



CITY OF EL MONTE

ECONOMIC DEVELOPMENT DEPARTMENT

Minh Thai
Economic Development
Director

March 15, 2017

SUBJECT: City of El Monte 2017 Notice of Allowable Annual Mobilehome Space Rent Increase

City of El Monte Mobilehome Park Owner/Manager:

On August 4, 2015, the City Council of the City of El Monte adopted Ordinance No. 2860 regarding the City's mobilehome rent stabilization program. The Ordinance implements certain reporting requirements for all mobilehome parks within the City and regulates rent that may be charged on certain mobilehome spaces. The full Ordinance in both English and Spanish can be found on the City of El Monte Housing Division's homepage at the following web address:

www.elmonteca.gov/Government/EconomicDevelopment/Housing/MobilehomeRegulations.aspx

Please note that a copy of the Ordinance in English and Spanish is required to be posted in the office and recreational building/clubhouse of every mobilehome park in the City.

Exemptions

The Ordinance exempts the following types of mobilehome spaces:

- i. Mobilehome park spaces subject to long-term leases in excess of twelve (12) months, per Civil Code 798.17(b);
- ii. Mobilehome park spaces qualifying as new construction under Civil Code Section 798.45;
- iii. Government owned mobilehomes; and/or
- iv. Mobilehome park spaces occupied by mobilehomes owned by the mobilehome park owner as of July 1, 2015. For example, if a tenant of a mobilehome in a mobilehome park in the City is subject to a long-term, five (5) year lease, then applicable rent increases are governed by the terms of such lease, in accordance with preempting state law.

Allowable Rent Increases

Mobilehome park spaces not exempt by the Ordinance may charge rent greater than that rent level charged on such mobilehome park space as of July 1, 2015, provided it complies with one (1) of the following criteria:

- a) An annual Consumer Price Index for the Los Angeles-Anaheim-Riverside area reported ("CPI") increase taking effect on or after May 1, 2016; or
- b) The in-place sale of mobilehome owned by the mobilehome park; or
- c) A City-approved petition for a rent adjustment to obtain a fair return; or

d) Rent increases for new capital improvements.

Information regarding (a) above is described below. For additional information regarding (b), (c), and (d) above, please see Section 8.70.050 of the Ordinance.

Rent Increase Level for 2017

Commencing with calendar year 2017 and thereafter, Section 8.70.060(A) of the Ordinance allows for annual rent increases to occur on or after May 1 equal to the reported CPI percentage increase between January 30 of the prior year to January 30 of the current year.

According to the United States Department of Labor's Bureau of Labor Statistics, which reports the applicable CPI, the increase in CPI between January 30, 2016 and January 30, 2017 was 5.22%. Since rental increases based upon CPI adjustment must be rounded to the nearest one-quarter of one percent in accordance with Section 8.70.060(A) of the Ordinance, the annually rent increases applicable to certain eligible mobilehome rent spaces as of May 1, 2017 for the 2017 calendar year shall be **Five and One Quarter Percent (5.25%)**.

Posting of this Notice

In accordance with the Ordinance, the City shall post this notice at City Hall and on the City's website on or before March 15, 2017. In addition, within three (3) calendar days of receipt of this notice, each park owner/management is obligated to post a copy of this notice in a prominent place in the mobilehome park(s) that you own and/or manage.

If you have any further questions regarding this notice, please direct them in writing to Carol Averell, Housing Manager, Housing Division at caverell@elmonteca.gov or at City Hall West 11333 Valley Boulevard El Monte, California 91731.

Sincerely,



Minh Thai
Economic Development Director

cc: Jesús M. Gomez, City Manager
Alexander Hamilton, Assistant City Manager
Carol Averell, Housing Manager
Joaquin Vazquez, Deputy City Attorney