



Frequently Asked Questions (FAQ)

MOBILEHOME RENT STABILIZATION AND MOBILEHOME PROTECTIONS

ORDINANCE NO. 1153

Approved on January 11, 2022

What is the purpose of the ordinance?

The ordinance requires that rents be reverted back to the rent charged on October 13, 2020 and thereafter places a three percent (3%) cap each twelve (12) month period while providing other protections for both tenants and property owners.

What leases are covered under the ordinance?

Any mobilehome space lease with a term of less than 12 months, regardless of when signed, will be subject to a City's local rent control ordinance.

Pursuant to State law, as of January 1, 2021, any long-term lease signed on or **after** February 13, 2020 is no longer exempt from local rent stabilization, and the City's local ordinance will take precedence.

In addition, all long-term leases signed **prior** to February 13, 2020 shall continue to be exempt from local rent stabilization, but only until they expire, or until January 1, 2025, whichever occurs first.

Are there any exemptions to the ordinance?

All leases with a term 12 months or longer signed prior to February 13, 2020 will remain exempt until they expire, or until January 1, 2025, whichever occurs first. Newly constructed mobilehome spaces, which were initially put out for rent on or after January 1, 1990, and mobilehome spaces owned, managed, or operated by a government agency are all exempt from the ordinance.

Who registers for the program?

The mobilehome park owner must annually register each mobilehome space by January 15th by filling out and returning registration forms provided by the City to the mobilehome park owner. The annual registration form may be found on the City's website.

When can an owner raise the rent?

The mobilehome park owner has the right to a CPI increase every twelve (12) month period which is either seventy-five percent (75%) of the published increase in the CPI or three percent (3%). If the CPI increase is not enough, then the owner has a right to file two petitions that could potentially result in increased space rents:

- (1) A Fair Return Petition would consist of an owner demonstrating to the City that due to their operating expenses for the park, an additional rent increase may be permitted to maintain their net operating income (NOI).
- (2) A Capital Improvement Petition would consist of an owner being granted a temporary space rent increase to pass through the cost of a capital improvement, approved by the City, to mobilehome owners.

Can Rents Change After a Vacancy?

A mobilehome park owner may set the initial rent for the next mobilehome owner for a mobilehome space, whenever either of the following events occur:

- (1) The termination of the tenancy of the affected mobilehome owner in accordance with the Mobilehome Residency Law; or
- (2) The voluntary, permanent removal of a mobilehome by a mobilehome owner from a mobilehome space; or
- (3) A removal of the mobilehome from the mobilehome space due to fire, earthquake, or water damage, or for the purpose of upgrading the mobilehome, shall not constitute a voluntary removal of the mobilehome.

Upon the sale of a mobilehome located in a mobilehome space where the rental agreement with the original mobilehome owner has expired, a mobilehome park owner may increase the rent for that mobilehome space in an amount not to exceed three percent (3%) of the rent for that mobilehome space then in effect.

What if a mobilehome park owner elects not to raise space rents during a twelve (12) month period?

A mobilehome park owner who does not impose an annual rent increase or a portion of the permitted annual rent increase in any twelve (12) month period will waive the annual rent increase for that period.

What information will be registered annually?

Registration involves providing the following information annually:

- The current space rent for each space that is not exempt from the Ordinance
- The name, business address, and telephone number of each mobilehome park owner
- The total number of spaces in the park that fall under the Ordinance

- The name and mailing address of each resident that is protected under the Ordinance
- A map of the mobile home park
- The move-in and vacancy date for each protected resident
- A description of housing services provided by the mobilehome park owner
- The term of each rental agreement that is protected under the Ordinance
- The rules and regulations of the mobilehome park
- Amount of rent charged on October 13, 2020 (for first applications submittal)

How does the ordinance protect the mobilehome space tenant?

The ordinance protects the mobilehome space tenant by requiring the following:

- A mobilehome park owner may impose an annual rent increase only upon registering the mobilehome space in the City's Registry System.
- A mobilehome park owner may impose an annual rent increase for any mobilehome space only after providing at least ninety (90) days written notice to the mobilehome park owner.
- Annual rent increases shall be limited to seventy-five percent (75%) of the percentage change in the average CPI over the previous twelve (12) month period ending in January or three percent (3%) of the rent charged at the time of increase, whichever is greater.
- A mobilehome park owner shall have the burden to prove the necessity of any additional rent increase necessary to earn a fair and reasonable return.

What recourse do mobilehome owners have in response to unlawful rent demands or collection?

If a mobilehome owner believes that the mobilehome park owner has violated this ordinance, then they may apply for a rent adjustment with the City within one hundred and eighty (180) days of when the alleged violation was committed by the mobilehome park owner. Examples of violations are as follows:

- Unlawful rent or fees charged or passed through, to park residents.
- A decrease in housing services previously provided by the park owner that is without a corresponding decrease in rent.

Where can application forms be found?

All applications must be submitted on forms provided by the City, they can be located on the City website <https://www.pico-rivera.org/index.php/mobilehome-rent-control/> or provided by request by emailing either Tara Matthews at tmatthews@webrsg.com or Alex Lawrence at alawrence@webrsg.com.