

ORDINANCE NO. 94-05

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
AMERICAN CANYON
CREATING A MOBILEHOME PARK RENT STABILIZATION
PROGRAM AND PROVIDING FOR THE PAYMENT OF PROGRAM
ADMINISTRATION FEES

The City Council of the City of American Canyon ordains as follows:

SECTION 1. A new Chapter _____ is added to Title _____ of the City of American Canyon Municipal Code to read in full as follows:

CHAPTER ____ . MOBILEHOME PARK RENT STABILIZATION

- Sec. 100. Findings
- Sec. 101. Definitions
- Sec. 102. Space Rent -- Initial Calculation
- Sec. 103. Anniversary Date
- Sec. 104. Residential Rent Increase Limitations
- Sec. 105. Information to be Supplied Tenants and Tenants-to-be
- Sec. 106. The Rent Dispute Resolution Process
- Sec. 107. Rights of a "Tenant-to-be"
- Sec. 108. Subpoena Power
- Sec. 109. Consolidation of Petitions
- Sec. 110. Rent Increases Deemed Reasonable
- Sec. 111. Rent Increases Not Deemed Reasonable
- Sec. 112. Net Operating Income Defined
- Sec. 113. Gross Income Defined
- Sec. 114. Operating Expenses Defined
- Sec. 115. Obligations of the Parties
- Sec. 116. Tenant's Right of Refusal
- Sec. 117. Retaliatory Acts; Tenant's Right to Organize
- Sec. 118. Fees
- Sec. 119. Exemption from Fees
- Sec. 120. Nonwaivable Obligations
- Sec. 121. Penalties and Remedies
- Sec. 122. Rights of Affected Tenants Reserved
- Sec. 123. Review by the City Council
- Sec. 124. Severability
- Sec. 125. Vacancy Control -- Establishment of New Base Rent
- Sec. 126. When Recreational Vehicle Space Tenants are to be Treated as "Affected Tenants"

SECTION 100. Findings.

(a) Residents of mobilehome parks, unlike apartment tenants or residents of other rental properties, are in a unique position in that prior to occupation of a mobilehome space they are required to make substantial investments in a mobilehome residence and incur the expense of placing their mobilehome on the rented mobilehome site. In addition, the removal or relocation of a tenant's mobilehome from a given space can be accomplished only at substantial costs, such relocation may cause extensive damage to the mobilehome, and many older mobilehomes cannot, in fact, be relocated to newer mobilehome parks due to permit, landscaping and site preparation requirements and restrictions that many newer mobilehome parks impose on renters.

(b) There is presently within the City of American Canyon a shortage of mobilehome spaces on which there are not currently located mobilehomes and which are therefore available for occupancy. This shortage of empty spaces, which currently approximates one percent (1%) of all mobilehome spaces within the City of American Canyon, has resulted in an extreme shortage of decent, safe and sanitary mobilehome housing in the City of American Canyon.

(c) Mobilehomes constitute an important source of housing for persons of low and moderate income. Because of the present shortage of empty mobilehome spaces, there is a low vacancy rate and rents are rapidly rising and have been for several years in mobilehome parks in the City of American Canyon, causing concern, anguish and stress to a substantial numbers of the mobilehome owners and residents of mobilehome parks within the City of American Canyon, many of whom are retired persons on fixed incomes, elderly persons on fixed incomes, or persons with relatively low incomes.

(d) Alternative sites for the relocation of mobilehomes within the City of American Canyon and surrounding areas are difficult to find due to the shortage of vacant spaces, restrictions on the age, size or style of mobilehomes permitted in many parks, and requirements related to the installation of mobilehomes, including permits, landscaping and site preparation.

(e) The result of the conditions identified above has been the creation of a captive audience of mobilehome owners. This in turn has contributed to the creation of a great imbalance in the bargaining positions of the park owners and mobilehome owners in favor of the park owners.

(f) Mobilehome owners are property owners with sizable investments in their homes and appurtenances and would incur significant costs in the event of relocation.

(g) The continuing possibility of unreasonable space rental increases in mobilehome parks within the City of American Canyon threatens to diminish the value of the investment of the mobilehome owner in his or her mobilehome and contributes to unreasonably suppressed resale rates. Therefore, it is desirable to provide vacancy control in the rent stabilization program.

(h) Existing state law permits mobilehome park owners to require mobilehome owners to make modifications to their homes for reasons of aesthetics or conformity to park

standards that amount to capital improvements which accrue to the benefit of the park owner by potentially increasing the market value of the park itself.

(i) Because of the low vacancy rate, it is necessary to encourage the development of mobilehome parks within the City of American Canyon to the extent permitted by state and local law by exempting newly constructed mobilehome spaces from the provisions of this Chapter.

(j) It is the purpose of this ordinance to protect the owners and occupiers of mobilehomes within the City of American Canyon from unreasonable space rent increases or assessments, while at the same time providing the mobilehome park owners with a just and reasonable rate of return on their property.

(k) There is no possibility that the adoption of this ordinance may have a significant effect on the environment, and therefore its enactment is exempt from the California Environmental Quality Act.

SECTION 101. Definitions.

(a) "Affected Tenants" shall mean those mobilehome tenants as defined in subparagraph (m) who are subject to a rent increase as defined in subparagraph (t). For purposes of providing notice of rent increases, copies of this Chapter and calculating the number of affected tenants in support of a rent arbitration petition, each mobilehome space subject to a rent increase shall be deemed to have only one affected tenant. Reference to "all affected tenants" as used in this Chapter, shall mean one representative tenant from each space subject to the proposed rent increase.

(b) "Arbitrator" shall mean a person (1) who is neither a Tenant as that term is defined in this ordinance nor who has an interest in a mobilehome park of a nature that would require disqualification under the provisions of the Political Reform Act if the person were an elected state official and (2) whom the Clerk of the City of American Canyon Mobilehome Space Rent Stabilization Program (see (d) below) determines meets one of the following criteria:

- (i) completion of a Juris Doctor or equivalent degree from a school of law and completion of a formal course of training in arbitration which, in the sole judgment of the Clerk of the City of American Canyon Mobilehome Space Rent Stabilization Program, provides that person with the knowledge and skills to conduct a space rent dispute arbitration in a professional and successful manner; or
- (ii) completion of at least three arbitration proceedings for a Superior Court or other public entity that involved issues the Clerk of the City of American Canyon Mobilehome Space Rent Stabilization Program finds similar to those raised in space rent dispute arbitrations; or
- (iii) served as a California Municipal or Superior Court pro tempore judge.

(c) "Base Rent" shall mean the authorized rent, calculated pursuant to the provisions of Section 102, plus any rent increase allowed under this Chapter, unless it is expressly excluded from base rent, plus any rent adjustment attributable to vacancy decontrol as provided in Section 125.

(d) "Clerk" shall mean the Clerk of the City of American Canyon Mobilehome Space Rent Stabilization Program, who shall be the Executive Director of the Napa Valley Housing Authority or his or her designee, subject to the approval of the City Council, or such other person or agency as the City Council may in its discretion appoint to serve as the Clerk.

(e) "Capital Improvements" shall mean those new improvements or replacements that materially add to the value of the property and appreciably prolong its useful life or adapt it to new uses, consist of more than ordinary maintenance and/or repairs, and which may be amortized over the useful remaining life of the improvement to the property. Capital improvements costs shall include all costs reasonably and necessarily related to the planning, engineering and construction of the improvement or replacement and shall include debt service costs, if any, incurred as a direct result of the capital improvement or replacement.

(f) "Consumer Price Index" shall mean the Consumer Price Index for all Urban Consumers San Francisco-Oakland Area, published by the U.S. Department of Labor, Bureau of Labor Statistics.

(g) "Gross Income" shall have the meaning set forth in Section 113.

(h) "Housing Service" shall mean a service or facility provided by the owner related to the use or occupancy of a mobilehome space, which is neither a capital improvement nor substantial rehabilitation as those terms are defined herein, including but not limited to, repairs, replacement, maintenance, landscaping, painting, lighting, heat, water, utilities, laundry facilities, refuse removal, recreational and meeting facilities, parking, security service, and employee services.

(i) "Mobilehome" shall mean a structure designed for human habitation and for being moved on a street or highway under permit pursuant to Section 35790 of the California Vehicle Code. "Mobilehome" includes a manufactured home, as defined in Section 18007 of the California Health and Safety Code, and a mobilehome, as defined in Section 18008 of the California Health and Safety Code, but does not include a recreational vehicle, as defined in Section 799.24 of the California Civil Code and Section 18010 of the California Health and Safety Code, or a commercial coach, as defined in Section 18001.8 of the California Health and Safety Code, except when such a vehicle has continuously remained within a mobilehome park for a period in excess of nine (9) months.

(j) "Mobilehome Park" shall mean any area of land within the City of American Canyon where two or more mobilehome spaces are rented, or held out for rent, to accommodate mobilehomes used for human habitation.

(k) "Mobilehome Park Owner" shall mean any owner, lessor, or sublessor of a mobilehome park in the City of American Canyon who receives or is entitled to receive

rent for the use or occupancy of any mobilehome space thereof and who reports to the Internal Revenue Service any income received or loss of income resulting from such ownership or claims any expenses, credits, or deductions because of such ownership, and the representative, agent, or successor of such owner, lessor, or sublessor.

(l) "Mobilehome Space" shall mean any site within a mobilehome park located in the City of American Canyon intended, designed, or used for the location or accommodation of a mobilehome and any accessory structures or appurtenances attached thereto or used in conjunction therewith except (1) sites rented together and concurrently with a mobilehome provided by the mobilehome park owner and (2) "new construction" as defined by California Civil Code Section 798.45. The term "Mobilehome Space" shall also include, for purposes of this Chapter, rentable spaces within mobilehome parks which have been occupied by a "recreational vehicle" as defined by Civil Code Section 799.24 or a "commercial coach" as defined by Health and Safety Code Section 18001.8 for a period of nine (9) months or more.

(m) "Mobilehome Tenant" shall mean a tenant, subtenant, lessee, or sublessee, or any other person entitled to the use or occupancy of any mobilehome space not otherwise (1) a party to a rental agreement exempt from regulation under this Chapter pursuant to California Civil Code Sections 798.17(a) and (b), or (2) a tenant, subtenant, lessee or sublessee of a newly-constructed space initially held out for rent after January 1, 1990 which is exempt from regulation under this Chapter pursuant to California Civil Code Section 798.45.

(n) "Net Operating Income" shall have the meaning set forth in Section 111.

(o) "Operating Expenses" shall have the meaning set forth in Section 113.

(p) "Owner" shall mean a mobilehome park owner.

(q) "Party" refers to any affected tenant and/or owner involved in proceedings under this Chapter.

(r) "Percent Change in Consumer Price Index" shall be fixed annually for purposes of this Chapter and shall mean the annual percent change in the Consumer Price Index ("CPI"), calculated to the nearest tenth, published for the month of July, issued in the month of August. In the event that an index is not published for the month of July, the closest preceding month for which an index is published shall be used.

(s) "Rent" shall mean space rent for a mobilehome space.

(t) "Rent increase" shall mean any additional space rent demanded of or paid by a tenant for a mobilehome space including any reduction in housing services without a corresponding reduction in the amount demanded or paid for rent.

(u) "Rent Stabilization Administration Fee" shall mean the fee established from time to time by resolution of the City Council in accordance with the provisions of Section 118.

(v) "Section," unless otherwise indicated, shall mean a section of the City of American Canyon Municipal Code.

(w) "Space Rent" shall mean the total consideration, including any bonus, benefit, or gratuity, demanded or received by a mobilehome park owner for or in connection with the use or occupancy of a mobilehome space or any housing services provided with the mobilehome space. Space rent shall not include any amount paid for the acquisition, use or occupancy of a mobilehome dwelling unit.

(x) "Substantial Rehabilitation" shall mean that work done by an owner to a mobilehome space or to the common areas of the mobilehome park, exclusive of a capital improvement as that term is defined herein, the value of which exceeds \$200.00 and which is performed either to secure compliance with any state or local law or to repair damage resulting from fire, earthquake, or other casualty or natural disaster, to the extent such work is not reimbursed by insurance or other benefits. Costs of substantial rehabilitation shall include all costs reasonably and necessarily related to the planning, engineering and construction of the work and shall include debt service costs, if any, incurred as a direct result of the substantial rehabilitation work.

(y) "Tenant" shall mean a Mobilehome Tenant.

(z) "Tenant-to-be" shall mean: (1) a person who is not currently a tenant in a mobilehome park but is a prospective mobilehome space tenant who desires the use of a mobilehome space as defined in this Chapter and has presented himself/herself to the mobilehome park owner as such, or (2) a person who is a party to a rental agreement pursuant to California Civil Code Sections 798.17(a) and (b) which has terminated or expired, or is being considered for renewal or extension.

(aa) "Tenant Representative" shall mean a person appointed in writing by a group of tenants to represent the interest of, negotiate on behalf of, and bind the appointing parties.

SECTION 102. Base Rent -- Initial Calculation.

(a) Except as hereinafter provided, an owner shall not demand, accept, or retain rent for a mobilehome space exceeding the rent in effect for said space on the effective date of this Chapter. If a previously rented mobilehome space was not rented on the effective date of this Chapter, the owner shall not, except as hereinafter provided, demand, accept or retain rent for said space exceeding the rent in effect during the last month the space was rented prior to the effective date of this Chapter.

(b) During the term of this Chapter, no owner shall reduce or eliminate any housing services to any mobilehome space unless a proportionate share of the cost savings, due to such reduction or elimination, is simultaneously passed on to the mobilehome tenant in the form of a decrease in existing rent or a decrease in the amount of a rent increase otherwise proposed or permitted by this Chapter.

(c) In the event a mobilehome space is exempted from the provisions of this Chapter because it is the subject of a rental agreement pursuant to California Civil Code

Sections 798.17(a) and (b), and that agreement expires and is not renewed. the space rent, until the next annual adjustment pursuant to this Chapter, shall be the space rent in effect for that space prior to the expiration of the rental agreement, excluding separately billed pass throughs for capital improvement expenditures and any other separately billed pass throughs.

SECTION 103. Anniversary Date.

Each park owner, shall by May 15, 1994, establish an anniversary date for all rent increases and such rent increases, if any, except as specified below shall be enacted only on the anniversary date of that park. The park owner shall post the anniversary date in the park office or office areas where it can easily be seen by the tenants and shall notify the Clerk in writing of the anniversary date on or before May 15, 1994.

Any tenant-to-be who has become a tenant of the park within the three months preceding the anniversary date for an anticipated rent increase, shall not be subject to such increase, until three months from the anniversary date shall have elapsed. at which time, after compliance with the notice requirements of this Chapter, a rent increase may be imposed. Thereafter, such tenants shall be subject to all subsequent rent increases, if any, occurring on the anniversary date.

SECTION 104. Residential Rent Increase Limitations.

From and after the effective date of this Chapter, the space rent payable for the use or occupancy of any mobilehome space may be increased only on the anniversary date, except as otherwise permitted by section 103, and only as permitted in subsections (a), (b) and (c) of this Section and Section 125. An owner may increase the space rent pursuant to either subsection (a) or (b) of this Section, but not both subsections, and pursuant to subsection (c) of this Section. An owner that elects to increase space rents pursuant to subsection (b) of this Section shall not automatically be entitled to increase space rents to the levels permitted pursuant to subsection (a) of this Section and in the event of arbitration pursuant to Section 106, the arbitrator may determine that a rent increase less than the amount permitted under subsection (a) of this Section is reasonable.

(a) Except as provided in subsections (b) and (c) of this Section, from and after the effective date of this Chapter, the space rent payable for use or occupancy of any mobilehome space shall not be increased, in any 12-month period, by more than one hundred percent (100%) of the percent change in the CPI up to four percent (4%) plus seventy percent (70%) of the percent change in the CPI exceeding four percent (4%). Said increase shall be subject to the procedures set forth in Sections 105 and 106(a).

(b) In the event an owner wishes to increase the rent payable for any mobilehome space within a 12-month period more than the amount permitted in subsection (a) for any reason other than that stated in subsection (c) herein, the procedures set forth in Sections 105 and 106 shall be followed. In the event an owner wishes to increase the rent payable for any mobilehome space within a twelve (12) month period more than three hundred percent (300%) of the percent change in the CPI, arbitration shall automatically be required to show good cause why such an increase is necessary. The arbitrator may reduce this

proposed increase to a figure determined upon the evidence submitted by the park owner or his representative to be a fair return upon investment.

(c) If an owner wishes to apportion to each space on a pro rata basis the allowable percentage of any current rent stabilization administration fee, in addition to any increase of space rent in accordance with preceding subsection (a) or (b), the following provisions shall apply:

- (1) The owner shall provide to all affected tenants documentation supporting the allowable amount to be collected in order to recover a portion of rent stabilization administration fees. At a minimum such documentation shall include billing notices or other equivalent documents from the City of American Canyon imposing the rent stabilization administration fee, a copy of Section 118 which authorizes the apportionment of rent stabilization administration fees and the calculations used by the owner to apportion the cost of the allowable percentage among the affected tenants. In addition, the owner shall provide all affected tenants with the address and telephone number of the Clerk and the fact that the affected tenant is encouraged to contact the Clerk for an explanation of the provisions of this Chapter.
- (2) A rent increase authorized by the provisions of this subparagraph shall not be considered part of the base rent upon which future rent increases can be made.
- (3) Said increase shall be subject to the procedures set forth in Sections 105 and 106(a).
- (4) Said increase shall be separately listed on any monthly or other periodic billing statement to the tenant.

(d) A notice of rent increase given by an owner pursuant to subsection (a), (b) or (c) herein shall be given in writing at least 90 days before any rent increase is to take effect.

SECTION 105. Information to be Supplied Tenants, Tenants-to-be and the Clerk.

(a) Within thirty (30) days after the operative date of this Chapter and upon rerenting of each mobilehome space thereafter, the owner shall supply each affected tenant or tenant-to-be with a current copy of this Chapter.

(b) Whenever the owner serves a notice of rent increase, the owner shall at the same time and in the same manner serve the affected tenant or tenant-to-be with a notice that sets forth all of the following information:

- (1) The amount of the rent increase both in dollars and as a percentage of existing rent and either:

- (i) a statement that the owner considers the rent increase consistent with the limitations set forth in Section 104(a) and/or (c); or
 - (ii) documentation supporting the level of increase desired, including at a minimum: a summary of the unavoidable increases in maintenance and operating expenses; a statement of the cost, nature, amortization, and allocation among mobilehome spaces of any substantial rehabilitation or capital improvement; a summary of the increased cost of the owner's debt service and the date and nature of the sale or refinancing transaction; a summary of the owner's net operating income of the preceding twenty-four (24) months and other relevant information that supports the level of rent increase desired;
- (2) The identity of all other affected tenants and the spaces which they rent;
 - (3) The address and telephone number of the Clerk and the fact that the tenant is encouraged to contact the Clerk for an explanation of the provisions of this Chapter;
 - (4) A copy of the petition form prepared and provided by the Clerk which initiates the process of rent review established by this Chapter; and,
 - (5) If applicable, notification that the proposed rent increase exceeds three hundred percent (300%) of the change in the CPI, and that arbitration is automatically required by the provisions of Section 104(b) without any need to file an arbitration petition. Such notices shall bear the following language in capital letters: "ARBITRATION OF THE PROPOSED INCREASE IS AUTOMATICALLY REQUIRED IN THIS MATTER BY OPERATION OF LAW." Erroneous use of this notice shall be regarded as an irrevocable stipulation to submit to arbitration.

(c) Whenever the owner serves a notice of rent increase, the owner shall at the same time, place on file with the Clerk two copies of the statement or documentation required by Section 105(b)(1) of this Chapter.

(d) The park owner shall also serve any tenant-to-be as defined in Section 101(z) with a separate "RENTAL OPTION" notice which sets forth the recitation in capital letters set forth in Section 107.

(d) An owner failing to provide an affected tenant or tenant-to-be and the Clerk with the information, documents, and notices required by this Section shall not be entitled to collect any rent increase otherwise authorized by this Chapter from that tenant nor any rent increase that might otherwise be awarded by an arbitrator. Such failure by the owner shall be a defense in any action brought by the owner to recover possession of a mobilehome space or to collect any rent increase from the tenant. An owner may cure the failure to serve any notice or meet the obligation to provide information to a tenant or

tenant-to-be and the Clerk which is required under this Chapter by giving such notice or information before initiating an action for possession of the space, collecting any rent increase or binding a tenant-to-be to a month-to-month rental/long-term lease election otherwise authorized hereunder.

(e) An affected tenant who is given notice of a rent increase is entitled to file a Petition for Space Rent Review as provided in Section 106 even if the owner has failed to provide the affected tenant(s) with all the information, documents and notices required by this Chapter.

SECTION 106. The Rent Dispute Resolution Process.

(a) **Tenant's Right to Contact Clerk.** The tenant may contact the Clerk of the City of American Canyon Mobilehome Space Rent Stabilization Program for an explanation of the provisions of this Chapter. If a rent increase is proposed pursuant to Section 104(a) or (c) and the Clerk finds that such increase does not comply with the requirements of those provisions, the Clerk may authorize the tenant to file a Petition pursuant to subparagraph (c) below. The Clerk's decision in this regard shall be final.

(b) **Informal Mediation.** After service of the rent increase notice and accompanying information required by Section 105, the owner shall, if the increase is pursuant to Section 104(b), set a time and place for a meeting to be held on the mobilehome park premises at which the owner will be available to meet with affected tenants to explain the reasons for the proposed rent increase. The owner shall give affected tenants and the Clerk of the City of American Canyon Mobilehome Space Rent Stabilization Program at least five days advance notice of this meeting, which must be held within ten days from the service of the notice of rent increase. The purpose of this meeting shall be to allow and encourage the parties to mediate any differences they may have concerning the proposed rent increase. In the event the parties agree to a specific rental increase, the mediator shall prepare a mediation agreement setting forth the terms of the agreement between the park owner and the affected tenants. The mediation agreement shall be executed by the parties and a copy of the agreement shall be filed with the Clerk.

(c) **Petition.** If discussions between the owner and affected tenants pursuant to subparagraph (b) above do not resolve any dispute between them, or if the Clerk authorizes the filing of a petition pursuant to subparagraph (a) above, the affected tenants or their representative, shall file with the Clerk a Petition for Space Rent Review and a copy of the notice of rent increase, if available, within 30 days after the date upon which the rent increase notice is received. The Clerk shall not accept a petition for review of a rent increase pursuant to Section 104(b), including a petition alleging a reduction in housing services, unless it has been signed by at least fifty-one percent (51%) of all affected tenants. Petitions filed for review of a rent increase pursuant to Sections 104(a) and 104(c) shall not be subject to the fifty-one percent (51%) requirement. Upon the filing of a petition, the rent increase (including any housing service reduction) is not effective and may not be collected until and to the extent it is awarded by an arbitrator or until the petition is abandoned by the affected tenants or their representative(s). Abandoned as used herein means a failure to actively pursue the necessary steps to prepare the tenants' case for the arbitration. An automatic arbitration based upon a three hundred percent (300%) CPI

increase shall not require active tenant participation and shall not be considered abandoned due to lack of tenant participation.

(d) Contents of Petition.

- (1) The Petition for Space Rent Review shall set forth the total number of affected rented spaces in the mobilehome park, shall identify the space occupied by each tenant and shall state the date upon which the notice of the rent increase was received by the tenant(s).
- (2) After obtaining the required signatures, if necessary, the tenant(s) shall deliver the petition or mail it by registered or certified mail to the Clerk at the following address: Director, Napa Valley Housing Authority, 1195 Third Street, Napa, California 94559-3001 (or successor address or agency). No petition shall be accepted unless it is accompanied by the requisite number of signatures where applicable, is received in the office of the Clerk within the 30-day period set forth in subparagraph (c) above and is accompanied by a statement that the petitioning tenants have personally delivered or mailed by registered or certified mail a copy of the fully executed petition to the park owner or manager of the mobilehome park.

(e) Information Questionnaire. After the Clerk has accepted a Petition For Space Rent Review, the Clerk shall remit to the owner and petitioning tenants or the tenant representative an information questionnaire in such form as the Clerk may prescribe. The completed information questionnaire must be returned to the Clerk at least five working days prior to the date scheduled for hearing of the petition by the arbitrator. Copies of the completed information questionnaire shall be provided by the Clerk to the arbitrator, the mobilehome park owner, and the affected tenants or the tenant representative.

(f) Assignment of Arbitrator and Hearing Date. Upon receipt of the petition, or in the event of an automatic arbitration based upon a three hundred percent (300%) CPI increase, the Clerk shall, within five (5) working days, assign an arbitrator. The Clerk shall set a date for the arbitration hearing no sooner than ten (10) nor later than twenty (20) working days after the arbitrator is assigned. The owner and all affected tenant(s) shall be notified immediately in writing by the Clerk of the date, time, and place of the hearing either in person or by ordinary mail.

(g) Arbitration Hearing.

- (1) The owner and any affected tenant(s) may appear at the hearing and offer oral and documentary evidence. Both the owner and tenant(s) may designate a representative or representatives to appear for them at the hearing. The arbitrator may grant or order one (1) continuance to each party not to exceed five (5) working days from the date of the hearing. The burden of proving that the amount of rent increase is reasonable shall be on the owner by a preponderance of the evidence. The hearing need not be conducted according to technical rules relating to evidence and witnesses. The rules of evidence and manner

of producing evidence shall be those rules set forth in Section 11513 of the California Government Code for the conduct of hearings under the Administrative Procedure Act. These rules may be relaxed at the discretion of the arbitrator in the interests of justice.

- (2) The arbitrator shall, within fourteen (14) days of the conclusion of the hearing, submit by mail a written statement of decision and the reasons for the decision to the Clerk who shall forthwith distribute by mail copies of the decision to the owner and affected tenant(s). The arbitrator shall determine the amount of rent increase, if any, which is reasonable based upon all the provisions of this Chapter.
- (3) The arbitrator shall not allow more than one (1) rent increase (including housing service reductions) per mobilehome space per 12-month period.
- (4) The decision of the arbitrator, rendered in accordance with this Section, shall be final and binding upon the owner and all affected tenants. The decision of the arbitrator will be subject to the provisions of Section 1094.5 of the California Code of Civil Procedure.
- (5) Any party may have electronic recording equipment or a court reporter present to record and prepare a transcript of the hearing before the arbitrator, however, such equipment or reporter shall be provided at that party's own expense.
- (6) Any procedural or jurisdictional dispute regarding the process set forth herein may be decided by the arbitrator.

(h) **Modification of Time Period.** The arbitrator or the Clerk may modify the time periods set forth herein at his or her discretion to promote the purposes of this Chapter, provided a final decision is rendered within ninety (90) days after notice of rent increase was given to the affected tenants.

SECTION 107. Rights of a "Tenant-to-be."

Any person who is a "Tenant-to-be" as defined in Section 101(z) must be offered the option of renting a mobilehome space in a manner which will permit the "tenant-to-be" to receive the benefits of the Mobilehome Space Rent Stabilization Program which includes, but is not limited to, rental of a mobilehome space on a month-to-month basis and calculation of base rent as set forth in Section 102(c) or Section 125(b). Such a person cannot be denied the option of a tenancy twelve (12) months or less in duration. The mobilehome park owner shall provide each "tenant-to-be" with a written notification of the option which shall make the following recitation: "UNDER THE CITY OF AMERICAN CANYON MOBILEHOME RENT STABILIZATION ORDINANCE SECTION 107 YOU ARE LEGALLY ENTITLED TO ELECT A MONTH-TO-MONTH TENANCY OVER ANY OTHER LONGER PERIODIC TENANCY. YOU ARE ADVISED THAT YOU MAY NOT BE ENTITLED TO RENT STABILIZATION (RENT CONTROL)

PROGRAM BENEFITS IF YOU ELECT A LEASE OF MORE THAN 12 MONTHS IN DURATION IF THAT LEASE MEETS THE REQUIREMENTS OF CIVIL CODE SECTION 798.17(a) & (b) WHICH HAS BEEN ATTACHED HERETO." Any effort to circumvent the requirements of this Section shall be unlawful, as well as an unfair business practice subject to enforcement under California Business and Professions Code Section 17200 et seq.

SECTION 108. Subpoena Power.

Subpoenas, including subpoenas duces tecum, requiring a person to attend a particular time and place to testify as a witness, may be issued in connection with any dispute pending before an arbitrator, and shall be issued at the request of the Clerk, an arbitrator, the tenant(s) or the owner. Subpoenas shall be issued and attested by the Clerk of the City of American Canyon. A subpoena duces tecum shall be issued only upon the filing with the Clerk of the City of American Canyon of an affidavit showing good cause for the production of the matters of things desired to be produced, setting forth in full detail the materiality thereof to the issues involved in the proceedings, and stating that the witness has the desired matters or things in his or her possession or under his or her control, and a copy of such affidavit shall be served with the subpoena. Any subpoena or subpoena duces tecum issued pursuant to the provisions of this Chapter may be served in person or by certified mail, return receipt requested, and must be served at least five days before the hearing for which the attendance is sought. Service by certified mail shall be complete on the date of receipt. Any subpoena or subpoena duces tecum issued pursuant to the provisions of this Chapter shall be deemed issued by and in the name of the City Council of the City of American Canyon.

SECTION 109. Consolidation of Petitions.

As soon as possible after a petition has been filed with respect to mobilehome spaces which are within a single park, the Clerk shall, to the extent possible, consistent with the time limitations provided herein, consolidate petitions involving similarly situated affected tenants. If time limits do not permit such consolidation, petitions from similarly situated affected tenants shall not be accepted by the Clerk, but such tenants may appear and take part in any hearing involving them.

SECTION 110. Standards of Review.

The arbitrator shall determine whether space rent increases proposed or imposed by the owner are reasonable under the circumstances, taking into consideration that the purpose of this Chapter is to permit owners a just and reasonable return on their investment, while protecting tenants from arbitrary, capricious or unreasonable rent increases. In evaluating a space rent increase the Arbitrator shall consider the following factors in addition to any other factors the Arbitrator deems relevant:

(a) Increased costs of debt service due to a sale or involuntary refinancing of the mobilehome park within twelve (12) months of the increase provided that:

- (1) the sale or refinancing is found to have been an arm's length transaction;
- (2) the proceeds of such refinancing are found to have been used for mobilehome park improvements or similar park-related uses; and
- (3) the aggregate amount from which total debt service costs arise constitutes no more than seventy percent (70%) of the value of the property as established by a lender's appraisal.

(b) The rental history of the mobilehome space or the mobilehome park of which it is a part, including:

- (1) the presence or absence of past increases;
- (2) the frequency of past rent increases; and
- (3) the occupancy rate of the mobilehome park in comparison to comparable mobilehome parks in the same general area.

(c) expenditures for capital improvements as defined in Section 101(e) or for substantial rehabilitation as defined in Section 101(x) which has been completed and which is:

- (1) distinguishable from ordinary repair or maintenance;
- (2) for the primary benefit, use and enjoyment of the tenants;
- (3) permanently fixed in place or relatively immobile and dedicated to the use of the property;
- (4) not coin operated nor that for which a use fee or other charge is imposed on tenants for its use;
- (5) cost factored and amortized over the good faith estimate of the remaining life of the rehabilitation, but in no event amortized for a period of less than 60 months;
- (6) allocated among affected tenants on a per space basis, separately itemized on the rent bill and not included in "base rent" for purposes of annual permissible rent increases pursuant to Section 103(a).
- (7) does not constitute maintenance of the infrastructure or gas or electrical lines within the mobilehome park for which the public utility has permitted the park owner a special premium with the intent that

it be used to replace or otherwise maintain the system within the mobilehome park.

In addition, the owner must have met the industry standard for establishing capital reserves and insurance coverage and such reserves and insurance proceeds must be exhausted.

(d) The physical condition of the mobilehome space or mobilehome park of which it is a part, including the quantity and quality of maintenance and repairs performed during the preceding twelve (12) months.

(e) Any increase or reduction of housing services since the last rent increase.

(f) Existing space rents for comparable mobilehome spaces in comparable mobilehome parks.

(g) A decrease in "net operating income" as defined in Section 111.

(h) A fair return on the property prorated among the mobilehome spaces of the mobilehome park.

(i) Other financial information which the owner is willing to provide.

(j) Any costs incurred as a result of a natural disaster or circumstances other than ordinary wear and tear and only to the extent such costs have not been reimbursed to the owner by insurance or other sources.

(k) Unavoidable and necessary increases in maintenance and operating expenses, including, but not limited to, increased costs for services provided by a public agency, public utility, or quasi-public agency or utility, provided however, that:

- (1) increases in cost attributable to rent stabilization administration fees shall be governed by Sections 104(c) and 118;
- (2) increases in cost attributable to increased City fees, charges or assessments imposed on a mobilehome space shall be governed by Section 114(a);
- (3) rent increases hereunder shall be separately itemized on the rent bill, the annual percentage increase on "base rent" shall not apply to such items and such increases shall be allocated among affected tenants on a per space basis;
- (4) the owner shall make available copies of actual bills and other reasonable records to verify the costs of these services; and
- (5) the agency providing the services has not permitted the owner special premium to cover the cost of the increased services.

SECTION 111. Net Operating Income Defined.

In evaluating a space rent increase imposed by an owner to maintain the owner's net operating income from a mobilehome park, "Net Operating Income" shall mean the gross income of the mobilehome park less the operating expenses of the mobilehome park.

The calendar year completed prior to the enactment of this Chapter shall be established as the base year for purposes of determining whether a park owner's net operating income provides a fair return on investment. It shall be presumed that the net operating income produced by the park owner during the base year provided a fair return on property. However, if necessary, the Arbitrator may take evidence of historical factors to construct a base year, if a satisfactory base year is, in the Arbitrator's opinion not otherwise available.

SECTION 112. Gross Income Defined.

For purposes of calculating Net Operating Income pursuant to Section 111, "Gross Income" shall mean the sum of the following:

(a) gross space rents, computed as gross space rental income at one hundred percent (100%) occupancy; plus

(b) other income generated as a result of the operation of the mobilehome park, including, but not limited to, fees for services actually rendered; plus

(c) revenue received by the mobilehome park owner from the sale of gas and electricity to mobilehome park tenants where such utilities are billed individually to the mobilehome park tenants by the mobilehome park owner, which revenue shall equal the total cost of the utilities to the tenants minus the amount paid by the mobilehome park owner for such utilities to the utility provider; minus

(d) uncollected space rents due to vacancy and bad debts to the extent that the same are beyond the mobilehome park owner's control; provided, however, that uncollected space rents in excess of three percent (3%) of gross space rent shall be presumed to be unreasonable unless established otherwise and shall not be included in computing gross income and provided, further, that where uncollected space rents must be estimated, the average of the preceding three (3) years experience shall be used.

SECTION 113. Operating Expenses Defined.

(a) For purposes of calculating Net Operating Income pursuant to Section 111 "Operating Expenses" shall mean:

(1) Real property taxes and assessments.

(2) Utility costs to the extent that they represent costs to the owner which are not passed through to tenants of the mobilehome park.

- (3) Management expenses including the compensation of administrative personnel, including the value of any mobilehome space offered as part of compensation for such services, reasonable and necessary advertising to ensure occupancy only, legal and accounting services as permitted herein, and other managerial expenses. Management expenses are presumed to be not more than five percent (5%) of gross income, unless established otherwise.
- (4) Normal repair and maintenance expenses for the grounds and common facilities including but not limited to landscaping, cleaning, and repair of equipment and facilities.
- (5) Owner-performed labor in operating or maintaining the mobilehome park. In addition to the management expenses listed above, where the owner performs managerial or maintenance services which are uncompensated, the owner may include the reasonable value of such services. Owner-performed labor shall be limited to five percent (5%) of gross income unless the arbitrator finds that such a limitation would be substantially unfair in a given case. A mobilehome park owner must devote substantially all of his or her time, that is, at least forty (40) hours per week, to performing such managerial or maintenance services in order to warrant the full five percent (5%) credit of his or her labor as an operating expense. No credit for such services shall be authorized unless an owner documents the hours utilized in performing such services and the nature of the services provided.
- (6) Operating supplies such as janitorial supplies, gardening supplies, stationery, and so forth.
- (7) Insurance premiums prorated over the life of the policy.
- (8) Other taxes, fees, and permits, except as provided in Section 118.
- (9) Reserves for replacement of long term improvements or facilities, provided that accumulated reserves shall not exceed five percent (5%) of gross income.
- (10) Necessary capital improvement costs or substantial rehabilitation costs exceeding existing reserves for replacement. An owner may include the cost of necessary capital improvement or substantial rehabilitation expenditures which would exceed existing reserves for replacement. Such expenditures shall be amortized over the good faith estimate of the remaining life of the improvement or replacement, but in no event for a period of less than 60 months. A necessary capital improvement shall be an improvement required to maintain the common facilities and areas of the mobilehome park in a decent, safe, and sanitary condition or to maintain the existing level of mobilehome park amenities and services. In the event that the capital improvement or substantial rehabilitation expenditure is necessitated as the result of an

accident, disaster, or other event for which the owner received insurance or other benefits, only those costs otherwise allowable and exceeding such benefits may be calculated as operating expenses.

- (11) Expenditures for capital improvements to upgrade existing facilities or expenditures to increase housing services; provided, however, that the owner has:
- (i) consulted with the affected tenants prior to initiating construction or implementation of the housing service regarding the nature, purpose and estimated cost of the upgrade or addition or housing service;
 - (ii) established by written verification or other competent evidence to the satisfaction of the arbitrator, that the cost of capital improvements provided to the tenants for their general use or housing service are factually correct as claimed;
 - (iii) cost factored and amortized the rent increase over the good faith estimate of the remaining life of the improvement or service, but in no event for a period of less than 60 months; and
 - (iv) allocated the increase among affected tenants on a per space basis and separately itemized such increase on the rent bill. Such increases shall not be included in "base rent" for purposes of annual permissible rent increases pursuant to Section 104(a).
- (12) Involuntary refinancing of mortgage or debt principal. A mobilehome park owner may, under the provisions of this subparagraph, be able to include certain debt service costs as an operating expense. Such costs are limited to increases in interest payments from those interest payments made during 1986, or the first year such payments were made if the owner acquired the park after 1986, which result from one or the following situations or the equivalent thereof:
- (i) refinancing of the outstanding principal owed for the acquisition of a park where such refinancing is mandated by the terms of a financing transaction entered into prior to January 1, 1987, for instance, termination of a loan with a balloon payment; or
 - (ii) increased interest costs incurred as a result of a variable interest rate loan used to finance the acquisition of the park and entered into prior to January 1, 1987.

In refinancing, increased interest shall be permitted to be considered as an operating expense only where the mobilehome park owner can

show that the terms of the refinancing were reasonable and consistent with prudent business practices under the circumstances.

(b) "Operating Expenses" shall not include the following:

- (1) Debt service expenses, except as provided in subparagraph (a)(12), above and to the extent that the debt service is a direct result of a capital improvement or replacement.
- (2) Depreciation.
- (3) Any expense for which the park owner is reimbursed.
- (4) Attorneys' fees and costs (except printing costs and documentation as required by Section 105) incurred in proceedings before an arbitrator or in connection with legal proceedings challenging the decision of an arbitrator or the validity or applicability of this Chapter.

(c) All operating expenses must be reasonable. Whenever a particular expense exceeds the normal industry or other comparable standard, the owner shall bear the burden of proving the reasonableness of the expense. To the extent that an arbitrator finds any such expense to be unreasonable, the arbitrator shall adjust the expense to reflect the normal industry or other comparable standard.

SECTION 114. Rent Increases Deemed Reasonable.

Rent increases limited to the following shall be deemed reasonable by the arbitrator:

(a) Consistent with Civil Code section 798.49:

- (1) The amount of any fee, assessment or other charge first imposed by the City, on or after January 1, 1993, upon the mobilehome space;
- (2) The amount of any increase on or after January 1, 1993, in an existing fee, assessment or other charge imposed by the City upon the mobilehome space;
- (3) The amount of any fee, assessment or other charge upon a mobilehome space first imposed or increased on or after January 1, 1993, pursuant to any state or locally mandated program relating to housing contained in the Health and Safety Code.
- (4) Provided however, that if a tenant has been charged for any of the above fees, assessments or charges and the same are reduced or eliminated, the charge to the tenant shall correspondingly be reduced or eliminated.
- (5) Provided further, that: the amount of the fee, assessment or other charges authorized by this subsection (a) shall be separately stated on

any billing to the tenants; such billings shall indicate the expiration date of any such fee, assessment or charge if it has a limited duration or is amortized over a specified period; such amounts shall be allocated among affected tenants on a per space basis; and, the annual percentage increase in "base rent" shall not apply to such items.

(6) This subsection shall not apply to:

- (i) Fees, assessments or charges imposed pursuant to the Mobilehome Parks Act (Part 2.1 [commencing with Section 18200] of division 13 of the Health & Safety Code) unless specifically authorized by Section 18502 of the Health & Safety Code;
- (ii) Those costs that are imposed on management by a court pursuant to Health & Safety Code section 798.42;
- (iii) Increases in costs attributable to the rent stabilization administration fee which shall be governed by Sections 104(c) and 118;
- (iv) Any tax imposed upon the mobilehome park property by the City.

(b) expenditures for substantial rehabilitation, as defined in Section 101(x), which has been completed and meets all of the requirements of Section 110(c); and

(c) expenditures for capital improvements to upgrade existing facilities or expenditures to increase housing services, provided that all the requirements of Section 113(a)(11) have been satisfied and, in addition, that the park owner has obtained the prior written consent of at least one adult resident from the majority of the affected mobilehome spaces to the proposed improvement or increased housing service.

SECTION 115. Obligations of the Parties.

(a) If a final decision by an arbitrator finds that a proposed increase or any portion thereof that was previously inoperative is justified, all affected tenants shall pay the amount found justified to the owner within thirty (30) days after the decision is made.

(b) If a final decision by an arbitrator finds that an increase or any portion thereof is not justified, the owner shall refund any amount found to be unjustified, but that had been paid, to all affected tenants within thirty (30) days after the decision is made. If such refund is not made within the said thirty (30) days, the tenant(s) may withhold the amount from the next space rent(s) due until the full amount of the refund has been made. Notwithstanding the foregoing, in the event that the tenancy of an affected tenant is terminated for any reason prior to full credit against rent, the balance of the credit due the tenant shall be paid by the owner within thirty (30) days from the date of the termination of the tenancy.

(c) Any sum of money that under the provisions of this Section is the obligation of the owner or tenant to pay, as the case may be, shall constitute a debt and, subject to the foregoing provisions of this Section, may be collected in any manner provided by law for the collection of debts.

SECTION 116. Tenant's Right of Refusal.

An affected tenant may refuse to pay any increase in rent which is in violation of this Chapter, provided a petition has been filed and either no final decision has been reached by an arbitrator or the increase has been determined to violate the provisions of this Chapter. Such right of refusal to pay shall be a defense in any action brought to recover possession of a mobilehome space or to collect the rent increase.

SECTION 117. Retaliatory Acts; Tenant's Right to Organize

No owner may retaliate against a tenant or tenant-to-be for the tenant's or tenant-to-be's assertion or exercise of rights under this Chapter in any manner, including but not limited to, threatening to bring or bringing an action to recover possession of a mobilehome space; engaging in any form of harassment that causes a tenant to quit the premises; dissuading a tenant-to-be from freely exercising his or her legal options to choose a month-to-month rental; decreasing housing services; increasing the space rent; or imposing or increasing a security deposit or any other charge payable by a tenant.

SECTION 118. Fees.

(a) The costs of administration of this Chapter, including the costs of mediation and arbitration shall be borne by the City of American Canyon; subject to reimbursement of the City of American Canyon General Fund by imposition of a rent stabilization administration fee chargeable against each mobilehome space in the City of American Canyon. The mobilehome park owner who pays these fees may pass through fifty percent (50%) of the fees assessed against a mobilehome space to the tenant pursuant to the provisions of Section 104(c). The remaining fifty percent (50%) of the fees assessed against a mobilehome space shall not be passed on in any way to tenants.

(b) The Clerk shall recommend to the City of American Canyon from time to time the amount of such fee and the City Council shall adopt such fee by ordinance or resolution.

(c) On or before May 15th of the fiscal year of adoption, and thereafter on or before July 31st of each subsequent fiscal year, each owner of a mobilehome park in the City of American Canyon, shall register with the City Finance Director or his or her designee by providing, in writing, the name and address of each such owner, and a statement of the number of mobilehome spaces including both occupied and unoccupied spaces, contained in such mobilehome park and a statement of the number of recreational vehicle and commercial coach spaces in the mobilehome park. Recreational vehicle or commercial coach spaces leased for a period of less than nine (9) months will be exempt from administration fees upon documentation of a change in space tenancy within the last nine (9) months. Mere relocation of a recreational vehicle or commercial coach within a mobilehome park will not defeat the right to collect the space fee for a

more-than-nine-month recreational vehicle or commercial coach space tenant. Re-registration and provision of this information must also be made upon change or ownership of the mobilehome park or an increase or a decrease in the number of spaces.

(d) On or before May 15th of the fiscal year of adoption, and thereafter on or before July 31st of each and every subsequent fiscal year (July 1 through June 30), each owner of a mobilehome park shall pay to the City Finance Director or his or her designee the mobilehome park rent stabilization program administration fee then in effect for each mobilehome space, including both occupied and unoccupied mobilehome spaces, in the owner's mobilehome park except for those spaces subject to a rental agreement in full compliance with the requirements of California Civil Code Sections 798.17(a) and (b). The City Finance Director or his or her designee shall issue to each mobilehome park owner a receipt for payment of the fees required to be paid herein. Any person owing money to the City of American Canyon under the provisions of this Chapter shall be liable in an action brought in the name of the City of American Canyon for the recovery of such amount.

(e) A service fee equal to one and one-half percent (1-1/2%) per month will be charged on all late payments of administration fees under this Chapter.

(f) The City Finance Director shall forward all funds collected pursuant to this Section to the Clerk for deposit in the City of American Canyon Mobilehome Park Rent Stabilization Trust Fund. Proceeds from this Trust Fund shall be used solely to administer this Chapter.

SECTION 119. Exemption from Fees.

Any owner who believes that he/she may be entitled to a space fee exemption pursuant to Civil Code Section 798.17(b) or any provision of this Chapter, shall provide the Clerk with the following documentation, as appropriate:

(a) for a mobilehome space under a long-term lease exempt from the provisions of this Chapter, the executed lease for each exempt space claimed and any amendments thereto;

(b) for a newly-constructed space, proof that the space was constructed and initially held out for rent after January 1, 1990;

(c) for a recreational vehicle or commercial coach space, adequate documentation of change(s) in space tenancy; and

(d) a statement of the basis for the exemption.

SECTION 120. Nonwaivable Obligations.

Any provision, whether oral or written, in or pertaining to a rental agreement whereby any provision of this Chapter is waived or modified, is against public policy and void, except with respect to any rental agreement complying with all of the terms and conditions set forth in Sections 798.17(a) and (b) of the California Civil Code.

SECTION 121. Penalties and Remedies.

In addition to those penalties and remedies set forth elsewhere in this Chapter, any owner who demands, accepts, receives, or retains any money as rent from a tenant to which the owner is not entitled under the provisions of this Chapter shall be liable to the tenant for any actual damages, attorney's fees, and costs incurred by the tenant as a consequence thereof plus a penalty in the sum of three times the amount of money the owner accepted, received, or retained in violation of the provisions of this Chapter or \$500.00, whichever is greater.

SECTION 122. Rights of Affected Tenants Reserved.

This Chapter shall not be construed to limit or curtail any other action or proceeding which may be pursued by an affected tenant against an owner before any court or other body having jurisdiction thereof.

SECTION 123. Review by the City Council.

The City Council shall review the effectiveness of this Chapter in addressing the problems giving rise to its enactment at least one (1) year from its enactment. Notice of the time and place of the City Council's review shall be published at least ten (10) days prior to said date in a newspaper of general circulation in the City of American Canyon or the County of Napa.

SECTION 124. Severability.

This Chapter shall be liberally construed to achieve its purposes and preserve its validity. If any provision or clause of this Chapter or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Chapter which can be given effect without the invalid provision or application, and to this end the provisions of this Chapter are declared to be severable and are intended to have independent validity.

SECTION 125. Vacancy Control -- Establishment of New Base Rent.

(a) A mobilehome park owner shall be permitted to charge a new base rent for a mobilehome space whenever a lawful space vacancy occurs. For purposes of this Chapter, "lawful space vacancy" means:

(1) a vacancy occurring because of the termination of the tenancy of a mobilehome tenant in accordance with the Mobilehome Residency Law, California Civil Code sections 798.55 through 798.60, as amended; or

(2) a vacancy of the mobilehome space arising from the voluntary removal of a mobilehome from the mobilehome space by the affected mobilehome tenant. A removal of the mobilehome from the space for the purpose of performing rehabilitation or capital improvements to the space or for the purpose of upgrading the mobilehome shall not constitute a voluntary removal of the mobilehome.

(b) "Lawful space vacancy" shall not include sale or other permitted assignment of a mobilehome by a mobilehome tenant where the mobilehome is not removed from its mobilehome space. However, a mobilehome park owner may increase the monthly base rent for such mobilehome space by up to \$25 per month upon such a sale or assignment, provided that such right to increase the base rent shall only be exercised by park owner with respect to any one (1) mobilehome space only once in any five-year period commencing upon the effective date of the ordinance. Both park owner and the mobilehome tenant shall advise any prospective buyer/assignee of the provisions of this subparagraph.

(c) When a new base rent is established following the vacancy of a mobilehome space, or a valid sale/assignment occurs, pursuant to this Section, the owner shall give written notice to the new affected mobilehome tenant of the twelve (12) month anniversary date for rent increases allowed under Section 104 and shall give written notice to such affected tenant that the space rent may be subject to stabilized rent increases pursuant to the provisions of this Chapter.

SECTION 126. When Recreational Vehicle/Commercial Coach Space Tenants are to be Treated as "Affected Tenants."

Any recreational vehicle space that is occupied by a recreational vehicle as defined in Civil Code Section 799.24, and any commercial coach space that is occupied by a commercial coach as defined in Health and Safety Code Section 18001.8, for a period in excess of nine (9) months on or after the effective date hereof shall be regarded as a "mobilehome space" for purposes of this Chapter, and a tenant upon such a space shall be entitled to all the rights, protections and obligations of this Chapter. Such a space tenant shall be counted as an "affected tenant" upon the effective date of this Chapter, and said space shall be subject to the fees authorized by the City of American Canyon for mobilehome spaces. The space tenant and the park owner shall apportion the fee in the manner authorized for mobilehome spaces subject to this Chapter generally.

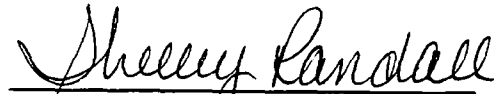
SECTION 127. This ordinance shall take effect thirty (30) days after its passage.

The foregoing ordinance was introduced and read at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 17th day of February, 1994, and passed at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 2nd day of March, 1994, by the following vote:

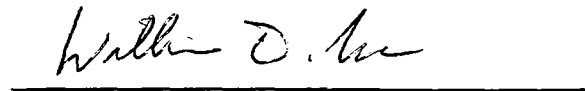
AYES:	Mayor Mahanay, Councilmembers Bennett, Winters, Mayor Pro Tem Anderson
NOES:	_____
ABSTAIN:	_____
ABSENT:	Councilmember Orlando _____


Richard Mahanay, Mayor

ATTEST:


City Clerk - Deputy

APPROVED AS TO FORM;


City Attorney