

ORDINANCE NO. 2022 –

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NATIONAL CITY, CALIFORNIA, AMENDING TITLE 9 OF THE NATIONAL CITY MUNICIPAL CODE BY ADDING CHAPTER 9.64 PERTAINING TO MOBILEHOME PARK RENT STABILIZATION

NOW, THEREFORE, the City Council of the City of National City does ordain as follows:

Section 1. FINDINGS. The City Council of the City of National City hereby finds and declares as follows:

WHEREAS, The City Council finds that there is a severe housing crisis within the City of National City and on September 27, 2022, the County of San Diego voted to unanimously to declare a public health crisis for homelessness throughout the County of San Diego; and

WHEREAS, the housing crisis has been exacerbated by the COVID-19 outbreak and further substantial and long term economic impacts caused by COVID-19 and the County public health crisis on homelessness are anticipated, leaving tenants vulnerable to eviction and rent increases; and

WHEREAS, a tenant's sudden and immediate displacement caused by an eviction or unsustainable rent increase can have a profound impact in the financial, emotional, physical health, and professional stability of a tenant's life, which impacts are compounded by the ongoing COVID-19 emergency and County public health crisis on homelessness; and

WHEREAS, the City Council finds that there is presently, within the City of National City, a shortage of rental spaces for the location of mobilehomes, and an inadequate number of mobilehome rental spaces to meet the total demand in this City for those spaces; and

WHEREAS, the City Council further finds that the unique nature of the ownership of a mobilehome within a mobilehome park makes mobilehome owners particularly vulnerable to the threat of loss of their investment in their mobilehome. Due to the high cost of moving mobilehomes; the potential for damage resulting from moving mobilehomes; the requirements for installing a mobilehome, including permits, landscaping and site preparation; the lack of alternative mobilehome spaces for mobilehome owners; and the substantial investment mobilehome owners make in their coaches, mobilehome owners lack the ability to move their mobilehomes without a substantial loss in their investment. This lack of mobility, coupled with a shortage of rental spaces, provides park owners with the ability to establish excessive and unconscionable rents which, if unregulated, would result in the impairment of a mobilehome owner's investment in their home; and

WHEREAS, the City Council further finds that the limited supply of mobilehome rental spaces available in this City would, in the absence of space rent regulation, allow for an unconscionable loss of the resale value of mobilehomes by existing mobilehome park residents; and

WHEREAS, The City Council further finds that mobilehomes comprise a significant form of housing available within the City of National City and can be a more affordable housing choice than single-family homes. The City Council finds that the supply of both mobilehome spaces and mobilehomes available for rent is not adequate to meet the demand, and that as a result, the limited supply of such spaces and mobilehomes contributes to escalating rents in a manner that would, in the absence of regulation, result in the elimination of mobilehomes as a more affordable housing choice; and

WHEREAS, the City Council further finds that many of National City's mobile home owners are seniors, veterans, and families seeking an affordable community environment in which to live; and

WHEREAS, the City has been informed that, in at least one case, a mobilehome landlord has given notices of rent increases of 14% or more. These proposed rent increases would affect at least – units which are occupied by and thus disproportionately impact older Americans, persons with disabilities and low income families.

NOW THEREFORE, it is the intent of the City Council in enacting this ordinance to protect mobilehome owners and mobile home park residents in mobilehome parks from excessive and unconscionable rent increases during the COVID-19 health crisis and the resulting economic uncertainties.

SECTION 2. Title 9 of the National City Municipal Code is hereby amended by adding Chapter 9.64 to read as follows:

Chapter 9.64

MOBILEHOME PARK RENT STABILIZATION ORDINANCE

- 9.64.010 Purpose
- 9.64.020 Definitions
- 9.64.030 General Applicability and Exemptions
- 9.64.040 Retroactivity and Rent Rollback
- 9.64.050 Annual Permissive Rent Increases and Notices of CPI

9.64.060	Mobilehome Residents Right of Refusal
9.64.070	Retaliatory Eviction
9.64.080	Civil Remedies
9.64.090	Criminal Remedies
9.64.100	Severability
9.64.110	Sunset Provision

9.64.010 Purpose.

A. The City Council intends by this chapter to protect mobilehome owners and mobile home park residents in mobilehome parks from excessive and unconscionable rent increases.

B. The City Council intends by this chapter:

1. To prevent existing mobilehome owners, who are rendered largely incapable of moving their mobilehomes without suffering a substantial loss in their value, from loss of their investment and the resale value of their mobilehomes due to the fact that a new mobilehome resident is being charged excessive rents;
2. To protect and promote the availability of mobilehomes as a more affordable housing choice; and
3. To avoid immediate displacement caused by an eviction or unsustainable rent increases during the COVID-19 health crisis.

9.64.020 Definitions.

Words used in this chapter shall have the meaning described to them in this section:

A. "Mobilehome" is 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. As used in this chapter, "mobilehome" has the same meaning as California Civil Code Section [798.3](#).

B. "Manufactured home" is a unit built post June 15, 1976, that meets U.S. Department of Housing and Urban Development (HUD) specifications. The term "manufactured home" for the purpose of this chapter only shall be synonymous with the term "mobilehome."

C. "Mobilehome space" means a portion of a mobilehome park designated or used for the occupancy of one mobilehome.

D. "Mobilehome park" or "park" is an area of land where two or more mobilehomes or mobilehome spaces are rented, or held out for rent, to accommodate mobilehomes used for human habitation.

E. "Mobilehome park owner" or "owner" means and includes the owner, lessor, operator, or manager of a mobilehome park.

F. "Mobilehome owner" means a person who owns a mobilehome which is legally located in a mobilehome space within a mobilehome park in the City of National City.

G. "Mobilehome resident" or "resident" means a person who occupies a mobilehome in a mobilehome park in the City of National City as a primary residence by virtue of having a rental agreement. "Mobilehome resident" or "resident" is inclusive of a mobilehome owner.

H. "Rent" means the consideration, including any bonus, benefit or gratuity, demanded or received in connection with the use and occupancy of a mobilehome or mobilehome space in a mobilehome park, including services, or in connection with the transfer of a lease for a mobilehome space or the subleasing of a mobilehome space. "Rent" shall not include amounts paid by residents for such separately metered utilities or services, as provided in California Civil Code Section [798.41](#), or any separate charge for those fees, assessments or costs which may be charged to mobilehome residents pursuant to the California Civil Code.

I. "Consumer Price Index" or "CPI" means the All Urban Consumers/All Items component of the San Diego Metropolitan Area U (broader base) Consumer Price Index prepared by the Bureau of Labor Statistics. If the United States Bureau of Labor Statistics does not publish the San Diego Metropolitan Area U (broader base) Consumer Price Index or there is no alternative CPI All Urban Consumers/All Items index published by the Bureau of Labor Statistics that applies to National City, CPI will be defined as the California Consumer Price Index for All Urban Consumers for All Items as published by the California Department of Industrial Relations.

J. "Percentage Change in CPI" means the percentage change in the CPI as defined above and computed as follows:

For rent increases that take effect before August 1 of any calendar year, the following shall apply:

(1) The percentage change shall be the percentage change in the amount published for April of the immediately preceding calendar year and April of the year before that.

(2) If there is not an amount published in April for the applicable geographic area, the percentage change shall be the percentage change in the amount published for March of the immediately preceding calendar year and March of the year before that.

For rent increases that take effect on or after August 1 of any calendar year, the following shall apply:

- (1) The percentage change shall be the percentage change in the amount published for April of that calendar year and April of the immediately preceding calendar year.
- (2) If there is not an amount published in April for the applicable geographic area, the percentage change shall be the percentage change in the amount published for March of that calendar year and March of the immediately preceding calendar year

The percentage change shall be rounded to the nearest one-tenth of 1 percent.

9.64.030 General applicability and exemptions.

This chapter shall apply to all mobilehome parks, mobilehome park owners, mobilehome residents and mobilehomes in mobilehome parks within the City of National City, unless otherwise exempted by state law or the provisions of this chapter.

This chapter shall not apply to leases for a term exceeding one year which are exempted by California Civil Code Section [798.17](#), so long as such leases contain all the required provisions for exemption, including a statement in the first sentence of the first paragraph, in at least 12 point type or capital letters, giving notice to the mobilehome resident that, by entering into the lease, the rent control provisions of this ordinance will be automatically superseded by the lease provisions regarding rent and rent increases.

9.64.040 Retroactivity and rent rollback.

This ordinance is retroactive to July 1, 2022 and any rent increases occurring on or after July 1, 2022 shall be in conformance with this ordinance.

9.64.050 Annual Permissive Rent Increases and Notices of CPI.

A. Subject to subdivision (B), of this section management shall not over the course of any 12 month period, increase the gross rental rate for a tenancy in a mobile home park more than 3 percent plus the percentage change in the Consumer Price Index, or 5 percent, whichever is lower, of the lowest gross rental rate charged for tenancy at any time during the 12 months prior to the effective date of the increase.

B. If the same homeowner maintains a tenancy over any 12 month period, the gross rental rate for the tenancy shall not be increased in more than two increments over that 12-month period, subject to the other restrictions of this chapter governing gross rental rate increase.

C. For a new tenancy in which no homeowner from the prior tenancy remains in lawful possession of the mobile home space, management may establish the initial rental rate not subject to subdivision (A). Subdivision (A) shall be applicable to subsequent increases after that initial rental rate has been established.

D. Management shall provide notice of any increase in the rental rate, pursuant to subdivision (a), to each homeowner in accordance with Civil Code Section 798.30.

9.64.060 Mobilehome residents right of refusal.

A mobilehome resident may refuse to pay any increase in rent which is in violation of the chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a mobile home space or to collect a rent increase.

9.64.070 Retaliatory eviction

In any action brought to recover possession of a mobile home or mobile home space, the court shall consider as grounds for denial any violation of this chapter. Further the determination that the action was brought in retaliation for the exercise of any rights conferred by this chapter shall be grounds for denial.

9.64.080 Civil remedies.

A. Civil Action. Any person who demands, accepts, receives or retains any payment of rent in excess of the maximum rent allowable by this chapter shall be liable in a civil action, including unlawful detainer, to the person upon whom the demand was made or from whom the rent was accepted in an amount of up to triple the amount of such improperly collected rent, and for such reasonable attorney's fees and costs as may be determined by the court.

9.64.090 Criminal remedies

Any person committing a violation of this chapter shall be guilty of a misdemeanor. Any person convicted of a misdemeanor under the provision of this chapter shall be punished by a fine of not more than \$1,000 or by imprisonment in the county jail for a period of six months in jail or by both such fine or imprisonment. The following nonexclusive acts, without limitation due to enumeration, shall constitute a criminal violation of this chapter, including the owner of a park if done by the owner's agent with the knowledge and consent of the owner:

- A. Knowingly demanding, accepting or retaining any rent in excess of the amount fixed by this chapter.

- B. Knowingly commencing, or threatening to commence, or maintain an eviction or unlawful detainer proceeding against a resident to for the failure to pay a rent in excess of the amount fixed pursuant to this chapter.

9.64.100 Severability.

It is the intent of the City Council of the City of National City to supplement applicable state and federal law and not to duplicate or contradict such law, and this Ordinance shall be construed consistently with that intention. If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, is for any reason held to be invalid or unenforceable, such invalidity or unenforceability shall not affect the validity or enforceability of the remaining sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases of this Ordinance, or its application to any other person or circumstance. The City Council of the City of National City hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase hereof, irrespective of the fact that any one or more other sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases hereof be declared invalid or unenforceable.

9.64.110 Sunset Provision.

This Chapter shall remain in effect for only two years after its effective date and as of that date is repealed.

SECTION 3. Environmental Determination.

The City Council finds that the adoption and implementation of this ordinance is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15061(b)(3) because it can be seen with certainty that there is no possibility that the ordinance may have a significant effect on the environment, because this ordinance preserves the status quo and the ability of tenants/mobilehome owners to occupy their rental spaces.

SECTION 4. This Ordinance shall take effect and be enforced thirty (30) days following its adoption by the City Council.

SECTION 5. The City Clerk shall certify to the adoption of this Ordinance and shall publish in accordance with the law.

INTRODUCED at a regular meeting of the City Council of the City of National City, held on this ___ day of _____, 2022

PASSED and ADOPTED this _____ day of _____, 2022.

Alejandra Sotelo-Solis, Mayor

ATTEST:

Luz Molina, City Clerk

APPROVED AS TO FORM:

Barry J. Schultz, Interim City Attorney