

ORDINANCE NO. 4696  
ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO  
AMENDING TITLE 9 OF THE PALO ALTO MUNICIPAL CODE  
TO ADD CHAPTER 9.76 RELATING TO MOBILEHOME PARK  
CONVERSION

The Council of the City of Palo Alto does ORDAIN as follows:

SECTION 1. Title 9 of the Palo Alto Municipal Code is hereby amended to add Chapter 9.76 to read as follows:

"9.76.010. Purpose and Findings. The mobilehome owners who rent spaces for their homes in mobilehome parks make a considerable investment in purchasing, maintaining and improving their homes and in maintaining the rented space for their homes. If a park closes or is converted to a new use, the mobilehome owners may lose their homes and the investment in them due to the high cost and risk of injury involved in moving a mobilehome, the fact that improvements to a home may not be movable and the lack of vacant mobilehome spaces in parks within a reasonable distance from the closing park that will accept relocating homes. In recognition of the unique situation and vulnerability of mobilehome owners, the State Legislature adopted the Mobilehome Residency Law, Civil Code section 798, et seq., which protects them from eviction except for specified and limited causes, and Government Code sections 65863.7 and 66427.4, which authorize the City to require park owners who want to close a park or convert it to another use to provide reasonable relocation assistance as a condition of closing and converting a park.

This chapter is adopted pursuant to Government Code sections 65863.7 and 66427.4 and the City's police power to provide a procedure and standards for assessing the adverse impacts of a mobilehome park closure or conversion on the displaced mobilehome owners residing in the park that is being closed and to determine appropriate relocation assistance for those residents.

9.76.020. Definitions.

(a) "Comparable Mobilehome" means a mobilehome that is similar in size, age, condition, number of bedrooms and amenities to a mobilehome that is being displaced by conversion of a mobilehome park.

(b) "Comparable Mobilehome Park" means a mobilehome park that is similar in condition, age, size and amenities to the park that is being closed and is located within a community similar to that in which the park that is being closed is located and has similar access to community amenities such as shopping, medical services, recreational facilities and transportation.

(c) "Comparable housing" means housing in an apartment complex or condominium that is similar in size, number of bedrooms and amenities to the mobilehome that is being displaced and is located in a community that has similar access to shopping, medical services, recreational facilities and transportation or a comparable mobilehome in a comparable mobilehome park.

(d) "Conversion" means the closure of a mobilehome park and the cessation of holding out spaces in the park for rental even if no new use is planned and conversion of a mobilehome park to another use.

(e) "Legal Owner" means any person or entity having a legal interest in a mobilehome, such as a lender or mortgagor.

(f) "Mobilehome" shall have the meaning set forth in the Mobilehome Residency Law, Civil Code section 798, et seq. as now in effect or subsequently amended and shall also mean vehicles designed or used for human habitation, including camping trailers, motorhomes, slide-in campers and travel trailers if they have been in the park being closed or converted and used as the occupant's primary residence, as established by nine (9) months continuous residency prior to the filing of a conversion application.

(g) "Mobilehome Park" or "Park" means an area of land where two or more mobilehome spaces are rented or held out for rent to accommodate mobilehomes used for human habitation.

(h) "Mobilehome Resident" or "Resident" means a registered owner of a mobilehome who resides in the mobilehome.

(i) "Park Owner" means a person or entity that owns a mobilehome park or a person or entity authorized to act on behalf of the owner of a mobilehome park.

#### **9.76.030 Application and Relocation Impact Report.**

(a) Prior to conversion of a Park, the Park Owner shall file with the City an application to convert the park, a resident questionnaire and relocation impact report ("RIR"). The application shall be made on a form provided by the City. No application shall be deemed complete until a resident questionnaire

for each affected resident and tenant and a completed RIR have been filed.

(b) No notice that the Park is being converted or of any proposed new use of the Park shall be given and no signs indicating that the Park is being converted or closed or indicating the future use of the Park shall be posted prior to the date on which the City has approved the conversion and the Park Owner has signed and filed a certificate accepting the conditions of approval adopted by the City.

(c) Resident Questionnaire. A confidential Resident Questionnaire shall be sent to each resident and tenant of the park on a form provided by the City as soon as the conversion application has been filed. The form shall require the following information for each mobilehome space in the Park:

(1) The registered owner and legal owner of the mobilehome;

(2) The identity, ages, number and any mental or physical handicap or special needs of the residents occupying the mobilehome;

(3) The date of manufacture of the mobilehome, the name of the manufacturer, the size of the mobilehome, the number of bedrooms in the mobilehome, any special amenities in the home, including but not limited to equipment needed because of the medical condition, age, or handicap or disability of any resident or tenant in the home;

(4) Any improvements or renovations to the mobilehome or improvements to the mobilehome space made by the current resident, including, but not limited to, a new roof, porches, patios, awnings, pop-out rooms, recreational equipment, barbecue equipment, landscaping, etc., whether such improvements are movable and the cost of such improvements;

(5) The purchase price paid by the current resident of the mobilehome and the amount and terms of any remaining mortgage or loan on the home;

(6) Any special circumstance that would limit the area to which the resident or tenant is able to relocate;

(7) Whether the residents receive Supplemental Social Security Income or qualify as low or very low income persons or families under the standards issued by the Department of Housing and Urban Development ("HUD");

The questionnaires shall be kept separately from the rest of the application materials and shall not be included in the RIR sent to each resident and tenant. The identity of each resident and his or her responses shall be kept confidential and used only to determine the relocation assistance to be provided to a particular resident or tenant. If the Park Owner does not submit questionnaires containing sufficient information, the City may seek the information directly from the residents.

(d) Contents of the RIR. The RIR shall include the following information:

(1) A description of any proposed new use for the site;

(2) A proposed timetable for the conversion of the park;

(3) A legal description of the park;

(4) The number of spaces in the park;

(5) For each space in the park:

(i) the size, number of bedrooms, manufacturer and date of manufacture of the mobilehome on the space,

(ii) the names and ages of the occupants of the mobilehome and their length of residency in the park,

(iii) any special needs, handicaps or disability of the occupants and related special equipment, modifications or improvements to the home known to the Park Owner,

(iv) the value the mobilehome would have if the park were not being closed, the depreciated replacement value of the mobilehome and its value if it is to be removed from the park and cannot be relocated to a space in a comparable mobilehome park, these values shall be determined by appraisals by a qualified appraiser to be chosen by the Park Owner from a list supplied by the City. The cost of the appraisals shall be paid by the Park Owner.

(v) any improvements to the home, including but not limited to, patios, porches, pop-out rooms and any recent major improvements to the home, including but not limited to, a new roof or new siding.

(vi) any information available to the Park Owner concerning any handicap, disability or special need of the residents.

(vii) two sets of mailing labels for both the residents and legal owners of each mobilehome.

(e) The purchase price paid for the park by the Park Owner and any amount incurred to make capital improvements to the park.

(f) An appraisal of the park if continued in use as a mobilehome park and an appraisal of the park site if used for the highest and best use permitted by the zoning for the site or any new zoning being requested by the Park Owner. The appraiser shall be selected by the Park Owner, subject to the approval of the City, and shall be paid by the Park Owner.

(g) Whether the Park Owner has offered to sell the mobilehome park to the residents and terms of that offer.

(h) The purchase price of comparable mobilehomes in comparable mobilehome parks.

(i) The cost of comparable housing, including the purchase price of comparable condominiums and comparable mobilehomes in a comparable mobilehome park and the cost of moving into a comparable apartment, including such items as first and last months rent, security deposits and higher rent or mortgage payments at the comparable housing.

(j) A list of comparable parks within a 35 mile radius and for each such park, the space rents and the qualifications for residency in each park (e.g., age restrictions, no pets), whether the park has any vacant space and will accept homes being relocated and if so, any restrictions, such as size and age, on the relocated homes that would be accepted.

(k) Estimates from two moving companies approved by the City, and qualified to move mobilehomes on public streets and highways, of the cost of moving each mobilehome in the park, including the cost of permits and tearing down and setting up the home at the new location, including the cost of any upgrades to comply with applicable building, plumbing, electrical and health and safety codes and the cost of moving any improvements, including, but not limited to, patios, porches and pop-out rooms.

(l) Proposed measures to mitigate the adverse impacts of the park conversion on the residents in the park.

(m) Identification of a relocation specialist to assist the residents in finding and moving to relocation spaces and comparable housing. The relocation specialist shall be selected by the Park Owner subject to the approval of the City and shall be paid by the Park Owner.

**9.76.040 Hearing Procedures.**

(a) An Application shall be deemed complete within 30 days unless written notice is given specifying the information that must be supplied to make the application complete.

(b) A hearing on application shall be set within 60 days of the date the application is completed.

(c) 30 days prior to hearing, the Park Owner must verify to the City that the residents and legal owners of the mobilehomes in the park have been given the required notice of the application.

(d) A copy of the RIR must be provided to residents at least 30 days before the hearing.

(e) At least 30 days mailed notice of the hearing on the application shall be given to each affected resident, tenant, and legal owner.

(f) The application shall be heard by a qualified hearing officer selected by the City. The Park Owner shall pay all hearing officer fees.

(g) The hearing officer shall approve the application on the condition that the mitigation measures proposed by the Park Owner are adequate to mitigate the adverse impacts on the displaced residents and may condition the approval on additional conditions, including, but not limited to the following, provided that such conditions do not exceed the reasonable costs of relocation:

(1) For residents whose mobilehomes can be relocated to a space in a comparable mobilehome park:

(a) the cost of physically relocating the mobilehome, as defined above, within 35 miles of the Park that is closing.

(b) the cost of moving the personal property in the mobilehome.

(c) the cost of staying overnight in a motel for the number of nights required to move and set up the mobilehome in the new park.

(d) costs incurred to move into the new park, such as first and last months rent and security deposits.

(e) for those residents who qualify as low or very low income persons or families, as defined by HUD or are receiving supplemental social security, a lump sum based on consideration of the difference between higher rent at the new park for one year and the park that is closing.

(f) for those residents who are handicapped or disabled, a lump sum based on consideration of the cost of obtaining any assistance necessary to move, such as help with packing or other physical tasks that the resident cannot do without assistance and to offset the cost of replacing any special equipment that cannot be moved and is used because of the resident's disability.

(2) For residents whose mobilehomes cannot be relocated to a space in a comparable park:

(a) a lump sum based on consideration of the cost of moving to and purchasing or renting comparable housing, including, but not limited to, the cost of purchasing a comparable mobilehome in a comparable mobilehome park, the cost of moving personal property from the mobilehome in the closing park to comparable housing, payment of first and last month's rent and any security deposit at the comparable housing, the loss of investment in the mobilehome that cannot be relocated and any remaining loan payments that must be made even though the resident cannot continue to live in the mobilehome.

(b) if the resident is disabled or handicapped, an additional sum toward the cost of obtaining any assistance needed to enable the resident to move.

(c) if the residents are low income persons or a low income family, as defined by HUD, or are receiving supplemental social security, an additional sum to partially offset any higher rent at the comparable housing during the first year at the new location.

**9.76.050** Acceptance of Conditions Required. The City's approval of a conversion application shall not be valid and effective until the Park Owner has filed a certificate of acceptance of the conditions of approval with the City.

**9.76.060** Appeals. Any aggrieved person may appeal the hearing officer's decision to the City Council by filing a written notice of appeal with the city clerk within 10 days of the date the

hearing officer's decision becomes final. The appeal shall be in the form specified by the City and shall be accompanied by a filing fee specified in the municipal fee schedule.

**9.76.070 Relocation Notice.** No resident shall be required to remove his or her mobilehome and no tenant shall be required to vacate a mobilehome until i) the Park Owner has given the six (6) months' notice of closure required by the Civil Code section 798.56, ii) that six (6) month period has elapsed, iii) the City's decision approving the closure is final, and iv) the Park Owner has provided the relocation assistance required by the City as a condition of conversion.

**9.76.080 Exceptions to Requirement to Provide Relocation Assistance.**

(a) The provisions of this Chapter shall not apply to a park that is closing due to bankruptcy.

(b) An applicant may seek a total exemption on the ground that imposition of any relocation assistance would eliminate substantially all reasonable use or economic value of the property for alternate uses. The application must provide evidence demonstrating that this result would occur.

(c) An applicant may seek a partial exemption on the ground that the imposition of a particular relocation obligation would eliminate substantially all reasonable use or economic value of the park for alternate uses. The application must specify the particular obligation that would cause this result and provide evidence to demonstrate that this result would occur.

**9.76.090 Expiration and Extension of Approval of Conversion.** Conversion approvals shall expire one (1) year after the date they are issued. The city manager may upon request grant extensions of time based upon a showing that good faith progress has been made toward fulfilling the conditions of approval or some intervening event not the fault of the Park Owner has prevented timely compliance with the conditions of approval.

**9.76.100 Enforcement.** Any person, firm or corporation violating any provision of this chapter is guilty of a misdemeanor and, upon conviction thereof, shall be punishable as provided by law.



9.76.110 Provisions To Prevent Eviction Prior to Determination of Relocation Assistance.

(a) Any resident already renting a space in the Park on the date the application for conversion is filed shall be eligible for relocation assistance.

(b) No Park Owner shall require any resident to waive his/her rights to relocation assistance as a condition of renting a space in the park, except when the resident moves into the park after the date the conversion application is filed and notice has been given that the conversion application has been filed. Any such waiver will only be valid if the Park Owner completes the conversion hearing process within year

(c) Residents who are eligible for relocation assistance shall be entitled to the assistance required by the City as a condition of conversion even if they move out of the park before the City's final determination concerning required relocation assistance.

9.76.120 Rent Increase Review Petitions.

(a) A Resident may, with the written support of no less than 25% of the total number of Residents, petition for review of any notice of rent increase that alone or in combination with any other rent increases imposed in the last twelve months exceeds the sum of the then current Bureau of Labor Statistics Consumer Price Index - All Urban Consumers - San Francisco - Oakland - San Jose, plus 6%.

(b) The petition must be filed with the city clerk within thirty (30) days after notice of the rent increase is given by the Park Owner and must contain sufficient information to allow the City to determine whether the rent increase which is the subject of the petition meets the criteria of this subsection. The petition shall include the following information:

(1) The number of eligible resident households in the park;

(2) The space number and members of each eligible resident household signing the petition;

(3) The signature of one adult member of each eligible resident household signing the petition;

(4) The date of notice and amount of the rent increase that is the subject of the petition;

(5) The amount of the existing rent, the date(s) of any increase imposed during the immediately preceding twelve months and the amount of the rent before those increases were imposed;

(6) A statement describing the efforts of the Residents and Park Owner to resolve the dispute through formal or informal dispute resolution, including but not limited to mediation;

(c) The City shall give notice of the petition by certified mail or personal delivery to the Park Owner and the petitioning resident within fifteen (15) days of the date it is received. The notice shall state a preliminary determination whether the petition meets the criteria of this subsection. If the preliminary determination is that it does meet the criteria, the notice shall include a list of qualified hearing officers who are available, at the Park Owner's expense, to conduct a hearing on the matter. The Park Owner and petitioning resident shall attempt to agree on the selection of a hearing officer, but if they do not or cannot agree within ten (10) days, the hearing officer shall be chosen by the City.

(d) If the City's preliminary determination is that the petition does not meet the criteria of this section or that it is otherwise incomplete, the notice shall state that the petition is being rejected and the reasons for the rejection. In such case, the petitioners may submit a revised petition, which cures the reason for rejection, within ten (10) days of receipt of the rejection notice. The revised petition shall be processed in the same manner as the original.

(e) Upon selection of the hearing officer, the City shall give notice of the hearing date by certified mail or personal delivery to the Park Owner and the petitioning resident. The hearing date shall be not sooner than thirty (30) and no later than eighty (80) days after the date the petition was received. The notice shall also state that the Park Owner has thirty (30) days in which to provide justification for the rent increase pursuant to this chapter and notice that the noticed increase cannot be charged, demanded, collected or retained unless and until approved by the City.

(f) In determining whether a rent increase should be granted and if so, the amount of that increase, the hearing officer shall approve such increases as are required to provide a just, reasonable and fair return on investment to the Park Owner and shall consider all relevant evidence and facts, including but not limited to, the following:

(1) Changes in the CPI since the last rent increase;

(2) Rents in comparable mobilehome parks;

(3) Increases or decreases in the level of services, amenities and maintenance;

(4) Changes in operating and maintenance costs, including utilities not paid by the residents and taxes, since the last rent increase. These costs shall not include interest on mortgage debt or principal payments on mortgage debt;

(5) Costs incurred for capital improvements or unusual repairs not reimbursable by insurance since the last rent increase;

(6) Changes in the park's profits since the last rent increase;

(7) Length of time since the last increase;

(8) Evidence demonstrating that a rent increase is necessary to allow the park to earn a just and reasonable return;

(g) The hearing officer shall render his or her findings and decision in writing within ninety (90) days of the date the petition was received by the City. The decision of the hearing officer shall be final.

(h) This section shall not apply to spaces subject to a lease exempt from local rent regulations pursuant to the Mobile Home Residency Law, California Civil Code section 798, et seq., shall not apply to spaces first held out for rent after January 1, 1990, or the rent first charged to a purchaser of a mobile home in the park or for a vacant space, provided that a space shall not be deemed vacant when an existing mobile home resident removes his or her mobile home to replace it with a new mobile home.

(i) An eligible resident may refuse to pay any rent in excess of the maximum rent permitted by this section. The fact that such unpaid rent is in excess of the maximum rent permitted by this section shall be a defense in any action brought to recover possession of a mobile home space and for nonpayment of rent or to collect the illegal rent.

(j) Notice of the hearing officer's decision to the Park Owner and affected resident shall state that the ninety (90) day statute of limitations in Code of Civil Procedure section 1094.6 is applicable.

9.76.130 This chapter shall be interpreted so as to be consistent with the Mobilehome Residency Law, Evidence Code section 798, et seq. and Government Code sections 65863.7, 65863.8 and 66427.4, as now in effect or as subsequently amended.

9.76.140 Any action challenging a decision made pursuant to this chapter shall be brought within the ninety (90) day statute of limitation period set forth in Code of Civil Procedure section 1094.6."

SECTION 2. The City Council finds that this project is exempt from the provisions of the Environmental Quality Act ("CEQA") because it can be seen with certainty that there is no possibility that this project will have a significant effect on the environment.

SECTION 3. This ordinance shall be effective on the thirty-first day after the date of its adoption.

INTRODUCED: April 30, 2001

PASSED: May 14, 2001

AYES: BEECHAM, EAKINS, LYTLE, MOSSAR, OJAKIAN,

NOES: BURCH, FAZZINO, KLEINBERG, WHEELER

ABSENCES:

ABSENT:

ATTEST:

APPROVED:

Donna J. Rogers  
City Clerk

Sandy Eakin  
Mayor

APPROVED AS TO FORM:  
[Signature]  
City Attorney

[Signature]  
City Manager

Ed Hany  
Director of Planning &  
Community Environment

THIS DOCUMENT IS CERTIFIED TO BE AN ORDINANCE DULY PASSED BY THE COUNCIL OF THE CITY OF PALO ALTO AND THEREAFTER POSTED IN THE COUNCIL CHAMBERS ON 6/1/01 (WITHIN 15 DAYS OF ITS PASSAGE)

"I certify (or declare) under penalty of perjury that the foregoing is true and correct."

6/7/01 Palo Alto  
Date & Place

[Signature]  
Signature