OFFICE OF THE CITY MANAGER - CITY OF MARINA

February 2018 NOTICE OF ALLOWABLE ANNUAL RENT INCREASE PURSUANT TO CITY OF

MARINA MOBILEHOME PARK RENT STABILIZATION REGULATIONS (Marina Municipal Code 5.72.010-5.72.270)

Effective May 1, 2018 the rents of mobilehome park spaces subject to these regulations may be increased by 3% over the allowable rent on May 1, 2017, subject to conditions set forth in state law regarding the advance notice required to impose a rent increase.

In addition, a Park Owner may impose annual general adjustments that were authorized in previous years but were not imposed, if by January 30 of each year the Park Owner notified the tenant of the increase(s) allowed pursuant to this section which have not been implemented and that the banked increase(s) may be added to the rent at a future date (If the Park Owner provided notice of only a portion of the allowed increases which were allowed but not implemented only, those increases may be imposed.)

The rent increase limitations in this notice do not govern rent increases of spaces that are exempt from the ordinance.

BACKGROUND INFORMATION

CONSUMER PRICE INDEX LEVELS CPI all-items all urban consumers

San Francisco-Oakland-San Jose, CA

Source: Bureau of Labor Statistics

(data last reported as January 30, 2018 – the December 2017 CPI)

2010 - 224.239

2011 - 227.658

2012 - 234.327

2013 - 239.533

2014 - 245.711

2015 - 252,273

2016 - 260.289

2017 - 269.483

2018 277.414

The Attached Pages Contain the Applicable Provisions of the Rent Stabilization Ordinance and the CPI Report published by the Bureau of Labor Statistics ORDINANCE PROVISIONS GOVERNING ANNUAL INCREASES

5.72.060 Permissible Rent Increases.

No rent in excess of rent in effect on July 6, 2011 may be charged unless authorized by one of the following sections: Section 5.72.070 (Automatic Annual Rent Increases) or Section 5.72.090 (Increases Upon In-Place Transfers of Mobilehome Ownership); Section 5.72,100 (Fair Return) or Section 5.72.080 (Allowable Rent Following the Expiration of an Exempt Lease) or Section 5.72.120 (Rent Increases for New Capital Improvements) of this Chapter.

5.72.070 Automatic Annual Increases Based on Increases in the Consumer Price Index.

(A) Annual Rent Increases Starting in 2012. Starting in 2012, on or after May 1 of each year, the rent may be increased over the allowable rent as of May 1 of the prior year by one hundred percent (100%) of the percentage increase in the CPI last reported as of January 30 in the current year over the CPI last reported as of January 30 in the prior year. The percentage amount of said increase shall be rounded to nearest one-quarter of one percent.

However, in 2012, the rent may not be increased over the rent in effect as of January 1, 2010, by a percentage that exceeds the percentage increase in the CPI from January 1, 2010 to the date of the notice of the increase.

(B) Notice of Annual Allowable Annual Rent Increase.

- (1) **Notice by City Manager.** The allowable annual rent increase shall be annually calculated by the City Manger and posted by February 15 of each year in City Hall and on the City's website, and on a notice board in each mobilehome park and shall be mailed to each park owner and to the mobile home owner representative in each park.
- (2) **Notice in Mobile home Parks.** A copy of the clerk's notice shall be posted in a prominent place by each park owner in each mobile home park within three work days after it is received by the park owner......

[Subsection C only applicable if CPI decreases]

- **(D) Banking of Allowable Annual Increases.** Increases authorized pursuant to this section may be implemented by the landlord at any future time, subject to the precondition that by January 30 of each year the park owner notify the mobile home owner of each increase allowed pursuant to this section which has not been implemented and notification that the banked increase may be added to the rent at a future date.
- **(E)** Compliance with State Law. Rent increases permitted pursuant to this Section shall not be effective and shall not be demanded, accepted, or retained until the landlord has given the notice required by State Law.

5.72.080 Allowable Rent Following the Expiration of an Exempt Lease.

In the event a space was previously exempt under a lease pursuant to California Civil Code Section 798.17, the base space rent, for purposes of calculating the Annual Adjustment, shall be the rent in effect as of the date of expiration of the lease, provided that space rents can be verified by information required on, and/or documentation submitted with the annual registration application.