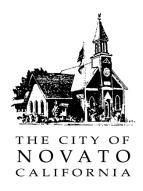
MOBILE HOME RENT CONTROL ORDINANCE

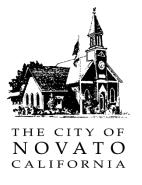
Veronica Nebb, Assistant City Attorney Brian Cochran, Finance Manager March 11, 2015



TODAY'S PURPOSE

 To provide factual information about what the Novato Mobile Home Rent Control ordinance says

- The purpose is NOT:
 - To provide legal advice
 - To address the details of individual situations
 - To discuss, in detail, the parameters of state law



RESOURCES



 For Novato (current web site), go to <u>www.novato.org</u>, click "Municipal Code", go to chapter 20 (XX) "Rent Control – Mobile Homes"

New Novato web site (beginning April) – click "About Novato", then click
"Novato Municipal Code" on the left side menu

State Law: <u>www.hcd.ca.gov/codes/mp/docs/mrl.pdf</u>



WHAT DOES THE ORDINANCE DO? (1 OF 2)

Established in 1997

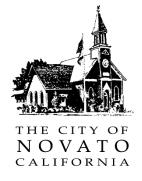
• Imposes a limit on general space rent increases of 100% of the increase in the Consumer Price Index (CPI) for the previous 12 month period.

Does not apply to spaces subject to a lease of 12 months or greater.

Applies to recreational vehicle (RV) spaces occupied for a period in excess of 9

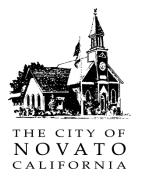
months.

Year	CPI Increase %
2005	2.2%
2006	3.8%
2007	2.6%
2008	4.2%
2009	0.17%
2010	0.95%
2011	2.9%
2012	2.8%
2013	2.8%
2014	3.0%



WHAT DOES THE ORDINANCE DO? (2 OF 2)

- Includes "Vacancy Control" provision which means that an increase in rent is not allowed upon a transfer of a mobilehome.
- Allows for increases in rent due to pass throughs such as utility charges and assessments.
- Park owner can apply for a rate increase above CPI in certain situations (capital improvements or net operating income). Such increases are subject to a hearing held before a hearing officer who shall apply a fair return standard to any requested increase.
- Requires park owner to pay an annual administrative fee (\$60) to the City for each space subject to rent control.
- Ordinance remains in effect unless City Council repeals.

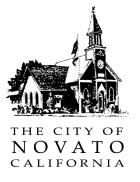


WHAT ARE MY OPTIONS WHEN I AM BEGINNING RESIDENCY AT A PARK?

- •Ordinance requires park owner to disclose to any prospective tenant the rent paid by the previous tenant and to give the prospective tenant a copy of the Mobilehome Rent Control Ordinance.
- Park Owner must offer a month-to-month lease on same terms and conditions as a lease 12 months or greater.
- •Park owner also required to disclose, in writing, that tenant has a month-to-month option and that a lease 12 months or greater will not be subject to rent control.
- •No automatic renewals of lease at the option of one party pursuant to Cal. Civil Code Section 798.17(g) (for leases after 1/1/1993)

WHAT HAPPENS WHEN MY LEASE ENDS?

- At expiration of Lease Term, homeowner can elect to:
 - Sign a new lease with a term of 12 months or greater (will <u>not</u> be subject to rent control ordinance).
 - Sign a new lease with a term less than 12 months (will be subject to the rent control ordinance)
 - Sign a rental agreement for a month-to-month tenancy (will be subject to the rent control ordinance)
 - Regardless of option chosen, tenant still subject to all rules and regulations of the park.



QUESTIONS?

