

City of El Monte



11333 Valley Boulevard
El Monte, California 91731

MOBILEHOME PARK RENT STABILIZATION PROGRAM

Fair Return Rent Adjustment Petition

El Monte Municipal Code Ch.8.70

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GENERAL INSTRUCTIONS

A. REQUIRED CONTENTS OF APPLICATION:

1. Two (2) copies of the completed application.
2. Two (2) copies. Documentation of Operating Expenses and Provisions of Rent Rolls. Operating expense documentation must be organized by category with a print out showing addition for each category. Pages should be numbered.
3. A Declaration Under Penalty of Perjury certifying that the information in the application is true and correct (form attached).
4. Address labels for each park resident formatted in an electronic WORD file using all capital letters (Avery Label 5160 or compatible - 30 addresses per page) or four sets of address labels for each occupied mobilehome park space showing the park name and address including space number.

EXAMPLE: JOHN AND JANE DOE
 MOBILEHOME PARK
 12345 MAIN STREET, SPACE 100
 EL MONTE, CA _____

B. FORMAT OF APPLICATION:

1. The application shall be typed or printed in black ink.
2. All attached pages should be 8 ½" x 11".

If information required in this application is unavailable for any reason, please indicate the reason for its unavailability at the appropriate section in the application.

C. DELIVERY OF APPLICATION:

The application and all supporting documents should be submitted to:

City of El Monte – City Hall West
Economic Development Department
c/o Minh Thai, Economic Development Director
11333 Valley Boulevard
El Monte, California 91731

D. CITY GUIDELINES FOR PROCESSING APPLICATIONS

Fees required by the City shall be provided as a precondition to processing the application. and the documentation pursuant to has been provided.

The applicant shall bear the burden of proof and provide the evidence to justify a rent increase based on an application.

After the petition is submitted a preliminary review will be conducted in order to determine what fees will be required. Within thirty (30) days of receipt of an application and the payment of required fees a determination shall be made as to whether application is complete and, if the application is not deemed complete, notice shall be provided of what additional information is required.

E. INQUIRES

Submit all questions and inquiries in writing to:

City of El Monte – City Hall West
Economic Development Department
c/o Fernando Lopez, Housing Manager
11333 Valley Boulevard
El Monte, California 91731

**OWNER'S DECLARATION
UNDER PENALTY OF PERJURY**

I / (We), _____ declare as follows:

I (we) am (are) the **CIRCLE ONE** [Park Owner(s) / (Authorized Representative(s) of the owner(s)] of said park involved in this request and I am authorized to submit this application form and supporting documentation on behalf of the Mobilehome Park being applied for I declare under penalty of perjury that the information and documentation and statements are true and correct.

Executed this _____ Day of _____, 20 _____

at _____ California.

Signed: _____

Print Name

Capacity

Mailing Address

City, State, Zip

Telephone

GENERAL INFORMATION ABOUT THE PARK

Contact Person for Fair Return Petition submission:

Name: _____ Address: _____

Phone: _____ Email: _____

1. Mobilehome Park Name _____

2. Telephone _____

3. Street Address / City _____ Zip Code _____

4. Parcel Numbers(s) _____

5a. **Park Owner** _____
(name)

b. Telephone _____

c. Street Address / City _____ Zip Code _____
(P.O. Box is not acceptable)

6a. **Parkowner Representative** _____
(enter name or "same as above")

b. Telephone _____
(If other than park owner)

c. Street Address / City _____ Zip Code _____
(P.O. Box is not acceptable)

7. Year park originally opened _____

8. Year park purchased by current owner _____

9. Total number of spaces in Park _____

10. Total number of spaces affected by proposed increase _____

11. Allocation of Costs of Utility Services and Amenities (check the appropriate box(es) in each row)

Type of Service	Paid by Park Owner cost not passed through to tenants	Paid by Park Owner cost passed through to Tenants	Tenants pay provider directly
a. Gas			
b. Electricity			
c. Water			
d. Sewer			
e. Trash			
f. Cable TV			
g. Other:			

GROSS INCOME, OPERATING EXPENSES & NET OPERATING INCOME IN BASE YEAR, CURRENT YEAR, AND THE TWO PRIOR YEARS

Base Year and Current Year

A. DETERMINATION OF BASE YEAR

Pursuant to Municipal Code 8.70.080.B., it is presumed that the net operating income earned by the park in the calendar year 2012 provided a just and reasonable return. Therefore, 2012 is the Base Year to be used in reviewing a rent increase application calculating a Rent Adjustment Application unless the park has received a special adjustment since 2012.

B. CURRENT YEAR

“Base Year” means the calendar year immediately proceeding the date of application.

The current year in this application is_____

C. INCOME (BASE YEAR AND CURRENT YEAR)

As provided below, list all park-related income. Use totals for the 12-month period for all spaces in the park.

Do not include any income collected for the provision of submetered gas and electricity expenses or reimbursements by residents for utility company charges.

		<u>Income</u>	
		Annual Total	
		Base Year	Current Year
		()	()
		_____	_____
1. Total of scheduled space rents as of date of application: <i>(see El Monte Code Sec.8.70.080.E.4.a)</i>	\$	_____	_____
Fees (indicate what fee is for):			
2. Late fees	\$	_____	_____
3. Fees collected for services & amenities not included in space rent (do not include laundry and storage)	\$	_____	_____
Other fees (list separately by type):			
4. _____	\$	_____	_____
5. _____	\$	_____	_____
6. _____	\$	_____	_____
7. _____	\$	_____	_____
8. _____	\$	_____	_____
Utility Income			
Do not include utility company charges if cost passed through to residents			
9. Water	\$	_____	_____
10. Sewer	\$	_____	_____
11. Trash	\$	_____	_____
12. Cable TV	\$	_____	_____
Other (list separately by type):			
13. _____	\$	_____	_____
14. _____	\$	_____	_____
		\$	
TOTAL GROSS INCOME:		_____	_____
Actual Gross Space Rental Income		_____	_____

D. OPERATING EXPENSES (BASE YEAR AND CURRENT YEAR)

List all operating expenses for all spaces in the park. Do not include interest or other debt service.

Gas and Electricity Expenses: Do not include any expenses associated with the provision of **submetered** gas and electricity services. Pricing for the provision of submetered gas and electricity is regulated by the California Public Utilities Commission and includes a differential over the utility company charge in order to provide for the maintenance of these systems. The courts have ruled that these expenses cannot be considered in a rent control proceeding. However, fees and maintenance for the provision of gas and electricity services to common areas, which are not passed through to tenants, should be included in this application.

Operating Expenses

	Year	Base Year ()	Current Year ()
1. Assessments	\$		
2. Electricity (common areas only)	\$		
3. Gas (common areas only)	\$		
4. Gardening	\$		
5. Insurance	\$		
6. Legal ¹	\$		
7. Accounting	\$		
8. Licenses	\$		
9. Manager (if any)	\$		
10. Miscellaneous Supplies	\$		
11. Normal Repairs	\$		
12. Office Supplies	\$		
13. Plumbing Maintenance	\$		
14. Pool Maintenance	\$		
15. Real Property Taxes	\$		
16. Security	\$		
17. Street Maintenance	\$		
18. Street Sweeping	\$		
19. Trash (do not include charges reimbursed by tenants)	\$		
20. Water (do not include charges reimbursed by tenants)	\$		
21. Sewer (do not include charges reimbursed by tenants)	\$		
22. CableTV (do not include charges reimbursed by tenants)	\$		
23. Amortized portion of Capital Expense (from Table F. page 12)	\$		
24. Owner-Performed Labor	\$		
Other (list separately by type):			
25.	\$		
26.	\$		
27.	\$		
TOTAL OPERATING EXPENSES	\$		

¹ See Section El Monte Mun. Code Sec. 8.70.080.E.5.a. viii

E. UTILITY CHARGES COVERED BY REIMBURSEMENT FROM TENANTS

UTILITY	BASE YEAR ()		CURRENT YEAR ()	
	UTILITY CHARGES	REIMBURSEMENT BY TENANTS	UTILITY CHARGES	REIMBURSEMENT BY TENANTS

G. NET OPERATING INCOME (NOI)

Net Operating Income = Gross income – Operating Expenses:

	Base Year ()	Current Year ()
TOTAL GROSS INCOME²	\$ _____	_____
TOTAL OPERATING EXPENSES³	\$ _____	_____
NET OPERATING INCOME (Gross Income – Operating Expenses):	\$ _____	_____

² Total Gross income figure is from Section III.C of application.

³ Total Operating Expense figure is from Section III.D. of application

H. CALCULATION OF “PROPOSED ENTITLEMENT” PURSUANT TO NET OPERATING INCOME STANDARD

Under the NOI standard, the “Current NOI Entitlement” is the base year NOI adjusted by 100% of the percentage increase in the CPI since the base year.

1. FAIR NET OPERATING INCOME =

$$\text{Base Year NOI} \times \frac{(\text{Current CPI} - \text{Base Year CPI})}{\text{Base Year CPI}}$$

2. NET OPERATING INCOME ADJUSTMENT =

$$\text{Fair Net Operating Income} - \text{Current Year Net Operating Income}$$

3. NET OPERATING INCOME ADJUSTMENT PER SPACE PER MONTH =

$$\text{Net Operating Income Adjustment} / (\text{No. Of Spaces} \times 12)$$

Calculation of Proposed NOI Entitlement

Set forth all steps in calculation of:

1. “Current NOI Entitlement”,
2. The difference between current NOI and Current NOI Entitlement for the park,
3. The difference between the current NOI and the “Current NOI Entitlement” on a per space basis.

I. INCOME (THE TWO YEARS PRIOR TO THE CURRENT YEAR)

As provided below, list all park-related income. Use totals for the 12-month period for all spaces in the park.

Do not include any income collected for the provision of submetered gas and electricity expenses or reimbursements by residents for utility company charges.

		Annual Total	
		Year Prior To Current Year	Year Two Years Prior to Current Year
(Year)		()	()
1. Total space rental income	\$		
Fees (indicate what fee is for):			
2. Late fees	\$		
3. Fees collected for services & amenities not included in space rent (do not include laundry and storage)	\$		
Other fees (list separately by type):			
4.	\$		
5.	\$		
6.	\$		
7.	\$		
8.	\$		
Utility Income			
Do not include utility company charges if cost passed through to residents			
9. Water	\$		
10. Sewer	\$		
11. Trash	\$		
12. Cable TV	\$		
Other (list separately by type):			
13.	\$		
14.	\$		
	\$		
TOTAL GROSS INCOME:			
Actual Gross Space Rental Income			

J. OPERATING EXPENSES (THE TWO YEARS PRIOR TO CURRENT YEAR)

List all operating expenses for all spaces in the park. **Do not include interest or other debt service.**

Gas and Electricity Expenses: Do not include any expenses associated with the provision of **submetered** gas and electricity services. Pricing for the provision of submetered gas and electricity is regulated by the California Public Utilities Commission and includes a differential over the utility company charge in order to provide for the maintenance of these systems. The courts have ruled that these expenses cannot be considered in a rent control proceeding. However, fees and maintenance for the provision of gas and electricity services to common areas, which are not passed through to tenants, should be included in this application.

		Annual Total	
		Year Prior To Current Year	Year Two Years Prior to Current Year
Year		()	()
1. Assessments	\$		
2. Electricity (common areas only)	\$		
3. Gas (common areas only)	\$		
4. Gardening	\$		
5. Insurance	\$		
6. Legal	\$		
7. Accounting	\$		
8. Licenses	\$		
9. Manager (if any)	\$		
10. Miscellaneous Supplies	\$		
11. Normal Repairs	\$		
12. Office Supplies	\$		
13. Plumbing Maintenance	\$		
14. Pool Maintenance	\$		
15. Real Property Taxes	\$		
16. Security	\$		
17. Street Maintenance	\$		
18. Street Sweeping	\$		
19. Trash (do not include charges reimbursed by tenants)	\$		
20. Water (do not include charges reimbursed by tenants)	\$		
21. Sewer (do not include charges reimbursed by tenants)	\$		
22. CableTV (do not include charges reimbursed by tenants)			
23. Amortized portion of Capital Expense	\$		
24. Owner-Performed Labor	\$		
Other (list separately by type):			
25.	\$		
26.	\$		
27.	\$		
TOTAL OPERATING EXPENSES		\$	

ADJUSTMENT OF BASE YEAR NET OPERATING INCOME

Pursuant to El Monte Code Sec. 8.70.080.D. you may apply for a an adjustment of your base year (2012) NOI if you demonstrate that an adjustment is warranted on the basis that the 2012 NOI actually earned by the park, did not provide you with a fair return. If an adjustment is requested pursuant to this section, in Section 3.H. provide calculations of rent entitlement with and without proposed base year net operating adjustment.

A. APPLICANT'S JUSTIFICATION FOR ADJUSTMENT OF BASE YEAR NET OPERATING INCOME (NOI):

ANY OTHER BASES FOR FAIR RETURN CLAIM

Provide any additional descriptions or attachments to substantiate your bases for the Fair Return claim.