

# MOBILEHOME RENT ORDINANCE FACT SHEET

## ABOUT THE ORDINANCE

The *Mobilehome Rent Control Ordinance*, set by the City of San José under Chapter 17.22 of the San José Municipal Code, allows annual rent increases between three and seven percent, based on 75% the Consumer Price Index (CPI). A rent increase is allowed **only once every 12-months**. The maximum annual percentage increase, effective October 1<sup>st</sup> of each year. To see if your mobilehome is covered under the Mobilehome Rent Ordinance, speak to your landlord, or call the Rent Stabilization Program at (408) 975-4480 or visit the City of San José Housing Department's website at: [www.sanjoseca.gov/your-government/departments/housing/mobilehome-park-owner](http://www.sanjoseca.gov/your-government/departments/housing/mobilehome-park-owner)

Covered Mobilehomes Include:	Mobilehomes Not Covered Include: (SJMC Section 17.23.350-17.23.390)
<ul style="list-style-type: none"><li>Mobilehome lots that received operational permits on or prior to September 7, 1979</li></ul>	<ul style="list-style-type: none"><li>Lots that received plumbing/electrical/sewer permits after September 7, 1979</li><li>Spaces owned, operated by a government agency, or subsidized by Housing Assistance Payments Program</li><li>Voluntary* long-term lease agreements between a mobilehome owner and landlord</li></ul>

\* This exclusion shall apply only for the duration of the term of the rental agreement and any extensions of the existing rental agreement. The Mobilehome Rent Control Ordinance shall become effective immediately if the rental agreement is not extended and a new rental agreement is not established (San José Municipal Code 17.22.370).

## MOBILEHOME RENT CONTROL ORDINANCE SUMMARY

### Maximum Annual Percentage Increase, Mobilehome Rent Ordinance, Part 4, Allowable Rent Increases

- The Mobilehome Rent Control Ordinance (MH Ordinance) allows a single yearly rent increase calculated by the Rent Stabilization Program called the Maximum Annual Percentage Increase.
- The Maximum Annual Percentage Increase is **75%** of the increase in the April San Francisco-Oakland-San José All-item Consumer Price Index (CPI) with a **minimum of 3% and a maximum of 7%**.
- In **June**, the Rent Stabilization Program mails out a notice to the landlord with the maximum allowable percentage increase for the fiscal year. Landlords are required to post a copy of this notice.
- The Maximum Annual Percentage Increase applies to all rent increases, with an effective date from October 1<sup>st</sup> to September 30<sup>th</sup> of the following year. The Rent Stabilization Program consolidated all rent increase into one anniversary date for each park.
- If rents have not been increased for more than 24 months, they may be increased by the combined total of the allowable annual rent increases for the current and previous year.
- Per the MH Ordinance, a park owner must provide a homeowner with a **(90) ninety-day** rent increase notice.
- Increases above the Maximum Annual Percentage Increase may be allowed immediately following a vacancy during a court-ordered eviction, abandonment, and a dealer pull out. Exceptions may be verified with the Rent Stabilization Program.

### Landlord Rent Petition (SJMC 17.22.700-17.22.720)

- Park owners may file a petition seeking a rent increase above Maximum Annual Percentage Increase. An administrative hearing must be held for these petitions.
- The petition shall include a statement of gross income and operating expenses incurred during the base year and the year immediately preceding the filing of the petition. A determination is made of the base year and the current year's net operating income.

To learn more about Landlord Rent Petitions, please contact the Rent Stabilization Program at (408) 975-4480



## Service Reductions (SJMC 17.22.780)

- If the Rent Stabilization Program approves a landlord's petition, mobilehome residents from that Park may present written documentation, including service reduction allegations during the hearing.
- Service Reductions are considered by administrative hearing officers when determining whether to accept the rent increase.
- The State's Mobilehome Residency Law allows mobilehome park residents to make a written request for a meeting regarding service problems with the park owner or their representative.
- If your park owner has filed a petition with the Rent Stabilization Program, you will have an opportunity to file a written claim that a service reduction has occurred. Based on the evidence provided by the mobilehome owner, a hearing officer will determine:
  - if the service reduction is a type that may be considered under the Ordinance;
  - what, if any, amount of the rent should be decreased in order to compensate for the value of the service.

## Mobilehome Rental Dispute Fee (SJMC 17.22.900-17.22.950)

- Mobilehome Rental Dispute Fees are set on a yearly basis and are approved by City Council and the Housing and Community Development Commission;
- One-half of the fee may be passed on to the resident of each rent controlled space;
  - Example: If the 2020 Rental Dispute Fee Amount was set at \$20 per space, then one half of that fee, \$10 may be passed on to the resident
- The pass-through fee amount should be indicated on the resident's bill separate from the base rent;
- Park owners that would like to file a Mobilehome Rental Dispute Fee Exemption should contact the Rent Stabilization Program to learn about allowable exemptions and required documentation.

## MOBILEHOME RESIDENCY LAW SUMMARY

The *Mobilehome Residency Law (MRL)* is a summary of the state law governing mobilehome parks. The MRL covers topics such as, rental agreements, rules and regulations, fees and charges, utilities, rent control, termination of tenancy, and registration and titling.

The park owners must provide mobilehome residents with a copy of this document by February 1st of each year. The *Mobilehome Residency Law* is available on the State Legislature's website: [www.hcd.ca.gov](http://www.hcd.ca.gov) and can be found in Section 798 of the Civil Code. If mobilehome residents have not received a copy of the *Mobilehome Residency Law*, residents should ask their park managers to provide them with a copy.

**Please note that this document is intended for informational purposes only, not legal advice. The fact sheet may be incomplete as it is a brief summary of the Ordinance. Please visit our website or call for the most up to date fact sheet and complete details of the Ordinance.**

