ORDINANCE NO. 1121

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CAMARILLO, CALIFORNIA, AMENDING AND RESTATING CHAPTER 10.50 (RENT REVIEW MEDIATION) OF TITLE 10 (PUBLIC PEACE AND WELFARE) OF THE CAMARILLO MUNICIPAL CODE PERTAINING TO THE ESTABLISHMENT OF THE CAMARILLO RENT REVIEW MEDIATION COMMISSION AND THE ACCOMPANYING RENT REVIEW MEDIATION PROCESS THAT IS INTENDED TO PROVIDE A FORUM TO RESOLVE RENT DISPUTES

The City Council of the City of Camarillo ordains as follows:

SECTION 1. Findings. The City Council finds as follows:

A. Since 1981, when the City Council first adopted rent review procedures under Ordinance No. 505, the City has determined it necessary and in the public interest to establish a forum to assist in the resolution of disputes that may arise from time to time between tenants and the owners of mobilehome parks and residential rental complexes.

B. The State of California has recognized by the adoption of special legislation (the Mobilehome Residency Law (MRL) found in Civil Code section 798 and following), which regulates, among other things, mobilehome parks and rental agreements with tenants, that tenants of mobilehome parks are in a unique position in that they have made a substantial investment in a residence, the space for which is rented or leased as distinguished from owned; and that the removal and relocation of a mobilehome from a rented or leased space within a mobilehome park can be accomplished only at substantial cost and inconvenience and with the concurrent ability to find another location.

C. There remains within the City and surrounding areas a shortage of spaces for the location of mobilehomes in mobilehome parks and of residential rental units in residential rental complexes.

D. Because of this shortage of available mobilehome park spaces and residential rental units, there is a low vacancy rate and rents in mobilehome parks and residential rental complexes have been and are continuing to rise, potentially causing economic hardship to tenants, many of whom are senior citizens on fixed incomes or persons of otherwise limited economic means.

E. It continues to be necessary to provide a forum which may assist in the resolution of rental disputes, to the end that an agreement may be reached for fair and equitable rental rate adjustments.

F. The City Council desires to amend and restate Chapter 10.50 of the Camarillo Municipal Code to clarify and emphasize the availability of the City's rent review mediation forum to resolve rent disputes, and to expand the availability of this forum to tenants in all residential rental complexes.

SECTION 2. Environmental Determination. The City Council exercises its independent judgment and finds that this ordinance is exempt from environmental review. The ordinance involves updates and revisions to existing rent review procedures, and it can be seen with certainty that the text amendments will have no significant negative effect on the environment in accordance with Section 15061(b)(3) of the State CEQA Guidelines.

SECTION 3. Amendments to Chapter 10.50. Chapter 10.50 (Rent Review Mediation) of Title 10 (Public Peace and Welfare) the Camarillo Municipal Code is amended and restated as set forth in the attached Exhibit A.

SECTION 4. Severability. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision will not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each and every section, subsection, sentence, clause, or phrase not declared invalid or unconstitutional without regard to whether any portion of the ordinance would be subsequently declared invalid or unconstitutional.

SECTION 5. Publication. The City Clerk is directed to certify this ordinance and cause it to be published in the manner required by law.

PASSED, APPROVED, AND ADOPTED on February 24, 2016.

Mike Morgan
Mayor

Attest: 2/26/16
jamadland
City Clerk

I, Jeffrie Madland, City Clerk of the City of Camarillo, certify that Ordinance No. 1121 was regularly introduced on February 10, 2016, and adopted at a regular meeting of the City Council on February 24, 2016, by the following vote:

AYES: Councilmembers: Craven, Kildee, Little, McDonald, Mayor Morgan
NOES: Councilmembers: None
ABSENT: Councilmembers: None

jamadland
City Clerk

CITY OF CAMARILLO INCORPORATED OCTOBER 22, 1964 CALIFORNIA

EXHIBIT A

Chapter 10.50 RENT REVIEW MEDIATION

10.50.010 Purpose.

10.50.020 Definitions.

10.50.030 Rent review mediation commission.

10.50.040 Notice to tenants of rent review mediation forum.

10.50.050 Rent review mediation procedures.

10.50.060 Rent review mediation considerations.

10.50.070 Recommendation of commission.

10.50.080 Rent review a protected right and retaliation prohibited.

10.50.010 Purpose.

The purpose of this chapter is to establish a mediation forum to assist in the resolution of disputes that may arise from time to time between tenants and owners of residential rental complexes and mobilehome parks to the end that an agreement may be reached for fair and equitable rent adjustments.

10.50.020 Definitions.

The following words or phrases as used in this chapter have the following meanings:

"Commission" means the rent review mediation commission established by Section 10.50.030.

"Commissioners" means the individuals selected by the city council to serve on the rent review mediation commission.

"Mobilehome park" means an area of land that contains 25 or more mobilehome spaces that are rented, or held out for rent, to accommodate mobilehomes used for human habitation.

"Owner" means an owner of a residential rental complex or mobilehome park, or the agent or representative of the owner.

"Non-fixed term lease" means a lease that is: (1) month-to-month or for a period of 12 months or less, or (2) a lease that has been for a term longer than 12 months and the term is set to expire within 6 months and the amount of any rent increase for the new term is not established under the lease.

"Rent" means consideration, including any bonus, benefits or gratuity demanded or received in connection with the use and occupancy of any residential rental unit or space.

"Residential rental complex" means any property that has five or more residential rental units.

"Residential rental unit" means any dwelling unit that is rented to a tenant.

"Space" means the area in a mobilehome park upon which a mobilehome is placed and for which rent is charged.

"Tenant" means any person or persons entitled to occupy a residential rental unit in a residential rental complex or space in a mobilehome park pursuant to a non-fixed term lease.

10.50.030 Rent review mediation commission.

A. Establishment and Composition of Rent Review Mediation Commission. There is established a rent review mediation commission for purposes of carrying out the provisions of this chapter. The commission consists of seven members. Commissioners will be appointed for a term of four years, and will serve at the pleasure of the city council. Two members will be tenants in the city (one each from a mobile home park and residential rental complex), and two members will be owners (one each from a mobile home park and residential rental complex, who need not be residents of the city), and the three other members will be city residents who are neither a tenant nor an owner of a residential rental complex or mobilehome park.

B. Vacancies. If a vacancy occurs on the commission, the city council may appoint a qualified person to fill such vacancy.

C. Powers and Duties. The commission is empowered to act in an advisory capacity to assist in the settlement of rental disputes between tenants and owners.

D. Meetings and Mediations. The city clerk will call such meetings or mediations of the commission as may be required for the commission to carry out the purposes of this chapter.

E. Quorum. The presence of at least five commissioners for a meeting or mediation will constitute a quorum provided that at least one owner and one tenant representative are present. The decision of the commission regarding any recommendation, solution or settlement of any dispute brought before the commission will be by a majority vote of the members present.

F. Docket. The city clerk will maintain a record of all mediation proceedings conducted before the commission.

10.50.040 Notice to tenants of rent review mediation forum.

A. Notice upon Rent Increase. Owners must distribute a notice of the availability of the rent review mediation forum provided by the commission with every rent increase to existing tenants with a non-fixed term lease. The notice must be in substantially the following form:

THE CITY OF CAMARILLO HAS A RENT REVIEW MEDIATION COMMISSION THAT PROVIDES A VOLUNTARY NON-BINDING MEDIATION FORUM TO REVIEW RENT INCREASES. COPIES OF THE CITY'S RENT REVIEW MEDIATION CHAPTER ARE AVAILABLE UPON REQUEST AT OUR OFFICE OR MAY BE OBTAINED AT CITY HALL (601 CARMEN DRIVE) OR ON THE CITY'S WEBSITE AT: WWW.CITYOFCAMARILLO.ORG.

B. General Notice of Rent Review Mediation Forum. Owners must also post in the on-site management office, or if no such office exists, then in a publicly accessible

location, a notice that is at least 8 x 10 inches in substantially the same form as in subsection (A) above.

10.50.050 Rent review procedures.

A. Request for Mediation. A tenant on a non-fixed term lease who receives a notice of a proposed rent increase may file a request for the commission to review the proposed rent increase in a mediation. The request should be filed with the city clerk within 30 calendar days of receipt of notice of a proposed rent increase. The request must identify the owner and state the reason for the tenant's claim that the proposed rent increase is unreasonable or unfair. If the proposed rent increase will affect 25% or more of the tenants with non-fixed term leases in the residential rental complex or mobilehome park over the next 12 months, then at least five tenants in similarly situated units or spaces must sign the request for a rent review mediation.

B. Scheduling of a Mediation. Upon the city clerk's receipt of a request for a rent review mediation, the clerk will contact the owner named in the request and the tenant and attempt to set up a mediation to be held before the commission. The mediation will be scheduled within a reasonable time. If the increase affects more that 25% of the tenants with non-fixed term leases, then the owner must provide a list of all such affected tenants so that notice of the mediation may be provided to all interested tenants.

C. Submissions by Owner. If the owner agrees to participate in the rent review mediation, then at least seven days before the mediation, the owner should submit to the city clerk information concerning the residential rental unit or space at issue, which may include, but is not limited to the following:

1. The actual operating expenses by category for the residential rental complex or mobilehome park for the preceding three-year period.

2. The anticipated expenses for the residential rental complex or mobilehome park for the 12-month period of the proposed increase, including details of changes in any cost elements.

3. The rent schedule for each residential rental unit or space within the residential rental complex or mobilehome park for the last three years.

4. A schedule of other fees and income from the residential rental complex or mobilehome park.

5. The vacancy rates of each unit in the residential rental complex or mobilehome park during the preceding three-year period.

6. Any other factors affecting the need for the proposed rent increase.

D. Submission by Tenant. At least seven days before the mediation, the tenant should submit to the city clerk any additional information not included in the initial request for review regarding the proposed rent increase that the tenant would like the rent review commission to consider.

E. Mediation Procedure. At the mediation, the parties may offer any statements, documents, or other information that is relevant to the proposed rent increase.

F. Failure to Appear at Mediation. Failure of any of the noticed parties to appear at the scheduled mediation will not preclude the commission from conducting the mediation as scheduled and from issuing its recommendation as provided in Section 10.50.070.

G. Consolidation. The commission may consolidate requests for mediation received from tenants within the same residential rental complex or mobilehome park with respect to a proposed rent increase and all such requests may be considered in a single mediation.

10.50.060 Rent review considerations.

In making a recommendation based on a request for a rent review mediation, the commission may consider all relevant factors including but not limited to the following:

A. Increases or decreases in property taxes;

B. Unavoidable increases or decreases in operating and maintenance expenses, including utility rates, insurance, government assessments, materials and services;

C. Capital improvements, as distinguished from normal repair, replacement and maintenance;

D. Increases or decreases in size of the space or residential rental unit;

E. Substantial deterioration of the improvements, other than as a result of ordinary wear and tear;

F. Failure on the part of the owner to provide adequate services, or to comply substantially with applicable housing, health and safety codes;

G. Federal and state income tax benefits;

H. Downgrading, reduction or elimination of services; and

I. Fair and just return on the property to the owner, including comparable market rents within the city.

The commission will not support a rent increase solely by reason of a change of ownership that results in increased costs of debt service or a refinancing of the mobilehome park or residential rental complex that results in increased costs of debt service.

10.50.070 Recommendation of commission.

A. The commission will consider all relevant information in determining whether the proposed rent increase is fair, equitable, and necessary in order for the owner to receive a just and reasonable return on its investment.

B. At the conclusion of the rent review mediation, the commission will issue its recommendation and will cause a written summary of the recommendation to be sent by mail to the tenant(s) and owner within ten business days after the mediation.

C. At the conclusion of the mediation or no later than five business days after receipt of the commission's written recommendation, the parties to a rent review mediation are

encouraged to advise the commission whether they accept the commission's recommendation.

D. The city clerk will submit to the city council, for information purposes only, a copy of all rent review recommendations made by the commission.

10.50.080 Rent review a protected right and retaliation prohibited.

Use of the rent review mediation process provided in this chapter is declared to be a protected right pursuant to California Civil Code section 1942.5(c). Tenants cannot be required to waive their rights under this chapter and any such purported waiver will be void as contrary to public policy. No owner or tenant who has been a party to a rent review mediation process under this chapter may undertake or cause any type of retaliatory act or omission against another party as a result of the other party having invoked or participated in the rent review mediation process.