

RULES AND REGULATIONS

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(AS AMENDED 1996, 1997, 1998, 2000, 2005, 2007, 2009, 2017, 2019)

STATEMENT OF PURPOSE

In accordance with the provisions of Section 9.70.030.G of the City of Rohnert Park Municipal Code (“RMC”), the Commissioners of the Rohnert Park Rent Appeals Board have adopted these Rules and Regulations.

The primary purpose of these Rules and Regulations is to implement the Mobile Home Ordinance (RMC §§ 9.70.010 et seq.) (“Ordinance”) in a fair and reasonable manner so as to achieve a Rent Appeals Board structure and procedure which will prevent unreasonable rent increases to Residents renting mobile home park spaces.

These Rules and Regulations are subject to modification as necessary by the Rent Appeals Board.

The Rent Appeals Board forms referred to in these Regulations are available on request from Board staff. The forms may be changed and/or amended from time to time.

INTRODUCTORY STATEMENT OF POLICY

Since the enactment of Measure “A”, its codification into the Rohnert Park Municipal Code, the adoption of Rules and Regulations and the establishment of policy to interpret Ordinance No. 494 [Rohnert Park Mobile Home Ordinance 9.70] and to coordinate and integrate it with existing state law, the legislature has amended the Mobile Home Residency Law. The amendments have a significant effect upon the treatment of long-term leases, registration of spaces within the mobile home parks and the assessment of registration and administrative fees to compensate the public agency, in part, for administering a rent control ordinance, the initial lease offered to a new prospective homeowner and the treatment of utility charges as they relate to base rent.

The Rent Appeals Board recognizes these changes and has amended its Rules and Regulations where it felt amendments were necessary in order to reflect current state law. If any Rule and/or Regulation or statement of policy is in conflict with state law, it is the stated policy and overriding rule of the Rohnert Park Rent Appeals Board that the state law shall override any conflicting local Rule or Regulation provided, of course, that the state law is clearly stated and the conflict is obvious to any reasonable interpretation by a disinterested, impartial and reasonable third party. The Rent Appeals Board is primarily concerned with determining the amount of rent that can be charged and collected as provided by Ordinance No. 494 as amended. If state law has not preempted the field or if the issue is clearly one of determining a fair and reasonable rent, the Rent Appeals Board has primary jurisdiction under the law.

In 1996, the City Council adopted Ordinance No. 612, addressing an area in which it believes that state allows the City to legislate and determine through the Rent Appeals Board. This is vacancy control and defining who and under what circumstances a “prospective homeowner” can avail himself or herself of the right to request and select either a lease in excess of 12 months, a lease for 12 months, a lease of less than 12 months, or a month-to-month lease. These Rules and Regulations adopted by the Rent Appeals Board respond to those issues.

CHAPTER 1 -- POWERS AND DUTIES OF THE RENT APPEALS BOARD

Section 1.01 General

In addition to other powers and duties set forth in the Ordinance and in these Regulations, the Board shall have the administrative, legislative and judicial powers and duties set forth below.

Section 1.02 Review of Petitions

A. The Board hereby delegates to staff responsibility for conducting an initial review of all petitions submitted to the Board pursuant the Ordinance or these Regulations. Staff shall review each petition for completeness and conformity with the Ordinance and the Regulations. With respect to each petition, staff may:

1. Reject the petition with or without prejudice to re-filing.
2. Accept the petition on the condition that notice of a petition, which may affect Residents in addition to the petitioning party, be posted in a common area in the mobile home park so as to inform other affected Residents about the petition.
3. Schedule a hearing of the petition by the Board or a Hearing Examiner.
4. Return the petition to the petitioner with instructions for properly completing the petition prior to re-filing.

B. Staff shall keep the Board informed regarding the receipt and status of all petitions filed pursuant to these Regulations and/or the Ordinance. This shall include making a complete copy of all petitions and Hearing Examiner decisions available to each Board member, and informing the Board of all staff actions and determinations in writing.

Section 1.03 Appointment of Hearing Examiners

Except as otherwise set forth in these Regulations, Board hereby delegates to staff the power to appoint Hearing Examiners to hear petitions. Prior to such appointment, staff must determine that the Hearing Examiner is qualified to conduct hearings in accordance with the Ordinance and these Regulations. Hearing Examiners may be volunteers, Rent Board staff, City employees, or independent contractors.

Section 1.04 Appellate Review of Hearing Examiner Decisions

The Board shall have the jurisdiction and power to hear and decide appeals of the Hearing Examiner's decision pursuant to Section 7.12. Upon receipt of an appeal from a Hearing Examiner's decision, the Board shall consider the Hearing Examiner's decision, the parties' submissions on appeal and the case record. The Board, thereafter, shall have the power to take any of the actions as set forth in Section 7.15 Appeal to the Board.

Section 1.05 Conflicts of Interest

A. No Hearing Examiner or Board member shall take part in any hearing or appeal in which he/she has a personal or financial interest in the outcome or a personal bias for or against any party. The Hearing Examiner's or Board member's general status as a Landlord or Resident, or his/her political or philosophical beliefs shall not constitute personal bias.

B. The Hearing Examiner or Board member shall disclose to all parties any prior communication with a party concerning the subject of the petition, as well as any possible or apparent personal financial interest or personal bias.

C. Disqualification.

1. A Board member may disqualify himself/herself at any time. In addition, any party may file a written request for disqualification with the Board Chairperson at least fifteen (15) working days prior to the hearing, which shall state the grounds for disqualification. However, if the identity of the Board member was not known soon enough to allow this, the written request shall be filed as soon as possible, but in no event later than five (5) calendar days prior to the opening of the hearing. Any such request shall be ruled upon by the Board prior to the opening of the hearing. A Board member who is the subject of a written request for disqualification shall not vote in the Board's consideration of whether he/she should be disqualified from participating in a Board hearing or appeal, but may address the Board prior to the Board's voting on the request for disqualification.

2. In extraordinary circumstances, such as the unforeseen unavailability of a Board member resulting in the appointment of a new Board Member, a request that a Board member disqualify himself/herself must be made no later than the first day of the hearing. The Board will grant or deny the request and such ruling will be incorporated into any final determination of the case and may be appealed in the same manner as the final determination.

CHAPTER 2 -- MAXIMUM ALLOWABLE RENTS

Section 2.01 Base Rent

A. For Controlled Rental Spaces Created Between December 1, 1985 and December 17, 1987. The base rent for a rental space created within an existing mobile home park after December 1, 1985, and before December 17, 1987, shall be equal to the average rent of a comparable space in the same mobile home park as of December 1, 1985. The maximum allowable rent on such rental space shall be calculated as follows:

1. Without petitioning the Board a landlord may adjust the rent in effect on December 1, 1985, in an amount equal to an annual general adjustment for the calendar year 1986 (2.50% plus any applicable increase authorized by RMC § 9.70.050.B) and an annual general adjustment for the calendar year 1987 (2.75% plus any applicable increase authorized by RMC § 9.70.050.B), for a combined increase of 5.32% plus any applicable increase authorized by RMC § 9.70.050.B over the December 1, 1985, rent, calculated as follows:

December 1, 1985 rent x (2.50% plus any applicable increase authorized by RMC § 9.70.050.B) increase = Y

2.75% x (December 1, 1985 rent + Y plus any applicable increase authorized by RMC § 9.70.050.B) = Z

December 1, 1985 rent + Y + Z = Allowable Annually Adjusted Rent for 1988

These general adjustments may be retroactively imposed as of January 16, 1988, but may not be banked as a rent increase as provided in RMC section 9.70.050.C and Section 2.07 of these Rules.

2. In addition to the adjustment provided in Section 2.01.A.1 above, the landlord may also petition for an individual rent adjustment. The individual rent adjustment shall be offset by the amount of the previous annual general adjustments imposed by the landlord. The amount of the allowable individual adjustment imposed by the landlord shall not be in addition to the amount imposed pursuant to Section 2.03.A.1. This individual adjustment shall not be imposed retroactively to January 16, 1988, and it may only become effective as of the properly noticed date of increase.

B. For Controlled Rental Spaces in Parks Created after December 17, 1987. The base rent for a Controlled Rental Space in a new mobile home park created after December 17, 1987, shall be equal to the initial fair market rent.

1. For a Controlled Rental Space in a new mobile home park created after December 17, 1987, the Landlord may adopt as the mobile home park base year any of the following:

a. the twelve-month period immediately following the opening of the park; or

b. the first complete fiscal year following the opening of the mobile home park; or

c. the first full calendar year following the opening of the mobile home park.

2. For a Controlled Rental Space in a new mobile home park created after December 17, 1987, the current year may not be the same nor in any way overlap with the base year chosen by the Landlord.

C. For Newly Created Controlled Rental Spaces In Parks in Existence on December 17, 1987. The base rent for a Controlled Rental Space in a newly created space within a mobile home park in existence on December 17, 1987, shall be equal to the average rent of a comparable space within the same or a similar mobile home park as of December 1, 1985. The maximum allowable initial rent on such space shall be calculated by increasing the base rent by all annual general adjustments for each full calendar year prior to the setting of the initial rent pursuant to the formula set forth in RMC section 9.70.050.

D. Petition for Adjustment Authorized. The Landlord may petition for an individual adjustment of rent as set forth in Chapter 5.01.

Section 2.02 Number of Allowable Rent Increases and Adjustments in a Twelve-Month Period

Landlords may not raise rents more than once in any twelve-month period, except as follows:

A. After calendar year 1988, a rental increase due to Banking pursuant to Section 2.07 of these Regulations;

B. A rent increase or adjustment within twelve (12) months of a rent adjustment after the expiration of a long-term lease pursuant to Section 2.08 of these Regulations;

Section 2.03 Anniversary Date

A. If the Landlord imposes an individual rent adjustment in 1988, the effective date of the individual rent adjustment shall become the anniversary date upon which all future properly noticed individual and annual general rent adjustments may become effective.

B. If the Landlord only imposes annual general rent adjustments in 1988, the date on which the annual general adjustments were effective shall be the anniversary date upon which all future properly noticed individual and annual general rent adjustments may become effective, provided that no anniversary date may be prior to February 1st of the subsequent year.

C. The anniversary date established pursuant to Sections 2.03.A and B, above, and the consolidated anniversary dates set forth in Section 2.04 below, shall apply to all Controlled Rental Spaces within a mobile home park so that there will be only one consolidated anniversary date within a mobile home park.

D. For newly created Controlled Rental Spaces within a mobile home park in existence on December 17, 1987, created after December 17, 1987, any amount of rent due to a Landlord or to a Resident as a result of any provision herein shall be paid or credited along with the next monthly rent payment after the December 1, 1985 rent has been adjusted pursuant to annual general adjustments and/or an individual rent adjustment.

Section 2.04 Consolidation of Anniversary Dates

A. In order to facilitate the efficient operation of the administrative hearing process, anniversary dates for rent increases within a mobile home park shall be consolidated. Beginning in calendar year 1989, there shall be no more than one anniversary date for rent increases within a single mobile home park.

B. For any space which was a controlled space on December 17, 1987, and only received annual general rent adjustments in calendar year 1988, while other spaces in the park received an initial individual adjustment (resulting in more than one anniversary date in the park), a Landlord may impose an additional increase on the park wide anniversary date in 1989 calculated as follows:

1. The difference in dollars between the percentage amount of the individual adjustment imposed in 1988 and the percent of the annual general adjustments imposed in 1988, multiplied by

2. The number of months in excess of twelve (12) months between the park wide anniversary date in 1989 and the imposition of the annual general adjustments in 1988.

C. 1. The anniversary dates for Controlled Rental Spaces in a new mobile home park created after December 17, 1987, must be consolidated to one park-wide anniversary date within three (3) years of the initial rental of Controlled Rental Spaces within the new mobile home park. This must be done by using pro-rated annual general and individual increases for Controlled Rental Spaces that do not receive a rent adjustment for a period greater than twelve (12) months as a result of consolidation, pursuant to Section 2.06 of these Regulations.

2. The anniversary dates for a Controlled Rental Space in a newly created space within a mobile home park in existence on December 17, 1987 shall be consolidated with the mobile home park-wide anniversary date by using a pro-rated annual general and individual increase for the newly created space on the first park-wide anniversary date subsequent to the time at least twelve (12) months after the initial rental of the newly created space.

Section 2.05 Consolidation of Rental Increases

Except as provided in Section 2.04 above, a Landlord must combine an increase in rent based upon the annual general adjustment and any individual increase sought.

Section 2.06 Effect of General Rent Adjustment on Individual Rent Adjustment

Any individual adjustment permitted shall be offset by the amount of any annual general rent adjustment to which the Landlord was entitled and actually implements. Any annual general rent adjustment actually imposed may include Banked general adjustment increases.

Section 2.07 Banking

A. After calendar year 1988, a Landlord who refrains from imposing an annual general rent adjustment, or any portion thereof, may accumulate the increase and impose some or all of that amount at any time.

B. Only those increases which could have been imposed within or subsequent to calendar year 1989 may be accumulated.

C. The permissible imposition of a Banked increase at any time is the one exception to the rule which proscribes more than one rent increase within a twelve-month period as set forth in Section 2.06, above.

D. 1. If the Board or a Hearing Examiner determines that a Landlord has imposed a Banked increase to which the Landlord is not entitled pursuant to the Ordinance and these Regulations, the Landlord shall be required to notify all Residents affected by the overcharge and provide the Board or Hearing Examiner with proof that notice was given and/or that a good-faith effort was made to provide such notice.

2. The Board or Hearing Examiner shall recalculate the maximum allowable rent. In determining this amount the Board or Hearing Examiner shall determine the rent in effect as of the date of the last properly noticed and implemented rent increase which was in compliance with the Ordinance and Regulations. Pursuant to RMC section 9.70.050.D, the Board or Hearing Examiner shall disallow any and all annual general adjustments subsequent to the date of an improper Banking increase. The Board or Hearing Examiner shall allow the recalculated maximum rent to be increased by properly noticed and implemented individual rent adjustments subsequent to the date of the last properly noticed and implemented rent increase.

Section 2.08 Expiration of Long-Term Leases

A. A rental space which was subject to a lease of more than twelve (12) months duration that is in compliance with Civil Code section 798.17 (hereafter a "long-term lease") on December 17, 1987, when the Ordinance was adopted, shall not be subject to the rent limitations of the Ordinance until the date of the expiration of the lease.

B. Any extension in excess of twelve months duration of a long-term lease or a new long-term lease is also not subject to the rent limitations of the Ordinance until the date of the expiration of the extension or new long-term lease.

C. Upon the expiration of any long-term or rental agreement which meets the criteria under Civil Code section 798.17 that has not been extended or a new lease or rental agreement entered into, the monthly rent shall be the last rental rate charged for the space under the previous

lease or rental agreement, and the rental amount shall be the “base rent” for purposes of applicable provisions of the Ordinance and these Regulations (Civil Code section 798.17).

D. The “base rent” referred to in Section 2.08.C, may be adjusted as follows:

1. By the annual general adjustment authorized on the next mobile home park’s anniversary date.

2. An individual rent adjustment may be imposed provided that said increase was pursuant to the requirements of the Ordinance and these Regulations, on the next mobile home park’s anniversary date.

3. Any individual rent adjustment under Section 2.08.D.2, shall be offset by the amount of any allowable annual general adjustment under Section 2.08.D.1.

Section 2.09 Posting

A. Posting. The Landlord shall post in the rental office the Maximum Allowable Rent, the address and telephone number of the Board, a copy of the Ordinance and Regulations, and any other information the Board deems relevant for each rent controlled space within ten (10) calendar days of one or more of the following events:

1. the expiration of a long-term lease (Landlord need only post the maximum allowable rent of those spaces affected by the lease expiration);

2. request of the Board; or

3. the noticing of the Annual General Adjustment by the Board.

B. Notice of Vacancy Control and Prospective Homeowner Rights. The terms of vacancy control and the Prospective Resident’s rights, as contained in the Ordinance and Sections 2.12 and 2.13 below, shall be made available by the Landlord to Residents and Prospective Residents at the time they consider purchasing a mobile home coach.

Section 2.10 Retroactive Effect of Noticed Increase

If all or any increase contained in a Landlord petition is granted by the Board or a Hearing Examiner, said increase shall be retroactive to the legally noticed effective date of increase.

Section 2.11 Mobile Home Owner not a Landlord

An owner of a mobile home which occupies a Controlled Rental Space is not a “Landlord” for purposes of this Ordinance and these Regulations.

Section 2.12 Vacancy Control (RMC §§ 9.70.042 and 9.70.044)

A. Operation of Vacancy Control. A Landlord is prohibited from raising rent upon re-rental or re-lease of a mobile home on-site to a Prospective Resident or current Resident. This is known as an “in-place transfer” from one Resident to another or Prospective Resident with the

mobile home coach remaining on the existing space. A Prospective Resident shall have the same rights as a “homeowner” under the Civil Code section 798, Mobilehome Residency Law, as may be amended (hereinafter known as “MHR Law”). Those rights include, but are not limited to:

1. The same base rent currently being paid and a month-to-month rental agreement, being subject to rent control law;
2. The same base rent currently being paid and a rental agreement under 12 months, being subject to rent control law; or
3. A rental agreement over 12 months (lease) offered by the Landlord; this would exempt the space from the rent control ordinance according to the MHR Law, as may be amended.

The Landlord’s right of prior approval of a purchaser of a mobile home that will remain in the park is covered under the MHR Law. If approval is withheld for any reason other than those stated in the MHR Law, the Landlord may be held liable for all damages. It is not the responsibility of the City of Rohnert Park or the Board to enforce the provisions of the MHR Law or other civil laws which apply to leases over 12 months.

B. Rent Control Fees: In Sections 2.12.A.1 and 2.12.A.2, the Prospective Resident would also be subject to, on a pro rata basis, any capital improvement pass-through line-items currently in effect and awarded by the Board and the annual registration fee calculated annually by the Board for operation of the rent control ordinance. The Landlord is prohibited from collecting these monthly amounts for any dates previous to the signing of a new rental agreement.

C. New Construction. Mobile home spaces that are “new construction” as defined in the Civil Code section 798.7 are exempted in accordance with Civil Code section 798.45, as may be amended.

D. Expiration of Long-Term Lease. At the expiration of a long-term lease agreement, the Resident is entitled to be subject to rent control.

E. Posting. The terms of this section are subject to the posting requirements contained in Section 2.09.

Section 2.13 Prospective Resident Rights (RMC §§ 9.70.042 and 9.70.044)

A. Any person who is a Prospective Resident must be offered the option of renting a mobile home space in a manner which will permit the Prospective Resident to receive the benefits of this chapter which includes, but is not limited to, rental of a mobile home space on a month-to-month basis, and a base rent as set forth in Section 2.12 (See RMC section 9.70.042). Such a person cannot be denied the option of a tenancy of 12 months or less in duration.

B. The Prospective Resident shall have access to the vacancy control provisions as detailed in Section 2.12.

C. The Landlord shall inform the Prospective Resident of their options under this clause. The terms of this section are subject to the Posting requirements contained in Section 2.09.

CHAPTER 3 -- REGISTRATION

Section 3.01 Initial Registration

A. Prior to leasing any spaces in any mobile home park subject to these Regulations, each Landlord shall file a completed registration form for all mobile home parks and all mobile home spaces, including the provision of specific information as set forth on approved registration forms.

B. The Board may grant any request for an extension of time to file the registration forms if the Board finds that the timely completion of the registration forms would pose an unusual hardship.

Section 3.02 Re-registration

A. Annually on January 1, Landlord shall re-register all mobile home parks and mobile home spaces, including the provision of specific information as set forth on the re-registration forms which are available upon request from staff.

B. The completed re-registration form must be received by the Board no later than February 1st of each year.

Section 3.03 Registration Fee

A. General.

1. Each Landlord shall pay a registration fee for each Controlled Rental Space within the mobile home park not exempted on January 1, 1991, from the payment of an annual registration fee under Civil Code section 798.17, or any comparable exempting state legislative enactment. A Controlled Rental Space not legally exempt, as above provided, is not properly registered and the Landlord is not in compliance with the Ordinance until payment of the registration fee is received by the Board.

2. The amount of subsequent annual registration fees shall be determined and announced by the Board on or before December 1st. The registration fee shall accompany the re-registration forms.

3. The registration fee shall be paid on a calendar year basis.

B. Registration Fee Pass Through.

1. For calendar year 1988, the prorated annual registration fee for the months prior to the date set to collect such fees may be collected by being added to the Residents' monthly rent as of the first month of the date set for collection of the pass through. For the remainder of calendar year 1988 and thereafter, the prorated fee shall be collected monthly.

2. The passed through registration fee shall not be included in the base rent for a Controlled Rental Space. The registration fee shall not be used in the calculation of any annual general adjustment or individual adjustment of allowable rents.

3. At the expiration of a long-term lease (which is not extended or a new lease entered into), the Landlord may not pass on to the Resident then occupying the Controlled Rental Space any annual registration fees that were due prior to the expiration of the long-term lease. If the long-term lease is not renewed, the Landlord may pass on to the Resident any annual registration fees due, prorated for the balance of the calendar year.

C. Exemptions. Registration fees for of the following Controlled Rental Spaces shall not be passed through to Residents:

1. The rent for the mobile home space that is subsidized pursuant to the Housing Assistance Payments Program (Pub. L. 93-383, Section 8, as amended).

2. The Landlord owns the mobile home and uses it as his/her personal and actual residence or allows it to be occupied by an agent or employee of the Landlord whose employment is directly related to the mobile home park.

3. The rental space is covered by a long-term lease entered into after December 31, 1990, that is exempt from the payment of such fee under Civil Code section 798.17.

Provided, however, that nothing in these Regulations shall affect the rights of the Landlord or Resident which were negotiated under a rental agreement pursuant to Civil Code section 798.17(b).

D. New and Previously Exempt Controlled Rental Spaces.

1. New and previously exempt Controlled Rental Spaces shall pay the prorated annual registration fee beginning with the first day of the month within which the Controlled Rental Space was created or lost its exempt status.

2. Within thirty (30) calendar days of the creation of a new Controlled Rental Space, the Landlord shall notify the Board by registering the space and paying a prorated registration fee, beginning with the first day of the month within which the Controlled Rental Space was created and continuing through the remainder of the calendar year.

3. Within thirty (30) calendar days of a previously exempt Controlled Rental Space losing its exempt status, the Landlord shall notify the Board and pay a prorated registration fee as set forth in Section 3.03.B.1, above.

Section 3.04 Board Powers on Noncompliance

A. If the Landlord willfully and knowingly fails to register any Controlled Rental Spaces, the Board may, on its own initiative, inform the Landlord that, thirty-five (35) calendar days from the date the Board mails the notice to the Landlord, Residents of such non-registered

Controlled Rental Spaces shall be authorized to withhold all or a portion of their rent for the spaces until such time as the rental spaces are properly registered, as determined by the Board.

B. The Landlord may file a petition to contest the Board's proposed action, as set forth in Section 5.04.

C. At the same time that the Board mails notice to the Landlord, the Board shall mail notice to all affected Residents in non-registered Controlled Rental Spaces. The Residents will be informed that, subject to the Board's review of any petition in opposition filed by the Landlord, the Residents in the non-registered Controlled Rental Spaces shall be authorized to withhold rent in an amount set forth by the Board. The Residents shall be authorized to begin withholding the rent thirty-five (35) calendar days from the date the Board mails the notice to the Residents.

D. If the rent for a mobile home space is subsidized pursuant to the Housing Assistance Payments Program (Pub. L. 93-383, Section 8, as amended) then there shall be no penalty for non-payment of any registration fee for the period under which the rent remains subsidized.

CHAPTER 4 -- ANNUAL GENERAL ADJUSTMENT

Section 4.01 General Adjustment

A. On or before November 1st of each year, the Board shall direct staff to determine the percentage increase between the Consumer Price Index-Urban Wage Earners and Clerical Workers, U.S. city average (CPI) reported as of September of the prior year and the month of September of the current year.

B. 1. The Board shall calculate the permissible maximum amount of the annual general adjustment at one-half of one percent (1/2%) less than one hundred percent (100%) of the percentage increase in the CPI determined in Section 4.01.A above. The amount of the permitted increase shall be rounded to the nearest one-tenth of one percent (0.10%).

2. In the event the vacancy control provision (RMC § 9.70.042), or the Prospective Resident rights (RMC § 9.70.044) are invalidated in any way or by any authority, then the Annual General Adjustment formula will revert to seventy-five percent (75%) of the CPI with a four percent (4%) cap, as cited in RMC section 9.70.055.

C. The Board shall not allow an annual adjustment to exceed a maximum of four percent (4%). The amount of a general annual adjustment beyond the maximum allowable cap of four percent (4%) is void and may not be Banked by a Landlord.

D. On or before November 1st of each year, the Board shall announce the amount of the maximum permissible annual general adjustment at a Board meeting.

E. On or before January 1st of each year, the Board/City staff shall notify the Board of any Landlords who are not in compliance with RMC section 9.70.050.D.

F. On or before January 20th of each year, the Board shall mail a notice to each Landlord and to each registered Resident, containing the following information:

1. The amount of the maximum permissible annual general adjustment effective on or after February 1st on the mobile home park's rent anniversary date;

2. Notice that compliance with the provisions of the Ordinance is a precondition to the Landlord's right to impose an annual general adjustment;

3. Notice that Residents may petition the Board for a review of the Landlord's compliance with the Ordinance, as set forth in Chapter 6 of these Regulations; and

4. Under the following circumstances the Board shall provide notice to both Landlords and affected Residents that the Board has determined that the Landlord may not impose the annual general adjustment because the Landlord has not:

a. properly registered;

- b. paid the annual registration fee for all controlled rent spaces within the mobile home park;
- c. complied with an order of the Board or a Hearing Examiner; and/or
- d. Reimbursed the Board for the cost of any landlord petition, as required by Section 8.01(B).

5. Notice that the Landlord may petition the Board as set forth in Section 5.03 of these Regulations to reverse its decision restricting the imposition of the general annual adjustment pursuant to Section 4.01.F.4, above, because the Landlord was or has subsequently come into compliance.

G. In the event that a Resident petition filed pursuant to Section 6.02 of these Regulations is sustained, the permissible general rent adjustment shall take into account the reduction in the value of housing services actually received at the time of the general rent adjustment in the calculation of the new rent.

Section 4.02 Extra Rent Increase for Landlords who Pay for Gas and/or Electricity

A. The extra increase(s) allowed by RMC section 9.70.050.B for Landlords who pay for gas and/or electricity separately charging a Resident may be applied each year on the rental increase anniversary date. Such increase shall become part of the base rent, and may be added to the annual general adjustment such that the total general adjustment may only exceed four percent (4%) by no more than one-half of one percent (0.50%) of the rent for each utility (gas and/or electricity) provided.

B. For the purposes of calculating the maximum allowable annual rent increase, the extra increase(s) for Landlords who pay for Residents' gas and/or electricity shall be considered part of the general annual rent adjustment and shall offset the amount of any individual rent adjustment permitted in the same year.

C. In the event that a Landlord stops paying for gas and/or electricity services, Residents shall be entitled to petition the Board for a pro rata reduction in the general adjustment increase paid for such services, from the date of the discontinuance.

D. Notwithstanding Sections 4.02.A, 4.02.B., and 4.02.C, unless a rental agreement specifically prohibits such practice, effective January 1, 1991 for any new, renewed, or extended rental agreement, the Landlord may bill a Resident separately for Utility fees and charges assessed by the utility for services provided to or for spaces in the park as expressly authorized by Civil Code section 798.41.

E. Any separately billed utility fees and charges shall not be deemed included in the rent charged for those spaces under the rental agreement and shall not be deemed to be rent or a rent increase. If this method of billing is selected and if the utilities had previously been included and billed at the time of the initial billing reflecting the change, the Landlord shall reduce the rent by the amount of the utilities separated from the bill to be billed separately.

CHAPTER 5 -- LANDLORD PETITIONS

Section 5.01 Petition for Net Operating Income (NOI) [RMC § 9.70.060.]

A. NOI Increase: The Ordinance contemplates that the Annual General Adjustment pursuant to RMC section 9.70.050 will provide a Landlord with a fair and reasonable return. However, in the event a rent increase in the amounts allowed under RMC section 9.70.050 does not provide a Landlord with a fair and reasonable return, the Landlord may request an increase in excess of said amounts by filing a petition in accordance with the provisions of RMC sections 9.70.060 and 9.70.070 and Chapter 7 of these Regulations.

A rent increase granted pursuant to a Landlord’s petition for an individual adjustment of rents shall be effective as of the legally noticed effective date of the increase and shall not exceed the increase requested in the petition.

B. Fair and Reasonable Return:

1. A fair and reasonable return is that amount required for the Landlord to maintain the base year net operating income adjusted for inflation.

2. The Board shall permit annual increases in rent such that the Landlord’s net operating income shall be increased by an inflation adjustment factor which is determined to be sixty percent (60%) of the percentage increase in the current consumer price index over the base year consumer price index.

C. NOI Formula: The Board or Hearing Examiner shall determine the amount of the individual rent increase required to provide the Landlord with a fair and reasonable return, according to the following formula:

$$\begin{array}{r}
 \left(\frac{\underline{\hspace{1cm}}}{\text{Inflation Adjustment}} \right) \times \left(\frac{\underline{\hspace{1cm}}}{\text{Increase in CPI Adjustment}} \right) \times \$ \frac{\underline{\hspace{1cm}}}{\text{Base Year NOI}} = \$ \frac{\underline{\hspace{1cm}}}{\text{Inflation Factor}} \\
 \\
 \$ \frac{\underline{\hspace{1cm}}}{\text{Base Year NOI}} + \$ \frac{\underline{\hspace{1cm}}}{\text{Inflation Factor}} = \$ \frac{\underline{\hspace{1cm}}}{\text{Fair Return}} \\
 \\
 \$ \frac{\underline{\hspace{1cm}}}{\text{Fair Return}} + \$ \frac{\underline{\hspace{1cm}}}{\text{Current Operating Expenses}} = \$ \frac{\underline{\hspace{1cm}}}{\text{Required Gross Income to Produce Fair Return}} \\
 \\
 \$ \frac{\underline{\hspace{1cm}}}{\text{Required Gross Income}} - \$ \frac{\underline{\hspace{1cm}}}{\text{Current Year Gross Income}} = \$ \frac{\underline{\hspace{1cm}}}{\text{Total Annual Rent Increase}} \\
 \\
 \$ \frac{\underline{\hspace{1cm}}}{\text{Total Annual Rent Increase}} \div \$ \frac{\underline{\hspace{1cm}}}{\text{Total Number of Spaces}} \div 12 = \$ \frac{\underline{\hspace{1cm}}}{\text{Allowable Rent Increase Per Space Per Month}}
 \end{array}$$

D. Meetings between Landlords and Residents. Nothing in these Regulations shall prevent a Landlord or Residents from exercising their rights under the Mobilehome Residency Law, Article 5, Homeowners Meetings with Management (Civil Code § 798.53).

E. Definitions: For the purposes of this Section 5.01, the following definitions shall be used:

1. Net operating income equals gross income minus operating expenses.
2. Gross income equals the following:
 - a. gross rents computed as gross rental income at one hundred percent (100%) occupancy, including rent received from Residents in Controlled Rental Spaces who are subject to long-term leases; plus
 - b. interest from security and cleaning deposits (except to the extent that said interest is payable to the Residents); plus
 - c. income from services, including but not limited to utility payments received from Residents, garage and parking fees, income from laundry facilities; plus
 - d. all other income or consideration received or receivable for or in connection with the use or occupancy of rental spaces and housing services including, but not limited to, rental of common recreational facilities; minus
 - e. uncollected rents due to vacancy and bad debts to the extent the same are beyond the Landlord's control. Uncollected rents in excess of three percent (3%) of gross rents shall be presumed to be unreasonable unless established otherwise.
3. Operating expenses shall include the following expenses to the extent that they are reasonable:
 - a. License fees;
 - b. Property taxes;
 - c. Utility costs;
 - d. Insurance;
 - e. Management expenses;

Management expense includes both contracted or owner performed management services. Management expense, including owner-performed management services are presumed to equal six percent (6%) of gross income unless otherwise established. Said expenses shall be imputed for properties which are owner managed. Management expenses shall include accounting and advertising, dues and subscriptions, office telephone, office supplies, and printing.

- f. Landlord performed labor;

A Landlord who includes Landlord-performed labor as an operating expense must submit documentation showing the date, time and nature of the work performed. Landlord-performed labor shall be valued at prevailing rates for laborers unless the Landlord can demonstrate sufficient expertise in a craft to justify payment for the labor at a higher rate.

- g. Normal repair and maintenance expenses, including but not limited to janitorial service, landscaping, building and grounds maintenance and refuse removal.

- h. Allowable legal expenses;

Allowable legal expenses shall include attorneys' fees and costs incurred in connection with successful good faith attempts to recover rents owing and successful good faith unlawful detainer actions not in violation of applicable law, to the extent the same are not recovered from Residents.

- i. The amortized cost, plus all points, loan fees, and other customary, non-recurring charges (not including interest), of capital improvements, less any industry rebates, insurance proceeds or other reimbursement for such capital improvement

- j. The amortized cost, plus all points, loan fees, and other customary, non-recurring charges (not including interest), of the cost of rehabilitation, less any industry rebates, insurance proceeds or other reimbursement for such rehabilitation;

- k. Auto and truck expenses;

- l. Employee benefits, including but not limited to worker's compensation, health insurance, bonuses and the value of the rental of a mobile home provided for the use of an employee;

- m. Employee payroll and payroll taxes;

- n. Permits and fees;

- o. Refuse removal; and

- p. Ground lease payments.

- 4. The following are excluded from allowable operating expenses:

- a. Avoidable and unnecessary expense increases since the base year;
- b. Mortgage interest and principal payments;
- c. Fees, penalties and interest awarded for violation of the Ordinance, these Rules, or any other law;
- d. Depreciation of the property;

e. Legal fees, except as provided in Section 5.01.E.3.h, above. Attorneys' fees and all costs incurred in proceedings before the Board, or in connection with civil actions against the Board, are not allowed as operating expenses; and

f. Any expense for which the Landlord has been reimbursed by any security deposit, insurance settlement, judgment for damages, settlement or any other method.

5. Base year, as used in this Section 5.01 is calendar year 1985.

6. Base year CPI shall be the CPI in effect for June 1, 1985, which was 333.2. The Board shall have the power to select a base period other than 1985.

7. Current year CPI shall be the CPI last reported as of the filing of a petition pursuant to this Section 5.01.

8. Base year Net Operating Income shall be determined by subtracting the actual operating expenses for the base year from the gross income realized during the base year.

9. Capital Improvement: shall have the same meaning set forth in Section 5.02.B.

10. Rehabilitation:

a. Costs of rehabilitation means building improvements, major repairs, replacement and maintenance.

b. Costs of rehabilitation shall not include costs of any work done to bring a Controlled Rental Space into compliance with any state or local law where the Controlled Rental Space has not been in compliance from the time of its original construction or installation and such law was in effect at the time of such construction or installation.

c. Costs of rehabilitation, less industry rebates, insurance proceeds or other reimbursement, shall be averaged on a per space basis.

F. Cost of Capital Improvement or Rehabilitation

1. Rate of Return. Based on the petition presented and the evidence presented in support thereof, the Board or Hearing Examiner shall determine whether the Landlord shall be entitled to a fair and reasonable rate of return on any or all of the capital improvement or rehabilitation installed. A fair and reasonable rate of return shall be based on evidence of the interest cost to the Landlord, the cost of interest in the market for comparable projects, and such other evidence that may be presented at the hearing which will assist the Board or Hearing Examiner in determining a fair and reasonable rate of return on the cost of the capital improvement or rehabilitation. Any interest rates reported in evidence to assist the Board or Hearing Examiner in determining a fair and reasonable rate of return shall not be usurious in nature, as defined by the California State Constitution, Article XV - Usury, as amended.

2. Cost of Financing. In the event the Landlord finances part or all of a capital improvement or rehabilitation, the cost of financing may be included as a cost of the capital improvement or rehabilitation but may not otherwise be included as an operating expense. The cost of financing shall be amortized over the established useful life of the capital improvement or rehabilitation and shall be determined as follows: All points, loan fees, and other customary, non-recurring charges, not including interest, assessed against the Landlord to obtain the borrowed funds. These costs shall be added to the cost of the capital improvement or rehabilitation.

3. Recovered Costs. If a rent increase which includes a Landlord's capital improvement or rehabilitation costs is granted by the Board or Hearing Examiner under these Regulations and the Landlord recovers payment for said improvement or rehabilitation, such as any industry rebates, insurance proceeds, or other reimbursement for said improvement or rehabilitation, after the rental increase is collected by the Landlord, the rents shall automatically be reduced. The Landlord shall promptly advise the Board of the amount of the recovery or payment, the date the Landlord became eligible for such payment, and the date the payment was received. The Landlord shall reduce the rent effective the date of reimbursement by the amount of the recovery or payment divided by the remaining amortized useful life of the improvements further divided by twelve (12) and further divided by the number of spaces affected.

4. Amortization. Costs of capital improvements and the costs of rehabilitation shall be amortized on a straight-line basis over their useful lives. The Board or Hearing Examiner shall determine the length of the useful life of each capital improvement or rehabilitation.

5. Discontinuance of Charge for Assessment of Capital Improvement(s) or Rehabilitation Once Cost Recovered. After the cost of the capital improvement(s) or rehabilitation, together with any interest allowed, has been recovered, any charge or cost of the capital improvement(s) added to a formula or part of the rental charge to the Residents from the Landlord, shall be removed from the rental statement by the Landlord.]

6. Failure to Delete Pass-Through Charge. If the Landlord fails to delete the capital improvement or rehabilitation charge from the rental statement and if the Landlord collects a capital improvement or rehabilitation rental charge after the effective date it should have been deleted from the rent amount charged the Residents, the Landlord shall repay the Resident such rental amount collected after the capital improvement or rehabilitation charge should have been deleted from the rental charge. The amount of the repayment to the Resident shall include interest at the same rate charged the Resident. In the alternative, the Landlord shall allow such amount as a credit against future rent until the overcharge has been fully repaid or credited.

G. Presumption of Base Year: For the purposes of determining the rent increase necessary to provide the Landlord with a fair and reasonable return, it shall be presumed that the Net Operating Income received by the Landlord in the base year, provided the Landlord with a fair and reasonable return.

H. Rebuttal to Base Year: The Landlord or Resident may present evidence to the Board or Hearing Examiner to rebut the presumption of fair and reasonable return based upon the base year Net Operating Income as set forth in Section 5.01.G and the Board or Hearing Examiner

may adjust said Net Operating Income accordingly if the Board or Hearing Examiner makes at least one of the following findings:

1. Adjustments to Expenses: The Landlord's operating and maintenance expenses in the base year were unusually high or low in comparison to other years. In such instances, adjustments may be made in calculating such expenses so that the base year operating expenses reflect average expenses for the property over a reasonable period of time. In considering whether the base year net operating income yielded more or less than a fair net operating income, the Board shall consider the following factors:

a. The Landlord made substantial capital improvements during the base year, which were not reflected in the base year rent levels;

b. Substantial repairs were made due to damage caused by an uninsured disaster or vandalism;

c. Maintenance and repair were below accepted standards so as to cause significant deterioration of housing services; and/or

d. Other expenses were unreasonably high or low notwithstanding prudent business practices.

2. Adjustments to Income:

a. Rents during the base year were disproportionately low due to the fact that they were not established in an arms-length transaction or because of other peculiar circumstances; and/or

b. The gross income during the base year was significantly lower than normal because of the destruction of the premises and/or temporary eviction for construction or repairs.

I. Base Year Established: Once the Board or a Hearing Examiner determines the net operating income for the base year, it shall be conclusively presumed as the base year net operating income for all subsequent petitions in subsequent years.

J. Current Year: For purposes of this Section 5.01, "current year" means either the prior full calendar year or the prior fiscal year immediately preceding the date of filing of the petition at the Landlord's option. The Landlord may use either period so long as such choice does not allow any portion of such period to overlap with a previously used current year.

K. Current Net Operating Income: The current net operating income is determined by subtracting the current year operating expenses from the current year gross income.

L. Test for Compliance with Ordinance: Upon determining the allowable rent increase per space in response to a Landlord Petition for Individual Adjustment of Rents, the Board or Hearing Examiner shall conduct a test to determine compliance with RMC section 9.70.060.A.1.h. The steps of the test shall be as follows:

1. Sixty percent (60%) of the percentage increase between the base year CPI and the CPI last reported prior to the effective date of the rent increase shall be determined.

2. It shall be assumed that the Operating Expenses as of the effective date of the rent increase shall equal the Current Year Operating Expenses multiplied by the percentage increase between the last reported CPI of the Current Year and the last reported CPI prior to the effective date of the rent increase.

3. The Gross Income from Rents as of the effective date of the rent increase shall be calculated by adding the portion attributable to rents of anticipated Gross Income to Produce a Fair Return for the Current Year plus the gross income generated by any Annual General Adjustments and any Individual Adjustment of Rents authorized after the Current Year.

4. It shall be assumed that Other Income as of the effective date of the rent increase shall equal the Gross Income to Produce a Fair Return for the Current Year other than from rents multiplied by the percentage increase between the last reported CPI of the Current Year and the last reported CPI prior to the effective date of the rent increase.

5. The Gross Income as of the effective date of the rent increase shall be the sum of Gross Income from Rents and Other Income.

6. The Net Operating Income as of the effective date of the rent increase shall be calculated by subtracting the Operating Expenses as of the effective date of the rent increase as calculated in Section 5.01.L.2 above from the Gross Income as of the effective date of the rent increase as calculated in Section 5.01.L.5 above. The percentage increase between the Base Year Net Operating Income and the Net Operating Income as of the effective date of the rent increase shall be determined.

7. The percentage increase calculated in Section 5.01.L.6 above shall be compared to sixty percent (60%) of the percentage increase in the CPI calculated in 5.01.L.1 above.

8. If the percentage increase calculated in 5.01.L.6 is greater than sixty percent (60%) of the percentage increase in the CPI as determined in 5.01.L.1 above; then the anticipated rent increase shall be reduced commensurably so that the rent increase does not result in an increase in rent such that the Landlord's net operating income shall be increased by more than sixty percent (60%) of the percentage increase in the CPI over the base year.

9. If the adjustment required in 5.01.L.8 is greater than the monthly rent adjusted calculated in accord with the petition process, the Board or Hearing Examiner shall not approve any rent increase.

10. If the percentage increase calculated in 5.01.L.6 is less than or equal to sixty percent (60%) of the percentage increase in the CPI as determined in 5.01.L.1 above; then there shall be no further adjustment of the rent increase.

Section 5.02 Petition to Pass Through Capital Improvement Costs

A. Access to NOI Petition: A Landlord's use of the capital improvements pass-through petition procedure set forth in this Section 5.02 shall not preclude the Landlord from using the net operating income formula allowed in RMC sections 9.70.060 and 9.70.070.

B. Definition of Capital Improvement.

1. "Capital improvement" means an allowable and depreciable expense, provided that:

a. The improvement materially adds to the value of the property and appreciably prolongs its useful life or adapts it to new uses, and which may be amortized over the useful remaining life of the improvement to the property.

b. The term "capital improvements" does not include those costs associated with the normal maintenance and upkeep of facilities and premises which were reasonably intended to be part of the consideration provided by the mobile home park as rent.

c. Substantial rehabilitation of the park that is necessitated as a result of the Landlord's neglect, permissive waste, deferred maintenance, or acts of God shall not be regarded to be capital improvements to the extent that they restore facilities and premises to the conditions reasonably bargained for by the mobile home Residents.

d. Proposed capital improvements claims must set forth an amortization table spreading the cost of the improvement, less any industry rebates, insurance proceeds, or other reimbursement, over its proven useful life. Such costs must be separately itemized, if approved, on the monthly rent invoice, with the applicable expiration date stated.

e. Monthly invoice shall be decreased for such amortized capital improvement expenses at the end of the amortization period. Failure to do so shall be regarded to be an unauthorized increase in rent.

f. Capital improvements must be reasonably related to the operation of the business, appropriate to the use of the property, and for the primary benefit, use and enjoyment of the Residents of the entire park. Costs must be allocated over all of the spaces in the park.

g. It shall be a rebuttable presumption that any item costing one thousand dollars (\$1,000.00) or less is considered an item of expense rather than a capital improvement.

2. Exclusions from Definition of Capital Improvement:

a. Submetered Utility Systems: California Public Utilities Commission ("PUC") Code section 739.5 expressly limits recovery of the costs of owning, operating, and maintaining a submetered utility system to the reimbursement provided by the sub-meter discount. If a Landlord contracts with a utilities supplier at an approved sub-metered rate

and subsequently charges Residents at the higher residential rate approved by the PUC, such Landlord is prohibited by the PUC from further recovery for the costs of owning, operating, and maintaining the submetered utility system. This PUC prohibition also includes the cost of the replacement of the submetered utility system.

b. Coin-operated Facilities. Coin operated equipment, services, or facilities for which a use fee or other charge is imposed on Residents' use (e.g., washers, dryers, vending machines), shall not constitute a capital improvement. These expenses are excluded unless they are offset by revenues from such operation of such equipment, service or facility, such as in a Net Operating Income Petition.

C. Required Meetings between Landlords and Residents. No fewer than fourteen (14) calendar days before commencing work on any capital improvement project for which a Capital Improvement Pass-Through may be requested, Landlord shall hold a mandatory meeting with Residents during which Landlord shall describe the proposed Capital Improvement and disclose that Landlord may seek to pass through the cost of the Capital Improvement by filing a petition pursuant to this Section 5.02. No fewer than fourteen (14) calendar days before the meeting takes place, Landlord shall provide notice of the date, time, and location where the meeting will be held in a manner reasonably calculated to provide notice to all Residents that may be subject to the potential Capital Improvement Pass Through. The meeting shall take place at a time, on a day, and in a place reasonably convenient for the attendance of Residents. After the meeting, Landlord shall generate and make minutes from the meeting available to all Residents that may be subject to the potential Capital Improvement Pass Through. Landlord shall provide notice that such minutes are available in a manner reasonably calculated to provide notice to all potentially impacted Residents that such minutes are available. This provision for a mandatory meeting prior to the installation of a Capital Improvement shall become effective on December 7, 2019.

D. Eligibility to File CIPT Petition. No Capital Improvement Pass-Through ("CIPT") shall be allowed if a Landlord has accepted and retained rent in excess of the amount allowed under the Ordinance until each affected Resident has received, either in cash or as a credit against the Resident's rental account, all rental paid to the Landlord by the Resident in excess of the amount of the rent properly and legally due.

E. Contents of CIPT Petition. Landlord shall be responsible for filing a complete and timely capital improvement pass-through petition ("CIPT Petition"). The CIPT Petition shall be made on a form provided by staff or in a petition containing the items required by Section 5.02.E. The CIPT Petition shall contain the following information:

1. The name, address and business telephone number of the Landlord/applicant together with the name, address and telephone number of the representative(s) of the Landlord responsible for processing the application and responsible for developing and providing the information supporting the application.

2. A description of each Capital Improvement for which the Landlord seeks to recover the cost of. If labor was used in installing or constructing the item, the cost of labor shall be shown as a separate item. The applicant shall present original copies of bills, invoices or checks, or photocopies thereof duly certified as true copies of the originals, supporting the cost of the

Capital Improvement(s) installed. Failure to include documentation required may result in rejection of the application.

3. The estimated life of each proposed Capital Improvement.
4. The proposed amortization schedule for each proposed Capital Improvement.
5. The location of the proposed Capital Improvement to be installed or to be constructed.
6. The reason for the installation or construction of the proposed Capital Improvement.
7. If any of the proposed Capital Improvement(s) were installed with borrowed funds, the amount borrowed, the term of the loan, and all points, loan fees, and other customary, non-recurring charges (not including interest) of the funds borrowed, as outlined in Section 5.01.F.2, Cost of Financing.
8. If the proposed Capital Improvement is subject to recovery costs, such as industry rebates, insurance proceeds, or other reimbursement(s), any calculations or awards shall be reduced by those amounts, as outlined in Section 5.01.F.3 (Recovered Costs).
9. A declaration, signed under penalty of perjury, that the meeting required by Section 5.02.C occurred. The declaration shall attach the written notice provided to Residents of the meeting, and the meeting minutes. Provided, however, that such declaration shall not be required until the effective date of Section 5.02.C.
10. A declaration, signed under penalty of perjury, by the Landlord or his/her/its duly authorized representative that the petition and its contents are true, correct, and complete.
11. A check payable to the City of Rohnert Park for the fee set forth in Section 8.B.1.

F. Limitation on Time for Filing CIPT Petition. A CIPT Petition shall be received by the Board not later than two (2) years after the date the Capital Improvement was completed or installed.

G. Prospective Action of Adopted CIPT Procedures. The requirements imposed by this Section 5.02 shall be prospective only and shall not apply to petitions filed or pending before the Board on December 7, 2019. All petitions for Capital Improvement Pass-Throughs filed before December 7, 2019 shall be governed by the previous version of these Rules.

H. Standards Applicable to the Adjudication of CIPT Petitions:

1. Amortization Schedule. An amortization schedule for each Capital Improvement identified in the CIPT Petition shall be established. In making the determination for each Capital Improvement, the Board or Hearing Examiner may consider, among other things:

- a. The Internal Revenue Code and regulations and guidelines promulgated thereunder;
- b. The estimated useful life of the Capital Improvement(s);
- c. The recommendations of the Landlord;
- d. The Capital Improvement(s) installed; and
- e. Such other considerations that may be brought to the attention of the Board or hearing examiner.

2. Useful Life. It shall be presumed that Capital Improvement(s) shall have a useful life no less than five (5) years, but that presumption may be rebutted. Costs of Capital Improvements shall be amortized on a straight-line basis over their useful lives. The Hearing Examiner shall determine the reasonable useful life of each Capital Improvement.

3. Rate of Return. The Landlord shall be entitled to a fair and reasonable rate of return on any or all of the Capital Improvement(s) installed. A fair and reasonable rate of return shall be based on evidence of the interest cost to the Landlord, the cost of interest in the market for comparable projects, and such other evidence that may be presented at the hearing which will assist the Hearing Examiner in determining a fair and reasonable rate of return on the cost of the Capital Improvement. Any interest rates reported in evidence to assist the Hearing Examiner in determining a fair and reasonable rate of return shall not be usurious in nature, as defined by the California State Constitution, Article XV - Usury, as amended.

4. Cost of Financing. In the event the Landlord finances part or all of a Capital Improvement or rehabilitation, the cost of financing may be included as a cost of the Capital Improvement or rehabilitation but may not otherwise be included as an operating expense. The cost of financing shall be amortized over the established useful life of the Capital Improvement or rehabilitation and shall be determined as follows: All points, loan fees, and other customary, non-recurring charges, not including interest, assessed against the Landlord to obtain the borrowed funds. These costs shall be added to the cost of the Capital Improvement or rehabilitation.

I. Placement of Amount of Charge and Effective Date of Capital Improvement Charge on Resident Rental Statement. The Landlord shall place the amount of the allowed charge for Capital Improvements together with the effective date of its imposition against the Residents, the duration of the charge, and the date the last payment is due on each Resident's rental statement from the date the charge for Capital Improvements is first imposed until the date the last payment for Capital Improvements is due.

J. Limitations On Landlord's Authority to Collect CIPT

1. Reimbursement Required. Notwithstanding Section 5.02.I, no allowed charge for a Capital Improvement may be imposed against any Resident or Controlled Rental Space until the Landlord has paid all fees, and reimbursed the Board for all costs, described in Section 8.01(B).

2. Recovered Costs. If a rent increase which includes a Landlord's Capital Improvement or rehabilitation costs is granted by the Board or Hearing Examiner under these Regulations and the Landlord recovers payment for said improvement or rehabilitation, such as any industry rebates, insurance proceeds, or other reimbursement for said improvement or rehabilitation, after the rental increase is collected by the Landlord, the rents shall automatically be reduced. The Landlord shall promptly advise the Board of the amount of the recovery or payment, the date the Landlord became eligible for such payment, and the date the payment was received. The Landlord shall reduce the rent effective the date of reimbursement by the amount of the recovery or payment divided by the remaining amortized useful life of the improvements further divided by twelve (12) and further divided by the number of spaces affected.

3. Discontinuance of Charge for Assessment of Capital Improvement(s) Once Cost Recovered. After the cost of the Capital Improvement(s) installed, together with any interest allowed, has been recovered, any charge or cost of the Capital Improvement(s) added to a formula or part of the rental charge to the Residents from the Landlord, shall be removed from the rental statement by the Landlord.

4. Failure to Delete CIPT Charge. If the Landlord fails to delete the Capital Improvement charge from the rental statement and if the Landlord collects a Capital Improvement rental charge after the effective date it should have been deleted from the rent amount charged the Residents, the Landlord shall repay the Resident such rental amount collected after the Capital Improvement charge should have been deleted from the rental charge. The amount of the repayment to the Resident shall include interest at the same rate charged the Resident. In the alternative, the Landlord shall allow such amount as a credit against future rent until the overcharge has been fully repaid or credited.

Section 5.03 Petition to Review of Denial of Imposition of Annual General Adjustment

A. Upon receiving notice that the Board has determined that the Landlord may not impose an upcoming annual adjustment, in whole or in part, as set forth in Section 4.01.F.4 of these Regulations, a Landlord may petition the Board for a review of the Board's decision, as set forth in this Section 5.03.

B. Until the Board's final decision on the Landlord's petition, the Landlord may not collect any general annual adjustment, in whole or in part, that the Board has determined may not be imposed, pursuant to Section 4.01.F.4.

C. Expedited Review.

1. On the day after the decision to deny a Landlord the right to impose an annual general adjustment, the Board shall mail to the Landlord and all affected Residents a copy of its decision to authorize the Residents not to pay the annual general adjustment. This decision shall be provided on a form provided by staff.

2. Within five (5) working days of receipt of notice of the Board's decision that a Landlord may not impose an annual general adjustment, the Landlord may petition on a form available from staff, for an expedited review of the determination. All information required by

said form shall be provided by the Landlord and available for review and copying at the office of the Board during normal business hours.

D. Notice to Affected Residents of Petition. Within five (5) working days of receipt of Landlord's petition, the Board shall notify the affected Residents or their representative by mail or other means, of the date set for a hearing.

E. Time of Hearing. Notwithstanding the provisions of Section 7.04, within fifteen (15) working days of receipt of such notice a Hearing Examiner shall hear the petition.

F. Fee. Notwithstanding the provisions of Section 8, there shall be no fee for a petition filed under this Section 5.03.

G. Decision. A decision by the Hearing Examiner shall be issued and mailed to all affected parties or their representatives(s) within ten (10) working days of the conclusion of the hearing.

H. Notice of Appeal Rights. All parties or their representatives shall be given notice, along with a copy of the Hearing Examiner's decision, that the Hearing Examiner's decision may be appealed to the Superior Court of Sonoma County.

Section 5.04 Petition to Review Board Finding that Landlord Failed to Comply with Registration Requirements [RMC§ 9.70.030]

A. Upon receiving a thirty (30) calendar day notice that the Board has decided to authorize the Resident(s) of non-registered Controlled Rental Spaces to withhold all or a portion of their rent, pursuant to Section 3.04.A, the Landlord may file a petition with the Board seeking review of the Board's decision, pursuant to Chapter 7.

B. A Landlord's petition under this section must include every Controlled Rental Space affected by the Board's decision.

Section 5.05 Petition for Review of Board's Authorization to Withhold Rent

A. Failure to Properly Register. The Board, on its own initiative, may notify the Landlord and all affected Residents of the Board's decision to authorize the Resident(s) to withhold all or part of the rent as a result of the failure of the Landlord to properly register a Controlled Rental Space. On the day after the decision, the Board must mail to the Landlord and all affected Residents a copy of its decision to authorize the Residents to withhold rent effective thirty-five (35) calendar days after the date of mailing of the notice. This decision shall be provided on a form that is available from staff.

B. Review of Compliance. Within ten (10) working days of receipt of notice that the Board has decided to authorize the Resident's withholding of rent, a Landlord may file a petition on a form available upon request from staff, for an expedited review of the Board's decision. All information required by said form shall be provided by the Landlord and available for review and copying at the office of the Board during normal business hours. Notwithstanding the provisions

of Section 7.04 of these Regulations the Board shall hear the petition within thirty (30) working days of receipt of said form.

C. Notice to Affected Residents. Within ten (10) working days of receipt of the Landlord's petition, the Board shall notify the affected Residents or their representatives, by mail or other means, of the date set for a hearing before the Board or Hearing Examiner.

D. Fee. Notwithstanding Section 8.01.B, there shall be no fee for a petition filed under this Section 5.05.

E. Decision. A decision by the Hearing Examiner shall be made within fifteen (15) working days of the conclusion of the hearing.

F. Notice of Appeal Rights. All parties or their representatives shall be given notice, along with a copy of the Hearing Examiner's decision, that the decision may be appealed to the Superior Court of Sonoma County.

CHAPTER 6 -- RESIDENT PETITIONS

Section 6.01 General

A. Grounds. Residents may assert in a Resident petition any of the violations of the Ordinance as set forth in this Chapter 6.

B. Form of Petition. All Resident petitions must contain all required information specified on the form that is available upon request from staff.

C. Fees. All Resident petitions must comply with the requirements of Section 8.01.C, concerning the payment of fees.

D. Meetings between Landlords and Residents. Nothing in these Regulations shall prevent a Landlord or Residents from exercising their rights under the Mobilehome Residency Law, Article 5, Homeowners Meetings with Management (California Civil Code 798.53).

E. Hearing Process. All Resident petitions shall be filed, processed and heard in accordance with the applicable provisions of Chapters 6 and 7 of these Regulations.

F. Retaliation. The Landlord shall in no way retaliate against any Resident for the Resident's assertion or exercise of any right under this chapter. In the event of retaliatory action by the Landlord, the Resident is referred to state law and Resident's rights existing under state law. (RMC § 9.70.150).

G. Awards. If, in a decision, the Board or a Hearing Examiner determines that a Landlord or Resident is owed any money as a result of a petition filed under this Chapter 6, then any amount of money owed:

1. Shall be a credit towards the next month(s) rent until the full amount of the credit is received for any Resident who continues to live in a controlled rented space.

2. Shall constitute a debt owed the Resident by the Landlord which may be collected in any manner provided by law for the collection of debts for a prior Resident or a Resident whose tenancy of the Controlled Rental Space ends prior to receiving any or all of the money owed.

3. A Landlord shall be paid by the Resident on or before the next date on which monthly rent is due, after the date of the order.

H. Rent Pending Final Decision on a Petition. Until a final written statement of decision is issued, and all applicable times for appeal have expired, a Resident shall pay the properly noticed rent as of the effective date of the rent increase.

I. Consolidation Not Required. Unless otherwise specified, any Resident petitions authorized by this chapter may be filed at any time and are not subject to a requirement of consolidation of petitions, although at the discretion of the Board or Hearing Examiner they may be consolidated with similar petitions.

Section 6.02 Petition for Rent Adjustment Based Upon Discontinuance or Substantial Reduction of Housing Service

A. General. After a hearing conducted pursuant to the provisions of Chapter 7 of these Regulations, the Board or a Hearing Examiner may order a reduction in a Resident’s base rent pursuant to a finding that the Resident has suffered a discontinuance or substantial reduction of housing service(s) without a corresponding reduction in rent in violation of RMC section 9.70.060.B.1.a.

1. For a Resident to prevail on an allegation of a discontinuance or reduction in housing service, the Resident must prove that notice was given to the Landlord of the discontinuance or reduction in housing service by either:

a. The Resident actually notifying the Landlord in accordance with the terms of the Mobilehome Residency Law (Civil Code § 798.84, as amended); or

b. Demonstrating that there was a housing code violation concerning the alleged discontinuance or reduction in housing service on file with a State or local housing agency five (5) calendar days before the date on which the Resident filed a petition with the Board.

2. All affected Residents that have provided the notice required by Section 6.02.A.1, whether or not they have filed a petition, may receive a reduction in rent if the Board or a Hearing Examiner determines that they have been subject to the discontinuance and/or the reduction in service set forth in the petition.

3. Except in extraordinary circumstances, or where there have been long-term verifiable oral or written notices to a Landlord of a discontinuance or a substantial decrease in services, no rent decrease for over twelve months will be allowed, nor shall consideration be given to an issue that arose prior to one year preceding the filing of the petition. This provision shall not limit any civil remedies that would otherwise be available to a Resident or Landlord.

B. Petition contents. Each allegation of a service reduction or of a discontinuance of a housing service shall be made in a separate petition, signed by the Resident claiming it, and filed with the Board or City staff. Such petition must be filed no later than one (1) year from the date the Resident knew or should have known of the reduction or discontinuance of service. Each petition shall state:

1. the prior level of service established as part of the housing services to be provided by the Landlord for the rental space; and

2. the specific changes in the prior level of service comprising the alleged discontinuance or reduction in service; and

3. the date the alleged discontinuance or reduction in service was first noticed by the Resident; and

4. the date the Resident gave notice to the Landlord of the alleged discontinuance or reduction in service, and whether the notice was given orally or in writing; and

5. the date the Resident gave notice to the Landlord that the Resident requested the alleged discontinuance or reduction in service to be corrected, and whether the request was oral or in writing; and
 6. when and how the Landlord responded to the Resident's notice; and
 7. whether the condition was improved or corrected and if so, when and how;
- and
8. the status of the condition as of the date the allegation is signed by the Resident.

C. Valuation of Discontinuance or Substantial Reduction of Housing Services.

1. Basic Service Level. The Landlord is required to furnish to the Resident a basic level of housing services, herein called the "Basic Service Level." The Basic Service Level for a particular housing service for a particular Controlled Rental Space is established by:

- a. the Mobilehome Parks Act and other applicable codes and statutes;
- b. the Landlord's implied warranty of habitability;
- c. any express or implied agreement between the Landlord and Resident;
- d. the level of service consistent with Subsections a., b., and c., above and implied by:
 - (i) the nature and quality of original construction of improvements, fixtures, and equipment;
 - (ii) the age of the improvements, fixtures, and equipment;
 - (iii) the condition of the improvements, fixtures, and equipment at the beginning of the applicable term of tenancy;
 - (iv) the Landlord's policies of operation and maintenance, repair, and replacement communicated to the Resident at the beginning of the applicable term of tenancy.

2. Service Reductions. A service reduction occurs when the Landlord has breached his obligation to furnish to the Resident the Basic Service Level and the Resident's usability of the premises is therefore measurably reduced.

3. Proof of Service Reductions. The burden of proof of each service discontinuance or reduction in service is on the person alleging the reduction. A service discontinuance or reduction for a particular service for a particular rental space shall be proven as follows:

- a. the person alleging the service reduction shall prove:
 - (i) the Basic Service Level for the particular service for the particular Controlled Rental Space; and
 - (ii) the actual service level for the particular service for the particular Controlled Rental Space; and
 - (iii) that the actual service level is, or was, materially lower than the Basic Service Level; and
 - (iv) that the service reduction existed within the twelve (12) month period immediately preceding the date of filing the petition commencing the proceeding in which the issue is being heard.

b. The burden of proof shall be satisfied by persuading the Hearing Examiner that the fact sought to be proven is more probable than not.

c. The burden of proof shall be met by using evidence only which has a tendency in reason to prove or disprove a disputed fact of consequence in determining the Basic Service Level, or that the actual service level is materially lower than the Basic Service Level.

d. Proof shall be received only for a service discontinuance or reduction alleged in a claim filed with the Hearing Examiner during or prior to the first hearing.

4. Determining Value of a Discontinuance or Reduction in Service. If the Hearing Examiner finds that a discontinuance or reduction in service has occurred which was or is unreasonable under the circumstances, the Hearing Examiner shall determine the monetary value to be assigned to the service discontinuance or reduction in service by applying the following standards and procedures:

a. The Hearing Examiner shall determine the percentage reduction in usability of the Controlled Rental Space caused by the discontinuance or reduction in service commencing with the date on which the service was discontinued or reduced subject to the provisions of Section 6.02.A. and Section 6.02.B.4.a.4.

b. In determining the percentage reduction of usability, the Hearing Examiner shall consider the following factors:

- (i) the area affected;
- (ii) the amount of time the Resident is exposed to the condition;
- (iii) the degree of discomfort the condition imposes;
- (iv) the extent to which such a condition causes Residents to find the premises uninhabitable and leave; and

(v) any other similar factors.

c. The Hearing Examiner shall apply the percentage reduction to the monthly rent, divide by thirty (30), and multiply the resulting sum by the number of days commencing from the accrual date to the date of restoration of the Basic Service Level, to determine the value of the service reduction.

D. Remedies.

1. Past Service Reductions. If the Board or a Hearing Examiner finds that a service reduction or discontinuance of housing services has occurred, then the value of the service reduction will be determined, as set forth in Section 6.02.C and the Residents shall receive a credit for each day they have been subject to the service reduction or discontinuance of housing services without a corresponding reduction in rent until the service was restored. The credit shall be applied against future rent payments.

2. Service Reductions Impacting Prior Residents. If the Hearing Examiner finds a reduction or discontinuance of service which occurred during the occupancy by a previous Resident, then monetary value of the reduction or discontinuance of service shall constitute a debt owed the previous Resident by the Landlord which may be collected in any manner provided by law for the collection of debts.

3. Continuing Service Reductions. If the Board or a Hearing Examiner finds that a service reduction or discontinuance of housing services is continuing as of the final date of the hearing on a Resident's petition, then the Resident shall be allowed to continue to reduce his or her monthly rent payment by the value of the service reduction.

4. Severe Reductions in Service. If the Board or Hearing Examiner determines that a discontinuance or reduction in service is so severe as to jeopardize the health and/or safety of a Resident, then the Board or Hearing Examiner may reasonably condition, disallow, or reduce rent and/or a rent increase based upon the severity of such conditions.

5. Findings. In making any determination that an alleged discontinuance or reduction in service does or does not exist, is reasonable or unreasonable under the circumstances, or has a particular monetary value, or that a Mobilehome Parks Act violation does or does not exist, the Board or a Hearing Examiner shall make and include a specific finding of the facts upon which the determination is based.

E. Restoration of Service Following Final Order. If the Landlord restores a discontinued or reduced housing service after the Board or Hearing Examiner has issued an Order pursuant Section 6.02.D.3 for a continued service reduction, then the Landlord may give the tenant a ninety (90) calendar day notice of the restoration of the rent by an amount equal to the value of the service reduction, to be effective as of the legally noticed date. The legally noticed date must be on or after the date of the restoration of the housing service.

1. If the Resident does not agree with the Landlord that the housing service has been restored in whole or in part, then the Resident (within fifteen (15) calendar days of receipt of notice from the Landlord) may notify the Board and request a hearing to determine whether the

housing service has actually been restored in whole or in part. The hearing will be based on the Resident's prior petition so that the Resident will not be required to pay an additional filing fee.

2. If the Hearing Examiner determines that the discontinued or reduced housing service has been restored, in whole or in part, then the Resident's rent shall be increased accordingly, as of the legally noticed date.

Section 6.03 Petition Regarding Improper Registration

A. The Resident of a Controlled Rental Space, which has not been registered in violation of RMC section 9.70.030, may file a petition on the form available upon request from staff. The petition may request the right to withhold all or a portion of the space rent until the rental space is properly registered. Such action may be taken by the Board on its own initiative. After sustaining a properly filed Resident petition, the Board or a Hearing Examiner may authorize the Resident to withhold all or a portion of the rent for the Controlled Rental Space until the space is properly registered.

B. After the Hearing Examiner finds that a Landlord has complied with the registration requirements of the Ordinance, in determining what if any portion of the withheld rent shall be owed to the Landlord for the period in which the rental space was not properly registered, the Hearing Examiner shall consider such factors as the Landlord's motivation and intent in failing to properly register the controlled space. The Hearing Examiner shall order the Resident to pay any money he or she determines is owed to the Landlord on or before the next date on which monthly rent is due, after the date of the order.

C. The Hearing Examiner may disallow a rent increase demanded, accepted or retained by the Landlord if at the time of the noticed increased or thereafter the Landlord had not properly registered or re-registered the Controlled Rental Space.

D. If the Hearing Examiner determines that a Landlord has demanded, accepted or retained any increase in rent for a Controlled Rental Space which has not been properly registered, the Hearing Examiner shall disallow said increase for the period during which the Controlled Rental Space was not properly registered. Any amount of rental increase paid by the Resident which the Hearing Examiner determines to be disallowed shall be a credit towards the next monthly rent(s) due. If the Resident leaves prior to receiving the full benefit of the credit, the remainder shall constitute a debt owed the Resident by the Landlord which may be collected in any manner provided by law for the collection of debts.

Section 6.04 Petition Regarding Landlord's Failure to Properly Post Notice of Maximum Allowable Rents

A. If a Landlord fails to post the maximum allowable rent for each space, in violation of RMC section 9.70.040.C, and the other information required to be posted by the Board as set forth in Section 2.09 of these Regulations, then the Landlord shall not demand, accept or retain the annual general rent adjustment otherwise permitted by the Ordinance.

B. The Landlord will be permitted to impose the annual general adjustment increase otherwise permitted by the Ordinance effective on the date the Hearing Examiner determines that a Landlord has complied with the posting requirement.

C. Any amount of rent retained by the Landlord prior to compliance with the provisions of this Section 6.04 shall be paid to the Resident as set forth in Section 6.01.G.

D. For a Resident to prevail on an allegation of a Landlord's failure to post a notice of maximum allowable rent, the Resident must give the Landlord thirty (30) calendar days' notice of failure to post, and the violation of the Ordinance must still be in effect before the Resident may file a petition under this Section.

Section 6.05 Petition Regarding Improper Utility Increases

A. 1. A Landlord who provides electricity and/or gas utilities to a Resident without charge as part of an annual general adjustment and who increases the Resident's rent more than one-half percent (0.50%) for each utility provided is not in compliance with RMC section 9.70.050.B.

2. A Landlord who stops providing electricity and/or gas utilities to a Resident without charge, unless (as of the date the utilities are no longer provided) the Landlord deducts the applicable percentage increase in the base rent charged for utilities since the imposition of the last general increase, is not in compliance with RMC section 9.70.050.B.

B. The Hearing Examiner may order the Landlord to repay or credit the Resident any rent improperly collected and retained in accordance with the provisions of Section 6.01.G, above.

Section 6.06 Petition Regarding Improper Banking Increase

A. A Landlord may impose a rent increase based upon allowable accumulated rent increases in the annual general adjustment at any time upon proper notice, after December 31, 1988. Any Landlord who implements a rental increase on a Controlled Rental Space in excess of the allowable accumulated rental increase for any reason, is not in compliance with RMC section 9.70.050.C.

B. An initial annual general adjustment must be imposed in calendar year 1988. No such restriction shall apply after January 1, 1988. Any rent increase imposed under this Section may not be rescinded and re-imposed at a later date.

C. The Hearing Examiner may order the Landlord to repay the Resident any rent improperly collected and retained, and set the maximum allowable rent on the affected Controlled Rental Space(s) in accordance with the provisions of Section 6.01, above.

Section 6.07 Homeowner/Resident Defense to Annual General Adjustment

A. If a Landlord is not in compliance with any provision of the Ordinance, these Regulations, and/or any City health code, building code and/or any applicable State or Local housing, health and safety codes, said Landlord is not in compliance with RMC section

9.70.050.D, and may not demand, accept or retain all or any portion of the Annual General Adjustment.

B. A Resident may file a petition under this Section 6.07 at any time; provided only that the portion of the current rent resulting from the last annual general adjustment prior to filing the petition, which was demanded, accepted or retained in violation of RMC section 9.70.050.D, may be subject to an order by the Hearing Examiner. After giving proper notice, the Landlord shall be entitled to impose the annual general adjustment in rent after the Hearing Examiner determines that the Landlord is in compliance with the provisions of RMC section 9.70.050.D. The annual general adjustment shall not be retroactively imposed.

C. Subject to the limitation imposed in Section 6.07.B, above, the Hearing Examiner may order the Landlord to repay the Resident any rent improperly collected and retained in accordance with the provisions of Section 6.01.G.

Section 6.08 Homeowner/Resident Defense to Individual Rent Adjustment Increase

A. If a Landlord has accepted and retained rent in excess of the amount permitted by the Ordinance, the Landlord shall be in violation of RMC section 9.70.060.B.1.b.

B. A Resident may file a petition under this Section at any time, provided only that the portion of the current rent resulting from the last individual rent adjustment prior to filing the petition which was accepted or retained in violation of RMC section 9.70.060.B.1.b may be subject to an order by the Hearing Examiner. After giving proper notice, the Landlord shall be entitled to impose the individual rent adjustment after the Hearing Examiner determines that the Landlord is in compliance with the provisions of RMC section 9.70.060.B.1.b. The individual rent adjustment shall not be retroactively imposed.

C. Subject to the limitation imposed in Section 6.08.B, the Hearing Examiner may order the Landlord to repay the Resident any rent improperly collected and retained in accordance with the provisions of Section 6.01.G.

CHAPTER 7 -- HEARING PROCEDURES

Except as otherwise set forth in Chapters 5 (Landlord Petitions) or Chapter 6 (Resident Petitions), the provisions of this Chapter 7 govern all hearings before the Board or Hearing Examiner.

Section 7.01 Petitions

Any person who seeks to file a petition on any basis authorized by these Regulations must file a petition on a form available upon request from staff. The completed petition shall be certified as being true, complete and correct under penalty of perjury by the Landlord, the Resident, or his/her/its duly authorized representative for and on behalf of the petitioner at the end of the petition. The Board shall not process any petition until the petitioner has provided all the information called for by the form, paid all applicable fees, and staff has determined that the petition is substantially complete in all material respects.

Section 7.02 Staff Review

A. Petitioner shall be responsible for filing a timely and complete petition. Staff will complete a preliminary review of each petition within ten (10) working days of receipt, and shall provide petitioner with a list of the defects, if any, with the petition. No hearing on petitions which are illegible, incomprehensible, erroneously completed, false, incomplete, or for which the required fees have not been paid will be scheduled.

B. If staff determines that all of the information required on the petition forms has been provided or substantially provided, the required fees have been paid, and the provisions of the Ordinance and these Regulations have been fulfilled, then the petition shall be deemed complete and processed in accordance with this Chapter.

C. The Board or staff may condition acceptance of a petition on the posting of a notice, with a description of the petition and any other matters specified, in a common area of the mobile home park, so as to inform other affected Residents about the petition.

D. After the Board or staff determines that a petition is complete, staff may appoint a Hearing Examiner as set forth in Section 1.03 of these Regulations.

Section 7.03 Notice of Receipt of a Properly Filed Petition

A. Within fifteen (15) working days of the Board's or staff's determination that a petition authorized by these Regulations is complete, staff shall mail to the Landlord and to all affected Residents a notice of receipt of petition, a brief summary describing the relief sought by the petition, and a written notice of the time, date and place of the administrative hearing and the name of the Hearing Examiner assigned to hear the petition.

B. Enclosed with the notice of the hearing shall be:

1. an explanation of the hearing process, including a general description of what will take place, who has the burden of proof, and the types of evidence likely to be useful at the hearing to the responding party;

2. a summary of the rights and responsibilities of the parties before the Board or Hearing Examiner; and

3. A form for parties affected by the petition to respond to the petition in writing. If a party files a response, it must be received by the Board or Hearing Examiner with a copy to the opposing party(ies) within fifteen (15) working days of the Board's mailing notice of the hearing and at least ten (10) working days prior to any pre-hearing conference or hearing. Any response so filed may not be considered as evidence and is not a substitute for appearance at the hearing. In the response a party may include a request that additional documentation be provided.

C. The Hearing Examiner may order production of such relevant documents, to be delivered to the Board office no later than ten (10) working days prior to the date set for the hearing except for a mobile home park inspection report which must be received by the Board no later than five (5) working days prior to the hearing, as set forth in Section 7.10. Such material will be available for copying and inspection during normal business hours.

Section 7.04 Time of the Hearing and Continuances

A. Scheduling. Unless otherwise provided herein, the Hearing Examiner shall hold a hearing to determine whether to grant or deny the petition no later than ninety (90) calendar days from the date the staff determines a petition is complete. Provided, however, that for good cause or if agreed to by the parties, the Hearing Examiner may set the hearing for a date beyond the ninety (90) calendar day period.

B. Date and Time. The hearing may be held during normal business hours or other time convenient, as indicated by the parties. All hearings held during the day will conclude within eight (8) hours and hearings scheduled in the evening will end within six (6) hours.

C. Location. The hearing may be held in City offices or some other place designated by the Board or, if the parties request, at the mobile home park.

D. Continuances. The Hearing Examiner may grant or order not more than two (2) continuances of the hearing for not more than fifteen (15) working days each. Additional continuances may be granted by the Hearing Examiner in extraordinary circumstances provided that the Board must approve such additional continuances.

Section 7.05 Production of Documents and Appearance of Witnesses

A. The failure of a party to produce documents ordered by the Hearing Examiner shall be grounds for the Hearing Examiner to find that the party has not met his/her burden of proof concerning the matters to which the documentation pertains.

B. The failure of a party to provide for the attendance of a witness who was required to attend by the Hearing Examiner shall be grounds for the Hearing Examiner to find that the party has not met their burden of proof concerning the matters on which the witness was called to testify.

Section 7.06 Mobile home Park Inspection

The Board, on its own initiative, or upon a request of a Resident, may conduct an inspection of the mobile home park or timely request that the State or City conduct an inspection of the mobile home park, with any inspection report to be received by the Board no later than five (5) working days prior to the hearing.

Section 7.07 Witness Lists

A. Each party must provide the Board with a list of witnesses expected to be called, with time estimates and a brief description of each witness' expected testimony. Each party must also provide an estimate of the number of people expected to attend the hearing. This information must be provided to the Board no later than ten (10) calendar days before the hearing.

B. At the hearing, the Hearing Examiner may refuse to hear the testimony of any proposed witness not included on a properly filed proposed witness list unless, for good cause shown, the Hearing Examiner determines that the witness should be allowed to testify.

C. Notwithstanding the provisions in Section 7.07.B above, the Hearing Examiner shall not allow the testimony of an expert witness who has not been identified to the Board on a properly filed proposed witness list filed with the Board no later than ten (10) calendar days before the hearing.

Section 7.08 Representation of Parties

A. The parties in any hearing are entitled and encouraged to be represented by a person of the party's choosing. The representative need not be an attorney.

B. Written designation of a representative must be filed with the Board, at or before the first day of the hearing.

C. The written designation of representation shall include a statement that the representative is authorized to bind the party to any stipulation, or other action taken by the representative at the hearing.

Section 7.09 Conciliation

A. At the beginning of the hearing, or any time thereafter, the Hearing Examiner may adjourn the hearing for the purpose of achieving a voluntary agreement through conciliation. Such an agreement may include all or any of the outstanding issues and must then be reviewed by the Hearing Examiner. Such conciliation meeting shall involve the Hearing Examiner serving as conciliator.

B. The Hearing Examiner must fully inform both parties of their rights under the Ordinance as it applies to their case and the Hearing Examiner may ratify the parties' voluntary agreement and adopt it and make it a draft decision by the Hearing Examiner. The Board or City staff shall not subsequently accept a petition involving the same parties and based upon substantially the same facts which formed the basis of the petition which resulted in the voluntary agreement.

C. Nothing in these Regulations shall prevent any party from exercising its rights under the Mobilehome Residency Law, Article 5, Homeowners Meetings with Management (California Civil Code 798.53).

Section 7.10 Conduct of Hearing

A. Public Access to Hearing. The Hearing Examiner shall have the authority to reasonably condition public access. The traditional right to private caucus with each of the parties during a settlement attempt shall be retained. Television and press presence may be reasonably conditioned.

B. Record of Proceedings.

1. All proceedings before the Hearing Examiner shall be recorded by audio tape or other mechanical means. This recording will be the official record of the hearing.

a. Upon request the Board shall order a written transcript of the hearing, at the requesting party's expense. A party who orders a transcript shall provide a copy to the Board without charge and also offer a copy to the adverse party without charge.

b. Upon request, the Board shall order a copy of the audio recording or the official record of the hearing, and make the copy available to the requesting party subject to the payment of a fee to pay for the cost of copying and any handling charge to have the copy made.

C. Party Use of Reporter. A party desiring to preserve a record of a proceeding may employ and have present at the hearing a reporter, provided that copies of any transcript ordered are supplied to the Board without charge and also offered to the adverse parties without charge.

D. Stipulations. The parties, by written stipulation filed with the Hearing Examiner, may agree upon the facts or any portion thereof involved in the hearing. The parties may also stipulate as to the testimony that would be given by a witness if the witness were present. The Board or Hearing Examiner may require additional evidence on any matter covered by stipulation.

E. Burden of Proof. The burden of proof, by the preponderance of the evidence, shall be on the petitioning party.

F. Limitations on Claims. To avoid surprise at the hearing and to provide due process to the parties, neither party shall be allowed to raise additional claims not contained in their petition during a hearing unless upon good cause shown and the granting of a continuance if requested by the opposing party.

G. Ex Parte Communications. There shall be no communications regarding any pending case outside of the hearing between a member of the Board or the Hearing Examiner assigned to the case and any party, representative or witness in any case pending before the Board or Hearing Examiner until the hearing has been completed and a written decision issued in the case, except for discussions about requests for a continuance, a request for a building inspection, an order by the Board or a Hearing Examiner to produce evidence or a permissible private caucus during the hearing process. The Board or Hearing Examiner shall, as expeditiously as possible, provide the other party with notice of the ex parte communication and may grant a continuance if justified.

H. Failure of Party to Appear and Postponements.

1. If a Landlord files a petition and then fails to appear or to be represented at any hearing, the Hearing Examiner must determine the proposed adjustment or increase to be unreasonable or deny any other relief requested, subject Section 7.10.H.3. If a Resident fails to appear at a hearing on a Landlord petition, the written determination of the Hearing Examiner will apply to all affected Residents irrespective of whether or not such Residents or their representatives have participated in the hearing(s).

2. If a Resident fails to appear or be represented at a hearing on a Resident petition, then the Hearing Examiner must dismiss the petition, subject to the provisions of 7.10.H.3.

3. If a petitioning party does not attend a hearing and subsequently requests rescheduling of the hearing within four (4) working days after the scheduled date and submits proof that the party was unable to attend the scheduled hearing due to reasons beyond the party's control, the Hearing Examiner may reschedule the hearing. A Landlord or Resident -- in a case involving three (3) or fewer Residents -- shall be allowed a postponement of the hearing one time only for reasonable cause, when the request is made at least five (5) working days before the scheduled hearing date.

I. Oaths. The Hearing Examiner shall have the power and authority to require and administer oaths or affirmations where appropriate, and to take and hear evidence concerning any pending matter.

J. Rules of Evidence. The rules of evidence generally applicable in the courts shall not be binding on a Hearing Examiner. Hearsay evidence and any and all other evidence which is deemed relevant and proper may be admitted and considered, provided that no finding of fact shall be based solely on hearsay evidence unless such evidence would otherwise be admissible under the California Evidence Code. Cumulative evidence or evidence that is not relevant shall be excluded upon order of the Board or Hearing Examiner.

K. Presentation of Evidence. Any party or such party's representative, designated in writing by the party, may appear at the hearing to offer such documents, oral testimony, written declarations and/or other evidence that may be relevant to the proceedings.

L. Order of Proceedings. The hearing on a petition shall ordinarily proceed in the following order, with all witnesses subject to cross examination by the opposing party:

1. Presentation by or on behalf of petitioner, if the petitioner wishes to expand upon material contained in the petition, including calling witnesses on behalf of the petitioner.

2. Presentation by or on behalf of opponents to the petition including calling any witnesses on behalf of the opponents.

3. Rebuttal by petitioner.

4. Rebuttal by opponents.

M. Speaker's Presentation. Each speaker's presentation shall be to the point and shall be as brief as possible. Visual and other materials may be used as appropriate. The Hearing Examiner may establish reasonable time limits for presentations, which time limits will be made known prior to any hearing.

N. Hearing Record. The Hearing Examiner shall keep on file an official record, which shall constitute the exclusive record for decision, and which shall include:

1. A copy of the petition;

2. Any response to the petition;

3. Exhibits, papers, and documents offered either before or during the proceeding;

4. A list of participants present;

5. A summary of all testimony accepted in the proceeding.

6. A statement of all materials officially noticed;

7. All findings of fact and conclusions of law;

8. All final or recommended decisions, orders, or rulings.

O. Hearing Record Held Open. The hearing record may be held open by the Hearing Examiner for ten (10) working days after completion of the last day of the hearing to allow for written submissions by the parties. The Hearing Examiner may allow only one (1) submission or allow a submission and a response within the ten (10) working day period.

P. Hearing Record Public. The hearing record is a public record and may be inspected and copied by any person.

Section 7.11 Decisions of the Hearing Examiner

A. Statement of Decision. The Hearing Examiner shall complete a written statement of decision together with written findings of facts and conclusions of law upon which such decision is based. Upon receiving the statement of decision, Staff shall promptly mail to all parties or their representatives a Notice of Decision that briefly summarizes the Hearing Examiner's principal

findings and the relief (if any) granted, provides instructions on how to obtain a full copy of the final written statement of decision, and informs the parties of their right to appeal pursuant to Section 7.12. All materials shall be readily available at City Hall or on the City's website.

B. Purpose of Decision. The Hearing Examiner's allowance or disallowance of any rent level or proposed rent adjustment, increase, or portion thereof, or application of interest on postponed award, may be reasonably conditioned in any manner necessary to effectuate the purpose of the Ordinance and these Regulations. If a lump sum payment is deemed a hardship on the paying party(ies), the Hearing Examiner retains the authority to stipulate the terms of payment.

C. Accrual of Interest on Petition Award. Interest may begin accruing on the award (whether Landlord or Resident) effective thirty (30) calendar days after the Board's final decision or thirty (30) calendar days after the effective date of the award, whichever is later, and shall end when accrued amount is paid. The interest shall be calculated on the accruing balance. Such interest on award shall be that set by the Board or Hearing Examiner as follows:

1. Final Calculation of Interest on Petition Award. In order to collect interest on petition award, the prevailing party (Landlord or Resident) shall submit such claim, including the spaces affected, to the Board: 1) thirty (30) calendar days after the Hearing Examiner's final decision or thirty (30) calendar days after the effective date of the award, whichever is later, or 2) after a final decision is received on an appeal to a higher court. Within ten (10) working days, staff shall present to the Board the verified accrued petition award, any interest on award that was set according to Section 7.11.C.2, and a list of the rent control spaces affected. The Board shall determine and approve the final calculation, and retains the authority to stipulate the terms of payment. Any lump sum repayment on monthly bills shall be listed separately, shall include the expiration date, and will not add to base rent.

2. Determination of Interest Rate on Postponed Award. The following awards are excluded from this provision: amortization schedule(s) in net operating income petitions or CIPT Petitions, which are already accompanied by a separate determination of a fair and reasonable rate of return. If an award is made by the Hearing Examiner, he/she/they may determine an interest rate that shall be applied to the postponed payment of such award, effective thirty (30) calendar days after the Board's final decision or thirty (30) calendar days after the effective date of the award, whichever is later. Such rate shall not exceed ten percent (10%) per annum, to be determined based on evidence of interest cost to the Landlord or Resident(s), the cost of interest in the court system for comparable awards, and such other evidence that may be presented at the hearing which will assist the Hearing Examiner in determining an equitable interest rate.

Section 7.12 Appeal to the Board

A. Notice of Appeal. Except as otherwise provided in Chapter 5 (Landlord Petitioners) or Chapter 6 (Tenant Petitions), within ten (10) working days of the date on which the Hearing Examiner's Notice of Decision is mailed, any party seeking a review of the Hearing Examiner's decision shall submit a Notice of Appeal on a form provided by Board staff together with the Appeal Fee set forth in Section 7.12.E. The Notice of Appeal shall be in writing and must state why appellant believes there was either error or abuse of discretion by the Hearing Examiner. Staff

shall mail a Notice of Receipt of Appeal within five (5) calendar days to all affected parties or their representatives, along with information concerning the appellate process.

B. Effect of Appeal. The filing of a timely Notice of Appeal with the Board stays the effect of a Hearing Examiner's decision.

C. Review of Appeal. After receiving a Notice of Appeal, the Board shall meet and review the appeal. All interested parties shall receive prior notification of such meeting. At the review, the Board shall review the hearing record (as defined in Section 7.10.N), any input the Board has requested from staff and/or the City Attorney, and any submission from the parties and may take any of the following actions:

1. Reject the appeal and inform the parties of their rights to appeal the Hearing Examiner's decision to the Superior Court of Sonoma County.

2. Remand the case to the Hearing Examiner with instructions on how to correct the written statement of decision. The Hearing Examiner may, but is not required to, schedule a further hearing. Such a hearing upon remand is subject to the same regulations as an initial hearing on the petition.

3. Vacate the award in whole or in part and return the case for a new hearing before a different Hearing Examiner. Such a hearing upon remand is subject to the same regulations as an initial hearing on the petition.

4. Continue the Board's review to a subsequent date.

D. Notice of Decision on the Appeal. Within fifteen (15) calendar days of the Board's final decision pursuant to Section 7.12.C, the Board shall issue a Notice of Decision to all interested parties to the petition. At the same time, each party to the proceeding or their representatives shall be notified of their right to an appeal from the Board's decision to the Superior Court of Sonoma County. An appeal of a Board decision would be filed directly with the Superior Court pursuant to California Civil Procedure. Current state law provides ninety (90) calendar days for such filing from date of final decision (California Code of Civil Procedure section 1094.6, as may be amended). Each party is responsible to comply with court filing deadlines currently in effect. [

E. Appeal Fee. An appeal fee in an amount set forth by Resolution of the Board is required for an appeal to the Board unless a waiver is granted under Section 8.04.D. The appellant shall pay actual cost for staff time, additional Hearing Examiner time, or other actual expenses relative to the appeal. These actual costs will be billed at the conclusion of the appeal.

All or part of the costs of the appeal may be waived by the Board at its discretion.

CHAPTER 8 -- FEES, DEPOSITS AND REIMBURSEMENTS

Section 8.01 Annual Fee. The annual registration fee provided for in RMC section 9.70.030.N, and which each Landlord of a controlled space must pay in conjunction with registering each of their controlled spaces, shall be determined by the Board.

Section 8.02 Fees for Landlord Petitions

A. Unless otherwise provided herein, each Landlord petition filed pursuant the Ordinance of these rules shall be accompanied by the deposit of a fee for processing costs which amount shall be set by Resolution of the Board. If during the processing of a Landlord Petition this deposit amount goes below \$5,000, staff may request replenishment of the deposit account to assure that sufficient funds are available to pay for processing costs.

B. Upon a final decision of the Board or Hearing Examiner (prior to any appeal to Superior Court), the Board shall determine the reasonable actual cost of processing the Landlord's petition. The actual cost of processing the Landlord's petition shall include, but not be limited to:

1. any fee paid to a Hearing Examiner and/or City Attorney;
2. cost of City/Board staff to process the petition;
3. rent for hearing space;
4. cost of audio and video production and recording; and
5. such other reasonable expenses as determined by the Board.

C. If the reasonable actual cost of processing the Landlord's petition is less than the fee deposited, the Board shall refund the difference to the petitioner. If the actual cost of processing the Landlord's petition is greater than the fee deposited, the Board shall bill the petitioner for the difference.

D. In addition to the deposit fee, each Landlord petition shall be accompanied by an executed Reimbursement Agreement, which shall contain the following provisions:

1. Provisions for the creation of a deposit account.
2. Language obligating the Landlord petitioner to make additional deposits into the deposit account as deemed necessary by the Board.
3. Language indicating that if any provision of the Reimbursement Agreement is not followed, then after ten (10) days of non-compliance all processing of the petition shall cease until such time that compliance is resumed.

E. Before the scheduling of any Board meeting or any hearing by the Board or a Hearing Examiner to consider a Landlord petition, the deposit account shall be in good standing.

Sufficient funds shall be available to cover the costs of staffing and conducting the meeting or hearing and related noticing and other processing costs.

F. A Landlord petition fee shall not be passed through to any Resident, nor shall it be included as an operating expense in the determination of net operating income.

Section 8.03 Fees for Resident Petitions: Each of the Resident petitions listed in Chapter 6 of these Regulations shall be accompanied by payment of a fee of fifty dollars (\$50.00). If one Resident files a petition and pays the fifty dollars (\$50.00) fee for a common problem that also affects other Residents, the other affected Residents may receive the benefit of the decision without each paying the fifty dollars (\$50.00) filing fee. However, such affected Residents will not have the status of parties in the hearing process and their participation in the hearing, including their possible testimony, will be determined by the Resident who paid the filing fee and who is a party. Any affected Resident may participate as a party in a proceeding in which the Resident may be affected by filing a separate petition, paying the fifty dollars (\$50.00) filing fee and requesting consolidation of the petition with any similar petition(s).

Section 8.04 Fee Waivers

A. The filing fees required of any petitioner shall be waived for an individual who files an affidavit under penalty of perjury stating that he or she is an indigent person who does not have and cannot obtain the money to pay the filing fee without using money needed for necessities of life.

B. An individual who receives assistance under any one or more of the following programs is entitled to a waiver of the petition fee:

1. the Supplementary Security Income and State Supplemental Payments Programs;
2. the Aid to Families with Dependent Children Program;
3. the Food Stamps Program;
4. County Relief, General Relief or General Assistance; or
5. An individual and/or family (adjusted for size) with a gross monthly income less than or equal to the Very Low Income Limits”, as established by the U.S. Department of Housing and Urban Development (HUD) for the State of California. These income limits are published each year by the California State Department of Housing and Community Development, Division of Housing Policy Development, Sacramento, California (916-323-3176).

C. Any or all costs and fees associated with a Landlord or Resident Petition, and/or any associated appeals before the Board, may be waived by the Board in its sole and absolute discretion.

CHAPTER 9 -- DEFINITIONS

The following definitions include those contained in RMC section 9.70.020.

ANNIVERSARY DATE:	After calendar year 1988, the date on which a rent increase becomes effective (excluding Banked increases). The next allowable increase shall take effect no less than one (1) year from the anniversary date (excluding Banked increase).
BANKING:	Means any Consumer Price Index rent adjustment, or other adjustment authorized by the Ordinance or these Regulations, that Landlord chooses to delay imposing in full or part, and which may be imposed at a later date, subject to restrictions set forth in the Ordinance and/or these Regulations.
BASE RENT:	That rent which was charged for a Controlled Rental Space on December 1, 1985, or the initial rent on a Controlled Rental Space in a new mobile home park created after December 17, 1987, plus any increases and adjustments allowable and imposed under the Ordinance or these Regulations.
BASE RENT CEILING:	The maximum allowable rent established by the rollback of rents described in RMC section 9.70.040(B). (RMC § 9.70.020.A.)
BASE YEAR NOI:	The net operating income for the calendar year 1985, or as it has been adjusted for the year by the Board or a Hearing Examiner.
BOARD:	The rent appeals board established by RMC section 9.70.030.
CAPITAL IMPROVEMENT	See Section 5.02.B for definition.
CAPITAL IMPROVEMENT PASS-THROUGH (“CIPT”):	A capital improvement pass-through is the amount which a Landlord is allowed to pass through to a Resident to recover the cost of a capital improvement as defined and determined by the Rent Appeals Board pursuant to Sections 5.05 through 5.14 of these Regulations.
CITY:	Rohnert Park, California
CONSUMER PRICE INDEX	The Consumer Price Index for Urban Wage Earners and Clerical Workers, U.S. city average as published by the federal Bureau of Labor Statistics San Francisco-Oakland area. (RMC § 9.70.020.H.)
CONTROLLED RENTAL SPACE:	Every mobile home space and use of its clubhouse, pools, sauna, jacuzzi and other public areas within the City of Rohnert Park not under long-term lease as defined in Civil Code Section 798.17. (RMC § 9.70.020.D.)
HEARING EXAMINER:	An individual that is qualified to conduct hearings in accordance with the Ordinance and these Regulations as determined by the Board. Hearing Examiners may be

	volunteers, Rent Board staff, City employees, or independent contractors.
RESIDENT	A homeowner, resident, subtenant, lessee, sublessee, or any other person entitled under the terms of the rental housing agreement to the use or occupancy of any rental space. (RMC § 9.70.020.G.)
HOUSING SERVICES:	Those services provided in connection with the use or occupancy of a Controlled Rental Space including but not limited to repairs, replacement, maintenance, painting, light, heat, water, storage, laundry facilities and privileges, janitorial service, refuse removal, furnishings, telephone, parking, cable TV and any other benefits, privileges or facilities.
IN-PLACE TRANSFER	A mobile home coach transferred by the Resident to another with the mobile home coach remaining on the space. [RMC § 9.70.020.L.)
INFLATION FACTOR	Sixty percent (60) of the percentage increase in the CPI (which is determined by subtracting the June 1, 1985 CPI from the CPI last reported as of the filing of the petition) multiplied by the net operating income for the base year.
LANDLORD:	The legal owner of a mobile home park within the City of Rohnert Park and any agent or representative authorized to act on its behalf.
LEGALLY NOTICED DATE OF INCREASE:	The date contained in a written notice of an increase in rent to a home-owner/resident which complies with the provisions of California Civil Code Section 798.30 (ninety (90) calendar day notice).
LONG-TERM LEASE:	A rental agreement, the terms of which comply with all of the provisions of California Civil Code Section 798.17, including that the term of the agreement is in excess of twelve (12) months duration and that the agreement is for the personal and actual resident of the Resident.
MAXIMUM ALLOWABLE RENT	The maximum dollar amount allowed to be charged for each Controlled Rental Space under the Ordinance.
MOBILEHOME PARKS ACT	The provisions of California Health and Safety Code Sections 18200 et seq.
ORDINANCE	Chapter 9.60 of the Rohnert Park Municipal Code entitled “Mobile Home Ordinance.”
PASS-THROUGH:	A charge or addition to the Resident’s monthly rental statement from the Landlord, which is not part of the Resident’s base rent but which the Landlord is allowed to pass through to the Resident for payment because of an existing law, rule or regulation or because the charge is the responsibility of the Resident. Examples of pass-throughs are the annual registration fee, utility charges or increases in utility charges.

PROSPECTIVE RESIDENT	A person who is not currently a resident in a mobile home park but is a prospective mobile home space resident who desires the use of a mobile home space and has presented himself/herself to the Landlord/management as such, or who is a current resident in a mobile home park who desires to occupy another mobile home space in that park. (RMC § 9.70.020.K.)
REGISTRATION FEE:	The Registration Fee is the fee authorized by RMC section 9.70.030.N. It is not rent but may be passed through to the Residents and collected with the monthly rent. The Registration Fee may be prorated over the year.
REGULATIONS	The Rules and Regulations adopted by the Board, as amended.
RENT:	A. The consideration, including any bonus, benefit or gratuity, demanded or received by a Landlord for or in connection with the use or occupancy of a Controlled Rental Space (including all housing services, as defined in this chapter of these Regulations), or in connection with the transfer of a lease of the Controlled Rental Space. B. Rent shall not include charges for gas and/or electricity, provided to a Controlled Rental Space and where the Landlord provides both master meter and sub-meter service of gas and/or electric utilities and such charges are billed separately. C. Rent shall not include the Registration Fee authorized by RMC section 9.70.030.N.
RENT ADJUSTMENT:	An increase or decrease in rent pursuant to the provisions of RMC sections 9.70.050 and/or 9.70.060 of the Ordinance, excluding the provisions of RMC sections 9.70.050.B and 9.70.050.C (increases based upon the provision of gas and/or electricity by the Landlord, and/or Banking, respectively).
RENT CEILING:	The limit on the maximum allowable rent which a Landlord may charge on any Controlled Rental Space. (RMC § 9.70.020.F.)
RENT INCREASE:	Any rent demanded of or paid by a Resident occupying a Controlled Rental Space in excess of rent paid for the Controlled Rental Space immediately prior to such demand or payment. Rent increase includes any reduction in housing services provided for the use or occupancy of a Controlled Rental Space without a corresponding reduction in the monies demanded for or paid as rent.
RENTAL HOUSING AGREEMENT	An agreement, verbal, written or implied, between a Landlord and a Resident for use or occupancy of a rental space for housing services. (RMC § 9.70.020.E.)
UTILITIES:	Utility services are natural gas, liquid propane gas, electricity, water, cable television, garbage, refuse and sewer.

WORKING DAY:	Monday through Friday, except for federal or state holidays.
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