

1 BEFORE THE BOARD OF SUPERVISORS

2 OF THE COUNTY OF FRESNO

3 STATE OF CALIFORNIA

4 ORDINANCE NUMBER _____

5 AN ORDINANCE ADDING CHAPTER 6.30 OF TITLE 6 OF THE FRESNO COUNTY
6 ORDINANCE CODE PERTAINING TO MOBILE HOME PARK RENT REVIEW AND
7 STABILIZATION.

8 The Board of Supervisors of the County of Fresno ordains as follows:

9 **Section 1.** That the Fresno County Ordinance Code is hereby amended by adding Chapter
10 6.30 of Title 6 to read as follows:

11 "Chapter 6.30 – MOBILE HOME PARK RENT REVIEW AND STABILIZATION

12 Section 6.30.010 – Findings and Declaration of Purposes

13 Section 6.30.020 – Definitions

14 Section 6.30.030 – Applicability

15 Section 6.30.040 – Increases Subject to Review; Exceptions

16 Section 6.30.050 – Limitations on Rent Increases

17 Section 6.30.060 – Notices

18 Section 6.30.065 – Services

19 Section 6.30.070 – Initiation of Rent Review Process

20 Section 6.30.080 – Mobile Home Owners Petition Review Process

21 Section 6.30.090 – Mobile Home Park Owners Petition Review Process

22 Section 6.30.100 – Conduct of Rent Review Hearing

23 Section 6.30.110 – Standards of Reasonableness to be Applied to Rent Increases

24 Section 6.30.120 – Determination After Hearing; Effective Date of Rent Increase

25 Section 6.30.130 – Hearing; Determination Final; Conditions; Costs; Judicial Review

Section 6.30.140 – Resident Remedies

Section 6.30.145 – Retaliation.

Section 6.30.150 – Supplemental and Cumulative to State Law

Section 6.30.160 – Copy of Ordinance to Prospective Mobile Home Owners

Section 6.30.170 – Severability

Section 6.30.010 – Findings and Declaration of Purposes

(a) Mobile home owners have a substantial investment in their residences and
appurtenances for which space is rented or leased. Alternate sites for relocation of mobile
homes are difficult to find due to restrictions of age, size, or style of mobile homes permitted in

1 many parks, and related to the installation of mobile homes, including permits, landscaping, and
2 site preparation. Additionally, the cost of moving a mobile home may be substantial, and the risk
3 of damage in moving is significant. Thus, moving a mobile home is often not a feasible option if
4 rent becomes excessive. The result of these conditions is the creation of an imbalance in the
5 bargaining relationship between park owners and mobile home park tenants in favor of the park
6 owners in many situations. In many instances, a mobile home owner who cannot afford the
7 increased space rental of a site and is unable to find a buyer for the mobile home is forced to
8 abandon his or her mobile home along with the accumulated equity that has been built up over
9 years of ownership. In such cases it is often the mobile home park that obtains not just the
10 vacant site which may be re-rented but the mobile home itself which may also be sold at a profit.

11 (b) Mobile homes are often occupied by senior citizens, persons on fixed income
12 and persons of low or moderate income, where excessive rent adjustments fall upon these
13 individuals with particular harshness. Such rental increases, especially when coupled with a lack
14 of service or other justifying factor, create hardships on mobile home park residents, and may
15 cause the displacement of park residents. Such displacements would be detrimental to the
16 public health, safety and welfare by adversely affecting the lives of a substantial number of
17 unincorporated area residents who reside in these mobile homes.

18 (c) Many mobile home owners have a substantial portion of their net asset worth
19 invested in their mobile homes. The continuing possibility of unreasonable space rental
20 adjustments in mobile home parks threatens to diminish the value of the investment of the
21 mobile home owners in their homes. Further, existing state law permits mobile home park
22 owners to require mobile home owners to make modifications to their homes for reasons of
23 aesthetics or conformity to park standards that amount to capital improvements which would
24 accrue to the benefit of the park owner by potentially increasing the market value of the park
25 itself.

1 (d) The amount of rent charged has a direct correlation to the sale of the home. If
2 rents are unreasonably high in the marketplace or will become unreasonably high upon a sale of
3 a mobile home, mobile home owners will be unable to find a buyer for their home. Mobile home
4 owners thus could be in an awkward situation of simultaneously (1) being unable to afford the
5 rent, (2) being unable to move their home, and (3) being unable to sell their home. The result of
6 these conditions is the creation of a captive market of mobile home owners and a creation of a
7 great imbalance in the bargaining position of the park owners and mobile home owners in favor
8 of the park owners.

9 (e) As of 2019, nearly 30% of children in Fresno County lived below the poverty line,
10 demonstrating the critical importance of protecting stable affordable housing for residents in the
11 County's rural areas. Fresno County's Housing Element identifies that mobile homes represent
12 an important affordable housing option in the County because low prices and affordable space
13 rents allow for homeownership for lower income residents. According to the Fresno Multi-
14 Jurisdictional Housing Element, monthly space rents in Fresno County in 2016 ranged between
15 \$300-\$400, inclusive of utilities. The County Housing Element notes that mobile home
16 development will continue to play a critical role in meeting the County's affordable housing goals
17 in the future. Given the critical role of mobile home parks in providing lower income families in
18 Fresno County the opportunity for home ownership, the County finds it is necessary to protect
19 mobile home owners from excessive rent increases and practices by mobile home parks that
20 may otherwise result in a forfeiture of the mobile home owner's accumulated equity.
21 Recognition of the critical importance of mobile home parks in providing affordable housing in
22 the unincorporated areas also requires that mobile home park owners and operators receive a
23 fair and reasonable return on their investment. Thus the purposes of this mobile home park rent
24 review and stabilization ordinance are twofold: 1) to preserve for the residents of mobile home
25 parks the value of their mobile homes and to protect the residents from excessive rent

1 increases, while 2) ensuring that mobile home park owners and operators receive a reasonable
2 return on their investment to encourage the availability of quality mobile home parks as a viable
3 option for affordable housing in the unincorporated areas of the County of Fresno.

4 **Section 6.30.020 – Definitions**

5 “CAO” means the County Administrative Officer of the County of Fresno or his or her
6 designee.

7 “County” means the County of Fresno.

8 “Clerk” means the Clerk of the Board of Supervisors of the County of Fresno

9 "Capital improvements" mean those new improvements which directly and primarily
10 benefit and serve the existing mobile home park residents by materially adding to the value of
11 the mobile home park, appreciably prolonging its useful life or adapting it to new uses, and
12 which are required to be amortized over the useful life of the improvements pursuant to the
13 provisions of the Internal Revenue Code and the regulations issued pursuant thereto.

14 "Capital improvements costs" shall mean all costs reasonably and necessarily related to
15 the planning, engineering and construction of capital improvements and shall include debt
16 service costs, if any, incurred as a direct result of the capital improvement.

17 "Capital replacement" means the substitution, replacement or reconstruction of a piece
18 of equipment, machinery, streets, sidewalks, utility lines, landscaping, structures or part thereof
19 of a value of Five Thousand and no/100ths (\$5,000.00) Dollars or more which materially
20 benefits and adds value to the mobile home park.

21 "Capital replacement costs" means all costs reasonably and necessarily related to the
22 planning, engineering and construction of capital replacement and shall include debt service
23 costs, if any, incurred as a direct result of the capital replacement.

1 "Debt service costs" means the periodic payment or payments due under any security or
2 financing device which is applicable to the mobile home park including any fees, commissions,
3 or other charges incurred in obtaining such financing.

4 "Designated representative" means a person appointed in writing by either (1) a park
5 owner, (2) a resident, or (3) a group of residents, and who is authorized to represent the
6 interests of, negotiate on behalf of, and bind the appointing party.

7 "Filing" means actual receipt of the item being filed by the person designated in this
8 chapter to receive the item, or by his or her designee.

9 "Home owner" means any person who has an ownership interest in a mobile home
10 which is under a rental agreement in a mobile home park, or a tenancy in a mobile home park
11 under a rental agreement.

12 "Maintenance and operation expenses" means all expenses incurred in the operation
13 and maintenance of the mobile home park, including but not limited to: Real estate taxes,
14 business taxes and fees, insurance, sewer service charges, utilities, janitorial services,
15 professional property management fees, pool maintenance, exterior building and ground
16 maintenance, supplies, equipment, refuse removal, and security services or systems.

17 "Mobile Home" means a mobile home as defined in the Mobilehome Residency Law in
18 Civil Code § 798.3. For the purposes of this Ordinance, protections applicable to mobile homes
19 shall also be extended to include "recreational vehicle" as defined in Section 799.29 of the Civil
20 Code or a "commercial coach" as defined in Section 18001.8 of the Health and Safety Code to
21 the extent that these vehicles are present in a mobile home park and placed or affixed in said
22 mobile home park for permanent residential purposes. For purposes of this chapter, a
23 recreational vehicle or commercial coach shall be considered to be placed or affixed in a mobile
24 home park for permanent residential purposes if the period of time that the recreational vehicle
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1 or commercial coach is intended to be occupied at any space with the park is longer than ninety
2 (90) days.

3 "Mobile home park" means an area of land where two (2) or more mobile home sites are
4 rented, or held for rent, to accommodate mobile homes used for human residential purposes.

5 "Owner" or "park owner" means the owner of a mobile home park.

6 "Space Rent" means the consideration, including any bonuses, benefits, or gratuities
7 demanded or received for and in connection with the use or occupancy of a mobile home space
8 within a mobile home park, or for housing services provided, but exclusive of any amounts paid
9 for the use of the mobile home as a dwelling unit. The use or occupancy of a mobile home
10 space shall include the exercise of all rights and privileges and the use of facilities, services and
11 amenities accruing to the residents thereof. "Space rent" shall not include any separately billed
12 utility fees and charges for natural gas or liquid propane gas, electricity, water, cable television,
13 garbage or refuse service and sewer service.

14 "Space Rent increase" means any additional rent demanded of or paid by a resident for
15 a rental space and related amenities, including any reduction or elimination of amenities without
16 a corresponding reduction in the moneys demanded or paid for rent.

17 "Rental space" means a space or lot rented in a mobile home park or offered for rent in
18 the County for the purpose of occupancy by a mobile home for permanent residential purposes
19 with all services connected with the use or occupancy thereof.

20 "Resident" means a mobile home owner or other person who lawfully occupies a mobile
21 home.

22 "Services" means those actions taken by a park owner which enhance the use of the
23 rental lot or space, including, but not limited to, repairs, replacement, maintenance, painting,
24 heat, hot and cold water, utilities, security devices, laundry facilities and privileges, janitorial
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1 service, refuse removal, telephone service, and meeting, recreational, and other facilities in
2 common areas of the mobile home park in which the space or lots are located.

3 "Tenancy" means the right of a home owner to the use of a space within a mobile home
4 park on which to locate, maintain, and occupy a mobile home, space improvements, and
5 accessory structures for human habitation, including the use of the services and facilities of the
6 park.

7 **Section 6.30.030 – Applicability**

8 The following shall be exempt from the rent control provisions of this Ordinance:

9 (a) The provisions of this chapter shall not apply to any mobile home park which
10 contains fewer than twenty-five (25) spaces.

11 (b) Spaces that are subject to a lease which exempts that space from rent regulation
12 pursuant to the California Mobilehome Residency Law, California Civil Code Section 798 et seq.

13 (c) New mobile home park spaces which are exempted pursuant to Civil Code
14 Section 798.45.

15 (d) Spaces which are not the principal residence of the mobile homeowner, which
16 are exempt pursuant to Civil Code Section 798.21.

17 (e) Units Owned or Operated by Government Agencies. This chapter shall not apply
18 to mobile homes or mobile home parks owned or operated by any governmental agency or any
19 rental unit whose rent is subsidized pursuant to a public program that limits the rent that can be
20 charged for the mobile home.

21 **Section 6.30.040 - Increases Subject to Review; Exceptions**

22 (a) Except as provided in this section, any rent increase proposed to take effect on
23 or after the effective date of the ordinance codified in this chapter, shall be subject to the review
24 provisions of this chapter.

1 (b) Park owners may impose rent increases within the following limits without being
2 subject to review under this chapter in the following manner.

3 (1) General Annual Rent Increase. An increase based upon the rent charged
4 on the date twelve (12) months prior to the date the increase is to take effect, multiplied by cost
5 of living factor and rounded off to the nearest dollar. The cost of living factor shall be as follows:

6 (A) For mobile home parks in which utilities including water,
7 septic/sewer, trash pickup, gas (where supplied to the mobile homes in the park) and electricity
8 are included in the space rent payment -- 100% of the Consumer Price Index for CPI-W Urban
9 Wage Earners and Clerical Workers, All Items U.S. City Average, published by the United
10 States Department of Labor, Bureau of Labor Statistics and Research, over the most recent
11 twelve (12) month period for which figures are available through the month before the month
12 preceding the date notice of the rent increase is given. The most recently published CPI figure
13 available at the time the rent increase notice is given shall be used for the calculation ("CPI") but
14 in no case shall the space rent increase be greater than 5% of the space rent for the previous
15 twelve (12) months.

16 (B) For mobile home parks in which the utilities listed in subsection
17 (A) above, are billed separately by a public utility or utility company other than the mobile home
18 park owner and not included in the space rent payment – 70% of the Consumer Price Index for
19 CPI-W Urban Wage Earners and Clerical Workers, All Items U.S. City Average, published by
20 the United States Department of Labor, Bureau of Labor Statistics and Research, over the most
21 recent twelve (12) month period for which figures are available through the month before the
22 month preceding the date notice of the rent increase is given. The most recently published CPI
23 figure available at the time the rent increase notice is given shall be used for the calculation
24 ("CPI") but in no case shall the space rent increase be greater than 3% of the space rent for the
25 previous twelve (12) months.

1 (C) The CAO shall publish in a prominent location on the Fresno
2 County Public Works and Planning Department webpage the Consumer Price Index for CPI-W
3 Urban Wage Earners and Clerical Workers, All Items U.S. City Average, published by the
4 United States Department of Labor, Bureau of Labor Statistics and Research. The most
5 recently published CPI figure available on the CAO webpage at the time the rent increase notice
6 is given shall be used for the calculation. The mobile home park owner or representative shall
7 provide a statement of the applicable CPI number in the written notice to the mobile home
8 owner of a space rent increase required by Section 6.30.060 of this Chapter.

9 (2) Increase Following Turnover. Following an in-place sale turnover of a
10 rental space:

11 (A) The park owner may increase the rent to an amount that is not
12 more than five (5%) percent above the rent for that space. An "in place sale/turn over" shall
13 mean the transfer, sale, or conveyance of a mobile home that will remain in the same mobile
14 home space after such transfer, sale or conveyance.

15 (B) No increase in rent shall be allowed when:

16 (i) A mobile home is removed from its space for the purpose of
17 installing another mobile home in its place by the same home owner;

18 (ii) When a surviving spouse inherits an interest in a mobile home;

19 (iii) A home owner who acquires for owner occupancy another mobile
20 home within the same park.

21 (3) Noticed Increase for Capital Improvement, Replacement, Major Repair or
22 Enhancement of Facilities. A space rent increase intended to provide for a capital improvement,
23 capital replacement, major repair of facilities or enhancement of common facilities or amenities
24 and the increased maintenance necessitated thereby may be imposed by a mobile home park
25 owner if at least ninety (90) days prior to the proposed increase, the mobile home park owner

1 provides to each home owner or resident in the park a notice providing an explanation in clear
2 and concise terms of the reason for the rent increase and shall also provide documentation and
3 factual data to justify such an increase including any data or information that would be used to
4 justify such an increase under Section 6.30.110.

5 If, after ninety (90) days following service of the notice of proposed rent increase
6 including the required data and information, no mobile home owner or resident in the park has
7 provided written notice to the mobile home park owner or representative of the initiation of a
8 petition for rent review under Section 6.30.070(a), the mobile home park owner may impose the
9 proposed rent increase at the commencement of the next occurring rental period. Any such
10 increase is subject to the apportionment, amortization and duration requirements of Section
11 6.30.110.

12 (4) Mobile Home Owner/Resident Approved Increase. A space rent increase
13 intended to provide for a capital improvement, capital replacement, major repair of facilities or
14 enhancement of common facilities or amenities and the increased maintenance necessitated
15 thereby may be imposed by a mobile home park owner if the owner obtains the written consent
16 of the increase by sixty percent (60%) of the mobile home owners or residents in the park,
17 provided that the increase is imposed equally on all spaces in the park and that no mobile home
18 owner is pressured, coerced, threatened or retaliated against for providing or refusing to provide
19 written consent. In order to take advantage of this exception, the mobile home park owner must
20 provide each home owner in the park an explanation in clear and concise terms of the reason
21 for the rent increase and shall also provide documentation and factual data to justify such an
22 increase including any data or information that would be used to justify such an increase under
23 Section 6.30.110. If the mobile home park owner obtains the written consent of sixty percent
24 (60%) of the current homeowners or residents of the park who have been given the required
25 notice and information, In order to take advantage of this exception, the mobile home park

1 owner must complete the capital improvement, capital repair, major repair of facilities or
2 enhancement of common facilities or amenities within twelve months (12) of the imposition of
3 space rent increase. The increase may not be imposed until a minimum of sixty (60) days after:
4 (i) the park owner has obtained the written consent of sixty percent (60%) of the mobile home
5 owners in the park; and (ii) the park owner has provided written notice of the increase to all
6 mobile home owners or residents in the park and posted said notice in a prominent location at
7 the mobile home park accessible to all mobile home owners and residents.

8 (c) The rent increases allowable under this section are the maximum rent increases
9 which may be imposed without being subject to rent review. Nothing herein is intended to
10 prohibit or discourage a park owner from imposing rent increases below the maximum allowable
11 under this section, or a zero increase.

12 (d) The County finds that the CPI and vacancy control formulas set forth in this
13 section are rationally and reasonably related to the purposes of this chapter. The formulas are
14 intended, among other factors, to take into account the varying circumstances of mobile home
15 parks throughout the unincorporated areas of the County in which some parks maintain and
16 operate their own water supply and sewer or septic systems or other utilities.

17 **Section 6.30.050 – Limitations on Rent Increases**

18 (a) Each park owner/representative shall establish an anniversary date for space
19 rent increases for each space within the mobile home park subject to this ordinance, except
20 space increases for "an in-place sale turnover" pursuant to Section 6.30.040(b)(2). The
21 anniversary date shall be at least one year following the last rent increase imposed prior to the
22 effective date of this ordinance. Nothing in this section shall prevent the anniversary date being
23 the same for all spaces within a park, so long as the anniversary date is set at least one year
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1 following the last space rent increase on any space in the park imposed prior to the effective
2 date of this ordinance.

3 (b) Any home owner of any park who has become a home owner within the three (3)
4 months preceding the anniversary date for an anticipated rent increase shall be excluded from
5 such rent increase as may occur on the anniversary date of the park until such time as three (3)
6 months shall have elapsed. Thereafter, the mobile home owner shall be subject to the
7 anniversary date.

8 (c) If due to an unforeseen emergency a park owner's cost to operate and maintain
9 the park escalates to such an extent that the park owner will suffer undue hardship if not
10 allowed a rent increase prior to the anniversary date, the park owner may notice a rent increase
11 other than on the anniversary date, subject to the rent review proceedings under this chapter.

12 (d) Any mobile home park owner of a park or owner's representative for a park at
13 which, within the eighteen (18) months prior to the effective date of this chapter had a space
14 rent increase in excess of the limits set by this chapter imposed on any space or group of
15 spaces within the park shall be restricted from qualifying for the rent increases excepted from
16 review for that space or group of spaces under Section 6.30.040 as follows:

17 (1) If the space rent increase was greater than 5% but less than 15% on an
18 annual basis the mobile home park owner will not be able to impose a rent increase excepted
19 from review under Section 6.30.040 for a period of twelve (12) months following the effective
20 date of this chapter.

21 (2) If the space rent increase was greater than 15% but less than 30% on an
22 annual basis the mobile home park owner will not be able to impose a rent increase excepted
23 from review under Section 6.30.040(b) for a period of twenty-four (24) months following the
24 effective date of this chapter.

1 (3) If the space rent increase was greater than 30% on an annual basis the
2 mobile home park owner will not be able to impose a rent increase excepted from review under
3 Section 6.30.040 for a period of thirty-six (36) months following the effective date of this chapter.

4 (4) A mobile home park operator subject to the limits in this subsection (d)
5 may apply for an increase under the rent review process in Section 6.30.070(b) and subject to
6 the standards established this chapter.

7 **Section 6.30.060 – Notices**

8 (a) At least sixty (60) days prior to any increase in rents under Section
9 6.30.040(b)(1) (General Annual Increases), the park owner shall provide each home owner with
10 written notice of the amount of current rent and the amount of the proposed increase.

11 (b) At least ninety (90) days prior to any increase in rents under Section 6.30.040(3),
12 the park owner shall provide each mobile home owner or resident with written notice of the
13 amount of current rent and the amount of the proposed increase.

14 (c) If the increase is exempt from review under this chapter, the owner shall provide
15 an explanation in clear and concise terms of the reason the increase is exempt from review. The
16 owner shall make specific reference to the appropriate sections of this chapter, and the owner
17 shall also provide documentation and factual data to justify the exemption, as well as stating in
18 the notice the CPI number provided by the CAO pursuant to Section 6.30.040(b)(1)(C).

19 (d) If proposed increase by a park owner is not exempt from review under this
20 chapter the owner shall provide written notice to the affected mobile home owners in the park of
21 the owners intent to seek review pursuant to the rent review procedures in this chapter prior to
22 filing the petition with the County to initiate the rent review hearing process. The notice shall
23 contain an explanation in clear and concise terms of the reason the rent increase exceeds the
24 amount allowed under Section 6.30.040. The owner shall make specific reference to the
25 provisions of this chapter that would justify imposing an increase above that which is exempt,

1 and the owner shall also provide documentation and factual data to justify such an increase.

2 This notice shall be in addition to the notice(s) required to notify the affected mobile home
3 owners of any hearing or the result of any hearing that is held on the petition for rent review by
4 the park owner.

5 (e) A copy of the notice, together with the supporting documents and data, shall be
6 posted once in areas easily seen by the residents of the park. Such areas shall include but are
7 not necessarily limited to the recreation area (if applicable), the office area, and the mailbox
8 area (if applicable). The notice and supporting documents, together with details as to which
9 spaces in the park will be affected, shall also be provided to the CAO.

10 (f) Failure to comply with the notice provisions of this section shall render the notice
11 invalid and a resident may withhold the amount of the rent increase as provided for in Section
12 6.30.140(a).

13 **Section 6.30.065 – Services**

14 No owner shall reduce or eliminate any service to any rental space unless a
15 proportionate share of the cost savings, due to such reduction or elimination, is simultaneously
16 passed on to the home owners in the form of a decrease in existing rent or a decrease in the
17 amount of a rent increase otherwise proposed and permitted by this chapter

18 **Section 6.30.070 – Initiation of Rent Review Process**

19 The rent review process can be initiated by:

20 (a) A mobile home owner or group of mobile home owners in the same mobile home
21 park filing a petition in a form prescribed by the County of Fresno with the CAO alleging the
22 imposition or attempted imposition of a space rent increase in violation of this chapter. The
23 petition shall clearly state the grounds on which the proposed space rent increase violates this
24 chapter and shall contain the following certification: "I certify under penalty of perjury under the
25 laws of the State of California that the foregoing is true and correct." The petition shall be dated

1 and subscribed by the petitioner(s) and the place of execution shall be specified. The petition
2 shall contain a proof of service by mail or personal delivery on the mobile home park owner or
3 designated representative at their business address. The petition shall be accompanied by a fee
4 set by the County estimated to cover the cost of processing the petition but in no case more
5 than thirty-five (\$35) dollars.

6 (b) A mobile home park owner or operator filing a petition in a form prescribed by the
7 County of Fresno with the CAO seeking a hearing on and approval of a space rent increase for
8 one or more mobile home spaces in the mobile home park not authorized in Section 6.30.040 to
9 be imposed without review. The petition shall list the names and addresses of all mobile home
10 owners to which the proposed space rent would apply and shall clearly state the grounds under
11 Section 6.30.110 that the park owner contends justify the space rent increase. The park owner
12 shall submit with the petition all relevant documentation and other evidence it contends support
13 its petition for the space rent increase. The petition shall contain the following certification: "I
14 certify under penalty of perjury under the laws of the State of California that the foregoing is true
15 and correct." The petition shall be dated and subscribed by the petitioner(s) and the place of
16 execution shall be specified. The petition shall contain a proof of service by mail or personal
17 delivery on each mobile home owner to whom the proposed space rent increase would apply.
18 The petition shall be accompanied by a cash deposit set by the County estimated to cover one
19 half the cost of a hearing before the hearing officer, but in no case more than two hundred
20 (\$200) dollars.

21 **Section 6.30.080 – Mobile Home Owners Petition Process.**

22 Upon receipt of a home owners petition, the CAO will mail a copy of the petition to the
23 mobile home park owner or designated representative identified in the petition. The CAO shall
24 then select a hearing officer and the set the matter for a hearing. The CAO shall provide written
25 notice to all parties of the selection of the hearing officer and the date of the hearing.

1 **Section 6.30.090 – Mobile Home Park Owners Petition Process**

2 Upon receipt of a petition from a mobile home park owner seeking review and approval
3 of a non-exempt space rent increase and the required deposit, the CAO shall mail a copy of the
4 petition to each mobile home owner identified in the petition. The CAO shall then select a
5 hearing officer and the set the matter for a hearing. The CAO shall provide written notice to all
6 parties of the selection of the hearing officer and the date of the hearing.

7 **Section 6.30.100 – Conduct of the Rent Review Hearing.**

8 (a) The Rent Review Hearing will be conducted by a County Hearing Officer
9 pursuant to the provisions of Chapter 2.81 of this Ordinance Code and the Fresno County
10 Hearing Officer rules of procedure except as specifically provided differently in this chapter.

11 (b) An initial hearing date and time shall be set within thirty days of the referral to the
12 CAO for a hearing.

13 (c) Notice of the hearing date and time shall be provided in writing to all parties
14 named in the petition at least twenty (20) days prior to the hearing.

15 (d) The petitioning party shall bear the burden of proof in all matters necessary for
16 them to prove their claim.

17 (e) The hearing officer may continue the hearing as agreed to by the parties to
18 ensure a full resolution of all necessary facts and issues.

19 (f) A record of the entire proceedings shall be made by tape recording or by any
20 other means of permanent recording determined to be appropriate by the hearing officer. The
21 proceedings at the hearing shall also be reported by a stenographic reporter if requested by and
22 paid for by any party thereto. A transcript of the proceedings shall be made available to all
23 parties upon request and upon payment of the fee prescribed therefor. Such fees may be
24 established by the hearing officer or by the stenographic reporter, but shall in no event be
25 greater than the costs involved.

1 (g) If, during the hearing process, the parties agree to a specific rental increase or to
2 a settlement of the dispute in question, the hearing officer shall prepare a memorandum of
3 agreement so specifying the amount of such increase and/or the terms of settlement. The
4 memorandum of agreement shall be executed by the owner and the home owners or their
5 designated representative(s). The memorandum of agreement shall be final and binding upon
6 the parties and shall not be subject to rent review or further appeal under this chapter.

7 **Section 6.30.110 – Standards of Reasonableness to be Applied to Rent Increases.**

8 The hearing officer shall determine whether rent increases are reasonable under the
9 circumstances, taking into consideration that the purpose of this chapter is to protect home
10 owners from arbitrary, capricious, or unreasonable rent increases, and at the same time permit
11 park owners to receive a fair and reasonable return on their investment. The hearing officer's
12 determination shall be made with reference to the following standards:

13 (a) Increases deemed reasonable. Where the amount of the proposed rental
14 increase consists only of passing through one or more of the following:

15 (1) Costs of capital improvements and approved in writing by a majority of
16 the home owners of the occupied spaces within the park;

17 (2) Costs of capital replacements subject to a determination by the hearing
18 officer that the park owner has not included depreciation expenses as an operating expense in
19 the calculation of rents. The park owner may demonstrate that depreciation expenses are not
20 treated as an operating expense and included in calculating rents in any manner satisfactory to
21 the hearing officer;

22 (3) Costs of capital replacement for utility lines shall only be allowed where,
23 and to the extent, the park owner receives less income from utilities than from the expense of
24 administering the sub-metering, and from maintaining and replacing the utility lines;

1 (4) Any improvements or replacements regardless of the amount, when such
2 improvements or replacements have been ordered by a court of competent jurisdiction, any
3 county or state agency, or are of an emergency nature and required to preserve the health and
4 safety of the home owners;

5 (5) Costs of capital improvements, if any, must be averaged on a per space
6 basis, and amortized over a period not less than sixty (60) months, and are to be treated as an
7 assessment to be paid off over not less than sixty (60) months, and excluded from the rent
8 amount on which calculations of future rent increases are based. Once the capital
9 improvement(s) is paid off, the home owners' rent shall be reduced by the amount of any rent
10 increase imposed to cover the capital improvement(s);

11 (6) Costs of capital replacements, if any, must be averaged on a per space
12 basis, and amortized over a period not less than sixty (60) months, and are to be treated as an
13 assessment to be paid off over not less than sixty (60) months, and excluded from the rent
14 amount on which calculations of future rent increases are based. Once the capital
15 replacement(s) is paid off, the home owners' rent shall be reduced by the amount of any rent
16 increase imposed to cover the capital replacement(s);

17 (7) Costs of capital improvements or capital replacement may be passed
18 through only if related to capital improvement or capital replacement work completed during the
19 twelve (12) months preceding the date notice of the rent increase is given and not to any work in
20 progress at the time notice of any rent increase is given.

21 (b) Standards applicable to rent increases which exceed the foregoing.

22 (1) In order to assure to owners a fair and reasonable return, the hearing
23 officer shall, when the amount of any rent increase or portion thereof exceeds any of the
24 foregoing standards under subsection (a) of this section, determine what is reasonable under
25

1 the circumstances, taking into account all relevant factors, which may include, but are not
2 limited to, the following:

3 (A) The rental history of the mobile home park following adoption of
4 the ordinance codified in this chapter;

5 (B) The owner's response to any property tax reduction measure or
6 business tax rate reduction measure;

7 (C) The occupancy rate of the mobile home park in comparison to
8 comparable units in the same general area;

9 (D) Existing market value of rents for spaces in communities
10 comparable to the property at issue in the petition;

11 (E) The physical condition of the mobile home park, including the
12 quantity and quality of maintenance and repairs performed during the last twelve (12) months,
13 provided, however, that if the home owners raise a lack of maintenance or physical deterioration
14 as an issue, the hearing officer shall also consider to what extent the home owners notified the
15 park owner of the physical condition, and to what extent the home owners gave the park owner
16 a reasonable opportunity to cure the physical condition;

17 (F) Any increases or reduction in services during the twelve (12)
18 months prior to the effective date of the proposed rent increase;

19 (G) Debt service costs used for the servicing of existing debt;

20 (H) Debt service costs due to refinancing. In the case of refinancing
21 (other than a refinancing for capital improvements or capital replacement, the debt service cost
22 of which are included as a capital improvement or replacement cost, a rent increase to cover the
23 increased costs of debt service may only be allowed after considering the following factors:

24 (i) The purpose of the refinancing;

25 (ii) The arm's length nature of the transaction;

- 1 (iii) The owner's rate of return on the investment;
- 2 (iv) The frequency of past resales or refinances;
- 3 (v) The extent to which prior rental increases have made provisions
- 4 for appreciation of asset value;
- 5 (vi) Whether not allowing the increase would place a demonstrable
- 6 financial burden on the continued operation of the mobile home park; and
- 7 (vii) Any other factors the hearing officer deems relevant.

8 If the refinancing is used for extracting equity from the park, the rent increase shall be deemed
9 unreasonable, and the rent increase shall not be allowed.

10 After considering these factors, the hearing officer may allow all or part of a requested increase
11 to cover debt service costs for refinancing.

12 (l) Debt service costs due to a sale. Debt service costs due to a sale
13 may only be allowed if the owner can show:

- 14 (i) That the purchase price of the mobile home park was fair;
- 15 (ii) That the interest rate obtained was reasonable in light of existing
- 16 market conditions;
- 17 (iii) That the purchase of the mobile home park was an arms-length
- 18 transaction; and
- 19 (iv) Undue hardship will occur if the owner is not allowed to recover

20 the increased costs of debt service. In addition, the hearing officer shall consider the extent to
21 which at the time the property was acquired the owner could have reasonably foreseen that
22 such increased expenses would not be covered by the rent schedule then in effect, and the
23 owner's decision to nonetheless purchase the mobile home park. If the four (4) criteria are met,
24 and the hearing officer finds that the owner acted reasonably in purchasing the property, the
25 hearing officer may allow all or part of the required increase to cover the costs of debt service

1 due to a sale. The hearing officer may also require that the debt service costs be amortized over
2 a period of years which is determined by the hearing officer to be reasonable.

3 (2) In determining an owner's fair and reasonable return, the hearing officer
4 shall consider all relevant factors, such as the owner's investment in the mobile home park and
5 the owner's net operating income. Net operating income is defined as gross income less
6 operating expenses.

7 (3) In any determination of what constitutes a reasonable rent increase under
8 the circumstances, the hearing officer shall consider and weigh evidence establishing the nature
9 and extent of any violations by either the park owners or home owners of the County building
10 and housing codes. Any rent increase may be disallowed, reduced, or made subject to
11 reasonable conditions, depending on the severity of such violations.

12 **Section 6.30.120 – Determination after Hearing; Effective Date of Rent Increase.**

13 If a memorandum of agreement is not executed by the parties in accordance with
14 Section 6.30.100(g) the hearing officer shall render his or her decision. In the case of a rent
15 increase dispute, the hearing officer shall determine the amount of allowable rental increase or
16 decrease, if any, in accordance with the standards of Section 6.30.110. The effective date of a
17 rent increase or decrease, if any, shall be the date the hearing officer's decision becomes final
18 under Section 6.30.130.

19 **Section 6.30.130 – Hearing Determination Final; Conditions; Costs; Judicial**
20 **Review**

21 (a) The determination of the hearing officer shall be final, and shall be delivered to
22 the parties in writing with a copy to the CAO, together with written findings of fact supporting
23 such determination within fifteen (15) working days of the close of the hearing. The date the
24 hearing officer issues his or her decision shall be deemed the date the decision becomes final
25 for purposes of seeking judicial review.

1 (b) The hearing officer's determination may be reasonably conditioned in any
2 manner necessary to effectuate the purposes of this chapter.

3 (c) If the hearing officer finds that the proposed rent increase was frivolous and
4 totally lacking in merit, the hearing officer may in its discretion require the park owner to pay to
5 petitioners all or part of petitioners' costs of the hearing. If the hearing officer finds that the
6 petition was frivolous and totally lacking in merit, the hearing officer may in its discretion require
7 the petitioners to pay to the park owner all or part of the park owner's costs of the hearing. For
8 purposes of this subsection "costs of the hearing" means those costs recoverable in a court
9 action pursuant to California Code of Civil Procedure Section 1033.5, and shall also include the
10 costs of the hearing officer, but shall not include the costs for professional services incurred by a
11 park owner or home owner.

12 (d) Any proceeding to obtain judicial review shall be filed within ninety (90) days after
13 the decision of the hearing officer becomes final.

14 **Section 6.30.140 – Resident remedies.**

15 (a) If a notice required by Section 6.30.040 through Section 6.30.060 is not provided,
16 the resident may withhold the rent increase until such notice is provided. In addition, if a space
17 rent increase is imposed or attempted to be imposed that exceeds the amounts excepted in
18 Section 6.30.040, the resident may, if a petition for review has been initiated under this Chapter,
19 withhold the rent increase until either a hearing officer under this chapter, or a court of
20 competent jurisdiction has made a final determination that the space rent increase is valid and
21 collectable.

22 (b) In any action for recovery of rent or for unlawful detainer based on nonpayment
23 of rent, the resident may defend the action on the ground that the amount of rent claimed is in
24 excess of the rent allowed by this chapter.

1 (c) A mobile home owner who believes there has been a violation of this chapter in
2 terms of an unlawful space rent increase may file the petition with the CAO as described in
3 Section 6.30.070(a).

4 (d) Following exhaustion of the administrative remedies provided in this chapter, a
5 mobile home owner or owners may file an action for declaratory, injunctive or other relief in a
6 court of competent jurisdiction to enforce the provisions of this chapter against a mobile home
7 park owner and/or authorized representative.

8 (e) Nothing in this section is intended to limit or preclude any other lawful defense,
9 cause of action or claim of the home owner or park owner in a court of competent jurisdiction.

10 **Section 6.30.145 – Retaliation**

11 (a) No park owner shall in any way retaliate against any resident for the resident's
12 assertion or exercise of any right under this chapter. Such retaliation shall be subject to suit for
13 actual and punitive damages, injunctive relief and attorney's fees and costs. Such retaliation
14 shall also be an available defense in an unlawful detainer action.

15 (b) No resident shall in any way retaliate against any park owner for the park owner's
16 assertion or exercise of any right under this chapter. Such retaliation shall be subject to suit for
17 actual and punitive damages, injunctive relief and attorney's fees and costs.

18 **Section 6.30.150 – Supplemental and Cumulative with County Ordinances and**
19 **State Law.**

20 The provisions of this chapter are compatible with, and supplemental and cumulative to,
21 state law and regulations for mobile home parks, and this chapter shall be interpreted and be
22 applied consistent with State law at all times.

23 Nothing in this chapter shall preclude the enforcement by the District Attorney or any
24 other party of any additional remedies available pursuant to State law or County Ordinances.

1 **Section 6.30.160 – Copy of Ordinance to Prospective Mobile Home Owners.**

2 Park owners subject to this chapter shall provide prospective mobile home owners with a
3 copy of the ordinance codified in this chapter with any rental agreement offered to the
4 prospective home owner. Park owners shall also inform prospective home owners in any rental
5 agreement offered in excess of twelve (12) months in the first sentence of the first paragraph of
6 the rental agreement, in at least 12-point bold face type if the rental agreement is printed, or in
7 capital letters if the rental agreement is typed, that the rental agreement will be exempt from the
8 provisions of this ordinance, and that upon expiration of the rental agreement the prospective
9 home owner will be subject to the provisions of this ordinance unless other rental agreement in
10 excess of twelve (12) months is executed.

11 **Section 6.30.170 – Severability.**

12 If any section, subsection, phrase, or clause of the ordinance codified in this chapter is
13 for any reason held to be unconstitutional or preempted by State law, such decision shall not
14 affect the validity of the remaining portions of this chapter.

15 The Fresno County Board of Supervisors hereby declares that it would have passed the
16 ordinance codified in this chapter and each section, subsection, phrase, or clause thereof
17 irrespective of the fact that any one or more sections, subsections, phrases, or clauses be
18 declared unconstitutional or preempted by State law.”

19 **Section 2:** The CAO is directed to bring forward amendments to the County Fee Schedule
20 incorporating the fees provided for in this Ordinance, Chapter 6.030 of the Fresno County
21 Ordinance Code in accordance with State law to recover no more than the reasonable costs of
22 providing the service covered by the fee. The CAO is further directed to develop a plan for any
23 additions to or reassignments of personnel in the County departments affected by this
24 Ordinance and to present to the Board of Supervisors any necessary requests for
25

1 appropriations for additional personnel or other costs necessary to accomplish the purposes of
2 this Ordinance.

3 **Section 3:** This ordinance shall take effect thirty (30) days after final passage.
4

5 THE FOREGOING was passed and adopted by the following vote of the Board of
6 Supervisors of the County of Fresno this ____ day of _____, 2021, to wit:

7 AYES:

8 NOES:

9 ABSENT:

10 ABSTAINED:
11

12 _____
13 Steve Brandau, Chairman of the Board of
14 Supervisors of the County of Fresno

15 ATTEST:
16 Bernice E. Seidel
17 Clerk of the Board of Supervisors
18 County of Fresno, State of California

19 By _____
20 Deputy

21 FILE # _____

22 AGENDA # _____

23 ORDINANCE # _____
24
25