



CITY OF MENIFEE

SUBJECT: Mobile Home Park Rent Stabilization Ordinance

MEETING DATE: February 15, 2023

TO: Mayor and City Council

PREPARED BY: Molly Binnall, Management Analyst

REVIEWED BY: Cheryl Kitzerow, Community Development Director

APPROVED BY: Armando G. Villa, City Manager

RECOMMENDED ACTION

1. Repeal and replace Ordinance No. 760, as amended; and
2. Introduce an Ordinance amending the Menifee Municipal Code to include Chapter 5.80 "Mobile Home Park Rent Stabilization."

DISCUSSION

At a previous City Council meeting held on April 21, 2021, Councilmember Karwin requested a future agenda item (seconded by Councilmember Deines) related to mobile home rent stabilization in response to a public comment from a resident. Staff returned on September 1, 2021, and presented the City Council with Mobile Home Park Rent Stabilization Ordinance No. 760, as amended, which the City had adopted from the County of Riverside upon incorporation. Ordinance No. 760, as amended, was originally established by the County of Riverside to encourage fair bargaining between mobile home residents and mobile home park owners to preserve the value of the resident's mobile homes and the park value as a whole. The City Council directed staff to present items for discussion to repeal and replace the existing Ordinance with one that would better serve the City.

On April 20, 2022, staff brought the item back to the City Council for discussion. Based on the community interest expressed at the April 2022 meeting, City Council directed staff to conduct additional community outreach, and provide comparisons of existing rent control ordinances in other local jurisdictions. Those efforts were completed in summer 2022 and presented to City Council at a workshop held on October 19, 2022. Upon conclusion of the workshop, City Council directed staff to draft an Ordinance to replace County Ordinance No. 760, as amended.

The proposed Ordinance provides a streamlined approach with a framework suitable for the City's administration. A comprehensive comparison of the provisions in Ordinance No. 760, as amended, and the proposed Ordinance are listed in the following table with expanded details of the proposed Ordinance below:

TABLE 1: Ordinance Comparison

Provision	Existing Ordinance	Proposed Ordinance
Permissive Annual Increase	100% CPI	100% CPI or 5%, whichever is less
Annual Registration Fee	\$12	\$12
Petitioning Process	Park Owners & Tenants	Park Owners & Tenants
Petition Reviewing Body	County Board	3 rd Party
Exemptions	Per CA Civil Code	Per CA Civil Code

1. **Permissive Annual Increase:** Mobile home park owners are allowed to increase rental rates annually up to 100% of the Consumer Price Index (CPI), or 5%, whichever is less.
2. **Annual Registration and Fees:** Each mobile home park owner is required to file an annual registration with the City on July 1 of each year, identifying all spaces subject to the Ordinance, including any exemption claims. The City will invoice the park owners a fee of \$12 per unit space subject to the Ordinance per year to be remitted to the City for Ordinance administration and implementation.
3. **Petitioning Process:** The process allows mobile home park owners to petition for a rental increase if it is believed the Permissive Annual Increase does not provide a fair return. It also allows mobile home park tenants to dispute a rent increase that violates the Ordinance. Both types of petitions will require an initial processing fee of \$1 per space of the affected park. Additional fees may be invoiced to cover actual costs for the petition review by a 3rd party.
4. **Petition Reviewing Body:** Upon receipt of a petition, the City will utilize a third party to review the petition. The third party will provide all petition review and detailed cost analysis findings to a Hearing Officer for a ruling. The ruling cannot be appealed to City Council, however it may be appealed to a court pursuant to Code of Civil Procedure Sections 1094.5 and 1094.6.
5. **Exemptions:** Pursuant to the Mobile Home Residency Law, this Ordinance does not pertain to any mobile home park space rented out for the first time after January 1, 1990, any rental agreement in excess of 12-months entered into prior to February 13, 2020, any mobile homes not used as a primary residence, any mutually agreed upon lease terms, or any increase that 2/3 of all tenants affected by the increase approve in writing.

STRATEGIC PLAN OBJECTIVE

Livable and Economically Prosperous Community

FISCAL IMPACT

Any fees collected will be recognized as revenue in a corresponding revenue account and used to cover staff time to process registration and third-party actual costs.

ATTACHMENTS

1. Mobile Home Rent Stabilization Ordinance
2. Exhibit A