#### County of Humboldt Mobile Home Rent Stabilization Ordinance (MHRSO) Rules and Guidelines

On December 13, 2016, the people of the County of Humboldt enacted by initiative a rent stabilization ordinance which had as its purpose the control and stabilization of rents charged by owners of residential rental property in mobile home parks. That rent stabilization ordinance has remained in effect to the present time. In order for the ordinance to achieve its objective of controlling the amount of rent charged by mobile home park owners for the rental of mobile home spaces, the ordinance provided, among other things, that rules and regulations may be promulgated by the County as necessary. Humboldt County Code § 9101-23.

As such, the purpose of these guidelines is to assist mobile home park owners and renters in understanding key terms of the County's Mobile Home Rent Stabilization Ordinance. The guidelines do not supersede the terms of the ordinance as set forth in Title IX, Division 10 of the Humboldt County Code, and should be read in context with the provisions of the ordinance.

# 1) Calculation of Automatic Annual Allowable Rent Increase

The Automatic Annual Allowable Rent Increase is one hundred percent (100%) of the difference between the Consumer Price Index (CPI) All Urban Consumers for the San Francisco-Oakland-Hayward Area as reported by the Bureau of Labor Statistics of the United States Department of Labor no later than January 30 for the current year, and the CPI reported by the Bureau for the prior year.

## 2) Notice of Automatic Annual Allowable Rent Increase

Annually, no later than February 15, the County issues a Notice of the Automatic Annual Allowable Rent Increase.<sup>1</sup>

- a) The County Board of Supervisors has delegated to the Planning and Building Department, Housing Programs, to make the calculation of the Annual Automatic Allowable Rent Increase, mail Notices regarding the increase, and post the Notice to the County website and in County buildings as prescribed by Chapter 1 of Division 10.
- b) A Park may increase rent in the amount of the Annual Allowable Rent Increase at any time permitted by state law after receiving the Notice, provided that the renter must receive Notice of the increase as required by state law. If notices are distributed by mail, such notice should include a post-mark indicating the day the notice was sent. If the notice does not bear a post-mark, the Landlord shall keep the receipt from the mailing service that indicates the date the notice was mailed. Said receipt shall be made available for inspection by any tenant upon request.
- c) For purposes of this section, "annual" shall mean one rent increase yearly where twelve months must elapse in between rent increases.

<sup>&</sup>lt;sup>1</sup> This provision is intended to supersede provision 2) b) of the Mobile Home Rent Stabilization Rules and Guidelines as adopted in Resolution 16-137.

- d) An owner who increases rent beyond the limit shall be required to reimburse the tenant for overpayment and submit evidence of such reimbursement. Failure to comply will result in a referral to the Code Enforcement Unit.
- 3) Park Size and Determination of the Number of Units

In all cases, the number of units registered at the State will determine the number of total base park units prior to exemptions. Landlords who have submitted applications to reduce the number of units it has registered at the state level may provide proof of application to the County at which point the County will verify the true number of units at the park by using County permit records, aerial imagery, or other similar verifiable means.

4) Annual Registrations

No later than January 31<sup>st</sup> of each year, the Landlord shall register with the County using a Humboldt County Mobile Home Park Registration form provided by the County. The Landlord is required to provide the following information on the form:

- a) Names, addresses, and telephone numbers of each entity with ownership interest.
  - i) In the event a mobile home park has one or more persons that hold a limited ownership interest commonly known as a "silent partnership" in which the "silent partner" provides only monetary contributions and is not involved in the day-to-day minutiae of the park, only the information of the "general partner" who is tasked with operation and management of the park will be required.
- b) The name and address where formal notices should be sent.
- c) Number of mobile home spaces in the park.
- d) Number of spaces covered by this ordinance.
- e) Number of exempt spaces as well as brief reason explaining each exemption.
- f) Rent schedule, reflecting the current space rent.
- g) Listing of all other charges, including utilities, including the approximate amount of each additional charge.
- h) The name and contact information of the duly elected Resident Representative.
- 5) <u>Non-Registration</u>

A Landlord failing to report their units will be assumed to have the number of units registered with the State with no exemptions.

- a) A bill recognizing this number of units will be sent on a quarterly basis.
- b) Such bill will serve as notice to a Landlord that it has failed to submit its annual registration to the County and shall state in capitalized letters on the top: "THE COUNTY HAS NOT RECEIVED AN ANNUAL REGISTRATION FOR THIS PARK. THIS BILL WAS CALCULATED BASED ON THE ASSUMED TOTAL NUMBER OF UNITS IN THE PARK."
- c) A Landlord receiving such bill has thirty (30) days from the date of the bill's issuance to correct any inaccuracies reflected in the number of registered spaces.
- d) Late fees will accrue as specified in item 6) e) i) below.
  - i) Landlords billed based on the total number of units registered with the State are not permitted to collect annual fees from spaces categorized as exempt from these regulations. Payment of fees for these spaces shall be borne by the Landlord.
- e) Continued non-registration and non-payment may result in referral to the Code Enforcement Unit.
- 6) Administrative Fee
  - a) Administrative Fee, in the amount of \$5.00 per qualifying space per month, shall be collected by each Landlord.
  - b) County will issue quarterly bills for Administrative Fees. The bills are based on the number of spaces reported on the registration form; any changes to the annual registration shall be reported to County on a quarterly basis so that the bill may be adjusted.
  - c) The fees collected by Landlord shall be submitted in a single payment to the County on a quarterly basis, within thirty (30 days) after the date of the invoice. Administrative Fees are due January 31, April 30, July 31, and October 31 each year. The Administrative Fee is not rent.
    - i) In the event a renter refuses to write a check to the Park, the Landlord may accept a check written out to the County.
    - ii) In the event an Affected Tenant refuses to pay the Administrative Fee, the Landlord must so designate upon payment of the quarterly bill. The Landlord must inform the Affected Tenant by refusing to pay the Administrative Fee, the Affected Tenant may not enjoy the benefits and protections of the Humboldt County Mobile Home Rent Stabilization Ordinance (MHRSO). Nonpayment of the Administrative Fee by the Affected Tenant may also result in a referral to the Code Enforcement Unit.
    - iii) Failure to collect, document, and remit the Fee due to the County by the Landlord is a violation of Humboldt County Code and will be addressed as such.
  - d) The Landlord will maintain a record of the Administrative Fee collected and the amounts due, if any, from each Tenant on the date of the quarterly invoice. The Landlord will submit the documentation showing amounts collected and amounts owed with payment of each quarterly invoice.

- e) Late Fees
  - i) Administrative Fees not received within thirty (30) calendar days, as specified in the Ordinance, are subject to a 10% late fee, for every month unpaid.
  - ii) Fees unpaid for 180 days, will result in a referral for revenue recovery.
- 7) Verification of Park Spaces

Parks claiming an exemption under California Civil Code Sections 798.17 or 798.45 may be verified using one or more of the following methods:

- a) Aerial imagery
- b) Permit Application date
- c) Tax Rolls
- d) Executed copies of long-term leases for a period of more than twelve months' duration
- e) Other sources of similar reliable or verifiable information
- 8) <u>Conversion of Park to Another Use</u>
  - a) Any conversion of mobile home spaces to recreational vehicles spaces shall be subject to Sections 313-107.1 of Title III, Division 1, Chapter 3 (Coastal Zoning Regulations) and Section 314-106.9 of Title III, Division 1, Chapter 4 (Inland Zoning Regulations).
  - b) A park that converts to personal use shall change licensing with the California Department of Housing and Community Development. Reuse of that property for another use shall be subject to regular permitting processes.
  - c) The County will continue to monitor on an annual basis until verification that the Landlord has made the required changes.
  - d) Illegal conversion of spaces shall not be grounds for waiver of the \$5.00 Administrative Fee.
- 9) Vacant Park for Sale

A vacant park that is for sale will be considered exempt from the Mobile Home Rent Stabilization Ordinance. The new owners would be subject to Mobile Home Rent Stabilization and Mobile Home Conversion Ordinances if the use changes to personal. The Landlord would be required to change that information with the California Department of Housing and Community Development and be subject to regular permitting processes.

10) Exemptions

- a) Allowable Exemptions; not listed in Ordinance
  - i) Temporary Vacancy

Spaces that are temporarily vacant due to unit turn-over or abandonment shall be exempt from the Administrative Fee for up to one year.

ii) Necessary Vacancy

Spaces in older (trailer) parks that are vacant to allow for utilities, fire road access, and similar purposes, shall be exempt from the Administrative Fee.

- b) Disallowed Exemptions; not listed in Ordinance
  - i) Abandoned mobile homes, that remain after 12 months

The Administrative Fee is the responsibility of the owner. It is the objective of the County to see all possible housing units available and occupied. Abandoned units occupy space that could otherwise support a housing unit.

ii) Leaving spaces vacant by choice.

In some cases, units are left vacant because the owner wants to get out of the mobile home park business. In other cases, it is because significant work is required to prepare a rental space. It is the objective of the County to see each park operated consistent with State and County Permitting. See item number 3. above.

iii) Spaces used for short-term Recreational Vehicles.

Any mobile home space that is occupied by a recreational vehicle as defined in Civil Code Section 799.29 located in a park in which there are at least two (2) mobile homes as defined in Civil Code Section 798.3(a) for a period in excess of nine (9) months shall be regarded to be a "mobile home space" (California Civil Code § 798.3) for purposes of this Humboldt County Code Title IX, Division 10 § 9101-1, *et seq.*, and a tenant upon such a space shall be entitled to all the rights, protections and obligations of Humboldt County Mobile Home Rent Stabilization Ordinance and these guidelines. The tenant of such a space shall be counted as an "affected tenant" upon the effective date of these implementing guidelines, and such space shall be subject to the fees authorized by the Board of Supervisors for mobile home spaces.

## 11) Posting of Ordinance and Other Materials

In the event a Park does not maintain an office, any materials that are required to be posted in an office shall be held on-site with a designated resident and be available for any space renter to review upon request.

## 12) Role of the Resident Representative

The Resident Representative serves as the main liaison between the County, Landlord, and Affected Park Tenants. The Resident Representative is tasked with receiving and disseminating information to Affected Tenants as outlined in the Humboldt County Code § 9101, *et seq.* and these accompanying guidelines. In addition, at hearing, the Resident Representative serves as a default representative for the Affected Tenants.

## 13) Election of Resident Representatives

- a) Annual election of a Resident Representative is required. There shall be a written process for election of the Resident Representative. In the event the park does not have a written process, the following election process will be provided for their use and adaptation:
  - i) The first year, the election shall be conducted by a willing resident, or residents, who are covered by the ordinance. In following years, the election shall be conducted by the currently serving Resident Representative.
  - ii) No later than October 1st, the current Resident Representative shall solicit candidates for Resident Representative for the following year by mailing or distributing a Candidate Nomination and Interest Form to all residents covered by the ordinance. The solicitation shall list important dates including the last day to provide a nomination as well as the day on which election ballots will be mailed or distributed to covered residents.
    - (a) A proposed Resident Representative shall be over eighteen (18) years of age at the time of nomination as well as a signing party to the underlying lease with the Landlord. If a park is age-restricted, then the minimum age requirement for that park shall control who is permitted to run for Resident Representative.
    - (b) Optional information to request on the form includes a statement of qualifications.
  - iii) Covered Residents shall have until November 1st to nominate either themselves or another covered resident as the proposed Resident Representative for the following year by returning the completed Candidate Nomination and Interest Form.
  - iv) No later than December 1st, the Resident Representative shall mail or distribute an election ballot form to covered residents including the names of all covered residents who were nominated to be the Resident Representative.
  - v) Covered Residents have until December 15th to return ballots to the current Resident Representative. Each covered space is only afforded one vote. In addition to voting on a Resident Representative, there shall be a space on the ballot form for members of each space to indicate which person from their household shall serve as "head of household" as well as the head of household's preferred means of contact information. The "head of household" must be party to the underlying lease with the Landlord. All members of the household who are also a party to the underlying lease with the Landlord shall sign indicating their intent to allow the "head of household" to bind them in decision-making processes flowing from this Ordinance for the following year. All members of the household are required to both print and sign their names.
  - vi) The current Resident Representative shall tally the votes to determine the winner of the election. Simple majority determines the winning Resident Representative.
  - vii) The current Resident Representative shall notify the winner of the election, and the Landlord shall then post the results of the election in common areas from a period of January 1st to February 1st. Any challenges to the vote must be brought during this time period. At the conclusion of the

election, the current Resident Representative shall provide the County with the election materials. The current Resident representative shall also provide the elected Resident Representative with a roster of the Affected Tenants as well as the preferred means of contact information for all Affected Tenants in the given park.

- viii) All election material shall be kept securely from October 1st to February 1st, and if no challenges are brought said material may be disposed of. If a challenge is brought, election materials shall be available for review.
- b) In the event covered park residents fail to designate or elect a Resident Representative, all notices stemming from Title IX, Division 10 of the Humboldt County Code, and these accompanying guidelines will be sent to the Landlord who shall post all such notices in a communal area open to all residents.
- c) Only tenants who are covered under the Ordinance and pay the \$5.00 fee are eligible to vote for a Resident Representative.
- d) Tenants who are not covered under the Ordinance shall not have the right to vote for a Resident Representative.

## 14) Site Inspection

To ensure that Registrations are correct and up to date, all parks shall be subject to periodic on-site inspections. The owner will receive a 30-day notice of such inspection. Site inspection can include a review of leases, paperwork, bills, registration, etcetera that is required to be kept pursuant to the provisions of Title IX, Division 10 of the Humboldt County Code, and duly passed guidelines interpreting the same. Site inspections are not intended to check on the maintenance or services in the park.

## 15) Conduct of Hearings

These rules shall assist and guide the Administrative Hearing Officer in conducting hearings for both Fair Return Petitions and Service Rent Reduction Complaints.

## a) Definitions

- i) "Hearing Officer" means a person who, pursuant to a written agreement approved by the County Board of Supervisors or the Planning and Building Director, serves as the Hearing Officer at a hearing to resolve a rent dispute pursuant to the provisions of Title IX, Division 10 of the Humboldt County Code.
- ii) "Affected Tenants" means those tenants whose space is not exempted by a valid lease meeting the requirements as outlined in Section 798.17(b) of the California Civil Code or otherwise legally exempt from local rent control regulation. For purposes of Title IX, Division 10 of the Humboldt County Code, and these implementing guidelines, each covered space shall be deemed to have only one "Affected Tenant" for administrative convenience to the Landlord. The reference to "all Affected Tenants" will refer to one representative tenant from each space.
- iii) "Department" means the County of Humboldt Planning and Building Department, Housing Programs.

- iv) "Director" means the Director of the Planning and Building Department.
- b) Filing and Contents of the Petition/Complaint
  - i) Filing Fee

A party wishing to file a Petition for Fair Return or Complaint for Service Rent Reduction pursuant to the provisions of Title IX, Division 10 of the Humboldt County Code shall be required to pay a one dollar (\$1.00) filing fee. All other administrative costs associated with the hearing not specifically exempted in the ordinance or its rules, regulations, or orders shall be borne by the County from monies collected for Administrative Fees.

 ii) In Complaints for Service Rent Reduction, after obtaining the required signatures, the Affected Tenant(s) shall deliver the petition or mail it by registered or certified mail to both County of Humboldt Planning and Building Department, Housing Program Coordinator, 3015 H Street, Eureka, California 95501 (or successor address or agency) as well as the Landlord.

No petition shall be accepted unless it is accompanied by the requisite number of signatures and is received by the Department within the thirty (30) day period following the meet-and-confer as set forth below. Prior to submission of a Complaint for Service Rent Reduction, the Resident Representative shall inquire with all Affected Tenants whether they desire to join and sign the Petition. For purposes of this provision, the requisite number of signatures shall only refer to those collected from Affected Tenants pursuant to the terms of these implementing guidelines.

The Landlord shall have no more than thirty (30) days from the date the Complaint for Service Rent Reduction is lodged to submit information to the County demonstrating that the complaint should not be accepted due to procedural deficiencies. Failure by the Landlord to submit such information in the time allotted shall result in a waiver in claim as to any purported procedural deficiency.

- iii) In Petitions for Fair Return, Affected Tenants are to be notified that a space rent increase is to become effective. For purposes of providing notice of the increase, the Landlord shall provide copies of the rent stabilization chapter, these implementing guidelines, and its support of a Fair Return Hearing petition. Delivery of this notice to all Affected Tenants shall be so stated in the Petition.
- iv) The Department shall determine within thirty (30) days after the lodging of a Petition for Fair Return or Complaint for Service Rent Reduction whether said Petition or Complaint is complete. If the Department determines that a Petition or Complaint is not complete, it shall notify the applicant in writing and the notice shall state what additional information is required to complete the Petition or Complaint. Any Petition or Complaint which has not been substantially completed within forty-five (45) days of its submission to the Department shall be returned to the applicant. The applicant shall then wait at least twelve (12) months prior to instituting another Petition for Fair Return.
- v) In the event that a Park Owner sells the mobile home park during the pendency of a Fair Return Petition, such petition shall not be transferable to the new Park Owner. The new Park Owner, however, shall not be precluded from instituting its own Petition for Fair Return and is not bound by the rule prohibiting more than one application within a twelve (12) month noted above during its first year of ownership.

- vi) In Complaints for Service Rent Reduction, the Landlord may submit a written response to the Affected Tenants' submission no later than twenty (20) days after the Complaint is deemed substantially complete.
- c) Notice of Hearing

The Department shall provide written notice of the time, date, and place of the administrative hearing and of the name of the Hearing Officer assigned to hear the petition or complaint to the Landlord and to all Affected Tenants within thirty (30) working days after the Landlord's petition or Affected Tenants' complaint is deemed substantially complete.

d) Time for Hearing

The date of the hearing shall not be more than one hundred eighty (180) calendar days from the date that the Petition or Complaint is deemed substantially complete.

- e) Representation of Parties
  - i) The parties in any administrative hearing are entitled to and encouraged to be represented at the hearings by a person of the party's choosing to assist in presenting evidence and/or in setting forth by argument their position. The representative need not be an attorney or accountant.
  - ii) Representatives shall be designated in writing by the party and filed with the Department. The written designation of the representative shall include a statement that the representative is authorized to bind the party to any stipulation, decision, or other action taken at the administrative hearing.
  - iii) In Complaints for Service Rent Reduction, the person selected as representative for Affected Tenants who signed the petition need not be the Resident Representative. Although the Resident Representative has a right to participate in all hearings.
  - iv) Representatives may appear at the hearing to offer such documents, oral testimony, written declaration, or other evidence as may be relevant to the proceedings.
- f) Role of County Counsel

County Counsel shall provide legal services to the County. County Counsel shall prepare formal legal opinions in response to requests from the Board of Supervisors, the Director, the Department, or any Hearing Officer. Legal questions raised by other persons shall be forwarded to the Department, which it may, in its discretion, refer to County Counsel questions of general interest or applicability.

g) Selection of the Hearing Officer

Should grounds exist for a possible conflict of interest with the selected Hearing Officer, parties can make a request for disqualification commensurate to California Code of Civil Procedure Sections 170 and 170.1.

h) Communication with Hearing Officer

In both Petitions for Fair Return and Complaints for Service Rent Reduction, the County shall copy parties on all correspondence it has with the hearing officer's office starting from the initial request for hearing officer through the disposition of the petition/complaint.

i) Power of the Hearing Officer

Hearing Officers shall be vested with all authority as enumerated in California Government Code Section 27721 including the authority to issue subpoenas, to receive evidence, to administer oaths, to rule on questions of law and the admissibility of evidence, and to prepare a record of the proceedings.

i) Subpoena Power

Subpoenas, including subpoenas duces tecum, requiring a person to attend a particular time and place to testify as a witness, may be issued in connection with any dispute pending before the Hearing Officer, and shall be issued at the request of the Director, the Hearing Officer, the Affected Tenants, or the Landlord. Subpoenas shall be issued and attested by the Hearing Officer. A subpoena duces tecum shall be issued only upon the filing with the Hearing Officer an affidavit setting forth in full detail the materiality thereof to the issues involved in the proceedings, and stating that the witness has the desired matters or things in their possession or under their control and the evidence and/or testimony sought is not available in a more accessible form, and a copy of such affidavit shall be served with the subpoena. Any subpoena or subpoena duces tecum issued pursuant to the provisions of Title IX, Division 10 of the Humboldt County Code may be served in person or by certified mail, return receipt requested, and must be served at least ten (10) days before the hearing for which the attendance is sought. Service by certified mail shall be complete on the date of receipt.

ii) Continuances

The Hearing Officer may grant or order not more than two (2) continuances of the hearing for not more than thirty (30) working days each. Additional continuances may be granted only if all parties stipulate in writing.

- j) Rules of Evidence
  - i) The hearing need not be conducted according to technical rules relating to evidence and witnesses. The rules of evidence and manner of producing evidence shall be those rules set forth in Section 11513 of the California Government Code for the conduct of hearings under the Administrative Procedure Act. These rules may be relaxed at the discretion of the Hearing Officer in the interests of justice. Hearsay evidence and any and all other evidence which the Hearing Officer deems relevant and proper may be admitted and considered.
  - ii) Absent a stipulation between the parties, any party offering evidence in the form of a written declaration shall ensure that the declarant is available at the time of the hearing for crossexamination purposes. Should the declarant be unavailable, the declaration shall be disregarded unless the Hearing Officer finds the declaration admissible pursuant to a recognized exemption or exception.
  - iii) Requested Evidence

Either party may request that additional specific supporting documentation be provided to substantiate the claims made by the other party. The request shall be presented in writing to the

Hearing Officer. The Hearing Officer shall issue a determination as to which information it finds material to deciding the claim no later than fourteen (14) days from the date the request is received and seek such information from either the Landlord or the Resident Representative, who may, should it be necessary, collect the requested documentation/information from the other Affected Tenants. The party from whom the information/documentation is requested shall have no more than fourteen (14) days to produce the requested information/documentation to the opposing party.

- iv) Required Evidence
  - (a) The Hearing Officer may order production of requested documentation that the Hearing Officer determines is relevant to the proceedings. The requested documentation shall be submitted to the Department as well as the opposing party and shall be available to the requesting party for inspection and copying during normal business hours.
    - (i) Each party can request that the County electronically transmit to them all required evidence within its possession and the County shall provide such evidence to the extent feasible no later than five (5) business days from the request.
  - (b) In a Petition for Fair Return, the Landlord has a duty to provide adequate information to the Affected Tenants regarding the park's net operating income sufficient for a reasonably sophisticated inquiry into the financial status of the Landlord's business. This will consist of true and accurate book entries or other competent evidence of gross income including, but not limited to, gross rents, interest upon security and cleaning deposits, income from ancillary services (submetering of utilities, laundry facilities, etc.) and true and accurate book entries or other competent expenses including, but not limited to, license fees, property taxes, utilities, insurance, management expenses, landlord performed labor, building and grounds maintenance, legal fees, auto and truck expenses, employee benefits, permits, refuse removal, ground lease payments, and similar additional expenses.
- v) Location of Evidence

During the pendency of any hearing, a copy of all documentation and evidence submitted for a hearing shall be maintained at the mobile home park office and shall be available for inspection during the normal business hours of such office.

- vi) Submission of Documents and Other Evidence
  - (a) Written statements, photographs, documents or other evidence relating to the application shall be filed with the Hearing Officer and Department no later than ten (10) days before the hearing on the application. All materials submitted by a Landlord, Affected Tenant, or any other interested party are public records, may be inspected and may be copied upon payment of the County's copying costs.
  - (b) At the hearing, Affected Tenants, the Landlord, their representatives, and any interested person may offer any testimony that is relevant to the petition or complaint. Parties may offer documents, written declarations, photographs, or other written or documentary evidence for the first time at the hearing only if good cause is shown why such evidence could not, with reasonable diligence, have been filed with the Hearing Officer and Department ten (10) days prior to the hearing. All persons testifying at the hearing shall be sworn under penalty of perjury.

#### vii)Failure to Submit Evidence

The failure of a party to produce documentation ordered by the Hearing Officer or Department shall be grounds for the Hearing Officer to find that such party has not met its burden of proof with respect to the matters to which such documentation pertains.

k) Meet-and-Confer

At least thirty (30) days prior to the filing of a Petition or Complaint, parties shall meet and confer with each other's representatives. If the Landlord or Affected Tenants fail to agree on the time, place, and date of the meeting within a forty-eight (48) hour span and provide due notice to the Department, the meeting shall be set at the convenience of the Department.

- i) At the meeting, representatives of the parties should meet to exchange documentary evidence that the parties in good faith then know will be used to support their respective positions at an administrative hearing and discuss the issues in dispute.
  - (a) In the case of a Landlord, all financial data upon which any proposed increase is claimed shall be supplied to tenant representatives at the time of the meet-and-confer meeting.
  - (b) In the case of Affected Tenants, the conditions of alleged services reduced must be stated specifically for each area affected.
- ii) At the meet-and-confer, the parties shall participate in good faith and attempt to resolve the dispute informally. Parties shall have a right to request a mediator or some other neutral third-party be present at the meet-and-confer to attempt to settle the dispute. Parties should attempt to agree on who this person shall be. Offers discussed in settlement negotiations shall be considered confidential and shall not to be introduced as evidence at the hearing.
- 1) Prehearing Conference

At the request of the Hearing Officer, the Department may schedule a prehearing conference to be held prior to the commencement of a hearing. Any such prehearing conference shall be held no earlier than five (5) calendar days after the Landlord and Affected Tenants must file documentation to be introduced at the administrative hearing.

- i) The purpose of the prehearing conference shall be for the parties and the Hearing Officer to review the documentation to be presented at the administrative hearing, for the Hearing Officer to determine an agenda for the administrative hearing, and for the parties to have an opportunity to stipulate to uncontested matters, if any.
- ii) In the event the Hearing Officer desires that a prehearing conference be scheduled, the Hearing Officer shall so notify the Department. If the Department schedules a prehearing conference, the Department shall give written notice to the Landlord and Affected Tenants not less than five (5) calendar days prior to the date of the prehearing conference.
- iii) Any procedural determinations made at the prehearing conference by the Hearing Officer regarding the conduct of the administrative hearing shall be binding on all parties to the hearing.
- m) Location of the Hearing

The Hearing Officer shall use all reasonable efforts to hold the hearing at a location which is convenient for the residents of the park to include virtual hearings being held on video teleconferencing platforms.

- n) Hearing Recordation
  - i) A recording of the proceedings shall be made by the Hearing Officer or the Department and shall be maintained by the Department.
  - ii) A Court Reporter will not be required at the hearing; however, any party may have a court reporter present to record and prepare a transcript of the hearing before the Hearing Officer, but such reporter shall be provided at that party's own expense.
- o) Absence of Party or Representative at Hearing

In the event any party fails to appear at the time and place set for hearing of a petition without good cause as determined by the Hearing Officer, the Hearing Officer may hear and review such evidence as may be presented by those present and may make such findings and decisions as shall be supported by the evidence placed into the record.

- p) Burden of Proof
  - i) In Petitions for Fair Return Hearings, the burden shall be on the Landlord to prove the validity of the increase by a preponderance of the evidence.
  - ii) In Complaints for Service Rent Reductions, the complainant Affected Tenants shall have the burden of proof by a preponderance of the evidence unless the complainants seek to enforce an obligation expressly imposed upon the Landlord pursuant to the terms of a duly executed written lease, in such case the burden of proof shall be the Landlord's by a preponderance of the evidence.

#### Alternative #1:

- ii) In Complaints for Service Rent Reduction, the complainant Affected Tenants shall have the burden of proof by a preponderance of the evidence.
- q) Findings and Determinations
  - i) Written Statement of Decision

The Hearing Officer shall, within fourteen (14) days of the hearing, submit by mail a written statement of decision and the reasons for the decision to the Director who shall forthwith distribute by mail copies of the decision to the owner and tenant(s). The Hearing Officer shall make findings based on the evidence as presented as to each fact relevant to its decision.

ii) Valuing Amount of Rent Increase

The Hearing Officer shall determine whether the action or proposed action of a landlord is valid, authorized, and in conformity with this Ordinance. The Hearing Officer shall determine the amount of rent increase, if any, which is reasonable based upon all the of provisions of Title IX, Division 10 of the Humboldt County Code.

#### iii) Valuing of Service Reductions

In determining the value of any service reductions, the Hearing Officer shall consider the following factors:

- (a) The area affected by the service reduction.
- (b) The length of time the resident has been subjected to the service reduction.
- (c) The degree of discomfort the service reduction imposes on the resident.
- (d) The extent to which the service reduction causes the rental unit or rental units to be uninhabitable.
- (e) The extent to which the service reduction causes a material reduction in the usability of the rental unit.
- (f) The extent to which changes to services were instigated through an agreement between the Landlord and another community organization, such as a Homeowner's Association that is composed of both covered and non-covered Tenants.
- (g) Any proposed capital improvements shall not be considered by the Hearing Officer unless the Landlord provides proof to the Director and the Hearing Officer that it has made a substantial step towards completion of the improvement. Where a Landlord has made a substantial step towards the completion of a capital improvement, the Hearing Officer may consider the timing, magnitude, and nature of said improvement. The Hearing Officer can also consider completed capital improvements.
- (h) Other similar factors deemed relevant by the Hearing Officer. To the extent that a Hearing Officer relies on factors not expressly set forth in this list, the Hearing Officer must include which outside factors it did consider and why such factors were considered in its written decision.

In the event a petition by Affected Tenant(s) results in a downward adjustment in the space rent, the Landlord shall not be obligated to adjust any rent except the rent of those Affected Tenant(s) who signed the petition and paid the established annual administrative fee. Likewise, in the event that a petition does not result in a downward adjustment in rent, only those Affected Tenants who signed the petition shall be liable for any attorney fees awarded.

- iv) The Department shall forthwith mail copies of the decision to the Landlord and Affected Tenants no later than three (3) working days thereafter. Copies of the decision shall be emailed to the Landlord and Affected Tenant's representatives as soon as possible after the decision is made and in all cases within twenty-four (24) hours after the decision is made.
- r) Right of Appeal

A Park Owner or Tenant who wishes to contest a decision by the Hearing Officer shall file and complete service of a petition for judicial review of the Hearing Officer's decision in accordance with the filing deadlines set forth in Code of Civil Procedure 1094.6. The petition shall be served on the County of

Humboldt, Planning and Building Department, Housing Programs at the address noted above by first class mail, return receipt requested. A copy of the petition shall also be served upon to the Resident Representative designated in the Petition for Fair Return or Complaint for Service Rent Reduction within ten (10) days of the date of service of the petition for judicial review. Exhaustion of administrative remedies and compliance with the deadlines set forth in this subsection shall be jurisdictional.

s) Settlements Accepted Outside of the Hearing

Any agreements reached by the parties shall be reduced to writing and be signed by them and the Hearing Officer and submitted to the Department.

#### 16) Attorneys' Fees

In actions arising out of Humboldt County Code § 9101, *et seq.*, the prevailing party shall be entitled to reasonable attorney's fees and costs. A party shall be deemed a prevailing party for the purposes of this section if the judgment is rendered in his or her favor or where the petition/complaint is dismissed in his or her favor prior to or during the hearing unless the parties otherwise agree in the settlement or compromise.

In Complaints for Service Rent Reduction, only those Affected Tenants who signed the petition prior to the submission of the complaint shall be liable for any attorney's fees awarded. All Affected Tenants shall join the Petition regardless of whether such Affected Tenants signed the Complaint for Service Rent Reduction at the outset or not.

#### Alternative #2:

In actions arising out of Humboldt County Code § 9101, et seq., each party shall bear their respective costs including those costs associated with the advisement of attorneys and financial consultants except as otherwise stated herein.

In Complaints for Service Rent Reduction, only those Affected Tenants who signed the petition prior to the submission of the complaint shall be liable for any attorney's fees awarded.

## 17) Remedies for Violations

- a) Criminal Remedies It shall be unlawful for any owner to willfully and knowingly adjust any rent in an amount in excess of that allowed under the Ordinance. Any person who willfully and knowingly impermissibly increases rent in violation of any provision of Humboldt County Code § 9101, *et seq.* or the orders of the Hearing Officer or Director shall be guilty of a misdemeanor punishable by a fine not exceeding \$1,000 or six months in jail or both.
- b) Code Enforcement- The Director, in their discretion, may institute code enforcement proceedings for any violation of this Ordinance and of its rules, regulations, and orders. Such violations will be processed according to severity according to the factors set forth in Humboldt County Code Section 352-6.

c) Injunctive and Other Civil Relief - The Hearing Officer, the Director, the County, and/or the Affected Tenants and Owners may seek relief from the appropriate Court within the jurisdiction within which the rental unit is located to enforce any provision of this Ordinance or its implementing regulations or to restrain or enjoin any violation of this Ordinance and of the rules, regulations, orders and decisions of the Hearing Officer, the Department, the Director, or Board of Supervisors.

#### 18) Severability

If any portion of this Resolution is found to be unconstitutional or invalid, the Board of Supervisors hereby declares that it would have enacted the remainder of this Resolution regardless of the absence of any such invalid part.