

ORDINANCE NO. 4672

ORDINANCE OF THE COUNCIL OF THE CITY OF PALO ALTO  
APPROVING THE BUENA VISTA MOBILEHOME PARK  
AFFORDABLE HOUSING PRESERVATION STRATEGY AND A  
VOLUNTARY 5% CAP ON RENT INCREASES FOR MOBILEHOME  
PARK SPACES AT THE BUENA VISTA MOBILEHOME PARK  
AND DECLARING THE URGENCY THEREOF, TO TAKE EFFECT  
IMMEDIATELY

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

SECTION 1. Findings and Declaration of Urgency. The Council finds and declares:

A. The City Council hereby finds that the purpose of this Ordinance is to maintain the status quo while the City and the owners of the Buena Vista Mobilehome Park pursue cooperative analysis and implementation of strategies to maintain the Park as affordable housing in the City of Palo Alto.

B. The City Council hereby finds that the Buena Vista Mobilehome Park is an essential source of affordable housing in Palo Alto. In recognition of this fact and the City's Comprehensive Plan affordable housing policies and programs, the owners of the Buena Vista Mobilehome have agreed to suspend any changes in rent or to the terms of tenancy for existing tenants while this Ordinance is in effect, up to and including May 1, 2001.

C. During this period, the City and the owners of the Buena Vista Mobilehome Park have committed to work cooperatively to develop mutually satisfactory strategies that will lead to the long-term preservation of the Buena Vista Mobilehome Park as affordable housing. The work process is outlined and approved by this ordinance (Exhibit "A") and shall be known as the "**Buena Vista Mobilehome Park Affordable Housing Preservation Strategy.**"

D. During this period, the City and the owners of the Buena Vista Mobilehome Park have agreed that no rent increases in excess of 5% will be levied upon or collected from any mobilehome.

E. For each of the foregoing reasons, the City Council hereby finds that this Ordinance is necessary to protect the public peace, health, safety and welfare, is an urgency ordinance and shall take effect immediately.

SECTION 2. Rent Increases Prohibited. Beginning with the rent payment first due after the effective date of this Ordinance:

A. An Owner shall not demand, accept or retain rent for a currently occupied space in a mobilehome park exceeding the rent in effect for such space on December 19, 2000, plus 5%, except as otherwise provided in this Ordinance. This ordinance does not apply to spaces that are shown to be vacant or unoccupied as of December 19, 2000, nor shall this ordinance be construed to apply to structures or dwellings within a mobilehome park that are not mobilehome spaces.

B. The Owner of any mobilehome park shall provide all services to the park and/or homeowners and tenants of the spaces as were provided and in effect on December 19, 2000, under the same terms and conditions as such services were provided on that date. Any reduction or discontinuation of services or establishment of any new or increased charge or payment for services (other than City-provided utility services) that were provided on December 19, 2000, shall constitute an increase of rent in violation of this Ordinance unless done in accordance with Civil Code Section 798.41.

C. Nothing in this Ordinance shall be construed to entitle a homeowner/tenant to a refund for any unlawful rent payment made prior to the effective date of this Ordinance.

D. The provisions of this Ordinance shall not apply to spaces exempt from local rent control pursuant to Civil Code Section 798.17 or new construction exempt from local rent control pursuant to Civil Code Section 798.45.

E. The provisions of this Ordinance shall not apply to the rent first charged to a new homeowner moving into a Mobilehome Park on or after December 19, 2000, provided that any subsequent rent increases shall be regulated by this Ordinance.

SECTION 3. Refusal to Pay Illegal Rent.

A homeowner/tenant may refuse to pay any rent in excess of the maximum rent permitted by this Ordinance. The fact that

such unpaid rent is in excess of the maximum rent shall be a defense in any action brought to collect the illegal rent or to recover possession of a space for nonpayment of rent.

SECTION 4. Remedies.

A. Any person or entity who demands, accepts or retains any payment of rent in violation of the provisions of this Ordinance shall be liable in a civil action to the person from whom such payment is demanded, accepted or retained for damages in a sum equal to the amount by which the payment or payments demanded, accepted or retained exceeded the maximum rent which could be lawfully demanded, accepted or retained together with reasonable attorneys' fees and costs as determined by the court.

B. Any person or entity violating any of the provisions of this Ordinance shall be guilty of a misdemeanor. Any person or entity convicted of a misdemeanor under the provisions of this Ordinance shall be punishable by a fine of not more than \$500.00 or by imprisonment for a period of time not exceeding 6 months, or by both. Each violation of any provision of this Ordinance and each day during which any such violation is committed or continued, shall constitute a separate offense. No person shall be cited under this section unless the person engages in conduct prohibited by this section after having been notified by the City of Palo Alto that he or she is in violation of the prohibition in this section.

SECTION 5. Definitions. For the purpose of this Ordinance, the following words and terms shall be construed as defined 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 Vehicle Code Section 35790. Mobilehome includes a manufactured home, as defined in Health and Safety Code Section 18007, and a mobilehome as defined in Health and Safety Code Section 18008, but does not include a recreational vehicle, as defined in Civil Code Section 799.29 and Health and Safety Code Section 18010 or a commercial coach as defined in Health and Safety Code Section 18001.8.

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

C. "Rental Agreement" is an Agreement between the Owner or management of a mobilehome park and the homeowner/tenant establishing the terms and conditions of a park tenancy. A lease is a rental agreement.

D. "Homeowner" is a person who has a tenancy in a mobilehome park under a rental agreement.

E. "Tenancy" is the right of a homeowner to use a site/space within a mobilehome park on which to locate, maintain, and occupy a mobilehome, site improvements, and accessory structures for human habitation, including the use of services and facilities of the mobilehome park.

F. "Owner" means the owner of a mobilehome park or an agent or representative authorized to act on the owner's behalf in connection with matters relating to a tenancy in the mobilehome park.

G. "5%" means five per cent rounded to the nearest dollar.

SECTION 6. Effective Date and Expiration. This Ordinance shall be effective immediately. This Ordinance shall expire on May 1, 2001.

SECTION 7. The Council finds that this Ordinance is exempt from the provisions of the California Environmental Quality Act ("CEQA") because it can be seen with certainty that it will have no effect on the environment because it maintains the status quo for a temporary term and because it regulates the economic relationship between mobilehome park owners and mobilehome owners who are park tenants.

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This Ordinance was introduced at an adjourned regular meeting of the Council of the City of Palo Alto which commenced on Monday, December 11, 2000, and was passed by a four-fifths vote of all Council Members present at the meeting on December 19, 2000, as follows:

INTRODUCED AND PASSED: December 19, 2000

AYES: BEECHAM, BURCH, EAKINS, FAZZINO, KLEINBERG, KNISS, LYTLE, MOSSAR, OJAKIAN

NOES:

ABSTENTIONS:

ABSENT:

ATTEST:

Donna J. Rogers  
City Clerk

APPROVED:

Liz Kniss  
Mayor

APPROVED AS TO FORM:

[Signature]  
City Attorney

[Signature]  
City Manager

THIS DOCUMENT IS CERTIFIED TO BE AN  
TRUE AND CORRECT COPY OF THE ORIGINAL  
AS APPROVED BY THE COUNCIL  
ON DECEMBER 19, 2000  
12/20/00

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

12/27/00 Palo Alto  
[Signature] Riza Swanson  
Signatures

**BUENA VISTA MOBILEHOME PARK AFFORDABLE HOUSING  
PRESERVATION STRATEGY**

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***A Cooperative Agreement Between the City of Palo Alto and the Owners of  
the Buena Vista Mobilehome Park***

December 19, 2000

The City of Palo Alto, a chartered city, ("City") and Toufic, Eva and Joe Jisser, the sole owners and managers of the Buena Vista Mobilehome Park located at 3980 El Camino Real in Palo Alto, ("Owners") enter into the following agreement as of the date listed above.

**BACKGROUND INFORMATION**

A. The Owners have owned and managed the Buena Vista Mobilehome Park ("BVMHP") since 1986. In the summer of 2000, the Owners acquired sole possession and control of the BVMHP following dissolution of a partnership. The Owners have incurred substantial expenses related to the BVMHP due to the partnership dissolution, maintenance and improvements. The Owners further anticipate substantial increases in property taxes due to the dissolution.

B. The City's Comprehensive Plan Housing Element has recognized the BVMHP as an important affordable housing resource since at least 1990.

C. In compliance with State law, the Owners have notified the BVMHP residents of their intention to increase space rents effective January 1, 2001.

D. The proposed rent increases have the potential to create extreme hardship for some BVMHP residents, including very low and low-income residents, senior citizens and persons with disabilities.

E. The City of Palo Alto prefers not to regulate the economic relationship between the Owners and the owners of individual mobilehomes; however, preservation of affordable housing is an urgent responsibility of the City.

F. In view of this background information, the City and the Owners have reached an agreement to cooperate in the identification and development of several strategies for long-term preservation of the BVMHP as affordable housing. In addition, the Owners have voluntarily agreed to suspend and limit the previously noticed rent increases so that the status quo can be maintained while the Owners and the City study long term preservation strategies.

## AGREEMENT

1. **5% Limit on Rent Increase.** The Owners agree to all terms of the ordinance approving this Agreement. Those terms include, but are not limited to, the Owners' voluntary agreement to suspend and forego any increase in rent in excess of 5% of the rental rates in effect on December 19, 2000. This agreement shall remain in effect up to and including May 1, 2001; but may be terminated sooner by mutual agreement of the parties if long term strategies or other actions are identified and resolved earlier.

2. **Develop Long Term Strategies For Preservation of the BVMHP.** The City and Owners agree that during the term of this Agreement they will cooperate in good faith to pursue all reasonable strategies for long-term preservation of BVMHP as affordable housing, including but not limited to the following:

A. Consideration of appropriate annual rent increases taking into account hardship adjustments for extraordinary expenses.

B. Developing housing expense subsidy programs such as the City's Utilities Ratepayer Assistance Program, federal or state housing vouchers or subsidies, and tax relief.

C. Jointly reviewing City planning and zoning policies to develop cooperative strategies that would permit the owners a fair return on their investment while protecting all or part of the park for very low, low, and moderate income residents.

D. Jointly considering the form and contents of a mobilehome park closure ordinance to implement state law.

E. Facilitating the use of mediation programs for the private, consensual resolution of future concerns that may arise between the Owners and individual mobilehome owners.

3. **Assure Community Participation.** The Owners and the City acting through the Mayor shall cooperate to establish a special committee comprising representatives of the City, the Owners, individual mobilehome owners, and other community representatives (such as the City's Human Relations Commission and Project Sentinel) to address community needs and concerns related to mediation and long term affordable housing preservation strategies.

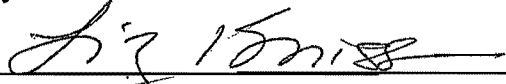
## OTHER TERMS

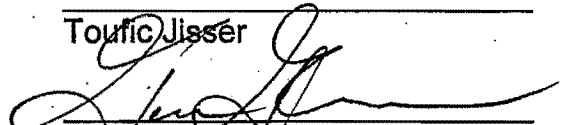
This Agreement is a legally binding contract between the City and the Owners. It shall remain in effect until May 1, 2001, unless extended or terminated by mutual

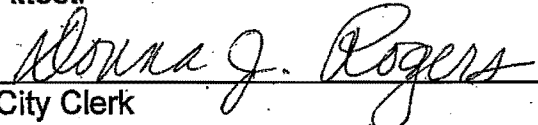
agreement. While it is intended to develop strategies that will affect other persons, no other person or entity is intended to be a third party beneficiary or to otherwise have any right of action or authority to enforce this Agreement. The parties further agree that any disputes arising under this Agreement will be mediated before any other enforcement action is taken. The only other enforcement action available to the parties will be submission of the dispute to a mutually acceptable arbitrator. Neither the City nor the Owners shall have any right to damages for the performance of or failure to perform any action. The background information recited above is considered reliable by the parties but shall not be deemed to admit any facts for any purpose other than performance of this Agreement. The City may act and be bound under this Agreement by its City Manager with approval of its City Attorney. The Owners may act and be bound under this Agreement by Toufic or Joe Jisser.

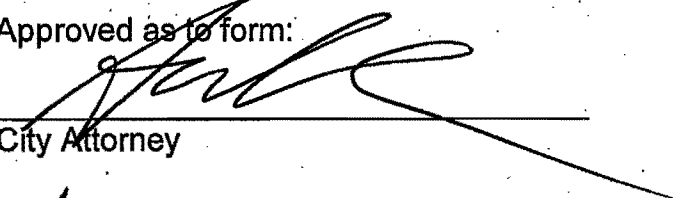
City of Palo Alto

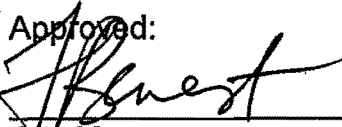
Buena Vista Mobilehome Park

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Toufic Jisser

Attest:  
  
\_\_\_\_\_  
City Clerk

Approved as to form:  
  
\_\_\_\_\_  
City Attorney

Approved:  
  
\_\_\_\_\_  
City Manager