

San Dimas Mobile Home Accord

This is an agreement between the mobile home park owners in San Dimas whose names appear on the signature line below, referred to herein as "Management," and the City of San Dimas, referred to herein as "City," for the benefit of Management, City, and mobile home owners, referred to herein as "Homeowners." Homeowners shall be parties to the accord upon signing a rental agreement as provided for in this agreement.

Whereas mobile homes are an important element of the City masterplan housing element; and

Whereas mobile homes and mobile home parks are a unique form of housing in which the residents own their dwelling units and rent the space on which they are situated; and

Whereas mobile home space rents are not fully subject to normal market competition because of the expense and difficulty of relocating mobile homes; and

Whereas in recognition of the unique nature of mobile homes and mobile home parks, the State of California has enacted the Mobile Home Residency Law to regulate certain relationships between Management and Homeowners; and

Whereas said Mobile Home Residency Law does not prohibit the adoption by City of an ordinance, rule, or regulation establishing the maximum amount of rent Management may charge a Homeowner; and

Whereas Homeowners seek to stabilize and limit increases in rent; and

Whereas Management desires to achieve a fair rate of return on their investment; and

Whereas Management, Homeowners, and City recognize rent control ordinances present administrative difficulties and have not been universally successful where enacted; and

Whereas Management, Homeowners, and City desire to make an agreement that will protect the interest of all the parties and provide for a fair, efficient, and economical method of resolving disputes;

NOW THEREFORE, the parties agree as follows:

1. Name of agreement. This agreement shall be referred to as the San Dimas Mobile Home Accord.
2. Incorporate of Mobile Home Residency Law. This agreement incorporates the Mobile Home Residency Law and, to the extent not in conflict with said Law, shall govern the relationship among Management, Homeowners, and City with regard to all matters set forth herein. Unless otherwise defined herein, the terms used in this agreement shall have the same meaning as the same terms in the Mobile Home Residency Law.

3. Leases Permitted. Nothing in this agreement shall restrict the right of a Homeowner and Management from entering into an agreement in accordance with California Civil Code Section 798.17, provided Management has offered the Homeowner the option of entering into a rental agreement or a lease of any term (duration) based on this agreement.
4. Base Rent. The cost of all operations of the mobile home park, including maintenance and future capital improvements not approved by the Homeowners in accordance with the provisions of **Paragraph 8**, Pass-throughs for capital improvements is included in the base rent. Pass-throughs for prior capital improvements, is provided for in **Paragraph 9**, Pass-throughs for prior capital improvements, are not included in base rent. Utility fees and charges may be included in base rent at the option of Management as provided in **Paragraph 6**, Utilities. The initial base rent for each mobile home space in each mobile home park in San Dimas shall be the current rent for said space.
5. Maximum increase in base rent. The base rent for each existing mobile home space may not be increased more than once in any twelve-month period. The maximum annual rent increase amount will be no greater than the percent change in the annual Consumer Price Index (CPI) for All Urban Consumers, the Los Angeles- Riverside- Orange-County Statistical area published by the U.S. Department of Labor, Bureau of Labor Statistics. The maximum annual rent increase amount will be determined by the annual CPI 5 months before the annual rent increase is to be implemented (for example, if the rent anniversary date is July, the February annual index will be used). The City of San Dimas will keep a record of the annual CPI change to verify maximum rent increase amounts during the term of this agreement. If the annual CPI is less than 3%, the maximum annual rent increase amount will be 3%. Management may elect to have an increase less than the maximum. In no event shall the annual rent increase amount be greater than 7%.

The base rent for a newly developed mobile home space shall be initially set by Management. Thereafter, rent increases for those spaces shall be determined by this Accord. The rent charged for a newly developed mobile home space shall not be considered for determining the highest rent in the park. For the purposes of this paragraph, the term "newly developed mobile home space" includes spaces for mobile homes which are developed from property used for some other purpose, property used for recreational vehicle spaces or vacant property.

6. Utilities. Management may elect to bill homeowners separately for utility fees and charges in accordance with Civil Code Section 798.41. In the event Management so elects, all of the provisions of Section 798.41 shall apply. If Management elects to bill the Homeowner separately for utilities under this section, the base rent shall be adjusted as provided in Section 798.41, with both the base rent and the highest base rent being adjusted. Nothing in this agreement shall require Management to bill separately for utilities.

7. Permitted Pass-Throughs.

A. Management may pass through to Homeowners the charges specified in Civil Code Section 798.49 as provided in that section.

B. Management may pass through to Homeowners the cost of alterations and improvements made to conform to the requirements of the American with Disabilities Act (ADA), improvements required as a result of natural disasters, or any other government mandated upgrades. The cost of alterations and improvements permitted to be passed through under this subparagraph 7.B. shall be imposed on each space in the mobile home park and shall be amortized over sixty (60) months. The issue of whether an alteration or improvement may be passed through to Homeowners under this subparagraph, and the amount of the pass through, are subject to review and determination by the procedure set forth in **Paragraph 8**. In determining the amounts of the pass through, consideration shall be given to insurance proceeds, government grants, and any other payments that have the effect of reducing Management's out of pocket expense. Consideration shall also be given to the depreciated value of any property replaced, repaired, altered, or improved so management will not benefit from receiving "new" for "old". The charges passed through to Homeowners under this subparagraph shall be rent in addition to the base rent, and shall be separately stated on the bill.

C. Management and Homeowners recognize the importance of ensuring the viability of a mobile home park and the need to ensure unanticipated or unusual property-based taxes and/or assessments implemented or increased after January 1, 2021 should allow both parties to revisit how any such tax and/or assessment will be passed on to Homeowners.

- a. Management and Homeowners agree to reopen this agreement and negotiate in good faith the pass-through of such new tax and/or assessments in the following instances:
 - i. New tax or assessment – A new property-based tax or assessment is inured which was not in place prior to January 1, 2021; or
 - ii. Increased Tax or Assessment after Law Change – An increase in property-based tax or assessment in place prior to January 1, 2021 which exceeds limits imposed to such tax or assessment that were in effect on December 31, 2020; or
 - iii. Unusual Tax or Assessment Law Change – Changes to property-based tax or assessment which are not considered frequent, customary changes for mobile home parks throughout California. Such change is defined as a change which is codified in law but is applied only in rare occasions (i.e. significant impairment of property due to fire or other disaster or property value reduction, which is recouped through Prop 8 increases, etc.).

- b. **Mediation of Impasse** – In the case a mutual agreement is not reached within 60 days of good faith negotiations, Management and Homeowners agree to engage the City for nonbinding mediation. Mediation will be informal at the direction of the City and both Parties agree to indemnify and hold the City harmless for the totality of the proceedings.
 - c. **Termination** - If an impasse remains after 60 days of mediation, either party can terminate this Agreement by giving written notice to the other Party and the City. Such termination will take effect 60 calendar days after written notice being deposited within the US Postal Service and determined by the postmark date. In the absence of a postmark, the termination will be 60 days after constructive receipt by the City
8. Pass-Throughs for Capital Improvements. The cost of capital improvements may be passed through to Homeowners if the improvement is approved by a majority vote of the Homeowners. The monthly payment for pass-throughs approved under this paragraph shall be rent in addition to the base rent and shall be separately stated on the bill.

For the purpose of an election held under this Paragraph 8:

- a. There shall be one vote per space in the park.
 - b. The person entitled to vote for each space shall be the registered owner of the mobile home located in the space.
 - c. The voting shall be conducted by mail, and all ballots shall be mailed to City Hall for counting. A park resident representative and a Management representative may be in attendance during the counting.
 - d. The majority required for approval shall be the affirmative vote of 50% + 1 of the spaces in the park.
 - e. Before the election is held, the following information shall be disclosed to the mobile home owners eligible to vote: the cost of the improvement, and the terms of payment for the capital improvement, including the interest rate, the number of monthly payments, and the amount of the monthly payment.
9. Pass-Throughs for prior Capital Improvements.
- a. All pass-throughs for capital improvements shall remain in effect until fully paid.
 - b. By signing this Accord, each park owner waives any right to impose any new pass-throughs except in accordance with the Accord.

10. Adjustment of rent on sale of mobile home. Unless there is a lease with contrary provisions, when a mobile home is sold, Management may elect to partially or fully remove the rent increase limitations otherwise required by **Paragraph 5**. Management may raise the base rent for the space occupied by said mobile home by any amount when a new homeowner replaces a mobile home with a new or different mobile home, or when a mobile home is abandoned in-place or when a vacancy results from a lawful eviction. Therefore, the base rent for the space may be increased annually as provided in this agreement.
11. Exemption to rent increase limitations. Notwithstanding the provisions of **Paragraph 10**, the following are subject to the rent limitations in **Paragraph 5**:
 - a. An in-place transfer of a mobile home to a spouse, parent, a child, siblings, grandparent, grandchild, or domestic partner of the mobile home owner or a person who was a joint tenant of the mobile home owner on the effective date. However, it should be noted that the heir(s) or other recipient of the home must be able to meet residency requirements in order to live in the community (specifically requirements for a 55+ age restricted community). If the heir(s) or other recipient of the home do not meet residency requirements the rent amount will remain as provided for under this agreement for 3 months after the in-place transfer to allow for the sale of the home. After that 3-month period the rent amount may be adjusted by the provisions of **Paragraph 10**.
 - b. A temporary removal of a mobile home to allow rehabilitation or upgrades, or replacement of the mobile home on the same space by a homeowner.
 - c. An existing homeowner sells his home and purchases another home located on another space within the park is exempt from rent increase limitations under **Paragraph 10**, however the base rent applied to the homeowner's new space will be the greater of, the previous space rent on the space being vacated and the new space rent in effect prior to the time of the transfer. Therefore, the space rent may be increased annually as provided in this agreement.
12. Procedure for resolving disputes. With the exception of disputes related to (a) termination of tenancy for a failure to pay rent or other charges, (b) forcible detainer, (c) injunctive relief per Code of Civil Procedure section 527.6, Civil Code section 798.87, and Civil Code section 798.88, (d) condemnation or a change of use of the mobile home park as provided in Civil Code section 798.56 (g) and (f), and/or (e) to preserve any equitable rights relating to any dispute between Management and Homeowners:
 - a. The Homeowner shall discuss the matter with the resident manager.

b. If the issue is unresolved, the Homeowner shall discuss the matter with the park owner or the park owner's agent.

c. If the issue is unresolved, the Homeowner and the park owner, or agent, shall discuss the matter with the ombudsman appointed by the City. The services of the ombudsman may be requested by any party to a dispute by making a written request to the City Manager. Upon receiving a request for the services of an ombudsman, the City Manager, or his appointee, shall schedule a meeting of the parties. The first meeting of the ombudsman with parties shall be held within 15 days after the City Manager receives a request for the services of the ombudsman. The ombudsman may be a city employee or non-employee. The ombudsman shall be selected by the City Manager with the agreement of the City Council.

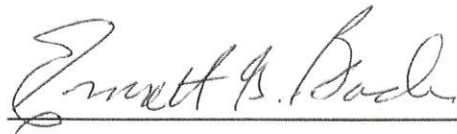
d. If the issue is unresolved, either side may request mediation and the parties shall enter into mediation arranged by the City. Each of the parties shall pay up to \$100 toward the cost of mediation. City shall pay any additional cost of the mediation.

e. If the issue is unresolved, the dispute shall be submitted to binding arbitration before a neutral arbitrator. In the event the parties are unable to agree on the selection of the arbitrator, the City Manager shall select the names of five (5) arbitrators from the list maintained by the East District (Pomona) of the Los Angeles County Superior Court. Each side shall have the right to reject two (2) proposed arbitrators. The arbitrator shall be selected by lot from the names that have not been rejected by either party. City shall advance the fees charged by the arbitrator, subject to reimbursement as set forth below. The expense of arbitration, including the arbitrator's fee, shall be paid by the parties as determined by the arbitrator. In the event the arbitrator does not make a decision regarding the payment of expenses of the arbitration, each party shall pay one-half of the arbitrator's fee and shall bear its own expense otherwise. In any event, each party shall bear its own expenses for attorney fees and expenses incurred by its attorneys. Title 9 of the California Code of Civil Procedure (Sections 1280-1294.2, including the right to discovery under section 1283.05), and amendments thereto, shall apply to any arbitration proceeding under this Accord.

13. Agreement binding on successors. The provisions of this agreement shall be binding upon the heirs, personal representatives, successors, and assigns of each park owner who executes this agreement.
14. Invalidity of provisions. If any provision of this agreement or the application thereof to any person or circumstance is held to be unlawful or is otherwise invalidated by a final judgement of any court of competent jurisdiction, such invalidity shall not affect other provisions or applications of this agreement which shall be implemented without the invalid provision or application; and to this end, the provisions of this agreement are deemed to be severable.

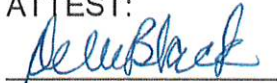
15. Singular includes plural. To the extent the context of this agreement so requires, the singular shall include the plural and the masculine, feminine, and neuter genders shall each include the others.
16. Effective date and term. This agreement shall be effective on January 1, 2021, for a term of five (5) years.
17. Amendment. This agreement may not be altered, amended, or revoked except by an instrument in writing executed by City and by all of the park owners.

Approved and adopted: May 11, 2021



Mayor, City of San Dimas

ATTEST:



City Clerk

Dated: May 18, 2021

SAN DIMAS ROYAL, LLC
John A. DeFalco Management Company



John A. DeFalco, Owner

Dated: _____

MOBILELAND
Greg Silberg Management Company

Greg Silberg Owner

Dated: _____

LONEHILL MANOR MOBILEHOME ESTATES
Dunex Inc. Property Management

Brian Alex, Vice President

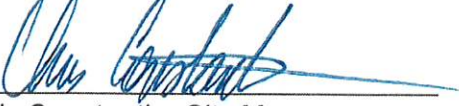
Dated: _____

CIENEGA VALLEY ESTATES, LLC
Synergized Properties, Inc.

Avram Salkin, Managing Member

Dated: 6/9/2021

CHARTER OAKS MOBILE HOME ESTATES



Chris Constantin, City Manager
Executive Director
San Dimas Housing Authority

Dated: _____

SAN DIMAS ROYAL, LLC
John A. DeFalco Management Company

John A. DeFalco, Owner

Dated: 5/18/2012

MOBILELAND
Greg Silberg Management Company



Greg Silberg, Owner

Dated: _____

LONEHILL MANOR MOBILEHOME ESTATES
Dunex Inc. Property Management

Brian Alex, Vice President

Dated: _____

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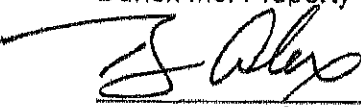
Dated: _____

MOBILELAND
Greg Silberg Management Company

Greg Silberg Owner

Dated: 5.19.2021

LONEHILL MANOR MOBILEHOME ESTATES
Dunex Inc. Property Management



Brian Alex, ~~Vice~~ President

Dated: _____

CIENEGA VALLEY ESTATES, LLC
Synergized Properties, Inc.

Avram Salkin, Managing Member

Dated: _____

CHARTER OAKS MOBILE HOME ESTATES

Chris Constantin, City Manager
Executive Director
San Dimas Housing Authority

Dated: _____

SAN DIMAS ROYAL, LLC
John A. DeFalco Management Company

John A. DeFalco, Owner

Dated: _____

MOBILELAND
Greg Silberg Management Company

Greg Silberg Owner

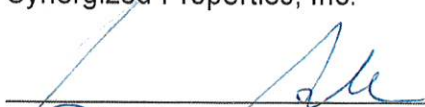
Dated: _____

LONEHILL MANOR MOBILEHOME ESTATES
Dunex Inc. Property Management

Brian Alex, Vice President

Dated: 5/18/2021

CIENEGA VALLEY ESTATES, LLC
Synergized Properties, Inc.



Avram Salkin, Managing Member

Dated: _____

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Chris Constantin, City Manager
Executive Director
San Dimas Housing Authority