNUAL CUMULATIVE RENT INCREASE IN EXCESS OF CPI FOR THIS YEAR

IF YOU DO NOT TAKE ACTION TO REQUEST A HEARING BY THE MOBILEHOME RENT REVIEW COMMISSION WITHIN THIRTY DAYS, THIS INCREASE SHALL BE AUTOMATICALLY EFFECTIVE UPON THE SALE OF YOUR MOBILEHOME

This is a statement of space rent increase which exceeds the percentage increase of the Consumer Price Index (CPI) for the twelve month period, as reported by the Bureau of Labor Statistics, preceding this statement. The CPI is \_\_\_\_\_% and this increase reflects a cumulative increase for the space of \_\_\_\_%. This increase is in addition to the following allowable pass-throughs: [identify type and amount of major capitol improvement or other allowable pass-throughs].

Under the city's municipal code, the outgoing resident has the first right to a hearing on the rental increase, and in the event he or she fails to pursue such hearing to completion, the incoming resident is entitled to file for such a hearing with the city's community development department. In order to initiate a hearing, you must file a Request for Hearing form with the city's community development department within thirty days of the date this notice is served on you. If you do not file such request, you forfeit your right to a hearing on the rent increase.

- D. If the residents within the affected mobilehome park have established a representative body and notified the owner in writing of its existence, a copy of the rent increase notice must also be sent to the chairperson of that body.
- E. A copy of the rent increase notice shall be mailed (U.S. Postal Mail Service return receipt requested) to the Community Development Department of the city of Chula Vista, 276 Fourth Avenue, Chula Vista, CA 91910, at the same time as issuance of the notice to the current and incoming residents.
- F. After an incoming resident enters into a binding lease with the park owner, the incoming resident shall have no right to a hearing to appeal the rent amount agreed to with the owner, as long as all the disclosure requirements by this ordinance have been met.

# 9.50.068 Notices of CPI, Rent Increases. (And Right to Mediate the Purchase Price of a Mobilehome portion replaced by Section 9.50.076)

- A. The CPI is published twice each year by the Bureau of Labor Statistics. The community development department shall mail to each park owner or their agent the applicable CPI which will apply to any proposed space rent increases as soon as the community development department receives the applicable CPI from the Bureau of Labor Statistics. Park owners shall use the CPI furnished to them by the community development department as controlling the maximum potential rent increase without a need for a hearing, and may not deviate from that CPI until the park owner receives written notification from the community development department that the CPI has changed. The park owner shall post, in a prominent place, the notification from the community development department so that all residents are aware of the applicable CPI.
- B. A copy of the notice to residents to increase space rent, whether or not the increase is above the applicable CPI, shall be mailed (U.S. Postal Mail Service return receipt requested) to the Community Development Department, 276 Fourth Avenue, Chula Vista, CA 91910, at the same time as issuance of the notice to the residents.

### 9.50.070 Initiation of Space Rent Review.

If a rent dispute cannot be resolved at a meeting with a park owner, a resident must file a request for hearing with the community development department, in the form prescribed in Section 9.50.066.

Upon the filing of a request for hearing in accordance with this chapter, the city community development department shall notify the chairperson of the mobilehome rent

review commission, who shall schedule a hearing on the matter within thirty days after the date of receipt of such requests or as soon thereafter as practical. The hearing will be noticed and held in a manner that provides due process to all affected parties.

# 9.50.073 Factors to Consider in Fixing Space Rent Through the Hearing Process.

If a proposed rental increase is submitted to the mobilehome rent review commission ("commission") pursuant to the provisions of this chapter, the commission shall determine the rent that is fair, just and reasonable, and, in doing so, may consider the following factors:

- A. The need for the proposed rental increase of the space in order to permit the owner to secure a fair and reasonable return, when considering the existing rental scheme for all spaces in the park and all existing or expected expenses in owning and operating the park, on the owner's investment in the park. A fair and reasonable return may be determined by the commission by reference to industry standards, risk of investment, or other acceptable standards.
  - 1. In considering the existing or expected expenses in owning and operating the park, the commission may consider the following or any similar or related items of expense, the reasonableness of such items, and changes to them:
    - a. Property or other taxes.
    - b. Mortgage or ground rent payments.
    - c. Utility costs.
    - d. Capital improvements or rehabilitation work.
    - e. Repairs required.
    - f. Other operating and maintenance costs
- B. The extent to which the proposed rental increase will cause a reduction in the resale value of the mobilehome.
- C. Changes in the CPI for all urban consumers in the San Diego Metropolitan Area published by the Bureau of Labor Statistics.
- D. Rents lawfully charged for comparable mobilehome spaces in South Bay of San Diego County.
- E. The timing and amount of rents and increases for this and other spaces at the mobilehome park.
- F. The quantity and quality of the improvements and features at the mobilehome park.
- G. The quantity and quality of services offered to park residents.

#### 9.50.075 Fixing of Space Rent.

The rent on any particular mobilehome space shall be fixed as follows:

- A. In the event that the resident and an owner reach agreement, with or without the benefit of a commission hearing, the rent for the space shall be fixed at the agreed upon rent at such time as the agreement is reached unless the agreement provides for a different effective date. Rents established in such agreement shall not be affected by any subsequent commission determination regarding allowable rent increases.
- B. In the event that the resident and an owner do not reach agreement, and the rent has been established by the commission according to the procedures herein established, the rent for the space shall be fixed at the rental rate so established by the commission as of the date of the commission's decision, or ninety days after the resident original receipt of the Notice of Rent Increase, whichever is later, unless the commission shall fix a different date. However, the commission may not set the rent lower than the pre-existing rent or higher than the amount contained in the Notice of Rent Increase in excess of CPI.
- C. Unilateral Refusal to Participate in the Hearing Process. In the event the commission finds that the resident or owner fail or refuse to, in good faith, follow the procedure herein fixed for the establishment of rent, which may include but not be limited to refusal to attend noticed hearings, then the rent for the space shall be fixed as follows:
  - 1. If the resident has failed or refused to follow the procedures herein fixed for the establishment of rent, then the rent shall be fixed at the rental rate contained in the Notice of Rent Increase in Excess of CPI.
  - 2. If the owner has failed or refused to follow the procedures herein fixed for the establishment of rent, then the rent shall be fixed at original rental rate not increased by either the CPI or the amount contained in the Notice of Rent Increase in Excess of CPI.
- D. Waiver of Fixed Rent. Notwithstanding the aforementioned manner in which the rent shall be fixed, a refusal or failure, accompanied with the knowingly improper assertion that a greater rental is due by the owner or his or her agent, to accept a rent payment from a resident in an amount which is equal to or greater than the rent fixed by Subsections A, B or C of this section shall constitute a waiver by the owner of the right to collect said rent, in its entirety, for the rental period for which the rent was refused, unless the tenant consents, in writing, to waive the provisions of this subsection.

# 9.50.076 Right to Mediate Mobilehome Resale Price.

A. In line with the purpose of this chapter to maintain a supply of affordable housing in the mobilehome market, it is the goal and objective of the city that an outgoing resident should not be able to command, due to limited mobilehome space availability, a higher price for a mobilehome upon sale due to the fact that the space rent is regulated by the provisions of this chapter. However, the council finds that the extent and prevalence of overcharging for mobilehomes is not so significant a problem in Chula Vista, and that it has little, if any, significant effect on the supply of affordable

housing in the city of Chula Vista, to require mobilehome resale price regulation by the city. The council feels that this is due, in part, to permitting CPI increases in rents without review. However, on a case-by-case basis, there may be isolated occurrences of overcharging for mobilehomes due to space rent regulation, and in such event, any abuses can be adequately addressed by the mediation offered by this section. The council further finds that if, after time, it appears that the mediation process offered by this section is inadequate to address the problem, it may reconsider more stringent control over mobilehome overcharging.

B. The park owner shall post the following notice in a prominent place, in the on-site office:

# NOTICE OF THE RIGHT TO MEDIATE THE PURCHASE PRICE OF A MOBILEHOME

In addition to the right to a hearing on an increase in space rent above the applicable CPI, a potential purchaser of a mobilehome has the right to mediate the purchase price of a mobilehome, if you contend that the purchase price is higher because of space rent regulation than the purchase price might ordinarily be without space rent regulation.

In order to submit the purchase price dispute, based solely on the grounds that the purchase price is more than would ordinarily be without space rent regulation, between yourself and your potential seller to the Chula Vista mobilehome rent review Commission for non-binding mediation you must:

- 1. Extend an offer to purchase the mobilehome, but not execute an agreement to purchase;
- 2. Sign and file with the community development director the form requesting mediation prior to executing a purchase agreement; and,
- 3. Participate in the mediation process provided by the mobilehome rent review commission.
- C. If, prior to executing a mobilehome purchase agreement, the incoming resident contends that the price at which the mobilehome is offered by the outgoing resident is higher because of space rent regulation than the price of the mobilehome without space rent regulation, the incoming resident has the right, upon tender to the seller of an offer to purchase the mobilehome at a price acceptable to the incoming resident, to submit the price dispute to the mobilehome rent review commission for mediation.
- D. Upon submittal of the price dispute to the mobilehome rent review commission by the incoming resident, the commission shall convene as soon as practical to hear the dispute, not sooner than ten days notice to the buyer and seller of the time and place at which the mediation shall occur. If the seller fails to appear, the commission should hear the complaint and evidence of the incoming resident for the purpose of creating a record of such abuses, if any. However, the commission shall have no power to set the resale price of a mobilehome with or without the presence of the parties.

E. The purpose of the mediation, and the sole jurisdiction of the commission in the mediation, is to get the parties to agree, if possible, to a price which reflects the value of the mobilehome as if the space rents in the park were not regulated by this chapter.

#### 9.50.078 Criminal Acts.

The following acts shall constitute a criminal violation of this chapter, including the owner of a park if done by an owner's agent with the knowledge or consent of the owner:

- A. Knowingly demanding, accepting or retaining any rent in excess of the amount fixed by this chapter, including the demanding of rent waived under the provisions of Subsection C of Section 9.50.075, except that demands for annual increases in rent and negotiations for rent permitted under Section 9.50.067 B shall not be deemed illegal.
- B. Knowingly commencing, or threatening to commence, or maintaining an eviction or unlawful detainer proceeding against a resident for the failure to pay a rent in excess of the amount fixed pursuant to this chapter.

### 9.50,080 Mediation of negotiation commissioner's decision.

(Section repealed by Ord 2282 §2, 1988; Ord 2163 §9, 1986; Ord 1997 §1 (part), 1982).

#### 9.50.081 Civil Remedies.

- A. Civil Action. Any person who demands, accepts, receives or retains any payment of rent in excess of the maximum rent allowable by this chapter shall be liable in a civil action, including unlawful detainer, to the person upon whom the demand was made or from whom the rent was accepted, and for such reasonable attorney's fees and costs as may be determined by the court.
- B. Administrative Action. In the event any owner is determined, after a duly noticed hearing by the Mobilehome Rent Review Commission, to have willfully and improperly collected rents or other fees or charges, including any fees and charges described in the definition of "Space Rent" in Section 9.50.030A., the commission may, on the basis of evidence received at such hearing supporting a determination that such rents, fees or charges were wilfully and improperly collected, require a reduction in rent or a reimbursement of such improperly collected rents, fees, or charges, in an amount of up to triple the amount of such improperly collected rents, fees or charges.

#### 9.50.083 Criminal Remedies.

A. Any person committing a criminal violation of this chapter shall be guilty of a misdemeanor. Any person convicted of a misdemeanor under the provisions of this chapter shall be punished by a fine of not more than a \$1,000 or by imprisonment in the county jail for a period of six months in jail or by both such fine or imprisonment.

#### 9.50.085 Arbitration.

(Section repealed by Ord 2306 §1 (part), 1989; Ord 2282 §1, 1988).

### 9.50.090 Deferral of Rent Increases.

(Section repealed by Ord 2451 §8, 1991; Ord 2306 §1, 1989; Ord 2282 §2, 1988; Ord 2163 §10, 1986; Ord 1997 §1 (part), 1982).

### 9.50.100 Severability.

If any section, subsection, sentence, clause, phrase or portion of this chapter is for any reason held invalid or unconstitutional, such portion shall be deemed a separate and independent provision and such decision shall not affect the validity of the remainder.

#### 9.50.110 Enforcement.

(Section repealed by Ord 2282 §2, 1988; Ord 2163 §11, 1986; Ord 1997 §1 (part), 1982)

SECTION II: This ordinance shall take effect and be in full force on the thirtieth day from and after its adoption.

Presented by

Chris Salomone

Community Development Director

Approved as to form by

John M. Kaheny City Attorney PASSED, APPROVED, and ADOPTED by the City Council of the City of Chula Vista, California, this 23rd day of June, 1998, by the following vote:

AYES:

Councilmembers:

Moot, Padilla, Rindone, Salas, and Horton

NAYS:

Councilmembers:

None

ABSENT:

Councilmembers:

None

ABSTAIN:

Councilmembers:

None

Shirley Horton, Mayor

ATTEST:

Beverly A. Authelet, City Clerk

STATE OF CALIFORNIA )
COUNTY OF SAN DIEGO ) ss.

CITY OF CHULA VISTA

I, Beverly A. Authelet, City Clerk of the City of Chula Vista, California, do hereby certify that the foregoing Ordinance No. 2737 had its first reading at a regular meeting held on the 16th day of June, 1998 and its second reading and adoption at a regular meeting of said City Council held on the 23rd day of June, 1998.

Executed this 23rd day of June, 1998.

Beverly A Autholdt