



CITY COUNCIL AGENDA REPORT

City of Anaheim CITY MANAGER'S OFFICE

DATE: OCTOBER 29, 2019

FROM: CITY ATTORNEY'S OFFICE
& CITY MANAGER'S OFFICE

SUBJECT: PROPOSED ORDINANCES IMPOSING RESTRICTIONS
ON MOBILE HOME SPACE RENTAL RATE INCREASES
THAT EXCEED A CERTAIN THRESHOLD

ATTACHMENT (Y/N): YES ITEM # 17

REQUESTED ACTION:

That the City Council take the following actions:

- 1) By Motion, adopt by at least four-fifths (4/5) vote an urgency ordinance imposing a restriction on mobile home space rental rate increases in the City of Anaheim that exceed five percent plus the percentage change in the cost of living, or ten percent, whichever is lower; or *alternatively*
- 2) By Motion, introduce an ordinance imposing a restriction on mobile home space rental rate increases in the City of Anaheim that exceed five percent plus the percentage change in the cost of living, or ten percent, whichever is lower; and
- 3) By Motion, determine that the approved ordinance imposing a restriction on mobile home rental rate increases is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2), 15060(c)(3) and 15061(b)(3) of the State CEQA Guidelines because it will not result in a direct or reasonably foreseeable indirect physical change in the environment, because there is no possibility it will have a significant effect on the environment, and it is not a "project", as defined in Section 15378 of the State CEQA Guidelines.

DISCUSSION:

At the meeting of October 22, 2019, Council Member Moreno requested an agenda item for the October 29 meeting consisting of an urgency and non-urgency ordinance that would extend the rent increase restrictions in the Tenant Protection Act (AB 1482) to mobile home park residents in the City of Anaheim. Consistent with the request, two ordinances are attached for the City Council's consideration. Aside from certain findings required to substantiate urgency, the contents of the

ordinances are the same; they limit mobile home park space rental rate increases within a 12-month period to five percent (5%) plus the change in the Consumer Price Index, or ten percent (10%), whichever is less. Pursuant to California Civil Code Section 798.17, the cap on space rental rate increases would not apply to any mobile home spaces initially held out for rent after January 1, 1990, nor to any mobile home tenancy created by a rental agreement which is excess of twelve (12) months. Mobile home park owners who believe the cap on rental rate increases would prevent a fair and reasonable return may petition the City for a larger increase through a specified process in which the burden of proof is on the owner.

The ordinances are presented as alternatives to one another, leaving Council to decide which one, if any, should be adopted. The primary differences between the two ordinances are the approval process and the period during which they would be in effect. The urgency ordinance requires a 4/5 vote and would take effect immediately. The non-urgency ordinance would, under its terms, remain in effect indefinitely, requires four votes and must be introduced and adopted at separate meetings. The non-urgency ordinance would take effect thirty days after its adoption, but does contain a clause providing that it is applicable to rental rate increases that take effect after October 29, 2019.

If one of the ordinances is adopted, the rental rate increase restrictions would apply to all mobile home parks in the City and to those spaces in Rancho La Paz that are located in the City of Anaheim. As reported by HCD, there are approximately twenty seven (27) mobile home parks in the City, with at least one in each City Council District.

ENVIRONMENTAL DETERMINATION

The ordinances are not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2), 15060(c)(3) and 15061(b)(3) of the State CEQA Guidelines because they will not result in a direct or reasonably foreseeable indirect physical change in the environment, because there is no possibility they will have a significant effect on the environment, and the ordinances are not a "project", as defined in Section 15378 of the State CEQA Guidelines.

IMPACT ON BUDGET:

Either ordinance would have minimal impact to the budget. Any third-party costs associated with petitions for mobile space rent increases in excess of the cap would be funded by the applicant.

Respectfully submitted,

Robert Fabela
City Attorney

Respectfully submitted,

Chris Zapata
City Manager

Attachment:

1. Urgency Ordinance
2. Non-Urgency Ordinance

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