

City of Corona

Mobilehome Park Rent Stabilization Ordinance Rules & Regulations





Table of Contents

| ARTICLE 1 – PURPOSE OF ORDINANCE REGULATIONS | 1 |
|--|----|
| ARTICLE 2 – PROGRAM ADMINISTRATION AND CITY RESPONSIBILITIES | 2 |
| ARTICLE 3 – HOMEOWNER REPRESENTATIVES | 3 |
| ARTICLE 4 – NOTIFICATIONS | 4 |
| ARTICLE 5 – CPI RENT INCREASES | 5 |
| ARTICLE 6 – CAPITAL IMPROVEMENT RENT INCREASES | 7 |
| ARTICLE 7 – FAIR RETURN RENT INCREASES | 11 |
| ARTICLE 8 – HOMEOWNER PETITION RENT ADJUSTMENTS | 16 |

ARTICLE 1 – PURPOSE OF ORDINANCE REGULATIONS

Section 1. Purpose. The City of Corona ("City") Mobilehome Rent Stabilization Ordinance ("Ordinance") establishes local regulations that limit Mobilehome Space rent increases in Mobilehome Parks located within the City, applying to all tenancies in such Mobilehome Parks except as expressly exempted under California Mobilehome Residency Law and Section 5.47.040 of the Ordinance. The purpose of this Ordinance is to protect Homeowners from excessive rent increases that could threaten housing stability, while at the same time preserving the Park Owners' right to obtain a just and reasonable return on their investment.

Section 5.47.050 of the Ordinance authorizes the City Manager to establish, revise, and maintain Mobilehome RSO Rules & Regulations ("Regulations") to aid in the implementation of the Ordinance. The Regulations supplement the Ordinance by establishing the administrative rules, procedures, and forms required under the Ordinance. No person shall fail to comply with these Regulations. All defined terms used in the Ordinance have the same meaning and definition in these Regulations.

ARTICLE 2 – PROGRAM ADMINISTRATION AND CITY RESPONSIBILITIES

<u>Section 1. Purpose.</u> The purpose of this Article is to establish the roles, responsibilities, and authority of the City and its designated officials in the administration and enforcement of the Ordinance.

<u>Section 2. Designated Department.</u> The City of Corona Housing and Homeless Solutions Division of the City Manager's Office ("Department") is designated by the City Manager to administer and oversee the provisions of the Ordinance. Any successor department designated by the City Manager shall assume these responsibilities.

<u>Section 3. Contact Information and Communication Standards.</u> All submissions regarding the Ordinance shall be emailed to <u>RSO@CoronaCA.gov</u> or directed to:

City of Corona
Attn: Housing and Homeless Solutions Division – Mobilehome Rent Stabilization
400 S. Vicentia Ave
Corona, CA 92882

ARTICLE 3 – HOMEOWNER REPRESENTATIVES

<u>Section 1. Purpose.</u> The purpose of this Article is to establish the procedures related to Homeowner Park Representatives elected pursuant to Section 5.47.110 of the Ordinance.

<u>Section 2. Election.</u> Homeowners of each Mobilehome Park are responsible for organizing the election of their Homeowner Park Representative. However, choosing a Homeowner Park Representative is optional.

<u>Section 3. Role.</u> The Homeowner Park Representatives' role is to assist the Department in communicating with Homeowners about rent increases, petitions, and other updates affecting their Mobilehome Park. Homeowner Park Representatives also participate in the tally of ballots for Capital Improvement Votes for their Mobilehome Park.

<u>Section 4. Responsibilities.</u> The responsibilities of each Homeowner Park Representative are as follows:

- A. **Contact Information.** Within five (5) business days of election, send an email to RSO@CoronaCA.gov providing the following: their name, name of their Mobilehome Park, mailing address, email address, and phone number, as well as their preferred method of communication and primary language spoken.
- B. **City Communications**. Use their reasonable best efforts to help the City communicate all Department notices and other relevant communications to all of the Homeowners in their Mobilehome Park. Each Homeowner Park Representatives must have access to email and a phone, but they are <u>not</u> required to have access to a computer, copier, or scanner. Homeowner Park Representatives are <u>not</u> expected to print documents for other Homeowners or incur any costs to fulfill their responsibilities. They are welcome to communicate with other Homeowners via email, text, phone, in-person communication, or whichever other method they deem most accessible, efficient, and effective.
- C. Capital Improvement Vote Ballot Tally. At the close of the voting period for each Capital Improvement Vote for their Mobilehome Park, be present during the Park Owner's tally of the ballots.

ARTICLE 4 – NOTIFICATIONS

<u>Section 1. Purpose.</u> The purpose of this Article is to establish procedures for providing notice of the Mobilehome Rent Stabilization Ordinance pursuant to Section 5.47.100 of the Ordinance.

Section 2. Copy of Chapter Requirements. For purposes of the Ordinance requirement to provide a "copy of this chapter, in English, Spanish, or any other language specified in the Mobilehome RSO Rules & Regulations" to current and prospective Homeowners, the Park Owner may choose to provide an electronic copy by sharing the below link and Quick Response code ("QR Code") to the City's RSO webpage where the Ordinance is available in English and Spanish. However, if a current or prospective Homeowner requests a hard copy of the Ordinance, the Park Owner must provide them a hard copy of the complete Ordinance in English or Spanish, as elected by the Homeowner, within ten (10) business days of the request. Pursuant to Section 5.47.100(A), each Park Owner must also post and maintain a hard copy of the complete Ordinance in the Park Notice Posting Locations.

Use of the link and/or QR Code to the City's RSO webpage is optional. Alternatively, a Park Owner may provide current and prospective Homeowners a hard copy of the complete Ordinance in English or Spanish (whichever language is elected by the current or prospective Homeowner) in order to meet the Ordinance requirement.

Link to City of Corona Webpage with the Ordinance in English and Spanish:

https://www.coronaca.gov/departments/city-managers-office/housing/mobile-home-rent-stabilization-ordinance

QR Code to City of Corona Webpage with the Ordinance in English and Spanish:



<u>ARTICLE 5 – CPI RENT INCREASES</u>

Section 1. Purpose. The purpose of this Article is to establish the procedures and requirements for CPI Rent Increases pursuant to Section 5.47.130 of the Ordinance. "CPI" stands for Consumer Price Index, which is one of the U.S. government's official measurements of inflation.

Section 2. Annual Period. The Department will post on the City's website the maximum allowable CPI Rent Increase percentage no later than the last business day of February each year ("current year"), provided that the U.S. Bureau of Labor Statistics has published the CPI figure for January of the same calendar year for the Riverside–San Bernardino–Ontario area. The CPI data for the Riverside–San Bernardino–Ontario area is published at the following link: https://data.bls.gov/timeseries/CUURS49CSA0

Beginning on the first business day of March of the current year and ending on the last business day of the following February, Park Owners may submit a CPI Rent Increase Certification Form for any CPI Rent Increases they intend to impose between July 1 of the current year and the last day of June of the following year. CPI Rent Increases that are not submitted for certification within this annual filing window may not be imposed, carried over to a future year, or banked. This annual schedule applies every year.

Section 3. Request for Certification of CPI Rent Increase. Park Owners shall submit a single, comprehensive CPI Rent Increase Certification Form covering all Mobilehome Spaces for which such increases are sought between July 1 of the current year and the last day of June of the following year. The request must identify the exact amount of the requested CPI Rent Increase for each Mobilehome Space and the proposed effective date for each Mobilehome Space. The request may indicate different proposed effective dates for individual Mobilehome Spaces, provided that each rent increase complies with the twelve (12) month interval requirement described in Section 5.

Section 4. Request for Additional Information. Prior to certifying a Park Owner's CPI Rent Increase Certification Form, the Housing Supervisor may request in writing that a Park Owner submit monthly rent rolls for each Mobilehome Space in the Mobilehome Park covering a specified time period. The Park Owner shall submit the requested information within five (5) business days of the request.

Section 5. Minimum 12-Month Interval Between Rent Increases. A Park Owner may not impose a new CPI Rent Increase on any Mobilehome Space until at least twelve (12) months have elapsed since the latter of (a) the most recent rent increase imposed on that Mobilehome Space prior to the effective date of the RSO and (b) the most recent CPI Rent Increase imposed on that Mobilehome Space. All proposed effective dates under this Article must comply with this twelve-month requirement.

<u>Section 6. Online Posting of Certification Notices</u>. The Department may, at its discretion, post a summarized version of the City-certified rent increases on the City's website that provides the applicable CPI Rent Increase percentage and general rent increase information by Mobilehome Park, while retaining the detailed space-specific rent increases in its administrative file and in the notice provided to Park Owners and Homeowner Park Representatives.

<u>ARTICLE 6 – CAPITAL IMPROVEMENT RENT INCREASES</u>

<u>Section 1. Purpose.</u> The purpose of this Article is to establish the procedures and requirements for Capital Improvement Rent Increases pursuant to Section 5.47.140 of the Ordinance.

<u>Section 2. Supporting Documentation.</u> Capital Improvement Petitions must be accompanied by supporting documentation as specified on the Department's form (e.g., contracts, invoices, receipts, permits, proof of payment). Petitions without all required documentation may be deemed incomplete. Each claimed cost must be substantiated with an invoice and corresponding proof of payment, and any related permits or approvals must be included. The Department may also request additional documentation beyond what is listed on the form if circumstances warrant further verification.

Section 3. Capital Improvement Vote. A Capital Improvement Vote must be held prior to the commencement of construction of one or more new Capital Improvements Subject to Vote if the Park Owner intends to request a Capital Improvement Rent Increase to be reimbursed by the Homeowners for up to 50% of the cost. A Capital Improvement Vote is not required for capital improvements that are replacement or substantial reconstruction of existing improvements of facilities. To ensure that the Capital Improvement Vote is conducted fairly and consistently across all Mobilehome Parks, the following procedures apply:

- A. Notice of Proposed Capital Improvement Subject to Vote. Before conducting a Capital Improvement Vote, the Park Owner shall distribute a written Notice of Proposed Capital Improvement to all occupied spaces at least fourteen (14) calendar days prior to the start of the voting period unless the Housing Supervisor approves a shorter period for good cause. The notice must include:
 - A description of the proposed Capital Improvement;
 - A list of any spaces that would be not affected by the Capital Improvement and Capital Improvement Rent Increase;
 - The estimated total cost of the Capital Improvement and estimated individual cost pass-through per space;
 - The proposed timeline for construction:
 - A statement that the improvement is subject to a vote requiring approval of at least 51% of occupied spaces; and
 - A copy of the ballot in English and Spanish or instructions on how the ballot will be provided in English and Spanish.
- B. **Ballot Requirements.** Ballots must be prepared on a form approved by the Housing Supervisor and must include:
 - One ballot per occupied space;
 - A clear "YES" or "NO" option;
 - A space for the Homeowner to provide their space number;
 - A space for the Homeowner to sign and date the ballot;

- A statement that only one vote per space is permitted;
- Instructions for returning the ballot (e.g., mail, in person, secure dropbox); and
- The deadline for returning the ballot.
- C. **Voting Period.** The voting period must remain open for a minimum of fourteen (14) calendar days unless otherwise approved by the Housing Supervisor. During this period, Park Owners may not engage in any conduct that may interfere with the free exercise of voting.
- D. **Ballot Collection and Handling.** The Park Owner must implement a secure and transparent ballot collection process. At minimum, the owner must:
 - Provide a secure drop box accessible during reasonable hours;
 - Accept ballots returned by mail if postmarked by the voting deadline;
 - Not open or inspect ballots prior to the tally; and
 - Not discard any ballot for any reason without approval by the Housing Supervisor.
- E. **Tallying and Verification.** At the close of the voting period, a ballot tally must occur in the presence of the Homeowner Park Representative. The owner must prepare a Ballot Tally Summary listing the following:
 - Total number of occupied Spaces;
 - Number of ballots distributed;
 - Number of ballots returned;
 - Number of "YES" votes;
 - Number of "NO" votes; and
 - Number of ballots suspected to be invalid (with explanations).
- F. **Submission of Voting Results to Department.** The following must be submitted with the Capital Improvement Petition:
 - A copy of the Notice of Proposed Capital Improvement;
 - A copy of the completed ballot form;
 - A list of all occupied spaces at the time of voting;
 - A certification under penalty of perjury that:
 - Each ballot was distributed to the correct Homeowner(s);
 - The vote was conducted in accordance with City requirements; and
 - The owner did not engage in coercive conduct;
 - The Ballot Tally Summary; and
 - A copy of all returned ballots (including invalid or incomplete ballots).

- G. **Department Review Authority.** The Housing Supervisor shall have the authority to:
 - Verify that the number of ballots returned corresponds to the list of occupied spaces.
 - Determine the number of invalid ballots. Grounds for invalidation may include:
 - i. More than one ballot submitted for a Mobilehome Space;
 - ii. Unsigned ballot;
 - iii. Ballots returned after the deadline; and
 - iv. Ballots lacking a clear "YES" or "NO" selection.
 - Request additional documentation (e.g., proof of mailing, distribution logs);
 - Contact Homeowners regarding the voting process; and
 - Deny a Capital Improvement Petition if the voting process was inconsistent with these regulations or if the vote does not meet the required majority threshold.

<u>Section 4. Amortization of Capital Improvement Costs.</u> For purposes of calculating a Capital Improvement Rent Increase, the amortization period shall approximate the useful life of the Capital Improvement. The useful life may be determined by reference to generally accepted industry standards, including but not limited to commonly used construction cost and depreciation schedules, published industry guides, other comparable reference materials, or expert sources.

Section 5. Calculation. The monthly Capital Improvement Rent Increase shall be calculated according to the following formula: Cost of the Capital Improvement, including interest, divided by the amortization period; and the result of that calculation divided by twelve (12) months. The interest rate shall be the 15-year fixed-rate mortgage rate Freddie Mac last published in its weekly Primary Mortgage Market Survey (PMMS) as of the date of the initial submission of the Capital Improvement Petition. Freddie Mac PMMS data is published at this link: https://www.freddiemac.com/pmms.

For example, the allowable Capital Improvement Rent Increase for a clubhouse rehabilitation costing \$10,000 (including interest) and having a useful/amortizable life of ten (10) years is calculated as follows:

\$10,000.00 = \$1,000.00 annual amortization cost.

10 years

\$1,000.00 = \$83.33 monthly amortization cost.

12 months

In the case of the above clubhouse rehabilitation example, the monthly costs would be split between the number of spaces that benefited from the Capital Improvement. For this example, it is assumed that 10 spaces will benefit.

\$83.33 (total monthly amortization cost) = \$8.33 (Capital Improvement Rent Increase per month over a 10-year term)

<u>Section 6. Capital Improvement Petition Fee Pass-Through.</u> The Housing Supervisor may authorize the Park Owner to pass through up to 50% of the Capital Improvement Petition Fee to Homeowners over a 12-month period, provided that the Capital Improvement Petition results in a Capital Improvement Rent Increase.

<u>Section 7. Ineligibility of Retroactive Capital Improvements.</u> Capital improvements completed prior to the effective date of the Ordinance are not eligible for consideration under the Capital Improvement Petition process. Only improvements initiated and completed in full compliance with all other prerequisites set forth in the Ordinance and Regulations may be considered for cost recovery.

<u>ARTICLE 7 – FAIR RETURN RENT INCREASES</u>

<u>Section 1. Purpose.</u> The purpose of this Article is to establish the procedures and requirements for Fair Return Rent Increases pursuant to Section 5.47.150 of the Ordinance.

Section 2. Fair Return Reference Year Data. When a Park Owner submits a Fair Return Petition but did not own the Mobilehome Park during the Fair Return Reference Year ("Reference Year"), or when the Reference Year contains only partial financial data, the following regulations apply to ensure an accurate and representative determination of net operating income:

- A. **Use of Prior Owner's Records.** A Park Owner who did not own the Mobilehome Park during the Reference Year shall make reasonable efforts to obtain the prior Park Owner's financial records, including income statements, expense records, rent rolls, and occupancy data. Failure to obtain such records does not preclude petition review, but the Park Owner must document the efforts made and the information unavailable.
- B. **Partial-Year Data and Annualization.** If the Reference Year includes fewer than twelve (12) months of verifiable financial data due to a mid-year acquisition, the Housing Supervisor may annualize partial-year data when doing so would reasonably approximate a full year of normal operations.
- C. Use of Alternate or Supplemental Years. A Park Owner may submit supplemental financial information from subsequent years under their ownership as evidence that the Reference Year is unrepresentative. In such instances, consistent with the Ordinance, adjustments may be made so that the Reference Year reflects average conditions over a reasonable period of time, or the Housing Supervisor may rely on alternate or multi-year averaged periods to determine an appropriate base-period net operating income.
- D. **Burden of Documentation.** The Park Owner bears the burden of providing sufficient documentation to support any request to annualize data, substitute years, or rely on multi-year averages. The Housing Supervisor may require additional financial records, certifications, or third-party statements as necessary to evaluate whether the Reference Year reasonably reflects normal operating conditions.

<u>Section 3. Exceptional Income and Expenses.</u> The following definitions apply for purposes of determining whether income or expenses in the Reference Year were atypical and warrant adjustments to ensure that the Reference Year reflects normal and representative operating conditions for the Mobilehome Park.

A. "Exceptional expenses" means operating expenses incurred during the Reference Year that were abnormally high or low, nonrecurring in nature, or not

representative of typical annual operating costs for the Mobilehome Park. Exceptional expenses may include, but are not limited to, (a) one-time legal fees unrelated to routine operations; (b) emergency repairs or replacements arising from isolated events, such as storms, fires, or accidents; (c) major repairs resulting from the actions or negligence of third parties; (d) extraordinary insurance deductibles resulting from singular losses; and (e) any other atypical or nonrecurring operating cost where the Housing Supervisor determines that an adjustment is necessary to reflect average operating expenses over a reasonable period of time.

B. "Exceptional income" means gross rental income received during the Reference Year that was abnormally high or abnormally low when compared to typical yearly rental income for the Mobilehome Park. Exceptional income may include, but is not limited to: (a) temporary rent anomalies or spikes caused by one-time factors that do not persist into subsequent years; (b) gross rental income that was disproportionately low because certain residents were charged reduced rent or rent concessions; (c) gross rental income that was abnormally high because of irregular or one-time fees, collections, or other nonrecurring income; and (d) any other atypical circumstance in which the Reference Year gross rental income deviates materially from average gross rental income over a reasonable period of time, consistent with the purposes of the Ordinance.

<u>Section 4. Operating Expenses.</u> Operating expenses submitted in connection with a Fair Return Petition must reasonably reflect normal and representative operating conditions for the Mobilehome Park. The following regulations apply when evaluating claimed operating expenses:

- A. Replacements with Useful Life Under Five (5) Years. Capital replacements with a useful life of less than five (5) years constitute normal maintenance or ordinary operating expenses.
- B. Legal Expenses. Legal expenses submitted as operating expenses must be documented in sufficient detail to allow the Housing Supervisor to determine whether the work qualifies as a reasonable legal expense. Legal invoices may not be redacted so heavily that the nature, purpose, or general subject matter of the services cannot be determined. Redactions to protect attorney—client privilege or attorney work product are permitted only to the minimum extent necessary. When redactions prevent the City from evaluating eligibility or reasonableness, the expense may be disallowed in whole or in part.
- C. **Management Fees.** Off-site management fees, whether performed directly by the Park Owner or by a third-party management company, are presumed reasonable if they do not exceed six percent (6%) of gross rental income for the applicable year. Fees exceeding six percent shall be allowed only if the Park Owner demonstrates, by a preponderance of the evidence, that the higher

fee is reasonable based on the size, characteristics, operational needs, or scope of services provided for the Mobilehome Park. The Housing Supervisor may require contracts, invoices, or descriptions of services to evaluate reasonableness.

- D. **Owner-Performed Labor.** Landlord-performed labor compensated at reasonable hourly rates. No owner-performed labor shall be included as an operating expense unless the Park Owner submits documentation showing the date, time, and nature of the work performed.
- E. Operating Expense Adjustments. Operating expenses reported for the Reference Year or the Fair Return Current Year ("Current Year") may be subject comparisons with industry-wide standards in determining reasonableness, and may be adjusted when necessary to ensure that expense levels reasonably reflect normal and representative operating conditions for the Mobilehome Park. Adjustments may include averaging expenses across multiple years, applying CPI-based adjustments, or substituting more representative industry standard expense amounts. In cases where an expense is materially higher or lower than normal industry or comparable standards, the Park Owner bears the burden of demonstrating its reasonableness. The Housing Supervisor may reduce allowable operating expenses to the extent that there are sufficient findings that any claimed expenses resulted from the Park Owner's failure to undertake prudent and ongoing maintenance activities or which such costs were caused by unnecessarily and unreasonably deferred negligent or otherwise improper repair and/or maintenance or other acts or omissions of the Park Owner.

Section 5. Supporting Documentation. Fair Return Petitions must be accompanied by supporting documentation as specified on the Department's form (e.g., ledgers, invoices, receipts, notices, rent rolls). Fair Return Petitions without all required documentation may be deemed incomplete. For a Fair Return Petition, each claimed expense must be substantiated with an invoice and equivalent proof of payment, and each income entry must be supported by documentation such as rent rolls, bank statements, or other verifiable records. The Department may also request additional documentation beyond what is listed on the form if circumstances warrant further verification.

<u>Section 6. Standard Assessment Process of MNOI Adjustment.</u> An analysis of rent adjustments under the Maintenance of Net Operating Income ("MNOI") standard shall include the following components:

A. **Reference Year Rental Income.** Calculate Reference Year Rental Income consistent with the Ordinance, adjusted as necessary to reflect representative conditions.

- B. Current Year Rental Income. Calculate Current Year Rental Income consistent with the Ordinance, adjusted to reflect all CPI Rent Increases and Fair Return Rent Increases previously approved but not yet fully reflected in current income.
- C. Reference Year Operating Expenses. Determine Reference Year Operating Expenses, categorized and adjusted to reflect reasonable, necessary, and representative expenses.
- D. Current Year Operating Expenses. Determine Current Year Operating Expenses, categorized and adjusted to reflect reasonable, necessary, and representative expense levels.
- E. **Reference Year Net Operating Income.** Calculate Reference Year Net Operating Income as Reference Year Rental Income minus Reference Year Operating Expenses.
- F. Current Year Net Operating Income. Calculate Current Year Net Operating Income as Current Year Rental Income minus Current Year Operating Expenses.
- G. **Percentage Change in CPI.** Determine the percentage change in the Consumer Price Index (CPI-U), using 100 percent of the change in the annual CPI figures for the Reference Year and Current Year, as published by the U.S. Bureau of Labor Statistics for the Riverside–San Bernardino–Ontario area.
- H. Fair Current Year Net Operating Income. Calculate the Fair Current Year Net Operating Income as the amount required to maintain the Reference Year Net Operating Income adjusted by 100 percent of the CPI change.
- I. **Fair NOI Increase (if any).** Calculate the difference between the Fair Current Year Net Operating Income and the actual Current Year Net Operating Income.
- J. Recommended Rent Adjustment (if any). The Fair Return Rent Increase shall be the monthly rent increase required for the Current Year Net Operating Income to be equal to the Fair Current Year Net Operating Income. No Fair Return Rent Increase shall be granted if the Current Year Net Operating Income meets or exceeds the Fair Current Year Net Operating Income.

<u>Section 7. Calculation.</u> For example, the allowable Fair Return Rent Increase is calculated as follows, assuming the Reference Year Net Operating Income is \$100,000, the Current Year Net Operating Income is \$107,000, the increase in the CPI between the Reference Year and Current Year is 10%, and there are 10 spaces in the Mobilehome Park:

| A. Reference Year Net Operating Income:B. Increase in CPI Between Reference Year and Current Year:C. Fair Current Year Net Operating Income (A * (100% + B)): | \$100,000 10% \$110,000 |
|---|-------------------------------|
| D. Current Year Net Operating Income:E. Fair NOI Increase (C – D): | \$107,000 \$3,000 |
| F. Number of Spaces in Mobilehome Park:G. Fair Return Rent Increase per Month (E / F / 12): | 10 \$25.00 |

<u>Section 8. Fair Return Petition Fee Pass-Through.</u> To prevent undue financial burden on Homeowners, the Housing Supervisor may authorize an amortization period beyond 12 months for any pass-through of the Fair Return Petition Fee approved pursuant to Section 5.47.150(J).

ARTICLE 8 – HOMEOWNER PETITION RENT ADJUSTMENTS

<u>Section 1. Purpose.</u> The purpose of this Article is to establish the procedures and requirements for Homeowner Petition Rent Adjustments pursuant to Section 5.47.170 of the Ordinance.

Section 2. Supporting Documentation. Homeowner Petitions must be accompanied by supporting documentation as specified on the Department's form that substantiates the grounds for the requested rent adjustment (e.g., proof of ownership such as title or registration, current property tax statements, copies of rental agreements, invoices and receipts for repairs or improvements, permits or inspection reports, and any required notices or correspondence related to the petition). Petitions without all required documentation may be deemed incomplete. The Department may also request additional documentation beyond what is listed on the form if circumstances warrant further verification.

Section 3. Limitation on Frequency of Homeowner Petitions. No more than one Homeowner Petition may be filed by or on behalf of a Mobilehome Space within any twelve (12) month period. In addition, during the twelve (12) month period following the Housing Supervisor's determination on a homeowner petition, the Department shall not accept any additional Homeowner Petitions based on the same factual circumstances at the same Mobilehome Park. For purposes of this section, "same factual circumstances" means the same rent increase, the same decrease in housing services, or the same habitability condition that formed the basis of a prior petition.

A new Homeowner Petition filed by or on behalf of a new Mobilehome Space may be submitted within the twelve (12) month period if it is based on a different rent increase, a different reduction in housing services, or a separate and distinct habitability issue. Multiple Homeowners affected by the same factual circumstances are encouraged to file a joint petition rather than separate petitions.

Section 4. Rent Adjustment for Similarly Situated Homeowners. If a Homeowner Petition results in a temporary or permanent rent adjustment for the petitioner, the Park Owner shall, within ninety (90) days of the Housing Supervisor's determination, apply the same adjustment to all similarly situated Homeowners. Failure to comply within the required timeframe may result in enforcement actions, including penalties or other remedies authorized under the Ordinance.

A. **Definition of Similarly Situated.** Similarly situated Homeowners means all homeowners in the same Mobilehome Park who are subject to the same rent increase, fee, charge, reduction in housing services, or habitability condition that formed the basis of the Homeowner Petition Rent Adjustment. Homeowners are considered similarly situated if the underlying facts and circumstances affecting their rent or housing services are substantially identical to those addressed in the Housing Supervisor's determination.

- B. Compliance. Compliance with this section includes the following:
 - 1. Issuing written notice to affected Homeowners specifying the adjustment amount and effective date;
 - 2. Updating rent rolls to reflect the adjustment; and
 - 3. Providing proof of compliance to the Department upon request, including copies of notices and revised rent schedules.