PLEASE DOWNLOAD THE AGENDA DOCUMENT FOR INSTRUCTIONS ON HOW TO PARTICIPATE IN THE MEETING

1. Amended Agenda

   Documents:

   CC260209_AMENDED_AGENDA.PDF

2. Item 1B2

   Approve Warrants

   Documents:

   CC260209_ITEM 1B2.PDF

3. Item 1B3

   Approval of Minutes

   Documents:

   CC260209_ITEM 1B3.PDF

4. Item 1B4

   Park Enhancement and Donation Program

   Documents:

   CC260209_ITEM 1B4.PDF
   CC260209_ITEM 1B4_SUPPLEMENTAL.PDF

5. Item 1B5

   Retired Annuitant Extra-Help Agreement for Gigi Decavalles-Hughes

   Documents:

   CC260209_ITEM_1B5.PDF

6. Item 5A

   Proposed Amendments to the Malibu Mobilehome Park Rent Stabilization Ordinance

   Documents:

CC260209_ITEM 5A.PDF
CC260209_ITEM 5A_SUPPLEMENTAL.PDF

7. Item 6A

   Update on Temporary Use and Sign Permit Regulations and Consideration of Zoning Text Amendment

   Documents:

   CC260209_ITEM 6A.PDF

8. Item 8A

   Council Appointment to the Public Safety Commission

   Documents:

   CC260209_ITEM 8A.PDF

HOW TO VIEW THE MEETING: The meeting will be live streamed at www.malibucity.org/video and via Zoom Webinar.

HOW TO PARTICIPATE BEFORE THE MEETING: Members of the public are encouraged to submit email correspondence to citycouncil@malibucity.org before the meeting begins.

HOW TO PARTICIPATE IN-PERSON DURING THE MEETING: In order to participate in-person, each speaker must complete and submit to the Recording Secretary a Request to Speak form. In-person participants may also surrender their opportunity to speak on a particular item to defer one minute to another in-person speaker. Meeting room doors will open 30 minutes before the meeting.

HOW TO PARTICIPATE REMOTELY DURING THE MEETING: The City has been experiencing extreme technical issues with its broadcast and zoom capabilities. It is strongly recommended that those who wish to participate do so in person as zoom participation is not guaranteed. While the City intends to allow zoom participation if possible, the meeting will not be cancelled or continued if technical difficulties impact the ability to accept public participation over Zoom. In such case only in-person participation will be allowed. In order to participate remotely, you must be present in the Zoom Webinar during the item that you would like to speak on and use the Raise Hand feature to request to speak when the Mayor calls the item. When you join the Zoom Webinar you may see a pop-up asking you to enter an email address, but a valid email address is not required.

Amended[1] Malibu City Council Regular Meeting Agenda

Monday, February 9, 2026

4:00 P.M. - CLOSED SESSION
City Hall – Council Chambers (call to order)
Westward Room (closed session)
23825 Stuart Ranch Road

5:30 P.M. – CITY COUNCIL REGULAR MEETING
City Hall – Council Chambers
23825 Stuart Ranch Road

Zoom Webinar Link:
https://us02web.zoom.us/j/87985644870

Four p.m. Convene for Purpose of Closed Session

Call to Order – Mayor (Council Chambers)

Public Comment on Closed Session Items

1 *See the addition of Closed Session and Consent Calendar Item No. 1.B.5.*

Recess to Closed Session (to be held in the Westward Room)

This time has been set aside for the City Council to meet in a closed session to discuss matters pursuant to Government Code Section 54956.9. Based on the advice of the City Attorney, discussion in open session concerning these matters would prejudice the position of the City in this litigation. The City Attorney will give an additional oral report regarding the Closed Session at the beginning of the next regular City Council meeting. At the conclusion of the Closed Session, the Council may continue any item listed on the Closed Session agenda to the Open Session agenda for discussion or to take formal action as it may deem appropriate.

Conference with Legal Counsel – Existing litigation pursuant to Government Code Section 54956.9(d)(1):

1. *Case Name: City's Petition to Form Malibu USD from Territory in the Santa Monica-Malibu USD*

Conference with Legal Counsel – Anticipated Litigation

1. *Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Government Code section 54956.9*
   Number of potential cases: (3)

Five-thirty p.m. **Regular Session**

Call to Order - Mayor

Roll Call - Recording Secretary

Pledge of Allegiance

Closed Session Report

Report on Posting of Agenda – January 30, 2026*; Amended Agenda posted February 6, 2026*

Approval of Agenda

1. Consent Calendar

Items in Consent Calendar Section A have already been considered by the Council at a previous meeting where the public was invited to comment, after which a decision was made. Resolutions concerning decisions made at previous meetings are for the purpose of memorializing the decision to assure the accuracy of the findings, the prior vote, and any conditions imposed. Items in Consent Calendar Section B have not been discussed previously by the Council. Members of the public may comment on the consent calendar as a whole. After public comment, the Council may remove items from the Consent Calendar for individual consideration before adopting the Consent Calendar.

A. Previously Discussed Items

None.

B. New Items

1. Waive Further Reading

Recommended Action: After the City Attorney has read the title, waive full reading of ordinances considered on this agenda for introduction on first reading and/or second reading and adoption.

Staff Contact: Interim City Attorney Rusin, 456-2489, ext. 228

2. Approve Warrants

Recommended Action: Allow and approve warrant demand numbers 77869-77976 on the register from the General Fund and direct the City Manager to pay out the funds to each of the claimants listed in Warrant Register No. 783 in the amount of the warrant appearing opposite their names, for the purposes stated on the respective demands in a total amount of $2,115,002.18. City of Malibu payroll check number 5557-5559 and ACH deposits were issued in the amount of $596,023.10.

Staff Contact: Interim City Manager DuBoux, 456-2489, ext. 226

3. Approval of Minutes

Recommended Action: Approve the minutes for the July 10, 2025 Special Meeting.

Staff Contact: City Clerk Pettijohn, 456-2489, ext. 228

4. Park Enhancement and Donation Program

Recommended Action: At the recommendation of the Parks and Recreation Commission, approve revisions to the Park Enhancement and Donation Program.

Staff Contact: Community Services Director Riesgo, 456-2489, ext. 350

5. Retired Annuitant Extra-Help Agreement for Gigi Decavalles-Hughes

Recommended Action: 1) At the recommendation of the City Manager, approve the appointment of Gigi Decavalles-Hughes pursuant to Government Code Section 21224; and 2) Authorize the City Manager to execute the retired annuitant extra-help agreement with Ms. Decavalles-Hughes.

Staff Contact: Assistant City Manager Smith, 456-2489, ext. 239

2. Ceremonial/Presentations

A. Presentation of City Tile to Chris Frost for his service on the Public Safety Commission

B. City Council Reorganization

1. Presentations to Outgoing Mayor

2. Remarks by Outgoing Mayor

3. Election of Mayor

4. Election of Mayor Pro Tem

5. Administration of Oath of Office to Newly Elected Mayor and Mayor Pro Tem

6. Remarks by Newly Elected Mayor

3. Commission / Committee / City Manager Updates

4. Written and Oral Communications from the Public (Subsequent items to be heard after 6:30 p.m.)

The Oral Communication portion of the agenda is for members of the public to present items, which are not listed on the agenda but are under the subject matter jurisdiction of the City Council. No action may be taken under, except to direct staff, unless the Council, by a two-thirds vote, determines that there is a need to take immediate action and that need came to the attention of the City after the posting of the agenda. Although no action may be taken, the Council and staff will follow up, at an appropriate time, on those items needing response.

A. Communications from the Public concerning matters which are not on the agenda but for which the City Council has subject matter jurisdiction. City Council may not act on these matters except to refer the matters to staff or schedule the matters for a future agenda.

B. City Council Subcommittee reports / Mayor and Councilmember meeting attendance, reports and inquiries

5. Ordinances and Public Hearings

For Public Hearings involving zoning matters the appellant and applicant will be given 15 minutes each to present their position to the City Council, including rebuttal time.

A. Proposed Amendments to the Malibu Mobilehome Park Rent Stabilization Ordinance

Recommended Action: 1) After the City Attorney reads the title of the ordinance, introduce on first reading Ordinance No. 532 , an ordinance of the City of Malibu amending Chapter 5.16 (Mobilehome Park Rent Control Regulations) of Title 5 (Business Licenses and Regulations) and repealing Chapter 2.28 (Mobilehome Park Rent Stabilization Commission) of Title 2 (Administration and Personnel) of the Malibu Municipal Code, and finding the ordinance is exempt from the California Environmental Quality Act; and 2) Direct staff to schedule second reading and adoption of Ordinance No. 532 for the February 23, 2026 City Council Regular Meeting.

Staff Contact: Interim City Manager DuBoux, 456-2489, ext. 226

6. Old Business

Old Business items have appeared on previous agendas with no final action having been taken.

A. Update on Temporary Use and Sign Permit Regulations and Consideration of Zoning Text Amendment

Recommended Action: 1) Receive update on the implementation of Ordinance No. 526, amendments to Temporary Use Permit (TUP) and Sign Permit regulations to support economic recovery following the impacts of the 2025 Palisades Fire; 2) Adopt Resolution No. 26-06, initiating a Zoning Text Amendment (ZTA) to Title 17 (Zoning) of the Malibu Municipal Code (MMC) related to TUP and Sign Permit regulations; 3) Bypass the Zoning Ordinance Revisions and Code Enforcement Subcommittee (ZORACES) review; and 4) Direct the Planning Commission to schedule a public hearing regarding the same.

Staff Contact: Community Development Director Bundy, 456-2489, ext. 229

7. New Business

New Business items are appearing for the first time for formal action.

None.

8. Council Items

City Council Items are items, which individual members of the City Council may bring up for action, to propose future agenda items or to suggest future staff assignments.

A. Council Appointment to the Public Safety Commission

Recommended Action: Councilmember Stewart to make a new appointment to the Public Safety Commission.

Staff Contact: City Clerk Pettijohn, 456-2489, ext. 228

Adjournment

Future Regular Meetings

Monday, February 23, 2026	5:30 p.m.	Regular City Council Meeting	City Hall Council Chambers
Monday, March 9, 2026	5:30 p.m.	Regular City Council Meeting	City Hall Council Chambers
Monday, March 23, 2026	5:30 p.m.	Regular City Council Meeting	City Hall Council Chambers

Guide to the City Council Proceedings and Decorum

Public Communications: Each speaker is limited to three (3) minutes. Members of the public may speak during the meeting in-person or through the Zoom application, although it is strongly recommended that those who wish to participate do so in person. While the City intends to allow zoom participation, the meeting will not be cancelled or continued if technical difficulties impact the ability to accept public comment over Zoom. In order to participate remotely, you must be present in the Zoom Webinar during the item that you would like to speak on and use the Raise Hand feature to request to speak when the Mayor calls the item. In order to participate in-person, each speaker must complete and submit to the Recording Secretary a Request to Speak form *prior* to the beginning of the item being announced by the Mayor. In-person participants may surrender their time by deferring one (1) minute to another in-person speaker, not to exceed a total of eight (8) minutes. The speaker wishing to defer time must be present when the item is heard and their form must be submitted with the speaker form for the individual they are deferring time to. Speakers are taken in the order slips are submitted or hands are raised.

On specific agenda items Councilmembers may question any person addressing the City Council at the conclusion of all public testimony on that agenda item before the Council. Councilmembers shall not engage any member of the public in a dialogue with themselves other Councilmembers, city staff or other members of the public.

Role of the Presiding Officer: The presiding officer of the City Council, who shall be the Mayor, shall be responsible for maintaining the order and decorum of meetings. It shall be the duty of the presiding officer to ensure that these rules of procedure and decorum are followed at all times. The presiding officer shall maintain control of communication between Councilmembers, between the Council and the public, and chair each meeting in a fair and impartial manner. It shall be the duty of each Councilmember to support the presiding officer in maintaining the order and decorum of Council meetings.

Members of the Audience: Members of the audience shall not engage in disorderly or boisterous conduct, including clapping, whistling, stamping of feet, or other acts which disturb, disrupt, impede or otherwise disturb the orderly conduct of the City Council meeting. Persons addressing the City Council shall not engage in disorderly conduct which disrupts, or otherwise impedes the orderly conduct or Council meetings. Any person who so disrupts a Council meeting may, at the discretion of the presiding officer or a majority of the City Council, be subject to ejection from that meeting.

No new items will be taken-up after 10:30 p.m. without a two-thirds vote of the City Council.

City Council meetings are aired live and replayed on City of Malibu Government Access Channel 3 and are available on demand on the City's website at www.malibucity.org/video. Copies of the staff reports or other written documentation relating to each item of business described above are on file in the office of the City Clerk, Malibu City Hall, 23825 Stuart Ranch Road, Malibu, California, and are available for public inspection during regular office hours, which are 7:30 a.m. to 5:30 p.m. Monday through Thursday and 7:30 a.m. to 4:30 p.m. Friday. Written materials distributed to the City Council within 72 hours of the City Council meeting are available for public inspection immediately upon distribution in the City Clerk's office at 23825 Stuart Ranch Road, Malibu, California (Government Code Section 54957.5.b.2). Copies of staff reports and written materials may be purchased for $0.10 per page.

The City Hall phone number is (310) 456-2489. To contact City Hall using a telecommunication device for the deaf (TDD), please call (800) 735-2929 and a California Relay Service operator will assist you. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Environmental Sustainability Director Yolanda Bundy, (310) 456-2489, ext. 229. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. [28 CFR 35.102-35.104 ADD Title II].

Requests to show an audio or video presentation during a Council meeting should be directed to the Media Team at media@malibucity.org. Material must be submitted by 12:00 p.m. on the meeting day.

I hereby certify under penalty of perjury, under the laws of the State of California that the foregoing agenda was posted in accordance with the applicable legal requirements. Regular and Adjourned Regular meeting agendas may be amended up to 72 hours in advance of the meeting. Dated this 6th day of February 2026 at 3:30 p.m.

Kelsey Pettijohn, City Clerk

City Council Meeting
2-09-26
Item
1.B.2.

WARRANT REGISTER NO. 783

On February 9, 2026, the Malibu City Council allowed and approved warrant demand numbers 77869-77976 from the General Fund. The City Manager is hereby directed to pay out the funds named hereon to each of the claimants listed, the amount appearing opposite their name for the purpose stated on the respective demands, making a total of $2,115,002.18. City of Malibu payroll check numbers 5557-5559 and ACH deposits were issued in the amount of $596,023.10.

PASSED, APPROVED and ADOPTED this 9th day of February 2026.

____
Marianne Riggins
Mayor

ATTEST:

____
Kelsey Pettijohn
City Clerk

CERTIFICATE

In accordance with Government Code Sections 37202 and Malibu Municipal Code 3.08.050, I hereby certify that: (1) the claims or demands set forth in the warrant register(s) listed below and attached hereto and incorporated herein by this reference in the aggregate amount of $2,711,025.28 have been audited as to their accuracy; and (2) sufficient funds have been appropriated by the City Council and are available for the payment thereof.

EXECUTED this 29th day of January 2026, AT MALIBU, CALIFORNIA

Signed by:
05DAECFC40D6449...
____
Robert DuBoux
Interim City Manager

Accounts Payable

Checks by Date - Summary by Check Number

User: sflores
Printed: 1/28/2026 3:22 PM

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
77869	13STARS	13 STARS MEDIA	01/15/2026	0.00	324.36
77870	AMERGLOE	AMERICAN GLOBAL SECURITY INC	01/15/2026	0.00	2,100.00
77871	BROCOU	COURTNEY BROWN	01/15/2026	0.00	536.70
77872	BURNS	BURNS PACIFIC CONSTRUCTION INC	01/15/2026	0.00	1,531.74
77873	ENHANCE2	ENHANCED LANDSCAPE MANAGEMI	01/15/2026	0.00	48,177.89
77874	FERCANOL	LAURA DEMIERI FERCANO	01/15/2026	0.00	90.00
77875	FRONTIER	FRONTIER CALIFORNIA INC	01/15/2026	0.00	6,674.33
77876	GIINDUS	GI INDUSTRIES	01/15/2026	0.00	317.80
77877	HDSUPPLY	HD SUPPLY INC	01/15/2026	0.00	314.11
77878	LACOWAT	LA CO MALIBU TREASURER-WATERW	01/15/2026	0.00	204.58
77879	MASTERCO	MASTER COOLING CORPORATION	01/15/2026	0.00	1,884.97
77880	MOSSER	MOSSER PLUMBING & HEATING INC	01/15/2026	0.00	322.50
77881	NATIONA	NATIONAL CONSTRUCTION RENTALS	01/15/2026	0.00	941.10
77882	NRPA2	NATIONAL RECREATION AND PARK A	01/15/2026	0.00	470.00
77883	OSBORNEN	ENID OSBORN	01/15/2026	0.00	2,700.00
77884	SCEDISO	SOUTHERN CALIFORNIA EDISON COI	01/15/2026	0.00	286.29
77885	SESACLLC	SESAC RIGHTS MANAGEMENT INC	01/15/2026	0.00	641.00
77886	STAPLES	STAPLES CONTRACT & COMMERCIAI	01/15/2026	0.00	1,303.32
77887	TMOBILE	T-MOBILE USA INC	01/15/2026	0.00	1,105.54
77888	TOSHIBA	US BANK NATIONAL ASSOCIATION	01/15/2026	0.00	4,404.70
77889	ULTMAINT	ULTIMATE MAINTENANCE SERVICES	01/15/2026	0.00	7,399.23
77890	VERIZONW	VERIZON WIRELESS SERVICES LLC	01/15/2026	0.00	6,479.28
77891	VIAWEST	FLEXENTIAL COLORADO CORP	01/15/2026	0.00	3,718.59
77892	USBANK2	US BANK	01/15/2026	0.00	[illegible],765.33
77893	4IMPRINT	4IMPRINT INC	01/22/2026	0.00	7,283.27
77894	4LEAF	4LEAF INC	01/22/2026	0.00	36,570.00
77895	ACCOUNTE	OFFICE TEAM A ROBERT HALF COMP.	01/22/2026	0.00	4,174.57
77896	ADVANTAN	MAP COMMUNICATIONS INC	01/22/2026	0.00	291.79
77897	ANAWALT	ANAWALT LUMBER CO INC	01/22/2026	0.00	11.66
77898	APPLE	APPLEONE	01/22/2026	0.00	22,859.11
77899	BADDAY	BADGER DAYLIGHTING CORP	01/22/2026	0.00	2,365.90
77900	BBK	BEST BEST & KRIEGER LLP	01/22/2026	0.00	136,724.84
77901	BEARCON	BEAR CONTRACTORS INC	01/22/2026	0.00	1,105.00
77902	BERJUS	JUSTIN BERANICH	01/22/2026	0.00	129.00
77903	CASTRATE	CALIFORNIA STRATEGIES & ADVOCA	01/22/2026	0.00	12,500.00
77904	CMS	RICHARD COMI	01/22/2026	0.00	1,050.00
77905	COASTALW	CALIFORNIA COASTAL WORKS LLC	01/22/2026	0.00	1,711.00
77906	COOKALI	ALLISON COOK	01/22/2026	0.00	11,220.00
77907	EARTHCAM	EARTHCAM INC	01/22/2026	0.00	832.75
77908	EXCELOFF	EXCEL OFFICE SERVICES	01/22/2026	0.00	580.35
77909	FREDERIC	FREDERICK FISHER & PARTNERS ARC	01/22/2026	0.00	34,450.00
77910	GOLDININ	GOLDIN INDUSTRIES INC	01/22/2026	0.00	206.10
77911	GOVERNF	GOVERNMENTAL FINANCIAL SERVIC	01/22/2026	0.00	5,197.50
77912	GUTSTE	STEVEN GUTIERREZ	01/22/2026	0.00	900.00
77913	HDL	HINDERLITER DE LLAMAS & ASSOCI	01/22/2026	0.00	1,465.67
77914	HDSUPPLY	HD SUPPLY INC	01/22/2026	0.00	208.15
77915	JACADAB	DANIEL A JACOBSON	01/22/2026	0.00	350.00

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
77916	KIMLEY	KIMLEY-HORN AND ASSOC INC	01/22/2026	0.00	4,987.50
77917	LACOCLE	LA COUNTY REGISTRAR-RECORDER	01/22/2026	0.00	75.00
77918	LACOCLE	LA COUNTY REGISTRAR-RECORDER	01/22/2026	0.00	75.00
77919	LACOCLE	LA COUNTY REGISTRAR-RECORDER	01/22/2026	0.00	75.00
77920	LACOCLE	LA COUNTY REGISTRAR-RECORDER	01/22/2026	0.00	75.00
77921	LACOCLE	LA COUNTY REGISTRAR-RECORDER	01/22/2026	0.00	75.00
77922	LACOFIR	LOS ANGELES COUNTY FIRE DEPART	01/22/2026	0.00	14,517.00
77923	LARICS	COUNTY OF LOS ANGELES LA-RICS	01/22/2026	0.00	600.00
77924	MALICOM	MALIBU COMMUNITY LABOR EXCHA	01/22/2026	0.00	1,989.00
77925	MALIMONA	MALIBU MONARCH PROJECT	01/22/2026	0.00	2,500.00
77926	MALISEAF	MALIBU SEAFOOD INC	01/22/2026	0.00	380.00
77927	MARPAU	PAULETTE MARDIKIAN	01/22/2026	0.00	71.96
77928	MNS	MNS ENGINEERS INC	01/22/2026	0.00	58.75
77929	MOSSER	MOSSER PLUMBING & HEATING INC	01/22/2026	0.00	590.56
77930	NUNNIT	NITZAN NUN	01/22/2026	0.00	206.10
77931	PACIFICP	PACIFIC PRODUCTION SERVICES INC	01/22/2026	0.00	1,000.00
77932	PARKERB	JOYCE PARKER-BOZYLINSKI	01/22/2026	0.00	5,130.00
77933	PEGASUSS	PEGASUS STUDIOS	01/22/2026	0.00	11,310.00
77934	RPBARRI	R P BARRICADE INC	01/22/2026	0.00	845.99
77935	SCAFCA	SCA OF CA LLC	01/22/2026	0.00	11,491.20
77936	SCEDISO	SOUTHERN CALIFORNIA EDISON COI	01/22/2026	0.00	32,207.95
77937	SEKMAR	MARINA SEK	01/22/2026	0.00	12,432.00
77938	SMASH	SMASH ATHLETICS INC	01/22/2026	0.00	926.49
77939	SOLIDWA	SOLID WASTE SOLUTIONS INC	01/22/2026	0.00	12,367.50
77940	TOWNSPUB	TOWNSEND PUBLIC AFFAIRS INC	01/22/2026	0.00	6,500.00
77941	UHRIS	STEVE UHRING	01/22/2026	0.00	364.93
77942	ULINE	ULINE INC	01/22/2026	0.00	351.55
77943	ULTMAINT	ULTIMATE MAINTENANCE SERVICES	01/22/2026	0.00	1,900.00
77944	UNDERGR	UNDERGROUND SERVICE ALERT OF S	01/22/2026	0.00	197.33
77945	USBANK4	US BANK N.A.	01/22/2026	0.00	36,090.00
77946	WBCPINC	WBCP INC	01/22/2026	0.00	34,432.87
77947	WILLSCOT	WILLIAMS SCOTSMAN INC	01/22/2026	0.00	10,098.33
77948	WITTOBRI	WITT OBRIENS LLC	01/22/2026	0.00	51,190.00
77949	13STARS	13 STARS MEDIA	01/28/2026	0.00	58.14
77950	ANAWALT	ANAWALT LUMBER CO INC	01/28/2026	0.00	5.48
77951	ATLASPLA	ATLAS PLANNING SOLUTIONS	01/28/2026	0.00	4,720.00
77952	CIVICSO	CIVIC SOLUTIONS INC	01/28/2026	0.00	18,195.00
77953	CLEANHAR	CLEAN HARBORS ENVIRONMENTAL	01/28/2026	0.00	7,016.98
77954	COTTON	COTTON SHIRES & ASSOCIATES INC	01/28/2026	0.00	160,283.50
77955	CRUZSTRA	CRUZ STRATEGIES LLC	01/28/2026	0.00	10,000.00
77956	CSGCON	CSG CONSULTANTS INC	01/28/2026	0.00	3,809.50
77957	CSTASC	CONSTANT AND ASSOCIATES INC	01/28/2026	0.00	11,045.65
77958	DEPTCON	DEPT OF CONSERVATION	01/28/2026	0.00	14,000.20
77959	ESA	ENVIRONMENTAL SCIENCE ASSOCIA'	01/28/2026	0.00	3,360.25
77960	GIMAREST	GIMA RESTAURANT INC	01/28/2026	0.00	7,500.00
77961	GUTSTE	STEVEN GUTIERREZ	01/28/2026	0.00	175.00
77962	LACOSHE	LA CO SHERIFF'S DEPARTMENT	01/28/2026	0.00	934,442.55
77963	LAZPARKI	LAZ KARP ASSOCIATES LLC	01/28/2026	0.00	45,499.77
77964	LEAGOFCA	LEAGUE OF CALIFORNIA CITIES	01/28/2026	0.00	7,153.00
77965	MPRINC	M PUBLIC RELATIONS INC	01/28/2026	0.00	2,300.00
77966	OCMOUNTS	OC MOUNTS LLC	01/28/2026	0.00	2,311.24
77967	PEOPCON	TH PEOPLE CONCERN	01/28/2026	0.00	25,625.00
77968	QUADFIN	QUADIENT FINANCE USA INC	01/28/2026	0.00	1,000.00
77969	REMOTESA	REMOTE SATELLITE SYSTEMS INT'L	01/28/2026	0.00	268.00
77970	RINCONC	RINCON CONSULTANTS INC	01/28/2026	0.00	92,235.75
77971	RYLAND	STLR CORPORATION	01/28/2026	0.00	5,827.96
77972	SCGas	SOUTHERN CALIFORNIA GAS COMPA	01/28/2026	0.00	19.68

Check No	Vendor No	Vendor Name	Check Date	Void Checks	Check Amount
77973	SPECTRUM	CHARTER COMMUNICATIONS HOLDI	01/28/2026	0.00	1,778.35
77974	USLABS	BUREAU VERITAS NORTH AMERICA I	01/28/2026	0.00	45,119.00
77975	XEROXFIN	XEROX CORPORATION	01/28/2026	0.00	84.73
77976	USBANK	US BANK	01/28/2026	0.00	81,175.42
			Report Total (108 checks):	0.00	2,115,002.18

Accounts Payable

Transactions by Account

User: sflores
Printed: 01/28/2026 - 3:25PM
Batch: 00000.00.0000

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
100-0000-3202-00	LOS ANGELES COUNTY FIRE DI	Fire District Permit Fees Oct-Dec '25	01/22/2026	77922	14,517.00	000004660
		Vendor Subtotal:			14,517.00	
100-3001-5121-01	SCA OF CA LLC	Street Sweeping Svcs - Dec '25	01/22/2026	77935	11,491.20	000004404
		Vendor Subtotal:			11,491.20	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	Street Lamps - Dec '25	01/22/2026	77936	17.07	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	Traffic Control 1/2 - 12/28/25	01/22/2026	77936	144.56	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	Webb Way Signal 1/2 - 12/28/25	01/22/2026	77936	184.60	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	Cross Creek Rd Ped 1/2 - 12/28/25	01/22/2026	77936	15.44	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	Broad Beach 1/2 - 12/28/25	01/22/2026	77936	29.48	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	Winter Cyn 1/2 - 12/28/25	01/22/2026	77936	107.36	
100-3001-5722-00	SOUTHERN CALIFORNIA EDISO	St Lighting 1/2 - 12/28/25	01/22/2026	77936	3,274.52	
		Vendor Subtotal:			3,773.03	
100-3001-6160-00	R P BARRICADE INC	PW - Signs	01/22/2026	77934	845.99	
		Vendor Subtotal:			845.99	
100-3001-6160-00	UNDERGROUND SERVICE ALER	Dig Alerts - Dec '25	01/22/2026	77944	158.00	
100-3001-6160-00	UNDERGROUND SERVICE ALER	Monthly Fee - Dec '25	01/22/2026	77944	39.33	
		Vendor Subtotal:			197.33	
100-3007-5721-00	FRONTIER CALIFORNIA INC	Civic Center STF - Jan '26	01/15/2026	77875	206.97	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			206.97	
100-3007-5722-00	SOUTHERN CALIFORNIA EDISO	CCSTF 1/2 - 12/28/25	01/22/2026	77936	931.29	
		Vendor Subtotal:			931.29	
100-3008-5100-00	MNS ENGINEERS INC	General FEMA Support - Nov '25	01/22/2026	77928	58.75	000004331
		Vendor Subtotal:			58.75	
100-3008-5107-00	APPLEONE	Temp Staff - D. Carter 12/13/25	01/22/2026	77898	2,121.60	
100-3008-5107-00	APPLEONE	Temp Staff - D. Carter 12/20/25	01/22/2026	77898	1,962.48	
100-3008-5107-00	APPLEONE	Temp Staff - D. Carter 12/6/25	01/22/2026	77898	1,670.76	
		Vendor Subtotal:			5,754.84	
100-3008-5300-00	US BANK	PW-3834 APWA Luncheon - Dec '25 (	01/28/2026	77976	130.00	
		Vendor Subtotal:			130.00	
100-4001-5330-00	NATIONAL RECREATION AND P.	NRPA Group Membership FY25/26	01/15/2026	77882	470.00	
		Vendor Subtotal:			470.00	
100-4001-5330-00	US BANK	CS-4743 CPRS - Award for Marketing	01/28/2026	77976	85.00	
		Vendor Subtotal:			85.00	
100-4001-6120-00	US BANK	CS-4743 When I Work - Annual	01/28/2026	77976	1,197.00	
		Vendor Subtotal:			1,197.00	
100-4001-6160-00	US BANK	CS-1654 Amazon/BluedogInk - Suppl	01/28/2026	77976	152.98	
		Vendor Subtotal:			152.98	
100-4002-6160-00	US BANK	CS-6305 Amazon - Pool Cleaning Sup	01/28/2026	77976	18.82	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			18.82	
100-4003-5721-00	US BANK	CS-1673 Satellite Phone Store - Charn	01/28/2026	77976	72.79	
		Vendor Subtotal:			72.79	
100-4003-6160-00	US BANK	CS-1673 CVS - Night Hike Supplies	01/28/2026	77976	3.79	
		Vendor Subtotal:			3.79	
100-4006-6160-00	US BANK	CS-4743 NCSI/Ogdens - Supplies	01/28/2026	77976	326.91	
		Vendor Subtotal:			326.91	
100-4007-5330-00	SESAC RIGHTS MANAGEMENT I	Music License FY 25/26 Act#79998	01/15/2026	77885	641.00	
		Vendor Subtotal:			641.00	
100-4007-5401-00	US BANK	CS-1673 Peachjar - Malibu/Webster E	01/28/2026	77976	50.00	
		Vendor Subtotal:			50.00	
100-4008-5107-00	DANIEL A JACOBSON	Sr Luncheon Entertainment 1/22/26	01/22/2026	77915	350.00	
		Vendor Subtotal:			350.00	
100-4008-6160-00	US BANK	CS-4743 Amazon/Spruzzo - Sr. Ctr Su	01/28/2026	77976	3,456.89	
100-4008-6160-00	US BANK	CS-1563 Amazon/Michaels - Sr. Ctr S	01/28/2026	77976	300.09	
		Vendor Subtotal:			3,756.98	
100-4010-5100-00	AMERICAN GLOBAL SECURITY	Equestrian - Security Svcs - Dec '25	01/15/2026	77870	1,050.00	000004128
100-4010-5100-00	AMERICAN GLOBAL SECURITY	Trancas - Security Svcs - Dec '25	01/15/2026	77870	1,050.00	000004128
		Vendor Subtotal:			2,100.00	
100-4010-5100-00	ENHANCED LANDSCAPE MANA	City Parks Landscape Maint/Liners - I	01/15/2026	77873	26,020.32	000004317

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			26,020.32	
100-4010-5100-00	ULTIMATE MAINTENANCE SER\	City Parks Janitorial Svcs - Dec '25	01/15/2026	77889	3,250.00	000004018
		Vendor Subtotal:			3,250.00	
100-4010-5121-00	ENHANCED LANDSCAPE MANA	PCH Median - Plant Installation - Dec	01/15/2026	77873	1,920.00	
100-4010-5121-00	ENHANCED LANDSCAPE MANA	PCH Median - Plant Installation - Dec	01/15/2026	77873	1,923.00	
		Vendor Subtotal:			3,843.00	
100-4010-5610-00	US BANK	CS-2481 Allied Hand Dryer - Trancas	01/28/2026	77976	1,195.00	
		Vendor Subtotal:			1,195.00	
100-4010-5710-00	NATIONAL CONSTRUCTION REI	Bluffs Portable Toilet 12/11/25 - 1/7/2(	01/15/2026	77881	941.10	
		Vendor Subtotal:			941.10	
100-4010-5721-00	FRONTIER CALIFORNIA INC	Las Flores, Bluffs, Trancas - Jan '26	01/15/2026	77875	588.69	
		Vendor Subtotal:			588.69	
100-4010-5722-00	SOUTHERN CALIFORNIA EDISO	Charmlee Park - Dec '25	01/22/2026	77936	267.63	
100-4010-5722-00	SOUTHERN CALIFORNIA EDISO	Rambla Pacifico 1/2 - 12/28/25	01/22/2026	77936	18.62	
100-4010-5722-00	SOUTHERN CALIFORNIA EDISO	Bluffs Park Lift Station 1/2 - 12/28/25	01/22/2026	77936	98.67	
100-4010-5722-00	SOUTHERN CALIFORNIA EDISO	Community Svcs 1/2 - 12/28/25	01/22/2026	77936	1,105.55	
100-4010-5722-00	SOUTHERN CALIFORNIA EDISO	PCH Median 1/2 - 12/28/25	01/22/2026	77936	17.14	
		Vendor Subtotal:			1,507.61	
100-4010-5723-00	LA CO MALIBU TREASURER-WA	Water - Las Flores 10/14-12/11/25 Acc	01/15/2026	77878	204.58	
		Vendor Subtotal:			204.58	
100-4010-6160-00	US BANK	CS-1673 Amazon - Supplies	01/28/2026	77976	29.49	
100-4010-6160-00	US BANK	CS-2481 Ralphs - Equestrian Supplies	01/28/2026	77976	22.03	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			51.52	
100-4010-6300-00	US BANK	CS-2481 Roadside Lumber/Hardware	01/28/2026	77976	74.60	
		Vendor Subtotal:			74.60	
100-4010-6400-00	US BANK	CS-7433 4Imprint - Park Maint. Polos	01/28/2026	77976	316.57	
100-4010-6400-00	US BANK	CS-2481 Dickies - Work Uniform	01/28/2026	77976	38.57	
		Vendor Subtotal:			355.14	
100-4011-6160-00	US BANK	CS-1654 Supplies	01/28/2026	77976	849.83	
100-4011-6160-00	US BANK	CS-4743 Special Events - Supplies	01/28/2026	77976	5,417.20	
		Vendor Subtotal:			6,267.03	
100-4012-6160-00	US BANK	CS-4743 NCSI - Malibu Arts Backgro	01/28/2026	77976	37.00	
100-4012-6160-00	US BANK	CS-4743 Fabulous Events - Table Clot	01/28/2026	77976	295.57	
100-4012-6160-00	US BANK	CS-1654 Arts Supplies	01/28/2026	77976	1,678.66	
		Vendor Subtotal:			2,011.23	
100-7001-5100-00	STLR CORPORATION	School District Separation - Dec '25	01/28/2026	77971	5,827.96	000003541
		Vendor Subtotal:			5,827.96	
100-7001-5104-00	CALIFORNIA STRATEGIES & AD	Lobbying Svcs - Dec '25	01/22/2026	77903	12,500.00	000003092
		Vendor Subtotal:			12,500.00	
100-7001-5300-00	US BANK	CM-3100 Cal Cities '26 - H. Conrad	01/28/2026	77976	675.00	
		Vendor Subtotal:			675.00	
100-7001-5330-00	LEAGUE OF CALIFORNIA CITIE!	Annual City Membership Dues 2026	01/28/2026	77964	7,153.00	
		Vendor Subtotal:			7,153.00	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
100-7001-5930-00	MALIBU MONARCH PROJECT	FY 25/26 General Fund Grant	01/22/2026	77925	2,500.00	
		Vendor Subtotal:			2,500.00	
100-7001-5930-04	GIMA RESTAURANT INC	Small Business Micro Stabilization Gr	01/28/2026	77960	7,500.00	
		Vendor Subtotal:			7,500.00	
100-7001-6160-00	STAPLES CONTRACT & COMME	Office Supplies - City Council	01/15/2026	77886	41.74	
		Vendor Subtotal:			41.74	
100-7001-6160-00	STEVE UHRING	Reimb - Farewell Gift for C. Bond	01/22/2026	77941	364.93	
		Vendor Subtotal:			364.93	
100-7001-6160-00	US BANK	CM-3100 Pura Vida/Papa Razzi - Cou	01/28/2026	77976	291.36	
100-7001-6160-00	US BANK	CM-8505 Scott's - Council Dinner 11/:	01/28/2026	77976	191.17	
		Vendor Subtotal:			482.53	
100-7002-5100-00	MAP COMMUNICATIONS INC	Live Telephone Answering Svcs - Jan	01/22/2026	77896	291.79	000004376
		Vendor Subtotal:			291.79	
100-7002-5100-00	PEGASUS STUDIOS	Video Broadcast Svcs - Dec '25	01/22/2026	77933	11,310.00	000004427
		Vendor Subtotal:			11,310.00	
100-7002-5107-00	OFFICE TEAM A ROBERT HALF (	Temp Staff - K. Franklin 12/12/25	01/22/2026	77895	1,235.38	
100-7002-5107-00	OFFICE TEAM A ROBERT HALF (	Temp Staff - K. Franklin 12/26/25	01/22/2026	77895	820.00	
100-7002-5107-00	OFFICE TEAM A ROBERT HALF (	Temp Staff - K. Franklin 12/19/25	01/22/2026	77895	2,119.19	
		Vendor Subtotal:			4,174.57	
100-7002-6160-00	4IMPRINT INC	Palisades Fire 1 Yr Anniversary Prom(	01/22/2026	77893	7,283.27	000004652

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			7,283.27	
100-7002-6160-00	US BANK	CS-4743 Fabulous Events - Supplies	01/28/2026	77976	549.24	
100-7002-6160-00	US BANK	CS-2169 Mixtiles - Palisades Fire Art	01/28/2026	77976	1,547.30	
100-7002-6160-00	US BANK	CM-1480 B&H/Amazon - AV Equipm	01/28/2026	77976	465.98	
		Vendor Subtotal:			2,562.52	
100-7002-6170-00	LAURA DEMIERI FERCANO	Sr Choir - Palisades Fire Anniversary	01/15/2026	77874	90.00	
		Vendor Subtotal:			90.00	
100-7003-5100-00	CRUZ STRATEGIES LLC	SMMUSD Separation Lobbying - Jan	01/28/2026	77955	10,000.00	000004647
		Vendor Subtotal:			10,000.00	
100-7003-5100-00	M PUBLIC RELATIONS INC	PR Support - Dec '25	01/28/2026	77965	2,300.00	000004628
		Vendor Subtotal:			2,300.00	
100-7003-5105-00	TOWNSEND PUBLIC AFFAIRS IN	Grant Writing Svcs - Jan '26	01/22/2026	77940	6,500.00	000004075
		Vendor Subtotal:			6,500.00	
100-7003-5107-00	APPLEONE	Temp Staff - A. Cosentino 12/6/25	01/22/2026	77898	1,521.60	
100-7003-5107-00	APPLEONE	Temp Staff - A. Cosentino 12/20/25	01/22/2026	77898	1,179.24	
100-7003-5107-00	APPLEONE	Temp Staff - A. Cosentino 12/13/25	01/22/2026	77898	1,179.24	
		Vendor Subtotal:			3,880.08	
100-7003-5300-00	US BANK	CM-3100 Cal Cities '26 - R. Rojas/C.	01/28/2026	77976	1,550.00	
100-7003-5300-00	US BANK	CM-1522 CCMF - '26 Dinner R. Roja	01/28/2026	77976	553.97	
		Vendor Subtotal:			2,103.97	
100-7003-5330-00	US BANK	CM-1522 CCMF - Membership R. Ro	01/28/2026	77976	400.00	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			400.00	
100-7003-6160-00	STAPLES CONTRACT & COMME	Office Supplies - City Manager	01/15/2026	77886	339.42	
		Vendor Subtotal:			339.42	
100-7003-6160-00	US BANK	CM-3100 Land's End - Staff Uniforms	01/28/2026	77976	281.51	
100-7003-6160-00	US BANK	CM-3100 Lands End/Amazon - Suppli	01/28/2026	77976	161.67	
		Vendor Subtotal:			443.18	
100-7005-5101-00	BEST BEST & KRIEGER LLP	General Legal Counsel - Nov '25	01/22/2026	77900	30,537.00	000004588
		Vendor Subtotal:			30,537.00	
100-7005-5101-01	BEST BEST & KRIEGER LLP	School District Separation - Nov '25	01/22/2026	77900	5,957.10	000004588
		Vendor Subtotal:			5,957.10	
100-7005-5102-00	BEST BEST & KRIEGER LLP	Litigation - Nov '25	01/22/2026	77900	89,602.94	000004588
		Vendor Subtotal:			89,602.94	
100-7007-5401-00	13 STARS MEDIA	Legal Notice - Ordinance 529 12/4/25	01/15/2026	77869	64.26	
100-7007-5401-00	13 STARS MEDIA	Legal Notice - Ordinance No. 531 12/:	01/28/2026	77949	58.14	
		Vendor Subtotal:			122.40	
100-7021-5100-00	ATLAS PLANNING SOLUTIONS	Saftey Element Update - Dec '25	01/28/2026	77951	4,720.00	000004545
		Vendor Subtotal:			4,720.00	
100-7021-5100-00	ALLISON COOK	Safety Element - Dec '25	01/22/2026	77906	123.75	000004334
		Vendor Subtotal:			123.75	
100-7021-5100-00	CONSTANT AND ASSOCIATES IN	City Evacuation Plan Update - Dec '25	01/28/2026	77957	11,045.65	000004610

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			11,045.65	
100-7021-5100-00	STEVEN GUTIERREZ	Parking Enforcement Hearings - Dec '.	01/22/2026	77912	900.00	000004374
100-7021-5100-00	STEVEN GUTIERREZ	Parking Enforcement Hearings - Jan '2	01/28/2026	77961	175.00	000004374
		Vendor Subtotal:			1,075.00	
100-7021-5100-00	COUNTY OF LOS ANGELES LA-R	LARICS Radios - Dec '25	01/22/2026	77923	600.00	000004646
		Vendor Subtotal:			600.00	
100-7021-5100-00	WITT OBRIENS LLC	After-Action Review - Franklin/Palisa	01/22/2026	77948	51,190.00	000004609
		Vendor Subtotal:			51,190.00	
100-7021-5115-00	LA CO SHERIFF'S DEPARTMENT	Sheriff's Svcs - Lost Hills - Dec '25	01/28/2026	77962	909,182.26	000004586
100-7021-5115-00	LA CO SHERIFF'S DEPARTMENT	Sheriff's Svcs - Malibu HS Homecomi	01/28/2026	77962	565.34	000004586
		Vendor Subtotal:			909,747.60	
100-7021-5119-00	TH PEOPLE CONCERN	Homeless Outreach - Nov '25	01/28/2026	77967	25,625.00	000003783
		Vendor Subtotal:			25,625.00	
100-7021-5122-00	LAZ KARP ASSOCIATES LLC	Parking Enforcement - Dec '25	01/28/2026	77963	45,499.77	000004318
		Vendor Subtotal:			45,499.77	
100-7021-5640-00	SOUTHERN CALIFORNIA EDISO	Tier 1/2 - 12/28/25	01/22/2026	77936	149.65	
		Vendor Subtotal:			149.65	
100-7021-5721-00	FRONTIER CALIFORNIA INC	Disaster, Tier, E911 - Jan '26	01/15/2026	77875	386.39	
		Vendor Subtotal:			386.39	
100-7021-5721-00	REMOTE SATELLITE SYSTEMS I	Satellite Phones - Feb '26	01/28/2026	77969	268.00	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			268.00	
100-7021-5721-00	US BANK	IS-6901 Starlink - CH/PS/VOP	01/28/2026	77976	1,000.00	
		Vendor Subtotal:			1,000.00	
100-7021-6120-00	US BANK	PS-3241 OpenAI/Veribook - Monthly	01/28/2026	77976	44.64	
		Vendor Subtotal:			44.64	
100-7021-6160-00	US BANK	PS-3241 Vista Print - EOC Signs	01/28/2026	77976	168.69	
100-7021-6160-00	US BANK	PS-3241 Supplies	01/28/2026	77976	3,825.61	
100-7021-6160-00	US BANK	IS-6901 DirectTV - EOC/PS	01/28/2026	77976	190.98	
100-7021-6160-00	US BANK	PS-3241 Ironwear - Shipping	01/28/2026	77976	11.68	
100-7021-6160-00	US BANK	PS-3241 Ironwear - Cert Vests	01/28/2026	77976	27.00	
100-7021-6160-00	US BANK	PS-2785 Lion Group - Fire Extinguish	01/28/2026	77976	796.52	
		Vendor Subtotal:			5,020.48	
100-7021-6160-01	OC MOUNTS LLC	VOP Vehicle Equipment - Recertified '	01/28/2026	77966	2,311.24	
		Vendor Subtotal:			2,311.24	
100-7054-5100-00	GOVERNMENTAL FINANCIAL S]	CPA Svcs - FY 24/25 Year End - Dec '	01/22/2026	77911	5,197.50	000004320
		Vendor Subtotal:			5,197.50	
100-7054-5100-00	HINDERLITER DE LLAMAS & A!	Sales Tax/Audit Svcs - Q2/2025 (Oct-]	01/22/2026	77913	1,465.67	000003107
		Vendor Subtotal:			1,465.67	
100-7054-6160-00	STAPLES CONTRACT & COMME	Office Supplies - Finance	01/15/2026	77886	55.13	
		Vendor Subtotal:			55.13	
100-7054-6160-00	US BANK	AS-6486 Amazon - Supplies	01/28/2026	77976	22.17	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			22.17	
100-7058-5100-01	US BANK	HR-4710 Ralphs - Kaiser Clinic Event	01/28/2026	77976	36.07	
		Vendor Subtotal:			36.07	
100-7058-5300-00	US BANK	HR-5582 CALPERLA Training - A. F.	01/28/2026	77976	475.00	
		Vendor Subtotal:			475.00	
100-7058-5320-00	US BANK	HR-5582 Ralphs/Careers Gov - Recrui	01/28/2026	77976	385.26	
100-7058-5320-00	US BANK	HR-4710 Recruitment Ads	01/28/2026	77976	2,325.00	
		Vendor Subtotal:			2,710.26	
100-7058-5320-00	WBCP INC	City Manager Recruitment - Pymt 3 of	01/22/2026	77946	10,623.97	000004661
100-7058-5320-00	WBCP INC	City Manager Recruitment - Pymt 1 of	01/22/2026	77946	14,121.93	000004661
100-7058-5320-00	WBCP INC	City Manager Recruitment - Pymt 2 of	01/22/2026	77946	9,686.97	000004661
		Vendor Subtotal:			34,432.87	
100-7058-6170-00	US BANK	HR-5582 Costco - Employee Training	01/28/2026	77976	330.25	
100-7058-6170-00	US BANK	CS-1654 Corner Bakery - City Staff M	01/28/2026	77976	1,434.00	
		Vendor Subtotal:			1,764.25	
100-7059-5107-00	APPLEONE	Temp Staff - S. Parsa 12/13/25	01/22/2026	77898	1,166.56	
		Vendor Subtotal:			1,166.56	
100-7059-5205-00	QUADIENT FINANCE USA INC	Postage 12/23/25	01/28/2026	77968	1,000.00	
		Vendor Subtotal:			1,000.00	
100-7059-5640-00	EXCEL OFFICE SERVICES	Copier Maint 11/17 - 12/16/25	01/22/2026	77908	580.35	
		Vendor Subtotal:			580.35	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
100-7059-5721-00	FRONTIER CALIFORNIA INC	Bluffs Park Wifi 12/17/25 - 1/16/26	01/15/2026	77875	149.49	
100-7059-5721-00	FRONTIER CALIFORNIA INC	City Hall Facility - Jan '26	01/15/2026	77875	232.12	
100-7059-5721-00	FRONTIER CALIFORNIA INC	Bluffs Park 2nd Wifi - Jan '26	01/15/2026	77875	218.11	
		Vendor Subtotal:			599.72	
100-7059-5721-00	T-MOBILE USA INC	Phones/Tablets - Fire Safety 11/21 - 12	01/15/2026	77887	1,105.54	
		Vendor Subtotal:			1,105.54	
100-7059-5721-00	VERIZON WIRELESS SERVICES I	Cell Phone Svc 11/24 - 12/23/25	01/15/2026	77890	6,479.28	
		Vendor Subtotal:			6,479.28	
100-7059-5800-00	US BANK NATIONAL ASSOCIATI	Toshiba Leases 12/15/25 - 1/15/26	01/15/2026	77888	4,404.70	
		Vendor Subtotal:			4,404.70	
100-7059-6160-00	STAPLES CONTRACT & COMME	Office Supplies - Non Departmental	01/15/2026	77886	507.69	
		Vendor Subtotal:			507.69	
100-7059-6160-00	US BANK	AS-7465 Amazon - Fraudulent Charge	01/28/2026	77976	19.05	
100-7059-6160-00	US BANK	HR-4710 Amazon - Electric Kettle for	01/28/2026	77976	29.54	
100-7059-6160-00	US BANK	IS-6901 Amazon - Supplies	01/28/2026	77976	343.08	
		Vendor Subtotal:			391.67	
			Subtotal for Section 1: 100		1,429,586.49	
101-0000-3208-00	JUSTIN BERANICH	Ref - Electrical Fees 25-0870, 23402 M	01/22/2026	77902	129.00	
		Vendor Subtotal:			129.00	
101-0000-3416-00	MALIBU SEAFOOD INC	Ref - Code Enf Fee #202010003, 2565	01/22/2026	77926	380.00	
		Vendor Subtotal:			380.00	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
101-0000-3419-00	GOLDIN INDUSTRIES INC	Ref - Credit Card Fees	01/22/2026	77910	6.10	
		Vendor Subtotal:			6.10	
101-0000-3419-00	NITZAN NUN	Ref - Credit Card Fees	01/22/2026	77930	6.10	
		Vendor Subtotal:			6.10	
101-0000-3421-00	GOLDIN INDUSTRIES INC	Ref - Planning Fees OC 25-258, 2971	01/22/2026	77910	200.00	
		Vendor Subtotal:			200.00	
101-0000-3421-00	NITZAN NUN	Ref - Planning Fees PA 25-012, 5480 I	01/22/2026	77930	200.00	
		Vendor Subtotal:			200.00	
101-2001-5100-00	4LEAF INC	Planning Svcs - Nov '25	01/22/2026	77894	24,390.00	000004387
		Vendor Subtotal:			24,390.00	
101-2001-5100-00	CIVIC SOLUTIONS INC	Contract Planning - Dec '25	01/28/2026	77952	18,195.00	000004413
		Vendor Subtotal:			18,195.00	
101-2001-5100-00	CALIFORNIA COASTAL WORKS	Planning Svcs - Dec '25	01/22/2026	77905	1,711.00	000004395
		Vendor Subtotal:			1,711.00	
101-2001-5100-00	ALLISON COOK	Planning Svcs - Dec '25	01/22/2026	77906	11,096.25	000004394
		Vendor Subtotal:			11,096.25	
101-2001-5100-00	COTTON SHIRES & ASSOCIATES	Planning Svcs - Dec '25	01/28/2026	77954	382.00	000004314
		Vendor Subtotal:			382.00	
101-2001-5100-00	CSG CONSULTANTS INC	Contract Planning Svc 11/29 - 12/26/2	01/28/2026	77956	3,349.50	000004418

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			3,349.50	
101-2001-5100-00	JOYCE PARKER-BOZYLINSKI	Planning Svcs - Oct to Dec '25	01/22/2026	77932	5,130.00	000004352
		Vendor Subtotal:			5,130.00	
101-2001-5100-00	MARINA SEK	Contract Planning - Dec '25	01/22/2026	77937	12,432.00	000004360
		Vendor Subtotal:			12,432.00	
101-2001-5210-00	LA COUNTY REGISTRAR-RECOR	CEQA Filing - 29851 Pacific Coast Hy	01/22/2026	77917	75.00	
101-2001-5210-00	LA COUNTY REGISTRAR-RECOR	CEQA Filing - 30051 Andromeda Ln -	01/22/2026	77918	75.00	
101-2001-5210-00	LA COUNTY REGISTRAR-RECOR	CEQA Filing - 30051 Andromeda Ln -	01/22/2026	77919	75.00	
101-2001-5210-00	LA COUNTY REGISTRAR-RECOR	CEQA Filing - 5940 Paseo Canyon Dr	01/22/2026	77920	75.00	
101-2001-5210-00	LA COUNTY REGISTRAR-RECOR	CEQA Filing - 6956 Dume Dr - APR 2	01/22/2026	77921	75.00	
		Vendor Subtotal:			375.00	
101-2001-5300-00	COURTNEY BROWN	APA Conference '25 - C. Brown	01/15/2026	77871	104.80	
		Vendor Subtotal:			104.80	
101-2001-5330-00	US BANK	CDD-5265 Zoom-Monthly/Planetizen	01/28/2026	77976	215.71	
		Vendor Subtotal:			215.71	
101-2001-5340-00	COURTNEY BROWN	APA Conference '25 - C. Brown	01/15/2026	77871	431.90	
		Vendor Subtotal:			431.90	
101-2001-5401-00	13 STARS MEDIA	Legal Notice - Public Hearing 21-Day	01/15/2026	77869	76.50	
101-2001-5401-00	13 STARS MEDIA	Legal Notice - Public Hearing 21-Day	01/15/2026	77869	183.60	
		Vendor Subtotal:			260.10	
101-2004-5100-00	COTTON SHIRES & ASSOCIATES	Geo/Coastal Engr Guideline - Dec '25	01/28/2026	77954	668.50	000004314
101-2004-5100-00	COTTON SHIRES & ASSOCIATES	EH Counter Hours - Dec '25	01/28/2026	77954	32,134.75	000004314
101-2004-5100-00	COTTON SHIRES & ASSOCIATES	B&S Misc - Dec '25	01/28/2026	77954	668.50	000004314

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
101-2004-5100-00	COTTON SHIRES & ASSOCIATES	Geo/Coastal Engr Counter Hours - De	01/28/2026	77954	38,486.50	000004314
101-2004-5100-00	COTTON SHIRES & ASSOCIATES	Geotech Reviews - Dec '25	01/28/2026	77954	41,197.50	000004314
101-2004-5100-00	COTTON SHIRES & ASSOCIATES	Coastal Engr Reviews - Dec '25	01/28/2026	77954	3,728.00	000004314
			Vendor Subtotal:		116,883.75	
101-2004-5100-00	ENVIRONMENTAL SCIENCE ASS	Coastal Vulnerability - Through 11/30/	01/28/2026	77959	3,360.25	000003504
			Vendor Subtotal:		3,360.25	
101-2004-5100-00	BUREAU VERITAS NORTH AME	Onsite Permit Tech - Dec '25	01/28/2026	77974	20,874.00	000004398
101-2004-5100-00	BUREAU VERITAS NORTH AME	Onsite Plans Examiner - Dec '25	01/28/2026	77974	13,845.00	000004398
101-2004-5100-00	BUREAU VERITAS NORTH AME	Onsite Inspections - Dec '25	01/28/2026	77974	10,400.00	000004398
			Vendor Subtotal:		45,119.00	
101-2004-5107-00	APPLEONE	Temp Staff - G. Medrano 12/13/25	01/22/2026	77898	1,559.46	
101-2004-5107-00	APPLEONE	Temp Staff - G. Medrano 12/6/25	01/22/2026	77898	1,521.60	
101-2004-5107-00	APPLEONE	Temp Staff - G. Medrano 12/20/25	01/22/2026	77898	1,217.28	
			Vendor Subtotal:		4,298.34	
101-2004-5210-00	DEPT OF CONSERVATION	Strong Motion/Seismic Hazard Mappi	01/28/2026	77958	14,000.20	000004662
			Vendor Subtotal:		14,000.20	
101-2004-5300-00	US BANK	CDD-5265 SEAOC - Y. Buundy Regi	01/28/2026	77976	470.00	
			Vendor Subtotal:		470.00	
101-2004-5330-00	US BANK	CDD-0241 ASCE - A. Ketchedjian Re	01/28/2026	77976	652.00	
			Vendor Subtotal:		652.00	
101-2004-6160-00	STAPLES CONTRACT & COMME	Office Supplies - Bldg Safety	01/15/2026	77886	74.37	
101-2004-6160-00	STAPLES CONTRACT & COMME	Office Supplies - Bldg Safety	01/15/2026	77886	284.97	
			Vendor Subtotal:		359.34	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
101-2004-6160-00	US BANK	CDD-7736 Amazon - Supplies	01/28/2026	77976	308.86	
		Vendor Subtotal:			308.86	
101-2004-6400-00	SMASH ATHLETICS INC	Bldg Inspector - Polos/Jackets	01/22/2026	77938	926.49	
		Vendor Subtotal:			926.49	
101-2010-5100-00	COTTON SHIRES & ASSOCIATES	EH Reviews - Dec '25	01/28/2026	77954	22,496.00	000004314
		Vendor Subtotal:			22,496.00	
101-2010-5300-00	US BANK	CDD-5265 NAWT - D. Garza Renewa	01/28/2026	77976	100.00	
		Vendor Subtotal:			100.00	
101-2012-6400-00	US BANK	CDD-0241 Rush Order Tees - Code Ei	01/28/2026	77976	1,084.86	
		Vendor Subtotal:			1,084.86	
101-3003-5100-00	RINCON CONSULTANTS INC	On-Call Environmental Svcs T5 - Dec	01/28/2026	77970	46,811.00	000004337
101-3003-5100-00	RINCON CONSULTANTS INC	On-Call Environmental Svcs - Dec '25	01/28/2026	77970	38,123.00	000004337
		Vendor Subtotal:			84,934.00	
101-3003-6160-00	US BANK	CDD-7736 Amazon - Supplies	01/28/2026	77976	83.93	
		Vendor Subtotal:			83.93	
			Subtotal for Section 1: 101		374,071.48	
102-3002-5100-02	4LEAF INC	WF Planning Svcs - Nov '25	01/22/2026	77894	12,180.00	000004387
		Vendor Subtotal:			12,180.00	
102-3002-5100-03	COTTON SHIRES & ASSOCIATES	WF Geotech Reviews - Dec '25	01/28/2026	77954	13,031.50	000003347
102-3002-5100-03	COTTON SHIRES & ASSOCIATES	WF EH Review - Dec '25	01/28/2026	77954	2,335.50	000003347
102-3002-5100-03	COTTON SHIRES & ASSOCIATES	WF Counter Hours - Dec '25	01/28/2026	77954	5,154.75	000003347

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			20,521.75	
102-3101-5120-01	BADGER DAYLIGHTING CORP	Franklin Fire - Ditch Debris Removal	01/22/2026	77899	2,365.90	
		Vendor Subtotal:			2,365.90	
102-3101-5120-01	CLEAN HARBORS ENVIRONMEI	Franklin Fire Hazardous Waste 3/6/25	01/28/2026	77953	7,016.98	000004466
		Vendor Subtotal:			7,016.98	
102-3102-5100-00	BEST BEST & KRIEGER LLP	Fire Disaster Response - Nov '25	01/22/2026	77900	10,627.80	000004588
		Vendor Subtotal:			10,627.80	
102-3102-5100-00	ULTIMATE MAINTENANCE SER\	Rebuild Ctr Janitorial Svcs - Jan '26	01/22/2026	77943	1,900.00	000004465
		Vendor Subtotal:			1,900.00	
102-3102-5100-04	KIMLEY-HORN AND ASSOC INC	Task 4: HMGP Grant Support - Nov '2	01/22/2026	77916	4,987.50	000004356
		Vendor Subtotal:			4,987.50	
102-3102-5107-00	APPLEONE	Temp Staff - K. Leonard 12/13/25	01/22/2026	77898	1,521.60	
102-3102-5107-00	APPLEONE	Temp Staff - K. Leonard 12/6/25	01/22/2026	77898	1,445.52	
102-3102-5107-00	APPLEONE	Temp Staff - K. Leonard 12/20/25	01/22/2026	77898	1,217.28	
		Vendor Subtotal:			4,184.40	
102-3102-5640-00	XEROX CORPORATION	Rebuild Ctr - Xerox Meter Read 11/21	01/28/2026	77975	84.73	
		Vendor Subtotal:			84.73	
102-3102-5721-00	FRONTIER CALIFORNIA INC	Phone - Rebuild Ctr 12/26/25 - 1/25/2(	01/15/2026	77875	234.57	
		Vendor Subtotal:			234.57	
102-3102-6160-00	PAULETTE MARDIKIAN	Reimb - Ralphs/Starbucks for Rebuild	01/22/2026	77927	71.96	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			71.96	
102-3102-6160-00	US BANK	CDD-7736 Amazon - Rebuild Ctr Sup	01/28/2026	77976	576.38	
102-3102-6160-00	US BANK	CDD-5265 Costco - Rebuild Christma	01/28/2026	77976	262.04	
		Vendor Subtotal:			838.42	
		Subtotal for Section 1: 102			65,014.01	
103-9050-5100-00	ENHANCED LANDSCAPE MANA	City Hall Landscape Maint - Dec '25	01/15/2026	77873	1,094.81	000004317
		Vendor Subtotal:			1,094.81	
103-9050-5100-00	ULTIMATE MAINTENANCE SER\	City Hall Janitorial Svcs - Jan '25	01/15/2026	77889	4,149.23	000004018
		Vendor Subtotal:			4,149.23	
103-9050-5610-00	ANAWALT LUMBER CO INC	City Hall - Grate & Screws	01/22/2026	77897	11.66	
103-9050-5610-00	ANAWALT LUMBER CO INC	City Hall - Togglebolts	01/28/2026	77950	5.48	
		Vendor Subtotal:			17.14	
103-9050-5610-00	BEAR CONTRACTORS INC	Fire Alarm Troubleshoot	01/22/2026	77901	850.00	
103-9050-5610-00	BEAR CONTRACTORS INC	Alarm Monitoring - Jan to Mar '26	01/22/2026	77901	255.00	
		Vendor Subtotal:			1,105.00	
103-9050-5610-00	BURNS PACIFIC CONSTRUCTIOI	City Hall - Block Wall Repair	01/15/2026	77872	1,531.74	
		Vendor Subtotal:			1,531.74	
103-9050-5610-00	MASTER COOLING CORPORATI(	City Hall HVAC Repairs	01/15/2026	77879	957.00	
103-9050-5610-00	MASTER COOLING CORPORATI(	City Hall HVAC Repairs	01/15/2026	77879	927.97	
		Vendor Subtotal:			1,884.97	
103-9050-5610-00	MOSSER PLUMBING & HEATINC	City Hall - Sewer Snake & Camera 12	01/15/2026	77880	322.50	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
103-9050-5610-00	MOSSER PLUMBING & HEATINC	D/S Kitchen - Ice Machine Plumbing	01/22/2026	77929	590.56	
		Vendor Subtotal:			913.06	
103-9050-5610-00	US BANK	AS-7465 Amazon - Fac Maint	01/28/2026	77976	211.47	
		Vendor Subtotal:			211.47	
103-9050-5721-00	FRONTIER CALIFORNIA INC	City Hall Septic, Fire Line - Jan '26	01/15/2026	77875	355.31	
		Vendor Subtotal:			355.31	
103-9050-5722-00	SOUTHERN CALIFORNIA EDISO	City Hall 1/2 - 12/28/25	01/22/2026	77936	9,459.84	
		Vendor Subtotal:			9,459.84	
103-9050-5725-00	GI INDUSTRIES	Garbage - City Hall Green Waste - Jan	01/15/2026	77876	74.57	
		Vendor Subtotal:			74.57	
103-9050-6160-00	HD SUPPLY INC	City Hall - Janitorial Supplies	01/15/2026	77877	314.11	
103-9050-6160-00	HD SUPPLY INC	City Hall - Janitorial Supplies	01/22/2026	77914	208.15	
		Vendor Subtotal:			522.26	
103-9050-6160-00	US BANK	AS-7465 Amazon/Staples - Supplies	01/28/2026	77976	329.90	
		Vendor Subtotal:			329.90	
103-9050-6300-00	ULINE INC	Cart Dolly	01/22/2026	77942	351.55	
		Vendor Subtotal:			351.55	
103-9050-6300-00	US BANK	AS-7465 Amazon - Tools & Minor Eq	01/28/2026	77976	378.45	
		Vendor Subtotal:			378.45	
			Subtotal for Section 1: 103		22,379.30	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
105-9088-5100-00	FREDERICK FISHER & PARTNER	Community Lands Concept Design	01/22/2026	77909	34,450.00	000004656
		Vendor Subtotal:			34,450.00	
		Subtotal for Section 1: 105			34,450.00	
207-3004-5100-00	SOLID WASTE SOLUTIONS INC	AB 939/Cal Recycle - Dec '25	01/22/2026	77939	1,616.50	000004074
		Vendor Subtotal:			1,616.50	
207-3004-5100-01	SOLID WASTE SOLUTIONS INC	Dumpster Lid Enforcement - Dec '25	01/22/2026	77939	10,353.00	000004074
		Vendor Subtotal:			10,353.00	
207-3004-5850-00	SOLID WASTE SOLUTIONS INC	SB 1383 Grant Cal Recycle - Dec '25	01/22/2026	77939	398.00	
		Vendor Subtotal:			398.00	
		Subtotal for Section 1: 207			12,367.50	
211-7021-5115-00	LA CO SHERIFF'S DEPARTMENT	Sheriff's Svcs - Brulte - Dec '25	01/28/2026	77962	24,694.95	000004586
		Vendor Subtotal:			24,694.95	
		Subtotal for Section 1: 211			24,694.95	
215-7070-5931-01	MALIBU COMMUNITY LABOR E	CDBG Day Labor Exchange - Sep '25	01/22/2026	77924	663.00	000004614
215-7070-5931-01	MALIBU COMMUNITY LABOR E	CDBG Day Labor Exchange - Oct '25	01/22/2026	77924	663.00	000004614
215-7070-5931-01	MALIBU COMMUNITY LABOR E	CDBG Day Labor Exchange - Nov '25	01/22/2026	77924	663.00	000004614
		Vendor Subtotal:			1,989.00	
215-7070-7800-00	WILLIAMS SCOTSMAN INC	Temp Office Trailer 12/28/25 - 1 /27/2	01/22/2026	77947	2,278.77	
215-7070-7800-00	WILLIAMS SCOTSMAN INC	MCLE Restroom Trailer - Tank 12/23/	01/22/2026	77947	1,036.35	
215-7070-7800-00	WILLIAMS SCOTSMAN INC	MCLE Restroom Trailer - Toilet 12/24	01/22/2026	77947	6,783.21	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
		Vendor Subtotal:			10,098.33	
		Subtotal for Section 1: 215			12,087.33	
290-6002-5722-00	SOUTHERN CALIFORNIA EDISO	Big Rock Inland Pump 1/2 - 12/28/25	01/22/2026	77936	43.13	
290-6002-5722-00	SOUTHERN CALIFORNIA EDISO	Asmt Dist Big Rock 1/2 - 12/28/25	01/22/2026	77936	723.33	
		Vendor Subtotal:			766.46	
		Subtotal for Section 1: 290			766.46	
291-6003-5722-00	SOUTHERN CALIFORNIA EDISO	Asmt dst Malibu Rd 1/2 - 12/28/25	01/22/2026	77936	77.07	
		Vendor Subtotal:			77.07	
		Subtotal for Section 1: 291			77.07	
292-6004-5722-00	SOUTHERN CALIFORNIA EDISO	Asmt Dist Rambla-Calle 1/2 - 12/28/2:	01/22/2026	77936	20.64	
292-6004-5722-00	SOUTHERN CALIFORNIA EDISO	Calle Del Barco 1/2 - 12/28/25	01/22/2026	77936	15.44	
		Vendor Subtotal:			36.08	
		Subtotal for Section 1: 292			36.08	
310-9066-5100-00	SOUTHERN CALIFORNIA EDISO	22878 1/4 PCH 11/17 - 12/16/25	01/15/2026	77884	33.83	
310-9066-5100-00	SOUTHERN CALIFORNIA EDISO	21033 1/2 PCH Svc Connection 11/17	01/15/2026	77884	233.94	
310-9066-5100-00	SOUTHERN CALIFORNIA EDISO	23035 1/4 PCH 9/17 - 12/16/25	01/15/2026	77884	18.52	
		Vendor Subtotal:			286.29	
310-9090-5100-00	EARTHCAM INC	89290 - Skate Park Camera Software 1	01/22/2026	77907	550.00	
310-9090-5100-00	EARTHCAM INC	89290 - Skate Park Camera Rental 1/1	01/22/2026	77907	282.75	
		Vendor Subtotal:			832.75	
		Subtotal for Section 1: 310			1,119.04	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
500-7008-5100-00	ENHANCED LANDSCAPE MANA	Legacy Park Landscape Maint/Liners -	01/15/2026	77873	17,219.76	000004317
		Vendor Subtotal:			17,219.76	
500-7008-5722-00	SOUTHERN CALIFORNIA EDISO	Legacy Park Lift Station 1/2 - 12/28/2:	01/22/2026	77936	1,070.12	
500-7008-5722-00	SOUTHERN CALIFORNIA EDISO	23661 PCH 1/2 - 12/28/25	01/22/2026	77936	771.05	
		Vendor Subtotal:			1,841.17	
500-7008-6160-00	US BANK	CS-1563 Wall Decor Superstore - Sup	01/28/2026	77976	464.00	
		Vendor Subtotal:			464.00	
		Subtotal for Section 1: 500			19,524.93	
515-3010-5656-00	RINCON CONSULTANTS INC	CCWTF Water Quality Monitoring - I	01/28/2026	77970	7,301.75	000004135
		Vendor Subtotal:			7,301.75	
515-3010-5721-00	FRONTIER CALIFORNIA INC	Phone - CCWTF 12/8/25 - 1/7/26	01/15/2026	77875	435.20	
		Vendor Subtotal:			435.20	
515-3010-5722-00	SOUTHERN CALIFORNIA EDISO	Injection Wells/CCWTF 1/2 - 12/28/2:	01/22/2026	77936	384.28	
515-3010-5722-00	SOUTHERN CALIFORNIA EDISO	CCWTF 1/2 - 12/28/25	01/22/2026	77936	12,815.99	
		Vendor Subtotal:			13,200.27	
515-3010-5724-00	SOUTHERN CALIFORNIA GAS C	CCWTF Gas 12/4/25 - 1/6/26	01/28/2026	77972	19.68	
		Vendor Subtotal:			19.68	
515-3010-5725-00	GI INDUSTRIES	Garbage - CCWTF - Jan '26	01/15/2026	77876	243.23	
		Vendor Subtotal:			243.23	
		Subtotal for Section 1: 515			21,200.13	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
601-3005-5722-00	SOUTHERN CALIFORNIA EDISO	Electric Car Charger 1/2 - 12/28/25	01/22/2026	77936	465.48	
		Vendor Subtotal:			465.48	
601-3005-6120-00	US BANK	PW-8679 Ford Pro - GPS Monthly	01/28/2026	77976	480.00	
		Vendor Subtotal:			480.00	
601-3005-6500-00	US BANK	PW-9093 Chevron - Fleet Fuel	01/28/2026	77976	186.48	
601-3005-6500-00	US BANK	CS-2481 Chevron - Fleet Fuel	01/28/2026	77976	392.41	
601-3005-6500-00	US BANK	CS-7433 Shell - Fleet Fuel	01/28/2026	77976	93.99	
601-3005-6500-00	US BANK	CS-1654 Chevron - Fleet Fuel	01/28/2026	77976	77.58	
601-3005-6500-00	US BANK	CS-1673 Chevron - Fleet Fuel	01/28/2026	77976	216.54	
601-3005-6500-00	US BANK	PW-8679 Shell - Fleet Fuel	01/28/2026	77976	81.35	
601-3005-6500-00	US BANK	PW-1571 Speedway Express - Fleet Fı	01/28/2026	77976	70.53	
		Vendor Subtotal:			1,118.88	
		Subtotal for Section 1: 601			2,064.36	
602-7060-5107-00	APPLEONE	Temp Staff - C. Gintz 12/6/25	01/22/2026	77898	1,821.60	
602-7060-5107-00	APPLEONE	Temp Staff - C. Gintz 12/13/25	01/22/2026	77898	1,753.29	
		Vendor Subtotal:			3,574.89	
602-7060-5721-00	FRONTIER CALIFORNIA INC	Fiber Optics Svcs 12/15/25 - 1/14/26	01/15/2026	77875	810.00	
602-7060-5721-00	FRONTIER CALIFORNIA INC	City Hall Fac Internet - Jan '26	01/15/2026	77875	436.19	
602-7060-5721-00	FRONTIER CALIFORNIA INC	City Hall Internet 12/27/25 - 1/26/26	01/15/2026	77875	1,605.44	
602-7060-5721-00	FRONTIER CALIFORNIA INC	City Hall Internet 12/14/25 - 1/13/26	01/15/2026	77875	1,015.85	
		Vendor Subtotal:			3,867.48	
602-7060-5721-00	US BANK	IS-9039 Amazon - Computer Supplies	01/28/2026	77976	251.08	
602-7060-5721-00	US BANK	IS-6901 Starlink - IT	01/28/2026	77976	10.00	
		Vendor Subtotal:			261.08	
602-7060-6120-00	US BANK	IS-6901 Computer Software	01/28/2026	77976	14,639.81	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
602-7060-6120-00	US BANK	IS-9039 Computer Software	01/28/2026	77976	4,992.98	
602-7060-6120-00	US BANK	AS-6486 Microsoft Svcs - Software Su	01/28/2026	77976	4,643.10	
		Vendor Subtotal:			24,275.89	
602-7060-6120-00	FLEXENTIAL COLORADO CORP	Server Colocation - Jan '26	01/15/2026	77891	3,718.59	
		Vendor Subtotal:			3,718.59	
602-7060-6400-00	US BANK	IS-6901 Amazon - IT Clothing	01/28/2026	77976	527.35	
		Vendor Subtotal:			527.35	
602-7060-7400-00	US BANK	IS-6901 Computer Equipment	01/28/2026	77976	296.36	
602-7060-7400-00	US BANK	IS-9039 Amazon/Xbyte - Computer Ec	01/28/2026	77976	2,216.51	
602-7060-7400-00	US BANK	IS-6901 Computer Equipment	01/28/2026	77976	12,981.22	
		Vendor Subtotal:			15,494.09	
602-7060-7800-00	CHARTER COMMUNICATIONS E	Bluffs Park Security Camera Network/	01/28/2026	77973	1,778.35	
		Vendor Subtotal:			1,778.35	
		Subtotal for Section 1: 602			53,497.72	
710-0000-2270-44	ENID OSBORN	Poetry - Caffeinated Verse 1/10/26	01/15/2026	77883	2,700.00	
		Vendor Subtotal:			2,700.00	
710-0000-2270-56	RICHARD COMI	Review of WRP 22-009, 5900.5 Tranc	01/22/2026	77904	150.00	
710-0000-2270-56	RICHARD COMI	Review of WRP 23-007, 21971.5 PCH	01/22/2026	77904	150.00	
710-0000-2270-56	RICHARD COMI	Review of WP 23-007, 3401.5 Serra R	01/22/2026	77904	150.00	
710-0000-2270-56	RICHARD COMI	Review of WRP 23-001, 28815.5 Biso	01/22/2026	77904	150.00	
710-0000-2270-56	RICHARD COMI	Review of WRP 23-003, 7101.5 Fernh	01/22/2026	77904	150.00	
710-0000-2270-56	RICHARD COMI	Review of WRP 23-010, 22002.5 Carb	01/22/2026	77904	150.00	
710-0000-2270-56	RICHARD COMI	Review of WP 23-001, 3560.5 Serra R	01/22/2026	77904	150.00	
		Vendor Subtotal:			1,050.00	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
710-0000-2270-57	PACIFIC PRODUCTION SERVICE	Ref - Film Permit Bond No. 25-164	01/22/2026	77931	1,000.00	
		Vendor Subtotal:			1,000.00	
710-0000-2271-29	CSG CONSULTANTS INC	Trancas Water Tank - Dec '25	01/28/2026	77956	460.00	000004418
		Vendor Subtotal:			460.00	
		Subtotal for Section 1: 710			5,210.00	
713-0000-1015-00	US BANK N.A.	AD 2010-1 Broad Breach Undergroun	01/22/2026	77945	36,090.00	
		Vendor Subtotal:			36,090.00	
		Subtotal for Section 1: 713			36,090.00	
900-0000-2040-00	CalPERS Retirement	PR Batch 70015.01.2026 PERS Addl I	01/15/2026	0	83.64	
900-0000-2040-00	CalPERS Retirement	PR Batch 70015.01.2026 PERS EESha	01/15/2026	0	12,033.09	
900-0000-2040-00	CalPERS Retirement	PR Batch 70015.01.2026 PEPRA Addl	01/15/2026	0	49.61	
		Vendor Subtotal:			12,166.34	
900-0000-2040-01	CalPERS Retirement	PR Batch 70015.01.2026 PERS ERSha	01/15/2026	0	23,000.39	
900-0000-2040-01	CalPERS Retirement	PR Batch 70015.01.2026 PEPRA ER (	01/15/2026	0	25,205.58	
		Vendor Subtotal:			48,205.97	
900-0000-2040-02	CalPERS Retirement	PR Batch 70015.01.2026 PEPRA EE (	01/15/2026	0	25,144.61	
		Vendor Subtotal:			25,144.61	
900-0000-2041-00	US BANK	PR Batch 70015.01.2026 PARS - ER S	01/15/2026	77892	132.66	
900-0000-2041-00	US BANK	PR Batch 70015.01.2026 PARS - EE S	01/15/2026	77892	632.67	
		Vendor Subtotal:			765.33	
900-0000-2042-00	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 457 Retirem	01/15/2026	0	3,600.00	
900-0000-2042-00	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 457 Retirem	01/15/2026	0	1,737.95	

Account Number	Vendor	Description	GL Date	Check No	Amount	PO No
900-0000-2042-00	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 457 Retirem	01/15/2026	0	11,185.00	
900-0000-2042-00	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 Roth-457 Re	01/15/2026	0	300.00	
900-0000-2042-00	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 Roth-457 Re	01/15/2026	0	1,305.52	
		Vendor Subtotal:			18,128.47	
900-0000-2042-01	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 457 Loan Pr	01/15/2026	0	947.51	
		Vendor Subtotal:			947.51	
900-0000-2043-00	EMPOWER RETIREMENT LLC	PR Batch 70015.01.2026 401 Retirem	01/15/2026	0	1,000.00	
		Vendor Subtotal:			1,000.00	
900-0000-2050-00	Federal Taxes from PR	PR Batch 70015.01.2026 Federal Inco	01/15/2026	0	64,469.61	
		Vendor Subtotal:			64,469.61	
900-0000-2051-00	State of California PR Taxes	PR Batch 70015.01.2026 State Income	01/15/2026	0	26,727.03	
		Vendor Subtotal:			26,727.03	
900-0000-2053-00	Federal Taxes from PR	PR Batch 70015.01.2026 Medicare ER	01/15/2026	0	7,255.68	
900-0000-2053-00	Federal Taxes from PR	PR Batch 70015.01.2026 Medicare EE	01/15/2026	0	7,255.68	
		Vendor Subtotal:			14,511.36	
		Subtotal for Section 1: 900			212,066.23	
		Report Total:			2,326,303.08	

Report Total:	2,326,303.08
Less: Clearing House Electronic AP Proof List 00001.01.2026	(211,300.90)
Transactions By Account Total:	**2,115,002.18**

Council Agenda Report

To:	Mayor Riggins and the Honorable Members of the City Council
Prepared by:	Kelsey Pettijohn, City Clerk
Approved by:	Rob DuBoux, Interim City Manager
Date prepared:	January 28, 2026 Meeting date: February 9, 2026
Subject:	Approval of Minutes

RECOMMENDED ACTION: Approve the minutes for the July 10, 2025 Special Meeting.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

STRATEGIC PLAN IMPLEMENTATION: N/A.

DISCUSSION: Staff has prepared draft minutes for the City Council meeting on July 10, 2025. The draft minutes were originally presented at the January 26, 2026 Regular Meeting, but approval was continued to the February 9, 2026 Regular Meeting to allow staff to correct a typographical error.

ATTACHMENTS:

1. July 10, 2025 Special Meeting

MINUTES
MALIBU CITY COUNCIL
SPECIAL MEETING
JULY 10, 2025
COUNCIL CHAMBERS
9:00 A.M.

MEETING CALL TO ORDER

Mayor Riggins called the meeting to order at 9:10 a.m.

ROLL CALL

The following persons were recorded in attendance by the Recording Secretary:

PRESENT: Mayor Marianne Riggins; Mayor Pro Tem Bruce Silverstein (arrived at 9:20 a.m.); and Councilmembers Haylynn Conrad, Doug Stewart and Steve Uhring.

ALSO PRESENT: Trevor Rusin, Interim City Attorney; Kelsey Pettijohn, City Clerk; and Christina Muñoz, Deputy City Clerk

PLEDGE OF ALLEGIANCE

Mayor Riggins led the Pledge of Allegiance.

PUBLIC COMMENT ON CLOSED SESSION

Mayor Riggins opened the floor to public comment.

Speakers: Anne K.

REPORT ON POSTING OF AGENDA

City Clerk Pettijohn reported that the agenda for the meeting was properly posted on July 8, 2025.

APPROVAL OF AGENDA

MOTION Councilmember Uhring moved, and Councilmember Stewart seconded a motion to approve the agenda. The motion carried 4-0, Mayor Pro Tem Silverstein absent.

RECESS TO CLOSED SESSION

At 9:16 p.m., the Council recessed to Closed Session to discuss the following items listed on the Closed Session agenda:

<u>Personnel Matters pursuant to Government Code Section 54957:</u>

1. Public Employee Appointment
Title: City Manager

<u>Conference with Labor Negotiator pursuant to Government Code Section 54957.6:</u>

1. City representative: Interim City Attorney Trevor Rusin
   Unrepresented employee: City Manager

The Council reconvened at 2:39 p.m. with all Councilmembers present.

CLOSED SESSION REPORT

Interim City Attorney Rusin reported that the meeting convened at 9:00 a.m., after which time the City Council recessed to a Closed Session pursuant to Government Code Section 54957 and 54957.6, with all Councilmembers present. He stated the Council discussed the items on the Closed Session agenda and took no reportable action.

ADJOURNMENT

Mayor Riggins adjourned the meeting at 2:40 p.m.

Approved and adopted by the City Council of the City of Malibu on __________.

____
MARIANNE RIGGINS, Mayor

ATTEST:

____
KELSEY PETTIJOHN, City Clerk
(seal)

Council Agenda Report

To:	Mayor Riggins and the Honorable Members of the City Council
Prepared by:	Kristin Riesgo, Community Services Director
Approved by:	Rob DuBoux, Interim City Manager
Date prepared:	January 21, 2026 Meeting date: February 9, 2026
Subject:	Park Enhancement and Donation Program

RECOMMENDED ACTION: At the recommendation of the Parks and Recreation Commission, approve revisions to the Park Enhancement and Donation Program.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

STRATEGIC PLAN IMPLEMENTATION: N/A.

DISCUSSION: In 2011, Council reviewed and approved the Park Enhancement and Beautification Program (Program) for City parks and facilities. The Program outlines guidelines for accepting private donations, as well as options for the public to purchase memorial benches, memorial rocks, and trees to add at various City parks.

In 2018, Council approved modifications to the Program that limited the number of memorial items in each park, based on a recommendation from the Parks and Recreation Commission. The Commission determined limits based on park space and amenities. Additional requests for native trees, planting, and gardens were promoted as "acceptable items" over memorial benches. The Program also included language allowing requests for memorial items or enhancements exceeding the maximum limit, provided they were reviewed by the Parks and Recreation Commission and approved by Council.

At the Regular meeting on October 21, 2025, the Commission reviewed the Program and recommended the following modifications, as well as an option to add the Malibu Skate Park to the Program.

- Add donation options at the Malibu Skate Park and Charmlee Wilderness Park
- Allow memorial plaques on the picnic tables at Malibu Bluffs Park

- Create a new application process, which would include questions about memorial items, such as the individual's connection to Malibu and why the park location is important to the family
- Create a new park donation agreement that emphasizes the seven (7) year timeframe that the City will keep the donation at the park site
- Create a minimum donation requirement of $2,000. Donations would be higher based on the direct costs of materials, installation, and maintenance
- Following the initial seven (7) year period, the cost to keep a memorial item or plaque for an additional seven (7) year period(s) will require donors to pay 50% of the original donation amount
- The Parks and Recreation Commission would review the park enhancement and donation requests at a Regular meeting

Additionally, the Commission recommended retaining all existing memorial items at the parks and requested that staff work with all families to gather signatures on a revised donation agreement.

Staff recommends a modified allowance of donation and enhancements at City parks that align with the Commission's goals.

Location	**Total Items/Enhancements**
Charmlee Wilderness Park	4*
Las Flores Creek Park	4
Malibu Bluffs Park	20 general items; 12 picnic table plaques*
Malibu Skate Park	4*
Trancas Canyon Park	4
Legacy Park	0

*changes from the 2018 Program

The Department receives approximately eight memorial requests each year. An additional ten families are on the waitlist to add memorial items at Malibu Bluffs Park but were not approved because the City has reached the maximum allowable items (20). The Commission recommended adding the 12 picnic table plaques (listed above) to provide options for those on the waitlist.

ATTACHMENTS:
1) 2026 Park Enhancement and Donation Program Guidelines
2) 2018 Redline Park Enhancement and Donation Program Guidelines

Park Enhancement and Donation Program

Community organizations and individuals may donate money and needed equipment to the City of Malibu for park enhancements and beautification projects. The City accepts enhancements, such as native plants, trees, or other items, earmarked for a specific project at City parks or facilities.

All donations become the property of the City of Malibu, which will oversee, maintain, and manage them. Over time, a park may be redesigned or renovated, requiring the removal or relocation of a donated item. The City will determine how to manage a donation, with no guarantee of retaining the item for any length of time. The City will make every effort to notify the donor if the item is removed, relocated, replaced, altered, or otherwise changed. It is the donor's responsibility to notify the City if their contact information has changed.

The following must be approved by the Community Services Director:

- The need for the item or equipment
- The make, model, and type of item or equipment
- The installation location of the item or equipment
- Donor recognition

All park enhancement and donation requests will be reviewed by the Parks and Recreation Commission at a Regular meeting. The Commission will make a recommendation to approve or deny applicants, based on the factors outlined in the Program. A limited amount of memorial items and donations are permitted at each park. Once the park reaches the maximum capacity for items, additional items will not be accepted unless it is recommended by the Parks and Recreation Commission and approved by City Council.

Location	**Total Items/Enhancements**
Charmlee Wilderness Park	4
Las Flores Creek Park	4
Malibu Bluffs Park	20 general items; 12 picnic table plaques
Malibu Skate Park	4
Trancas Canyon Park	4
Legacy Park	0

Once a memorial item or donation is approved, costs are determined, payment is received, and the donation agreement is signed, Community Services Department staff will order the item or equipment and install it at the identified facility. Ongoing maintenance and upkeep of the equipment or materials shall become the City's responsibility.

Modifications to existing facilities that result in a significant visual, functional, or land use change may require special permits and must be approved by the City of Malibu's Community Development Department.

POLICY

A. General Provisions for Donated Items

1. A donation must be consistent with the needs of City parks and facilities.

2. A donation must provide benefit to the City and the community.

3. A cost analysis will be performed prior to the acceptance of the donation to ensure the cost associated with the item does not outweigh the value to the City. The City retains the right to refuse a donation if the cost exceeds the community benefit.

4. Donated items must be in safe, durable, and usable condition.

5. Donated items intended for an exclusive user group or that are associated with a specific group will require approval before a donation can be made.

6. Once a donated item has been accepted, it becomes City property. The City may replace or dispose of the item as it deems appropriate.

7. Facility naming rights must follow City Council Policy #52 and will be approved by City Council.

B. Facility Donation Items

1. The donation must fit the style or current aesthetic plan of the facility.

2. Permanent modifications to facilities will be approved by City Council.

3. The City reserves the right to limit or deny donations based on the need and available space.

C. Acknowledgment of Donor

1. Donor acknowledgment requests that will be permanently displayed with or on the donated item will be considered under the guidelines:
    a. The plaque or plate will be placed on the item or near it at the City's discretion
    b. The plaque or plate will not be obtrusive or detract from the donated item
    c. The message on the plaque or plate will be limited to name, date, and a short phrase

d. The City will approve the written message on the plaque or plate. A plaque will be maintained by the City for a total length of 7 years. If the plaque is damaged or missing after 7 years, the City retains the right to remove it without a replacement
e. After the initial seven (7) year term, the donor may renew the donation for an additional seven-year period(s) by paying a renewal fee equal to 50% of the original donation amount. If the renewal fee is not paid, the City reserves the right to remove the plaque or donated item
f. In the event a location for a plaque or plate is not feasible, City staff will work with the donor to determine alternative recognition options.

D. Payments and Processing

The City requires full payment for all donations. The minimum cost for a plaque or memorial item is $2,000, with additional charges potentially applied for materials, installation, and maintenance. No items will be ordered until full payment has been received and processed. The City will issue the donor an invoice along with a Tax Identification number. Installation will be completed within 6 months.

Donation renewals, following the initial seven (7) year period, must be paid within thirty (30) days of City notification (reference C.1.e.).

CITY FACILITIES, PARKS, AND NEEDS

The City will accept donations for the facilities and parks listed below. The items listed for the facility are the highest-priority or most requested donation options. The City restricts the number of memorial donations at each location. Memorial and recognition plaques will be placed on existing benches or picnic tables. The list will be updated on an ongoing basis.

Charmlee Wilderness Park - 2577 Encinal Canyon Road
Maximum Memorial Donations: 4

1. Tree donation (no plaque)
2. Native plant donation (no plaque)
3. Memorial or recognition plaque

Las Flores Creek Park - 3805 Las Flores Canyon Road
Maximum Memorial Donations: 4

1. Native plant donation
2. Tree donation
3. Memorial or recognition plaque

Malibu Bluffs Park - 24250 Pacific Coast Highway
Maximum Memorial Donations: 20
Maximum Picnic Table Plaques: 12

1. Native plant donation
2. Sports field upgrades
3. Equipment for community recreation programs
4. Upgrades to the Michael Landon Center / monetary donations
5. Memorial or recognition plaque

Malibu Equestrian Park - 6225 Merritt Drive

1. Picnic tables
2. Arena care and upkeep / monetary donation

Malibu Senior Center - 23825 Stuart Ranch Road (located in Malibu City Hall)

1. Equipment (computers, books, games, printers)
2. Educational materials
3. Kitchen items (serving platters, utensils, etc.)

Malibu Skate Park - 24250 Pacific Coast Highway
Maximum Memorial Donations: 4

1. Native plant donation
2. Memorial or recognition plaque

Trancas Canyon Park - 6050 Trancas Canyon Road
Maximum Memorial Donations: 4

1. Native plant donation
2. Tree donation
3. Memorial or recognition plaque

Park Enhancement and Donation Program

Community organizations and individuals may donate money and needed equipment to the City of Malibu for park enhancements and beautification projects. The City accepts enhancements, such as native plants, trees, or other items, earmarked for a specific project at City parks or facilities.

All donations become the property of the City of Malibu, which will oversee, maintain, and manage them. Over time, a park may be redesigned or renovated, requiring the removal or relocation of a donated item. The City will determine how to manage a donation, with no guarantee of retaining the item for any length of time. The City will make every effort to notify the donor if the item is removed, relocated, replaced, altered, or otherwise changed. It is the donor's responsibility to notify the City if their contact information has changed.

The following must be approved by the Community Services Director:

- The need for the item or equipment
- The make, model, and type of item or equipment
- The installation location of the item or equipment
- Donor recognition

All park enhancement and donation requests will be reviewed by the Parks and Recreation Commission at a Regular meeting. The Commission will make a recommendation to approve or deny applicants, based on the factors outlined in the Program. A limited amount of memorial items and donations are permitted at each park. Once the park reaches the maximum capacity for items, additional items will not be accepted unless it is recommended by the Parks and Recreation Commission and approved by City Council.

Location	**Total Items/Enhancements**
Charmlee Wilderness Park	4
Las Flores Creek Park	4
Malibu Bluffs Park	20 general items; 12 picnic table plaques
Malibu Skate Park	4
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Once a memorial item or donation is approved, costs are determined, payment is received, and the donation agreement is signed, Community Services Department staff will order the item or equipment and install it at the identified facility. Ongoing maintenance and upkeep of the equipment or materials shall become the City's responsibility.

Modifications to existing facilities that result in a significant visual, functional, or land use change may require special permits and must be approved by the City of Malibu's Community Development Department.

POLICY

A. General Provisions for Donated Items

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2. A donation must provide benefit to the City and the community.

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4. Donated items must be in safe, durable, and usable condition.

5. Donated items intended for an exclusive user group or that are associated with a specific group will require approval before a donation can be made.

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B. Facility Donation Items

1. The donation must fit the style or current aesthetic plan of the facility.

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    a. The plaque or plate will be placed on the item or near it at the City's discretion
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    c. The message on the plaque or plate will be limited to name, date, and a short phrase
    d. The City will approve the written message on the plaque or plate.

A plaque will be maintained by the City for a total length of 7 years. If the plaque is damaged or missing after 7 years, the City retains the right to remove it without a replacement

e. After the initial seven (7) year term, the donor may renew the donation for an
e. additional seven-year period(s) by paying a renewal fee equal to 50% of the
e. original donation amount. If the renewal fee is not paid, the City reserves the right
e. to remove the plaque or donated item
f. In the event a location for a plaque or plate is not feasible, City staff will work with the donor to determine alternative recognition options.

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3. Memorial or recognition plaque

Las Flores Creek Park - 3805 Las Flores Canyon Road
Maximum Memorial Donations: 4

1. Native plant donation
2. Tree donation
3. Memorial or recognition plaque

Malibu Bluffs Park - 24250 Pacific Coast Highway

Maximum Memorial Donations: 20

Maximum Picnic Table Plaques: 12

1. Native plant donation
2. Sports field upgrades
3. Equipment for community recreation programs
4. Upgrades to the Michael Landon Center / monetary donations
5. Memorial or recognition plaque

Malibu Equestrian Park - 6225 Merritt Drive

1. Picnic tables
2. Arena care and upkeep / monetary donation

Malibu Senior Center - 23825 Stuart Ranch Road (located in Malibu City Hall)

1. Equipment (computers, books, games, printers)
2. Educational materials
3. Kitchen items (serving platters, utensils, etc.)

Malibu Skate Park - 24250 Pacific Coast Highway
Maximum Memorial Donations: 4

1. Native plant donation
2. Memorial or recognition plaque

Trancas Canyon Park - 6050 Trancas Canyon Road
Maximum Memorial Donations: 4

1. Native plant donation
2. Tree donation
3. Memorial or recognition plaque
4.

City Council Meeting
02-09-26
Item
1.B.4

Supplemental Council Agenda Report

To:	Mayor Riggins and the Honorable Members of the City Council
Prepared by:	Kristin Riesgo, Community Services Director
Approved by:	Rob DuBoux, Interim City Manager
Date prepared:	February 2, 2026 Meeting date: February 9, 2026
Subject:	Park Enhancement and Donation Program

RECOMMENDED ACTION: At the recommendation of the Parks and Recreation Commission, approve revisions to the Park Enhancement and Donation Program.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

STRATEGIC PLAN IMPLEMENTATION: N/A.

DISCUSSION: This supplemental report includes an attachment inadvertently omitted from the original Council Agenda Report which was published on January 30, 2026. The Redline for the Park Enhancement and Donation Program Guidelines is attached.

ATTACHMENTS:

2) 2018 Redline Park Enhancement and Donation Program Guidelines

Park Enhancement and Donation Program

Community organizations and individuals may donate money and needed equipment to the City of Malibu for park enhancements and beautification projects. The City accepts enhancements ~~such as benches, native plants, trees or other items which can be earmarked for a specific project taking place~~, such as native plants, trees, or other items, earmarked for a specific project at City parks or facilities.

All donations become the property of the City of Malibu ~~to oversee, maintain and manage~~, which will oversee, maintain, and manage them. Over time, a park may be redesigned or renovated, ~~which may require~~requiring the removal or relocation of a donated item. The City will determine how to manage a donation ~~with no guarantee to retain~~, with no guarantee of retaining the item ~~during~~ for any length of time. The City will make every effort to notify the donor if the item is removed, relocated, replaced, altered, ~~etc~~or otherwise changed. It is the donor's responsibility to notify the City if their contact information has changed.

The following must be approved by the Community Services Director:

- The need ~~of~~ for the item or equipment
- The make, model, and type of item or equipment
- The installation location of the item or equipment
- Donor recognition

All park enhancement and donation requests will be reviewed by the Parks and Recreation Commission at a Regular meeting. The Commission will make a recommendation to approve or deny applicants, based on the factors outlined in the Program. A limited amount of memorial items and donations are permitted at each park. Once the park reaches the maximum capacity ~~on~~for items, additional items will not be accepted unless it is recommended by ~~reviewed by~~ the Parks and Recreation Commission and approved by City Council.

Location	Total Items/Enhancements
Charmlee Wilderness Park	4
Las Flores Creek Park	4
Malibu Bluffs Park	20 general items; 12 picnic table plaques
Malibu Skate Park	4
Trancas Canyon Park	4
Legacy Park	0

Once a memorial item or donation is approved, costs are determined, ~~and~~ payment is received, and the donation agreement is signed, ~~-~~Community Services Department ~~ity~~ staff will order the item or equipment and install it at the identified facility. Ongoing maintenance and upkeep of the equipment or materials shall become the City's responsibility.

Modifications to existing facilities ~~which provide a significant visual, functional~~that result in a significant visual, functional, or land use change may require special permits and must be approved by the City of Malibu's~~ or land use change may require special permits and must be approved by the City of Malibu~~ ~~Planning~~ Community Development Department.

POLICY

A. General Provisions for Donated Items

1. A donation must be consistent with the needs of City parks and facilities.

2. A donation must provide benefit to the City and the community.

3. A cost analysis will be performed prior to the acceptance of the donation to ~~insure~~ ensure the cost associated with the item does not outweigh the value to the City. The City retains the right to refuse a donation if the cost exceeds the community benefit.

4. Donated items must be in safe, durable, and usable condition.

5. Donated items ~~that are~~ intended for an exclusive user group or that are associated with a specific group will require approval before a donation can be made.

6. Once a donated item has been accepted, it becomes City property. The City may replace or dispose of the item as it deems appropriate.

7. Facility naming rights must follow City Council Policy #52 and will ~~only~~ be approved by City Council.

B. Facility Donation Items

1. The donation must fit the style or current aesthetic plan of the facility.

2. Permanent modifications to facilities will ~~only~~ be approved by City Council.

3. The City reserves the right to limit or deny donations based on the need and available space.

C. Acknowledgment of Donor

1. Donor acknowledgment requests that will be permanently displayed with or on the donated item will be considered under the guidelines:
    a. The plaque or plate will be placed on the item or near it at the City's discretion
    b. The plaque or plate will not be obtrusive or detract from the donated item

c. The message on the plaque or plate will be limited to name, date, and a short phrase

d. The City will approve the written message on the plaque or plate.

A~~The~~ plaque ~~or plate~~ will be maintained by the City for a total length of 7 years. ~~after the donation.~~ If the plaque ~~or plate~~ is damaged or missing after 7 years, the City retains the right to remove it without a replacement

After the initial seven (7) year term, the donor may renew the donation for an additional seven-year period(s) by paying a renewal fee equal to 50% of the original donation amount. If the renewal fee is not paid, the City reserves the right to remove the plaque or donated item

e.

~~e.~~f. In the event a location for a plaque or plate is not feasible, City staff will work with the donor to determine alternative recognition options.

D. ~~D.~~ Payments and Processing

The City requires full payment for all donations. The minimum cost for a plaque or memorial item is $2,000, with additional charges potentially applied for materials, installation, and maintenance. No items will be ordered until full payment has been received and processed. The City will issue the donor an invoice along with a Tax Identification number. ~~The City requests payments for benches, trees, rocks and equipment be made in full. The City will not order any items until the full payment is received and processed. The City will provide the donor with an invoice along with a Tax Identification number.~~

Installation will be completed ~~in 4 months or less~~within 6 months.

Donation renewals, following the initial seven (7) year period, must be paid within thirty (30) days of City notification (reference C.1.e.).

CITY FACILITIES, PARKS, AND NEEDS

The City will ~~allow donations to be made~~ accept donations for the facilities and parks listed below. The items listed ~~with the facility are the highest needs or options for donations~~for the facility are the highest-priority or most requested donation options. The City restricts the number of memorial donations at each location. Memorial and recognition plaques will be placed on existing benches or picnic tables. The list will be updated on an ongoing basis.

Charmlee Wilderness Park - 2577 Encinal Canyon Road
Maximum Memorial Donations: 4

1. Tree donation (no plaque)
2. Native plant donation (no plaque)
3. Memorial or recognition plaque

Las Flores Creek Park - 3805 Las Flores Canyon Road
Maximum Memorial Donations: 4

1. Native plant donation
2. Tree donation
3. Memorial or recognition plaque

Malibu Bluffs Park - 24250 Pacific Coast Highway
Maximum Memorial Donations: 20
Maximum Picnic Table Plaques: 12

1. Native plant donation
2. Sports field upgrades
3. Equipment for community recreation programs
4. Upgrades to the Michael Landon Center / monetary donations
5. ~~5.~~ Memorial or recognition plaque ~~rock donation~~
6. ~~6.~~5. ~~Bench donation~~

Malibu Equestrian Park - 6225 Merritt Drive

1. Picnic tables
2. Arena care and upkeep / monetary donation

Malibu Senior Center - 23825 Stuart Ranch Road (located in Malibu City Hall)

1. Equipment (computers, books, games, printers)
2. Educational materials
3. Kitchen items (serving platters, utensils, etc.)
4. ~~Food Cart~~

Malibu Skate Park - 24250 Pacific Coast Highway
Maximum Memorial Donations: 4

1. Native plant donation
2. Memorial or recognition plaque

Trancas Canyon Park - 6050 Trancas Canyon Road
Maximum Memorial Donations: 4

1. Native plant donation
2. Tree donation
3. Memorial or recognition ~~rock/~~plaque ~~donation~~
4. ~~Dog Park shelter~~
5. ~~Bench donation~~ plaque

~~**Malibu Community Pool - 30215 Morning View Drive (located at Malibu High School)**~~

1. ~~Storage Shed~~
2. ~~Benches~~
3. ~~Bleachers~~
4. ~~Equipment for aquatic programs and swim lessons~~

ATTACHMENT 2

City Council Meeting
02-09-26
Item
1.B.5.

Council Agenda Report

To:	Mayor Silverstein and the Honorable Members of the City Council
Prepared by:	Christopher Smith, Assistant City Manager
Approved by:	Rob DuBoux, Interim City Manager
Date prepared:	February 3, 2026 Meeting date: February 9, 2026
Subject:	Retired Annuitant Extra-Help Agreement for Gigi Decavalles-Hughes

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RECOMMENDED ACTION: 1) At the recommendation of the City Manager, approve the appointment of Gigi Decavalles-Hughes pursuant to Government Code Section 21224; and 2) Authorize the City Manager to execute the retired annuitant extra-help agreement with Ms. Decavalles-Hughes.

FISCAL IMPACT: No additional appropriation is required. Funding for the position is included in the Adopted Budget for FY 2025-26 in Account No. 100-7054-4xxx-00 (Salaries and Benefits).

STRATEGIC PRIORITY: This item supports the City's 2025-2028 Strategic Plan goals.

DISCUSSION: This position will be providing support to the City Manager, Assistant City Manager, and Financial Controller with the functions in the Management and Administration Department and Finance Division on a temporary, part-time basis to support the development of the FY 2025-2026 budget, including developing a financial forecast as part of City budgeting, and serving as an advisor on strategies for financing major infrastructure projects such as the sewer project. Ms. Decavalles-Hughes served as the Finance Director for the City of Santa Monica until her retirement, and has served as Interim Finance Director as a retired annuitant in the City of Vernon.

The attached Employment Agreement includes provisions for salary, and other terms and conditions under the extra help retired annuitant rules pursuant to Gov. Code section 21224. The Agreement, if approved, becomes effective February 17, 2026, and would terminate on the earlier of the following to occur:

(i) Upon the completion of 960 hours worked by Ms. Decavalles-Hughes, or (ii) the date that this appointment is terminated by the City or Ms. Decavalles-Hughes.

Currently, Ms. Decavalles-Hughes will work approximately 20 hours per week between mid-February and the end of June.

Staff recommends the City Council approve the agreement for Retired Annuitant as outlined above and authorize the City Manager to sign the agreement on behalf of the City.

ATTACHMENTS:
1. Employment Agreement with Gigi Decavalles-Hughes

City of Malibu

23825 Stuart Ranch Road Malibu California 90265-4861
Tel: (310) 456-2489 Fax: (949) 755-0024 www.malibucity.org

February 9, 2026

Gigi Decavalles-Hughes
[redacted]

Re: CalPERS Retiree Conditional Limited-Term Appointment Agreement

Dear Gigi:

If accepted by you, this letter represents an agreement for a limited-term appointment as a CalPERS retiree with the City of Malibu ("City") in an extra-help capacity under the provisions of Government Code Sections 21224.

This agreement is made because the City has determined that your specialized skills in financial management are needed to ensure that critical fiscal deadlines are met.

Your supervisor during the term of this agreement will be Christopher Smith, Assistant City Manager.

The terms of this agreement include:

- The term of your appointment will be effective February 17, 2026, and would terminate upon the completion of 960 hours worked or the date that this appointment is terminated by the City or you.
- Rate of pay for this temporary appointment will be $130.35 per hour.
- No further payments or benefits other than the hourly rate will be provided unless required by state or federal law.
- Hours worked shall not exceed 960 hours in a fiscal year (inclusive of all hours worked for any CalPERS employer).

The City and you make this agreement with the mutual understanding that the appointment complies with the requirements applicable to the employment of CalPERS retirees, as codified in Government Code Sections 21224. Specifically, an appointment under Sections 21224 is permissible if <u>all</u> of the following requirements are met:

(1) The appointment must be to a temporary position.
(2) The appointment is of limited duration.
(3) The appointment is either during an emergency to prevent stoppage of public business or because the retiree has specialized skills needed in performing the work.
(4) The total hours worked by the retiree in a fiscal year, for all CalPERS employers, cannot exceed 960 hours, unless an exception applies.

(5) The compensation received by the retiree is not more than the maximum, nor less than the minimum, monthly base salary paid to other employees performing comparable duties as listed on the City's publicly available pay schedule, reflected as an hourly rate by dividing the monthly base pay by 173.333.

(6) The compensation paid to the retiree is limited to the hourly rate and no other benefits may be provided.

(7) For any retirees with a retirement effective date on or after January 1, 2013, the appointment must occur at least 180 days following the date of retirement unless the employer certifies that the appointment is necessary to fill a critically needed position before 180 days have expired and the governing body approves the appointment in a public meeting.

(8) The retiree cannot have received unemployment insurance payments in the prior 12-month period arising from work performed as a retiree for any public employer.

(9) If the retiree is less than normal retirement age (i.e., the highest age under any retirement formula that the retiree accrued benefits under with any CalPERS employer), at least 60 days must have passed since the retiree's retirement. This waiting period cannot be waived.

The City, in good faith, has determined that your appointment meets (1) – (6) of the foregoing requirements as follows:

(1) The appointment will be to a temporary position.

(2) The appointment is of limited duration because it is anticipated to last one year.

(3) This appointment is made because you possess the specialized skills, as identified in the first paragraph of this appointment offer, necessary for the purpose of the appointment.

(4) The appointment will not exceed 960 hours in a fiscal year (inclusive of all hours worked for any CalPERS employer).

(5) The compensation you will receive is no more nor less than the hourly rate paid to other employees performing comparable duties as listed on the City's publicly available pay schedule.

(6) Your compensation consists of the hourly rate only; no further benefits will be provided.

By executing this agreement, you are also, in good faith, determining that your appointment meets each of the nine (9) requirements noted above, including the unemployment insurance requirement. That is, by executing this agreement you are confirming the fact that you have not received unemployment insurance payments within the past 12 months arising from work performed as a retiree for any public employer.

By accepting this appointment, you are also confirming that you are not subject to the 180-day waiting period described in (7) because you retired more than 180 days from the effective date of this Agreement. You are also confirming that the bona fide separation rule described in (9) above does not apply because at least 60 days have passed since your retirement.

Notwithstanding (4) above, the City has no way of monitoring the hours that you work for another CalPERS employer. As such, it is your responsibility to ensure that the total hours worked in a fiscal year (July 1 – June 30) for the City and any other CalPERS employer do not exceed 960 hours in the aggregate. However, please note that consistent with the requirements of Section 21220(d) and (e), **the City will enroll you in CalPERS solely for administrative recordkeeping purposes (you will remain in retired status) and will report both your hours and pay pursuant to this agreement.**

<u>By executing this agreement, you waive any claims against the City arising from an adverse determination by CalPERS associated with this appointment that is attributed to any misrepresentation made by you in this agreement or any violation of these rules caused by employment with any other CalPERS employer</u>. Please contact CalPERS if you have any questions regarding the requirements of Sections 21224 or this appointment.

There is no right to public employment expressed by this agreement. All limited-term appointments are subject to the business necessity of the City and are at-will; therefore, the appointment may end with or without cause or advance notice.

We welcome you to your limited-term appointment with the City and extend our best wishes for your success in the temporary position.

If you agree with the terms of this agreement, please review and sign the acknowledgment below.

If you have additional questions or comments, feel free to contact me directly.

Sincerely,

____
Rob DuBoux, Interim City Manager

Acknowledgment:

I, <u>Gigi Decavalles-Hughes</u>, agree to this Conditional Limited Term Appointment Agreement (CalPERS Retiree), and hereby warrant that I understand and agree with all the terms and conditions of employment as set forth in this letter.

____ __________________
Signature **Date**

City Council Meeting
02-09-26
Item
5.A.

-

Council Agenda Report

To: Mayor Riggins and the Honorable Members of the City Council

Prepared by: Frances Arricale, Deputy City Manager
Monica Castillo, Deputy City Attorney

Reviewed by: Trevor Rusin, Interim City Attorney

Approved by: Rob DuBoux, Interim City Manager

Date prepared: January 30, 2026 Meeting date: February 9, 2025

Subject: Proposed Amendments to the Malibu Mobilehome Park Rent Stabilization Ordinance

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RECOMMENDED ACTION: 1) After the City Attorney reads the title of the ordinance, introduce on first reading Ordinance No. 532 , an ordinance of the City of Malibu amending Chapter 5.16 (Mobilehome Park Rent Control Regulations) of Title 5 (Business Licenses and Regulations) and repealing Chapter 2.28 (Mobilehome Park Rent Stabilization Commission) of Title 2 (Administration and Personnel) of the Malibu Municipal Code, and finding the ordinance is exempt from the California Environmental Quality Act; and 2) Direct staff to schedule second reading and adoption of Ordinance No. 532 for the February 23, 2026 City Council Regular Meeting.

DISCUSSION: This report will be distributed under separate cover.

Supplemental
Council Agenda Report

To: Mayor Riggins and the Honorable Members of the City Council

Prepared by: Frances Arricale, Deputy City Manager
Monica Castillo, Deputy City Attorney

Reviewed by: Trevor Rusin, Interim City Attorney

Approved by: Rob DuBoux, Interim City Manager

Date prepared: January 30, 2026 Meeting date: February 9, 2025

Subject: Proposed Amendments to the Malibu Mobilehome Park Rent Stabilization Ordinance

---

RECOMMENDED ACTION: 1) After the City Attorney reads the title of the ordinance, introduce on first reading Ordinance No. 532 , an ordinance of the City of Malibu amending Chapter 5.16 (Mobilehome Park Rent Control Regulations) of Title 5 (Business Licenses and Regulations) and repealing Chapter 2.28 (Mobilehome Park Rent Stabilization Commission) of Title 2 (Administration and Personnel) of the Malibu Municipal Code, and finding the ordinance is exempt from the California Environmental Quality Act; and 2) Direct staff to schedule second reading and adoption of Ordinance No. 532 for the February 23, 2026 City Council Regular Meeting.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

STRATEGIC PLAN IMPLEMENTATION: N/A.

DISCUSSION:

Background
In 1976, California enacted the California Mobile Home Residency Law to protect the rights of mobilehome park residents and establish basic legal protections. Ever since, numerous cities across California, including Malibu, have adopted different variations of mobilehome rent control ordinances "to address the unique attributes of mobilehome ownership and mobilehome park management."[1]

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[1] *Stardust Mobile Ests., LLC v. City of San Buenaventura* (2007) 147 Cal.App.4th 1170, 1180.

Mobilehome parks offer a hybrid of home ownership and home rental. A tenant in a mobilehome park owns the trailer or mobilehome itself and often rents the space on which it sits. The park provides access and sometimes other amenities such as a recreation room, a swimming pool, landscaping and security.

"Mobilehome" is really a misnomer because the structures, as a practical matter, are not really mobile. They are manufactured homes which do not have traditional foundations. Most mobilehomes lose value with age (like a car would) and few older mobilehomes could withstand relocation. As such, a mobilehome is sold in place, and the new owner assumes the lease or acquires a right to rent the space in the park where the mobilehome sits.

<u>California State Law</u>

State law regulates mobilehome occupancy and mobilehome parks. There are five statutory schemes that are presently in effect: (1) Mobilehome Residency Law (Civil Code §§ 798 *et seq.*); (2) Mobilehome Residency Law Protection Act (Health and Safety Code §§ 18800 *et seq.*); (3) Manufactured Housing Act of 1980 (Health and Safety Code §§ 18000 *et seq.*); (4) Mobilehome Parks Act (Health and Safety Code §§ 18200 *et seq.*); and (5) Special Occupancy Parks Act (Health and Safety Code §§ 18860 *et seq.*). In addition, the California Department of Housing and Community Development enacts regulations for mobilehomes and is the enforcement agency for health and safety violations where local government has not assumed enforcement.[2]

The Mobilehome Residency Law ("MRL") regulates the landlord-tenant relationship between mobilehome park owners and park residents, and does not expressly provide for statewide rent control for mobilehome parks. The California Supreme Court has held that the MRL is not a rent control law that restricts how much rent a mobilehome park owner may charge its residents.[3] The MRL exempts certain mobile home spaces and leases from local rent control measures, such as new construction initially held out for rent after January 1, 1990[4], or if the mobile home is not the principal residence of the homeowner and the homeowner has not rented the mobile home to another party.[5] Even where a mobile home space lease is not exempt from a local rent control measure, the relevant local jurisdiction must allow the landlord to charge the tenant certain mandatory fees,

[2] California Department of Housing and Community Development, https://www.hcd.ca.gov/manufactured-and-mobilehomes (last accessed Jan. 22, 2026); *see also* Title 25, Division 1 of the California Code of Regulations.
[3] *Cacho v. Boudreau*, 40 Cal. 4th 341, 350-51 (2007) (holding that the MRL does not prohibit local governments from imposing rent control in mobilehome parks); *Palo Verdes Shores Mobile Estates, Ltd. v. City of L.A.*, 142 Cal. App. 3d 362, 374 (1983) (holding that the MRL is not a general and pervasive legislative scheme for the regulation of all aspects of mobilehome parks and residents); *Griffith v. Cnty. of Santa Cruz*, 79 Cal. App. 4th 1318, 1323 (2000) (stating that "it is settled . . . that mobilehome park rent controls are not preempted by the MRL [and] . . . the MRL . . . is not, nor was intended, to be a rent control measure.").
[4] Civ. Code, §§ 798.7, 798.45.
[5] Civ. Code § 798.21(a).

including: fees imposed by a city, a county, a city and county, the state, or the federal government on or after January 1, 1995, on the space rented by the homeowner.

State law previously included another exemption from local rent control, which applied to any mobile home space lease that (1) was for a term greater than 12 months, (2) was between management and a homeowner for residence of the homeowner, and (3) afforded the homeowner at least 30 days from the offer of the lease to accept or reject the lease. This exemption from local rent control was removed as of January 1, 2025 by the operative provisions of AB 2782.

Currently, there is pending legislation in the California State Legislature (2025-2026 biennium) proposing to amend rent control in mobilehome parks:

- Assembly Bill 768 was introduced in 2025 and is a carryover bill to the 2026 session of the biennium. The bill originally proposed to exempt from rent stabilization any mobilehome that is not the actual residence of the homeowner for at least 30 consecutive days, which would have then by application removed rent stabilization if a homeowner rented/leased the trailer to a tenant.

    - In January 2026, the bill was amended to now cover "permanent housing" that includes the homeowner and an approved tenant under rent stabilization, and proposes that only seasonal vacation homes and short-term rentals would then be exempt from rent stabilization.

    - As of January 20, 2026, this bill passed the Assembly and is ordered to the Senate. If passed, the likely effective date would be January 1, 2027.

- Assembly Bill 1543 was just introduced in 2026, and proposes to amend the MRL by applying the Consumer Price Index (CPI) rent stabilization cap to <u>all</u> mobilehome parks in the state. Presently, the CPI aspect of the MRL only applies to "qualified mobilehome parks" – defined as located within and governed by the jurisdiction of two incorporated cities.

    - The two mobilehome parks located in Malibu do not meet the "qualified" definition under the current law; however, the MRL also permits local governments to apply maximum rent caps. Malibu by its local ordinance has applied a CPI cap for more than three decades.

    - This bill has yet to be heard in committee (tentatively set for February 5, 2026). If this bill passes this session, it would be effective January 1, 2027. The State law CPI space rent caps would then supersede the City's CPI increase provisions provided they are fully preempted, and cover the two mobilehome parks located in Malibu.

Fair Rate of Return

To meet constitutional requirements, all ordinances must allow the property owner to obtain a fair rate of return. The California Supreme Court has stated that an ordinance need not contain a specific formula as long as it provides a method of regulating rents that avoids confiscatory results.[6] An ordinance should provide the landlord with adequate procedures for obtaining a timely rent adjustment, and an adjustment mechanism that is flexible enough to authorize a sufficient increase to provide a fair return.

Vacancy Control

State law governing mobilehome parks provides no restriction on a property owner's right to rent a vacant space at any price. Because spaces are very rarely actually vacant, vacancy almost always means the in-place sale of the mobilehome. Many jurisdictions regulate increases in such situations through different forms of "vacancy control" in their local ordinances.

The inclusion of vacancy control helps minimize the risk of legal challenge regarding the fair rate of return by allowing larger increases when there is a vacancy. Some rent stabilization ordinances provide that rent may be raised to "market rates" whenever a mobilehome is sold; other ordinances, including Malibu's current Ordinance, provide that the rent may be raised by a fixed percentage of the rent-controlled rate. The City limits the vacancy increase to keep rents affordable and limit increases to keep generally with inflation.

However, there is an unintended effect of vacancy control that has been the source of considerable litigation and controversy in this area of law. Park residents/homeowners benefit when the controlled rents carry over to the subsequent tenant. Although a mobilehome itself may have depreciated as a physical asset, the right to occupy a rent-controlled space positively influences the value of the sale. Thus, the homeowner is able to sell both the mobilehome and its right to be on the rent-controlled space for considerably more than the mobilehome alone might fetch on the open market. Park owners have complained that this unfairly transfers the value of their land to the tenant. Park owners assert that in the purchase price the tenant is in essence receiving value for the land which the homeowner does not own. Park owners also argue that this phenomenon (tenants being able to sell their mobilehomes for enhanced prices due to rent control) undermines a city's objective of maintaining affordable housing because rent control increases the price of the mobilehome and makes the park less affordable to low-income families to buy a home there.

[6] *Fisher v City of Berkeley* (1984) 37 Cal.3d 644, 680, aff'd (1986) 475 U.S. 260.

To balance the City's interest in maintaining affordable housing with the requirement to provide a fair rate of return, the City allows for an increase in rent of 15% upon vacancy.

History: Malibu Rent Stabilization Commission and Ordinance

Soon after the City of Malibu was incorporated in 1991, the City Council established the Malibu Mobilehome Park Rent Stabilization Commission and enacted Malibu's Mobilehome Rent Stabilization Ordinance to protect residents from excessive space rent increases through balancing tenant needs with a fair return for park owners for the two parks located in Malibu – Point Dume Club Mobilehome Park ("Point Dume") and Paradise Cove Mobilehome Park ("Paradise Cove").

The original Ordinance in 1991 ("Ordinance") set up strict rent control requirements that prompted litigation from the two mobilehome parks. A federal court ruling in 1994 held that aspects of Malibu's Ordinance, including an eight-year rent rollback, a moratorium on new parks, and its fair return provisions were invalid on their face and denied due process to park owners. With respect to the fair return provisions, the court held they failed to allow owners to adjust base rent to a level that provides a reasonable return in all circumstances. Upheld were the Ordinance's rent increase limits, vacancy control provisions, park closure restrictions, and pass-through provisions. (See Attachment 4, *Adamson Companies v. City of Malibu*.)

Following the federal ruling and appeals therefrom, the City entered into a settlement agreement to pay damages. (See Attachment 5, Settlement Agreement.) In compliance with the agreement, the City revised its ordinance to establish base rents for Point Dume and to adopt several provisions in the existing Ordinance, including the CPI cap structure, the vacancy increase cap of 15%, the sublease surcharge, the absentee owner surcharge, the sublease hardship exemption, infrastructure pass-through provisions, and the fair return provisions. The agreement terminated in 2009.

From 1991 to 2008, the Commission operated on an as-needed basis for hearings and other matters brought to its attention. In 2008, the Commission went dormant as there were no longer the requisite number of commissioners serving to constitute a quorum. During the time from 2008 to 2025 while the Commission was dormant, it appears that few matters relating to mobilehome rent stabilization were brought to the attention of the City, and the City Manager's Office continued to administer annual registrations and required CPI notices as specified in the ordinance and adopted regulations.

In 2025, new commissioners were appointed to the Commission to meet monthly going forward. An Ad Hoc Committee was formed by the Commission to work with the City Attorney's Office to examine and update the ordinance and also propose other changes. The draft updated the Ordinance to comply with current law, and also proposed significant changes to the Ordinance. The draft was reviewed by the full Commission at two meetings.

On November 20, 2025, the Commission voted to recommend Ordinance amendments to the City Council, with some sections deferred for a subsequent meeting. Chair Kevin Shenkman, Vice Chair Bill Sampson, and Commissioner Sam Shenkman voted yes; Commissioner Grisanti voted no; and Commissioner Scott Blum was absent.

On December 18, 2025, the Commission voted to amend its recommendation to adjust for language related to the park closure process and to add a prohibition against parks banning subleases. Chair Kevin Shenkman, Vice Chair Bill Sampson, and Commissioner Sam Shenkman voted yes; Commissioner Grisanti voted no; and Commissioner Scott Blum was absent. The Commission's recommended amended ordinance based on this meeting and the November meeting is attached to this report as Attachment 3.

Public comment on the proposed changes to the Ordinance included support by some park residents, as well as concerns raised by other residents. Park ownership did not speak or provide comments at the November or December meetings of the Commission.

At the January 2026 Commission Meeting, a representative for Paradise Cove formally objected to any changes to the Ordinance and stated that the parks were not informed of the Commission Ad Hoc proposal, and no discussions with the parks were initiated prior to the Commission approving its recommended changes to the Ordinance. To date, there has not been formal comment made by a Point Dume park ownership representative.

Ordinance

The City's Ordinance is set forth in Chapter 5.16 of the Municipal Code. Under the Ordinance, a space rent for those spaces governed by the Ordinance[7] may be automatically adjusted annually by CPI[8] up to 5% (ceiling) and at least by 2% (floor). This is called a "formula Increase" in the Ordinance.

In addition to the annual CPI, the Ordinance provides that space rent may be increased up to an additional 15% upon the sale of a mobilehome. This is referred to as a "vacancy

[7] The current Ordinance does not apply to spaces rented for nonresidential uses; parks managed or operated by the U.S. government, Los Angeles County, or the City; tenancies of 20 days or less; and tenancies subject to regulations that prohibit rent control. (MMC §5.16.030(A)-(D).) Also exempted until January 1, 2025 was any space that was under a lease exceeding 12 months (i.e. a long-term lease) that complied with requirements set forth in now repealed Civil Code Section 798.17. (*Id.* § 5.16.030(E) & (F).)

[8] "CPI" means the Consumer Price Index (All Items) prepared by the Bureau of Labor Statistics for the Los Angeles-Anaheim-Riverside area relating to all urban consumers. If the method of calculating the CPI is substantially revised after the adoption of the ordinance codified in this chapter, the method in effect upon adoption of such ordinance shall continue to be used, or the revised CPI shall be adjusted by the city to correspond to that method. (MMC §5.16.020)

increase." There are a few other situations in which a space rent may be increased if the park owner is required by the government to provide services beyond those provided at the time the ordinance was enacted, and where the space is being subleased. The ordinance also includes a hardship exemption that could impact such increases.

After an application is received (other than for the automatic CPI adjustments), the Commission conducts a hearing and issues a decision. Applications can come from a park owner seeking a rent increase to achieve a fair return or from a mobilehome owner for a decrease when housing services have been eliminated.

Consistent with its function, the Commission has historically met only when an application is filed with the City under the Ordinance. The Ordinance establishes specific time periods in which the City must act on a rent adjustment application.

In addition to processing rent adjustment applications, should a park seek to close or convert its use, the Ordinance implements the provisions of state law that govern such situations. Under these circumstances, park owners are required to prepare a conversion impact report and a relocation plan, which the Commission will review for compliance.

Proposed Amended Ordinance

Staff worked closely with the Ad Hoc Committee and Commission in developing the amendments to the Ordinance (Attachment 3, Commission Amendments). While Staff and the Commission agreed on most amendments, other recommendations are included in Attachment 2. The suggested modifications fall generally into four categories: (1) policy-related provisions, (2) amendments to remove ambiguity and add clarity (3) administration and procedures, and (4) amendments to align with state law.

1. Policy-Related Provisions

- **Consumer Price Index**

As discussed above, the existing Ordinance permits park owners to automatically adjust space rent annually by CPI up to 5% (ceiling) and at least by 2% (floor), referred to as a "formula increase". The Ordinance defines "CPI" to mean the Consumer Price Index for the *Los Angeles-Anaheim-Riverside* area relating to all urban consumers. This index, however, was discontinued in 2018, as detailed below.

CPIs are issued by the U.S. Bureau of Labor Statistics (USBLS) on a geographic basis. Originally, the USBLS issued a *Los Angeles-Anaheim-Riverside CPI* that included Malibu given its location in the Los Angeles county region, and this index was specified in Malibu's Ordinance. In 2018, the USBLS undertook a major redesign of the CPI geographic sample, and retired the aforementioned CPI, replacing it with an updated *Los Angeles-*

Long Beach-Anaheim CPI. The USBLS provided direction to the City of Malibu that the new index should be used and is “continuous” to the retired index for CPI application by Malibu. (See Attachment 6, USBLS Email).

Instead of using this index, the Commission’s proposed language would use the average of the current index (the *Los Angeles-Long Beach-Anaheim* index) and the *Riverside-San Bernardino-Ontario* area index. Staff has provided alternative language that would keep the current CPI index should the Council choose to keep the index used the same instead of making this change.[9]

Averaging the CPIs would result in a lower CPI increase this year but could result in a higher increase in other years. Should the Council choose to use the average of these regional CPIs rather than the rate for the Los Angeles region, it should provide a justification for why the average should be used and how it would provide a fair rate of return with future annual adjustments. One possibility proposed at a commission meeting is that the CPI average from of the two geographic locations would define the housing market of all of Southern California. This could result in higher or lower increases each year but could overall level out to be reflective of the whole Southern California housing market.

Providing an accurate CPI that tracks inflation is important as it ensures that the park owners are not denied a fair rate of return over time. Continuation of the current CPI builds upon prior year increases starting from base year rates when rent was at a presumptive fair return rate, thus preserving those fair return levels. This CPI has been long established in the City, and has not been challenged. A change could have unpredictable effects—and if it is too low it could draw a legal challenge, while if it is too high it could affect affordability for residents.

Additionally, as discussed above, this decision could be taken away from the City. The new statewide mobilehome park rent control law, Assembly Bill 1543 (AB 1543), was introduced this January which would require Malibu parks to use the *Los Angeles-Long Beach-Anaheim CPI* when calculating maximum rent.

- **Subleases**

The Commission has proposed significant changes to how subleases are treated under the Ordinance. Whether, and how, to make changes is a policy decision for the Council. Staff’s alternative in Attachment 2 leaves sublease-related provisions in the existing Ordinance untouched to give the Council an option if it does not want to make the proposed changes. A discussion of the proposed changes and related issues follows.

[9] The language would define “CPI” to mean *the Los Angeles-Long Beach-Anaheim CPI* and any successor CPI.”

Existing Ordinance

The existing Ordinance does not prohibit a homeowner from subleasing his or her mobilehome. If a homeowner does so, the park owner may increase the homeowner's space rent up to 15% of the rent otherwise permitted. This surcharge applies only for the duration of the sublease and cannot go into effect for the first 12 months after the last vacancy increase. A homeowner may apply for a hardship exemption with the city manager that would be valid for one year (and renewable for additional one-year terms) if the applicant meets specified criteria related to demonstrating the hardship the increase would cause.

The Commission removed the 15% sublease surcharge and introduced a sublease rent cap scheme described further below. Ordinance No. 532 retains the surcharge and does not contain a sublease rent control scheme.

No contractual prohibition on subleasing

The Commission's amendments would bar park owners from prohibiting subleases or otherwise unreasonably refusing to allow them, and prohibits retaliation against a homeowner who subleases a mobilehome. Any contractual provision that prohibits leases would be voided.

Staff recommends allowing park owners to prohibit subleasing unless contrary to law. This is consistent with the MRL which requires park owners to permit subleasing for at least 12 months if a "medical emergency or medical treatment requires the homeowner to be absent from his or her home and this is confirmed in writing by an attending physician."[10] The MRL also permits owners to require a homeowner to reside in the park for one year before subleasing, and to require the owner's approval of the subtenant subject to the process and restrictions specified in the MRL, among other park owner rights.[11]

Sublease rent limits

The Commission's amendments would impose rent limits on subleases. They propose to limit subtenant rent to the aggregate of (1) the space rent, (2) the actual cost of utilities the sublessor pays, and (3) one of two amounts depending on whether subtenants are in the same family:

- If all are in the same family (including parents/children, grandparents/grandchildren, siblings, aunts/uncles, great aunts / great uncles, and first and/or second cousins),

[10] Civ. Code. § 798.23.5(a)-(b)(1).
[11] *Id.* § 798.23.5(b)(2) & (5).

the sublessor may charge **<u>$1,250</u>, adjusted annually, starting March 2027, based on the CPI**

- If all are not in the same family, the sublessor may charge more at **<u>$1,650</u>, adjusted annually, starting March 2027, based on the CPI**

If the rent limits would prevent the homeowner/sublessor from receiving a reasonable return on the purchase of a mobilehome, the homeowner may apply to the Commission to charge up to an additional 50% of the above amounts.

Subleased Mobilehome Registration

The Commission's amendments would additionally require a homeowner/sublessor to register any subleased mobilehome with the City Manager within specified time periods, and submit a schedule of rent and other charges. The homeowner/sublessor would be prohibited from accepting rent without first registering, and may be ordered to refund rent received for an unregistered sublease.

Policy Considerations

The Commission's recommended changes introduce a new rent control framework regulating the subleasing of homeowners' trailers, including a cap that limits such sublease amounts to a fixed dollar figure based on the space rent. This departs from the existing Ordinance and state law, which focus on rent control provisions applicable to mobilehome space rents, which are regulated and managed at the park level.

Making these changes will likely have a dramatic impact on residents and the parks. Importantly, this will cap the rent that can be charged based on the space rent. This means that someone who invests a significant amount of money in the construction or improvement of their mobilehome will be capped at the same rent as someone who owns a unit that is much less expensive and has not been renovated or improved--unless they petition the Commission, and then may be able to increase the rent up to a maximum of $1875 a month (for those who meet the family criteria) or $2475 (for those who don't meet that criteria). It will also introduce potentially significant administrative work and code enforcement challenges.

Also, as described above, AB 768 is being actively considered during this 2025-2026 legislative session. If AB 768 as amended in January passes, spaces with subleased mobilehomes will continue to be locally rent-controlled, but short-term rentals would be prohibited. If it takes another form it could significantly impact the City's ordinance.

- **New Commission Powers: Rent Increase Approval and Retrospective Rent Review**

The Commission's amendments in Attachment 3 would increase its powers and eliminate staff's administration of CPI notices for annual rent increase cap processes. Sections 5.16.080, 5.16.080.1, and 5.16.090 of the Commission's recommendations provide that the Commission must approve increases for any space rent or sublease rent—including CPI. Of note, Section 5.16.080, could provide for Commission re-approval of prior space rent increases since March 28, 1991.

Another amendment, Section 5.16.050, would empower the Commission to adjust space rents and sublease rents retrospectively, including an award or return of any collected rent or space rent, for a period going back indefinitely.

Staff recommends that the Ordinance not include these amendments, except for Commission authority to order refunds of rent improperly collected over the last three years. This three-year lookback period is based on the statute of limitations for liabilities created by statute. Cal. Civ. Proc. Code § 338(a).

- **Civil Actions and Civil Penalties**

Council may choose to add civil penalties and other enforcement measures. For instance, all versions of the ordinance recommend establishing a civil penalty for violating the ordinance. Under this penalty scheme, a person who violates the ordinance would be subject to a $100 penalty per violation, or $200 penalty per willful violation.

In addition, all versions of the ordinance allow an aggrieved person to file a civil action on behalf of the City and other aggrieved persons to recover civil penalties. Any recovered penalties would be distributed as follows: 10% to the aggrieved persons who filed the action; 25% to the other aggrieved persons; and 65% to the City of Malibu for the purpose of enforcing the ordinance and educating the public about the ordinance.

Also, all versions of the ordinance would entitle a prevailing homeowner in court to recover costs and reasonable attorney's fees. In contrast, a prevailing park owner could not recover costs unless the court finds the homeowner's action or defense was frivolous, unreasonable, or without foundation.

Finally, all versions of the ordinance would allow the Commission to order a park owner who willfully charged a homeowner rent amounts greater than permitted by the ordinance to pay treble the amount or $5,000, whichever is greater. Such orders would be limited to the rent improperly collected during the immediate three years preceding the filing of an application.

2. Amendments to Remove Ambiguity and Add Clarity to Staff's Function

To align with long-established practice, ensure efficiency and objectivity, avoid problems related to historical difficulties in recruiting a quorum of commissioners, and consolidate administrative functions in City Staff, Staff proposes that the Ordinance be revised with the following changes as shown in Attachment 2:

1. Section 5.16.020 – *Definition of "CPI Adjustment Period"* – revised to specify the "city manager" will calculate the annual CPI change for rent increases. This matches historical practice.
2. Section 5.16.100 – *Rent increases – Commission approval* – revised to clarify that annual CPI increases and vacancy increases are implemented by the city manager to match historical practice.
3. Section 5.16.110 – *Rent adjustments – Administration* - adds a new section that directs the city manager to process applications submitted under this chapter and develop any materials necessary for its administration. Section 5.16.120(A) – *Formula Increases* – revised to specify that the city manager may adopt regulations to implement annual CPI increases. This matches historical practice.
4. Section 5.16.120(B) – *Vacancy Increases* – revised to specify that the city manager administers vacancy increases and may adopt regulations to implement such increases. This matches historical practice.
5. Section 5.16.140(A)(1) – *Rent adjustments – Commission review* - revised to clarify that annual CPI increases, vacancy increases, and limited infrastructure improvement increases are implemented by the city manager. This matches historical practice.

3. Administration and Procedures

Staff recommends deleting Chapter 2.28 (Mobilehome Park Rent Stabilization Commission) and moving its provisions to Chapter 5.16 (Mobilehome Park Rent Control Regulations), and also limited changes for efficiency, to eliminate conflicts, refine existing procedures for rent adjustments and park closures/conversions, and to separate administrative functions to be handled under the purview of the city manager for more efficient implementation, among other changes to process. These changes are shown in Attachment 2 and are summarized as follows:

1. Section 5.16.040 – *Mobilehome park rent stabilization commission* – transfers the more recently adopted Section 2.28.010 describing the establishment and organization of the commission to Chapter 5.16 and adds a new subsection (C) which provides that the city manager will determine when the commission

meets and will set the agenda. The proposed ordinance would repeal Section 2.28.010 so that mobilehome park regulations are found in one chapter.

2. Section 5.16.050 – *Term* – transfers the more recently adopted Section 2.28.020 establishing commissioners' terms of four years as well as commissioners' powers and duties to Chapter 5.16. The proposed ordinance would repeal Section 2.28.030 so that mobilehome park regulations are found in one chapter.
3. Section 5.16.060 – *Mobilehome park rent stabilization commission – Powers and duties* – transfers the more recently adopted Section 2.28.030 to Chapter 5.16 and clarifies that the commission's authority to issue regulations is limited to regulations for the conduct of hearings. The proposed ordinance would repeal Section 2.28.030 so that mobilehome park regulation provisions are found in one chapter.
4. Section 5.16.070 – *Registration* – revised so that the city manager instead of the city clerk will administer parks' registrations with the city. The amendment also clarifies that annual registrations would be required every December 31 and allows the Commission or any homeowner to inspect registrations upon request. The right to inspect registrations is recommended in all versions and aids in the preparation of rent adjustment applications.
5. Section 5.16.140(A)(2) - *Rent adjustments – Commission review* – adds that when the park owner is an applicant, service must be made by certified mail if mailed and that all applicants must file a proof of service concurrently with their application. Also added is a requirement that the owner make copies of the rent schedule and supporting documentation available to homeowners at the park's office upon request.
6. Section 5.16.140(B) - *Rent adjustments – Commission review* – allows an applicant to appeal the city manager's determination that an application is incomplete to the commission within 10 days, and to appeal the commission's decision to the City Council within 10 days. A commissioner may not assist an applicant with completing the application form—but staff may. This section is recommended in all versions except staff recommends adding the right to appeal to the City Council to provide another layer of review ensuring a fair hearing and is consistent with how planning commission decisions are treated.
7. Section 5.16.140(C) - *Rent adjustments – Commission review* – specifies the city manager must set a hearing on a fair return application no later than 90 days after it is complete, and reduces the time to set a hearing on all other applications from 50 to 30 days after the application is complete. The city manager must within 10 days of a completed application send notice of the hearing date to the applicant.
8. Section 5.16.140(D) - *Rent adjustments – Commission review* – revised so that a petition to the commission for review of a proposed rent increase is filed with the city manager instead of the city clerk. The amendment also requires

the petition to be in a form and contain such information as may be required by the city manager instead of the commission.

9. Section 5.16.150(D) – *Review hearings* – specifies hearing recordings must be preserved for the duration of pending litigation or claims.
10. Section 5.16.160(B) - *Rent adjustments – Commission decision authority* – revised to remove vague and unclear grounds requiring a park owner to reimburse a successful homeowner applicant all or a part of their application fee. A homeowner remains entitled to reimbursement if a rent reduction application is successful.
11. Section 5.16.160(C) - *Rent adjustments – Commission decision authority* – revised to limit refunds to any rent improperly collected during the immediate three years preceding the filing of an application. This subsection also now authorizes rent credit to compensate a homeowner for such improper charges.
12. Section 5.16.160(D) - *Rent adjustments – Commission decision authority* – adds the right to appeal a commission rent adjustment decision to the City Council and requires the commission decision to be in writing and to include the commission's conclusions and findings.
13. Section 5.16.160(F) - *Rent adjustments – Commission decision authority* – declares that a homeowner that withholds rent from a park owner who has not yet complied with a commission order to return rent may use this section as an affirmative defense in an eviction proceeding.
14. Section 5.16.190(C) – *New and prospective homeowners* - adds a requirement for park owners to maintain a copy of a homeowner's signed acknowledgment of the City's mobilehome park rent stabilization ordinance for the term of the tenancy.
15. Section 5.16.240 – *Just and reasonable return* – adds a requirement that the City Council adopt regulations that establish a formula to calculate the rent increase necessary to achieve a fair return.[12]
16. Section 5.16.250 – *Mobilehome park conversion impact reports* - revisions were made to clarify park cessation of use/conversion requirements and procedure, including the following:
    a. The advisory agency that approves conversion impact reports is now broadened to include any authority designated by City Council.
    b. Words were deleted or added for clarity.
    c. The option for a displaced homeowner to waive rights to benefits under statute was revised to be more protective of homeowners. The waiver is only valid if the owner provides benefits comparable to those required by

[12] A common formula is the maintenance of net operating income (MNOI) method. This formula determines a rent increase that restores the park owner to the same net operating income earned in a base year, adjusted for inflation. The base year is a year when the park was presumed to be earning a fair return and is typically the year before rent control. The MNOI method is one of the methods used by the Santa Monica Rent Control Review Board. *See* Santa Monica Rent Control Regulations 4100 - 4106.

statute, the waiver is in writing and contains the text of Section 5.16.250, and includes a signed acknowledgment that the homeowner read and understands their rights and knowingly agreed to waive them.

d. A requirement was added that the advisory agency give notice to the park owner of their duties to notify homeowners and subtenants of the proposed change in use or conversion and the manner of such notification in accordance with state law.
e. Revisions distinguish between the application for land use permits required to change permitted uses on the park and the conversion impact report which describes adverse impacts to displaced homeowners and mitigation benefits, both of which require advisory agency approval.
f. Park owners must now provide at least 12 months' notice of termination of tenancy instead of the state law minimum of six months' notice.
g. Revisions allow interested parties to appeal advisory agency decisions to the city council.

17. Uncodified Section 4 of the Amended Ordinance requires new regulations to be implemented as the previous regulations were tied to the old ordinance.

4. State Law Alignment

All versions of the ordinance delete sections based on MRL provisions no longer in effect and update sections to comport with current state law. These changes are shown in Attachment 2 and are listed below.

1. Section 5.16.030 – *Exemptions* – deleted subsections which exempted long-term lease agreements under now repealed Civil Code section 798.17 from local rent control.
2. Section 5.16.040(D) – *Rent adjustments – Commission review* – deleted because no longer applicable due to repeal of Civil Code Civil Code section 798.17.
3. Section 5.16.160(A) - *Rent adjustments – Commission decision authority* – adds factors that state law requires the commission to consider when deciding upon a rent adjustment application.
4. Section 5.16.250(D)(1)(a) – *Mobilehome park relocation impact reports* **–** adds state law requirements, including for the appraisal that must be prepared at the park owner's cost for the mobilehomes of displaced homeowners when a mobilehome park is closing.
5. Section 5.16.250(E)(1) – *Mobilehome park relocation impact reports* **–** adds a finding state law requires the advisory agency to make before approving a park's change of use.

ATTACHMENTS:

1) Ordinance No. 532
2) Redlined Exhibit A of Ordinance No. 532
3) Redlined Commission-Recommended Amendments
4) *Adamson Companies v. City of Malibu*
5) *Adamson Companies* Settlement Agreement
6) USBLS Email

ORDINANCE NO. 532

AN ORDINANCE OF THE CITY OF MALIBU AMENDING CHAPTER 5.16 (MOBILEHOME PARK RENT CONTROL REGULATIONS) OF TITLE 5 (BUSINESS LICENSES AND REGULATIONS) AND REPEALING CHAPTER 2.28 (MOBILEHOME PARK RENT STABILIZATION COMMISSION) OF TITLE 2 (ADMINISTRATION AND PERSONNEL) OF THE MALIBU MUNICIPAL CODE, AND FINDING THE ORDINANCE IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council of the City of Malibu does ordain as follows:

SECTION 1. Recitals.

A. By virtue of the police powers delegated to it by the California Constitution, the City of Malibu ("City") has the authority to enact regulations which promote the public health, safety, and general welfare of its citizens, including the regulation of mobilehome space rents.

B. The high cost of moving mobilehomes; the potential for damage resulting therefrom; the requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation; the lack of alternative sites for mobilehome residents; and the substantial investment of homeowners in such homes severely restrict homeowners' ability to avoid excessive rent increases by relocating to another site.

C. The City Council has previously determined, and still finds, that these conditions create an imbalance in bargaining power between mobilehome park owners and mobilehome homeowners that warrants reasonable regulation of space rents to prevent excessive increases while recognizing park owners' right to a fair return.

D. Mobilehome parks in Malibu are an important source of long-term housing stability and affordable homeownership opportunities, particularly for seniors and residents on fixed or moderate incomes, and displacement from such housing can impose significant social and economic costs on affected residents and the Malibu community at large.

E. On December 3, 1991, the City adopted a Mobile Home Rent Control Ordinance, now codified in Chapter 5.16 of the Malibu Municipal Code, to address these conditions and protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a fair return on their property.

F. The City Council has reviewed the administration and practical operation of the existing ordinance and has received evidence and public input indicating that certain provisions may benefit from clarification or refinement to improve predictability and administrative efficiency, and to better align the ordinance with its purposes.

G. The City Council also desires to mitigate the social and fiscal impact of mobilehome park closures in a way that sufficiently compensates residents of mobilehomes who are forced to relocate or abandon their homes as a result of park closure.

Attachment 1

H. The State Mobilehome Residency Law (California Civil Code Sections 798, et seq.) and California Government Code Sections 65863.7 and 66427.4 regulate the grounds on which mobilehome residents may be evicted from a mobilehome park; and authorize local jurisdictions to impose reasonable measures to mitigate the adverse impacts on displaced mobilehome residents when a mobilehome park closes or converts to another use.

I. Pursuant to the California Government Code Section 65863.7 and the City's police power, the City Council desires to refine its existing procedure and standards for assessing the impacts of a mobilehome park closure or conversion on the displaced mobilehome residents residing in the park being closed and to determine appropriate relocation assistance for those residents.

SECTION 2. Environmental Review.

The City Council has analyzed the amendments to the City's mobilehome rent control ordinance described herein. The California Environmental Quality Act (CEQA) applies only to projects which have the potential for causing a significant effect on the environment. Pursuant to CEQA Guidelines Section 15061(b)(3), where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The City Council has determined that there is no possibility the amendments will have a significant effect on the environment, as they impose financial regulations for the rental of mobilehome park spaces and homes, and accordingly, the exemption set forth in Section 15061(b)(3) applies.

SECTION 3. Code Amendment.

A. Chapter 2.28, entitled "Mobilehome Park Rent Stabilization Commission", of the Malibu Municipal Code is hereby repealed.

B. Chapter 5.16, entitled, "Mobilehome Park Rent Control Regulations", of the Malibu Municipal Code is hereby amended and restated in its entirety as provided in Exhibit "A" attached hereto and incorporated herein by reference.

SECTION 4. Effect on Administrative Regulations.

All regulations adopted to implement Chapters 2.28 and 5.16 are hereby repealed and the Mobilehome Park Rent Stabilization Commission and City Staff are directed to adopt new regulations as specified in the provisions of new Chapter 5.16 of the MMC.

SECTION 5. Effective Date.

This Ordinance shall become effective 30 days following adoption by the City Council.

SECTION 6. Severability.

Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality or the remaining portions of this Ordinance; it being hereby expressly declared and this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phases be declared invalid or unconstitutional.

SECTION 7. Certification.

The City Clerk shall certify to the passage and adoption of this Ordinance.

PASSED, APPROVED, and ADOPTED this _______ day of ___________ 2026.

____
MARIANNE RIGGINS, Mayor

ATTEST:

____
KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE
____
TREVOR RUSIN, Interim City Attorney

Exhibit A

§ 5.16.010. Purpose of provisions.

A. When the county of Los Angeles adopted Chapter 8.57 of the Los Angeles County Code (Ordinance No. 87-0228) to regulate mobilehome parks in the unincorporated areas of the county, the county found that there was within the county of Los Angeles a shortage of spaces for the location of mobilehomes. The area that is now the city of Malibu was previously part of the unincorporated area of the county and was subject to Chapter 8.57 of the Los Angeles County Code. The city of Malibu incorporated on March 28, 1991. There continues to be a shortage of mobilehome spaces in the area that is now the city of Malibu. Because of this shortage, there is a low vacancy rate and rents are presently rising and causing concern among a substantial number of mobilehome park residents. Because of the high cost of moving mobilehomes; the potential for damage resulting therefrom; the requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation; the lack of alternative homesites for mobilehome residents; and the substantial investment of homeowners in such homes, a virtual monopoly exists in the rental of mobilehome park spaces, creating a situation where park owners have unbridled discretion and ability to exploit mobilehome park residents and homeowners. There continues to be a shortage of affordable housing in the City of Malibu. Mobile homes often represent the most affordable housing in the City of Malibu for residents and homeowners alike. The City of Malibu has an interest in maintaining affordable housing within its boundaries to, among other things, protect its aging residents and promote economic diversity.

B. Homeowners are in the unique position of having made a substantial investment in a mobilehome that is situated on land that is rented or leased. In this situation both the park owner and the homeowner have a financial stake in the relationship.

C. Additionally, because park space is virtually unavailable and relocating difficult and costly, the closure of a mobilehome park or its change of use has disastrous implications or results for homeowners, who may find it impossible to relocate to a comparable park.

D. For these reasons, among others, the city council finds and declares it necessary to protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a fair return on their property. In addition, the city council finds that it is necessary to provide for the preparation and approval of reports evaluating the impact of changes of use of the parks and provide for measures to mitigate the impact on residents of these changes of use.

§ 5.16.020. Definitions.

"Base rent" means the space rent charged on March 28, 1991.

"Capital improvements" means the park owner's cost of constructing new improvements or replacing old improvements in the mobilehome park, subject to the following limitations:

1. The improvement must: have a life expectancy of five years or more and must be treated as capital improvements for federal and state income tax purposes, and may not be deducted for such tax purposes as expenses.
2. Normal routine maintenance and repair are not capital improvements.
3. Insured repairs and replacement are not capital improvements.
4. The improvements must be permanently fixed in place or relatively immobile.
5. Those improvements that the park owner intends to pass through to the homeowner through special and limited rent increases, except for necessary infrastructure improvements, must be approved by 50% plus one of the homeowners.

"Capital improvements" include construction, installation or replacement of all or a portion of a club-house, laundry facility or other common area facilities a swimming pool, sauna, hot tub or other recreational amenities, streets, security gates, outdoor or common area lighting, retaining walls, sewer, electrical, plumbing, water or television reception systems, sprinkler systems, or any addition to or upgrade of existing improvements.

"Commission" means the mobilehome park rent stabilization commission, as established by this chapter.

"CPI" means the Consumer Price Index (All Items) prepared by the Bureau of Labor Statistics for the Los Angeles-Long Beach-Anaheim area or any successor Consumer Price Index indicated by the Bureau of Labor Statistics to the aforementioned area relating to all urban consumers-and includes Malibu in its geographic area.

CPI Adjustment Period. In December of each year, the city manager shall calculate and furnish a figure constituting the CPI change for use as the basis of rent increases. Such figure need only be based upon available data. This figure shall be based on the changes in the CPI during the last available 12-month period (from November to November) for which information is available from the Bureau of Labor Statistics prior to the effective date of the base rent or current space rent.

"Gross income" means and includes the following:

1. Gross rent, computed as gross rental income at 100% paid occupancy; plus
2. Interest from rental deposits, unless directly paid by the park owner to the homeowner (interest shall be imputed at the rate of five and one-half percent of all deposits, unless such deposits earn greater interest); plus

3. Income from laundry facilities, cleaning fees or services, garage and parking fees attributable to mobilehome spaces; plus
4. All other income or consideration received or receivable for, or in connection with the housing services; minus
5. Uncollected rents due to vacancy and bad debts, to the extent that the same are beyond the owner's control. Uncollected rents in excess of three percent of gross rents shall be presumed to be unreasonable, unless proven otherwise. Where uncollected rent must be proven, the average of the preceding three years' experience shall be used, or other comparable method.

"Homeowner" means any person entitled to occupy a mobilehome which is located within a mobilehome park in the city.

"Housing services" means services provided by the park owner related to the use or occupancy of a mobilehome space, including, but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration (including employee salaries and fringe benefits), maintenance and repairs, supplies, advertising, recreation facilities, laundry facilities, parking, security services, insurance, property taxes, governmental assessments, and other costs reasonably attributable to the operation of the mobilehome park. The term "housing services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.

"Mobilehome" has the same definition given in the Mobilehome Residency Law, specifically Civil Code Section 798.3, and includes a structure designed for human habitation and for being moved on a street or highway to a-permanent occupancy site, and installed on the site either with or-without a permanent foundation. "Mobilehome" includes a manufactured home, as defined in the Health and Safety Code, but does not include either a recreational vehicle, a commercial coach, or factory built housing as they are defined in the Health and Safety Code.

"Mobilehome park" means an area of land where two or more mobilehome spaces are rented, or held out for rent, to accommodate mobilehomes used for human habitation.

"Mobilehome park owner" or "park owner" means the owner, lessor, operator or manager of a mobilehome park in the city.

"Necessary infrastructure improvements" means maintenance (such as replacement of a necessary component of a system or improvement, and other than normal maintenance or repair which constitute "operating expenses" pursuant to this section) of streets, electrical, gas, plumbing, sewer or water systems, except the costs of replacement or repair incurred or required as a result of the park owners negligence.

"Operating expenses" shall include the following:

1. Real property taxes;
2. Utility costs;

3. Management expenses (contracted or park owner-performed), including necessary and reasonable advertising, accounting, insurance, and other managerial expenses. Management expenses are presumed to be five percent of gross income, unless established otherwise;
4. Normal repair and maintenance expenses, including painting, normal cleaning, fumigation, landscaping, and repair of all standard services, including electrical, plumbing, carpentry, furnished appliances, drapes, carpets and furniture;
5. Park owner performed labor, which shall be compensated at a reasonable hourly rate, based upon documentation being provided, showing the date, time and nature of the work performed, and the actual cost of the labor;
6. License and registration fees required by law, to the extent same are not otherwise paid by homeowners;
7. Capital expenses with a total cost of less than $100 per year, benefited unit, and the amortized portion of other capital expenses otherwise allowed by regulation.

"Operating expenses" shall not include:

1. Avoidable and unnecessary expenses since the base year, including refinancing costs;
2. Mortgage principal and interest payments;
3. Any penalty, fees or interest assessed or awarded for violation of this or any other law;
4. Legal fees;
5. Depreciation of the property;
6. Any expense for which the park owner has been reimbursed by any security deposit, insurance settlement, judgment for damages, settlement or any other method;
7. Land lease payments;
8. Cost of replacement or repair incurred or necessary as a result of the park owner's negligence or failure to maintain~~.~~;
9. Property tax increases arising from, or attributable to, any transfer of the property.

"Space rent" means the consideration on a monthly basis, including any bonuses, benefits or gratuities, demanded or received in connection with the use and occupancy of a mobilehome space in a mobilehome park, or for housing services provided, but exclusive of:

1. Any amount paid for the use of a mobilehome;
2. Security deposits and special and limited rent increases;
3. User fees for services or facilities which may be utilized at the option of the homeowners and are not included in monthly space rent; and
4. Utility charges for those mobilehome parks which bill homeowners separately whether or not the mobilehomes are individually metered.

"Sublessor" means any person or entity that rents a mobilehome, sited in a mobilehome park, to another person or entity.

"Subtenant" means any person or entity that rents a mobilehome, sited in a mobilehome park, from another person or entity.

§ 5.16.030. Exemptions.

The provisions of this chapter shall not apply to the following tenancies in mobilehome parks located in the city, except that all tenancies in mobilehome parks shall be subject to the registration provisions of Sections 5.16.060 and 5.16.070:

A. Mobilehome parks managed or operated by the United States Government, the state of California, the county of Los Angeles or the City of Malibu; and
B. Tenancies for which any federal or state law or regulation specifically prohibits rent regulations, to the extent of such prohibition.

§ 5.16.040. Mobilehome park rent stabilization commission—Establishment and organization.

A. There is established a commission to be known as the "Malibu Mobilehome Park Rent Stabilization Commission." The commission shall be comprised of five residents of the city. Each member of the city council shall appoint one member of the commission to serve at the pleasure of the appointing councilmember. Appointments shall be made at a regular city council meeting. Vacancies on the mobilehome park rent stabilization commission shall be filled by appointment at a regular city council meeting by the individual councilmember who made the appointment to the seat which is vacant. In no event shall any member of the commission be or, at any time during the previous one year have been, directly or indirectly, a park owner (including an owner of at least five-percent of an entity that owns a park), homeowner, or employee, officer, or director of the same.

B. The city manager shall provide all administrative staff necessary to serve the commission. The city clerk shall serve as secretary of the commission and shall be responsible for the maintenance of all records of the commission. The secretary shall keep a record of its proceedings, which shall be open for inspection by any member of the public. The city attorney or the designee of the city attorney shall act as legal counsel to the commission. The city manager and city clerk may designate other staff members to exercise the power and duties designated to them in this Chapter.

C. The city manager shall be responsible for setting and posting the agenda for all meetings of the commission. The city manager shall timely bring items within the commission's jurisdiction before it and shall work with the commission and its Chair. The city manager shall make the determination of which items are posted on the agenda, and how staff resources are used to support the Commission.

§ 5.16.050. Term.

Each member of the mobilehome park rent stabilization commission shall serve a four-year term. Commissioners shall be appointed at a regular city council meeting following the general municipal election at which the appointing councilmember was elected. In the event the office of any appointing councilmember becomes vacant during the term thereof, the term of the commissioner appointed by such councilmember shall terminate 90 days after such vacancy occurs. Following expiration of the term of office, each commissioner shall continue to serve until his or her successor is appointed and qualified. Notwithstanding any provision of this code, each commissioner shall serve at the pleasure of the appointing councilmember and may be removed by that councilmember at a regular city council meeting.

§ 5.16.060. Mobilehome park rent stabilization commission—Powers and duties.

Within the limitations provided by law, the, commission shall have the following powers and duties:

A. To receive, investigate, hold hearings on, and pass upon all issues relating to mobilehome park rent stabilization, as set forth in this chapter;
B. To make or conduct such independent hearings or investigations as may be appropriate to obtain such information as is necessary to carry out its duties;
C. To adjust space rents either upward or downward prospectively and, consistent with State Law, retroactively for up to three years from the date of the submittal of an application, consistent with the provisions of this Chapter; and
D. To adopt, promulgate, amend and rescind administrative rules governing the conduct of commission hearings of this chapter.

§ 5.16.070. Registration. – Annual process administered by City Manager Office

A. Registration Required. Within 60 calendar days after the effective date of the ordinance codified in this chapter and on or before every December 31 thereafter, park owners shall register all mobilehome park spaces with the city manager. No park owners shall be eligible to receive any rent increases as provided for in this chapter unless current registration information is on file with the city manager.
B. Initial Registration. The initial registration under this Section shall include the names, business addresses, and business telephone numbers of each person or legal entity possessing an ownership interest in the park and the nature of that interest, and all lienholders, (no later than 30 days after acquiring such interest); the number of mobilehome spaces within the park; the name and address of each resident; a rent schedule reflecting space rents within the park on December 31, 1984, for all spaces not exempt from this chapter pursuant to Section 5.16.030; a listing of all other charges, including utilities, now included in space rent, paid by homeowners and the approximate amount of each such charge; a list of all spaces exempt from this chapter pursuant to Section 5.16.030 and the reason for the exemption; and the name and address to which all required notices and correspondence may be sent.

C. Determination of Rents. The city manager shall determine the base rent. The decision of the city manager may be appealed to the commission. The decision of the city manager, or the commission on appeal, shall be final. The city manager may promulgate regulations necessary to effectuate the purpose of this section.
D. Re-registration.
    1. The city manager may require re-registration as deemed reasonable or necessary and may promulgate regulations to effectuate the purpose of this section.
    2. The registration requirements provided in this section or which may be established by the city shall apply to all mobilehome parks and mobilehome park spaces, including those exempted from the provisions of this chapter by reason of the existence of a valid rental agreement.
E. The registrations required under this Section shall be maintained by the city manager, and shall be subject to inspection by the Commission and any homeowner upon request.

§ 5.16.080. Subleasing in Mobilehome Parks.

A park owner may prohibit a homeowner from subleasing their mobilehome unless contrary to the MRL or other applicable law. A park owner may not retaliate against the homeowner for subleasing their mobilehome if the homeowner was permitted to do so.

§ 5.16.090. Registration and administrative fees.

A. Establishment of Registration Fee. At the time of initial registration or any subsequent registration, park owners shall pay to the city such registration fee for each mobilehome rental space within the park as may be established by resolution of the city council (not to exceed the reasonable and necessary costs of administration of this chapter). The city council may also provide that up to two thirds of that fee may be passed through to homeowners as special and limited rent increases if apportioned equally among the spaces and charged in 12 equal consecutive installments. Notwithstanding any other provision of this section, where the total annual amount of the fee to be passed through to each homeowner is less than $48, the park owner may elect to recover the fee from the homeowners in one lump sum rather than in equal monthly installments.
B. Late Charge. If a park owner does not pay the fee provided for in subsection A of this section within the time period established by the city council, a late charge shall be assessed in an amount established by resolution. No late charges may be passed through as special and limited rent increases to homeowners.
C. Unpaid Fee. No hearing or other proceedings shall be scheduled to take place, and no rent increase will be granted or will take effect for any mobilehome park for which there are unpaid registration fees.

D. Purpose of the Fee. The registration fee provided for by this section is intended to defray the reasonable and necessary costs associated with the administration of this chapter and the regulations promulgated pursuant thereto.
E. Other Administrative Fees. The city council may set by resolution other administrative fees to cover the reasonable costs of processing various requests and appeals, as it deems necessary.

§ 5.16.100. Rent increases—Commission approval.

On or after March 28, 1991, no increase in space rents in excess of the amounts permitted pursuant to Section 5.16.120 (A) and (B), which are implemented by the city manager, shall be effective unless approved by the commission as set forth in this chapter.

§ 5.16.110. Rent adjustments – Applications.

The city manager shall be responsible for processing rent adjustment applications permitted under this chapter and for the development of any materials or regulations necessary for its administration.

§ 5.16.120. Rent increases—Computation and determination.

A. Formula Increases. Space rents may be increased automatically and annually by no more than the total percentage change in the CPI for the applicable CPI adjustment period as determined by the city manager, except that space rent shall not be increased by more than five percent and may be increased by up to two percent. Calculation of the one-year limitation on formula increases shall be from the date the last formula increase became effective for that particular space. The city manager may promulgate regulations to effectuate the purpose of this subsection.
B. Vacancy Increases. Notwithstanding the provisions of subsection A of this section, upon vacancy, space rent may be increased up to fifteen percent of the then current maximum allowable rent permitted by this chapter prior to the vacancy. Upon application, the city manager shall calculate and determine the correct amount of the vacancy increase and may promulgate regulations to effectuate the purpose of this subsection.
C. Special and Limited Rent and Rent Increases.
    1. Government Required Services. The homeowner shall pay to the park owner, on the herein described terms, no less than 60 days after the park owner has notified the homeowner in writing, the increased costs to the park owner of government required services, which are to be included as part of the homeowner's rent but separately listed items on the monthly statement.
        a. For the purposes of this chapter, "government required services" shall be defined as services required by governmental agencies which are new or in addition to those services legally required to be provided by the park owner to homeowners or to the mobilehome park on March 28, 1991.

b. Such services include fees and charges legally levied by an agency of federal, state or local government upon the park owner. Such services do not include predictable expenses for operation of the mobilehome park, such as common-area utilities expenses or expenses which maintain the safe and healthful use of mobilehome park facilities.
c. The park owner's actual out-of-pocket costs of providing government required services may be charged to the homeowner upon 60 days' written notice, using the following formula: Amount actually paid by the park owner, divided by the total number of spaces in the mobilehome park, divided by 12 months, equals the sum for government-required services to be charged to the homeowner. Notwithstanding the formula described above, only those costs of providing governmental required services in the 12 months immediately preceding the proposed charge shall be reimbursed to the park owner by the homeowner in the manner herein described. The park owner shall charge the homeowner only those costs for government required services which are not reimbursed to the park owner by insurance or other sources.

2. Capital Improvements.
    a. (i) Necessary infrastructure improvements subject only to the provisions of subsection (C)(2)(d) of this section; and (ii) subject to the vote requirements and the capital improvement limitations set forth in Section 5.16.020, and also subject to review by the commission pursuant to Section 5.16.150, the actual net costs of a capital improvement plus an interest charge to compensate the park owner for the use of money in making the improvement, as described below, may be charged to the homeowners upon 60 days' written notice, using the following formula: net amount actually paid by the park owner for the capital improvement, plus an interest charge as described below, divided by the total number of spaces in the mobilehome park affected by the improvement, divided by the amortization period for the capital improvement allowed by the Internal Revenue Service, equals the monthly sum for capital improvements to be charged to the homeowners and billed separately from space rent.
    b. The interest charge that may be added to the costs of materials and labor is the current rate derived from the then-current prime interest rate, computed on a declining balance over a five-year period with equal monthly payments (the five-year period represents the amount of time allowed for fully amortizing the cost of capital improvements).
    c. Notwithstanding the provisions of subsection (C)(2)(a) of this section and Section 5.16.140, the city manager may approve special and limited rent increases for necessary infrastructure improvements upon a showing by the park owners that the proposed improvement meets the requirements of

Section 5.16.020 and that the park owner obtained a minimum of three bids from qualified persons/entities to perform the work, if possible, and that the park owner selected the person/entity submitting the lowest responsible bid to perform the work for the proposed necessary infrastructure improvement. No commission review is required or permitted.

D. 1. Sublease Surcharge. Notwithstanding the provisions of subsection A of this section, upon sublease of a space and/or lease of a mobilehome, the space rent may be increased up to 15% of the rent otherwise permitted under this chapter. This rent surcharge shall be effective only for the duration of the sublease and shall be eliminated when and if the sublease is terminated. A sublease surcharge shall not become effective until 12 months after the last vacancy increase pursuant to subsection B of this section. The sublease surcharge rent amount shall be calculated separately and shall not be included in the maximum allowable rent for the purposes of calculating formula increases pursuant to subsection A of this section. The provisions of this subsection shall not apply to those spaces granted hardship exemptions pursuant to subsection F of this section for as long as the space is eligible for such exemption.

2. Absentee Owner Surcharge. Notwithstanding the provisions of subsection A of this section, in the event that a homeowner does not use his or her mobilehome at a mobilehome park as a primary or principal residence and the homeowner is not otherwise subject to subsection (D)(1) of this section, the homeowner's space rent may be increased up to 15% of the rent otherwise permitted under this chapter. This rent increase shall be effective only until the homeowner occupies his or her mobilehome at the mobilehome park as a primary residence or the homeowner subleases his or her space or mobilehome and becomes subject to subsection (D)(1) of this section. For purposes of this chapter, a primary or principal residence is a residence where the homeowner resides for over 185 days during a calendar year.

E. Sublease Hardship Exemption. Upon application, the city manager may grant a hardship exemption in connection with the sublease surcharge, which exemption shall last for a term of one year. At the expiration of any particular term of the exemption, the applicant may apply to renew the one-year term by again establishing qualification for the exemption. The application and renewal application shall be in the forms provided by the city manager with a copy to the park owner and, shall include sufficient evidence to establish whether the applicant qualifies for an exemption pursuant to this section and shall be signed by the applicant under penalty of perjury. The city manager shall grant the exemption for any qualified applicant.

1. Qualification. To qualify for the sublease hardship exemption, the applicant must satisfy all of the following criteria:

a. The applicant must own a mobilehome at the applicable park, and must have occupied the mobilehome as his or her primary residence for a minimum of three years prior to applying for this exemption.

b. The applicant must present adequate evidence that he or she would qualify for the Low Income Rate Payer Assistance Program for Submetered Households.

c. The combined value of assets owned by the applicant must not exceed $150,000 excluding the value of the mobilehome itself.

d. No person other than the applicant can declare the applicant as a dependent for purposes of federal or state taxes.

In the event that the applicant, after receiving the hardship exemption, at any time ceases to satisfy all of the foregoing criteria, from that point on, the applicant will not be qualified to receive, and shall not receive, the hardship exemption.

2. Effect of Exemption. Each applicant who qualifies for the hardship exemption shall be exempt from the sublease surcharge provided in subsection D of this section.

§ 5.16.130. Reserved.

§ 5.16.140. Rent adjustments—Commission review.

A. 1. In order to implement a rent increase as permitted under this chapter (except rent increases under Sections 5.16.120(A), (B), or (C)(2)(c) that are administered by the city manager) or a rent decrease based on a reduction of housing services, the applicant must file with the commission a proposed rent schedule on the form provided by the commission. Any proposed capital improvement to be passed through to homeowners must be approved by the commission after the park owner files an application showing the amount of the expense, the amount to be passed through and proof of a majority vote in favor of the special and limited rent increases.
2. Where the park owner is the applicant, the park owner shall serve each affected homeowner, either personally or by certified mail, with written notice of the proposed increase, in accordance with state law, and with notice that a request for approval of same is being filed with the commission. Copies of the rent schedule, request for increase, and supporting documentation shall be available to any homeowner requesting same at the park owner's office in the affected mobilehome park. Where a homeowner (or homeowners, or organization of homeowners) is the applicant, the homeowner or organization of homeowners shall serve the affected park owner by mail or personally at the address and to the person designated in the registration form submitted by the park owner to receive notices on behalf of the park owner. Applicants under this subsection (A)(2) shall file proof of such service with the commission concurrent with the filing of their applications. The registration

information and address for service shall be available to any applicant or potential applicant upon request.

B. If the city manager determines that the application is not complete, or not in compliance with this chapter, within 21 days of the date on which the application was submitted, the city manager shall give written notice of the deficiencies to the applicant. In the event that the city manager or their designee determines that the application is not complete or not in compliance with this chapter, the applicant may correct the identified deficiencies by amending the application and/or contesting the determination to the Commission. Any amendment of an application consistent with this paragraph must be served in the same manner as the application as set forth in paragraph (A)(2) of this Section. No commissioner shall assist an applicant with completing the application form(s). A determination of incompleteness by the city manager may be appealed to the Commission within 10 days of being rendered, and the decision of the Commission appealed to the City Council within 10 days of being rendered.

C. The city manager shall set a hearing on any application complying with the requirements of this chapter no sooner than 30 days and no later than 70 days, and for an application submitted under 5.16.230 no later than 90 days, after the application is accepted as complete. Within 10 days of receipt of a completed application, the city manager shall send written notice to the applicant, who, if the park owner, shall post such notice in a conspicuous place, reasonably selected to provide affected parties notice, of the time and place set for the hearing, and if a homeowner or organization of homeowners, to the person designated in the registration form submitted by the park owner to receive notices on behalf of the park owner. If the commission approves an increase as requested, or lower than requested, the same shall take effect as noticed by the park owner or as the commission may otherwise direct.

D. Homeowner(s) in a mobilehome park may initiate commission review of a proposed land rent increase by filing with the city manager a written petition. The petition shall be in substantially such form and contain such information as may be required by the city manager.

§ 5.16.150. Review hearings.

A. All review hearings conducted by the commission shall be open to the public.

B. All parties to the hearing may have assistance from an attorney or such other person as may be designated by the parties in presenting evidence or arguing their position. All witnesses shall be sworn in and all testimony shall be under penalty of perjury.

C. In the event that either the affected park owner or the homeowner(s) should fail to appear at the hearing at the specified time and place, the commission: may hear and review such evidence as may be presented and make such decisions as if both parties had been present. All review hearings shall be recorded. Recordings shall be preserved for six months, or longer if requested by any party affected by the hearing, or for the duration of any pending litigation or claim.

D. The commission may promulgate regulations to effect the purpose of this section and to ensure hearings are conducted fairly.

§ 5.16.160. Rent adjustments—Commission decision authority.

A. The commission's decision shall be based on the preponderance of the evidence in the record, including the hearing. All parties to the hearing shall be advised of the commission's decision and given a copy of written findings upon which the decision is based. When making a decision, the Commission shall consider reductions or increases to fees, assessments, and charges imposed by a government entity upon a space or by a state or locally mandated program relating to housing contained in the Health and Safety Code.

B. Consistent with its findings, the commission may:
    1. Permit a requested increase to become effective, in whole or in part;
    2. Deny a requested increase;
    3. Order a reduction in rent to a rate determined by the commission; and/or
    4. Order that the park owner reimburse the applicant(s) the full amount, or any part of the amount, of the application fee where the applicant(s) for a rent reduction was successful.

C. If the commission finds that an increase, or any portion thereof, that has been collected by a park owner is/was not permissible under this Chapter, the park owner shall refund or credit the overcharged amount to the homeowner within 60 days after the date stated on the commission's written decision. No refund or credit shall be ordered for any period more than 3 years before the date on which the homeowner filed an application with the commission.

D. Any interested person may appeal a decision of the commission to the city council within 30 days after the date stated on the written decision. The decision shall include the commission's conclusions and findings. The city council shall review the commission's decision de novo. The decision of the city council shall be final.

E. Any party disputing the final conclusions and findings of the city council may seek review of the city council's actions pursuant to Sections 1094.5 and 1094.6 of the California Code of Civil Procedure.

F. If the Commission finds that a park owner willfully charged homeowner(s) rent or other amount(s) greater than permitted by this Chapter, the Commission may order payment of up to treble the amount wrongfully charged or five-thousand dollars, whichever is greater. The amount of payment ordered shall be limited to amount wrongfully charged during the 3 years before the date on which the homeowner filed an application with the commission.

G. If the Commission orders a return of rent, as described in subsection (C) or (F), and the park owner fails to pay the amount ordered within 60 days of the Commission's written decision, the homeowner(s) may withhold the amount ordered from their subsequent rent payment(s). If the park owner files an unlawful detainer action against a homeowner for withholding such rent payments, this subsection shall serve as an affirmative defense to eviction.

§ 5.16.170. Hearing—Evidence and procedural irregularities.

Formal rules of evidence or procedure which must be followed in court shall not apply to decision-making body proceedings, except to the extent that the decision-making body shall determine. No action of the decision-making body hereunder shall be held void or invalid or be set aside by any court on the grounds of any improper admission or rejection of evidence, or by reason of any error, irregularity, informality, neglect or omission (hereinafter called "error") as to any matter pertaining to applications, notices, findings, records, hearings, reports, recommendations, or any matters of procedure whatever, including but not limited to those included in this section, unless after an examination of the entire case, including the evidence, the court shall be of the opinion that the error complained of was prejudicial, and that by reason of such error the party complaining or appealing sustained and suffered substantial injury, and that a different result would have been probable if such error had not occurred or existed. There shall be no presumption that error is prejudicial or that injury was done if error is shown.

§ 5.16.180. Implementation guidelines.

After a noticed-public hearing, as it deems necessary, the city council may adopt by resolution guidelines to aid in the implementation of this chapter.

§ 5.16.190. New and prospective homeowners.

A. Prior to or at the time of agreeing to rent space to a new homeowner in a mobilehome park, the park owner shall provide each new homeowner or prospective homeowner with a notice and copy of the mobilehome park rent stabilization ordinance, as currently in force.
B. No park owner may require, directly or indirectly, that any resident or prospective resident sign a lease or rental agreement that provides that it shall be exempt from local rent control or provides for rent in excess of that permitted by this chapter as a condition of tenancy and no park owner may deny a tenancy to a prospective purchaser of a mobilehome in the park on the ground that the prospective purchaser will not sign such a lease or rental agreement.
C. The notice in paragraph (A) shall contain a place for the homeowner to acknowledge receipt of the notice. The park owner shall sign an acknowledgment that the required notice has been provided and provide the homeowner with a copy of the executed acknowledgment. The park owner shall maintain a copy of the executed acknowledgment as long as the applicable tenancy continues.

§ 5.16.200. Homeowner's right of refusal.

A homeowner may refuse to pay any increase in rent or other charge which is in violation of this chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a mobilehome or mobilehome space or to collect the rent increase.

§ 5.16.210. Retaliatory eviction.

Notwithstanding Section 5.16.200, in any action brought to recover possession of a mobilehome space or mobilehome, the court shall consider as grounds for denial any violation of any provision of this chapter. Further, the determination that the action was brought in retaliation for the exercise of any rights conferred by this chapter shall be grounds for denial. Any action brought within one year of an application filed with the commission by the homeowner pursuant to this chapter shall be presumed to be retaliatory; this presumption affects the burden of proof, and is rebuttable by the park owner.

§ 5.16.220. Violation—Civil remedies.

If any park owner demands, accepts, receives or retains any payment of rent in excess of the maximum lawful space rent, as determined under this chapter, then the homeowners in such mobilehome park affected by such violation, individually or by class action, may seek relief in a court of appropriate jurisdiction for injunctive relief and damages. A prevailing homeowner shall be entitled to recover costs and reasonable attorneys' fees as part of any court judgment. A prevailing park owner shall not recover any costs, unless the court finds the homeowner’s action or defense to be frivolous, unreasonable, or without foundation.

§ 5.16.230. Violation—Penalty.

(A) Criminal penalty. Any person violating any provision, or failing to comply with any requirement of this chapter shall be guilty of a misdemeanor. Any person convicted of a misdemeanor under the provisions of this chapter shall be punished by a fine of not more than $500 or by imprisonment for a period of not more than six months, or by both. Each violation of any provision of this chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

(B) Civil penalty. Any person violating any provision, or failing to comply with any requirement, of this chapter shall be subject to a civil penalty of up to $100 per violation, or $200 per willful violation. Any aggrieved person may file a civil action on behalf of the City of Malibu and other aggrieved persons in a court of competent jurisdiction to recover the civil penalty established by this paragraph, in which case any civil penalties recovered shall be distributed as follows: ten percent to the aggrieved person(s) who filed the action; twenty-five percent to the other aggrieved persons; and sixty-five percent to the City of Malibu for the purpose of enforcing this Chapter and educating the public concerning this Chapter.

§ 5.16.240. Just and reasonable return.

A park owner may file a rent adjustment application for one, some or all the spaces in a mobilehome park in order to establish the maximum allowable rent or to achieve a fair and reasonable return. Nothing in this chapter shall be construed to prevent the grant of a rent adjustment upon application by a park owner when required by law to permit a fair and reasonable return to the park owner. The city shall receive relevant evidence, in accordance with applicable regulations, demonstrating that a park owner or sublessor is not receiving a fair and reasonable return in determining these applications. City council regulations shall establish a formula to calculate whether an applicant is entitled to a rent increase to obtain a fair and reasonable return.

§ 5.16.250. Mobilehome park conversion impact reports.

A. Statement of Purpose. The purpose of this section is to implement the provisions of state law addressing the adverse impacts on the residents and homeowners in a park which is converted, closed or where the park's use is changed or ceased.
B. Definitions. For purposes of this section, the following definitions shall apply in addition to those listed in Section 5.16.020.
   "Advisory agency" means the commission or other authority designated by the City Council.
   "Change of use" means a use of a mobilehome park for a purpose other than the rental, or the holding out for rent, of two or more mobilehome sites to accommodate mobilehomes for human habitation. "Change of use" includes, but is not limited to, a change of the park or any portion thereof to a condominium, stock cooperative, or any form of ownership wherein spaces within the park are to be sold, and the cessation of use of all or a portion of the park, whether immediately or on a gradual basis, or the closure of the park. "Change of use" shall not include mere purchase of the park by its existing homeowners.
   "Comparable housing" means housing which is comparable in floor space area, deck and lot size, and number of bedrooms and other relevant factors to the mobilehome to which comparison is being made, which housing meets the minimum standards of the State Uniform Housing Code.
   "Comparable mobilehome park" means any other mobilehome park substantially equivalent in terms of park condition, amenities, ocean views and beach access and other relevant factors.
   "Date of application for change of use" means the date of filing of an application for rezoning, general plan amendment, use permit, site development permit or other discretionary development approval under this code, which application seeks approval of a change of use of a mobilehome park, its closure, or cessation of use.
   "Eligible homeowner" means a homeowner whose mobilehome or manufactured home was located in a mobilehome park on the date of the application for a change of use.

C. General Requirements.
   1. Any person who files an application for a rezoning, general plan amendment, subdivision map, use permit, site development permit or for any other discretionary development approval, for the purpose of a change of use of a mobilehome park, closure, or cessation of use, shall file with the advisory agency a report on the impact of the conversion, closure, or cessation of use (hereinafter "closure") upon the residents of the mobilehome park who will be displaced, no later than the filing of the first such application necessary to authorize such closure.
   2. No application shall be considered or deemed completed or processed for consideration and approval unless and until such conversion impact report shall have been filed as required by this Section.
   3. Use of a property as mobilehome park shall not be terminated for the purpose of conversion to another land use or cessation of use until approval by the advisory agency and the city council, or appeal, has been received.
   4. No building permit shall be issued on property occupied by a mobilehome park at the effective date of this chapter or after for uses other than those associated with the mobile home park use and allowed under the special use permit, until approval under this section has been received.
   5. The park owner shall give any written notice to homeowners required by state law.

D. Conversion Impact Report.

1. The conversion impact report shall include a replacement and relocation plan that addresses the availability of adequate replacement housing in mobilehome parks and the cost of relocating displaced residents.

2. In order to evaluate adequately and address those issues, the conversion impact report shall contain the following information:

a. At the applicant's expense and if there are displaced residents, an appraisal of the on-site value, depreciated replacement value, and removal value of the mobilehome of each eligible resident in the park. The appraisal must be prepared by a State-certified appraiser, approved by the City, with experience establishing the value of mobilehomes, and shall be based upon the current in-place value of the mobilehome and shall assume the continuation of the mobilehome park.

b. The names, addresses and mobilehome site identification numbers of all persons owning mobilehomes within the mobilehome park and of all mobilehome residents on the date of application for change of use;

c. The age, including date of manufacture, of each mobilehome within such park, including the type of mobilehome, width characteristics, size, and number identifying the mobilehome site being occupied;

d. A list of vacant mobilehome sites in comparable mobilehome parks within a 50 mile radius of the park which is the subject of the application or request;

e. The list shall contain a schedule of site rental rates for each park listed and the criteria of the management of each park for acceptance of new homeowners and used mobilehomes;

f. The names, addresses and telephone numbers of one or more housing specialists from the list compiled by the advisory agency, and the names, addresses and telephone numbers and fee schedules of persons qualified as mobilehome movers and of persons who are qualified appraisers of mobilehomes and an explanation of the services the housing specialists will provide;

g. The applicant may designate other housing specialists, and mobilehome movers and appraisers; provided, that use of any such persons pursuant to this chapter shall be subject to approval by the advisory agency;

h. A relocation plan which will include:

i. Timetable for implementing the physical relocation of mobilehomes,

ii. Implementation of relocation assistance

iii. Payment of relocation costs, and

iv. The requested "change of use"; conversion of the park to one or more other uses; cessation of use, or closure of the park.

3. The application for change of use shall include within the replacement and relocation plan the steps proposed to mitigate any adverse impact on the ability of displaced homeowners to find adequate housing in a mobilehome park, including the reasonable costs of relocation.

a. All eligible homeowners and all mobilehome tenants of eligible homeowners shall be provided with the services of one or more housing experts to assist them in relocating to available and adequate housing upon their request. Any such experts shall be those approved pursuant to this section.

E. Advisory Agency Determination

1. Before approving a change of use, the advisory agency shall:

a. Review the conversion impact report and any relevant documentation.

b. Make a finding as to whether or not approval of the park closure and the park's conversion into its intended new use, taking into consideration both the impact report as a whole and the overall housing availability within the local jurisdiction, will result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction.

2. Factors to Consider.

a. A factor to be considered is that the conversion will not result in the displacement of low-income individuals or households who cannot afford rents charged in other parks.

b. A factor to be considered is if the conversion is to another residential use, the homeowners have first opportunity to occupy and the construction schedule will not result in long-term displacement.

3. An eligible homeowner or tenant of an eligible homeowner may enter a written agreement with the park owner to waive his or her right to benefits specified under statute provided that the park owner gives other benefits comparable to those mandated by statute. To be valid, such waiver shall contain the text of this section and include a signed written acknowledgement that the person waiving his or her rights has read and understands his or her rights pursuant to this chapter and knowingly agrees to waive them.

4. In order to facilitate the intentions of the homeowners or tenants and an applicant for a change of use with regard to a change of use, cessation of use, or closure, the parties may agree to mutually satisfactory relocation assistance. To be valid such an agreement shall be in writing, shall include a provision stating that the homeowner or tenant is aware of the provisions of this chapter, shall include a copy of this chapter as an attachment, shall include a provision in at least 10 point type which clearly states the right to seek and the importance of obtaining an attorney's advice prior to signing the agreement, and shall be drafted in form and content otherwise required by applicable state law. Any person signing such an agreement may rescind it in writing within 10 business days of final approval of change of use. Any such agreement which is procured by fraud, misrepresentation, coercion or duress of any kind shall be void and unenforceable.

F. Hearing and Notice

1. Upon the receipt of an impact report, within 30 days the advisory agency shall examine the same and advise the applicant whether it is complete. When a complete impact report has been filed and accepted by the advisory agency, within 90 days the advisory agency shall set a time, place and date for a public hearing.

2. At least 75 days prior to the public hearing, the advisory agency shall mail notice to the applicant and the homeowners of the date, time and place of the meeting.

3. At least 60 days prior to the scheduled public hearing before the advisory agency on the application for change of use and conversion impact report, the applicant shall provide the homeowner and all other persons described with a copy of this chapter, a copy of the conversion impact report, and date and time for an informational meeting pursuant to subsection (E)(4) of this section.

4. At least 30 days prior to the public hearing, the advisory agency shall provide notice to the applicant that:

a. Notifies the applicant of the provisions of Civil Code Section 798.56 and any local requirements which impose a duty to notify homeowners and subtenants of the proposed change in use; and

b. Specifies the manner in which the applicant must verify that homeowners and subtenants have been notified of the proposed change of use. Neither a hearing on the application, nor any other action thereon, shall be taken by the advisory agency before the applicant has satisfactorily verified that the homeowners and subtenants have been so notified, in the manner prescribed by law or local regulation.

5. Not less than 10 days prior to the date of the scheduled public hearing before the advisory agency, the applicant shall conduct an informational meeting for the residents of the mobilehome park regarding the status of the application, the timing of proposed relocation of residents, proposed relocation costs and assistance, and the contents of the conversion impact report. The meeting shall be conducted on the premises of the mobilehome park. The housing specialist(s) designated in the impact report shall be present at such meeting.

6. Within five days prior to the public hearing, the applicant shall file with the advisory agency a statement made under penalty of perjury that all requirements pursuant to subsections (E)(3) and (4) of this section have been complied with and include date, time, and place where such meeting as required by subsection (E)(4) of this section occurred.

G. Findings and Decision. At the conclusion of the hearing, the advisory agency shall render its decision. The advisory agency shall approve, conditionally approve or disapprove the relocation impact report. In approving the relocation impact report, the advisory agency may impose such conditions as it finds necessary to mitigate the adverse impacts on the residents; however, any steps required to be taken by the park owner pursuant to this section shall not exceed the reasonable costs of relocation. Notice of the advisory agency action shall be mailed to the park owner, to all homeowners, to all Subtenants, to all Sublessors, and to all persons who have filed written request therefor.

H. Request for Appeal. The park owner, any homeowner, any Subtenant, or any Sublessor may appeal the advisory agency's decision to the city council. The appeal shall be filed with the city on a form provided for that purpose within 10 days after the action of the advisory agency. When an appeal is filed, it shall be accompanied by a fee in an amount determined according to Section 5.16.070. The city shall, within 45 days, set a time and date for a hearing, and shall mail written notice of such hearing to the park owner, all homeowners, all Subtenants, all Sublessors, the person requesting the hearing, the advisory agency and all persons who have filed written request therefor, at least 15 days prior to the hearing.

For all requests for hearing, the city council may sustain, modify, reject or overrule any recommendations or rulings of the advisory agency and may make such findings as are not inconsistent with the provisions of this section.

I. Extensions. Any of the time limits specified in this section may be extended by the advisory agency, or the city council, on appeal, with notice to affected parties, except where prohibited by state law.

J. Expiration and Extension of Conversion Impact Report. The approval of a conversion impact report shall become null and void after 36 months from the date of the mailing of the final approval of the conversion impact report. Thereafter, the park owner shall not convert, close or cease the use of the park until such time as a new conversion impact report is approved. However, upon application of the park owner, filed with the advisory agency on or before the date of expiration, the conversion impact report may be extended by the advisory agency up to an additional 36 months. An application for an extension shall be subject to the notice and hearing procedures of this section.

K. Conditions. In the approval of a mobilehome park conversion, the city may attach conditions deemed reasonable in order to mitigate the impacts associated with the conversion. Such conditions shall not be limited to, but may include, the following:

1. If the land occupied by the park is to be sold, the homeowners shall be given the right of first negotiation (from the seller) and matching rights (right of last refusal) for the purchase of the park and all the improvements.

2. The homeowners be given the option of a long-term lease of the land and purchase of the improvements.

3. The city may attach an effective date upon their approval of the conversion. This date will provide sufficient time for the relocation of the mobilehome to other parks.

L. Revocation and Amendment. Any time prior to the change of use, cessation of use, or closure of the mobilehome park, the advisory agency may, in its discretion, and upon good cause shown, initiate proceedings for the revocation or amendment of the approval of the application for change of use. Good cause may include, but is not limited to, change of circumstances which render the conditions or requirements of the conversion impact report no longer necessary or appropriate, negligent or fraudulent misrepresentation of fact relating to the conversion impact report, or noncompliance with the conditions of the conversion impact report. Prior to revoking or amending the approval of the application, the advisory agency shall conduct a hearing in accordance with the applicable procedures set forth in subsection F of this section. Upon revocation, the park owner shall not convert, close, cease or change the use of the park until such time as a new conversion impact report is approved or other requirement under this Chapter is satisfied. Such revocation or amendment is subject to the same request for hearing as is provided in subsection H of this section.

M. Evictions Pending Compliance with Conversion Impact Report. Termination of a tenancy of any homeowner or subtenant pursuant to any provision of law shall not relieve the park owner of its obligation to comply with the conditions or requirements of the conversion impact report applicable to that homeowner or subtenant.

N. Additional Authority of the Advisory Agency. If, notwithstanding the fact that the park owner has not served the applicable notice of termination of tenancy on the homeowners, the advisory agency finds that the park owner is attempting to close or convert a park, then the advisory agency shall require the filing of a conversion impact report.

O. Obligations of Applicant After Approval of the Application for Change of Use and Conversion Impact Report. After the date of the final determination approving the conversion impact report and change of use application, the applicant shall undertake or be responsible for performance of the following obligations:

1. Not later than 30 days from the date of such determination, the housing specialist or specialists shall make personal contact with each homeowner and Subtenant of the mobilehome park and commence consultations to determine the applicable costs and assistance to be provided. The housing specialist or specialists shall give each homeowner, Subtenant and former resident eligible to receive relocation assistance written notice of his or her rights to relocation assistance as determined by the city under this chapter.

2. Not less than 120 days prior to the date any homeowner is required to vacate the mobilehome park, any cash or monetary relocation costs required by this chapter shall be paid to such homeowner, to such Subtenant, to any former resident eligible for such costs, or to any person, firm or corporation performing relocation related services for the homeowner or Subtenant, as the homeowner or Subtenant may direct. If the applicant purchases the mobilehome the homeowner shall be required to promptly submit to the applicant all documents necessary to transfer complete title and ownership of such mobilehome to the applicant, free and clear of all security interest, liens, or other encumbrances.

3. The date upon which any resident of the mobilehome park is required to vacate such park, or upon which any mobilehome is required to be removed from the mobilehome park, shall be not less than 12 months from the date of notice of termination of tenancy pursuant to Civil Code Section 798.56(a)(7)(B)(i). The applicant shall provide homeowners with a copy of the final impact report at the same time the 12-months' notice of termination of tenancy is provided.

4. If the owner of the mobilehome park, the applicant homeowner or tenant specifically requests that any of the time limitations required by this section, except those provided by State law, be modified, the advisory agency, or City Council on appeal, shall consider any such modification and evidence relating to the need therefor at the public hearing on the change of use application and conversion impact report. The advisory

agency, or City Council on appeal, shall have the power to make modification in such time limits, both in response to a request and on its own motion, in conjunction with any approval of an application and conversion impact report, as it may deem just and reasonable.

P. Payment of Relocation Assistance Benefits—Prerequisite to Issuance of Building Permit to Redevelop Park. No building permit shall be issued for the development of any real property which has been or is being converted from a mobilehome park pursuant to this chapter unless and until the applicant or the owner of the property, as the case may be, who is responsible for payment of any required monetary relocation assistance, shall have filed with the advisory agency a verified statement made under penalty of perjury that relocation assistance payments required pursuant to this chapter have been paid. Such statement shall specify in itemized form each payee, the amount paid, the date of payment, and the type of relocation or other assistance for which each such payment was made.

Q. Violations. Violations of this section shall constitute a misdemeanor. In addition, any park owner or sublessor who violates any rights of any homeowner or subtenant established under this section shall be liable to the person for actual damages caused by such violation, plus costs and reasonable attorneys' fees. No park owner shall take any willful action to threaten, retaliate against or harass any homeowner with the intent to prevent such homeowner from exercising their rights under this section.

§ 5.16.010. Purpose of provisions.

A. When the county of Los Angeles adopted Chapter 8.57 of the Los Angeles County Code (Ordinance No. 87-0228) to regulate mobilehome parks in the unincorporated areas of the county, the county found that there was within the county of Los Angeles a shortage of spaces for the location of mobilehomes. The area that is now the city of Malibu was previously part of the unincorporated area of the county and was subject to Chapter 8.57 of the Los Angeles County Code. The city of Malibu incorporated on March 28, 1991. There continues to be a shortage of mobilehome spaces in the area that is now the city of Malibu. Because of this shortage, there is a low vacancy rate and rents are presently rising and causing concern among a substantial number of mobilehome park residents. Because of the high cost of moving mobilehomes; the potential for damage resulting therefrom; the requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation; the lack of alternative homesites for mobilehome residents; and the substantial investment of homeowners in such homes, a virtual monopoly exists in the rental of mobilehome park spaces, creating a situation where park owners have unbridled discretion and ability to exploit mobilehome park residents and homeowners. There continues to be a shortage of affordable housing in the City of Malibu. Mobile homes often represent the most affordable housing in the City of Malibu for residents and homeowners alike. The City of Malibu has an interest in maintaining affordable housing within its boundaries to, among other things, protect its aging residents and promote economic diversity.

B. Homeowners are in the unique position of having made a substantial investment in a mobilehome that is situated on land that is rented or leased. In this situation both the park owner and the homeowner have a financial stake in the relationship.

C. Additionally, because park space is virtually unavailable and relocating difficult and costly, the closure of a mobilehome park or its change of use has disastrous implications or results for homeowners, who may find it impossible to relocate to a comparable park.

D. For these reasons, among others, the city council finds and declares it necessary to protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a fair return on their property. In addition, the city council finds that it is necessary to provide for the preparation and approval of reports evaluating the impact of changes of use of the parks and provide for measures to mitigate the impact on residents of these changes of use.

§ 5.16.020. Definitions.

~~"Allowable legal expenses" means attorney's fees and costs incurred in connection with successful good-faith attempts to recover rents owing, and successful good-faith unlawful detainer actions not in derogation of applicable law, to the extent same are not recovered from homeowners. Attorney's fees and costs incurred in proceedings before the commission, or in connection with civil actions against the commission, are not allow-able as operating expenses.~~

"Base rent" means~~: (1) for spaces not subject to a long term lease that complies with the provisions of Civil Code Section 798.17,~~ the space rent charged on March 28, 1991~~; and (2) for spaces subject to valid long term leases on March 28, 1991, which leases comply with the provisions of Civil Code Section 798.17, the last space rent charged under the long term lease.~~.

"Capital improvements" means the park owner's cost of constructing new improvements or replacing old improvements in the mobilehome park, subject to the following limitations:

1. The improvement must: have a life expectancy of five years or more and must be treated as capital improvements for federal and state income tax purposes, and may not be deducted for such tax purposes as expenses.
2. Normal routine maintenance and repair are not capital improvements.
3. Insured repairs and replacement are not capital improvements.
4. The improvements must be permanently fixed in place or relatively immobile.
5. Those improvements that the park owner intends to pass through to the homeowner through special and limited rent increases, except for necessary infrastructure improvements, must be approved by 50% plus one of the homeowners.

"Capital improvements" include construction, installation or replacement of all or a portion of a club-house, laundry facility or other common area facilities a swimming pool, sauna, hot tub or other recreational amenities, streets, security gates, outdoor or common area lighting, retaining walls, sewer, electrical, plumbing, water or television reception systems, sprinkler systems, or any addition to or upgrade of existing improvements.

"Commission" means the mobilehome park rent stabilization commission, as established by this chapter.

"CPI" means the Consumer Price Index (All Items) prepared by the Bureau of Labor Statistics for the Los Angeles-~~Anaheim-Riverside area relating to all urban consumers. If the method of calculating the CPI is substantially revised after the adoption of the ordinance codified in this chapter, the method in effect upon adoption of such ordinance shall continue to be used, or the revised CPI shall be adjusted by the city to correspond to that method.~~Long Beach-Anaheim area or any successor Consumer Price Index indicated by the Bureau of Labor Statistics to the aforementioned area relating to all urban consumers and includes Malibu in its geographic area.

CPI Adjustment Period. ~~The~~In December of each year, the city manager shall calculate and furnish a figure constituting the CPI change for use as the basis of rent increases. Such figure need only be based upon available data. This figure shall be based on the changes in the CPI during the last available 12-month period (from November to November) for which information is available from the Bureau of Labor Statistics prior to the effective date of the base rent or current space rent.

"Gross income" means and includes the following:

1. Gross rent, computed as gross rental income at 100% paid occupancy; plus
2. Interest from rental deposits, unless directly paid by the park owner to the homeowner (interest shall be imputed at the rate of five and one-half percent of all deposits, unless such deposits earn greater interest); plus
3. Income from laundry facilities, cleaning fees or services, garage and parking fees attributable to mobilehome spaces; plus

4. All other income or consideration received or receivable for, or in connection with the housing services; minus
5. Uncollected rents due to vacancy and bad debts, to the extent that the same are beyond the owner's control. Uncollected rents in excess of three percent of gross rents shall be presumed to be unreasonable, unless proven otherwise. Where uncollected rent must be proven, the average of the preceding three years' experience shall be used, or other comparable method.

"Homeowner" means any person entitled to occupy a mobilehome which is located within a mobilehome park in the city.

"Housing services" means services provided by the park owner related to the use or occupancy of a mobilehome space, including, but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration (including employee salaries and fringe benefits), maintenance and repairs, supplies, advertising, recreation facilities, laundry facilities, parking, security services, insurance, property taxes, governmental assessments, and other costs reasonably attributable to the operation of the mobilehome park. The term "housing services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.

"Mobilehome" ~~means~~has the same definition given in the Mobilehome Residency Law, specifically Civil Code Section 798.3, and includes a structure ~~designated or~~ designed for human habitation~~, transported over the high-ways~~ and for being moved on a street or highway to a-permanent occupancy site, and installed on the site either with or-without a permanent foundation. "~~Mobile-home~~Mobilehome" includes a manufactured home, as defined in the Health and Safety Code, but does not include either a recreational vehicle ~~or~~, a commercial coach, or factory built housing as they are defined in the Health and Safety Code.

"Mobilehome park" means an area of land where two or more mobilehome spaces are rented, or ~~leased~~held out for rent, to accommodate mobilehomes used ~~as residences. "Mobilehome park" does not include developments which sell lots~~ for ~~mobilehomes or which provide condominium ownership of such lots, even if one or more homes in the development are rented or leased out.~~human habitation.

"Mobilehome park owner" or "park owner" means the owner, lessor, operator or manager of a mobilehome park in the city.

"Necessary infrastructure improvements" means maintenance (such as replacement of a necessary component of a system or improvement, and other than normal maintenance or repair which constitute "operating expenses" pursuant to this section) of streets, electrical, gas, plumbing, sewer or water systems, except ~~that~~the costs of replacement or repair incurred or required as a result of the park owners negligence.

"Operating expenses" shall include the following:

1. Real property taxes;
2. Utility costs;
3. Management expenses (contracted or park owner-performed), including necessary and reasonable advertising, accounting, insurance, and other managerial expenses~~, and~~

~~allowable legal expenses.~~. Management expenses are presumed to be five percent of gross income, unless established otherwise;

4. Normal repair and maintenance expenses, including painting, normal cleaning, fumigation, landscaping, and repair of all standard services, including electrical, plumbing, carpentry, furnished appliances, drapes, carpets and furniture;
5. Park owner performed labor, which shall be compensated at a reasonable hourly rate, based upon documentation being provided, showing the date, time and nature of the work performed~~;~~, and the actual cost of the labor;
6. License and registration fees required by law, to the extent same are not otherwise paid by homeowners;
7. Capital expenses with a total cost of less than $100 per year, benefited unit, and the amortized portion of other capital expenses otherwise allowed by regulation.

"Operating expenses" shall not include:

1. Avoidable and unnecessary expenses since the base year, including refinancing costs;
2. Mortgage principal and interest payments;
3. Any penalty, fees or interest assessed or awarded for violation of this or any other law;
4. Legal fees~~, except allowable legal expenses as defined in this section;~~;
5. Depreciation of the property;
6. Any expense for which the park owner has been reimbursed by any security deposit, insurance settlement, judgment for damages, settlement or any other method;
7. Land lease payments;
8. Cost of replacement or repair incurred or necessary as a result of the park owner's negligence or failure to maintain~~.~~;
9. Property tax increases arising from, or attributable to, any transfer of the property.

"Space rent" means the consideration on a monthly basis, including any bonuses, benefits or gratuities, demanded or received in connection with the use and occupancy of a mobilehome space in a mobilehome park, or for housing services provided, but exclusive of:

1. Any amount paid for the use of a mobilehome;
2. Security deposits and special and limited rent increases;
3. User fees for services or facilities which may be utilized at the option of the homeowners and are not included in monthly space rent; and
4. Utility charges for those mobilehome parks which bill homeowners separately whether or not the mobilehomes are individually metered.

"Sublessor" means any person or entity that rents a mobilehome, sited in a mobilehome park, to another person or entity.

"Subtenant" means any person or entity that rents a mobilehome, sited in a mobilehome park, from another person or entity.

§ 5.16.030. Exemptions.

The provisions of this chapter shall not apply to the following tenancies in mobilehome parks located in the city, except that all tenancies in mobilehome parks shall be subject to the registration provisions of Sections 5.16.060 and 5.16.070:

~~A. Mobilehome park spaces rented for nonresidential uses;~~

A. Mobilehome parks managed or operated by the United States Government, the state of California, the county of Los Angeles or the ~~city~~City of Malibu; and

~~B. Tenancies which do not exceed an occupancy of 20 days and which do not contemplate an occupancy of more than 20 days;~~

~~C.~~ Tenancies for which any federal or state law or regulation specifically prohibits rent regulations~~;~~

~~D. Tenancies subject~~, to ~~rental agreements exempt from local ordinances pursuant to Civil Code Section 798.17; and~~

B. ~~Tenancies covered by leases or rental agreements existing at~~ the ~~effective date of the ordinance codified in this chapter which are not exempt pursuant to subsection E of this section, but only for the duration~~extent of such ~~leases or rental agreements. Upon the expiration or other termination of such lease or rental agreement, this chapter shall immediately be applicable to the tenancy, unless that lease or rental agreement immediately succeeded by a lease or rental agreement referred to in subsection E of this section.~~prohibition.

§ 5.16.040. Mobilehome park rent stabilization commission—Establishment and organization.

A. There is established a commission to be known as the "Malibu Mobilehome Park Rent Stabilization Commission." The commission shall be comprised of five residents of the city. ~~A~~Each member of the city council shall appoint one member of the commission ~~shall be appointed~~ to ~~a vacant position by four-fifths vote of the city council and~~ serve at the pleasure of the appointing councilmember. Appointments shall be made at a regular city council~~.~~ meeting. Vacancies on the mobilehome park rent stabilization commission shall be filled by appointment at a regular city council meeting by the individual councilmember who made the appointment to the seat which is vacant. In no event shall any member of the commission be or, at any time during the ~~immediately five years~~previous one year have been, directly or indirectly, a park owner ~~or~~ (including an owner of at least five-percent of an entity that owns a park), homeowner~~.~~, or employee, officer, or director of the same.

B. The city manager shall provide all administrative staff necessary to serve the commission. The city clerk shall serve as secretary of the commission and shall be responsible for the maintenance of all records of the commission. The secretary shall keep a record of its proceedings, which shall be open for inspection by any member of the public. The city attorney or the designee of the city attorney shall act as legal counsel to the commission. The city manager and city clerk may designate other staff members to exercise the power and duties designated to them in this Chapter.

C. The city manager shall be responsible for setting and posting the agenda for all meetings of the commission. The city manager shall timely bring items within the commission's jurisdiction before it and shall work with the commission and its Chair. The city manager shall make the determination of which items are posted on the agenda, and how staff resources are used to support the Commission.

§ 5.16.050. Term.

Each member of the mobilehome park rent stabilization commission shall serve a four-year term. Commissioners shall be appointed at a regular city council meeting following the general municipal election at which the appointing councilmember was elected. In the event the office of any appointing councilmember becomes vacant during the term thereof, the term of the commissioner appointed by such councilmember shall terminate 90 days after such vacancy occurs. Following expiration of the term of office, each commissioner shall continue to serve until his or her successor is appointed and qualified. Notwithstanding any provision of this code, each commissioner shall serve at the pleasure of the appointing councilmember and may be removed by that councilmember at a regular city council meeting..

§ 5.16.060. Mobilehome park rent stabilization commission—Powers and duties.

Within the limitations provided by law, the, commission shall have the following powers and duties:

A. To receive, investigate, hold hearings on, and pass upon all issues relating to mobilehome park rent stabilization, as set forth in this chapter;
B. To make or conduct such independent hearings or investigations as may be appropriate to obtain such information as is necessary to carry out its duties;
C. To adjust space rents either upward or downward ~~upon completion~~prospectively and, consistent with State Law, retroactively for up to three years from the date of ~~its hearings and investigations~~the submittal of an application, consistent with the provisions of this Chapter; and
D. To adopt, promulgate, amend and rescind administrative rules ~~to effectuate~~governing the ~~purposes and policies~~conduct of commission hearings of this chapter~~, within the limitations provided by law or by rules adopted by the city council.~~.

§ 5.16.~~060~~070. Registration. – Annual process administered by City Manager Office

A. Registration Required. Within 60 calendar days after the effective date of the ordinance codified in this chapter and on or before every December 31 thereafter, park owners shall register all mobilehome park spaces with the city ~~clerk~~manager. No park owners shall be eligible to receive any rent increases as provided for in this chapter unless current registration information is on file with the city ~~clerk~~manager.
B. Initial Registration. The initial registration under this Section shall include the names, business addresses, and business telephone numbers of each person or legal entity possessing an ownership interest in the park and the nature of that interest, and all lienholders, (no later than 30 days after acquiring such interest); the number of mobilehome spaces within the park; the name and address of each resident; a rent schedule reflecting space rents within the park on December 31, 1984, for all spaces not exempt from this chapter pursuant to Section 5.16.030; a listing of all other charges, including utilities, now included in space rent, paid by homeowners and the approximate amount of each such

charge; a list of all spaces exempt from this chapter pursuant to Section 5.16.030 and the reason for the exemption~~ and, for those exempt pursuant to leases or rental agreements, the date of the expiration of the lease or rental agreement and the amount of the rent~~; and the name and address to which all required notices and correspondence may be sent.

C. Determination of Rents. The city manager ~~or his or her designee~~ shall determine the base rent. The decision of the city ~~staff~~manager may be appealed to the commission. The decision of the city ~~staff~~manager, or the commission on appeal, shall be final. The city manager may promulgate regulations necessary to effectuate the purpose of this section.

D. Re-registration.
    1. The city manager ~~or his or her designee~~ may require re-registration as deemed reasonable or necessary and may promulgate regulations to effectuate the purpose of this section.
    2. The registration requirements provided in this section or which may be established by the city shall apply to all mobilehome parks and mobilehome park spaces, including those exempted from the provisions of this chapter by reason of the existence of a valid rental agreement.

E. The registrations required under this Section shall be maintained by the city manager, and shall be subject to inspection by the Commission and any homeowner upon request.

§ 5.16.~~070~~080. Subleasing in Mobilehome Parks.

A park owner may prohibit a homeowner from subleasing their mobilehome unless contrary to the MRL or other applicable law. A park owner may not retaliate against the homeowner for subleasing their mobilehome if the homeowner was permitted to do so.

§ 5.16.090. Registration and administrative fees.

A. Establishment of Registration Fee. At the time of initial registration or any subsequent registration, park owners shall pay to the city such registration fee for each mobilehome rental space within the park as may be established by resolution of the city council (not to exceed the reasonable and necessary costs of administration of this chapter). The city council may also provide that up to two~~-~~ thirds of that fee may be passed through to homeowners as special and limited rent increases if apportioned equally among the spaces and charged in 12 equal consecutive installments.

    Notwithstanding any other provision of this section, where the total annual amount of the fee to be passed through to each homeowner is less than $48, the park owner may elect to recover the fee from the homeowners in one lump sum rather than in equal monthly installments.

B. Late Charge. If a park owner does not pay the fee provided for in subsection A of this section within the time period established by the city council, a late charge shall be assessed in an amount established by resolution. No late charges may be passed through as special and limited rent increases to homeowners.

C. Unpaid Fee. No hearing or other proceedings shall be scheduled to take place, and no rent increase will be granted or will take effect for any mobilehome park for which there are unpaid registration fees.
D. Purpose of the Fee. The registration fee provided for by this section is intended to defray the reasonable and necessary costs associated with the administration of this chapter and the regulations promulgated pursuant thereto.
E. Other Administrative Fees. The city council may set by resolution other administrative fees to cover the reasonable costs of processing various requests and appeals, as it deems necessary.

§ 5.16.~~080~~100. Rent increases—Commission approval.

On or after March 28, 1991, no increase in space rents in excess of the amounts permitted pursuant to Section 5.16.~~090~~120 (A) and (B~~)~~), which are implemented by the city manager, shall be effective unless approved by the commission as set forth in this chapter.

§ 5.16.~~090~~110. Rent adjustments – Applications.

The city manager shall be responsible for processing rent adjustment applications permitted under this chapter and for the development of any materials or regulations necessary for its administration.

§ 5.16.120. Rent increases—Computation and determination.

A. Formula Increases. Space rents may be increased automatically and annually by no more than the total percentage change in the CPI for the applicable CPI adjustment period as determined by the city manager, except that space rent shall not be increased by more than five percent and may be increased by up to two percent. Calculation of the one-year limitation on formula increases shall be from the date the last formula increase became effective for that particular space. The city manager may promulgate regulations to effectuate the purpose of this subsection.
B. Vacancy Increases. Notwithstanding the provisions of subsection A of this section, upon vacancy, space rent may be increased up to fifteen percent of the then current maximum allowable rent permitted by this chapter prior to the vacancy. Upon application, the city manager shall calculate and determine the correct amount of the vacancy increase and may promulgate regulations to effectuate the purpose of this subsection.
C. Special and Limited Rent and Rent Increases.
   1. Government Required Services. The homeowner shall pay to the ~~parks~~park owner, on the herein described terms, no less than 60 days after the park owner has notified the homeowner in writing, the increased costs to the park owner of government required services, which are to be included as part of the homeowner's rent but separately listed items on the monthly statement.
      a. For the purposes of this chapter, "government required services" shall be defined as services required by governmental agencies which are new or in addition to those services legally required to be provided by the park owner to homeowners or to the mobilehome park on March 28, 1991.
      b. Such services include fees and charges legally levied by an agency of federal, state or local government upon the park owner. Such services do not include

predictable expenses for operation of the mobilehome park, such as common-area utilities expenses or expenses which maintain the safe and healthful use of mobilehome park facilities.

c. The park owner's actual out-of-pocket costs of providing government required services may be charged to the homeowner upon 60 days' written notice, using the following formula: Amount actually paid by the park owner, divided by the total number of spaces in the mobilehome park, divided by 12 months, equals the sum for government-required services to be charged to the homeowner. Notwithstanding the formula described above, only those costs of providing governmental required services in the 12 months immediately preceding the proposed charge shall be reimbursed to the park owner by the homeowner in the manner herein described. The park owner shall charge the homeowner only those costs for government required services which are not reimbursed to the park owner by insurance or other sources.

2. Capital Improvements.

   a. (i) Necessary infrastructure improvements subject only to the provisions of subsection (C)(2)(d) of this section; and (ii) subject to the vote requirements and the capital improvement limitations set forth in Section 5.16.020, and also subject to review by the commission pursuant to Section 5.16.~~110~~150, the actual net costs of a capital improvement plus an interest charge to compensate the park owner for the use of money in making the improvement, as described below, may be charged to the homeowners upon 60 days' written notice, using the following formula: net amount actually paid by the park owner for the capital improvement, plus an interest charge as described below, divided by the total number of spaces in the mobilehome park affected by the improvement, divided by the amortization period for the capital improvement allowed by the Internal Revenue Service, equals the monthly sum for capital improvements to be charged to the homeowners and billed separately from space rent.

   b. The interest charge that may be added to the costs of materials and labor is the current rate derived from the then-current prime interest rate, computed on a declining balance over a five-year period with equal monthly payments (the five-year period represents the amount of time allowed for fully amortizing the cost of capital improvements).

   c. Notwithstanding the provisions of subsection (C)(2)(a) of this section and Section 5.16.~~100~~140, the city manager may approve special and limited rent increases for necessary infrastructure improvements upon a showing by the park owners that the proposed improvement meets the requirements of Section 5.16.020 and that the park owner obtained a minimum of three bids from qualified persons/entities to perform the work, if possible, and that the park owner selected the person/entity submitting the lowest responsible bid to perform the work for the proposed necessary infrastructure improvement. No commission review is required or permitted.

D. 1. Sublease Surcharge. Notwithstanding the provisions of subsection A of this section, upon sublease of a space and/or lease of a mobilehome, the space rent may be increased up to

15% of the rent otherwise permitted under this chapter. This rent surcharge shall be effective only for the duration of the sublease and shall be eliminated when and if the sublease is terminated. A sublease surcharge shall not become effective until 12 months after the last vacancy increase pursuant to subsection B of this section. The sublease surcharge rent amount shall be calculated separately and shall not be included in the maximum allowable rent for the purposes of calculating formula increases pursuant to subsection A of this section. The provisions of this subsection shall not apply to those spaces granted hardship exemptions pursuant to subsection F of this section for as long as the space is eligible for such exemption.

2. Absentee Owner Surcharge. Notwithstanding the provisions of subsection A of this section, in the event that a homeowner does not use his or her mobilehome at a mobilehome park as a primary or principal residence and the homeowner is not otherwise subject to subsection (D)(1) of this section, the homeowner's space rent may be increased up to 15% of the rent otherwise permitted under this chapter. This rent increase shall be effective only until the homeowner occupies his or her mobilehome at the mobilehome park as a primary residence or the homeowner subleases his or her space or mobilehome and becomes subject to subsection (D)(1) of this section. For purposes of this chapter, a primary or principal residence is a residence where the homeowner resides for over 185 days during a calendar year.

E. Sublease Hardship Exemption. Upon application, the city manager may grant a hardship exemption in connection with the sublease surcharge, which exemption shall last for a term of one year. At the expiration of any particular term of the exemption, the applicant may apply to renew the one-year term by again establishing qualification for the exemption. The application and renewal application shall be in the forms provided by the city manager with a copy to the park owner and, shall include sufficient evidence to establish whether the applicant qualifies for an exemption pursuant to this section and shall be signed by the applicant under penalty of perjury. The city manager shall grant the exemption for any qualified applicant.

1. Qualification. To qualify for the sublease hardship exemption, the applicant must satisfy all of the following criteria:

a. The applicant must own a mobilehome at the applicable park, and must have occupied the mobilehome as his or her primary residence for a minimum of three years prior to applying for this exemption.

b. The applicant must present adequate evidence that he or she would qualify for the Low Income Rate Payer Assistance Program for Submetered Households.

c. The combined value of assets owned by the applicant must not exceed $150,000 excluding the value of the mobilehome itself.

d. No person other than the applicant can declare the applicant as a dependent for purposes of federal or state taxes.

In the event that the applicant, after receiving the hardship exemption, at any time ceases to satisfy all of the foregoing criteria, from that point on, the applicant will not be qualified to receive, and shall not receive, the hardship exemption.

2. Effect of Exemption. Each applicant who qualifies for the hardship exemption shall be exempt from the sublease surcharge provided in subsection D of this section.

§ 5.16.~~100~~130. Reserved.

§ 5.16.140. Rent adjustments—Commission review.

A. 1. In order to implement a rent increase as permitted under ~~Section 5.16.090 of~~ this chapter (except rent increases under Sections 5.16.120(A), (B), or (C)(2)(c) that are administered by the city manager) or a rent decrease based on a reduction of housing services, the applicant must file with the commission a proposed rent schedule on the form provided by the commission. Any proposed capital improvement to be passed through to homeowners must be approved by the commission after the park owner files an application showing the amount of the expense, the amount to be passed through and proof of a majority vote in favor of the special and limited rent increases.

2. Where the park owner is the applicant, the park owner shall serve each affected homeowner, either personally or by certified mail, with written notice of the proposed increase, in accordance with state law, and with notice that a request for approval of same is being filed with the commission. Copies of the rent schedule, request for increase, and supporting documentation shall be available to any homeowner requesting same at the park owner's office in the affected mobilehome park. Where a homeowner (or homeowners, or organization of homeowners) is the applicant, the homeowner or organization of homeowners shall serve the affected park owner by mail or personally at the address and to the person designated in the registration form submitted by the park owner to receive notices on behalf of the park owner. ~~The applicant~~ Applicants under this subsection (A)(2) shall file proof of such service with the commission concurrent with the filing of ~~the rent increase or decrease application. Copies of the rent schedule, request~~their applications. The registration information and address for ~~increase and supporting documentation~~service shall be available to any ~~homeowner requesting same at the park owner's office in the affected mobilehome park~~applicant or potential applicant upon request.

B. If the city manager determines that the application is not complete, ~~accurate,~~ or not in compliance with this chapter, within 21 days of the date on which the application was ~~filed~~submitted, the city manager shall give written notice of the deficiencies to the applicant. In the event that the city manager or their designee determines that the application is not complete or not in compliance with this chapter, the applicant may correct the identified deficiencies by amending the application and/or contesting the determination to the Commission. Any amendment of an application consistent with this paragraph must be served in the same manner as the application as set forth in paragraph (A)(2) of this Section. No commissioner shall assist an applicant with completing the application form(s). A determination of incompleteness by the city manager may be appealed to the Commission within 10 days of being rendered, and the decision of the Commission appealed to the City Council within 10 days of being rendered.

C. The city manager shall set a hearing on any ~~request~~application complying with the requirements of this chapter no sooner than ~~50~~30 days and no later than 70 days, and for an application submitted under 5.16.230 no later than 90 days, after the application is accepted as complete. ~~The city~~ Within 10 days of receipt of a completed application, the city manager shall send written notice to the applicant, who, if the park owner, ~~who~~ shall post such notice in a conspicuous place, reasonably selected to provide affected parties notice, of the time and place set for the hearing~~.~~, and if a homeowner or organization of homeowners, to the person designated in the registration form submitted by the park owner to receive notices on behalf of the park owner. If the commission approves an increase as requested, or lower than requested, the same shall take effect as noticed by the park owner or as the commission may otherwise direct.

~~A. In the application for rent adjustment under this chapter, the park owner shall indicate which, if any, of the mobilehome spaces are covered by leases or contracts which provide for more than a month-to-month tenancy, together with expiration date of each such lease or contract. Any rent increase approved by the commission under this chapter shall not be applicable to spaces covered by such leases or contracts during the term of such leases or contracts.~~

D. Homeowner(s) in a mobilehome park may initiate commission review of a proposed land rent increase by filing with the city ~~clerk~~manager a written petition. The petition shall be in substantially such form and contain such information as may be required by the ~~commission~~city manager.

§ 5.16.~~110~~150. Review hearings.

A. All review hearings conducted by the commission shall be open to the public.
B. All parties to the hearing may have assistance from an attorney or such other person as may be designated by the parties in presenting evidence or arguing their position. All witnesses shall be sworn in and all testimony shall be under penalty of perjury.
C. In the event that either the affected park owner or the homeowner(s) should fail to appear at the hearing at the specified time and place, the commission: may hear and review such evidence as may be presented and make such decisions as if both parties had been present. All review hearings shall be recorded. Recordings shall be preserved for six months, or longer if requested by any party affected by the hearing, or for the duration of any pending litigation or claim.
~~A. All review hearings shall be tape-recorded. Tapes shall be preserved for six months, or longer, if requested by either party affected by the hearing.~~
D. The commission may promulgate regulations to effect the purpose of this section and to ~~assure fair~~ensure hearings~~.~~ are conducted fairly.

§ 5.16.~~120~~160. Rent adjustments—Commission decision authority.

A. The commission's decision shall be based on the preponderance of the evidence ~~at~~in the record, including the hearing. All parties to the hearing shall be advised of the commission's decision and given a copy of ~~the findings upon which the decision is based~~written findings upon which the decision is based. When making a decision, the Commission shall consider reductions or increases to fees, assessments, and charges imposed by a government entity upon a space or by a state or locally mandated program relating to housing contained in the Health and Safety Code.

B. Consistent with its findings, the commission may:
   1. Permit ~~the~~a requested increase to become effective, in whole or in part;
   2. Deny ~~the~~a requested increase;
   3. ~~If circumstances justify, order~~Order a reduction in rent to a rate determined by the commission; and/or
   4. Order that the park owner reimburse the applicant(s) the full amount, or any part of the amount, of the application fee where~~: (a)~~ the applicant(s) for a rent reduction was successful~~; (b) the park owner has not proven that the rent reduction ordered or the award of costs would deprive the park owner of a fair return as defined in this chapter; and (c) circumstances otherwise warrant the award of costs to the applicant~~.

C. If the commission finds that an increase ~~that went into effect~~, or any portion thereof, that has been collected by a park owner is/was not ~~justified~~permissible under this Chapter, the park owner shall refund or credit the overcharged amount ~~found to be unjustified~~ to the homeowner within 60 days after the date stated on the commission's written decision. No refund or credit shall be ordered for any period more than 3 years before the date on which the homeowner filed an application with the commission.

~~C.~~D. Any interested person may appeal a decision of the commission to the city council within 30 days after the date stated on the written decision. ~~of the commission is announced.is announced.~~ The decision shall include the commission's conclusions and findings ~~of the commission~~. The city council shall review the commission's decision de novo. The decision of the city council shall be final.

~~If the commission finds that a proposed increase, or any portion thereof that was previously inoperative, is justified, the homeowner shall pay the amount found justified to the park owner within 60 days~~

~~D.~~E. Any party disputing the final conclusions and findings of the ~~commission~~city council may seek review of the ~~commission's~~city council's actions pursuant to Sections 1094.5 and 1094.6 of the California Code of Civil Procedure.

F. If the Commission finds that a park owner willfully charged homeowner(s) rent or other amount(s) greater than permitted by this Chapter, the Commission may order payment of up to treble the amount wrongfully charged or five-thousand dollars, whichever is greater. The amount of payment ordered shall be limited to amount wrongfully charged during the 3 years before the date on which the homeowner filed an application with the commission.

G. If the Commission orders a return of rent, as described in subsection (C) or (F), and the park owner fails to pay the amount ordered within 60 days of the Commission's written decision, the homeowner(s) may withhold the amount ordered from their subsequent rent payment(s). If the park owner files an unlawful detainer action against a homeowner for withholding such rent payments, this subsection shall serve as an affirmative defense to eviction.

§ 5.16.~~130~~170. Hearing—Evidence and procedural irregularities.

Formal rules of evidence or procedure which must be followed in court shall not apply to ~~commission~~decision-making body proceedings, except to the extent that the ~~commission~~decision-making body shall determine. No action of the ~~commission~~decision-making body hereunder shall be held void or invalid or be set aside by any court on the grounds of any improper admission or rejection of evidence, or by reason of any error, irregularity, informality, neglect or omission (hereinafter called "error") as to any matter pertaining to applications, notices, findings, records, hearings, reports, recommendations, or any matters of procedure whatever, including but not limited to those included in this section, unless after an examination of the entire case, including the evidence, the court shall be of the opinion that the error complained of was prejudicial, and that by reason of such error the party complaining or appealing sustained and suffered substantial injury, and that a different result would have been probable if such error had not occurred or existed. There shall be no presumption that error is prejudicial or that injury was done if error is shown.

§ 5.16.~~140~~180. Implementation guidelines.

After a noticed-public hearing, as it deems necessary, the city council may adopt by resolution guidelines to aid in the implementation of this chapter.

§ 5.16.~~150~~190. New and prospective homeowners.

A. Prior to or at the time of agreeing to rent ~~spare~~space to a new homeowner in a mobilehome park, the park owner shall provide each new homeowner or prospective homeowner with a notice and copy of the mobilehome park rent stabilization ordinance, as currently in force.
B. No park owner may require, directly or indirectly, that any resident or prospective resident sign a lease or rental agreement that provides that it shall be exempt from local rent control or provides for ~~space~~ rent in excess of that permitted by this chapter as a condition of tenancy ~~in the~~and no park ~~and no~~ owner may deny a tenancy to a prospective purchaser of a mobilehome in the park on the ground that the prospective purchaser will not sign such a lease or rental agreement.
C. The notice in paragraph (A) shall contain a place for the homeowner to acknowledge receipt of the notice. The park owner shall sign an acknowledgment that the required notice has been ~~given to the homeowner~~provided and provide the homeowner with a copy of the executed acknowledgment. The park owner shall maintain a copy of the executed acknowledgment as long as the applicable tenancy continues.

§ 5.16.~~160~~200. Homeowner's right of refusal.

A homeowner may refuse to pay any increase in rent or other charge which is in violation of this chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a mobilehome or mobilehome space or to collect the rent increase.

§ 5.16.~~170~~210. Retaliatory eviction.

Notwithstanding Section 5.16.~~160~~200, in any action brought to recover possession of a mobilehome space or mobilehome, the court shall consider as grounds for denial any violation of any provision of this chapter. Further, the determination that the action was brought in retaliation for the exercise of any rights conferred by this chapter shall be grounds for denial. Any action brought within one year of ~~a petition or complaint~~an application filed with the commission by the homeowner pursuant to this chapter shall be presumed to be retaliatory; this presumption affects the burden of proof, and is rebuttable by the park owner.

§ 5.16.~~180~~220. Violation—Civil remedies.

If any park owner demands, accepts, receives or retains any payment of rent in excess of the maximum lawful space rent, as determined under this chapter, then the homeowners in such mobilehome park affected by such violation, individually or by class action, may seek relief in a court of appropriate jurisdiction for injunctive relief and damages. ~~The~~A prevailing ~~party will~~homeowner shall be entitled to recover costs and reasonable attorneys' fees as part of any court judgment. A prevailing park owner shall not recover any costs, unless the court finds the homeowner's action or defense to be frivolous, unreasonable, or without foundation.

§ 5.16.~~190~~230. Violation—Penalty.

(A) Criminal penalty. Any person violating any provision, or failing to comply with any requirement of this chapter shall be guilty of a misdemeanor. Any person convicted of a misdemeanor under the provisions of this chapter shall be punished by a fine of not more than $500 or by imprisonment for a period of not more than six months, or by both. Each violation of any provision of this chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

(B) Civil penalty. Any person violating any provision, or failing to comply with any requirement, of this chapter shall be subject to a civil penalty of up to $100 per violation, or $200 per willful violation. Any aggrieved person may file a civil action on behalf of the City of Malibu and other aggrieved persons in a court of competent jurisdiction to recover the civil penalty established by this paragraph, in which case any civil penalties recovered shall be distributed as follows: ten percent to the aggrieved person(s) who filed the action; twenty-five percent to the other aggrieved persons; and sixty-five percent to the City of Malibu for the purpose of enforcing this Chapter and educating the public concerning this Chapter.

§ 5.16.~~200~~240. Just and reasonable return.

A park owner may file a rent adjustment application for one, some or all the spaces in a mobilehome park in order to establish the maximum allowable rent or to achieve a fair and reasonable return. ~~Homeowners may file a rent adjustment application based on reduction in services or other grounds established by this chapter or regulations promulgated pursuant thereto.~~ Nothing in this chapter shall be construed to prevent the grant of a rent adjustment upon application by a park owner when required by law to permit a fair and reasonable return to the park owner. The city shall receive relevant evidence, in accordance with applicable regulations, demonstrating that a ~~landlord~~park owner or sublessor is not receiving a fair and reasonable return in determining these applications. City council regulations shall establish a formula to calculate whether an applicant is entitled to a rent increase to obtain a fair and reasonable return.

§ 5.16.~~210~~250. Mobilehome park ~~relocation~~conversion impact reports.

A. Statement of Purpose. The purpose of this section is to implement the provisions of state law addressing the adverse impacts on the residents and homeowners in a park which is converted, closed or where the park's use is changed or ceased.

B. Definitions. For purposes of this section, the following definitions shall apply in addition to those listed in Section 5.16.020.

"Advisory agency" means the ~~planning department,~~ commission~~,~~ or ~~hearing officer as~~other authority designated by the ~~city council.~~City Council.

"Change of use~~"~~" means a use of a mobilehome park for a purpose other than the rental, or the holding out for rent, of two or more mobilehome sites to accommodate mobilehomes for human habitation.

"Change of use" includes, but is not limited to, a change of the park or any portion thereof to a condominium, stock cooperative, or any form of ownership wherein spaces within the park are to be sold, and the cessation of use of all or a portion of the park, whether immediately or on a gradual basis, or the closure of the park. "Change of use" shall not include mere purchase of the park by its existing homeowners.

"Comparable housing" means housing which is comparable in floor space area, deck and lot size, and number of bedrooms and other relevant factors to the mobilehome to which comparison is being made, which housing meets the minimum standards of the State Uniform Housing Code.

"Comparable mobilehome park" means any other mobilehome park substantially equivalent in terms of park condition, amenities, ocean views and beach access and other relevant factors.

"Date of application for change of use" means the date of filing of an application for rezoning, general plan amendment, use permit, site development permit or other discretionary development approval under this code, which application seeks approval of a change of use of a mobilehome park~~ or the date of the~~, its closure, or cessation of use.

"Eligible homeowner" means a homeowner whose mobilehome or manufactured home was located in a mobilehome park on the date of the application for a change of use.

C. ~~C.~~ General Requirements.

1. Any person who files an application for a rezoning, general plan amendment, subdivision map, use permit, site development permit or for any other discretionary development approval, for the purpose of a change of use of a mobilehome park~~ or~~, closure, or cessation of use, shall file with the advisory agency a report on the impact of the conversion, closure, or cessation of use (hereinafter "closure") upon the residents of the mobilehome park who will be displaced, no later than the filing of the first such application necessary to authorize such closure.
2. No application shall be considered or deemed completed or processed for consideration and approval unless and until such conversion impact report shall have been filed as required by this ~~subsection.~~Section.
3. Use of a property as mobilehome park shall not be terminated for the purpose of conversion to another land use or cessation of use until approval by the advisory agency and the city council, or appeal, has been received.

4. No building permit shall be issued on property occupied by a mobilehome park at the effective date of this chapter or ~~hereinafter~~after for uses other than those associated with the mobile home park use and allowed under the special use permit, until approval under this section has been received.

5. ~~D.~~ The park owner shall give any written notice to homeowners required by state law.

D. Conversion Impact Report.

1. The conversion impact report shall ~~address~~include a replacement and relocation plan that addresses the availability of adequate replacement housing in mobilehome parks and the cost of relocating displaced residents.

2. In order to evaluate adequately and address those issues, the conversion impact report shall contain the following information:

a. At the applicant's expense and if there are displaced residents, an appraisal of the on-site value, depreciated replacement value, and removal value of the mobilehome of each eligible resident in the park. The appraisal must be prepared by a State-certified appraiser, approved by the City, with experience establishing the value of mobilehomes, and shall be based upon the current in-place value of the mobilehome and shall assume the continuation of the mobilehome park.

b. The names, addresses and mobilehome site identification numbers of all persons owning mobilehomes within the mobilehome park and of all mobilehome residents on the date of application for change of use;

c. The age, including date of manufacture, of each mobilehome within such park, including the type of mobilehome, width characteristics, size, and number identifying the mobilehome site being occupied;

d. A list of vacant mobilehome sites in comparable mobilehome parks within a 50 mile radius of the park which is the subject of the application or request;

e. The list shall contain a schedule of site rental rates for each park listed and the criteria of the management of each park for acceptance of new homeowners and used mobilehomes;

f. The names, addresses and telephone numbers of one or more housing specialists from the list compiled by the advisory agency, and the names, addresses and telephone numbers and fee schedules of persons qualified as mobilehome movers and of persons who are qualified appraisers of mobilehomes and an explanation of the services the housing specialists will provide;

g. The applicant may designate other housing specialists, and mobilehome movers and appraisers; provided, that use of any such persons pursuant to this chapter shall be subject to approval by the advisory agency;

h. A relocation plan which will include:

i. Timetable for implementing the physical relocation of mobilehomes,

ii. Implementation of relocation assistance~~,~~

iii. Payment of relocation costs, and

iv. ~~Conversion~~The requested "change of use"; conversion of the park to one or more other uses~~.~~; cessation of use, or closure of the park.

3. The application for change of use shall include within the ~~conversion impact report~~replacement and relocation plan the steps proposed to mitigate any adverse impact on

the ability of displaced homeowners to find adequate housing in a mobilehome park, including the reasonable costs of relocation.

a. All eligible homeowners and all mobilehome tenants of eligible homeowners shall be provided with the services of one or more housing experts to assist them in relocating to available and adequate housing upon their request. Any such experts shall be those approved pursuant to this section.

E. Advisory Agency Determination

1. Before approving a change of use, the advisory agency shall:

a. Review the conversion impact report and any relevant documentation.

b. Make a finding as to whether or not approval of the park closure and the park's conversion into its intended new use, taking into consideration both the impact report as a whole and the overall housing availability within the local jurisdiction, will result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction.

2. Factors to Consider.

a. A factor to be considered is that the conversion will not result in the displacement of low-income individuals or households who cannot afford rents charged in other parks.

b. A factor to be considered is ~~it~~if the conversion is to another residential use, the homeowners have first opportunity to occupy and the construction schedule will not result in long-term displacement.

~~No benefits shall be provided to any person who is renting a mobilehome from the owner~~

3. An eligible homeowner or tenant of ~~the mobilehome park where such person shall have executed~~an eligible homeowner may enter a written agreement with ~~such mobilehome~~ the park owner to waive his or her right to benefits specified under statute provided that the park owner ~~waiving his or her rights to any such~~gives other benefits~~. No~~ comparable to those mandated by statute. To be valid, such waiver shall ~~be valid unless it contains~~contain the text of this section~~,~~ and ~~unless such person shall have executed a~~include a signed written ~~acknowledgment~~acknowledgement that ~~he~~the person waiving his or ~~she~~her rights has read and understands his or her rights pursuant to this chapter and knowingly agrees to waive them.

4. In order to facilitate the intentions of the homeowners or tenants and an applicant for a change of use with regard to a change of use, cessation of use, or closure, the parties may agree to mutually satisfactory relocation assistance. To ~~he~~be valid such an agreement shall be in writing, shall include a provision stating that the homeowner or tenant is aware of the provisions of this chapter, shall include a copy of this chapter as an attachment, shall include a provision in at least 10 point type which clearly states the right to seek and the importance of obtaining an attorney's advice prior to signing the agreement, and shall be drafted in form and content otherwise required by applicable state law. Any person signing such an agreement may rescind it in writing within 10 business days of final approval of change of use. Any such agreement which

is procured by fraud, misrepresentation, coercion or duress of any kind shall be void and unenforceable.

F. Hearing and Notice~~.~~

1. Upon the receipt of an impact report, within 30 days the advisory agency shall examine the same and advise the applicant whether it is complete. When a complete impact report has been filed and accepted by the advisory agency, within ~~30~~90 days the advisory agency shall set a time, place and date for a public hearing.

2. At least ~~30~~75 days prior to the public hearing, the advisory agency shall mail notice to the applicant and the homeowners of the date, time and place of the meeting.

3. At least ~~15~~60 days prior to the scheduled public hearing before the advisory agency on the application for change of use and conversion impact report, the applicant shall provide the homeowner and all other persons described with a copy of this chapter, a copy of the conversion impact report, and date and time for an informational meeting pursuant to subsection (E)(4) of this section.

4. At least 30 days prior to the public hearing, the advisory agency shall provide notice to the applicant that:

a. Notifies the applicant of the provisions of Civil Code Section 798.56 and any local requirements which impose a duty to notify homeowners and subtenants of the proposed change in use; and

b. Specifies the manner in which the applicant must verify that homeowners and subtenants have been notified of the proposed change of use. Neither a hearing on the application, nor any other action thereon, shall be taken by the advisory agency before the applicant has satisfactorily verified that the homeowners and subtenants have been so notified, in the manner prescribed by law or local regulation.

5. Not less than 10 days prior to the date of the scheduled public hearing before the advisory agency, the applicant shall conduct an informational meeting for the residents of the mobilehome park regarding the status of the application, the timing of proposed relocation of residents, proposed relocation costs and assistance, and the contents of the conversion impact report. The meeting shall be conducted on the premises of the mobilehome park. The housing specialist(s) designated in the impact report shall be present at such meeting.

6. Within five days prior to the public hearing, the applicant shall file with the advisory agency a statement made under penalty of perjury that all requirements pursuant to subsections (E)(3) and (4) of this section have been complied with and include date, time, and place where such meeting as required by subsection (E)(4) of this section occurred.

G. Findings and Decision. At the conclusion of the hearing, the advisory agency shall render its decision. The advisory agency shall approve, conditionally approve or disapprove the relocation impact report. ~~The advisory agency shall approve the relocation impact report if it finds that the relocation impact report contains the information required pursuant to this section.~~ In approving the relocation impact report, the advisory agency may impose such conditions as it finds necessary to mitigate the adverse impacts on the residents; however, any steps required to be taken by the park owner pursuant to this section shall not exceed the reasonable costs of relocation. Notice of the advisory agency action shall be mailed to the park owner, to all homeowners, to all Subtenants, to all Sublessors, and to all persons who have filed written request therefor.

H. Request for Appeal. The park owner ~~or~~, any homeowner, any Subtenant, or any Sublessor may appeal the advisory agency's decision to the city council. The appeal shall be filed with the city on a form provided for that purpose within 10 days after the action of the advisory agency. When an appeal is filed, it shall be accompanied by a fee in an amount determined according to Section 5.16.070. The city shall, within 45 days, set a time and date for a hearing, and shall mail written notice of such hearing to the park owner, all homeowners, all Subtenants, all Sublessors, the person requesting the hearing, the advisory agency and all persons who have filed written request therefor, at least 15 days prior to the hearing.

For all requests for hearing, the city council may sustain, modify, reject or overrule any recommendations or rulings of the advisory agency and may make such findings as are not inconsistent with the provisions of this section.

I. Extensions. Any of the time limits specified in this section may be extended by ~~mutual consent of park owner and~~ the advisory agency, or the city council, on appeal, with notice to affected ~~homeowners~~parties, except where prohibited by state law.

J. Expiration and Extension of ~~Relocation~~Conversion Impact Report. The approval of a ~~relocation~~conversion impact report shall become null and void after 36 months from the date of the mailing of the final approval of the ~~relocation~~conversion impact report. Thereafter, the park owner shall not convert, close or cease the use of the park until such time as a new ~~relocation~~conversion impact report is approved. However, upon application of the park owner, filed with the advisory agency on or before the date of expiration, the ~~relocation~~conversion impact report may be extended by the advisory agency up to an additional 36 months. An application for an extension shall be subject to the notice and hearing procedures of this section.

K. Conditions. In the approval of a mobilehome park conversion, the city may attach conditions deemed reasonable in order to mitigate the impacts associated with the conversion. Such conditions shall not be limited to, but may include, the following:

1. If the land occupied by the park is to be sold, the homeowners shall be given the right of first negotiation (from the seller) and matching rights (right of last refusal) for the purchase of the park and all the improvements.

2. The homeowners be given the option of a long-term lease of the land and purchase of the improvements.

3. The city may attach an effective date upon their approval of the conversion. This date will provide sufficient time for the relocation of the mobilehome to other parks.

L. Revocation and Amendment. Any time prior to the change of use, cessation of use, or closure of the mobilehome park, the advisory agency may, in its discretion, and upon good cause shown, initiate proceedings for the revocation or amendment of ~~an impact report.~~the approval of the application for change of use. Good cause may include, but is not limited to, change of circumstances which render the conditions or requirements of the ~~relocation~~conversion impact report no longer necessary or appropriate, negligent or fraudulent misrepresentation of fact relating to the ~~relocation~~conversion impact report, or noncompliance with the conditions of the conversion impact report. Prior to revoking or amending ~~a relocation impact report~~the approval of the application, the advisory agency shall conduct a hearing in accordance with the applicable procedures set forth in subsection ~~E~~F of this section. Upon revocation, the park owner shall not convert, close, cease or change the use of the park until such time as a new ~~relocation~~conversion impact report is approved or other requirement under this Chapter is satisfied. Such revocation or amendment is subject to the same request for hearing as is provided in subsection ~~G~~H of this section.

M. Evictions Pending Compliance with ~~Relocation~~Conversion Impact Report. Termination of a tenancy of any ~~resident~~homeowner or subtenant pursuant to ~~Civil Code Section 798.56 or~~ any ~~other~~ provision of law shall not relieve the park owner of its obligation to comply with the conditions or requirements of the ~~relocation impact report applicable to that resident. However, if the termination of tenancy is based on subdivisions (a), (b), (c), (d), (e) or (f) of Section 798.56 of the Civil Code, the advisory agency, upon request by the park owner, may grant to the park owner extensions of time within which to comply with the conditions of the relocation impact report.~~conversion impact report applicable to that homeowner or subtenant.

N. Additional Authority of the Advisory Agency. If, notwithstanding the fact that the park owner has not served ~~a six months' or 12 months'~~the applicable notice of termination of tenancy on the ~~residents~~homeowners, the advisory agency finds that the park owner is attempting to close or convert a park, then the advisory agency shall require the filing of a ~~relocation~~conversion impact report.

O. Obligations of Applicant After Approval of the Application for Change of Use and Conversion Impact Report. After the date of the final determination ~~that~~approving the conversion impact report ~~complies with the requirements of this chapter~~and change of use application, the applicant shall undertake or be responsible for performance of the following obligations:

1. Not later than 30 days from the date of such determination, the housing specialist or specialists shall make personal contact with each homeowner and Subtenant of the mobilehome park and commence consultations to determine the applicable costs and assistance to be provided. The housing specialist or specialists shall give each homeowner, Subtenant and former resident eligible to receive relocation assistance written notice of his or her rights to relocation assistance as determined by the city under this chapter.

2. Not less than 120 days prior to the date any homeowner is required to vacate the mobilehome park, any cash or monetary relocation costs required by this chapter shall be paid to such homeowner, to such Subtenant, to any former resident eligible for such costs, or to any person, firm or corporation performing relocation related services for the homeowner or Subtenant, as the homeowner or Subtenant may direct. If the applicant purchases the mobilehome the homeowner shall be required to promptly submit to the applicant all

documents necessary to transfer complete title and ownership of such mobilehome to the applicant, free and clear of all security interest, liens, or other encumbrances.

3. The date upon which any resident of the mobilehome park is required to vacate such park, or upon which any mobilehome is required to be removed from the mobilehome park, shall be not less than ~~six~~12 months from the date of notice of termination of tenancy pursuant to Civil Code Section 798.56(~~f)).~~a)(7)(B)(i). The applicant shall provide homeowners with a copy of the final impact report at the same time the 12-months' notice of termination of tenancy is provided.

4. If the owner of the mobilehome park, the applicant homeowner or tenant specifically requests that any of the time limitations required by this section, except those provided by State law, be modified, the ~~city~~advisory agency, or City Council on appeal, shall consider any such modification and evidence relating to the need therefor at the public hearing on the change of use application and conversion impact report. The ~~city~~advisory agency, or City Council on appeal, shall have the power to make modification in such time limits, both in response to a request and on its own motion, in conjunction with any approval of ~~a~~an application and conversion impact report, as ~~the city~~it may deem just and reasonable.

P. Payment of Relocation Assistance Benefits—Prerequisite to Issuance of Building Permit to Redevelop Park. No building permit shall be issued for the development of any real property which has been or is being converted from a mobilehome park pursuant to this chapter unless and until the applicant or the owner of the property, as the case may be, who is responsible for payment of any required monetary relocation assistance, shall have filed with the advisory agency a verified statement made under penalty of perjury that relocation assistance payments required pursuant to this chapter have been paid. Such statement shall specify in itemized form each payee, the amount paid, the date of payment, and the type of relocation or other assistance for which each such payment was made.

Q. Violations. Violations of this section shall constitute a misdemeanor. In addition, any park owner or ~~applicant~~sublessor who violates any rights of any homeowner or ~~mobilehome tenant~~subtenant established under this ~~chapter~~section shall be liable to the person for actual damages caused by such violation, plus costs and reasonable attorneys' fees. No park owner shall take any ~~wilful~~willful action to threaten, retaliate against or harass any ~~park resident~~homeowner with the intent to prevent such ~~residents~~homeowner from exercising ~~his or her~~their rights under this ~~chapter.~~section.

§ 5.16.010. Purpose of provisions.

A. When the county of Los Angeles adopted Chapter 8.57 of the Los Angeles County Code (Ordinance No. 87-0228) to regulate mobilehome parks in the unincorporated areas of the county, the county found that there was within the county of Los Angeles a shortage of spaces for the location of mobilehomes. The area that is now the city of Malibu was previously part of the unincorporated area of the county and was subject to Chapter 8.57 of the Los Angeles County Code. The city of Malibu incorporated on March 28, 1991. There continues to be a shortage of mobilehome spaces in the area that is now the city of Malibu. Because of this shortage, there is a low vacancy rate and rents are presently rising and causing concern among a substantial number of mobilehome park residents. Because of the high cost of moving mobilehomes; the potential for damage resulting therefrom; the requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation; the lack of alternative homesites for mobilehome residents; and the substantial investment of homeowners in such homes, a virtual monopoly exists in the rental of mobilehome park spaces, creating a situation where park owners have unbridled discretion and ability to exploit mobilehome park residents and homeowners. There continues to be a shortage of affordable housing in the City of Malibu. Mobile homes often represent the most affordable housing in the City of Malibu for residents and homeowners alike. The City of Malibu has an interest in maintaining affordable housing within its boundaries to, among other things, protect its aging residents and promote economic diversity.

B. Homeowners are in the unique position of having made a substantial investment in a mobilehome that is situated on land that is rented or leased. In this situation both the park owner and the homeowner have a financial stake in the relationship.

C. Additionally, because park space is virtually unavailable and relocating difficult and costly, the closure of a mobilehome park or its change of use has disastrous implications or results for homeowners, who may find it impossible to relocate to a comparable park.

D. For these reasons, among others, the city council finds and declares it necessary to protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a fair return on their property. In addition, the city council finds that it is necessary to provide for the preparation and approval of reports evaluating the impact of changes of use of the parks and provide for measures to mitigate the impact on residents of these changes of use. (Prior code § 6700; Ord. 48U § 1, 1991)

§ 5.16.020. Definitions.

~~"Allowable legal expenses" means attorney's fees and costs incurred in connection with successful good-faith attempts to recover rents owing, and successful good-faith unlawful detainer actions not in derogation of applicable law, to the extent same are not recovered from homeowners. Attorney's fees and costs incurred in proceedings before the commission, or in connection with civil actions against the commission, are not allow-able as operating expenses.~~

Attachment 3

"Base rent" means the space rent charged on March 28, 1991. ~~: (1) for spaces not subject to a long term lease that complies with the provisions of Civil Code Section 798.17, the space rent charged on March 28, 1991; and (2) for spaces subject to valid long term leases on March 28, 1991, which leases comply with the provisions of Civil Code Section 798.17, the last space rent charged under the long term lease.~~

"Capital improvements" means the park owner's cost of constructing new improvements or replacing old improvements in the mobilehome park, subject to the following limitations:

1. The improvement must: have a life expectancy of five years or more and must be treated as capital improvements for federal and state income tax purposes, and may not be deducted for such tax purposes as expenses.
2. Normal routine maintenance and repair are not capital improvements.
3. Insured repairs and replacement are not capital improvements.
4. The improvements must be permanently fixed in place or relatively immobile.
5. Those improvements that the park owner intends to pass through to the homeowner through special and limited rent increases, except for necessary infrastructure improvements, must be approved by 50% plus one of the homeowners.

"Capital improvements" include construction, installation or replacement of all or a portion of a club-house, laundry facility or other common area facilities a swimming pool, sauna, hot tub or other recreational amenities, streets, security gates, outdoor or common area lighting, retaining walls, sewer, electrical, plumbing, water or television reception systems, sprinkler systems, or any addition to or upgrade of existing improvements.

"Commission" means the mobilehome park rent stabilization commission, as established by this chapter.

"CPI" means the average of the Consumer Price Index (All Items) prepared by the Bureau of Labor Statistics for the Los Angeles-Long Beach-Anaheim~~-~~ and Riverside-San Bernardino-Ontario areas relating to all urban consumers. If the method of calculating the CPI is substantially revised after the adoption of the ordinance codified in this chapter, the method in effect upon adoption of such ordinance shall continue to be used, or the revised CPI shall be adjusted by the city to correspond to that method.

CPI Adjustment Period. In December of each year, ~~T~~the city shall calculate and furnish a figure constituting the CPI change for use as the basis of rent increases. Such figure need only be based upon available data. This figure shall be based on the changes in the CPI during the last available 12-month period (from November to November) for which information is available from the Bureau of Labor Statistics prior to the effective date of the base rent or current space rent.

"Gross income" means and includes the following:

1. Gross rent, computed as gross rental income at 100% paid occupancy; plus
2. Interest from rental deposits, unless directly paid by the park owner to the homeowner (interest shall be imputed at the rate of five and one-half percent of all deposits, unless such deposits earn greater interest); plus
3. Income from laundry facilities, cleaning fees or services, garage and parking fees attributable to mobilehome spaces; plus
4. All other income or consideration received or receivable for, or in connection with the housing services; minus

5. Uncollected rents due to vacancy and bad debts, to the extent that the same are beyond the owner's control. Uncollected rents in excess of three percent of gross rents shall be presumed to be unreasonable, unless proven otherwise. Where uncollected rent must be proven, the average of the preceding three years' experience shall be used, or other comparable method.

"Homeowner" means any person entitled to occupy a mobilehome which is located within a mobilehome park in the city.

"Housing services" means services provided by the park owner related to the use or occupancy of a mobilehome space, including, but not limited to, water and sewer, natural gas, electricity, refuse removal, management and administration (including employee salaries and fringe benefits), maintenance and repairs, supplies, advertising, recreation facilities, laundry facilities, parking, security services, insurance, property taxes, governmental assessments, and other costs reasonably attributable to the operation of the mobilehome park. The term "housing services" shall not include legal fees or mortgage payments, whether for principal, interest, or both.

"Mobilehome" has the same definition given in the Mobilehome Residency Law, specifically Civil Code Section 798.3, and includes~~means~~ a structure ~~designated or~~ designed for human habitation~~, transported~~ and for being moved on a street or highway ~~over the high-ways~~ to a-permanent occupancy site, and installed on the site either with or-without a permanent foundation. "Mobile~~-~~home" includes a manufactured home, as defined in the Health and Safety Code, but does not include either a recreational vehicle, ~~or~~ a commercial coach, or factory built housing as they are defined in the Health and Safety Code.

"Mobilehome park" means an area of land where two or more mobilehome spaces are rented, or ~~leased~~ held out for rent, to accommodate ~~for~~ mobilehomes used ~~as residences~~for human habitation. ~~"Mobilehome park" does not include developments which sell lots for mobilehomes or which provide condominium ownership of such lots, even if one or more homes in the development are rented or leased out.~~

"Mobilehome park owner" or "park owner" means the owner, lessor, operator or manager of a mobilehome park in the city.

"Necessary infrastructure improvements" means maintenance (such as replacement of a necessary component of a system or improvement, and other than normal maintenance or repair which constitute "operating expenses" pursuant to this section of streets, electrical, gas, plumbing, sewer or water systems, except that costs of replacement or repair incurred or required as a result of the park owners negligence.

"Operating expenses" shall include the following:

1. Real property taxes;
2. Utility costs;
3. Management expenses (contracted or park owner-performed), including necessary and reasonable advertising, accounting, insurance, and other managerial expenses~~, and allowable legal expenses~~. Management expenses are presumed to be five percent of gross income, unless established otherwise;

4. Normal repair and maintenance expenses, including painting, normal cleaning, fumigation, landscaping, and repair of all standard services, including electrical, plumbing, carpentry, furnished appliances, drapes, carpets and furniture;
5. Park owner performed labor, which shall be compensated at a reasonable hourly rate, based upon documentation being provided, showing the date, time and nature of the work performed, and the actual cost of the labor;
6. License and registration fees required by law, to the extent same are not otherwise paid by homeowners;
7. Capital expenses with a total cost of less than $100 per year, benefited unit, and the amortized portion of other capital expenses otherwise allowed by regulation.

"Operating expenses" shall not include:

1. Avoidable and unnecessary expenses since the base year, including refinancing costs;
2. Mortgage principal and interest payments;
3. Any penalty, fees or interest assessed or awarded for violation of this or any other law;
4. Legal fees~~, except allowable legal expenses as defined in this section~~;
5. Depreciation of the property;
6. Any expense for which the park owner has been reimbursed by any security deposit, insurance settlement, judgment for damages, settlement or any other method;
7. Land lease payments;
8. Cost of replacement or repair incurred or necessary as a result of the park owner's negligence or failure to maintain;
~~8.~~9. Property tax increases arising from, or attributable to, any transfer of the property.~~.~~

“Rent” means all space rents and consideration for the use or occupancy of a mobilehome.

"Space rent" means the consideration on a monthly basis, including any bonuses, benefits or gratuities, demanded or received in connection with the use and occupancy of a mobilehome space in a mobilehome park, or for housing services provided, but exclusive of:

1. Any amount paid for the use of a mobilehome;
2. Security deposits and special and limited rent increases;
3. User fees for services or facilities which may be utilized at the option of the homeowners and are not included in monthly space rent; and
4. Utility charges for those mobilehome parks which bill homeowners separately whether or not the mobilehomes are individually metered.

"Sublessor" means any person or entity that rents a mobilehome, sited in a mobilehome park, to another person or entity.

"Subtenant" means any person or entity that rents a mobil~~i~~ehome, sited in a mobilehome park, from another person or entity.

§ 5.16.030. Exemptions.

The provisions of this chapter shall not apply to the following tenancies in mobilehome parks located in the city, except that all tenancies in mobilehome parks shall be subject to the registration provisions of Sections 5.16.060 and 5.16.070:

~~A. Mobilehome park spaces rented for nonresidential uses;~~

~~B.~~A. Mobilehome parks managed or operated by the United States Government, the state of California, the county of Los Angeles or the ~~c~~City of Malibu;

~~C. Tenancies which do not exceed an occupancy of 20 days and which do not contemplate an occupancy of more than 20 days;~~

~~D.~~B. Tenancies for which any federal or state law or regulation specifically prohibits rent regulations, to the extent ~~such federal or state law preempts this Chapter~~of such prohibition;

~~E. Tenancies subject to rental agreements exempt from local ordinances pursuant to Civil Code Section 798.17; and~~

~~F. Tenancies covered by leases or rental agreements existing at the effective date of the ordinance codified in this chapter which are not exempt pursuant to subsection E of this section, but only for the duration of such leases or rental agreements. Upon the expiration or other termination of such lease or rental agreement, this chapter shall immediately be applicable to the tenancy, unless that lease or rental agreement immediately succeeded by a lease or rental agreement referred to in subsection E of this section.~~

§ 5.16.040. Mobilehome park rent stabilization commission—Establishment and organization.

A. There is established a commission to be known as the "Malibu Mobilehome Park Rent Stabilization Commission." The commission shall be comprised of five residents of the city. Each member of the city council shall appoint one member of the commission to serve at the pleasure of the appointing councilmember. Appointments shall be made at a regular city council meeting ~~following a general municipal election~~. Vacancies on the mobilehome park rent stabilization commission shall be filled by appointment at a regular city council meeting by the individual councilmember who made the appointment to the seat which is vacant. ~~A member of the commission shall be appointed to a vacant position by four-fifths vote of the city council and serve at the pleasure of the city council.~~ In no event shall any member of the commission be or, at any time during the ~~immediately~~ previous ~~five~~one year~~s~~ have been, a park owner, ~~or~~ homeowner, or employee, officer, director or owner, directly or indirectly, of at least five-percent of a park owner.

B. The city manager shall provide all administrative staff necessary to serve the commission. The city clerk shall serve as secretary of the commission and shall be responsible for the maintenance of all records of the commission. The secretary shall keep a record of its proceedings, which shall be open for inspection by any member of the public. The city attorney or the designee of the city attorney shall act as legal counsel to the commission.

§ 5.16.050. Mobilehome park rent stabilization commission—Powers and duties.

Within the limitations provided by law, the, commission shall have the following powers and duties:

A. To receive, investigate, hold hearings on, and pass upon all issues relating to mobilehome park rent stabilization, as set forth in this chapter;

B. To make or conduct such independent hearings or investigations as may be appropriate to obtain such information as is necessary to carry out its duties;

C. To adjust space rents and/or rents either upward or downward, both prospectively and retrospectively, including through an award, or~~f~~ ~~the~~ return, of any collected rent or space rent contrary to this Chapter, upon completion of its hearings and investigations; and

D. To adopt, promulgate, amend and rescind administrative rules to effectuate the purposes and policies of this chapter, within the limitations provided by law or by rules adopted by the city council.

§ 5.16.060. Registration.

A. Registration Required. Within 60 calendar days after the effective date of the ordinance codified in this chapter and on or before every December 31 thereafter, park owners shall register all mobilehome park spaces with the city clerk. No park owners shall be eligible to receive any rent increases as provided for in this chapter unless current registration information is on file with the city clerk.

B. Initial Registration. The initial registration under this Section shall include the names, business addresses, and business telephone numbers of each person or legal entity possessing an ownership interest in the park and the nature of that interest, and all lienholders, (no later than 30 days after acquiring such interest); the number of mobilehome spaces within the park; the name and address of each resident; a rent schedule reflecting space rents within the park ~~on December 31, 1984~~, for all spaces not exempt from this chapter pursuant to Section 5.16.030; a listing of all other charges, including utilities, now included in space rent, paid by homeowners and the approximate amount of each such charge; a list of all spaces exempt from this chapter pursuant to Section 5.16.030 and the reason for the exemption ~~and, for those exempt pursuant to leases or rental agreements, the date of the expiration of the lease or rental agreement and the amount of the rent~~; and the name and address to which all required notices and correspondence may be sent.

C. Determination of Rents. The city manager or his or her designee shall determine the base rent. The decision of the city ~~staff~~manager may be appealed to the ~~c~~Commission. The decision of the city ~~staff~~manager, or the commission on appeal, shall be final. The city manager or the Commission may promulgate regulations necessary to effectuate the purpose of this section – the city manager with respect to the processing of such registrations, and the commission with respect to review and/or consideration of such registrations. ~~In the event any regulations promulgated by the city manager under this Section are inconsistent with those promulgated by the Commission, the regulations promulgated by the Commission shall control.~~

D. Re-registration.

1. The city manager or his or her designee, or the Commission, may require re-registration as deemed reasonable or necessary and may promulgate regulations to effectuate the purpose of this section – the city manager with respect to the processing of such re-registrations, and the commission with respect to review and/or consideration of such re-registrations.
2. The registration requirements provided in this section or which may be established by the city shall apply to all mobilehome parks and mobilehome park spaces,

including those exempted from the provisions of this chapter by reason of the existence of a valid rental agreement.

E. The registrations required under this Section shall be maintained by the city manager, and shall be subject to inspection by the Commission and any homeowner upon request.

§ 5.16.060.1 Registration by Sublessors.

A. Registration Required. Within 15 days of a Sublessor leasing a mobilehome to a Subtenant, or within 60 calendar days after the effective date of this Section, whichever is later, each Sublessor shall register each leased mobilehome with the city clerk. No Sublessor shall be eligible to receive any compensation for the lease of a mobilehome unless the Sublessor complies with this Section and, upon application by the Subtenant, ~~the.~~ Commission may order the Sublessor to refund such compensation to the Subtenant.

B. Information Required in Registration. The registration under this Section shall include the names, addresses, and telephone numbers of each person or legal entity possessing an ownership interest in the mobilehome and the nature of that interest; the address of the mobilehome; the name of each resident of the mobilehome; the rent charged to the Subtenant for use of the space and mobilehome; a listing of all other charges, including utilities paid by the Subtenant and the approximate amount of each such charge; and the name and address to which all notices and correspondence may be sent to the Sublessor.

C. The city manager or their designee may publish a form for distribution to Sublessors for accomplishing the registration required by this Section. Registration by a Sublessor is required any time the information set forth in paragraph B of this Section has changed, within 30 days of such change.

D. The registrations required under this Section shall be maintained by the city manager, and shall be subject to inspection by the Commission and any Subtenant upon request.

§ 5.16.070. Registration and administrative fees.

A. Establishment of Registration Fee. At the time of initial registration or any subsequent registration, park owners shall pay to the city such registration fee for each mobilehome rental space within the park as may be established by resolution of the city council (not to exceed the reasonable and necessary costs of administration of this chapter). The city council may also provide that up to two thirds of that fee may be passed through to homeowners as special and limited rent increases if apportioned equally among the spaces and charged in 12 equal consecutive installments.
Notwithstanding any other provision of this section, where the total annual amount of the fee to be passed through to each homeowner is less than $48, the park owner may elect to recover the fee from the homeowners in one lump sum rather than in equal monthly installments.

B. Late Charge. If a park owner does not pay the fee provided for in subsection A of this section within the time period established by the city council, a late charge shall be assessed in an amount established by resolution. No late charges may be passed through as special and limited rent increases to homeowners.

C. Unpaid Fee. No hearing or other proceedings shall be scheduled to take place, and no rent increase will be granted or will take effect for any mobilehome park for which there are unpaid registration fees.

D. Purpose of the Fee. The registration fee provided for by this section is intended to defray the reasonable and necessary costs associated with the administration of this chapter and the regulations promulgated pursuant thereto.

E. Other Administrative Fees. The city council may set by resolution other administrative fees to cover the reasonable costs of processing various requests and appeals, as it deems necessary.

§ 5.16.080. Rent increases—Commission approval.

On or after March 28, 1991, no increase in space rents ~~in excess of the amounts permitted pursuant to Section 5.16.090(A) and (B)~~ shall be effective unless approved by the commission as set forth in this chapter.

§ 5.16.080.1 Rent increases—Commission approval.

On or after March 28, 2026, no increase in rent charged by a Sublessor to a Subtenant in excess of the amounts permitted pursuant to Section 5.16.090.1(A) shall be effective unless approved by the commission as set forth in this chapter.

§ 5.16.090. Rent increases—Computation and determination.

A. Formula Increases. Space rents may be increased ~~automatically and~~ annually by no more than the total percentage change in the CPI for the applicable CPI adjustment period ~~-~~as determined by the ~~city~~Commission, except that space rent shall not be increased by more than five percent and may be increased by up to two percent. Calculation of the one-year limitation on formula increases shall be from the date the last formula increase became effective for that particular space.

~~B. Vacancy Increases. Notwithstanding the provisions of subsection A of this section, upon vacancy, space rent may be increased up to fifteen percent of the then current maximum allowable rent permitted by this chapter prior to the vacancy.~~

~~C.~~B. Special and Limited Rent and Rent Increases.

1. Government Required Services. The homeowner shall pay to the park~~s~~ owner, on the herein described terms, no less than 60 days after the park owner has notified the homeowner in writing, the increased costs to the park owner of government required services, which are to be included as part of the homeowner's rent but separately listed items on the monthly statement.
    a. For the purposes of this chapter, "government required services" shall be defined as services required by governmental agencies which are new or in addition to those services legally required to be provided by the park owner to homeowners or to the mobilehome park on March 28, 1991.
    b. Such services include fees and charges legally levied by an agency of federal, state or local government upon the park owner. Such services do not include

predictable expenses for operation of the mobilehome park, such as common-area utilities expenses or expenses which maintain the safe and healthful use of mobilehome park facilities.

c. The park owner's actual out-of-pocket costs of providing government required services may be charged to the homeowner upon 60 days' written notice, using the following formula: Amount actually paid by the park owner, divided by the total number of spaces in the mobilehome park, divided by 12 months, equals the sum for government-required services to be charged to the homeowner. Notwithstanding the formula described above, only those costs of providing governmental required services in the 12 months immediately preceding the proposed charge shall be reimbursed to the park owner by the homeowner in the manner herein described. The park owner shall charge the homeowner only those costs for government required services which are not reimbursed to the park owner by insurance or other sources.

~~2. Capital Improvements.~~

~~a. (i) Necessary infrastructure improvements subject only to the provisions of subsection (C)(2)(d) of this section; and (ii) subject to the vote requirements and the capital improvement limitations set forth in Section 5.16.020, and also subject to review by the commission pursuant to Section 5.16.110, the actual net costs of a capital improvement plus an interest charge to compensate the park owner for the use of money in making the improvement, as described below, may be charged to the homeowners upon 60 days' written notice, using the following formula: net amount actually paid by the park owner for the capital improvement, plus an interest charge as described below, divided by the total number of spaces in the mobilehome park affected by the improvement, divided by the amortization period for the capital improvement allowed by the Internal Revenue Service, equals the monthly sum for capital improvements to be charged to the homeowners and billed separately from space rent.~~

~~b. The interest charge that may be added to the costs of materials and labor is the current rate derived from the then-current prime interest rate, computed on a declining balance over a five-year period with equal monthly payments (the five-year period represents the amount of time allowed for fully amortizing the cost of capital improvements).~~

~~c. Notwithstanding the provisions of subsection (C)(2)(a) of this section and Section 5.16.100, the city manager may approve special and limited rent increases for necessary infrastructure improvements upon a showing by the park owners that the proposed improvement meets the requirements of Section 5.16.020 and that the park owner obtained a minimum of three bids from qualified persons/entities to perform the work, if possible, and that the park owner selected the person/entity submitting the lowest responsible bid to perform the work for the proposed necessary infrastructure improvement. No commission review is required or permitted.~~

~~D. 1. Sublease Surcharge. Notwithstanding the provisions of subsection A of this section, upon sublease of a space and/or lease of a mobilehome, the space rent may be increased up to~~

~~15% of the rent otherwise permitted under this chapter. This rent surcharge shall be effective only for the duration of the sublease and shall be eliminated when and if the sublease is terminated. A sublease surcharge shall not become effective until 12 months after the last vacancy increase pursuant to subsection B of this section. The sublease surcharge rent amount shall be calculated separately and shall not be included in the maximum allowable rent for the purposes of calculating formula increases pursuant to subsection A of this section. The provisions of this subsection shall not apply to those spaces granted hardship exemptions pursuant to subsection F of this section for as long as the space is eligible for such exemption.~~

~~2. Absentee Owner Surcharge. Notwithstanding the provisions of subsection A of this section, in the event that a homeowner does not use his or her mobilehome at a mobilehome park as a primary or principal residence and the homeowner is not otherwise subject to subsection (D)(1) of this section, the homeowner's space rent may be increased up to 15% of the rent otherwise permitted under this chapter. This rent increase shall be effective only until the homeowner occupies his or her mobilehome at the mobilehome park as a primary residence or the homeowner subleases his or her space or mobilehome and becomes subject to subsection (D)(1) of this section. For purposes of this chapter, a primary residence is a residence where the homeowner resides for over 185 days during a calendar year.~~

~~E. Sublease Hardship Exemption. Upon application, the city manager may grant a hardship exemption in connection with the sublease surcharge, which exemption shall last for a term of one year. At the expiration of any particular term of the exemption, the applicant may apply to renew the one-year term by again establishing qualification for the exemption. The application and renewal application shall be in the forms provided by the city manager with a copy to the park owner and, shall include sufficient evidence to establish whether the applicant qualifies for an exemption pursuant to this section and shall be signed by the applicant under penalty of perjury. The city manager shall grant the exemption for any qualified applicant.~~

~~1. Qualification. To qualify for the sublease hardship exemption, the applicant must satisfy all of the following criteria:~~

~~a. The applicant must own a mobilehome at the applicable park, and must have occupied the mobilehome as his or her primary residence for a minimum of three years prior to applying for this exemption.~~

~~b. The applicant must present adequate evidence that he or she would qualify for the Low Income Rate Payer Assistance Program for Submetered Households.~~

~~c. The combined value of assets owned by the applicant must not exceed $150,000 excluding the value of the mobilehome itself.~~

~~d. No person other than the applicant can declare the applicant as a dependent for purposes of federal or state taxes.~~

~~In the event that the applicant, after receiving the hardship exemption, at any time ceases to satisfy all of the foregoing criteria, from that point on, the applicant will not be qualified to receive, and shall not receive, the hardship exemption.~~

~~2. Effect of Exemption. Each applicant who qualifies for the hardship exemption shall be exempt from the sublease surcharge provided in subsection D of this section.~~

§ 5.16.090.1 Maximum Sublease Rent—Computation and determination.

A. The rent charged by a Sublessor to one or more Subtenants residing in a single space shall not, in the aggregate, exceed the sum of the following:
   a. The corresponding space rent;
   b. $1,250, adjusted annually, beginning March 2027, based on the CPI, if the Subtenant(s) residing in the space are all within the same family (including parents/children, grandparents/grandchildren, siblings, aunts/uncles, great aunts / great uncles, and first and/or second cousins);
   c. $1,650, adjusted annually, beginning March 2027, based on the CPI, if the Subtenants residing in the space are not all within the same family; and
   d. The actual cost to Sublessor of any utilities.

B. Notwithstanding the above, the Commission, upon application by a Sublessor, may allow the Sublessor to charge up to an additional 50% of the amount specified in subparagraph (A)(b) or (A)(c), as applicable, if the Sublessor demonstrates an additional amount is necessary to provide Sublessor a reasonable return on the Sublessor's purchase of a mobilehome.

C. No park owner may prohibit, or otherwise unreasonably refuse to allow, a mobile home owner to lease their mobile home(s) to a Subtenant, and may not retaliate against any such mobile home owner for doing so. Any contractual provision contrary to this subparagraph is void, as it is abhorrent to the public policy of the City.

§ 5.16.100. Rent adjustments—Commission review.

A. 1. In order to implement a rent increase as permitted under Sections 5.16.090 and 5.16.090.1 of this chapter or a rent decrease based on a reduction of housing services, the applicant must file with the commission a proposed rent schedule on the form provided by the commission. ~~Any proposed capital improvement to be passed through to homeowners must be approved by the commission after the park owner files an application showing the amount of the expense, the amount to be passed through and proof of a majority vote in favor of the special and limited rent increases.~~ Rent charged by a Sublessor to one or more Subtenants may be adjusted, not to exceed the limits set forth in paragraph (A) of Section 5.16.090.1, without application to the Commission.

2. Where the park owner is the applicant, the park owner shall serve each affected homeowner, and Subtenant if known, either personally or by certified mail, with written notice of the proposed increase, in accordance with state law, and with notice that a request for approval of same is being filed with the commission. Where a homeowner (or homeowners, or organization of homeowners) is the applicant, the homeowner or organization of homeowners ~~homeownercity manager or their designee~~ shall serve the affected park owner by mail or personally at the address and to the person designated in the

registration form submitted by the park owner to receive notices on behalf of the park owner. Where a Subtenant (or subtenants, or organization of subtenants) is the applicant, they~~the city manager or their designee~~ shall serve the affected Sublessor by mail or personally at the address and to the person designated in the registration form submitted by the Sublessor to receive notices on behalf of the Sublessor. Where a park owner or Sublessor is the applicant, ~~T~~the applicant shall file proof of such service with the commission concurrent with the filing of the ~~rent increase or decrease~~ application. Copies of the rent schedule, ~~request for increase~~all applications submitted by the park owner and supporting documentation shall be available to any homeowner or Subtenant requesting same at the park owner's office in the affected mobilehome park. The registration information and address for service shall be available to any applicant or potential applicant upon request.

B. If the city manager or their designee determines that the application is not complete, ~~accurate,~~ or not in compliance with this chapter, within 21 days of the date on which the application was ~~filed~~submitted, the city manager or their designee shall give written notice of the deficiencies to the applicant. In the event that the city manager or their designee determines that the application is not complete or not in compliance with this chapter, the applicant may correct the identified deficiencies by amending the application and/or contesting the determination to the ~~chair of the~~ Commission. ~~If an applicant contests the determination, the chair of the Commission shall, within 14 days, decide whether the application is complete and in compliance with this chapter. If the chair of the Commission does not act within that time, the application shall be deemed complete, and a hearing shall be scheduled in accordance with paragraph (C) of this Section.~~ Any amendment of an application consistent with this paragraph must be served in the same manner as the application as set forth in paragraph (A)(2) of this Section. No individual Commission member shall assist an applicant with completing the application form(s). A determination of incompleteness by the city manager or designee may be appealed to the Commission.

C. The city shall set a hearing on any ~~request~~application complying with the requirements of this chapter no sooner than ~~50~~ 30 days and no later than 70, and for an application submitted under 5.16.200 no later than 90, days after the application is accepted as complete. The city shall send written notice to the ~~park owner~~applicant, who shall post such notice in a conspicuous place, reasonably selected to provide affected parties notice, of the time and place set for the hearing. If the commission approves an increase as requested, or lower than requested, the same shall take effect as noticed by the park owner or as the commission may otherwise direct.

~~D. In the application for rent adjustment under this chapter, the park owner shall indicate which, if any, of the mobilehome spaces are covered by leases or contracts which provide for more than a month-to-month tenancy, together with expiration date of each such lease or contract. Any rent increase approved by the commission under this chapter shall not be applicable to spaces covered by such leases or contracts during the term of such leases or contracts.~~

~~E. Homeowner(s) in a mobilehome park may initiate commission review of a proposed land rent increase by filing with the city clerk a written petition. The petition shall be in substantially such form and contain such information as may be required by the commission.~~

§ 5.16.110. Review hearings.

A. All review hearings conducted by the commission shall be open to the public.
B. All parties to the hearing may have assistance from an attorney or such other person as may be designated by the parties in presenting evidence or arguing their position. All witnesses shall be sworn in and all testimony shall be under penalty of perjury.
C. In the event that ~~either~~ the affected park owner, ~~or the~~ homeowner(s), Sublessor(s), or Subtenant(s) should fail to appear at the hearing at the specified time and place, the commission: may hear and review such evidence as may be presented and make such decisions as if ~~both~~ all parties had been present.
D. All review hearings shall be ~~tape-~~recorded. ~~Tapes~~Recordings shall be preserved for six months, or longer~~,~~ if requested by ~~either~~any party affected by the hearing, or for the duration of any pending litigation or claim.
~~E.~~ The commission may promulgate regulations to effect the purpose of this section and to assure fair hearings.
~~F.~~E.

§ 5.16.120. Rent adjustments—Commission decision authority.

A. The commission's decision shall be based on the preponderance of the evidence ~~at the hearing~~ in the record, including the hearing. All parties to the hearing shall be advised of the commission's decision and given a copy of the findings upon which the decision is based~~, if any written findings are prepared by the Commission~~. When making a decision, the Commission shall consider reductions or increases to fees, assessments, and charges imposed by a government entity upon a space or by a state or locally mandated program relating to housing contained in the Health and Safety Code.
B. Consistent with its findings, the commission may:
    1. Permit ~~the~~ a requested increase to become effective, in whole or in part;
    2. Deny ~~the~~ a requested increase; and/or
    3. ~~If circumstances justify, o~~Order a reduction in rent to a rate determined by the commission.~~; or~~
    ~~4. Order that the park owner reimburse the applicant(s) the full amount, or any part of the amount, of the application fee where: (a) the applicant for a rent reduction was successful; (b) the park owner has not proven that the rent reduction ordered or the award of costs would deprive the park owner of a fair return as defined in this chapter; and (c) circumstances otherwise warrant the award of costs to the applicant.~~
C. If the commission finds that an increase ~~that went into effect~~, or any portion thereof, that has been collected by a park owner or Sublessor ~~is not justified~~ is/was not justified or is/was not permissible under this Chapter, the park owner or Sublessor, as may be applicable, shall refund the amount found to be unjustified to the homeowner or Subtenant, as may be applicable, within 60 days after the decision of the commission is announced.
~~D. If the commission finds that a proposed increase, or any portion thereof that was previously inoperative, is justified, the homeowner shall pay the amount found justified to the park owner within 60 days after the decision of the commission is announced.~~
~~E.~~D. The conclusions and findings of the commission shall be final.

E. Any party disputing the final conclusions and findings of the commission may seek review of the commission's actions pursuant to Sections 1094.5 and 1094.6 of the California Code of Civil Procedure.

F. If the Commission finds that a park owner or Sublessor willfully charged homeowner(s) or Subtenant(s) rent or other amount(s) greater than permitted by this Chapter, without substantial justification, the Commission may order payment of up to treble the amount wrongfully charged or five-thousand dollars, whichever is greater.

~~F.~~G. If the Commission orders a return of rent, as described in paragraphs (C) or (F), and the park owner or Sublessor, as may be applicable, fails to pay the amount ordered within 60 days of the Commission's decision, the homeowner(s) or Subtenant(s) may withhold the amount ordered from their subsequent rent payment(s).

§ 5.16.130. Hearing—Evidence and procedural irregularities.

Formal rules of evidence or procedure which must be followed in court shall not apply to commission proceedings, except to the extent that the commission shall determine. No action of the commission hereunder shall be held void or invalid or be set aside by any court on the grounds of any improper admission or rejection of evidence, or by reason of any error, irregularity, informality, neglect or omission (hereinafter called "error") as to any matter pertaining to applications, notices, findings, records, hearings, reports, recommendations, or any matters of procedure whatever, including but not limited to those included in this section, unless after an examination of the entire case, including the evidence, the court shall be of the opinion that the error complained of was prejudicial, and that by reason of such error the party complaining or appealing sustained and suffered substantial injury, and that a different result would have been probable if such error had not occurred or existed. There shall be no presumption that error is prejudicial or that injury was done if error is shown.

§ 5.16.140. Implementation guidelines. After a noticed-public hearing, as it deems necessary, the city council may adopt by resolution guidelines to aid in the implementation of this chapter.

§ 5.16.150. New and prospective homeowners.

A. Prior to or at the time of agreeing to rent spac~~r~~e to a new homeowner in a mobilehome park, the park owner shall provide each new homeowner or prospective homeowner with a notice and copy of the mobilehome park rent stabilization ordinance, as currently in force. Prior to or at the time of agreeing to rent a mobilehome to a new Subtenant in a mobilehome park, the Sublessor shall provide each new Subtenant or prospective Subtenant with a notice and copy of the mobilehome park rent stabilization ordinance, as currently in force.

B. No park owner or Sublessor may require, directly or indirectly, that any resident or prospective resident sign a lease or rental agreement that provides that it shall be exempt from local rent control or provides for ~~space~~ rent in excess of that permitted by this chapter as a condition of tenancy ~~in the park~~ and no park owner or Sublessor may deny a tenancy to a prospective purchaser of a mobilehome or Subtenant in the park on the ground that the prospective purchaser or Subtenant will not sign such a lease or rental agreement.

C. The notice in paragraph (A) shall contain a place for the homeowner or Subtenant, as may be applicable, to acknowledge receipt of the notice. The park owner or Sublessor, as may be applicable, shall sign an acknowledgment that the required notice has been ~~given to the~~

~~homeowner~~provided and provide the homeowner or Subtenant, as may be applicable, with a copy of the executed acknowledgment. The park owner or Sublessor, as may be applicable, shall maintain a copy of the executed acknowledgment as long as the applicable tenancy continues.

§ 5.16.160. Homeowner's right of refusal.

A homeowner may refuse to pay any increase in rent or other charge which is in violation of this chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a mobilehome or mobilehome space or to collect the rent increase.

§ 5.16.170. Retaliatory eviction.

Notwithstanding Section 5.16.160, in any action brought to recover possession of a mobilehome space or mobilehome, the court shall consider as grounds for denial any violation of any provision of this chapter. Further, the determination that the action was brought in retaliation for the exercise of any rights conferred by this chapter shall be grounds for denial. Any action brought within one year of an ~~petition or complaint~~application filed with the commission by the homeowner or Subtenant pursuant to this chapter shall be presumed to be retaliatory; this presumption affects the burden of proof, and is rebuttable by the park owner or Sublessor.

§ 5.16.180. Violation—Civil remedies.

If any park owner or Sublessor demands, accepts, receives or retains any payment of rent in excess of the maximum lawful space rent, as determined under this chapter, then the homeowners in such mobilehome park affected by such violation, individually or by class action, may seek relief in a court of appropriate jurisdiction for injunctive relief and damages. ~~The~~ A prevailing ~~party~~ homeowner or Subtenant ~~will~~shall be entitled to recover costs and reasonable attorneys' fees as part of any court judgment. A prevailing park owner or Sublessor shall not recover any costs, unless the court finds the homeowner or Subtenant's action or defense to be frivolous, unreasonable, or without foundation.

§ 5.16.190. Violation—Penalty.

(A) Criminal penalty. Any person violating any provision, or failing to comply with any requirement of this chapter shall be guilty of a misdemeanor. Any person convicted of a misdemeanor under the provisions of this chapter shall be punished by a fine of not more than $500 or by imprisonment for a period of not more than six months, or by both. Each violation of any provision of this chapter, and each day during which any such violation is committed, permitted or continued, shall constitute a separate offense.

~~(A)~~(B) Civil penalty. Any person violating any provision, or failing to comply with any requirement, of this chapter shall be subject to a civil penalty of up to $100 per violation, or $200 per willful violation. Any aggrieved person may file a civil action on behalf of the City of Malibu and other aggrieved persons in a court of competent jurisdiction to recover the civil penalty established by this paragraph, in which case any civil penalties recovered shall be distributed as follows: ten percent to the aggrieved person(s) who filed the action; twenty-five percent to the other aggrieved persons; and sixty-five percent to the City of Malibu for the purpose of enforcing this Chapter and educating the public concerning this Chapter.

§ 5.16.200. Just and reasonable return.

A park owner may file a rent adjustment application for one, some or all the spaces in a mobilehome park in order to establish the maximum allowable rent or to achieve a fair and reasonable return. Homeowners may file a rent adjustment application based on reduction in services or other grounds established by this-chapter or regulations promulgated pursuant thereto. Nothing in this chapter shall be construed to prevent the grant of a rent adjustment upon application by a park owner when required by law to permit a fair and reasonable return to the park owner. The city shall receive relevant evidence, in accordance with applicable regulations, demonstrating that a ~~landlord~~ park owner or sublessor is not receiving a fair and reasonable return in determining these applications.

§ 5.16.210. Mobilehome park relocation impact reports.

A. Statement of Purpose. The purpose of this section is to implement the provisions of state law addressing the adverse impacts on the residents and homeowners in a park which is converted, closed or where the park's use is changed or ceased.

B. Definitions. For purposes of this section, the following definitions shall apply in addition to those listed in Section 5.16.020.

"Advisory agency" means the ~~planning department,~~ commission~~,~~, or other authority designated by the City Council~~, or hearing officer as designated by the city council~~.

"Change of use" means a use of a mobilehome park for a purpose other than the rental, or the holding out for rent, of two or more mobilehome sites to accommodate mobilehomes for human habitation. "Change of use" includes, but is not limited to, a change of the park or any portion thereof to a condominium, stock cooperative, or any form of ownership wherein spaces within the park are to be sold, and the cessation of use of all or a portion of the park, whether immediately or on a gradual basis, or the closure of the park. "Change of use" shall not include mere purchase of the park by its existing homeowners.

"Comparable housing" means housing which is comparable in floor space area, deck and lot size, and number of bedrooms and other relevant factors to the mobilehome to which comparison is being made, which housing meets the minimum standards of the State Uniform Housing Code.

"Comparable mobilehome park" means any other mobilehome park substantially equivalent in terms of park condition, amenities, ocean views and beach access and other relevant factors.

"Date of application for change of use" means the date of filing of an application for rezoning, general plan amendment, use permit, site development permit or other discretionary development approval under this code, which application seeks approval of a change of use of a mobilehome park, its ~~or the date of the~~ closure, or cessation of use.

"Eligible homeowner" means a homeowner whose mobilehome or manufactured home was located in a mobilehome park on the date of the application for a change of use.

C. General Requirements.

1. Any person who files an application for a rezoning, general plan amendment, subdivision map, use permit, site development permit or for any other discretionary development approval, for the purpose of a change of use of a mobilehome park, ~~or~~ closure, or cessation of use, shall file with the advisory agency a report on the impact of the conversion, closure, or cessation of use (hereinafter "closure") upon the residents of the

mobilehome park who will be displaced, no later than the filing of the first such application necessary to authorize such closure.

2. No application shall be considered or deemed completed or processed for consideration and approval unless and until such conversion impact report shall have been filed as required by this ~~subsection~~Section.
3. Use of a property as mobilehome park shall not be terminated for the purpose of conversion to another land use or cessation of use until approval by the advisory agency and the city council, or appeal, has been received.
4. No building permit shall be issued on property occupied by a mobilehome park at the effective date of this chapter or hereinafter for uses other than those associated with the mobile home park use and allowed under the special use permit, until approval under this section has been received.

~~4.~~5. The park owner shall give any written notice to homeowners required by state law.

D. Conversion Impact Report.

1. The conversion impact report shall include a replacement and relocation plan that addresses the availability of adequate replacement housing in mobilehome parks and the cost of relocating displaced residents.

2. In order to evaluate adequately and address those issues, the conversion impact report shall contain the following information:

a. At the applicant's expense and if there are displaced residents, an appraisal of the on-site value, depreciated replacement value, and removal value of the mobilehome of each eligible resident in the park. The appraisal must be prepared by a State-certified appraiser, approved by the City, with experience establish~~ed~~ing the value of mobilehomes, and shall be based upon the current in-place value of the mobilehome and shall assume the continuation of the mobilehome park.

b. The names, addresses and mobilehome site identification numbers of all persons owning mobilehomes within the mobilehome park and of all mobilehome residents on the date of application for change of use;

c~~b~~. The age, including date of manufacture, of each mobilehome within such park, including the type of mobilehome, width characteristics, size, and number identifying the mobilehome site being occupied;

d~~c~~. A list of vacant mobilehome sites in comparable mobilehome parks within a 50 mile radius of the park which is the subject of the application or request;

e~~d~~. The list shall contain a schedule of site rental rates for each park listed and the criteria of the management of each park for acceptance of new homeowners and used mobilehomes;

f~~e~~. The names, addresses and telephone numbers of one or more housing specialists from the list compiled by the advisory agency, and the names, addresses and telephone numbers and fee schedules of persons qualified as mobilehome movers and of persons who are qualified appraisers of mobilehomes and an explanation of the services the housing specialists will provide;

g~~f~~. The applicant may designate other housing specialists, and mobilehome movers and appraisers; provided, that use of any such persons pursuant to this chapter shall be subject to approval by the advisory agency;

h~~g~~. A relocation plan which will include:

i. Timetable for implementing the physical relocation of mobilehomes,

ii. Implementation of relocation assistance

iii. Payment of relocation costs, and

iv. The requested "change of use"; c~~C~~onversion of the park to one or more other uses; cessation of use, or closure of the park.

3. The application for change of use shall include within the ~~conversion impact report~~replacement and relocation plan the steps proposed to mitigate any adverse impact on the ability of displaced homeowners to find adequate housing in a mobilehome park, including the reasonable costs of relocation.

a. All eligible homeowners and all mobilehome tenants of eligible homeowners shall be provided with the services of one or more housing experts to assist them in relocating to available and adequate housing upon their request. Any such experts shall be those approved pursuant to this section.

E. Advisory Agency Determination

1. Before approving a change of use, the advisory agency shall:

a. Review the conversion impact report and any relevant documentation

b. Make a finding as to whether or not approval of the park closure and the park's conversion into its intended new use, taking into consideration both the impact report as a whole and the overall housing availability within the local jurisdiction, will result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction.

2. Factors to Consider.

~~i~~a. A factor to be considered is that the conversion will not result in the displacement of low-income individuals or households who cannot afford rents charged in other parks.

~~ii~~b. A factor to be considered is if~~t~~ the conversion is to another residential use, the homeowners have first opportunity to occupy and the construction schedule will not result in long-term displacement.

~~b. No benefits shall be provided to any person who is renting a mobilehome from the owner of the mobilehome park where such person shall have executed a written agreement with such mobilehome park owner waiving his or her rights to any such benefits. No such waiver shall be valid unless it contains the text of this section, and unless such person shall have executed a written acknowledgment that he or she has read and understands his or her rights pursuant to this chapter and knowingly agrees to waive them.~~

~~cb~~3. An eligible homeowner or tenant of an eligible homeowner may enter a written agreement with the park owner to waive his or her right to benefits specified under statute provided that the park owner gives other benefits comparable to those mandated by statute. To be valid, such waiver shall contain the text of this section and include a signed written acknowledgement that the person waiving his or her rights has read and understands his or her rights pursuant to this chapter and knowingly agrees to waive them. ~~[Propose language that would allow a knowing and informed waiver so long as benefits are comparable to the benefits under statute]~~

4. In order to facilitate the intentions of the homeowners or tenants and an applicant for a change of use with regard to a change of use, cessation of use, or closure, the parties may agree to mutually satisfactory relocation assistance. To b~~h~~e valid such an agreement shall be in writing, shall include a provision stating that the homeowner or tenant is aware of the provisions of this chapter, shall include a copy of this chapter as an attachment, shall include a provision in at least 10 point type which clearly states the right to seek and the importance of obtaining an attorney's advice prior to signing the agreement, and shall be drafted in form and content otherwise required by applicable state law. Any person signing such an agreement may rescind it in writing within 10 business days of final approval of change of use. Any such agreement which is procured by fraud, misrepresentation, coercion or duress of any kind shall be void and unenforceable.

F~~E~~. Hearing and Notice

1. Upon the receipt of an impact report, within 30 days the advisory agency shall examine the same and advise the applicant whether it is complete. When a complete impact report has been filed and accepted by the advisory agency, within 9~~3~~0 days the advisory agency shall set a time, place and date for a public hearing.

2. At least 75~~30~~ days prior to the public hearing, the advisory agency shall mail notice to the applicant and the homeowners of the date, time and place of the meeting.

3. At least 60~~15~~ days prior to the scheduled public hearing before the advisory agency on the application for change of use and conversion impact report, the applicant shall provide the homeowner and all other persons described with a copy of this chapter, a copy of the conversion impact report, and date and time for an informational meeting pursuant to subsection (E)(4) of this section.

4. At least 30 days prior to the public hearing, the advisory agency shall provide notice to the applicant that:

a. Notifies the applicant of the provisions of Civil Code Section 798.56 and any local requirements which impose a duty to notify homeowners and subtenants of the proposed change in use; and

b. Specifies the manner in which the applicant must verify that homeowners and subtenants have been notified of the proposed change of use. Neither a hearing on the application, nor any other action thereon, shall be taken by the advisory agency before the applicant has satisfactorily verified that the homeowners and subtenants have been so notified, in the manner prescribed by law or local regulation.

5. Not less than 10 days prior to the date of the scheduled public hearing before the advisory agency, the applicant shall conduct an informational meeting for the residents of the

mobilehome park regarding the status of the application, the timing of proposed relocation of residents, proposed relocation costs and assistance, and the contents of the conversion impact report. The meeting shall be conducted on the premises of the mobilehome park. The housing specialist(s) designated in the impact report shall be present at such meeting.

6~~5~~. Within five days prior to the public hearing, the applicant shall file with the advisory agency a statement made under penalty of perjury that all requirements pursuant to subsections (E)(3) and (4) of this section have been complied with and include date, time, and place where such meeting as required by subsection (E)(4) of this section occurred.

G~~F~~. Findings and Decision. At the conclusion of the hearing, the advisory agency shall render its decision. The advisory agency shall approve, conditionally approve or disapprove the relocation impact report. ~~The advisory agency shall approve the relocation impact report if it finds that the relocation impact report contains the information required pursuant to this section.~~ In approving the relocation impact report, the advisory agency may impose such conditions as it finds necessary to mitigate the adverse impacts on the residents~~; however, any steps required to be taken by the park owner pursuant to this section shall not exceed the reasonable costs of relocation~~. Notice of the advisory agency action shall be mailed to the park owner, to all homeowners, to all Subtenants, to all Sublessors, and to all persons who have filed written request therefor.

H~~G~~. Request for Appeal. The park owner, ~~or~~ any homeowner, ~~or~~ any Subtenant, or any Sublessor may appeal the advisory agency's decision to the city council. The appeal shall be filed with the city on a form provided for that purpose within 10 days after the action of the advisory agency. When an appeal is filed, it shall be accompanied by a fee in an amount determined according to Section 5.16.070. The city shall, within 45 days, set a time and date for a hearing, and shall mail written notice of such hearing to the park owner, all homeowners, all Subtenants, all Sublessors, the person requesting the hearing, the advisory agency and all persons who have filed written request therefor, at least 15 days prior to the hearing.

For all requests for hearing, the city council may sustain, modify, reject or overrule any recommendations or rulings of the advisory agency and may make such findings as are not inconsistent with the provisions of this section.

I~~H~~. Extensions. Any of the time limits specified in this section may be extended by ~~mutual consent of park owner and~~ the advisory agency, or the city council, on appeal, with notice to affected ~~homeowners~~parties, except where prohibited by state law.

J~~I~~. Expiration and Extension of Relocation Impact Report. The approval of a relocation impact report shall become null and void after 36 months from the date of the mailing of the final approval of the relocation impact report. Thereafter, the park owner shall not convert, close or cease the use of the park until such time as a new relocation impact report is approved. However, upon application of the park owner, filed with the advisory agency on or before the date of expiration, the relocation impact report may be extended by the advisory agency up to an additional 36 months. An application for an extension shall be subject to the notice and hearing procedures of this section.

K~~J~~. Conditions. In the approval of a mobilehome park conversion, the city may attach conditions deemed reasonable in order to mitigate the impacts associated with the conversion. Such conditions shall not be limited to, but may include, the following:

1. If the land occupied by the park is to be sold, the homeowners shall be given the right of first negotiation (from the seller) and matching rights (right of last refusal) for the purchase of the park and all the improvements.

2. The homeowners be given the option of a long-term lease of the land and purchase of the improvements.

3. The city may attach an effective date upon their approval of the conversion. This date will provide sufficient time for the relocation of the mobilehome to other parks.

L~~K~~. Revocation and Amendment. Any time prior to the change of use, cessation of use, orclosure of the mobilehome park, the advisory agency may, in its discretion, and upon good cause shown, initiate proceedings for the revocation or amendment of the approval of the application for change of use~~an impact report~~. Good cause may include, but is not limited to, change of circumstances which render the conditions or requirements of the ~~relocation~~ conversion impact report no longer necessary or appropriate, negligent or fraudulent misrepresentation of fact relating to the ~~relocation~~ conversion impact report, or noncompliance with the conditions of the conversion impact report. Prior to revoking or amending the approval of the application~~a relocation impact report~~, the advisory agency shall conduct a hearing in accordance with the applicable procedures set forth in subsection F~~E~~ of this section. Upon revocation, the park owner shall not convert, close, cease or change the use of the park until such time as a new ~~relocation~~ conversion impact report is approved or other requirement under this Chapter is satisfied. Such revocation or amendment is subject to the same request for hearing as is provided in subsection H~~G~~ of this section.

M~~L~~. Evictions Pending Compliance with Relocation Impact Report. Termination of a tenancy of any ~~resident~~ homeowner or subtenant pursuant to ~~Civil Code Section 798.56 or~~ any ~~other~~ provision of law shall not relieve the park owner of its obligation to comply with the conditions or requirements of the ~~relocation~~ converstion impact report applicable to that ~~resident~~homeowner or subtenant. ~~However, if the termination of tenancy is based on subdivisions (a), (b), (c), (d), (e) or (f) of Section 798.56 of the Civil Code, the advisory agency, upon request by the park owner, may grant to the park owner extensions of time within which to comply with the conditions of the relocation impact report.~~

~~M~~N. Additional Authority of the Advisory Agency. If, notwithstanding the fact that the park owner has not served a six months' ~~or 12 months'~~ notice of termination of tenancy on the ~~residents~~homeowners, the advisory agency finds that the park owner is attempting to close or convert a park, then the advisory agency shall require the filing of a ~~relocation~~ conversion impact report.

~~N~~O. Obligations of Applicant After Approval of the Application for Change of Use and Conversion Impact Report. After the date of the final determination ~~that~~ approving the conversion impact report and change of use application~~complies with the requirements of this chapter~~, the applicant shall undertake or be responsible for performance of the following obligations:

1. Not later than 30 days from the date of such determination, the housing specialist or specialists shall make personal contact with each homeowner and Subtenant of the mobilehome park and commence consultations to determine the applicable costs and assistance to be provided. The housing specialist or specialists shall give each homeowner, Subtenant and former resident eligible to receive relocation assistance written notice of his or her rights to relocation assistance as determined by the city under this chapter.

2. Not less than 120 days prior to the date any homeowner is required to vacate the mobilehome park, any cash or monetary relocation costs required by this chapter shall be paid to such homeowner, to such Subtenant, to any former resident eligible for such costs, or to any person, firm or corporation performing relocation related services for the homeowner or Subtenant, as the homeowner or Subtenant may direct. If the applicant purchases the mobilehome the homeowner shall be required to promptly submit to the applicant all documents necessary to transfer complete title and ownership of such mobilehome to the applicant, free and clear of all security interest, liens, or other encumbrances.

3. The date upon which any resident of the mobilehome park is required to vacate such park, or upon which any mobilehome is required to be removed from the mobilehome park, shall be not less than six months from the date of notice of termination of tenancy~~ pursuant to Civil Code Section798.56(f))~~. The applicant shall provide homeowners with a copy of the final impact report at the same time the six-month's notice of termination of tenancy is provided.

4. If the owner of the mobilehome park, the applicant homeowner or tenant specifically requests that any of the time limitations required by this section, except those provided by State law, be modified, the ~~city~~ advisory agency, or City Council on appeal, shall consider any such modification and evidence relating to the need therefor at the public hearing on the change of use application and conversion impact report. The advisory agency, or City Council on appeal, ~~city~~ shall have the power to make modification in such time limits, both in response to a request and on its own motion, in conjunction with any approval of an application and conversion impact report, as it~~the city~~ may deem just and reasonable.

~~O.~~ P. Payment of Relocation Assistance Benefits—Prerequisite to Issuance of Building Permit to Redevelop Park. No building permit shall be issued for the development of any real property which has been or is being converted from a mobilehome park pursuant to this chapter unless and until the applicant or the owner of the property, as the case may be, who is responsible for payment of any required monetary relocation assistance, shall have filed with the advisory agency a verified statement made under penalty of perjury that relocation assistance payments required pursuant to this chapter have been paid. Such statement shall specify in itemized form each payee, the amount paid, the date of payment, and the type of relocation or other assistance for which each such payment was made.

§ 5.16.220 Violations

~~Violations.~~ Violations of this section shall constitute a misdemeanor. In addition, any park owner or applicant who violates any rights of any homeowner or ~~mobilehome~~ subtenant established under this chapter shall be liable to the person for actual damages caused by such violation, plus costs and reasonable attorneys' fees. No park owner shall take any willful action to threaten, retaliate against or harass any park resident with the intent to prevent such residents from exercising ~~his or her~~their rights under this chapter.

KeyCite Yellow Flag

Called into Doubt by MHC Financing, Ltd. v. City of San Rafael, N.D.Cal., January 29, 2008

KeyCite Overruling Risk

Overruling Risk Lingle v. Chevron U.S.A. Inc., U.S., May 23, 2005

854 F.Supp. 1476
United States District Court,
C.D. California.

The ADAMSON COMPANIES, a California Partnership, Plaintiff,
v.
CITY OF MALIBU; and City Council for the City of Malibu, Defendants.
The KISSEL COMPANY, INC., Plaintiff,
v.
CITY OF MALIBU; and City Council for the City of Malibu, Defendants.

Nos. CV 92–1027 MRP, CV 92–1028 MRP.
|
June 6, 1994.

Synopsis

Owners of mobile home parks brought action challenging constitutionality of city's mobile home rent control ordinance. The District Court, Pfaelzer, J., held that: (1) correction of alleged monopoly driven power disparity could not justify ordinance absent any evidence that shortage driven monopoly existed; (2) protection of tenants' investments was legitimate governmental interest, as was protection of low-income tenants; (3) rent rollback, moratorium, and fair return provisions were facially invalid and violative of substantive due process; (4) ordinance in all other respects survived facial due process and equal protection challenges; (5) facial takings challenge was ripe for judicial review; but (6) ordinance did not effect physical or regulatory taking.

Ordered accordingly.

West Headnotes (31)

[1] **Landlord and Tenant** Validity

Even if each element of city's regulatory scheme governing mobile home parks was constitutional, scheme would fail if, taken as a whole, it exceeded constitutional bounds.

[2] **Constitutional Law** Economic rights and regulation

Substantive due process challenge to economic regulation must satisfy two-part test: (1) ordinance must serve legitimate purpose, and (2) means employed must be rationally related to legitimate purpose. U.S.C.A. Const.Amend. 14.

[3] **Constitutional Law** Charges and prices in general

State price-control regulation is unconstitutional under due process clause only if arbitrary, discriminatory, or demonstrably irrelevant to legitimate government purpose; government may intervene in response to threat of monopoly pricing, or to remedy discrepancy between supply and demand of certain product, or to protect consumer welfare. U.S.C.A. Const.Amend. 14.

1 Case that cites this headnote

[4] **Constitutional Law** Rent control
Landlord and Tenant Rent control

For purposes of substantive due process challenge to city's mobile home rent control ordinance, city's stated purpose of correcting monopoly driven power disparity between park owners and tenants did not constitute legitimate justification for ordinance, absent any showing that shortage driven monopoly in fact existed in city's parks, notwithstanding city's reference to findings under county's rent control ordinance and notwithstanding that parties' relative positions placed owners, in very limited way, in superior bargaining position. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[5] **Constitutional Law** Rent control
Landlord and Tenant Rent control

For purposes of substantive due process challenge to city's mobile home rent control ordinance, city's stated purpose of protecting investments tenants had made in their mobile homes was legitimate justification for ordinance, notwithstanding park owners' contention that tenants' investments in their homes did not need such protection in light of escalating prices that they were receiving upon sale of their homes. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

1 Case that cites this headnote

[6] **Constitutional Law** Rent control
Landlord and Tenant Rent control

For purposes of substantive due process challenge to city's mobile home rent control ordinance, city had legitimate interest in protecting tenants with lower or fixed incomes, notwithstanding that mobile home park population in general was wealthier than average such population and incidental benefit ordinance would have for wealthier tenants. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[7] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Although ordinance that effects transfer of wealth is not per se unconstitutional, city did not have legitimate interest in effecting such transfer under its mobile home rent control ordinance absent some other justification; reduction of mobile home park owners' incomes was not, of itself, legitimate interest. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[8] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Rent increase limits imposed by city's mobile home rent control ordinance were rationally related to city's legitimate interest in protecting tenants' investments. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U, § 6708A.

[9] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Eight-year rent rollback provision of city's mobile home rent control ordinance was not rationally related to any legitimate governmental interest and violated substantive due process; there was no showing that there were any excessive rent increases prior to imposition of moratorium, or that rollback was needed to protect tenants' investments against action by park owners. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U, §§ 6701B, 6705C.

[10] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Three-year moratorium imposed by city's mobile home rent control ordinance at end of long-term leases, and freeze on rent increases until two years after date of enactment, were not rationally related to legitimate purposes for which ordinance was enacted, and provisions violated substantive due process; there was no evidence of arbitrary rent increases, and provisions did not include any reasonable adjustment mechanism. U.S.C.A. Const.Amend. 14; Malibu Municipal Ordinance, Art. 6, Ch. 7, Ordinance 48–U, § 6708A.

[11] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Although rent moratorium imposed while city considered mobile home rent control ordinance could achieve legitimate purpose of limiting increases in reaction to possibility of impending rent control, city did not have power to continue moratorium indefinitely, and time would come when moratorium lasted so long as to violate due process. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

1 Case that cites this headnote

[12] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Vacancy control provision of city's mobile home rent control ordinance, pursuant to which large part of placement value of homes was allocated to tenants rather than park owners, did not by itself violate substantive due process, notwithstanding owners' contention that placement value arose from value of land and thus belonged entirely to them. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U, § 6708B.

1 Case that cites this headnote

[13] **Constitutional Law** Landlord and Tenant
Landlord and Tenant Rent control

Closure conversion restrictions contained in city's mobile home rent control ordinance, pursuant to which park owner contemplating closing park property or converting it to another use had to prepare report detailing impact of closure or conversion on residents of park, was rationally related to legitimate governmental interest in protecting tenants' investments and did not violate substantive due process. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U, §§ 6723D.2.g, D.3, C.3, F, G.

1 Case that cites this headnote

[14] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Pass-through provisions of city's mobile home rent control ordinance did not violate substantive due process even though they did not provide park owners with method for increasing rent; provisions were intended to assure that park owners received fair return on their investments, and park owners did not submit any evidence that provisions did not advance such legitimate interest. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U, § 6708D.1, D.2.

[15] **Constitutional Law** Rent control
Landlord and Tenant Rent control

Procedure adopted under city's mobile home rent control ordinance to adjust base rent, in order to assure park owners fair return, was too restrictive and violated substantive due process; ordinance allowed owners to apply for increase only under limited economic circumstances, and owners were given no recourse for changes due to other economic conditions or occurrences during eight-year period preceding effective date of base rate. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U, §§ 6708D.2, 6712A, C.

[16] **Landlord and Tenant** Rent control

City's mobile home rent control ordinance, when viewed in conjunction with zoning ordinance, was reasonably related to legitimate governmental purpose of protecting tenants' investments, even though regulatory scheme effectively required park owners to continue to operate parks for return close to constitutional minimum in perpetuity and even though there was lack of evidence that owners were abusing any power they had over tenants. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U; Malibu Municipal Code, Art. 9, Ch. 9.

[17] **Landlord and Tenant** Rent control

Court could not invalidate mobile home rent control ordinance based on suggestion of improper motivation on part of city council where proper motivation was also presented. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[18] **Constitutional Law** Rational Basis Standard; Reasonableness

Unless classification warrants some sort of heightened review because it jeopardizes exercise of fundamental right or categorizes on basis of inherently suspect characteristic, equal protection clause requires only that classification rationally further legitimate government interest. U.S.C.A. Const.Amend. 14.

1 Case that cites this headnote

[19] **Constitutional Law** Landlord and Tenant Issues
Landlord and Tenant Rent control

City's decision to apply controls only to mobile home rentals rather than to all residential rentals was rationally related to legitimate governmental interest in protecting tenants' investments, which investments were unique in relation to other residential rentals. U.S.C.A. Const.Amend. 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[20] **Eminent Domain** What Constitutes a Taking; Police and Other Powers Distinguished

Where government authorizes physical occupation of property, or actually takes title, Fifth Amendment's takings clause generally requires compensation; alternately, where government merely regulates use of property, compensation is required only if considerations such as purpose of regulation or extent to which it deprives owner of economic use of property suggests that regulation has unfairly singled out property owner to bear burden that should be borne by public as a whole. U.S.C.A. Const.Amend. 5.

[21] **Eminent Domain** Conditions precedent to action; ripeness

Mobile home park owners' facial challenge under takings clause of Fifth Amendment to city's mobile home rent control ordinance was ripe for adjudication even though owners had not pursued available state remedies to secure just compensation; ordinance limited return on owners' present use of property, and court would not have to speculate regarding owners' intended use of property. U.S.C.A. Const.Amend. 5; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[22] **Eminent Domain** Conditions precedent to action; ripeness

Facial challenge under takings clause of Fifth Amendment is ripe if to determine whether there is taking would not require court to speculate regarding what property was taken by regulation. U.S.C.A. Const.Amend. 5.

[23] **Eminent Domain**What Constitutes a Taking; Police and Other Powers Distinguished

Government effects physical taking only where it requires landowner to submit to physical occupation of its land. U.S.C.A. Const.Amend. 5.

[24] **Eminent Domain**Rent control; housing

City's mobile home rent control ordinance did not effect physical taking despite park owners' contention that ordinance, when combined with zoning ordinance, required owners to continue to use their land for mobile home parks in perpetuity; despite restrictions imposed on park owners, owners had invited tenants onto their land, and regulation of relationship between owners and tenants thus could not rise to level of physical taking. U.S.C.A. Const.Amend. 5; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U; Malibu Municipal Code, Art. 9, Ch. 9.

[25] **Eminent Domain**Conditions precedent to action; ripeness

Mobile home park owners' "as applied" takings challenge to city's mobile home rent control ordinance was not ripe for judicial review where owners had not made change-of-use proposal and had not requested any rent increases, notwithstanding owners' contention that such steps would be futile because city had already indicated its intransigence. U.S.C.A. Const.Amend. 5; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[26] **Eminent Domain**Municipal corporations and local government in general; annexation of territory

In regulatory taking case involving local government, question is whether diminution of value or transfer of rights caused by local government was result of action justified by police power or instead was result of action that can be justified only by power of eminent domain. U.S.C.A. Const.Amend. 5.

[27] **Eminent Domain**Necessity of making compensation in general

Under Fifth Amendment as incorporated by Fourteenth Amendment, just compensation is required only if local government action is not within legitimate scope of local government's power. U.S.C.A. Const.Amends. 5, 14.

[28] **Eminent Domain**Municipal corporations and local government in general; annexation of territory

Ordinance effects regulatory taking if ordinance does not substantially advance legitimate state interests or denies owner economically viable use of his land. U.S.C.A. Const.Amends. 5, 14.

1 Case that cites this headnote

[29] **Eminent Domain**Conditions precedent to action; ripeness

Any claim that city's mobile home rent control ordinance denied park owners economically viable use of their land was not ripe for judicial review inasmuch as such determination required inquiries and evaluations concerning economic impact of ordinance on specific property in question, which was not possible in context of facial challenge. U.S.C.A. Const.Amends. 5, 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

[30] **Eminent Domain**Municipal corporations and local government in general; annexation of territory

In context of regulatory takings claim, requirement that ordinance substantially advance legitimate purpose finds its practical application in examination of whether nexus exists between function of ordinance and purpose ordinance is intended to achieve. U.S.C.A. Const.Amends. 5, 14.

[31] **Eminent Domain**Rent control; housing

City's mobile home rent control ordinance did not on its face constitute regulatory taking, even though ordinance was far more onerous than necessary to solve problem that it set out to address; ordinance acted directly to promote legitimate interest of protecting tenants' investments. U.S.C.A. Const.Amends. 5, 14; Malibu Municipal Code, Art. 6, Ch. 7, Ordinance 48–U.

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OPINION

PFAELZER, District Judge.

I. *BACKGROUND*

On December 3, 1991, the City of Malibu ("City") acting through its City Council ("City Council") adopted a mobile home rent control ordinance ("rent control ordinance"). Malibu Municipal Code, Article VI, Chapter 7, Ordinance 48–U. Plaintiffs The Kissel Co. ("Kissel") and The Adamson Companies ("Adamson") are the owners of the only two mobile home parks within the City. Kissel owns a park called Paradise Cove Mobile Home Park ("Paradise Cove") and Adamson owns a park called Point Dume Club ("Point Dume").

The plaintiffs brought these companion cases to obtain a judgment that the rent control ordinance violates the constitutional guarantees of substantive due process and equal protection, as well as the guarantee against taking property without just compensation under the Fifth Amendment.[1]

Mobile home rentals are quite different from apartment rentals. The "tenant" buys a mobile home or "coach" which he then places on a space or "pad" in a mobile home ***1481** park. In California, the tenants usually rent or lease the space from a park owner. In addition to the investment in the coach and its initial placement, most tenants invest in permanent improvements such as landscaping, decks and patios. Likewise, the park owner makes an investment not only in the land, but also in providing facilities for the use of the tenants, such as private roads, plumbing and common areas. Thus, unlike an ordinary rental, both the park owner and the tenant make substantial capital investments in a mobile home tenancy.

Mobile homes, despite their name, are not usually mobile. Once placed in a park, few are moved.[2] This is principally due to the cost of moving a coach which is often equal to or greater than the value of the coach itself. Also, many mobile home parks will not accept older coaches so that after a time, the coach may be rendered effectively immobile. Thus, the park owner, absent regulation, theoretically has the power to exact a premium from the tenant who, as a practical matter, cannot move the coach.

In this situation, if the tenant decides to live elsewhere, he does not move the coach, but rather sells it "in place." The buyer, then, becomes the new tenant. The California Mobile Home Residency Law, not challenged here, forbids the termination of a mobile home tenancy without cause, as well as the assessment of transfer fees, and requires that the park owner accept any buyer of the coach as a tenant so long as the purchaser has the ability to pay the rent. Cal.Civ.Code § 798 *et seq.* As a consequence of the tenant's guaranteed occupancy and his freedom to sell without penalty, any economic power the park owner might potentially have over the tenant is significantly lessened.

A number of jurisdictions, including the City, also have enacted rent control ordinances to protect mobile home tenants because of a concern that the California Mobile Home Residency Law does not go far enough. The economic justification most often advanced for such ordinances is that even though the space is freely marketable by the tenants, the park owner can, by raising the rent to unreasonable levels, effectively destroy the tenant's ability to realize a fair return on his investment by selling the coach in place. Theoretically, in a free market, such behavior would eventually put the park owner out of business because there would be other park owners willing to offer mobile home spaces on more reasonable terms. The City argues, however, that there is no operational market, but rather a monopoly[3] on the part of the park owner created by the scarcity of mobile home spaces. The existence of this monopoly is a further justification claimed by the City for the enactment of the rent control ordinance.

A. *The Rent Control Ordinance*

The rent control ordinance applies to all mobile home spaces in the City with the exception of those spaces subject to long-term leases governed by state law. The plaintiffs challenge the following provisions of the rent control ordinance:

1. *Rent Rollback*—The rent control ordinance requires that mobile home rents be rolled back to the rates in effect on December 31, 1984 and then adjusted by the City Manager according to the terms of the Los Angeles County Rent Control Ordinance and Park Conversion Ordinance ("LA Ordinance"). The LA Ordinance had governed the rents in Paradise Cove prior to the incorporation of the City in 1991. Rent Control Ordinance § 6701 B, 67056701 B, 6705 C. Point Dume was exempt from the LA Ordinance.[4] In effect the rollback gives the rent control ordinance an eight year retroactive application.

***1482** 2. *Rent Control*—The rent control ordinance allows increases in rents per year only up to 75% of the increase in the Consumer Price Index or 5%, whichever is less. Rent Control Ordinance § 6708 A.

3. *Rent Freezes*—The rent control ordinance prohibits any rent increases prior to March 28, 1993, thereby freezing rents in the parks for two years after its enactment. Rent Control Ordinance § 6708 A. Additionally, upon the expiration of any exempt long-term lease, the ordinance freezes rents for three years thereafter. *Id.* The ordinance provides one exception to the three year freeze at the expiration of long term leases. If the park owner does not increase the rent pursuant to the lease between March 28, 1992 and March 28, 1993, no formula increases are allowed for one year following the expiration of the lease. *Id.*

4. *Vacancy Control*—Upon the vacancy of a space, the rent control ordinance originally allowed an increase of not more than 18% over the last rent in effect prior to a vacancy.[5] Rent Control Ordinance § 6708 B. In September 1992, the City Council amended the rent control ordinance to reduce the allowable increase to 10% when a vacancy occurs. Rent Control Ordinance § 6708 B., *as amended,* September 16, 1992.

5. *Closure Conversion Restrictions*—Initially, the rent control ordinance required that if the park owner wished to close the park, it was required to prepare a "conversion impact report" which, among other things, required the payment of relocation costs. Rent Control Ordinance § 6723 D.2.g. The ordinance required the park owner to "take steps to mitigate the adverse impact on the tenants, not to exceed the reasonable costs of relocation." Rent Control Ordinance § 6723 D.3. Under the original ordinance, if a tenant elected not to relocate upon conversion, the park owner was required to purchase the mobile home at 15% above its in-place market value. Rent Control Ordinance § 6723 D.3.a. The City Council later amended the ordinance to allow tenants to waive the protection of the closure conversion provisions and to allow the park owner and the tenants to agree to a mutually satisfactory relocation plan. Rent Control Ordinance § 6723 D.3., *as amended,* August 24, 1992. Under both the original and the amended rent control ordinance, however, the park owner may not close the park or convert it to a different use without first obtaining approval from an advisory agency[6] and the City Council. Rent Control

Ordinance § 6723 C.3. Both the original and the amended rent control ordinances grant the advisory agency discretion to impose “such conditions as it finds necessary to mitigate the adverse impacts on the residents,” up to the reasonable costs of relocation. Rent Control Ordinance § 6723 F. The park owner may appeal the advisory agency's decision to the City Council. Rent Control Ordinance § 6723 G.

6. *Pass–Throughs*—The rent control ordinance allows two kinds of costs to be passed through from the park owner to the tenants. First, the park owner can require tenants to reimburse the park owner for out-of-pocket costs of providing government-required services not compensated by other sources upon sixty days written notice. Rent Control Ordinance § 6708 D.1. The rent control ordinance, however, excludes “predictable expenses for operation” from the definition of government-required services. Rent Control Ordinance § 6708 D.1.b. The rent control ordinance also allows the park owner to pass through the costs of any capital improvement to the tenants, so long as the improvement has a useful life of at least five years, is permanently affixed, and is approved by at least two-thirds of the tenants. Rent Control Ordinance § 6701 D.1.e & § 6708 D.2., *as amended,* September 16, ***1483** 1992. The rent control ordinance as originally enacted allowed the park owner to pass through the cost of capital improvements upon approval by 50% of the tenants, but the City Council amended the ordinance to increase the approval ratio requirement to two-thirds.

7. *Adjustments to Assure a Fair and Reasonable Return*—The rent control ordinance establishes the Malibu Mobile Home Park Rent Stabilization Commission (“the Commission”). Rent Control Ordinance § 6703 A. The Commission is comprised of five residents of the City, none of whom may have been either park owners or park residents within the five years preceding their appointment. *Id.* The members of the Commission must be appointed by a four-fifths majority of the City Council, but “shall serve at the pleasure of the City Council.” *Id.* A park owner is entitled to apply to the Commission for an adjustment to one, some, or all of the spaces in the mobile home park “in order to establish the maximum allowable rent or to achieve a fair and reasonable return.” Rent Control Ordinance § 6708 C.

In evaluating a request for a rent increase, the Commission is directed to consider all relevant factors including operation costs, utility rates, property tax changes, insurance, advertising, variable mortgage rates, governmental assessments and fees, incidental services, employee costs, normal repair and maintenance, capital improvements, upgrading or addition of amenities, and the level of rent necessary to permit a just and reasonable return on the property. Rent Control Ordinance § 6712 A. Although the Commission is directed to consider a broad range of factors, its implementation of any rent increase is severely limited by other substantive provisions of the rent control ordinance. For example, although the Commission is directed to consider the costs of capital improvements, it cannot implement an increase based on capital improvement expenses unless the park owner has complied with the capital improvement requirements of the ordinance's pass-through provisions. Rent Control Ordinance § 6708 D.2.

The Commission is also severely restricted in adjusting base rent. Under the rent control ordinance, the base rent for month-to-month spaces is the rent charged on December 31, 1984 as adjusted according to the terms of the Los Angeles County Rent Control Ordinance until the effective date of the Malibu Rent Control Ordinance, and the base rate for long term leases is the rent charged at the time the lease expires. Rent Control Ordinance § 6701 B. Under the rent control ordinance, it is presumed that the base rent is a fair and reasonable return, and that presumption can be rebutted only by a showing by the park owner that its operating expenses were unusually high or low in the base year as compared to other years. Rent Control Ordinance § 6712 C.1. The Commission is directed to consider only the following factors: (1) if the park owner made substantial capital improvements in 1991, which were not reflected in the rent levels on the base date; (2) substantial repairs were made due to damage caused by natural disaster or vandalism; (3) maintenance and repair was *below* accepted standards; or (4) other expenses were unreasonably high or low notwithstanding the following of prudent business practices. Rent Control Ordinance § 6712 C.1.a–d. The Commission is also allowed by the rent control ordinance to consider whether the rent on the base date was disproportionate because of variations in rent over the term of a lease, seasonal variations in rent, or an anomaly created by a special premium charged or rebate given. Rent Control Ordinance § 6712 C.2. The rent control ordinance does not allow the Commission to consider other factors in the determination of base rent.

B. *The Zoning Ordinance*

In February of 1993, after the rent control ordinance was amended, the City enacted an interim zoning ordinance ("the zoning ordinance") which is set forth in Article IX, Chapter 9100, *et seq.* of the Malibu Municipal Code. Following the City's adoption of the zoning ordinance, the Court granted the plaintiffs leave to amend their complaints to allege the adoption and impact of the zoning ordinance on the plaintiffs' property. Each plaintiff did so. Nevertheless, the Court analyzes the zoning ordinance only for the purpose ***1484** of ascertaining its effect when taken together with the rent control ordinance. The constitutionality of the zoning ordinance itself is not before the Court.

The zoning ordinance establishes a mobile home zone within the City, the boundaries of which "shall be the area developed for mobile home park use and existing on March 28, 1991, including all leachfields servicing the park." Zoning Ordinance § 9201. None of the other designations established by the zoning ordinance accommodate mobile home use. Consequently, the zoning ordinance effectively prohibits the operation of any mobile home park within the City except for the two existing parks.

The zoning ordinance limits the permitted uses within the mobile home zone to: (a) "[a]ny mobilehome park and associated facilities in existence as of March 28, 1991"; and (b) "[t]he keeping of domestic animals." Zoning Ordinance § 9241. The zoning ordinance allows four conditionally permitted uses within the mobile home zone. They are: (a) uses and structures associated with the operation of a mobile home park; (b) modifications to the number, layout or density of mobile home spaces within an existing mobile home park; (c) modifications of roads, landscaping, parking areas, etc.; and (d) the operation of a recreational vehicle park. Zoning Ordinance § 9242.

The zoning ordinance forbids the use of land in any manner other than that permitted by the zone in which the land is located. Zoning Ordinance § 9110. Moreover, although the zoning ordinance establishes a variance procedure, a variance "shall not be granted ... which authorizes a use or activity which is not otherwise expressly authorized by the zoning regulations governing that parcel of property." Zoning Ordinance § 9460. As a consequence of the restriction of permissible uses within the mobile home zone to those associated with the operation of a mobile home park, a park owner cannot convert a park to a different use without an application to the City Council for an amendment to the zoning map. Because the zoning ordinance does not allow mobile home park use in any other zone, a landowner who desires to establish a new park within the City would be barred from doing so unless he were able to convince the City Council to amend the ordinance.

C. *The Regulatory Scheme as a Whole*

[1] The rent control ordinance and the zoning ordinance combine to create the regulatory scheme challenged by the plaintiffs. Therefore the Court must examine not only the individual elements of this regulatory scheme, but also the regulatory scheme as a whole. This is necessary because even if each element standing alone would be constitutional, the scheme must fall if, taken as a whole, it exceeds constitutional bounds.

As a starting point, there can be no doubt that the regulatory scheme is weighted heavily against the park owners. The rent control ordinance limits the owners' return on the parks both now and in the future, and the record shows that the requirements to obtain an increase in revenue are exceedingly difficult for a park owner to meet. Further, the rent control ordinance taken together with the zoning ordinance makes it virtually impossible for the park owners to change the use of the park property. Consequently, the park owners are left with a choice of operating the park indefinitely for a low return or attempting to run the extremely tight and costly administrative gauntlet required to change the use of the property. Given the views expressed by the City, such an attempt would clearly be futile.

Each of the plaintiffs has brought a summary judgment motion seeking a declaration that the rent control ordinance in conjunction with the zoning ordinance effects a physical taking of the plaintiffs' property. The City has brought summary judgment motions against each plaintiff seeking a determination that the rent control ordinance is constitutional. To resolve these motions, the Court held a hearing limited solely to the issue of whether the ordinance substantially advances a legitimate purpose. The resolution of the other issues presented did not require the presentation of evidence.

II. *CONSTITUTIONAL ANALYSIS*

A. *Substantive Due Process*

[2] The plaintiffs challenge the rent control ordinance as a substantive violation of ***1485** the Due Process Clause of the Fourteenth Amendment. A substantive due process challenge to an economic regulation must satisfy a two-part test: (1) does the ordinance serve a legitimate purpose, and (2) are the means employed rationally related to the legitimate purpose? *Moore v. East Cleveland*, 431 U.S. 494, 498 n. 6, 97 S.Ct. 1932, 1935 n. 6, 52 L.Ed.2d 531 (1977). The Ninth Circuit has articulated the test as one which requires that the plaintiff "prove that the government's action was clearly arbitrary and unreasonable, having no substantial relation to the public health, safety, morals, or general welfare." *Sierra Lake Reserve v. City of Rocklin*, 938 F.2d 951, 957 (9th Cir.1991), *vacated and remanded,* 506 U.S. 802, 113 S.Ct. 31, 121 L.Ed.2d 4 (1992), *adhered to in relevant part,* 987 F.2d 662 (9th Cir.1993); *see also* *Euclid v. Ambler Realty Co.*, 272 U.S. 365, 47 S.Ct. 114, 71 L.Ed. 303 (1926); *Moore*, 431 U.S. at 498 n. 6, 97 S.Ct. at 1935 n. 6 ("Later cases [after *Euclid*], have emphasized that the general welfare is not to be narrowly understood; it embraces a broad range of government purposes.").

[3] Rent control is a form of price-control regulation. The standard for determining whether a state price control regulation is constitutional under the Due Process Clause is well established: Price control is unconstitutional only if arbitrary, discriminatory, or demonstrably irrelevant to a legitimate government purpose. *Pennell v. City of San Jose*, 485 U.S. 1, 11, 108 S.Ct. 849, 857, 99 L.Ed.2d 1 (1988). The government may intervene in response to a threat of monopoly pricing, or to remedy a discrepancy between supply and demand of a certain product, or to protect consumer welfare. *Pennell*, 485 U.S. at 11–13, 108 S.Ct. at 857–58. In particular, "states have broad power to regulate housing conditions in general and the landlord-tenant relationship in particular without paying compensation for all economic injuries that such regulation entails." *Id.* at 12 n. 6, 108 S.Ct. at 857 n. 6.

In order to determine whether the rent control ordinance in whole or in part violates the Due Process Clause, consideration must first be given to whether the ordinance promotes any legitimate government purpose, and then to whether the ordinance is rationally related to that purpose.

1. *Does the City have a legitimate government purpose?*

The rent control ordinance itself states the following purposes:

Sec. 6700 Purpose of Provisions

A. When the County of Los Angeles adopted Chapter 8.57 of the Los Angeles County Code (Ordinance No. 87–0228) to regulate mobile home parks in the unincorporated areas of the County, the County found that *there was within the County of Los Angeles a shortage of spaces for the location of mobilehomes.* The area that is now the City of Malibu was previously part of the unincorporated area of the County and was subject to chapter 8.57 of the Los Angeles County Code. The City of Malibu incorporated on March 28, 1991. *There continues to be a shortage of mobilehome spaces in the area that is now the City of Malibu.* Because of this shortage, there is a *low vacancy rate* and *rents are presently rising* and causing concern among a substantial number of mobilehome park residents. Because of *the high cost of moving mobilehomes;* the potential for damage resulting therefrom; the requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation; *the lack of alternative homesites for mobilehome residents;* and the

> substantial investment of homeowners in such homes, *a virtual monopoly exists in the rental of mobilehome park spaces*, creating a situation where park owners have unbridled discretion and ability to exploit mobilehome park residents and homeowners.
>
> B. Homeowners are in the unique position of having made a *substantial investment* in a mobilehome that is situated on land that is rented or leased. In this situation both the park owner and the homeowner have a financial stake in the relationship.
>
> C. Additionally, because *park space is virtually unavailable* and *relocating difficult and costly*, the closure of a mobilehome park or its change of use has disastrous implications or results for homeowners, ***1486** who may find it impossible to relocate to a comparable park.
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> D. For these reasons, among others, the City Council finds and declares it necessary to protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of park owners to receive a fair return on their property. In addition, the City Council finds that it is necessary to provide for the preparation and approval of reports evaluating the impact of changes of use of the parks and provide for measures to mitigate the impact on residents of these changes of use.

Rent Control Ordinance § 6700 (emphasis added). In the legislative history of the rent control ordinance, the City has identified other purposes, for example:

> Our purpose in the Ordinance is to provide the strictest rent stabilization possible and to keep the return of the park owners down to the absolute constitutional minimum.

[Transcript of Proceedings before the City Council of Malibu, November 5, 1991, testimony of Asst. City Attorney Hogin, Record of Proceedings, at 399].

In addition, although not officially adopted as a purpose by the City Council, the argument runs throughout the legislative history that the ordinance was adopted to protect low income tenants of the parks. Perhaps the protection of low income tenants was not adopted as an official purpose due to a recognition by the City Council that the population of the parks is, in fact, wealthier than average. In this regard, the City Attorney's memorandum to the City Council states:

> Malibu has two mobilehome parks: Point Dume and Paradise Cove. Both parks are upscale, first class mobilehome parks. *Indeed, in certain respects, the demographics for the Malibu mobilehome parks is different than ordinarily found in mobilehome parks.* The Malibu mobilehome parks enjoy a mix of retirees, younger professionals, and those who live elsewhere but maintain a mobilehome as a weekend or second home. Park residents are both longtime residents of the Malibu community and newcomers to the community.

[Memorandum to City Council, October 17, 1991, Asst. City Attorney Hogin, Record of Proceedings, at 43] (emphasis added). Nonetheless, the City has continued to assert that the protection of low income tenants was a major purpose of the rent control ordinance.

Summarizing all of the City's contentions, the Court is able to identify four stated purposes for the ordinance. They are (1) to correct a monopoly-driven power disparity between the park owners and the tenants; (2) to protect the substantial investment that the tenants have made in their homes; (3) to protect low income tenants; and (4) to reduce the return of the park owners to the constitutional minimum. The Court finds that the second and third purposes are legitimate justifications for the City's rent control ordinance, but the first and fourth are not.

[4] As to the alleged monopoly-driven power disparity, it is clear that if one existed at all, it would have to have been created by what the City claims is a shortage of mobile home spaces. Yet, the City did absolutely no independent investigation of whether a shortage of mobile home spaces actually existed in 1991, or whether, if it existed in Los Angeles, it also existed in

or had any effect on the Malibu area. Rather, the City uncritically adopted the findings of the Los Angeles County ordinance, an ordinance that applies not only to a much broader geographic area than Malibu, but also to all forms of rental housing. Thus, the City's position is not based on actual facts, but instead on the notion that because other courts have accepted the monopoly argument in other contexts and other geographical areas, this Court is compelled to accept it as applied to mobile home housing in Malibu. See, *e.g.,* *Pennell,* 485 U.S. at 12, 108 S.Ct. at 857–58 (accepting monopoly argument where plaintiffs did not dispute it); *Birkenfeld v. City of Berkeley,* 17 Cal.3d 129, 160–64, 130 Cal.Rptr. 465, 488–91, 550 P.2d 1001, 1024–27 (1976) (holding that findings made by lower courts showed rational basis for monopoly argument in the specific context of apartment rentals in Alameda ***1487** County).[7]

The difficulty with the City's position is that no matter what conditions exist elsewhere, this Court is not bound to find that those same conditions necessarily exist in Malibu. Although the existence of facts upon which the validity of an enactment depends is presumed, their non-existence can properly be established by proof. *United States v. Carolene Products Co.,* 304 U.S. 144, 152–54, 58 S.Ct. 778, 783–85, 82 L.Ed. 1234 (1938); *Birkenfeld v. City of Berkeley,* 130 Cal.Rptr. at 488, 550 P.2d at 1024. Accordingly, if the park owners show that the alleged shortage-driven monopoly does not exist in Malibu, this rationale cannot justify the rent control ordinance. *Birkenfeld,* 130 Cal.Rptr. at 488, 550 P.2d at 1024 ("[T]he constitutionality of residential rent controls under the police power depends upon the actual existence of a housing shortage and its concomitant ill effects of sufficient seriousness to make rent control a rational curative measure."); *also see* *Lockary v. Kayfetz,* 917 F.2d 1150, 1155 (9th Cir.1990) ("Although a water moratorium may be rationally related to a legitimate state interest in controlling a water shortage, [the plaintiffs] have raised triable issues of fact surrounding the very existence of a water shortage."). The record made at the Court's hearing on this issue leaves no doubt that the monopoly theory presented by the City is fundamentally flawed, and that any limited power disparity that might exist between the park owners and the tenants is not sufficient to justify a regulatory scheme as onerous as the one under review here.

In support of the contention that the shortage of mobile home spaces in Los Angeles County creates a situation in which the landlord has monopoly power to raise the tenants' rents in Malibu, the City points to a study of ocean-oriented mobile home parks which was prepared for Kissel in 1985. The study shows that there were very few vacancies in ocean-oriented mobile home parks in Los Angeles and Orange Counties during the period for which the study was performed. However, this study does nothing to prove the City's contention. A low vacancy rate does not warrant the conclusion that a monopoly exists because most transfers of tenancy are made without a "vacancy" ever occurring. Coaches are seldom moved. They are sold to the next tenant. Thus, the vacancies shown have little or no evidentiary value in determining this factual issue.

If coach sales are used as the determinant of housing availability, the picture is markedly different. A report prepared for the Point Dume Club shows that from the years 1986 to 1991, the yearly turnover rate never dropped below seven percent, and during 1989 actually reached eighteen percent. [Plaintiffs' Exhibit 8, at 60]. Thus, the actual data shows that in fact there was no housing shortage in the mobile home market. Furthermore, the studies relied upon by the City show that the rentals in both Malibu parks were priced below market.

Moreover, the City has not shown that the park owners possess any more of a monopoly than any other property owner has over the particular property it owns. In order to show that a park owner has a monopoly, the relevant market has to be defined so narrowly as to reach the point of absurdity. A mobile home is only one of a large variety of housing options available in Southern California and a number of mobile home parks exist throughout this area. Thus, whether the market is defined as housing or more narrowly as mobile home housing, the tenants have a number of options. Even if the Court were to limit the market to mobile home parks in Malibu, there are two competing parks. The City has made no allegation that the park owners are in collusion with one another to raise the rents in the parks. Indeed, ***1488** the evidence shows that the rental rates are substantially lower at Paradise Cove than they are at Point Dume. Such a disparity suggests that the owners of the two parks are operating independently. It is only if the relevant market were to be defined as an individual park that a monopoly would exist. Since such a market definition would render every piece of rental property a monopoly, the Court does not find it viable.

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Nonetheless, the relative positions of the parties does, in a very limited way, put the landlord in a superior bargaining position. The mobile home tenant makes a substantial investment in the coach whether he buys the coach in place or purchases it prior to placement. Many mobile home park tenants also make substantial improvements to their spaces giving them an economic incentive to stay where they are. Moreover, like all tenants, many mobile home tenants have a non-economic investment in remaining in place. Such non-economic factors include social relationships in the community, familiarity with the location, nearby employment, and a variety of other considerations. The Court accepts that a tenant may have both an economic and non-economic investment in remaining in place and that this investment may place the park owner in a somewhat superior bargaining position to that of the tenant. This superior bargaining position, however, is not created by any monopoly held by the park owners, but instead by the unprotected nature of the tenants' investment. Accordingly, it supports the City's second stated purpose, not its first.

As a final point with respect to the issue of the monopoly allegedly created by the shortage of space, it is evident that if a shortage existed before, the City, by enacting the zoning ordinance, has taken steps to make it worse and to make it permanent. The zoning ordinance forbids the creation of any new mobile home parks within the City, effectively locking in for the foreseeable future whatever shortage now exists.

[5] The second purpose identified by the City is to protect the investment that the tenants make in their mobile homes. Although the park owners agree that the tenants do make an investment in their homes, they dispute that that investment needs protection, pointing to the escalating prices that the tenants have been receiving upon the sale of their coaches. The evidence is uncontroverted that sales prices for coaches in the parks consistently increased during the years prior to the imposition of rent control. Nevertheless, if the City reasonably determined that the possibility existed that the tenants' investments were threatened, it might be justified in taking steps to protect them. *Pennell*, 485 U.S. at 12–13, 108 S.Ct. at 857–58 (holding that the government may intervene in the marketplace to protect consumer welfare).

The dynamic relationship between the sales price of the coach and the amount of the rent suggests that the City's second stated purpose is not only its central one, but is in reality its only one. From the standpoint of a prospective buyer with a set amount of money to pay for a coach, the lower the rent he must pay, the more money he will have left over to dedicate to the mortgage on the coach. Accordingly, as the rent goes down, the sales price for the coach invariably goes up because the buyer is willing to pay more to the coach owner in consideration of the improvements as well as the low rent. In Malibu, this effect is demonstrated by higher sales prices for coaches at Paradise Cove, which has lower rents, than at Point Dume, even though Point Dume has superior amenities.

However, to speak of the transfer of tenancy as simply a sale of the coach is a mischaracterization. In fact, what the departing tenant sells and what the incoming tenant buys is a package consisting of the coach, the improvements put in place by previous tenants and that element of value inherent in the location of the coach ("placement value") which is possessed by the departing tenant.[8] The placement value is affected by view, amenities, the overall desirability of the area in which the coach is located, market rates ***1489** for surrounding property, and a variety of other elements. This element of value is roughly equal to the amount of the purchase price in excess of the value of the coach and the improvements.

The coach and the improvements are depreciating properties. Thus, in Malibu, where prices for coaches in place have only escalated, the placement value makes up a substantial, if not the dominant, element of the purchase price of a coach upon a change in tenancy.

The park owner also realizes a portion of the placement value through the rent and upon selling the land. The more desirable the location of a coach, the more a prospective tenant would be willing to pay to live there. Thus, theoretically, if the park owner places the rent at a level high enough that the tenant can realize upon the transfer of his tenancy only the depreciated value of the coach and the improvements, the park owner would receive all the placement value. If the rent is set below that level, the tenant, correspondingly, receives a portion of the placement value which is realized upon the transfer of that tenant's tenancy. Accordingly, rent control in the mobile home market effects an adjustment of the allocation of placement value.[9] Whether the City has the power to adjust this shared allocation of placement value is the central question in this case and resolution turns on how the economic relationship between the park owners and the tenants is viewed.

The City argues that the return the tenant receives upon the sale of the coach is a legitimate investment based return. Thus, the City views placement value as an item of property shared by the park owners and the tenants. Indeed, the escalating sales prices in the Malibu parks evidence that, historically, the park owner and the tenants have shared the placement value.

In contrast, the park owners argue that the tenants own nothing but the coach, which is a depreciating property, and that any placement value, because it arises from the location of the park owner's real property, belongs solely to the park owner. Any value received by the departing tenant, beyond the depreciated value of the coach and the improvements, according to the park owners, rightfully belongs to the park owners. The park owners' position, in effect, is that placement value is a distinct item of property, no portion of which has ever been transferred to the tenants. The park owners' realization of this placement value is reflected in the rent charged for the space, and as the value increases, the rent must be increased to capture this value. The park owners' position, taken to its logical conclusion, is that they must have an unrestricted right to increase rent, or they lose this “right” to placement value. Under this argument, rent control transfers this item of property to the tenants and is therefore unconstitutional.

The problem with the park owners' position is that placement value has always been shared between the park owners and the tenants. Accordingly, rent control is more properly viewed as an allocation of shared value rather than as a transfer of rights. It is clear that most, or even all, of the tenants have invested more than the value of the coach itself to move into the park. New tenants have paid for placement value held by previous tenants. Therefore, the tenants have an expectation that they will be able to substantially recoup that investment upon the sale of the coach. While that expectation may not be altogether wise, it is not unreasonable. The park owners are business people who understand that the operation of a mobile home park involves an economic relationship in which both the park owner and the tenant must make a substantial investment. Indeed, they have encouraged the tenants to make the investment and to expect a return on it.

The park owners point out that the primary beneficiaries of the placement value ***1490** transferred by the ordinance are the tenants in place at the time the ordinance is enacted. Subsequent tenants pay a premium to current tenants for that value and receive the benefits of potential increases in placement value only to the extent that it exceeds the rent increases allowed under the ordinance. However, this one-time benefit to the current tenants is purely incidental, and except in the case of the rollback provisions, does not give the current tenants any more of the placement value than they already had before the ordinance was enacted. If the tenants do receive an increase in value, it arises from a reduction of risk, which is an unavoidable consequence of any effective strategy to achieve the City's investment protection purpose.

Without regulation, the park owners do have the power to seriously diminish the value of the tenants' investments by imposing arbitrary increases in rent. This might not be true if the market were perfect and the park owners were perfectly rational. However, there is no perfect market, and the perfectly rational economic actor is nothing more than a theoretical construct. While the evidence does not support the total market failure argued by the City, the Court must conclude that protection of the tenants' investment to some degree is a legitimate interest of the City. *Pennell*, 485 U.S. at 13, 108 S.Ct. at 858. Were the situation one in which the park owners and the tenants had not historically shared this value, the park owners' argument might be more convincing. However, in light of the substantial history of shared value in the Malibu parks, the Court must conclude that the rent control ordinance has the effect of adjusting value rather than transferring rights.

[6] The City's third stated purpose is to protect low-income tenants. The parties dispute the number of low-income tenants in the plaintiffs' parks, but both the plaintiffs and the City admit that the mobile home park population is wealthier than the average such population. The evidence presented does show, however, that there are some low and fixed income residents in the plaintiffs' parks. Because there are some tenants in the parks with low or fixed incomes, the City has a legitimate interest in protecting them. The incidental benefit to wealthier tenants does not invalidate that purpose.

[7] The final purpose expressly identified by the City is to reduce the return of the park owners to the constitutional minimum. An ordinance that effects a transfer of wealth is not per se unconstitutional. *Yee v. City of Escondido*, 503 U.S. 519, ——, 112 S.Ct. 1522, 1529, 118 L.Ed.2d 153 (1992). However, absent some other justification, the City does not have a legitimate government interest in effecting such a transfer. While the constitution allows the government to enact regulations that have an adverse effect on the income of particular citizens if the regulations promote a legitimate government interest, the reduction of the park owners' income is not, of itself, a legitimate government interest.

2. *Is the Rent Control Ordinance Rationally Related to any Legitimate Purpose?*

Constitutional analysis of the ordinance also requires that the Court determine whether the rent control ordinance is rationally related to the two legitimate purposes identified above. Here also, the Court must analyze not only the constitutionality of the individual elements of the rent control ordinance, but also of the regulatory scheme created by the rent control ordinance and the zoning ordinance.

a. *Rent increase limits*

[8] The City has a legitimate interest in protecting the tenants' investments in the coaches, improvements, and location. These investments could be substantially eroded by arbitrary rent increases imposed by the park owners. The rent increase limit protects the tenants' investment by limiting the landlord's power to force the tenant out of the park by increasing the tenant's rent to a level which he can no longer pay. The provision also operates to stabilize the resale value of the tenant's coach by reducing uncertainty regarding the amount of rent necessary to remain as a tenant over a long period of time. The rent increase limits also operate to protect low and fixed income tenants.

***1491** b. *Rent rollback*

[9] Rent rollbacks and rent freezes have generally been upheld if they counteract rent increases imposed by landlords in anticipation of rent control. See, *e.g.*, *Birkenfeld v. City of Berkeley*, 17 Cal.3d 129, 130 Cal.Rptr. 465, 491–94, 550 P.2d 1001, 1027–30 (1976). It is indisputable that the eight year rollback imposed by the Malibu ordinance does not serve that purpose. During the first six years of that period, Paradise Cove was subject to the Los Angeles County rent control ordinance. Although Point Dume was exempt from that ordinance, the rent rollback is largely inapplicable to Point Dume because most of its tenants were under long term leases. During that six year period, the park owners could not possibly have anticipated the enactment of a rent control ordinance because the City had not yet been incorporated. During the final two years, the parks were subject to the City's rent moratorium. Consequently, they could not have raised the rents in the parks in anticipation of the ordinance.

In fact, the legislative record of the City's ordinance presents persuasive evidence that the rent rollback was motivated by the City's desire to punish Kissel for what it perceived to be violations of the Los Angeles County ordinance prior to the City's incorporation. [Transcript, City Council Meeting, February 25, 1992, Legislative Record, at 331–405].

The City argues that it was rational to roll the rents back to 1984 levels to adjust for any excessive increases in the period when the Los Angeles County ordinance was in effect. However, the City Council made no inquiry into whether there had actually been any excessive rent increases prior to the imposition of the rent moratorium. The City relied solely on evidence that some residents of Paradise Cove had complained to Los Angeles County about rent increases. The County had not investigated the claims, so the City had no basis to conclude that they were valid. Indeed, more than one hundred residents of Paradise Cove opposed the rollback because they believed that their rents were not excessive.

Neither does the evidence support the conclusion that the rollback was needed to protect the tenants' investments against any action by the park owners. The evidence is uncontroverted that the tenants were selling their coaches at substantial premiums throughout the period subject to the rollback. Although the City may enact controls in order to protect the tenants against future increases that could threaten their investment, it cannot decrease rents with absolutely no evidence that rents had ever been increased to arbitrary levels.[10] Likewise, the rollback does not affect any power disparity that exists between the park owners and the tenants. If there is a power disparity, it is the park owners' power *to raise* the rent that creates the disparity, not the *amount* of the rent itself. The eight year rollback provision is wholly arbitrary and punitive, and is therefore violative of the Due Process Clause of the Fourteenth Amendment.

c. *Rent freeze until March 28, 1993 and following long-term leases*

[10] Like the rent rollback, the three year moratorium imposed by the rent control ordinance at the end of long term leases and the freeze on increases until March 1993 are violative of the Due Process Clause because they do not bear a rational relationship to the legitimate purposes for which the ordinance was enacted. Once again, the City had no evidence of arbitrary rent increases and did no market study. Furthermore, the freezes, like the rollback, do not advance the legitimate interests which the City claims it had for enacting the ordinance. Also, like the rollback, the rent freeze on long term leases was at least partially motivated by a desire to remedy increases made under Point Dume leases allegedly entered into by tenants as a result of coercion by Adamson. [Transcript, City Council Meeting, February 25, 1992, Legislative Record, at 331–405]. However, the City had no evidence that there was coercion or that the rents in the parks were actually excessive. Therefore, although it was permissible for it to regulate potential increases in order to prevent the rents from ***1492** *becoming* excessive, the City had no justification to freeze rents at current levels for substantial periods without evidence that they were *in fact* excessive.

Moreover, because the rent moratoriums last for a significant period of time with no reasonable adjustment mechanism, they cannot withstand constitutional scrutiny. Although the ordinance theoretically allows the park owner to escape the moratoriums by applying for a rent increase, to obtain such an increase the park owner would have to show that the park, as a whole, was not affording it a reasonable return on its investment. The rent control ordinance permits a park owner to apply for an increase on one, some or all of the spaces within the park, but it allows an adjustment from the *base rate* only if the park owner can show that the park owner's operating, maintenance or other expenses were unusually high or low in the base year. Rent Control Ordinance § 6708 C. & 6712 C.[11] For a space that was previously subject to a long term lease, the base rate is the rent at the time the lease expires. Rent Control Ordinance § 6701 B. For a space not subject to a long term lease, the base rate is the rent charged on December 31, 1984 as adjusted according to the terms of the Los Angeles County ordinance until the effective date of the rent control ordinance. Rent Control Ordinance § 6701 B. Consequently, the freeze provisions apply to the base rate itself. Under the ordinance, the base rent is presumed to provide a fair and reasonable return. Rent Control Ordinance § 6712 B. That presumption can only be rebutted by a showing that the park, *as a whole*, was subject to unusually high or low expenses. Rent Control Ordinance § 6712 C. As a result, the park owner is effectively disabled from obtaining an increase after the termination of a lease barring some kind of park-wide crisis.

Since both the two year moratorium following the passage of the rent control ordinance and the three year freeze following the termination of the lease leave the park owner without a remedy should it be denied a fair return on its investment, both violate the Due Process Clause of the Fourteenth Amendment. *See* *Birkenfeld*, 130 Cal.Rptr. at 494, 550 P.2d at 1030 ("For such rent ceilings of infinite duration an adjustment mechanism is constitutionally necessary to provide for changes in circumstances and also provide for the previously mentioned situations in which the base rent cannot reasonably be deemed to reflect general market conditions.").

d. *Rent moratorium while the City considered the rent control ordinance*

[11] Conversely, the three year rent moratorium applied by the City Council while it was considering the rent control ordinance is presumptively valid. That moratorium could have achieved the legitimate purpose of limiting increases in reaction to the possibility of impending rent control. The Court notes, however, that the City does not have the power to continue the moratorium indefinitely. A time must come when a moratorium has lasted so long as to violate due process.

e. *Vacancy control*

[12] The dispute regarding the characterization of the relationship between the mobile home tenant and the park owner becomes most sharply focused in the area of vacancy control. In enacting the vacancy control provision of the ordinance, the City has in effect allocated a large part of the placement value of the coach to the tenant rather than to the park owner, thus raising serious constitutional questions. As discussed above, the park owners argue that any placement value arises from the value of the land and consequently belongs entirely to them. The City argues that the placement value is a legitimate part of the package sold to the tenants by the park owner when the park owner offers the space. The reality is somewhere between the two approaches.

Both the plaintiffs and the City argue from the assumption that each tenant buys a coach, finds a vacant space and places a coach in the space. The evidence clearly ***1493** shows that that rarely happens, and that if it happens at all, it does not happen in the Malibu parks.[12] What actually happens is that the tenant buys an existing coach in place in a particular park and *pays the departing tenant a premium* over the depreciated value of the coach. That payment of a premium for the placement value of the coach predated rent control. Thus, the park owners contemplated from the outset that the tenants would receive some return for the placement value of the coach. Because in almost every case the tenant has himself paid a placement premium as part of his own original investment, the tenant suffers economic injury if the park owner increases the rent to a level that seriously diminishes the tenant's investment or eliminates it altogether.

As stated above, the park owners argue that the tenants should have known when they entered the relationship that their investment was at risk and that the City is not justified in helping them avoid a risk they voluntarily assumed. This *caveat emptor* argument is not compelling. Regardless of the wisdom of the tenants' decisions to live in the parks, the City has the power to legislate to protect the tenants' investments. Without vacancy control, the park owner could force existing tenants to sell the coach-in-place at “distress-sale prices.” *Azul Pacifico, Inc. v. City of Los Angeles*, 948 F.2d 575, 583 (9th Cir.1991), *op. withdrawn, on reh'g appeal dismissed,* 973 F.2d 704 (9th Cir.1992). By enacting the vacancy control provision, the City favored the tenants' share of the placement value over the park owners'. However, it is within the City's power to adjust the balance of competing investment backed expectations for the purpose of protecting consumer welfare, and in doing so, it may make a choice which favors the tenants' investment over that of the park owners. The vacancy control provision of the rent control ordinance does not, by itself, violate substantive due process.

f. *Closure/Conversion restrictions*

[13] In their present form, the closure conversion restrictions require that a park owner contemplating closing park property or converting it to another use prepare a report detailing the impact of the closure or conversion on the residents of the park. The report is submitted to the planning department, or another agency designated by the City Council, which then recommends mitigation measures. This procedure is rationally related to protecting the tenants' investments in their coaches and in their spaces and is not violative of the park owners' constitutional rights.

g. *Pass-through and fair return provisions*

[14] The ordinance states that its provisions are intended to assure that the park owners receive a fair return on their investment. The park owners have not submitted any evidence that the pass-through provisions do not advance that legitimate interest. The park owners argue that the pass-throughs merely maintain the status quo by allowing the park owners to pass certain costs on to the tenants, and are not a method for increasing the rent. However, the fact that the pass-through provisions do not provide the park owners with a method for increasing the rent does not necessarily lead to the conclusion that they do not advance the purpose of assuring the park owners a reasonable return. The pass-through provisions of the ordinance do not violate due process.

[15] However, the park owners argue persuasively that the procedure adopted by the ordinance to adjust the base rate in order to assure a fair return is too restrictive. The ordinance allows the park owner to apply for a rent increase from base rent only if "[t]he park owner's operating and maintenance expenses in the base year were unusually high or low in comparison to other years," or the rent on the base date was disproportionate because it was artificially high or low due to ***1494** a lease provision, a seasonal variation, or some special circumstance. Rent Control Ordinance § 6712. The park owner is given no recourse for changes due to other economic conditions or occurrences during the eight year period between 1986 and the date the base rate took effect in 1992. The effect of this narrow procedure is that the park owner is not allowed to adjust the base rent to a level that provides it a reasonable return under all circumstances. Consequently, it violates the Due Process Clause of the Fourteenth Amendment.[13]

h. *The regulatory scheme as a whole*

[16] In addition to examining the individual elements of the rent control ordinance, the Court must analyze the overall effect of the rent control ordinance taken together with the zoning ordinance to determine whether the rent control ordinance is reasonably related to a legitimate purpose.

As stated, it cannot be disputed that the rent control ordinance severely limits the park owners' return on their property, and that it, in combination with the zoning ordinance, makes a change in the use of the park owners' property virtually impossible. Both ordinances require that a park owner obtain the approval of the City Council prior to changing the use of the property. That such an application would be futile is without question. The City Council has demonstrated its clear intention to favor the continued operation of the parks regardless of the impact upon the park owners. The question for the Court, then, is whether the City's requirement that the park owners continue to operate the parks for a return close to the constitutional minimum in perpetuity is arbitrary, discriminatory[14], or demonstrably irrelevant to a legitimate government purpose. *Pennell*, 485 U.S. at 11, 108 S.Ct. at 857.

In considering whether this onerous regulatory scheme is *rationally* related to the interests it is intended to promote, the Court cannot conclude that there is evidence of the kind of market failure that the City envisions. If there were, perhaps all of the burdens placed on the park owners would be justified. On the contrary however, the evidence shows that prior to the adoption of the ordinance, the tenants were selling their coaches in place for substantial and escalating premiums, that throughout the period prior to the adoption of the rent control ordinance, numerous coaches were sold, and that the rents in the parks were actually below market rates for comparable ocean-side parks. Accordingly, although some of the interests advanced by the rent control ordinance may be legitimate, the Court is hard pressed to find that a regulatory scheme that so severely interferes with the park owners' economic rights is rationally related to those interests.

Under the regulatory scheme, the park owners are effectively denied any opportunity to change the use of their land. Although the City has written the ordinance in a way that shields this aspect of it from facial challenge, it is clear to the Court that a change of use is not a viable option for the park owners. The park owner must first prepare a report, submit it to a committee and agree to provide whatever mitigation measures the committee recommends. Then, the park owner must obtain the consent of the City Council to close the park. Then, even if the City Council were to agree to the closure, the zoning ordinance would deny the park owner any change of use without further consent by the City Council.

Because there is virtually no evidence that the park owners were abusing any power that they have over the tenants, it is difficult to conceive of any reason for the enactment of such an onerous ordinance other than a desire to please the current tenants of the parks, a large and very vocal voting constituency ***1495** in the City. These current tenants, of course, stand to benefit from the ordinance in the form of higher sales prices for their coaches.[15]

[17] However, the Court is required to give deference to the City Council's determination of the appropriate way to protect the tenants' investments. The Court may not invalidate the ordinance based on a suggestion of an improper motivation on the part of the City Council when a proper motivation is also presented. *United States v. O'Brien*, 391 U.S. 367, 383, 88 S.Ct. 1673, 1682, 20 L.Ed.2d 672 (1968) ("It is a familiar principle of constitutional law that this Court will not strike down an otherwise constitutional statute on the basis of an alleged illicit legislative motive."). Likewise, the Court is not permitted to speculate as to the future actions of the City Council should the park owners later desire to close the parks. Because the City Council could rationally have found that the ordinance strikes an appropriate balance between the investment expectations of the tenants and those of the park owners, the Court finds that, with the exceptions noted, the regulatory scheme established by the rent control ordinance and the zoning ordinance does not violate the Due Process Clause of the Fourteenth Amendment.

B. *Equal Protection*

[18] The plaintiffs assert that the rent control ordinance denies them their rights under the equal protection clause. Most laws distinguish in some fashion between classes of persons, and the equal protection clause does not forbid classifications. *Nordlinger v. Hahn*, 505 U.S. 1, ——, 112 S.Ct. 2326, 2331, 120 L.Ed.2d 1 (1992). Rather, the clause "keeps governmental decisionmakers from treating differently persons who are in all relevant respects alike." *Id.* As a general rule, "legislatures are presumed to have acted within their constitutional power despite the fact that, in practice, their laws result in some inequality." *Mc Gowan v. Maryland*, 366 U.S. 420, 425–26, 81 S.Ct. 1101, 1105, 6 L.Ed.2d 393 (1961). Accordingly, unless a classification warrants some sort of heightened review because it jeopardizes the exercise of a fundamental right or categorizes on the basis of an inherently suspect characteristic, the equal protection clause requires only that the classification rationally further a legitimate government interest. *Nordlinger*, 505 U.S. at —— – ——, 112 S.Ct. at 2331–32.

[19] Although the plaintiffs do not identify precisely what classification made by the ordinance they claim violates the equal protection clause, the Court assumes that they challenge the City's choice to apply controls only to mobile home rentals rather than to all residential rentals. Since such a classification does not involve any suspect category, the Court reviews it for rational relation to a legitimate interest. *Nordlinger*, 505 U.S. at —— – ——, 112 S.Ct. at 2331–32.

Were the ordinance only intended to protect low income residents, it would present severe concerns under the equal protection clause. First, it would arguably be overbroad because it protects a substantial number of wealthy park tenants in order to protect only a few low income tenants. It would also arguably be unconstitutionally underinclusive because it fails to protect low income apartment dwellers. The ordinance is saved, however, because one of the explicit interests advanced by the enactment of the rent control ordinance is the protection of the investments made by the tenants. Because other residential tenants do not make an investment of the kind involved in a mobile home, the City must be found to have acted rationally when it chose to apply rent control only to mobile home tenancies.

C. *Taking Without Just Compensation*

[20] The Fifth Amendment to the United States Constitution requires that private property not be taken for public use without just compensation. ***1496** United States Constitution, Amend. 5.[16] Most of the cases interpreting the Takings Clause fall

within two distinct categories. *Yee v. City Of Escondido Cal.*, 503 U.S. 519, ––––, 112 S.Ct. 1522, 1526, 118 L.Ed.2d 153 (1992). Where the government authorizes a physical occupation of property, or actually takes title, the Takings Clause generally requires compensation. *Id.* Alternately, where the government merely regulates the use of property, compensation is required only if considerations such as the purpose of the regulation or the extent to which it deprives the owner of the economic use of the property suggest that the regulation has unfairly singled out the property owner to bear a burden that should be borne by the public as a whole. *Id.* The plaintiffs argue that the rent control ordinance taken together with the zoning ordinance effects a taking under both theories.

The plaintiffs do not challenge the ordinances as they apply to their particular property and circumstances, but rather mount a facial challenge to the ordinances. They argue that the ordinances constitute a taking however they might be applied. Before reaching the merits of this claim, the Court first must confront the City's argument that the plaintiffs' facial takings claims are not ripe for adjudication.

1. *Ripeness*

[21] The City takes the position that the plaintiffs' takings claims are not ripe for adjudication because plaintiffs have not pursued all available state remedies to secure just compensation. Plaintiffs respond that although a challenge to a particular application of an otherwise constitutional statute might not be ripe, their facial challenge to the ordinance presents a controversy ripe for adjudication.

The Supreme Court has held that before a property owner can make a challenge to the *application* of an ordinance, he must exhaust both administrative remedies under the applicable ordinance and any remedy provided in the state courts that could lead to the provision of just compensation. *Williamson County Regional Planning Comm'n v. Hamilton Bank*, 473 U.S. 172, 194, 105 S.Ct. 3108, 3120–21, 87 L.Ed.2d 126 (1985). The Supreme Court addressed the ripeness requirement for a *facial* taking in *Yee v. City of Escondido, Cal.*, 503 U.S. 519, ––––, 112 S.Ct. 1522, 1532, 118 L.Ed.2d 153 (1992). In *Yee,* the Court held:

> While respondent is correct that a claim that the ordinance effects a regulatory taking *as applied* to petitioners property would be unripe ..., petitioners mount a *facial* challenge to the ordinance. They allege in this Court that the ordinance does not 'substantially advance a legitimate state interest' no matter how it is applied. As this allegation does not depend on the extent to which petitioners are deprived of the economic use of their particular pieces of property or the extent to which these particular petitioners are compensated, petitioners' facial challenge is ripe.

Yee, 503 U.S. at ––––, 112 S.Ct. at 1532 (emphasis in the original and citations omitted).

Moreover, the Supreme Court has reached the merits of facial takings claims on numerous occasions without questioning ripeness. *See, e.g., Keystone Bituminous Coal Ass'n v. DeBenedictis*, 480 U.S. 470, 107 S.Ct. 1232, 94 L.Ed.2d 472 (1987) (upholding Pennsylvania statute forbidding coal mining that causes subsidence to pre-existing structures); ***1497** *Loretto v. Teleprompter Manhattan CATV Corp.*, 458 U.S. 419, 102 S.Ct. 3164, 73 L.Ed.2d 868 (1982) (holding the installation of CATV facilities on plaintiff's property to be a physical taking); *Hodel v. Virginia Surface Mining and Reclamation Ass'n, Inc.*, 452 U.S. 264, 101 S.Ct. 2352, 69 L.Ed.2d 1 (1981) (denying facial challenge to the Surface Mining Act); *Agins v. City of Tiburon*, 447 U.S. 255, 100 S.Ct. 2138, 65 L.Ed.2d 106 (1980) (upholding zoning ordinance against facial challenge).

In *Hodel,* the Supreme Court first held that § 522(e) of the Surface Mining Act was not a facial taking, and then went on to hold that because the plaintiffs had failed to identify any particular property that had been taken under the Act, an "as applied" challenge was not yet ripe:

> Although we conclude that 'mere enactment' of the Act did not effect a taking of private property, this holding does not preclude appellees or other coal mine operators from attempting to show that as applied to other parcels of land, the Act and the Secretary's regulations effect a taking.

Hodel, 452 U.S. at 297 n. 40, 101 S.Ct. at 2371 n. 40.

In *Keystone,* the Supreme Court stated:

> The posture of this case is critical because we have recognized an important distinction between a claim that the mere enactment of a statute constitutes a taking and a claim that the particular impact of government action on a specific piece of property requires the payment of just compensation.

Keystone, 480 U.S. at 494, 107 S.Ct. at 1246. Although the Supreme Court recited a long passage from *Hodel* emphasizing the necessity for a concrete controversy before a takings claim could be examined, it nonetheless went on to decide that there had been no facial taking. *Keystone,* 480 U.S. at 501–02, 107 S.Ct. at 1250–51.

Clearly, the Supreme Court contemplates that a facial takings challenge can be adjudicated prior to the exhaustion of all state remedies provided that a concrete controversy exists between the parties. *See, e.g., Lucas v. South Carolina Coastal Council,* 505 U.S. 1003, —— n. 4, 112 S.Ct. 2886, 2907 n. 4, 120 L.Ed.2d 798 (1992) (Blackmun J. dissenting) ("Facial challenges are ripe when the act is passed; applied challenges require a final decision on the act's application to the property in question."). Moreover, the discussion of the issue in *Yee* suggests strongly, in a factual situation nearly identical to the present case, that a facial challenge such as the one involved here is ripe for adjudication.

The City attempts to distinguish the ripeness discussion in *Yee,* arguing that because *Yee* came to the Supreme Court from the California state courts, the Supreme Court could decide whether there was a taking while remanding the issue of just compensation to be decided by the state courts. This Court finds that while *Yee* did follow a different procedural path than the present cases, the Supreme Court's discussion of ripeness in *Yee* is nonetheless useful to demonstrate that the Supreme Court continues to require a lower standard for the ripeness inquiry for facial challenges.

The City further argues that the Ninth Circuit requires the *Williamson* test to be satisfied for both as applied and facial takings challenges. The Ninth Circuit's construction of *Williamson* is not entirely clear. In *Lake Nacimiento Ranch Co. v. San Luis Obispo Cty.,* 841 F.2d 872 (9th Cir.1987), *cert. denied,* 488 U.S. 827, 109 S.Ct. 79, 102 L.Ed.2d 55 (1988), the Ninth Circuit set out different standards for facial and "as applied" takings challenges. According to *Lake Nacimiento,* in order for an as applied challenge to be ripe, a plaintiff must establish two components: (1) that the regulation has gone so far that it has "taken" plaintiff's property; and (2) that any compensation tendered for such taking is not just. *Lake Nacimiento,* 841 F.2d at 877. However, *Lake Nacimiento* held that a facial challenge was ripe because it was brought on the basis that the mere enactment of the restriction constituted a taking. *Lake Nacimiento,* 841 F.2d at 877.

[22] Later, the Ninth Circuit, although acknowledging that the Supreme Court has often decided facial takings claims without considering ripeness, decided that facial takings claims are not ripe "unless and until it is known what, if any, compensation is available." *Southern Pacific v. City of Los Angeles,* ***1498** 922 F.2d 498, 505–06 (9th Cir.1990), *cert. denied,* 502 U.S. 943, 112 S.Ct. 382, 116 L.Ed.2d 333 (1991). *Southern Pacific,* however, did not purport to require that all facial takings challenges must meet that test, but rather established an exception where "the court is simply considering whether a taking has occurred, not whether it is a taking without just compensation," or where "no compensation would be sufficient to cure the constitutional infirmity." *Southern Pacific,* 922 F.2d at 506–07 n. 11.

The City argues that *Southern Pacific* distinguishes the Supreme Court cases that reach the merits of facial takings claims in two ways. The first group of cases, according to *Southern Pacific,* were ripe despite no prior determination of just

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compensation because they had come up from state courts and the Supreme Court could remand for a determination of just compensation. *Southern Pacific*, 922 F.2d at 506 (distinguishing *Agins* and *Loretto*).[17] The City's argument appears to be that *Southern Pacific* distinguishes the second group of cases, (*Hodel* and *Keystone*), on the ground that, because the Supreme Court held that there had been no facial taking, it was not necessary to determine the amount of just compensation. This argument is flawed because it distinguishes the ripeness determination based on the result on the merits. Although somewhat broader in scope than the strict limits of Article III case and controversy jurisdiction, ripeness is, at its base, a jurisdictional determination. *Buckley v. Valeo*, 424 U.S. 1, 14, 96 S.Ct. 612, 632, 46 L.Ed.2d 659 (1976).[18] Jurisdiction is a threshold consideration which is not based on the outcome of the merits of the case. Likewise, the prudential elements of the ripeness doctrine cannot be based on a predisposition of the merits. Yet, the City's argument leads inexorably to the conclusion that the Court has jurisdiction if there has been no taking, but does not if there has been a taking. That interpretation of the holding in *Southern Pacific* is so at odds with the entire system of federal jurisdiction that it cannot be accepted here.

Rather, if interpreted narrowly, the holding of *Southern Pacific* can accommodate the Supreme Court's decisions in *Hodel* and *Keystone.* The facial takings issues in *Hodel* and *Keystone* were ripe for determination, not because the Court ultimately determined that there was no taking, but rather because the Supreme Court was presented with a sufficiently concrete factual setting in which to decide the question of what compensation would be appropriate.[19]

This Court interprets *Southern Pacific,* in accord with Supreme Court precedent, to hold that a facial challenge is ripe if to determine whether there is a taking would not require the Court to speculate regarding what property was taken by the regulation. "[T]he constitutionality of statutes ought not to be decided except in an actual factual setting that makes such a decision necessary." ***1499** *Hodel*, 452 U.S. at 294–95, 101 S.Ct. at 2370; *Pennell v. San Jose*, 485 U.S. 1, 10, 108 S.Ct. 849, 856–57, 99 L.Ed.2d 1 (1988).

Southern Pacific was a challenge to a zoning amendment that limited the uses to which the plaintiff's railroad right-of-way could be put. But, the plaintiff in *Southern Pacific* had never filed a meaningful development application. Consequently, the court had no means by which to determine how the plaintiff had intended to use the land. The claim was not ripe in *Southern Pacific* because the court could not determine, from the face of the ordinance, whether or not there had been a taking at all without resort to a specific record showing exactly what the plaintiff had been denied. In effect, what was presented to the court as a facial challenge to the ordinance could only be adjudicated "as applied."[20]

Hodel, Keystone, and the present case are distinguishable because the regulation under attack, rather than denying the plaintiff a hypothetical use, puts a set of specific limitations on the plaintiffs' present use of their property. In *Hodel* and *Keystone* the challenged statutes denied the plaintiffs access to certain coal reserves that they owned. The Supreme Court decided that there had been no facial taking based on a complete understanding of what property rights the plaintiffs were alleging they had been deprived of by the statute. Likewise here, the challenged ordinance limits the return on the plaintiffs' present use of the property, and the Court is not left to speculate regarding the plaintiffs' intended use of it. Plaintiffs' facial takings claims are ripe for determination.[21]

2. *Physical Taking*

[23] [24] The government effects a physical taking only where it requires the landowner to submit to the physical occupation of its land. *See*, 503 U.S. at ——, 112 S.Ct. at 1528. "This element of required acquiescence is at the heart of the concept of occupation." *FCC v. Florida Power Corp.*, 480 U.S. 245, 252, 107 S.Ct. 1107, 1112, 94 L.Ed.2d 282 (1987). In *Yee,* the Supreme Court held that a mobile home rent control ordinance viewed in conjunction with the California Mobile Home Residency Law was not a physical taking. *Yee*, 503 U.S. at ——, 112 S.Ct. at 1531. *Yee* overruled both a Ninth Circuit and a Third Circuit opinion holding that the vacancy control provisions of mobile home rent control statutes were physical takings. *Yee*, 503 U.S. at ——, 112 S.Ct. at 1527 ("We granted certiorari to resolve the conflict between the decision

below and those of two of the federal Courts of Appeals, in [*Hall v. City of Santa Barbara,* 833 F.2d 1270 (9th Cir.1987)] and *Pinewood Estates of Michigan v. Barnegat Township Leveling Board,* 898 F.2d 347 (3d Cir.1990).")[22].

The first argument advanced by the plaintiffs in *Yee* was that because the landlord cannot easily evict the tenant, the tenant receives what amounts to a perpetual right to occupy the landlord's property at below market rates. The Supreme Court held that there was no physical taking because "[p]etitioners voluntarily rented their land to mobile home owners." *Yee,* 503 U.S. at ——, 112 S.Ct. at 1528. Responding to a similar argument in *Florida Power Corp.,* the Supreme Court commented, "it is the invitation, not the rent, that makes the difference." *Florida Power Corp.,* 480 U.S. at 252, 107 S.Ct. at 1112. Because the park owners invited the tenants onto their land, government regulation of the relationship between ***1500** the park owners and the tenants does not rise to the level of a physical taking.

The next argument advanced by the challengers to the rent control statute in *Yee* was that the restrictions on rental rates are realized by the tenant as an increase in the sales price of the tenants' coach. This increase would theoretically be accompanied by a corresponding decrease in the value of the park owner's land. This is different, according to the plaintiffs, from an ordinary apartment rental because the tenant has a valuable commodity to sell at the end of the tenancy. The Supreme Court responded that although this effect is more pronounced in the mobile home situation because it is realized all at once, all rent control effects a similar transfer of wealth. *Yee,* 503 U.S. at ——, 112 S.Ct. at 1529. The Supreme Court held that "[t]he mobile home owner's ability to sell the mobile home at a premium may make this wealth transfer more *visible* than in the ordinary case, but the existence of the transfer in itself does not convert regulation into physical invasion." *Id.* (citation omitted, emphasis in the original). Moreover, as discussed above, the rent control ordinance is not the source of the tenant's premium. Most tenants buy a coach in place with an initial investment that includes some premium for the location of the coach. Consequently, although the rent control ordinance increases the in-place value of the coach, it does not create the situation in which the tenant takes some of that value. Rather, that situation is part of the package that the park owner sells to the tenants in the park either with or without rent control. The ordinance, to the extent that it effects a transfer, transfers value, not rights.

Plaintiffs argue that, despite *Yee,* the rent control ordinance has effected a physical taking because when combined with the zoning ordinance, it requires park owners to continue to use their land as a mobile home park in perpetuity. Their contention is that the zoning ordinance allows for no use other than as a mobile home park, and because of the conditions imposed by the rent control ordinance, they would never be able to find a buyer for a mobile home park with such a limited return or for any other use. The plaintiffs seize on the following language in *Yee:*

> A different case would be presented were the statute, on its face or as applied, to compel a landowner over objection to rent his property or to refrain in perpetuity from terminating the tenancy.

Yee, 503 U.S. at ——, 112 S.Ct. at 1529.

This argument is nearly identical to an argument made in *Yee* that "the statutory procedure for changing the use of a mobile home park is in practice 'a kind of gauntlet,' in that they are not in fact free to change the use of their land." *Yee,* 503 U.S. at —— – ——, 112 S.Ct. at 1528–29. The only difference is that the plaintiffs here contend that the statutory gauntlet is even tighter. Nonetheless, however tight the gauntlet, "it is the invitation, not the rent, that makes the difference." *Florida Power Corp.,* 480 U.S. at 252, 107 S.Ct. at 1112. The plaintiffs have issued the invitation, and, consequently, they cannot claim that the ordinances effect a facial physical taking.

The plaintiffs refer the Court to a decision in the Northern District of California which held that restrictions on the closure or conversion to other uses of residential hotels in San Francisco which required substantial costs for relocation of tenants constituted a physical taking. *Golden Gate Hotel Ass'n v. City and County of San Francisco,* 1993 U.S.Dist. LEXIS 9232, *modified,* 836 F.Supp. 707 and, *vacated on procedural grounds,* 18 F.3d 1482 (9th Cir.1994). *Golden Gate* held that the restrictions were physical takings because they had the effect of compelling the landlord to perpetually rent his property for a limited return. The court was disturbed by the fact that the ordinance in effect required the hotel owner to "pay a king's ransom in order to discontinue the use of his property as a residential hotel." *Id.* at *15–16.

While the Court agrees that such a requirement raises a substantial takings question, it cannot agree with the Northern District's conclusion that the challenged ordinance effected a *physical* taking. A regulation that promotes the continuation of an existing use does not normally effect a physical taking, even if it makes it substantially ***1501** more expensive to discontinue that use, because the property owner made the choice to use its property in the way prescribed by the regulation. Many regulations make changing the way a landowner uses his property more costly. Every zoning ordinance does so. Environmental laws, such as the National Environmental Protection Act, that require the preparation of reports and studies do so. The only difference, if any, between the ordinance at issue in *Golden Gate* and many other ordinances is the cost involved. That difference of degree, while it could support a finding that there was a regulatory taking, does not, in this Court's view, support a finding that there was a physical taking. The same reasoning applies to the rent control ordinance.

[25] The rent control and zoning ordinances, *as applied* to plaintiffs, might effect a physical taking, but the Court declines to consider that challenge because it is not ripe. It is undisputed that the plaintiffs have not made a change of use proposal,[23] nor have they requested any rent increases. They would have to do both as well as seek relief from the state courts prior to bringing an "as applied" challenge in the federal court. The plaintiffs argue that it would be futile to seek any redress from the City because the City has already indicated its intransigence, a conclusion with which the Court cannot disagree. Nevertheless, even if it is a foregone conclusion that the City would reject any request by the plaintiffs for a rent increase or zoning change, the Court still declines to adjudicate any "as applied" challenge. On this record, without some concrete definition of the scope of an intended change of use or rent increase by the park owners, the Court has no issue which it could decide.

3. *Regulatory Taking*

[26] [27] [28] In a regulatory taking case involving local government, the question is whether a diminution of value or transfer of rights caused by the local government was the result of an action justified by the police power or instead was the result of an action that can be justified only by the power of eminent domain. *See* *Agins v. Tiburon*, 447 U.S. 255, 261, 100 S.Ct. 2138, 2141–42, 65 L.Ed.2d 106 (1980); *Hall v. City of Santa Barbara*, 833 F.2d 1270, 1280 (9th Cir.1986), *cert. denied*, 485 U.S. 940, 108 S.Ct. 1120, 99 L.Ed.2d 281 (1988), and *overruled on other grounds*, *Yee v. City of Escondido*, 503 U.S. 519, 112 S.Ct. 1522, 118 L.Ed.2d 153 (1992). Under the Fifth Amendment as incorporated by the Fourteenth Amendment, just compensation is required only if the local government action is not within the legitimate scope of the local government's power. Accordingly, the Supreme Court has developed a test in the regulatory takings field that emphasizes the relationship between the action causing the diminution or transfer and the purpose of that action. Thus, an ordinance effects a regulatory taking if the ordinance does not substantially advance legitimate state interests or if it denies an owner economically viable use of his land. *Agins*, 447 U.S. at 260, 100 S.Ct. at 2141.

[29] In order to determine whether the regulation denies the owner an economically viable use of his land, the Court is required to conduct inquiries and make evaluations concerning the economic impact of the regulation on the specific property involved. *Hodel*, 452 U.S. at 295, 101 S.Ct. at 2370. On a facial challenge such as the one now before this Court, there is no way to do that. The Court has only the ordinance itself, which is an insufficient basis for a determination that the owner has been deprived of all economically viable use of his land. It is enough for surmise perhaps, but not enough for a finding. Consequently, any claim that the rent control ordinance denies either Kissel or Adamson economically viable use of its land is not ripe for review.

This facial challenge, then, must be based on a contention that the rent control ordinance taken together with the zoning ordinance does not substantially advance a legitimate government purpose. Stated in a different way, this test requires that there must be a nexus between the regulation and the ***1502** purpose the government wishes to advance by means of the regulation. *Nollan v. California Coastal Comm'n,* 483 U.S. 825, 837, 107 S.Ct. 3141, 3148–49, 97 L.Ed.2d 677 (1987).

The analysis here is similar to the due process analysis above. Indeed, the Ninth Circuit has suggested that the due process standard of reasonable relation to legitimate purpose applies in the regulatory takings field as well. *Commercial Builders v. Sacramento,* 941 F.2d 872, 874 (1991), *cert. denied,* 504 U.S. 931, 112 S.Ct. 1997, 118 L.Ed.2d 593 (1992); *contra* *Azul Pacifico v. City of Los Angeles,* 948 F.2d 575, 582 (9th Cir.1991), *op. withdrawn, on reh'g appeal dismissed,* 973 F.2d 704 (1992), and *cert. denied,* 506 U.S. 1081, 113 S.Ct. 1049, 122 L.Ed.2d 357 (1993) ("But the Supreme Court has held that the relationship between the means and the ends must be closer for purposes of Takings Clause analysis [than for due process analysis]."). *Commercial Builders* held that the "substantially advance" test does not require scrutiny any stricter than rational basis. This Court doubts that the Supreme Court meant "rationally related" when it wrote "substantially advance," but because the rent control ordinance passes both tests, the Court need not consider the issue further.

[30] The requirement that the ordinance substantially advance a legitimate purpose finds its practical application in the examination of whether a nexus exists between the function of the ordinance and the purpose the ordinance is intended to achieve. *Nollan,* 483 U.S. at 837, 107 S.Ct. at 3148–49. *Nollan* invalidated a building permit condition that required shoreside land owners to grant the public lateral access across their beach. *Nollan,* 483 U.S. at 837, 107 S.Ct. at 3148–49. The Court held that the requirement that the public be allowed to walk across the petitioner's property bore no relation whatsoever to the government's stated interest in promoting the public's ability to see the beach. *Id.* The Court invalidated the permit condition because it was intended to alleviate a different problem than that caused by the permit to which it was attached. *Id.*

[31] The rent control ordinance acts directly to promote the legitimate interest pursuant to which it was enacted. Each part of the ordinance not invalid on due process grounds materially advances the goal of protecting the tenants' investment. The logical discontinuity between the purpose and the restriction that was present in *Nollan* is not presented by the City's rent control ordinance.

Rather, the problem with the rent control ordinance is that it is far more onerous than necessary to solve the problem that it set out to address. No matter how onerous it is, however, it is not overbroad in the constitutional sense of encompassing persons or behavior not related to its purpose.

Likewise, the incidental windfall received by the tenants in possession at the time the ordinance was enacted does not support a finding that the ordinance is a taking. That windfall is substantially related to the City's interest in giving buyers security as to what their future rent will be when they assume their tenancy. That the City may act to adjust the balance of the economic relationship between the park owners and the tenants is clear, and the windfall received by the initial tenants must be viewed as incidental to that adjustment. The timing of the adjustment is fortuitous. Since it is within the City's power to make such an adjustment, the incidental effect of a greater benefit to the initial group of tenants does not affect the validity of the ordinance because the later tenants also share the enhanced investment security that the ordinance was intended to create. The plaintiffs argue that a desire to grant a windfall to a powerful constituency influenced the City Council. However, the unstated motivations of the City Council are not relevant to the questions now before the Court. *United States v. O'Brien,* 391 U.S. 367, 383, 88 S.Ct. 1673, 1682, 20 L.Ed.2d 672 (1968) ("It is a familiar principle of constitutional law that this Court will not strike down an otherwise constitutional statute on the basis of an alleged illicit legislative motive."). The rent control ordinance does not constitute a regulatory taking.

***1503** III. *CONCLUSION*

The City Council acted within the legitimate scope of its regulatory power when it acted to adjust the balance of investment expectations between the park owners and the tenants. The Court cannot usurp the City Council's legislative power by substituting its own judgment regarding the manner in which the investment expectations of the tenants and the owners should be balanced. The City Council chose to favor the tenants' investments over those of the park owners, and the Court, although it believes that the rent control ordinance is far more onerous than necessary, must accept that legislative choice.

The rent rollback and the moratorium provisions following the enactment of the City's rent control ordinance and the expiration of long term leases, as well as the fair return provision as it applies to the adjustment of base rent, are facially invalid because they fail to provide due process to the park owners. The ordinance in all other respects survives the plaintiffs' facial due process and equal protection challenges. Likewise, the rent control ordinance does not, on its face, effect a taking of the park owners' properties for which just compensation is required.

All Citations

854 F.Supp. 1476

Footnotes

1 Adamson also asserts a claim for inverse condemnation under the California Constitution.

The plaintiffs also sought relief on the ground that the rent control ordinance was an unconstitutional ex-post facto law or bill of attainder and that the rent control ordinance violated California Government Code § 54950 (the "Brown Act"), and the California Environmental Quality Act ("CEQA"). The Court has previously dismissed those claims.

2 Once in place, approximately one in every hundred mobile homes is ever moved. Hirsch & Hirsch, Legal–Economic Analysis of Rent Controls in a Mobile Home Context: Placement Values and Vacancy Decontrol, 35 U.C.L.A.L.Rev. 399, 405 (1988).

3 Oligopoly is perhaps a more appropriate term because rather than a single source, tenants are faced with a limited set of options in the mobile home market. However, because the City used the term "monopoly" to describe the economic condition that it believed justified its ordinance, the Court adopts that usage.

4 The Los Angeles County ordinance exempted all spaces in any park that offered a model lease set forth in the ordinance.

5 In the case of mobile home rentals, the term "vacancy" does not accurately describe the legal or physical condition of the land upon a change in tenancy. Usually, the tenant sells the coach in place on the property and the buyer of the coach takes the tenancy from the seller of the coach. Consequently, the space never actually becomes "vacant."

6 The advisory agency is defined as "the Planning Department, commission, or hearing officer as designated by the City Council." Rent Control Ordinance § 6723 B.16723 B.1.

7 Moreover, the zoning ordinance, by disallowing the operation of any more mobile home parks within the City of Malibu, adds to the problem allegedly addressed by the rent control ordinance. Although it is the City Council's role, not the Court's, to balance the competing interests of maintaining the low density character of Malibu and the need for more mobile home housing, it seems unfair for the City to require the very citizens who have acted to provide mobile home housing pay for a housing shortage created in part by the actions of the City Council itself. The unfairness of this result is only compounded by the City's failure to do any real study of the mobile home market in

Malibu.

8 For a detailed discussion of the concept of placement value see Hirsch & Hirsch, *supra* note 2, at 426–33.

9 Rent control also reduces the risk inherent in an investment in a mobile home tenancy. Therefore, if rent control is in place, because the investment is protected, the tenant would theoretically receive a higher price as a result of the reduction of that risk. However, because the reduction of risk represents nothing more than security in the tenant's proportionate stake in the placement value, any adjustment in the risk is a sub-element of the general adjustment of placement value effected by rent control.

10 To the extent that the City acted to penalize Kissel for alleged rent increases in violation of the Los Angeles County ordinance, it was acting in pursuit of an impermissible interest.

11 The base rate can be adjusted for an individual space only if it is the result of a lease provision that provided for variable rents throughout the time of the lease, a seasonal variation or because of a special circumstance such as a rebate or the pass-through of a capital improvement.

12 At the evidentiary hearing, plaintiffs' expert witness testified that at least one buyer bought a coach in place and then subsequently had it removed and replaced. No evidence was introduced that anyone in recent years has ever rented a vacant space in a Malibu park. In fact, the City strenuously argued that the Malibu parks had a zero vacancy rate.

13 The ordinance includes a "savings clause" that reads "[n]othing in this chapter shall be construed to prevent the grant of a rent adjustment upon application by a park owner when required to permit a fair and reasonable return to the park owner...." Rent Control Ordinance § 6721. This savings clause does nothing to remedy the constitutional problem with the procedure for setting base rents. The City cannot enact a statute with very narrow requirements and then, by means of a boilerplate clause, assure the constitutionality of all its procedures.

14 Whether the enactment is discriminatory is discussed under the heading of equal protection.

15 This benefit is actually paid to the tenants by future tenants. Consequently, the ordinance, as enacted gives a one-time bonus to the tenants living in the park at the time it takes effect. This one-time benefit also conflicts with the City's rationale regarding the protection of low income tenants because, after the end of the initial tenancy, it is unlikely that any low income tenant could ever become a resident of either park.

16 Adamson's inverse condemnation claim is resolved here in conjunction with the plaintiffs' federal takings claims. In the context of takings by regulation, the prohibition against uncompensated takings under the California Constitution has been interpreted by the California courts to be narrower than that imposed by the United States Constitution. *Agins v. Tiburon*, 24 Cal.3d 266, 157 Cal.Rptr. 372, 598 P.2d 25 (1979), *affirmed on other grounds*, 447 U.S. 255, 100 S.Ct. 2138, 65 L.Ed.2d 106 (1980) (holding that there is no right to monetary compensation for a regulatory taking in an inverse condemnation action); *First English Evangelical Lutheran Church of Glendale v. County of Los Angeles*, 482 U.S. 304, 107 S.Ct. 2378, 96 L.Ed.2d 250 (1987) (overruling the California Supreme Court's Decision in *Agins*); 7 H. Miller & M. Starr, California Real Estate 2d § 23.18. More recently, California cases have applied federal takings principles to resolve California inverse condemnation claims. *E.g.*, *Twain Harte Assoc. v. County of Tuolumne*, 217 Cal.App.3d 71, 265 Cal.Rptr. 737 (1990).

17 *Yee* would arguably fall into this category.

18 The basic rationale of the ripeness doctrine is to prevent the courts, through avoidance of premature adjudication, from entangling themselves in abstract disagreements. *Pacific Gas & Electric v. State Energy Conservation Comm'n*, 461 U.S. 190, 200, 103 S.Ct. 1713, 1720, 75 L.Ed.2d 752 (1983).

19 The District of Hawaii has suggested that *Southern Pacific* should be interpreted to require a determination of available compensation prior to determination of whether a taking occurred only if the regulating governmental entity

has made no indication as to the amount of compensation available and it would therefore be necessary to wait for such a determination before deciding whether there had been a facial taking. *Richardson v. City and County of Honolulu,* 759 F.Supp. 1477, 1483 (D.Hawaii 1991). *Richardson* was a challenge to an ordinance that limited increases in renegotiated lease rents for residential condominiums according to the Consumer Price Index. *Richardson,* 759 F.Supp. at 1479. *Richardson* held that because the ordinance set forth a formula for determining the allowable increases, the amount of compensation available under the ordinance was not entirely unclear. *Richardson,* 759 F.Supp. at 1483. *Richardson* is ultimately unpersuasive, however, because the formula set forth by the statute does not set forth the amount of compensation available should the statute be adjudged a taking in an inverse condemnation action, but rather is only one factor in determining the amount of the taking itself. To determine just compensation, the Court would still have to establish a figure for market rent and then subtract the rent established under the formula from that figure, or otherwise determine what amount in addition to the allowable rent would constitute just compensation.

20 In this sense, the situation presented by *Southern Pacific* is identical to that in *Williamson* itself. *Williamson,* like *Southern Pacific,* was a challenge by a landowner to a zoning restriction. It was against this factual background that the Supreme Court held, in *Williamson,* that the factors applied in deciding a takings claim "simply cannot be evaluated until the administrative agency has arrived at a final, definitive position regarding how it will *apply* the regulations at issue to *the particular land in question.*" *Williamson,* 473 U.S. at 191, 105 S.Ct. at 3119 (emphasis added).

21 However, the claims are ripe only to the extent that they do not involve any contemplated change of use.

22 *Yee* also effectively overruled *Azul Pacifico, Inc. v. City of Los Angeles,* 948 F.2d 575 (9th Cir.1991), *op. withdrawn, on reh'g appeal dismissed,* 973 F.2d 704 (1992), and *cert. denied,* 506 U.S. 1081, 113 S.Ct. 1049, 122 L.Ed.2d 357 (1993), which explicitly followed *Hall.*

23 There is some suggestion in the legislative record to the rent control ordinance that Kissel presented a development proposal for Paradise Cove to the City Council, but that proposal is not in evidence.

End of Document

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT ("the Agreement") is entered into as of November 30, 1994, by and between The Adamson Companies ("TAC") and the City of Malibu, a Municipal Corporation, the City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan (collectively the "City").

RECITALS

A. TAC owns Point Dume Club Mobilehome Park (the "Park") within the City of Malibu consisting of 297 Mobilehome spaces, various private streets and common facilities, situated on land described in Exhibit A.

B. TAC has filed suits against the City in The Adamson Companies, a California partnership, v. The City of Malibu, City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan, United States District Court Case No. 92-1027MRP (EEX) (the "Federal Lawsuit") and The Adamson Companies, a California partnership, v. The City of Malibu, City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan, Los Angeles County Superior Court Case No. BC055156 (the "State Lawsuit") (collectively the "Lawsuits"). In the Federal Lawsuit, TAC contends that the City's Mobilehome Park Rent Stabilization Ordinance, Ordinance No. 48U (the "Ordinance"), violated the California and United States Constitutions, and constituted an ex post facto law and a bill of Attainder. In the State Lawsuit, TAC contends that the Ordinance violated CEQA and the Brown Act. The City contends that the Ordinance was lawfully adopted, is lawful in all respects and denies all liability.

C. In the Federal Lawsuit, the Court affirmed the City's authority to impose rent control and upheld certain provisions of the Ordinance. The Court also struck down certain provisions of the Ordinance and found that the City had violated TAC's substantive due process rights. A trial on the damages claimed by TAC is currently set for December 6, 1994. At the damages trial, TAC intends to seek damages and attorneys' fees of over $1,000,000.

D. In the State Lawsuit, the Court granted TAC's petition for writ of mandate, finding that the City did not comply with CEQA in adopting the Ordinance. The Court denied the petition with respect to the Brown Act allegations, finding that the City had not violated the Brown Act and denied TAC's request for attorney's fees. The City and TAC have filed an appeal and a cross-appeal from the Superior Court judgment.

E. Both parties intend to appeal adverse rulings.

F. In a effort to settle TAC's claims and eliminate mutual uncertainty about the future regulation of space rents in the Park, representatives of the City and TAC have had extensive discussions on how to avoid further litigation. The City has also consulted with the Board of Directors for the homeowners' association and various homeowners in the Park, who are not parties to this agreement.

G. The parties now desire to enter into this settlement agreement, settling and compromising the claims held or asserted or could have been asserted by TAC against the City and the other defendants in the Lawsuits.

NOW, THEREFORE, in consideration of the foregoing recitals and mutual undertakings contained in this Agreement, the parties hereto agree to the terms set forth below.

AGREEMENT

1. Payment.

1.1 The City shall pay to TAC the total amount of $400,000.00 in cash or good valid negotiable check as follows: $200,000 shall be paid on January 3, 1995, and $200,000 shall be paid on or before October 1, 1995.

2. Legislative Action.

2.1 The Malibu City Council ("Council") agrees to adopt an ordinance amending the City's existing Ordinance (the "Ordinance Amendment") by urgency ordinance before December 6, 1994. The Ordinance Amendment shall be in the form of, and shall contain the precise provisions (and no others) set forth in the draft ordinance attached to this Agreement as Exhibit B and incorporated herein by this reference. In the event the Council is unable to adopt the Ordinance Amendment by urgency ordinance, the City Council agrees to adopt the Ordinance Amendment by December 14, 1994. In the event that the Council does not adopt the Ordinance Amendment by December 14, 1994, it shall be in breach of this Agreement and TAC shall have all the remedies provided in paragraph 7 hereof and any other remedies available at law or in equity.

2.2 For purposes of this Agreement, any new ordinance or any changes, modifications, additions to the Ordinance which in any way control or relate the rents charged at the Park or otherwise concern the subject matter of the Ordinance and/or the Ordinance Amendment shall be referred to as a "New Ordinance." Any specific provisions of any New Ordinance which imposes more restrictive regulations on mobilehome parks shall not apply to TAC in respect to the Park. All other provisions of any New Ordinance which do not impose more restrictive regulations on mobilehome parks shall apply. For the purposes of this

Agreement, "more restrictive" includes any new provision that would reduce the base or space rent, place any additional administrative or economic burden on the park owner in connection with the determination, calculation or registration of maximum allowable rents or otherwise defeat or lessen the value of the entitlements established by this Agreement. .

3. <u>Conversion of Park</u>.

3.1 Within one year of the execution of this agreement, TAC will submit an application to the City for subdivision of the park in anticipation of conversion of the park to condominium and sale of the spaces to the residents and in-place lessees. The City will expedite and assist the park owner in this application. The City will not impose unreasonable conditions on the map. If TAC does not require any relocation, than no relocation impact report will be required notwithstanding the provisions of the Malibu Municipal Code Section 6723. If TAC is not satisfied that the conditions, if any, on the map are reasonable or that subdivision is desirable, TAC may withdraw its application. If a final map is recorded, TAC contemplates making available for sale approximately 10% of the spaces in the park each year commencing the first year after the recordation of the final subdivision map.

3.2 The parties shall be relieved of all duties created by Paragraph 3.1 in the event of a sale of the entire park to the residents or any organization created by or approved by the residents. For the purposes of this paragraph, "residents" is defined as 50% plus 1 of the then-current lessees in the park.

4. <u>Dismissal of Pending Lawsuits</u>.

4.1 Promptly following the adoption of the Ordinance Amendment and submission to the District Court of the stipulated judgment, TAC and the City shall file dismissals of the State Lawsuit, including all appeals arising out of said lawsuit.

4.2 Promptly following execution of this Agreement, the parties shall file with the District Court in the Federal Lawsuit a joint notice of settlement, a request to vacate the trial date and a request for entry of a stipulated judgment in the forms attached as Exhibit C (the "Stipulated Judgment"). This Agreement shall be of no further force and effect unless the Court executes and enters the Stipulated Judgment requested in the stipulation on or before December 6, 1994.

5. Releases.

5.1 Effective upon execution of this Agreement, TAC forever releases and discharges the City, the members of the City Council and the City's employees, agents and attorneys from all claims and causes of action for damages, injunctive or declaratory relief, known or unknown, that it asserted or could have asserted in the Lawsuits, or that arise from the Lawsuits.

5.2 Effective upon execution of this agreement, the City forever releases and discharges TAC, its agents, employees and attorneys from all claims and causes of action for damages, injunctive or declaratory relief, known or unknown, that it could have asserted in the Lawsuits or that otherwise arise from the Lawsuits.

5.3 The parties acknowledge and agree that the releases set forth in paragraphs 5.1 and 5.2 hereof do not apply to, and do not release claims arising from, the parties' rights and obligations under this Agreement or the Stipulated Judgment. Moreover, the parties acknowledge and agree that the releases set forth above shall not apply and shall be of no further force and effect in the event this Agreement is rescinded in accordance with paragraph 7.2(c) hereof.

5.4 The parties hereto agree that the releases provided for herein extend to all claims released in paragraphs 5.1 and 5.2 whether known or unknown, suspected or unsuspected. The parties expressly waive and relinquish any and all rights under California Civil Code Section 1542, which provides as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

The parties expressly waive and release any rights and benefits which they have or may have under any similar law or rule of any other jurisdiction pertaining to the matter released herein.

6. <u>Representations and Warranties</u>. The parties represent and warrant to and agree with each other as follows:

6.1 TAC represents and warrants to the City that this Agreement has been duly authorized, executed and delivered, and constitutes the legally binding obligation of TAC enforceable in accordance with its terms.

6.2 The City represents and warrants to TAC that this Agreement has been duly authorized, executed and delivered in the manner required by law, that all official action necessary to authorize and approve the Agreement has been taken, and that the Agreement constitutes the legally binding obligation of the City of Malibu, enforceable in accordance with its terms.

6.3 Each party has received independent legal advice from attorneys of their choice with respect to the advisability of making this settlement and the releases provided herein and with respect to the advisability of executing this Agreement.

6.4 Except as expressly stated in this Agreement, no party has made any statement or representation to any other party regarding any fact, which statement or representation is relied upon by any other party in entering into this Agreement. In connection with the execution of this Agreement or the making of the settlement provided for herein, no party to this Agreement has relied upon any statement, representation or promise of any other party not expressly contained herein.

6.5 This Agreement is intended to be final and binding upon the parties and is further intended to be effective as a full and final accord and satisfaction among them regardless of any claims of fraud, misrepresentation, concealment of fact, mistake of fact or law, duress, or any other circumstances whatsoever. Each party relies upon the finality of this Agreement as a material factor inducing that party's execution of this Agreement.

6.6 There are no other agreements or understandings between the parties hereto relating to the matters or releases referred to in this Agreement.

6.7 All parties hereto and their counsel have made such investigation of the facts pertaining to the releases contained herein as they deem necessary.

6.8 The terms of this Agreement are contractual and are the result of negotiation among the parties.

6.9 This Agreement has been carefully read by each of the parties and the contents thereof are known and understood by each of the parties. This Agreement is signed freely by each party executing it.

The representations and warranties contained in this Agreement are deemed to and do survive the closing hereof

7. Remedies in the Event of Breach.

7.1 A material inducement for TAC entering into this Agreement is the City's agreement that no provision in any New Ordinance imposing more restrictive regulations on mobilehome parks (as defined in paragraph 2.2 above) will apply to it.

7.2 To protect TAC from any New Ordinance that may be passed by present and future city councils and from any breach by the City, TAC and the City agree as follows:

(a) The parties acknowledge and agree that in the event of any breach of this Agreement, by either party, money damages would be an inadequate remedy. All terms and provisions of this Agreement, the Ordinance Amendment, and the Stipulated Judgment may be enforced by way of specific performance, mandatory or prohibitory injunction, declaratory relief, or other appropriate order or decree in addition to damages.

(b) The Stipulated Judgment is fully enforceable as against the City, and the City will not contest said judgment in any fashion, including without limitation on grounds of lack of jurisdiction or improper delegation of police power.

(c) In the event of a material breach of this Agreement by the City, TAC shall have the right (but not the obligation) to rescind this Agreement by written notice to the City. If within 10 days of receipt of written notice the City does not cure the material breach, TAC's rescission of this Agreement is effective and all rights and obligations of the parties under this Agreement, including the releases, shall be of no further force and effect; except that TAC shall have no obligation to return to the City any money it pays to TAC hereunder, and the City releases any and all claims to said money. For the purposes of this Agreement, a "material breach" by the City means that the City failed to make a required payment pursuant to paragraph 1, failed to adopt the Ordinance Amendment pursuant to paragraph 2.1, or imposed more restrictive regulation in contravention of paragraph 2.2.

Each of the above remedies is not intended to be exclusive or act as a limitation on TAC's or the City's remedies. To the contrary, in addition to the foregoing remedies, the parties have and are entitled to pursue all rights and remedies available or permitted at law or in equity.

8. Invalidation of Settlement Agreement and/or Ordinance Amendment.

8.1 In the event that all or any portion of the Settlement Agreement and/or the Ordinance Amendment are invalidated, voided or otherwise set aside by any federal court or state court, TAC shall have the right (but not the obligation) to declare this Agreement of no further force and effect by written notice to the City. Upon TAC's giving said notice, all rights and obligations of the parties under this Agreement, including the releases, shall be of no further force and effect; except that TAC shall have no obligation to return to the City any money it pays to TAC hereunder, and the City releases any and all claims to said money. In the event that any third party challenges this Agreement or the Ordinance Amendment in a legal action or proceeding, the City agrees to diligently and in good faith defend said action or proceeding and seek to uphold the Agreement and the Ordinance Amendment.

9. General Provisions.

9.1 Modifications. This Agreement may not be amended, canceled, revoked or otherwise modified except by written agreement subscribed by all of the parties to be charged with such modification.

9.2 Attorneys' Fees. All parties hereto agree to pay their own costs and attorneys' fees except as follows. In the event that any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a breach of this Agreement, arising out of a breach of this Agreement, involving claims within the scope of the releases contained in this Agreement, or pertaining to a declaration of rights under this Agreement, the prevailing party shall recover all of such party's reasonable attorneys' fees incurred in each and every such action, suit or other proceeding, including any and all appeals or petitions therefrom.

9.3 No Admission of Liability. The parties hereto explicitly acknowledge that this Agreement represents settlement of disputed claims, and that by entering into this Agreement, no party admits or acknowledges the existence of any liability or wrongdoing.

9.4 Covenant Not to Sue. Each party covenants and agrees not to bring any action, claim, suit or proceeding against any party hereto which concern the matters released hereby, and each party further covenants and agrees that this Agreement is a bar to any such claim, action, suit or proceeding.

9.5 Warranty of Authority. Each party whose signature is affixed hereto in its representative capacity represents and warrants that it is authorized to execute this Agreement on behalf of and to bind the entity on whose behalf its signature is affixed.

9.6 Entire Agreement. This Agreement constitutes the entire agreement between TAC and the City and supersedes any and all other arrangements, understandings, negotiations, or discussions, either oral or in writing, express or implied, relative to the matters which are the subject of this Agreement. The parties hereto acknowledge that no representations, inducements, promises, agreement or warranties, oral or otherwise, have been made by any party hereto, or anyone acting on their behalf, which are not embodied in this Agreement, that they have not executed this Agreement in reliance on any such representation, inducement, promise, agreement or warranty, and that no representation, inducement, promise, agreement or warranty not contained in this Agreement including, but not limited to, any purported supplements, modifications, waivers or terminations of this Agreement shall be valid or binding unless executed in writing by all of the parties.

9.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed and delivered shall be an original, and all of which when executed shall constitute one and the same instrument.

9.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of California and applicable federal laws, and shall be subject to the jurisdiction of the United States District Court and the Los Angeles County Superior Court. Parties acknowledge and agree that in the event of any breach of this Agreement, by either party, money damages would be an inadequate remedy. Accordingly, this Agreement may be enforced by specific performance, mandatory or prohibitory injunction or other appropriate order or decree.

9.9 Notice. Any notice required or contemplated by this Agreement shall be given in writing by personal delivery, or by prepaid registered or certified mail, return receipt requested, and shall be effective upon receipt. Notice shall be given to the following addresses (which any party may change at any time by written notice):

To the City:	David Carmany, City Manager City of Malibu 23555 Civic Center Way Malibu, California 90265
With copy to:	Christi Hogin, City Attorney City of Malibu 23555 Civic Center Way Malibu, California 90265
To the Park Owner:	The Adamson Companies 12381 Wilshire Boulevard, Suite 201 Los Angeles, California 90025
With Copy to:	Thomas E. Gibbs, Esq. Allen, Matkins, Leck, Gamble & Mallory 18400 Von Karman, Suite 400 Irvine, California 92715

9.10 Successors and Assigns. This Agreement shall inure to the benefit of the parties' respective successors and assigns.

9.11 Termination of Agreement. This agreement shall terminate on December 1, 2009.

9.12 Effect of state, federal or court preemption. Nothing in this Agreement shall be construed to violate any State or federal law and this Agreement shall be subordinate to

applicable State and federal law. Nothing in this Agreement shall obligate the parties to take actions contrary to State or federal law.

Executed on the 1st day of December, 1994, at Malibu, California.

The Adamson Companies:

By____________________________

By____________________________

City of Malibu:

By J. W. Kramer
Mayor Jeffrey W. Kramer

ATTEST:

Tory Freeman
Deputy City Clerk
(seal)

Approved as to form:

Allen, Matkins, Leck, Gamble & Mallory

By____________________________
Thomas E. Gibbs
Attorneys for The Adamson Companies

City Attorney's Office

By Christi Hogin
Christi Hogin
for City of Malibu

applicable State and federal law. Nothing in this Agreement shall obligate the parties to take actions contrary to State or federal law.

Executed on the 1st day of December, 1994, at Malibu, California.

The Adamson Companies:

By Rhoda-May A Adler
general Partner

By________________________

City of Malibu:

By J. W. Kramer
Mayor Jeffrey W. Kramer

ATTEST:

Tony Freeman
Deputy City Clerk
(seal)

Approved as to form:

Allen, Matkins, Leck, Gamble & Mallory

By________________________
Thomas E. Gibbs
Attorneys for The Adamson Companies

City Attorney's Office

By Christi Hogin
Christi Hogin
for City of Malibu

applicable State and federal law. Nothing in this Agreement shall obligate the parties to take actions contrary to State or federal law.

Executed on the 1st day of December, 1994, at Malibu, California.

The Adamson Companies:

By Sylvia R. A. Neville
Sylvia R. A. Neville
General Partner

By____________________

City of Malibu:

By J. W. Kramer
Mayor Jeffrey W. Kramer

ATTEST:

Tory Freeman
Deputy City Clerk
(seal)

Approved as to form:

Allen, Matkins, Leck, Gamble & Mallory

By____________________
Thomas E. Gibbs
Attorneys for The Adamson Companies

City Attorney's Office

By Christi Hogin
Christi Hogin
for City of Malibu

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

A PARCEL OF LAND IN THE CITY OF MALIBU, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF THE RANCHO TOPANGA MALIBU SEQUIT, AS CONFIRMED BY MATTHEW KELLER BY PATENT RECORDED IN BOOK 1 PAGE 407, ET SEQ., OF PATENTS, RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF THE 100 FOOT STRIP OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED ON MARCH 18, 1944, IN BOOK 20716 PAGE 385 OF OFFICIAL RECORDS, WITH THE MOST EASTERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES, RECORDED ON JULY 14, 1945, IN BOOK 22186 PAGE 39 OF SAID OFFICIAL RECORDS; THENCE SOUTHERLY AND SOUTHWESTERLY ALONG THE EASTERLY AND SOUTHEASTERLY LINES OF SAID LAND DESCRIBED IN SAID DEED TO THE COUNTY OF LOS ANGELES, TO THE NORTHWESTERLY LINE OF TRACT NO. 13619, AS PER MAP RECORDED IN BOOK 282 PAGES 26, 27 AND 28 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHEASTERLY AND SOUTHEASTERLY ALONG THE NORTHWESTERLY AND NORTHEASTERLY LINES OF SAID TRACT NO. 13619 TO THE MOST WESTERLY CORNER OF PARCEL 55, AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 57 PAGES 40 AND 41 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE IN A GENERAL NORTHEASTERLY DIRECTION ALONG THE BOUNDARY LINES OF SAID RECORD OF SURVEY TO THE MOST WESTERLY CORNER OF PARCEL 86, AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 57 PAGES 47 TO 50 INCLUSIVE OF SAID RECORD OF SURVEYS; THENCE NORTHEASTERLY, SOUTHEASTERLY AND EASTERLY ALONG THE BOUNDARY LINES OF SAID LAST MENTIONED RECORD OF SURVEY TO THE MOST WESTERLY CORNER OF LOT 20 OF TRACT NO. 17808, AS PER MAP RECORDED IN BOOK 438 PAGES 43, 44 AND 45 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHERLY ALONG THE WESTERLY BOUNDARY OF SAID TRACT NO. 17808, TO THE MOST WESTERLY CORNER OF SAID TRACT NO. 17808; THENCE NORTH 76 DEGREES 48 MINUTES 24 SECONDS WEST 602.48 TO A POINT IN THE SOUTHEASTERLY LINE OF SAID ABOVE MENTIONED 100 FOOT STRIP OF LAND DISTANT THEREON, SOUTH 46 DEGREES 34 MINUTES 55 SECONDS WEST 1093.10 FEET FROM THE MOST WESTERLY CORNER OF PARCEL 1; AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 5, PAGES 9 AND 10 OF SAID RECORD OF SURVEYS; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED SOUTHEASTERLY LINE POINT OF BEGINNING.

EXCEPT THE PORTION OF SAID LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY TERMINUS OF THAT CERTAIN CORNER DESCRIBED AS SOUTH 48 DEGREES 50 MINUTES 35 SECONDS WEST 619.12 FEET IN THE DEED TO THE COUNTY OF LOS ANGELES, RECORDED ON JULY 14, 1945, IN BOOK 22186 PAGE 39 OF OFFICIAL RECORDS; THENCE ALONG SAID CERTAIN COURSE, SOUTH 48 DEGREES 50 MINUTES 35 SECONDS WEST 19.59 FEET; THENCE SOUTH 48 DEGREES 35 MINUTES 52 SECONDS EAST 151.27 FEET; THENCE NORTH 84 DEGREES 53 MINUTES 24 SECONDS EAST 170.32 FEET; THENCE SOUTH 87 DEGREES 52 MINUTES 03 SECONDS EAST 174.94 FEET; THENCE NORTH 55 DEGREES 41 MINUTES 12 SECONDS EAST 78.44 FEET TO THE MOST EASTERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO CHARLES M. BOWMAN, RECORDED ON APRIL 19, 1961, IN BOOK D-1192 PAGE 985 OF OFFICIAL RECORDS; THENCE ALONG THE NORTHEASTERLY AND NORTHERLY LINES OF SAID LAND OF BOWMAN, NORTH 49 DEGREES 26 MINUTES 44 SECONDS WEST AND NORTH 83 DEGREES 17 MINUTES 51 SECONDS WEST TO THE EASTERLY BOUNDARY OF SAID LAND DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES; THENCE SOUTHERLY ALONG SAID EASTERLY BOUNDARY POINT OF BEGINNING.

ALSO EXCEPT THAT PORTION OF SAID LAND DESCRIBED IN THE DEED TO BENDIX AVIATION CORPORATION, RECORDED ON DECEMBER 9, 1960 AS INSTRUMENT NO. 1917, IN BOOK D-1060 PAGE 250 OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND AS DESCRIBED IN PARCEL 1 IN THE DEED TO THE STATE OF CALIFORNIA, IN THE DEED APRIL 9, 1975, AS INSTRUMENT NO. 979, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCE, BUT WITHOUT RIGHT OF SURFACE ENTRY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY CORNER OF PARCEL 55, AS SHOWN ON RECORD OF SURVEY, FILED IN BOOK 57 PAGES 40 AND 41 OF RECORD OF SURVEYS, IN SAID RECORDER'S OFFICE; THENCE NORTHEASTERLY ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 55, TO THE MOST SOUTHERLY CORNER OF TRACT NO. 30887, AS PER MAP RECORDED IN BOOK 843 PAGE 25 TO 30 INCLUSIVE OF MAPS, IN SAID RECORDER'S OFFICE; THENCE ALONG THE SOUTHWESTERLY BOUNDARY OF SAID TRACT NO. 30887 AS FOLLOWS: NORTH 41 DEGREES 14 MINUTES 09 SECONDS WEST 312.21 FEET, NORTH 56 DEGREES 36 MINUTES 44 SECONDS WEST 207.42 FEET AND SOUTHE 48 DEGREES 45 MINUTES 51 SECONDS WEST 28.55 FEET TO THE NORTHEASTERLY BOUNDARY OF TRACT NO. 13619, AS PER MAP RECORDED IN BOOK 282 PAGES 26, 27 AND 28 OF MAPS, IN SAID RECORDER'S OFFICE; THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY BOUNDARY TO THE POINT OF BEGINNING.

EXHIBIT B

ORDINANCE NO. 121U

AN ORDINANCE OF THE CITY OF MALIBU ADDING SUBLEASE AND ABSENTEE OWNER SURCHARGES AND A HARDSHIP EXEMPTION TO THE MOBILEHOME PARK RENT STABILIZATION ORDINANCE AND AMENDING VARIOUS PROVISIONS OF ARTICLE VI, CHAPTER 7 OF THE MUNICIPAL CODE AND PROVIDING CERTAIN GRANDFATHERING PROVISION AFFECTING THE POINT DUME MOBILEHOME PARK AND DECLARING THE URGENCY THEREOF

THE CITY COUNCIL OF THE CITY OF MALIBU HEREBY ORDAINS AS FOLLOWS:

Section 1. Base Rents and Maximum Allowable Rents (MAR) for Point Dume Club Mobilehome Park.

A. Base Rent. In accordance with the provisions of Ordinance No. 115U, the City Council hereby certifies that the base rents stated in Schedule A attached hereto are the accurate base rents and comply with Article VI, Chapter 7, of the Municipal Code (the "Rent Stabilization Law") and all applicable ordinances.

B. Current MAR. The City Council hereby finds that the current rents as set forth in Schedule A are in compliance with the Rent Stabilization Law. For the purpose of the Rent Stabilization Law and notwithstanding any other provisions of that law, these rents constitute the current maximum allowable rent through the anniversary date stated on the schedule for each space. The owner of Point Dume Club Mobilehome Park may validly charge up to the maximum allowable rent set forth in schedule A for each space.

C. N ext Formula Increase. The next Formula Increase permitted under Section 6708A of the Rent Control Law, as amended in Section 2 below, is one year following the anniversary date stated for each space on Schedule A.

D. Base Rents Grandfathered. Future amendments to the Rent Stabilization Law affecting base rents or MARs that are more restrictive than the provisions of this Ordinance shall not apply to the Point Dume Club Mobilehome Park. For the purposes of this Section, "more restrictive" includes any new provision that would reduce the base rent or MAR, place any additional administrative or economic burden on the park owner in connection with the determination, calculation or registration of base rents or otherwise defeat or lessen the value of the entitlement established by this Section. In the event that such provisions are enacted, the park owner may rely on the grandfathering rights granted in this Section and such new provisions shall not apply to the Point Dume Club Mobilehome Park.

Section 2. Article VI, Chapter 7, Sections 6708(A) and 6708(B) of the Municipal Code are hereby amended to read as follows:

A. Formula Increases. Space rents may be increased automatically and annually by no more than the total percentage change in the CPI for the applicable CPI adjustment period as determined by the City, except that space rent shall not be increased by more than 5% and may be increased by up to 2%. Calculation of the one-year limitation on Formula Increases shall be from the date the last formula increase became effective for that particular space.

B. Vacancy Increases. Notwithstanding the provisions of subsection A, above, upon vacancy, space rent may be increased up to 15% of the then current maximum allowable rent permitted by this Chapter prior to the vacancy.

Section 3. Subsection E is hereby added to Section 6708 of Article VI, Chapter 7, of the Municipal Code to read as follows:

E. (1) Sublease Surcharge. Notwithstanding the provisions of subsection A, above, upon sublease of a space and/or lease of a mobilehome, the space rent may be increased up to 15% of the rent otherwise permitted under this Chapter. This rent surcharge shall be effective only for the duration of the sublease and shall be eliminated when and if the sublease is terminated. A sublease surcharge shall not become effective until 12 months after the last vacancy increase pursuant to subsection B. The sublease surcharge rent amount shall be calculated separately and shall not be included in the maximum allowable rent for the purposes of calculating formula increases pursuant to Section 6708(A). The provisions of this subsection shall not apply to those spaces granted hardship exemptions pursuant to Section 6708(F) for as long as the space is eligible for such exemption.

(2) Absentee Owner Surcharge. Notwithstanding the provisions of subsection A, above, in the event that a homeowner does not use his or her mobilehome at a mobilehome park as a primary or principal residence and said homeowner is not otherwise subject to subsection E(1) above, the homeowner's space rent may be increased up to 15% of the rent otherwise permitted under this Chapter. This rent increase shall be effective only until said homeowner occupies his or her mobilehome at the mobilehome park as a primary residence or the homeowner subleases his or her space or mobilehome and becomes subject to Subsection E(1) above. For purposes of this chapter, a primary residence is a residence where the homeowner resides for over 185 days during a calendar year.

Section 4. Subsection F is hereby added to Section 6708 of Article VI, Chapter 7, of the Municipal Code to read as follows:

F. Sublease Hardship Exemption. Upon application, the City Manager may grant a hardship exemption in connection with the Sublease Surcharge, which exemption shall last for a term of one year. At the expiration of any particular term of the exemption, the applicant may apply to renew the one year term by again establishing qualification for the exemption. The application and renewal application shall be in the forms provided by the City Manager with a copy to the park owner and, shall include sufficient evidence to establish whether the applicant qualifies for an exemption pursuant to this Section and shall be signed by the applicant under penalty of perjury. The City Manager shall grant the exemption for any qualified applicant.

1. Qualification. To qualify for the sublease hardship exemption, the applicant must satisfy all of the following criteria:

(a) The applicant must own a mobilehome at the applicable park, and must have occupied said mobilehome as his or her primary residence for a minimum of three years prior to applying for this exemption.

(b) The applicant must present adequate evidence that he or she would qualify for the Low Income Rate Payer Assistance Program for Submetered Households.

(c) The combined value of assets owned by the applicant must not exceed $150,000 excluding the value of the mobilehome itself.

(d) No person other than the applicant can declare the applicant as a dependent for purposes of federal or state taxes.

In the event that the applicant, after receiving the hardship exemption, at any time ceases to satisfy all of the foregoing criteria, from that point on, the applicant will not be qualified to receive, and shall not receive, the hardship exemption.

2. Effect of Exemption. Each applicant who qualifies for the hardship exemption shall be exempt from the sublease surcharge provided in Section 6708E of this chapter.

Section 5. Section 6701(D)(1)(e) is hereby amended to read as follows:

e. Those improvements that the park owner intends to pass through to the homeowner, except for necessary infrastructure improvements, must be approved by 50% plus one of the homeowners.

Section 6. Section 6701(D)(2) is hereby amended to read as follows:

2. "Capital improvements" include construction, installation or replacement of all or a portion of a clubhouse, laundry facility or other common area facilities, a swimming pool, sauna, hot tub or other recreational amenities, streets, security

gates, outdoor or common area lighting, retaining walls, sewer, electrical, plumbing, water or television reception systems, sprinkler systems, or any addition to or upgrade of existing improvements.

Section 7. Section 6701(M.5) is hereby added to read as follows:

M.5. "Necessary infrastructure improvements" means maintenance (such as replacement of a necessary component of a system or improvement, and other than normal maintenance or repair which constitute "operating expenses" pursuant to Section N) of streets, electrical, gas, plumbing, sewer or water systems, except that costs of replacement or repair incurred or required as a result of the park owner's negligence.

Section 8. Section 6708(D)(2)(a) is amended by adding the following words at the beginning of the first sentence of that subsection: "(1) Necessary infrastructure improvements subject only to the provisions of Section 6708(D)(2)(c) and, (2) . . ."

Section 9. Section 6708(D)(2) is amended by adding subsection (c) to read as follows:

(c) Notwithstanding the provisions of Sections 6708(D)(2)(a) and 6710, the City Manager may approve special and limited rent increases for necessary infrastructure improvements upon a showing by the park owners that the proposed improvement meets the requirements of Section 6701(M.5) and that the park owner obtained a minimum of three bids from qualified persons/entities to perform the work, if possible, and that the park owner selected the person/entity submitting the lowest responsible bid to perform the work for the proposed necessary infrastructure improvement. No Commission review is required or permitted.

Section 10. Section 6708(C) is hereby amended to read as follows:

(C) Adjustments to Assure a Fair and Reasonable Return. A park owner may file a rent adjustment application for one, some or all the spaces in a mobilehome park in order to establish the maximum allowable rent or to achieve a fair and reasonable return on its investment. In connection with any such adjustment, all relevant evidence can be considered including, but not limited to the following:

(1) The rent being charged by comparable mobilehome parks.

(2) The amount of investment by the park owner in the mobilehome park, including without limitation, acquisition costs.

(3) The rate of return on investment earned by the park owner in previous years.

(4) The rate of return on investment earned by other mobilehome parks in the City and surrounding or comparable areas.

(5) The mobilehome park's pattern of income and expenses over each of the past five years.

(6) The quality of the services, amenities and maintenance provided at the mobilehome park and any decrease or increase in services, maintenance and amenities in the current year.

Section 11. CEQA AND URGENCY FINDINGS. The City Council hereby finds that the purpose of this Ordinance is to make basic adjustments in the amount of rent that may be charged for mobilehome park spaces and to make adjustments in the economic provisions of the ordinance. The fundamental provisions of the ordinance (to set base rent and regulate future increases) is unchanged. The City conducted an initial study as a preliminary review to determine whether any adverse environmental impacts are possible from the adoption of this ordinance. Exercising its independent judgment, the City Council hereby finds that there is no evidence that this Ordinance will have any significant effect on the environment for the purposes of the California Environment Quality Act. The City Council further finds that it can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment. Accordingly, it is exempt from CEQA.

The City Council further finds that the adoption of this ordinance is necessary to settle the State and Federal lawsuits entitled *Adamson Companies v. the City of Malibu*. The settlement will save the City thousands of dollars in litigation costs and avoid the necessity of a damages trial and possible appeal. It will also avoid potential damages judgment far in excess of the cost of this agreement. The trial is currently set for December 6, 1994. Due to the impending trial date it is in the interests of the public health, safety and welfare that this ordinace take effect immediately. Accordingly, this is an urgency ordinance and shall become effective upon adoption.

Section 12. Grandfather Provision. Any new ordinance or any changes, modifications, additions to Article VI, Chapter 7 which are more restrictive other than the provisions of said chapter as amended by this Ordinance shall not apply to the Point Dume Club Mobilehome Park. For the purposes of this Section, "more restrictive" includes any new provision that would reduce the base or space rent, place any additional administrative or economic burden on the park owner in connection with the determination, calculation or registration of maximum allowable rents, or otherwise defeat or lessen the value of the entitlements established by this Ordinance. In the event that such provisions are enacted, the park owner may rely on the grandfathering rights granted in this Section and such new provisions shall not apply to the Point Dume Club Mobilehome Park and/or the park owner with respect to that park. All other provisions in any new ordinance or any changes, modification, additions to

Article VI, Chapter 7, which are not more restrictive will apply to the Point Dume Club Mobilehome Park and/or the park owner with respect to that park.

PASSED APPROVED AND ADOPTED THIS 30th DAY OF NOVEMBER, 1994.

____
MAYOR

ATTEST:

____
CITY CLERK (seal)

Schedule A - Rents

Point Dume Club Mobilehome Park Rent Schedule

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
1	762.19		789.62		817.26		817.26		835.24	835.24
2	633.32		691.86	710.06		727.67		738.07		738.07
3										
4	584.64	610.07		626.12		641.64		650.82		650.82
5	650.00		702.00	720.46		738.33		748.89		748.89
6	606.86		637.33	654.09		670.31		679.90		679.90
7	577.49		623.31	639.70		655.57		664.94		664.94
8	650.00		672.03	689.70	637.58		659.89	669.33		669.33
9	572.75		625.81	642.27		658.20		667.61		667.61
10	583.24		616.48	632.69	631.89		654.00	663.35		663.35
11	582.63		621.08		640.33	656.21		665.59		665.59
12	625.08		673.43	691.14		708.28		718.41		718.41
13	568.43	593.16		608.76		623.85		632.78		632.78
14	568.56		600.97		615.99		637.54	646.66		646.66
15										
16	667.88				693.93		719.60		733.99	733.99
17			692.90		710.22		734.37	744.87		744.87
18					767.00		795.37		821.62	821.62
19	592.54		636.30	653.03		669.23		678.80		678.80
20	618.08		653.31	670.49		687.12		696.95		696.95
21	653.13		697.71	716.06		733.82		744.31		744.31
22	761.49	794.61		815.51		835.74		847.69		847.69
23			815.00		851.68		879.78		909.69	909.69
24	723.84	755.33		775.19		794.42		805.78		805.78
25			762.19	782.24	789.62		814.89		832.82	832.82
26					755.90		783.86		805.02	805.02
27	587.09		634.40	651.08		667.23		676.77		676.77
28	573.32	598.26		613.99		629.22		638.22		638.22
29	550.16		585.47	600.87		615.77		624.57		624.57

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
30	534.29		557.80	572.47	573.42		592.92	601.40		601.40
31			692.90		717.84		736.50		752.70	752.70
32	570.56		616.07	632.27		647.95		657.22		657.22
33	568.06				587.94	602.52		611.14		611.14
34	601.58			617.40		632.71		641.76		641.76
35	572.73		630.94	647.53		663.59		673.08		673.08
36	650.00		680.55		705.04		726.90		735.62	735.62
37	620.96		676.19	693.97		711.18		721.35		721.35
38	585.00		604.32		634.55		650.41		642.16	642.16
39	570.86		616.39	632.60		648.29		657.56		657.56
40	550.53		598.29	614.03	723.49	741.43		752.04		752.04
41	582.85		616.07	632.27		647.95		657.22		657.22
42	633.32				692.87		742.21		748.15	748.15
43	592.50		646.80	663.81		680.27		690.00		690.00
44	504.93		548.57	563.00		576.96		585.21		585.21
45	528.45	551.44		565.94		579.98		588.27		588.27
46	630.59	658.02		675.33		692.07		701.97		701.97
47	650.00		699.13	717.52		735.31		745.83		745.83
48	575.39		621.24	637.58		653.39		662.73	727.94	727.94
49	650.00		680.55		705.04		726.90		735.62	735.62
50	611.24		639.97		663.00	679.44		689.16		689.16
51	573.84		627.16	643.65		659.62		669.05		669.05
52	637.08				661.13		685.59		695.87	695.87
53									700.30	700.30
54	580.27		640.46	657.30		673.61		683.24		683.24
55	678.30	707.81		726.42		744.44		755.08		755.08
56	605.86		658.00	675.31		692.05		701.95		701.95
57	645.68		690.94	709.11		726.70		737.09		737.09
58	634.18		685.04		685.04		706.28		724.35	724.35
59	715.00		764.89	785.01		804.47		815.98		815.98
60	852.00		892.04		924.15	947.07		960.61		960.61
61	715.82		777.11	797.55		817.33		829.01	910.59	910.59
62	945.00				981.86		1,017.44		1,051.02	1,051.02
63	859.19		927.09	951.47		975.07		989.01		989.01

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
64	846.52	883.34		906.58		929.06		942.34		942.34
65	721.25		781.31	801.86		821.74		833.50		833.50
66	655.76	684.29		702.28		719.70		729.99		729.99
67	661.93	690.72		708.89		726.47		736.86	810.54	810.54
68	693.44		739.50		759.24		785.81		799.17	799.17
69	715.00		746.46		777.81		804.25		814.71	814.71
70	613.86		681.83	699.76		717.12		727.37		727.37
71	762.19				781.24		808.58		825.56	825.56
72			692.20		707.89		722.00		746.54	746.54
73	563.31		620.90	637.23		653.03		662.37		662.37
74	572.50		625.66	642.11		658.04		667.45		667.45
75	563.31		627.01		640.43		662.21		670.16	670.16
76	561.15		611.32	627.40		642.96		652.15		652.15
77	566.10		616.49	632.70		648.39		657.67		657.67
78	632.52				654.66		678.88		689.06	689.06
79	637.32				653.13	669.33		678.90		678.90
80	561.58		613.45	629.58		645.20		654.42		654.42
81	623.28		686.72	704.78		722.26		732.59		732.59
82	578.26		620.19	636.50		652.29		661.61		661.61
83	537.25		558.72		582.07	596.51		605.04		605.04
84	616.87		678.84	696.69		713.97		724.18		724.18
85	768.44		804.56		833.52		860.19		870.51	870.51
86	804.26				832.31		863.10		876.05	876.05
87	655.91	684.44		702.44		719.86		730.16		730.16
88	640.00		668.25		680.32		705.49		716.07	716.07
89	643.29		673.52		697.76		719.39	729.68		729.68
90	636.36	664.04		681.51		698.41		708.39		708.39
91	650.00		693.15		707.10		731.34		740.64	740.64
92	591.42		617.44		634.73		656.31	665.70		665.70
93	567.84		618.30	634.56		650.30		659.60		659.60
94	567.84	592.54		608.12		623.21		632.12		632.12
95	600.67		663.36	680.81		697.69		707.67		707.67
96	613.86		681.83	699.76		717.12		727.37		727.37
97					600.00	614.88		623.67		623.67

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
98	563.31		620.90	637.23		653.03		662.37		662.37
99										0.00
100	607.65		653.82	671.02		687.66		697.49		697.49
101	557.00		588.75	604.23		619.22		628.07		628.07
102										809.75
103	788.58		813.48		813.48		824.07	835.85		835.85
104	680.87		761.38	781.40		800.78		812.23		812.23
105						881.49		894.10		894.10
106			868.79		890.51		921.67		941.03	941.03
107	709.26	740.11		759.58			835.54	847.49		847.49
108	768.63				803.22	823.14		834.91		834.91
109	697.92		776.86	797.29		817.06		828.75	910.29	910.29
110	697.92		776.86	797.29		817.06		828.75		828.75
111	709.25		783.39	803.99		823.93		835.71		835.71
112					824.07	844.51	928.96	942.24		942.24
113	697.92		776.86	797.29		817.06		828.75		828.75
114	697.92		767.79	787.98		807.52		819.07		819.07
115	701.38		771.40	791.69		811.32		822.92		822.92
116	703.37		743.46	763.01		781.94		793.12		793.12
117	714.92		775.07	795.45		815.18		826.84		826.84
118									980.37	980.37
119	921.88				954.14	977.80		991.79		991.79
120	1003.51		1110.53	1,139.74		1,168.00		1,184.70		1,184.70
121	1055.73		1125.41		1,160.30	1,189.08		1,206.08		1,206.08
122	1013.53		1135.42	1,165.28		1,194.18		1,211.26		1,211.26
123	968.11		1073.83	1,102.07		1,129.40		1,145.55		1,145.55
124	1105.75		1149.98		1,191.37	1,220.92		1,238.38		1,238.38
125	715.00				742.89		770.37		795.79	795.79
126	649.10		686.10		703.25	720.69			792.76	792.76
127	1052.00		1139.66		1,168.15		1,209.03		1,235.63 2	1,235.63
128	1170.00		1221.48		1,265.45		1,298.35		1,313.94	1,313.94
129	843.04		880.17		896.15	918.37		931.51		931.51
130	712.76		777.82	798.28		818.07		829.77		829.77
131	708.16		741.44	760.94			837.03	849.00		849.00

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
132	697.92		776.86	797.29		817.06		828.75		828.75
133	697.92	728.28		747.43		765.97		776.92		776.92
134	780.53		879.18	902.30		924.68		937.90		937.90
135	1111.94		1160.87	1,191.40		1,220.95		1,238.41		1,238.41
136	1003.85		1061.07		1,087.60	1,114.57		1,130.51		1,130.51
137	983.60		1082.59	1,111.06		1,138.62		1,154.90		1,154.90
138	891.53	930.31		954.78		978.46		992.45		992.45
139	854.86		892.47		917.46		948.66	962.23		962.23
140	910.67		975.36	1,001.01		1,025.84		1,040.51		1,040.51
141	864.45		923.44	947.73		971.23		985.12		985.12
142	826.88		868.22	891.05		913.15		926.21		926.21
143	792.50	826.97		848.72		869.77		882.21		882.21
144	749.04		782.00		814.84	835.05		846.99		846.99
145	728.33	760.01		780.00		799.34		810.78		810.78
146	704.93		745.11		763.74		790.47	801.77		801.77
147	1085.70		1210.47	1,242.31		1,273.11		1,291.32		1,291.32
148	1082.61		1186.61		1,216.04		1,251.45			1,251.45
149	1124.63	1173.55		1,204.42		1,234.29		1,251.94		1,251.94
150	1267.93				1,312.31		1,312.31		1,347.74	1,347.74
151	1151.33		1249.97	1,282.84		1,314.66		1,333.46		1,333.46
152	1179.73		1231.61		1,266.13		1,392.75		1,412.67	1,412.67
153										1,571.72
154	1190.50		1234.55		1,278.99		1,312.24		1,331.01	1,331.01
155	854.30		915.33	939.40		962.70		976.47		976.47
156	870.34		923.42	947.71		971.21		985.10		985.10
157	939.44		980.78	1,006.57		1,031.54		1,046.29		1,046.29
158	961.00		1015.78		1,041.17		1,077.61		1,101.32	1,101.32
159					1,204.31	1,234.18		1,251.83		1,251.83
160	1109.90		1199.51	1,231.06		1,261.59		1,279.63		1,279.63
161	1097.91		1187.07	1,218.29		1,248.50		1,266.36		1,266.36
162	839.20		887.03		909.21		941.03	954.49		954.49
163						688.39		698.23		698.23
164	554.04		574.17		597.14		615.65		666.46	666.46
165	1075.00				1,123.38		1,160.45		1,199.91	1,199.91

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
166	829.88		906.83	930.68		953.76		967.40		967.40
167	832.34		920.22	944.42	1,037.35	1,063.08		1,078.28		1,078.28
168										1,028.38
169	835.58	871.93		894.86		917.05		930.17		930.17
170	945.00		986.58		1,028.01		1,062.96	1,078.16		1,078.16
171	860.74		933.03	957.57		981.32		995.35		995.35
172	924.50		1014.15		1,054.72		1,087.42		1,100.47	1,100.47
173	844.36		900.09		927.99		957.68	971.37		971.37
174	730.69		783.17	803.77		823.70		835.48		835.48
175			868.79		900.06		931.56			931.56
176	815.00			836.43		857.18		869.44		869.44
177	824.37		912.52	936.52		959.74		973.47		973.47
178	822.14		918.94	943.11		966.50		980.32		980.32
179	911.97		995.25	1,021.43		1,046.76		1,061.73		1,061.73
180	823.61		907.36	931.22		954.32		967.96		967.96
181	1100.78	1148.66		1,178.87		1,208.11		1,225.39		1,225.39
182	1235.00		1305.40	1,339.73		1,372.96		1,392.59		1,392.59
183	1137.86		1183.37		1,225.97		1,251.73	1,269.63		1,269.63
184	1109.84				1,316.51		1,363.90		1,410.27	1,410.27
185	1127.76		1208.63	1,240.42		1,271.18		1,289.36		1,289.36
186	1235.00		1289.34		1,335.75		1,359.55		1,370.43	1,370.43
187	1109.10	1157.35		1,187.78		1,217.24		1,234.65		1,234.65
188	1122.54		1171.93		1,221.15		1,262.66	1,280.72		1,280.72
189	1106.51		1203.74	1,235.40		1,266.04		1,284.14		1,284.14
190	1067.68		1160.18	1,190.69		1,220.22		1,237.67		1,237.67
191	974.40		1059.73	1,087.60		1,114.57		1,130.51		1,130.51
192	971.13		1043.65	1,071.10		1,097.66		1,113.36		1,113.36
193	974.40		1059.23	1,087.09		1,114.05		1,129.98		1,129.98
194										1,157.16
195	949.60		991.38		1,033.01		1,068.13	1,083.40		1,083.40
196			1075.00		1,108.33		1,143.79		1,173.53	1,173.53
197	1011.40		1058.94		1,097.06	1,124.27		1,140.34		1,140.34
198			1145.95		1,187.20		1,216.64		1,234.04	1,234.04
199	1075.00		1125.53		1,166.04		1,202.19		1,216.61	1,216.61

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
200	1058.44		1118.75		1,146.72		1,186.88	1,203.85		1,203.85
201	992.87		1103.75	1,132.78		1,160.87		1,177.47		1,177.47
202	934.73	975.39		1,001.04		1,025.87		1,040.54		1,040.54
203	1023.58	1068.11		1,096.20		1,123.38		1,139.45		1,139.45
204			1215.24		1,245.62		1,289.21		1,316.29	1,316.29
205	992.87			1,018.98		1,044.25		1,059.19	1,163.40	1,163.40
206	947.01		1055.28	1,083.03		1,109.89		1,125.76		1,125.76
207	1069.01		1116.05		1,156.22		1,186.28	1,203.24		1,203.24
208	862.28		918.33		934.22		966.91	980.74		980.74
209	989.26	1032.29		1,059.44		1,085.72		1,101.24		1,101.24
210	890.15		929.32		962.77		987.80	1,001.93		1,001.93
211	924.50		1020.62	1,047.46		1,073.44		1,088.79		1,088.79
212	940.50		1002.57		1,033.65		1,066.72	1,081.97		1,081.97
213	627.74				655.90		677.54		689.74	689.74
214	679.04		708.92		738.69		763.80	774.72		774.72
215	585.43		632.35	648.98		665.08		674.59		674.59
216										672.62
217	584.02		619.18	635.46		651.22		660.54		660.54
218	590.53		605.18	621.10		636.50	682.20	691.96		691.96
219	553.29		596.70	612.39		627.58		636.55		636.55
220	583.80		624.79	641.22		657.12		666.52		666.52
221	588.00		613.83		625.04		648.16		657.88	657.88
222	650.00		680.55		705.04		726.90		735.62	735.62
223	912.41				947.99		986.06	1,000.16		1,000.16
224	711.82		784.69		925.93		871.02		883.48	883.48
225	725.23		766.51		785.73		810.87	822.47		822.47
226	847.59		895.90		918.30		950.44	964.03		964.03
227					773.94		821.05	832.79		832.79
228	723.00		787.11	807.81		827.84		839.68		839.68
229	792.67				820.41		850.76	862.93		862.93
230	660.69	689.43		707.56		725.11		735.48		735.48
231	728.17		785.71	806.37		826.37		838.19		838.19
232	773.40		807.43		830.04		858.27	870.54		870.54
233	712.78		777.84	798.30		818.09			899.90	899.90

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
234	586.39		619.81		635.31		657.54	666.94		666.94
235	628.88				656.55		678.21	687.91		687.91
236	581.16		623.42	639.82		655.68			721.25	721.25
237	623.28		686.72	704.78		722.26		732.59		732.59
238	821.50		911.03	934.99		958.18		971.88		971.88
239	770.90		804.82		833.79		855.47	867.70		867.70
240	964.03		1018.98		1,044.45		1,081.00	1,096.46		1,096.46
241	845.30	882.07		905.27		927.72	995.80	1,010.04		1,010.04
242	1010.30		1057.78		1,095.86	1,123.04		1,139.10		1,139.10
243	908.76		995.42		1,010.75		1,032.25		1,067.35	1,067.35
244	883.66		978.03	1,003.75		1,028.65		1,043.35		1,043.35
245	722.59		781.99	802.56		822.46		834.22		834.22
246	579.09	604.28		620.17		635.55		644.64		644.64
247										
248	789.55		825.08		854.78		870.17	882.61		882.61
249	645.07	673.13		690.83		707.97		718.09		718.09
250										
251	807.63		900.96	924.66		947.59		961.14		961.14
252	804.75		887.46	910.80		933.39		946.74		946.74
253	824.33	860.19		882.81		904.71		917.64		917.64
254	587.15		624.21	640.63		656.51		665.90		665.90
255			762.19		792.96		818.34		839.62	839.62
256	585.43		632.35	648.98		665.08		674.59		674.59
257	592.09		635.81	652.53		668.71		678.28		678.28
258	631.52				653.62		677.80	687.49		687.49
259	760.42		790.84		819.31	839.63		851.64		851.64
260	759.87				789.50		818.71	830.42		830.42
261	662.23		691.37		720.40	738.27		748.82		748.82
262	648.77		681.21	699.13			769.04	780.04		780.04
263	912.83				948.43	971.95		985.85		985.85
264	832.24		903.47	927.23		950.23		963.81		963.81
265	945.00		1007.37		1,038.60		1,071.90		1,093.34	1,093.34
266	894.09		945.63	970.50		994.57		1,008.79		1,008.79
267	820.79	856.49		879.02		900.82		913.70		913.70

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Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
268	945.00		979.97		1,015.24		1,041.63		1,056.53	1,056.53
269	825.69	861.61		884.27		906.20		919.16		919.16
270	865.98		904.11		920.54	943.37		956.86		956.86
271	823.73		870.68		892.45	914.58		927.66		927.66
272	835.56				882.79		915.45		931.93	931.93
273	799.33		871.74	894.67		916.85		929.97		929.97
274	838.38		919.78	943.97		967.38		981.21		981.21
275	1007.37				1,043.63		1,070.31		1,093.86	1,093.86
276	838.38		919.78	943.97		967.38		981.21		981.21
277	825.69		913.19	937.21		960.45		974.18		974.18
278	792.25				819.98		846.21		864.83	864.83
279	783.21	817.28		838.77		859.58		871.87		871.87
280	861.90		902.41		934.89		963.87	977.65		977.65
281			771.17		909.98		940.92		956.92	956.92
282	825.26				854.14		885.74		899.03	899.03
283	850.60				883.54		916.54		933.04	933.04
284	869.01		907.25	931.11		954.20		967.85		967.85
285	899.27				921.57	944.42		957.93		957.93
286	830.52		869.55	892.42		914.55		927.63		927.63
287	1109.46			1,138.64		1,166.88		1,183.56		1,183.56
288	1023.25				1,048.63	1,074.64		1,090.00		1,090.00
289	1027.62			1,054.65		1,080.80		1,096.26		1,096.26
290	856.39	893.64		917.15		939.89		953.33		953.33
291	965.08		965.08		1,011.40		1,042.75	1,057.66		1,057.66
292							1,207.77	1,225.04		1,225.04
293	865.65	903.31		927.06		950.05		963.64		963.64
294										1,171.40
295	859.81		897.64		929.95		954.13	967.77		967.77
296	715.95		742.44		769.16	788.24		799.51		799.51
297	882.74		924.23	948.54		972.06		985.96		985.96
298	733.25		767.71		795.34		820.00	831.73		831.73
299	815.00				859.83		891.64		913.93	913.93

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Space	Amount	Anniv. Date	Space	Amount	Anniv. Date	Space	Amount	Anniv. Date
1	835.24	Dec	41	657.22	Jul	81	732.59	Jul
2	738.07	Jul	42	748.15	Aug	82	661.61	Sept
3	TAC		43	690.00	Jul	83	605.04	Jun
4	650.82	Nov	44	585.21	Jul	84	724.18	Aug
5	748.89	Jul	45	588.27	Aug	85	870.51	Nov
6	679.90	Aug	46	701.97	Nov	86	876.05	Mar
7	664.94	Sept	47	745.83	Nov	87	730.16	Jul
8	669.33	Jun	48	727.94	Sept	88	716.07	Apr
9	667.61	Jul	49	735.62	Oct	89	729.68	Oct
10	663.35	June	50	689.16	Oct	90	708.39	Aug
11	665.59	May	51	669.05	Jul	91	740.64	Aug
12	718.41	May	52	695.87	Mar	92	665.70	Jul
13	632.78	Oct	53	700.30	Oct	93	659.60	Sept
14	646.66	June	54	683.24	Jun	94	632.12	May
15	TAC		55	755.08	Oct	95	707.67	Nov
16	733.99	Feb	56	701.95	Dec	96	727.37	Jul
17	744.87	Jul	57	737.09	Oct	97	623.67	Dec
18	821.62	Feb	58	724.35	Oct	98	662.37	Jul
19	678.80	Oct.	59	815.98	Aug	99	TAC	
20	696.95	Jul	60	960.61	Oct	100	697.49	Nov
21	744.31	Sept	61	910.59	Sept	101	626.07	Jun
22	847.69	June	62	1,051.02	Feb	102	809.75	Jul
23	909.69	Jan	63	989.01	Sept	103	835.85	Jan
24	805.78	Sept	64	942.34	Jul	104	812.23	Jul
25	832.82	Nov	65	833.50	Oct	105	894.10	Feb
26	805.02	Mar	66	729.99	June	106	941.03	Jun
27	676.77	Jul	67	810.54	Sept	107	847.48	Feb
28	638.22	Dec	68	799.17	Apr	108	834.91	Jan
29	624.57	Sept	69	814.71	Aug	109	910.29	Sept
30	601.40	Jul	70	727.37	Jul	110	828.75	Jul
31	752.70	Sept	71	825.56	Jun	111	835.71	Jul
32	657.22	Nov	72	746.54	Aug	112	942.24	Dec
33	611.14	Mar	73	662.37	Jul	113	828.75	Jul
34	641.76	Jan	74	667.45	Jul	114	819.07	Aug
35	673.08	May	75	670.16	Jul	115	822.92	Aug
36	735.62	Oct	76	652.15	Nov	116	793.12	Jul
37	721.35	Nov	77	657.67	Aug	117	826.84	Sept
38	642.16	Oct	78	689.06	Mar	118	980.37	Aug
39	657.56	Nov	79	678.90	Mar	119	991.79	Mar
40	752.04	Aug	80	654.42	Oct	120	1,184.70	Oct

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Space	Amount	Anniv. Date	Space	Amount	Anniv. Date	Space	Amount	Anniv. Date
121	1,206.08	May	161	1,266.36	Sept	201	1,177.47	Jul
122	1,211.26	Apr	162	954.49	Jun	202	1,040.54	Jul
123	1,145.55	Jul	163	698.23	Feb	203	1,139.45	Nov
124	1,238.38	Dec	164	666.46	Oct	204	1,316.29	Jun
125	795.79	Feb	165	1,199.91	Jan	205	1,163.40	May
126	792.76	Apr	166	967.40	Aug	206	1,125.76	Jul
127	1,235.63	Jun	167	1,078.26	Nov	207	1,203.24	Nov
128	1,313.94	Nov	168	1,028.33	Jun	208	980.74	Jun
129	931.51	Apr	169	930.17	Sept	209	1,101.24	May
130	829.77	Aug	170	1,078.16	Aug	210	1,001.93	Nov
131	849.00	Apr	171	995.35	Sept	211	1,088.79	Sept
132	828.75	Jul	172	1,100.47	Oct	212	1,081.97	May
133	776.92	Apr	173	971.37	May	213	689.74	Jan
134	937.90	Jul	174	835.48	Sept	214	774.72	Aug
135	1,238.41	Aug	175	931.56	Dec	215	674.59	Jul
136	1,130.51	Jun	176	869.44	Mar	216	672.62	Aug
137	1,154.90	Jul	177	973.47	Jul	217	660.54	Sept
138	992.45	Sept	178	980.32	Jul	218	691.96	Nov
139	962.23	Jul	179	1,061.73	Dec	219	636.55	Dec
140	1,040.51	Jul	180	967.96	Sept	220	666.52	Oct
141	985.12	Oct	181	1,225.39	Aug	221	657.88	Apr
142	926.21	Aug	182	1,392.59	Jun	222	735.62	Oct
143	882.21	Apr	183	1,269.63	Dec	223	1,000.16	Feb
144	846.99	Aug	184	1,410.27	Jan	224	883.48	Feb
145	810.78	Aug	185	1,289.36	Sept	225	822.47	Jun
146	801.77	Jun	186	1,370.43	Nov	226	964.03	Jun
147	1,291.32	Apr	187	1,234.65	Aug	227	832.79	Jun
148	1,251.45	Dec	188	1,280.72	Aug	228	839.68	Aug
149	1,251.94	Jul	189	1,284.14	Aug	229	862.93	Mar
150	1,347.74	Mar	190	1,237.67	Jul	230	735.48	Jul
151	1,333.46	Sept	191	1,130.51	Jul	231	838.19	Aug
152	1,412.67	Jul	192	1,113.36	Nov	232	870.54	Jul
153	1,571.72	Jul	193	1,129.98	Jul	233	899.90	Aug
154	1,331.01	Sept	194	1,157.16	Dec	234	666.94	Jun
155	976.47	Nov	195	1,083.40	Aug	235	687.91	Jan
156	985.10	Nov	196	1,173.53	May	236	721.25	Aug
157	1,046.29	Nov	197	1,140.34	Oct	237	732.59	Jul
158	1,101.32	Jun	198	1,234.04	Oct	238	971.88	Jul
159	1,251.83	Sept	199	1,216.61	Nov	239	867.70	Nov
160	1,279.63	Sept	200	1,203.85	Jun	240	1,096.46	Jun

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Space	Amount	Anniv. Date
241	1,010.04	Oct
242	1139.10	Oct
243	1,067.35	Jul
244	1,043.35	Dec
245	834.22	Oct
246	644.64	Jul
247	N / A	
248	882.61	Jan
249	718.09	Nov
250	N / A	
251	961.14	Jul
252	946.74	Nov
253	917.64	Jul
254	665.90	Sept
255	839.62	May
256	674.59	Jul
257	678.28	Jul
258	687.49	Mar
259	851.64	Dec
260	830.42	Feb
261	748.82	Aug
262	780.04	Apr
263	985.85	Feb
264	963.81	Sept
265	1,093.34	May
266	1,008.79	Sept
267	913.70	Oct
268	1,056.53	Sept
269	919.16	Jul
270	956.86	Apr
271	927.66	Jun
272	931.93	Feb
273	929.97	Dec
274	981.21	Jul
275	1,093.86	Nov
276	981.21	Jul
277	974.18	Jul
278	864.63	Mar
279	871.87	Sept
280	977.65	Oct

Space	Amount	Anniv. Date
281	956.92	May
282	899.03	Mar
283	933.04	Feb
284	967.85	Jul
285	957.93	Mar
286	927.63	Oct
287	1,183.56	Mar
288	1,090.00	Mar
289	1,096.26	Feb
290	953.33	Jul
291	1,057.66	Oct
292	1,225.04	Dec
293	963.64	Jul
294	1171.40	Mar
295	967.77	Nov
296	799.51	Sept
297	985.96	Dec
298	831.73	Oct
299	913.93	Apr

EXHIBIT C

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS (BAR NO. 93819)
MICHAEL S. GREGER (BAR NO. 156525)
18400 Von Karman, Fourth Floor
Irvine, California 92715-1597
Telephone: (714) 553-1313

Attorneys for Plaintiff
The Adamson Companies

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

THE ADAMSON COMPANIES, a California partnership, Plaintiff and Petitioner, v. THE CITY OF MALIBU; CITY COUNCIL FOR THE CITY OF MALIBU; Defendants and Respondents.	CASE NO. 92-1027-MRP (EEx) (Consolidated With) CASE NO. 92 1028 MRP (Eex) STIPULATION FOR ENTRY OF JUDGMENT (Honorable Mariana R. Pfaelzer, United States District Judge)
THE KISSEL COMPANY, a California corporation, Plaintiff, v. CITY OF MALIBU, AND CITY COUNCIL FOR THE CITY OF MALIBU, Defendants.	

IT IS HEREBY STIPULATED by and between plaintiff The Adamson Companies, and Defendants City of Malibu and the City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan (collectively the "City"), through their respective attorneys of record, as follows:

1. That the judgment attached hereto as Exhibit "A" be entered by the Court pursuant to the provisions of the Federal Rules of Civil Procedure.

2. That the parties hereto, and each of them, agree to execute all documents and do all other things reasonably necessary and proper for the entry of said judgment.

3. That the parties hereto, and each of them, waive findings of fact, conclusions of law, notice of entry of said judgment and all rights to appeal from, or other review of, said judgment.

This stipulation and the attached judgment are being filed with the Court pursuant to the terms of the Settlement Agreement dated December 1, 1994, and executed by the parties.

DATED: DECEMBER 2, 1994

RICHARDS, WATSON & GERSHON
MITCHELL E. ABBOTT
ROCHELLE BROWNE

By: ______________________
Mitchell E. Abbott
Attorneys for Defendants

DATED: December 2, 1994

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS
MICHAEL S. GREGER

By: ______________________
Thomas E. Gibbs
Attorneys for Plaintiff
The Adamson Companies

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS (BAR NO. 93819)
MICHAEL S. GREGER (BAR NO. 156525)
18400 Von Karman, Fourth Floor
Irvine, California 92715-1597
Telephone: (714) 553-1313

Attorneys for Plaintiff
The Adamson Companies

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

THE ADAMSON COMPANIES, a California partnership, Plaintiff and Petitioner, v. THE CITY OF MALIBU; CITY COUNCIL FOR THE CITY OF MALIBU; Defendants and Respondents.	CASE NO. 92-1027-MRP (EEx) (Consolidated With) CASE NO. 92 1028 MRP (Eex) [Proposed] JUDGMENT (Honorable Mariana R. Pfaelzer, United States District Judge)
THE KISSEL COMPANY, a California corporation, Plaintiff, v. CITY OF MALIBU, AND CITY COUNCIL FOR THE CITY OF MALIBU, Defendants.	

Plaintiff The Adamson Companies ("Adamson") and the City of Malibu, City Council for the City of Malibu, Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller and Lawrence Wan (collectively, the "City"), having entered into a Stipulation for Entry of Judgment on file herein, and the Court having duly considered same, and Adamson appearing by and through its attorneys, Allen, Matkins, Leck, Gamble & Mallory, and the City appearing by and through its attorneys, Richards, Watson and Gershon, now, good cause appearing therefor, the Court hereby orders the following judgment pursuant to said Stipulation:

IT IS HEREBY DECLARED, ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. That Adamson recover from the City the following amounts: $200,000.00 (payable on January 3, 1995) and $200,000.00 (payable on or before October 1, 1995).

2. That the parties fully comply with and observe all of the provisions of the Settlement Agreement executed by the parties, effective December 1, 1994, and Ordinance 121U, attached hereto as Exhibit "A" and incorporated herein by this reference.

3. That the Court shall maintain and reserve jurisdiction over this action and the judgment provided for herein.

4. That, in the event the City breaches the Settlement Agreement, Adamson shall have the following remedies:

(a) Enforce the Settlement Agreement according to its terms, including by way of specific performance, injunctive relief, damages or otherwise, as appropriate and permitted by law; or

(b) In the event of a material breach of the Settlement Agreement by the City, as defined in that agreement, Adamson shall have the option, as an alternative to Paragraph 4(a), to rescind the Settlement Agreement in accordance with Paragraph 7(c) thereof. In the event of such rescission, the parties shall return to the exact same position, rights and remedies as they had on the date of the entry of this judgment, and may proceed with this action as if there had been no settlement or judgment.

5. Each party shall bear its own attorneys' fees and costs incurred in connection with this action through and including the date of entry of this judgment.

DATED: ____________________ ____________________________
MARIANA R. PFAELZER
JUDGE OF THE DISTRICT COURT

DATED: DECEMBER 2, 1994

RICHARDS, WATSON & GERSHON
MITCHELL E. ABBOTT
ROCHELLE BROWNE

By: ______________________________
Mitchell E. Abbott
Attorneys for Defendants

DATED: December 2, 1994

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS
MICHAEL S. GREGER

By: ______________________________
Thomas E. Gibbs
Attorneys for Plaintiff
The Adamson Companies

SETTLEMENT AGREEMENT

This SETTLEMENT AGREEMENT ("the Agreement") is entered into as of November 30, 1994, by and between The Adamson Companies ("TAC") and the City of Malibu, a Municipal Corporation, the City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan (collectively the "City").

RECITALS

A. TAC owns Point Dume Club Mobilehome Park (the "Park") within the City of Malibu consisting of 297 Mobilehome spaces, various private streets and common facilities, situated on land described in Exhibit A.

B. TAC has filed suits against the City in The Adamson Companies, a California partnership, v. The City of Malibu, City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan, United States District Court Case No. 92-1027MRP (EEX) (the "Federal Lawsuit") and The Adamson Companies, a California partnership, v. The City of Malibu, City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan, Los Angeles County Superior Court Case No. BC055156 (the "State Lawsuit") (collectively the "Lawsuits"). In the Federal Lawsuit, TAC contends that the City's Mobilehome Park Rent Stabilization Ordinance, Ordinance No. 48U (the "Ordinance"), violated the California and United States Constitutions, and constituted an ex post facto law and a bill of Attainder. In the State Lawsuit, TAC contends that the Ordinance violated CEQA and the Brown Act. The City contends that the Ordinance was lawfully adopted, is lawful in all respects and denies all liability.

C. In the Federal Lawsuit, the Court affirmed the City's authority to impose rent control and upheld certain provisions of the Ordinance. The Court also struck down certain provisions of the Ordinance and found that the City had violated TAC's substantive due process rights. A trial on the damages claimed by TAC is currently set for December 6, 1994. At the damages trial, TAC intends to seek damages and attorneys' fees of over $1,000,000.

D. In the State Lawsuit, the Court granted TAC's petition for writ of mandate, finding that the City did not comply with CEQA in adopting the Ordinance. The Court denied the petition with respect to the Brown Act allegations, finding that the City had not violated the Brown Act and denied TAC's request for attorney's fees. The City and TAC have filed an appeal and a cross-appeal from the Superior Court judgment.

E. Both parties intend to appeal adverse rulings.

F. In a effort to settle TAC's claims and eliminate mutual uncertainty about the future regulation of space rents in the Park, representatives of the City and TAC have had extensive discussions on how to avoid further litigation. The City has also consulted with the Board of Directors for the homeowners' association and various homeowners in the Park, who are not parties to this agreement.

G. The parties now desire to enter into this settlement agreement, settling and compromising the claims held or asserted or could have been asserted by TAC against the City and the other defendants in the Lawsuits.

NOW, THEREFORE, in consideration of the foregoing recitals and mutual undertakings contained in this Agreement, the parties hereto agree to the terms set forth below.

AGREEMENT

1. Payment.

1.1 The City shall pay to TAC the total amount of $400,000.00 in cash or good valid negotiable check as follows: $200,000 shall be paid on January 3, 1995, and $200,000 shall be paid on or before October 1, 1995.

2. Legislative Action.

2.1 The Malibu City Council ("Council") agrees to adopt an ordinance amending the City's existing Ordinance (the "Ordinance Amendment") by urgency ordinance before December 6, 1994. The Ordinance Amendment shall be in the form of, and shall contain the precise provisions (and no others) set forth in the draft ordinance attached to this Agreement as Exhibit B and incorporated herein by this reference. In the event the Council is unable to adopt the Ordinance Amendment by urgency ordinance, the City Council agrees to adopt the Ordinance Amendment by December 14, 1994. In the event that the Council does not adopt the Ordinance Amendment by December 14, 1994, it shall be in breach of this Agreement and TAC shall have all the remedies provided in paragraph 7 hereof and any other remedies available at law or in equity.

2.2 For purposes of this Agreement, any new ordinance or any changes, modifications, additions to the Ordinance which in any way control or relate the rents charged at the Park or otherwise concern the subject matter of the Ordinance and/or the Ordinance Amendment shall be referred to as a "New Ordinance." Any specific provisions of any New Ordinance which imposes more restrictive regulations on mobilehome parks shall not apply to TAC in respect to the Park. All other provisions of any New Ordinance which do not impose more restrictive regulations on mobilehome parks shall apply. For the purposes of this

Agreement, "more restrictive" includes any new provision that would reduce the base or space rent, place any additional administrative or economic burden on the park owner in connection with the determination, calculation or registration of maximum allowable rents or otherwise defeat or lessen the value of the entitlements established by this Agreement. .

3. Conversion of Park.

3.1 Within one year of the execution of this agreement, TAC will submit an application to the City for subdivision of the park in anticipation of conversion of the park to condominium and sale of the spaces to the residents and in-place lessees. The City will expedite and assist the park owner in this application. The City will not impose unreasonable conditions on the map. If TAC does not require any relocation, than no relocation impact report will be required notwithstanding the provisions of the Malibu Municipal Code Section 6723. If TAC is not satisfied that the conditions, if any, on the map are reasonable or that subdivision is desirable, TAC may withdraw its application. If a final map is recorded, TAC contemplates making available for sale approximately 10% of the spaces in the park each year commencing the first year after the recordation of the final subdivision map.

3.2 The parties shall be relieved of all duties created by Paragraph 3.1 in the event of a sale of the entire park to the residents or any organization created by or approved by the residents. For the purposes of this paragraph, "residents" is defined as 50% plus 1 of the then-current lessees in the park.

4. Dismissal of Pending Lawsuits.

4.1 Promptly following the adoption of the Ordinance Amendment and submission to the District Court of the stipulated judgment, TAC and the City shall file dismissals of the State Lawsuit, including all appeals arising out of said lawsuit.

4.2 Promptly following execution of this Agreement, the parties shall file with the District Court in the Federal Lawsuit a joint notice of settlement, a request to vacate the trial date and a request for entry of a stipulated judgment in the forms attached as Exhibit C (the "Stipulated Judgment"). This Agreement shall be of no further force and effect unless the Court executes and enters the Stipulated Judgment requested in the stipulation on or before December 6, 1994.

5. Releases.

5.1 Effective upon execution of this Agreement, TAC forever releases and discharges the City, the members of the City Council and the City's employees, agents and attorneys from all claims and causes of action for damages, injunctive or declaratory relief, known or unknown, that it asserted or could have asserted in the Lawsuits, or that arise from the Lawsuits.

5.2 Effective upon execution of this agreement, the City forever releases and discharges TAC, its agents, employees and attorneys from all claims and causes of action for damages, injunctive or declaratory relief, known or unknown, that it could have asserted in the Lawsuits or that otherwise arise from the Lawsuits.

5.3 The parties acknowledge and agree that the releases set forth in paragraphs 5.1 and 5.2 hereof do not apply to, and do not release claims arising from, the parties' rights and obligations under this Agreement or the Stipulated Judgment. Moreover, the parties acknowledge and agree that the releases set forth above shall not apply and shall be of no further force and effect in the event this Agreement is rescinded in accordance with paragraph 7.2(c) hereof.

5.4 The parties hereto agree that the releases provided for herein extend to all claims released in paragraphs 5.1 and 5.2 whether known or unknown, suspected or unsuspected. The parties expressly waive and relinquish any and all rights under California Civil Code Section 1542, which provides as follows:

> "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR."

The parties expressly waive and release any rights and benefits which they have or may have under any similar law or rule of any other jurisdiction pertaining to the matter released herein.

6. Representations and Warranties. The parties represent and warrant to and agree with each other as follows:

6.1 TAC represents and warrants to the City that this Agreement has been duly authorized, executed and delivered, and constitutes the legally binding obligation of TAC enforceable in accordance with its terms.

6.2 The City represents and warrants to TAC that this Agreement has been duly authorized, executed and delivered in the manner required by law, that all official action necessary to authorize and approve the Agreement has been taken, and that the Agreement constitutes the legally binding obligation of the City of Malibu, enforceable in accordance with its terms.

6.3 Each party has received independent legal advice from attorneys of their choice with respect to the advisability of making this settlement and the releases provided herein and with respect to the advisability of executing this Agreement.

6.4 Except as expressly stated in this Agreement, no party has made any statement or representation to any other party regarding any fact, which statement or representation is relied upon by any other party in entering into this Agreement. In connection with the execution of this Agreement or the making of the settlement provided for herein, no party to this Agreement has relied upon any statement, representation or promise of any other party not expressly contained herein.

6.5 This Agreement is intended to be final and binding upon the parties and is further intended to be effective as a full and final accord and satisfaction among them regardless of any claims of fraud, misrepresentation, concealment of fact, mistake of fact or law, duress, or any other circumstances whatsoever. Each party relies upon the finality of this Agreement as a material factor inducing that party's execution of this Agreement.

6.6 There are no other agreements or understandings between the parties hereto relating to the matters or releases referred to in this Agreement.

6.7 All parties hereto and their counsel have made such investigation of the facts pertaining to the releases contained herein as they deem necessary.

6.8 The terms of this Agreement are contractual and are the result of negotiation among the parties.

6.9 This Agreement has been carefully read by each of the parties and the contents thereof are known and understood by each of the parties. This Agreement is signed freely by each party executing it.

The representations and warranties contained in this Agreement are deemed to and do survive the closing hereof

7. Remedies in the Event of Breach.

7.1 A material inducement for TAC entering into this Agreement is the City's agreement that no provision in any New Ordinance imposing more restrictive regulations on mobilehome parks (as defined in paragraph 2.2 above) will apply to it.

7.2 To protect TAC from any New Ordinance that may be passed by present and future city councils and from any breach by the City, TAC and the City agree as follows:

(a) The parties acknowledge and agree that in the event of any breach of this Agreement, by either party, money damages would be an inadequate remedy. All terms and provisions of this Agreement, the Ordinance Amendment, and the Stipulated Judgment may be enforced by way of specific performance, mandatory or prohibitory injunction, declaratory relief, or other appropriate order or decree in addition to damages.

(b) The Stipulated Judgment is fully enforceable as against the City, and the City will not contest said judgment in any fashion, including without limitation on grounds of lack of jurisdiction or improper delegation of police power.

(c) In the event of a material breach of this Agreement by the City, TAC shall have the right (but not the obligation) to rescind this Agreement by written notice to the City. If within 10 days of receipt of written notice the City does not cure the material breach, TAC's rescission of this Agreement is effective and all rights and obligations of the parties under this Agreement, including the releases, shall be of no further force and effect; except that TAC shall have no obligation to return to the City any money it pays to TAC hereunder, and the City releases any and all claims to said money. For the purposes of this Agreement, a "material breach" by the City means that the City failed to make a required payment pursuant to paragraph 1, failed to adopt the Ordinance Amendment pursuant to paragraph 2.1, or imposed more restrictive regulation in contravention of paragraph 2.2.

Each of the above remedies is not intended to be exclusive or act as a limitation on TAC's or the City's remedies. To the contrary, in addition to the foregoing remedies, the parties have and are entitled to pursue all rights and remedies available or permitted at law or in equity.

8. Invalidation of Settlement Agreement and/or Ordinance Amendment.

8.1 In the event that all or any portion of the Settlement Agreement and/or the Ordinance Amendment are invalidated, voided or otherwise set aside by any federal court or state court, TAC shall have the right (but not the obligation) to declare this Agreement of no further force and effect by written notice to the City. Upon TAC's giving said notice, all rights and obligations of the parties under this Agreement, including the releases, shall be of no further force and effect; except that TAC shall have no obligation to return to the City any money it pays to TAC hereunder, and the City releases any and all claims to said money. In the event that any third party challenges this Agreement or the Ordinance Amendment in a legal action or proceeding, the City agrees to diligently and in good faith defend said action or proceeding and seek to uphold the Agreement and the Ordinance Amendment.

9. General Provisions.

9.1 Modifications. This Agreement may not be amended, canceled, revoked or otherwise modified except by written agreement subscribed by all of the parties to be charged with such modification.

9.2 Attorneys' Fees. All parties hereto agree to pay their own costs and attorneys' fees except as follows. In the event that any action, suit or other proceeding is instituted to remedy, prevent or obtain relief from a breach of this Agreement, arising out of a breach of this Agreement, involving claims within the scope of the releases contained in this Agreement, or pertaining to a declaration of rights under this Agreement, the prevailing party shall recover all of such party's reasonable attorneys' fees incurred in each and every such action, suit or other proceeding, including any and all appeals or petitions therefrom.

9.3 No Admission of Liability. The parties hereto explicitly acknowledge that this Agreement represents settlement of disputed claims, and that by entering into this Agreement, no party admits or acknowledges the existence of any liability or wrongdoing.

9.4 Covenant Not to Sue. Each party covenants and agrees not to bring any action, claim, suit or proceeding against any party hereto which concern the matters released hereby, and each party further covenants and agrees that this Agreement is a bar to any such claim, action, suit or proceeding.

9.5 Warranty of Authority. Each party whose signature is affixed hereto in its representative capacity represents and warrants that it is authorized to execute this Agreement on behalf of and to bind the entity on whose behalf its signature is affixed.

9.6 Entire Agreement. This Agreement constitutes the entire agreement between TAC and the City and supersedes any and all other arrangements, understandings, negotiations, or discussions, either oral or in writing, express or implied, relative to the matters which are the subject of this Agreement. The parties hereto acknowledge that no representations, inducements, promises, agreement or warranties, oral or otherwise, have been made by any party hereto, or anyone acting on their behalf, which are not embodied in this Agreement, that they have not executed this Agreement in reliance on any such representation, inducement, promise, agreement or warranty, and that no representation, inducement, promise, agreement or warranty not contained in this Agreement including, but not limited to, any purported supplements, modifications, waivers or terminations of this Agreement shall be valid or binding unless executed in writing by all of the parties.

9.7 Counterparts. This Agreement may be executed in one or more counterparts, each of which when executed and delivered shall be an original, and all of which when executed shall constitute one and the same instrument.

9.8 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of California and applicable federal laws, and shall be subject to the jurisdiction of the United States District Court and the Los Angeles County Superior Court. Parties acknowledge and agree that in the event of any breach of this Agreement, by either party, money damages would be an inadequate remedy. Accordingly, this Agreement may be enforced by specific performance, mandatory or prohibitory injunction or other appropriate order or decree.

9.9 Notice. Any notice required or contemplated by this Agreement shall be given in writing by personal delivery, or by prepaid registered or certified mail, return receipt requested, and shall be effective upon receipt. Notice shall be given to the following addresses (which any party may change at any time by written notice):

To the City:	David Carmany, City Manager City of Malibu 23555 Civic Center Way Malibu, California 90265
With copy to:	Christi Hogin, City Attorney City of Malibu 23555 Civic Center Way Malibu, California 90265
To the Park Owner:	The Adamson Companies 12381 Wilshire Boulevard, Suite 201 Los Angeles, California 90025
With Copy to:	Thomas E. Gibbs, Esq. Allen, Matkins, Leck, Gamble & Mallory 18400 Von Karman, Suite 400 Irvine, California 92715

9.10 Successors and Assigns. This Agreement shall inure to the benefit of the parties' respective successors and assigns.

9.11 Termination of Agreement. This agreement shall terminate on December 1, 2009.

9.12 Effect of state, federal or court preemption. Nothing in this Agreement shall be construed to violate any State or federal law and this Agreement shall be subordinate to

applicable State and federal law. Nothing in this Agreement shall obligate the parties to take actions contrary to State or federal law.

Executed on the 1st day of December, 1994, at Malibu, California.

The Adamson Companies:

By______________________________

By______________________________

City of Malibu:

By J. W. Kramer
Mayor Jeffrey W. Kramer

ATTEST:

Tory Freeman
Deputy City Clerk
(seal)

Approved as to form:

Allen, Matkins, Leck, Gamble & Mallory

By______________________________
Thomas E. Gibbs
Attorneys for The Adamson Companies

City Attorney's Office

By Christi Hogin
Christi Hogin
for City of Malibu

applicable State and federal law. Nothing in this Agreement shall obligate the parties to take actions contrary to State or federal law.

Executed on the 1st day of December, 1994, at Malibu, California.

The Adamson Companies:

By Rhoda-May A Adler
general Partner

By

City of Malibu:

By J. W. Kramer
Mayor Jeffrey W. Kramer

ATTEST:

Tony Freeman
Deputy City Clerk
(seal)

Approved as to form:

Allen, Matkins, Leck, Gamble & Mallory

By
Thomas E. Gibbs
Attorneys for The Adamson Companies

City Attorney's Office

By Christi Hogin
Christi Hogin
for City of Malibu

applicable State and federal law. Nothing in this Agreement shall obligate the parties to take actions contrary to State or federal law.

Executed on the 1st day of December, 1994, at Malibu, California.

The Adamson Companies:

By Sylvia R. A. Neville
Sylvia R. A. Neville
General Partner

By________________________

City of Malibu:

By J. W. Kramer
Mayor Jeffrey W. Kramer

ATTEST:

Tony Freeman
Deputy City Clerk
(seal)

Approved as to form:

Allen, Matkins, Leck, Gamble & Mallory

By________________________
Thomas E. Gibbs
Attorneys for The Adamson Companies

City Attorney's Office

By Christi Hogin
Christi Hogin
for City of Malibu

EXHIBIT A

LEGAL DESCRIPTION

PARCEL 1

A PARCEL OF LAND IN THE CITY OF MALIBU, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, BEING THAT PORTION OF THE RANCHO TOPANGA MALIBU SEQUIT, AS CONFIRMED BY MATTHEW KELLER BY PATENT RECORDED IN BOOK 1 PAGE 407, ET SEQ., OF PATENTS, RECORDS OF SAID COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF THE 100 FOOT STRIP OF LAND DESCRIBED IN DEED TO THE STATE OF CALIFORNIA, RECORDED ON MARCH 18, 1944, IN BOOK 20716 PAGE 385 OF OFFICIAL RECORDS, WITH THE MOST EASTERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES, RECORDED ON JULY 14, 1945, IN BOOK 22186 PAGE 39 OF SAID OFFICIAL RECORDS; THENCE SOUTHERLY AND SOUTHWESTERLY ALONG THE EASTERLY AND SOUTHEASTERLY LINES OF SAID LAND DESCRIBED IN SAID DEED TO THE COUNTY OF LOS ANGELES, TO THE NORTHWESTERLY LINE OF TRACT NO. 13619, AS PER MAP RECORDED IN BOOK 282 PAGES 26, 27 AND 28 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHEASTERLY AND SOUTHEASTERLY ALONG THE NORTHWESTERLY AND NORTHEASTERLY LINES OF SAID TRACT NO. 13619 TO THE MOST WESTERLY CORNER OF PARCEL 55, AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 57 PAGES 40 AND 41 OF RECORD OF SURVEYS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE IN A GENERAL NORTHEASTERLY DIRECTION ALONG THE BOUNDARY LINES OF SAID RECORD OF SURVEY TO THE MOST WESTERLY CORNER OF PARCEL 86, AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 57 PAGES 47 TO 50 INCLUSIVE OF SAID RECORD OF SURVEYS; THENCE NORTHEASTERLY, SOUTHEASTERLY AND EASTERLY ALONG THE BOUNDARY LINES OF SAID LAST MENTIONED RECORD OF SURVEY TO THE MOST WESTERLY CORNER OF LOT 20 OF TRACT NO. 17808, AS PER MAP RECORDED IN BOOK 438 PAGES 43, 44 AND 45 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY; THENCE NORTHERLY ALONG THE WESTERLY BOUNDARY OF SAID TRACT NO. 17808, TO THE MOST WESTERLY CORNER OF SAID TRACT NO. 17808; THENCE NORTH 76 DEGREES 48 MINUTES 24 SECONDS WEST 602.48 TO A POINT IN THE SOUTHEASTERLY LINE OF SAID ABOVE MENTIONED 100 FOOT STRIP OF LAND DISTANT THEREON, SOUTH 46 DEGREES 34 MINUTES 55 SECONDS WEST 1093.10 FEET FROM THE MOST WESTERLY CORNER OF PARCEL 1; AS SHOWN ON A RECORD OF SURVEY FILED IN BOOK 5, PAGES 9 AND 10 OF SAID RECORD OF SURVEYS; THENCE SOUTHWESTERLY ALONG SAID LAST MENTIONED SOUTHEASTERLY LINE POINT OF BEGINNING.

EXCEPT THE PORTION OF SAID LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEASTERLY TERMINUS OF THAT CERTAIN CORNER DESCRIBED AS SOUTH 48 DEGREES 50 MINUTES 35 SECONDS WEST 619.12 FEET IN THE DEED TO THE COUNTY OF LOS ANGELES, RECORDED ON JULY 14, 1945, IN BOOK 22186 PAGE 39 OF OFFICIAL RECORDS; THENCE ALONG SAID CERTAIN COURSE, SOUTH 48 DEGREES 50 MINUTES 35 SECONDS WEST 19.59 FEET; THENCE SOUTH 48 DEGREES 35 MINUTES 52 SECONDS EAST 151.27 FEET; THENCE NORTH 84 DEGREES 53 MINUTES 24 SECONDS EAST 170.32 FEET; THENCE SOUTH 87 DEGREES 52 MINUTES 03 SECONDS EAST 174.94 FEET; THENCE NORTH 55 DEGREES 41 MINUTES 12 SECONDS EAST 78.44 FEET TO THE MOST EASTERLY CORNER OF THE LAND DESCRIBED IN THE DEED TO CHARLES M. BOWMAN, RECORDED ON APRIL 19, 1961, IN BOOK D-1192 PAGE 985 OF OFFICIAL RECORDS; THENCE ALONG THE NORTHEASTERLY AND NORTHERLY LINES OF SAID LAND OF BOWMAN, NORTH 49 DEGREES 26 MINUTES 44 SECONDS WEST AND NORTH 83 DEGREES 17 MINUTES 51 SECONDS WEST TO THE EASTERLY BOUNDARY OF SAID LAND DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES; THENCE SOUTHERLY ALONG SAID EASTERLY BOUNDARY POINT OF BEGINNING.

ALSO EXCEPT THAT PORTION OF SAID LAND DESCRIBED IN THE DEED TO BENDIX AVIATION CORPORATION, RECORDED ON DECEMBER 9, 1960 AS INSTRUMENT NO. 1917, IN BOOK D-1060 PAGE 250 OF OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND AS DESCRIBED IN PARCEL 1 IN THE DEED TO THE STATE OF CALIFORNIA, IN THE DEED APRIL 9, 1975, AS INSTRUMENT NO. 979, OFFICIAL RECORDS.

ALSO EXCEPT THEREFROM ALL MINERALS, OIL, GAS AND OTHER HYDROCARBON SUBSTANCE, BUT WITHOUT RIGHT OF SURFACE ENTRY.

ALSO EXCEPT THEREFROM THAT PORTION OF SAID LAND DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST WESTERLY CORNER OF PARCEL 55, AS SHOWN ON RECORD OF SURVEY, FILED IN BOOK 57 PAGES 40 AND 41 OF RECORD OF SURVEYS, IN SAID RECORDER'S OFFICE; THENCE NORTHEASTERLY ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 55, TO THE MOST SOUTHERLY CORNER OF TRACT NO. 30887, AS PER MAP RECORDED IN BOOK 843 PAGE 25 TO 30 INCLUSIVE OF MAPS, IN SAID RECORDER'S OFFICE; THENCE ALONG THE SOUTHWESTERLY BOUNDARY OF SAID TRACT NO. 30887 AS FOLLOWS: NORTH 41 DEGREES 14 MINUTES 09 SECONDS WEST 312.21 FEET, NORTH 56 DEGREES 36 MINUTES 44 SECONDS WEST 207.42 FEET AND SOUTHE 48 DEGREES 45 MINUTES 51 SECONDS WEST 28.55 FEET TO THE NORTHEASTERLY BOUNDARY OF TRACT NO. 13619, AS PER MAP RECORDED IN BOOK 282 PAGES 26, 27 AND 28 OF MAPS, IN SAID RECORDER'S OFFICE; THENCE SOUTHEASTERLY ALONG SAID NORTHEASTERLY BOUNDARY TO THE POINT OF BEGINNING.

EXHIBIT B

ORDINANCE NO. 121U

AN ORDINANCE OF THE CITY OF MALIBU ADDING SUBLEASE AND ABSENTEE OWNER SURCHARGES AND A HARDSHIP EXEMPTION TO THE MOBILEHOME PARK RENT STABILIZATION ORDINANCE AND AMENDING VARIOUS PROVISIONS OF ARTICLE VI, CHAPTER 7 OF THE MUNICIPAL CODE AND PROVIDING CERTAIN GRANDFATHERING PROVISION AFFECTING THE POINT DUME MOBILEHOME PARK AND DECLARING THE URGENCY THEREOF

THE CITY COUNCIL OF THE CITY OF MALIBU HEREBY ORDAINS AS FOLLOWS:

Section 1. Base Rents and Maximum Allowable Rents (MAR) for Point Dume Club Mobilehome Park.

A. Base Rent. In accordance with the provisions of Ordinance No. 115U, the City Council hereby certifies that the base rents stated in Schedule A attached hereto are the accurate base rents and comply with Article VI, Chapter 7, of the Municipal Code (the "Rent Stabilization Law") and all applicable ordinances.

B. Current MAR. The City Council hereby finds that the current rents as set forth in Schedule A are in compliance with the Rent Stabilization Law. For the purpose of the Rent Stabilization Law and notwithstanding any other provisions of that law, these rents constitute the current maximum allowable rent through the anniversary date stated on the schedule for each space. The owner of Point Dume Club Mobilehome Park may validly charge up to the maximum allowable rent set forth in schedule A for each space.

C. N ext Formula Increase. The next Formula Increase permitted under Section 6708A of the Rent Control Law, as amended in Section 2 below, is one year following the anniversary date stated for each space on Schedule A.

D. Base Rents Grandfathered. Future amendments to the Rent Stabilization Law affecting base rents or MARs that are more restrictive than the provisions of this Ordinance shall not apply to the Point Dume Club Mobilehome Park. For the purposes of this Section, "more restrictive" includes any new provision that would reduce the base rent or MAR, place any additional administrative or economic burden on the park owner in connection with the determination, calculation or registration of base rents or otherwise defeat or lessen the value of the entitlement established by this Section. In the event that such provisions are enacted, the park owner may rely on the grandfathering rights granted in this Section and such new provisions shall not apply to the Point Dume Club Mobilehome Park.

Section 2. Article VI, Chapter 7, Sections 6708(A) and 6708(B) of the Municipal Code are hereby amended to read as follows:

A. Formula Increases. Space rents may be increased automatically and annually by no more than the total percentage change in the CPI for the applicable CPI adjustment period as determined by the City, except that space rent shall not be increased by more than 5% and may be increased by up to 2%. Calculation of the one-year limitation on Formula Increases shall be from the date the last formula increase became effective for that particular space.

B. Vacancy Increases. Notwithstanding the provisions of subsection A, above, upon vacancy, space rent may be increased up to 15% of the then current maximum allowable rent permitted by this Chapter prior to the vacancy.

Section 3. Subsection E is hereby added to Section 6708 of Article VI, Chapter 7, of the Municipal Code to read as follows:

E. (1) Sublease Surcharge. Notwithstanding the provisions of subsection A, above, upon sublease of a space and/or lease of a mobilehome, the space rent may be increased up to 15% of the rent otherwise permitted under this Chapter. This rent surcharge shall be effective only for the duration of the sublease and shall be eliminated when and if the sublease is terminated. A sublease surcharge shall not become effective until 12 months after the last vacancy increase pursuant to subsection B. The sublease surcharge rent amount shall be calculated separately and shall not be included in the maximum allowable rent for the purposes of calculating formula increases pursuant to Section 6708(A). The provisions of this subsection shall not apply to those spaces granted hardship exemptions pursuant to Section 6708(F) for as long as the space is eligible for such exemption.

(2) Absentee Owner Surcharge. Notwithstanding the provisions of subsection A, above, in the event that a homeowner does not use his or her mobilehome at a mobilehome park as a primary or principal residence and said homeowner is not otherwise subject to subsection E(1) above, the homeowner's space rent may be increased up to 15% of the rent otherwise permitted under this Chapter. This rent increase shall be effective only until said homeowner occupies his or her mobilehome at the mobilehome park as a primary residence or the homeowner subleases his or her space or mobilehome and becomes subject to Subsection E(1) above. For purposes of this chapter, a primary residence is a residence where the homeowner resides for over 185 days during a calendar year.

Section 4. Subsection F is hereby added to Section 6708 of Article VI, Chapter 7, of the Municipal Code to read as follows:

F. Sublease Hardship Exemption. Upon application, the City Manager may grant a hardship exemption in connection with the Sublease Surcharge, which exemption shall last for a term of one year. At the expiration of any particular term of the exemption, the applicant may apply to renew the one year term by again establishing qualification for the exemption. The application and renewal application shall be in the forms provided by the City Manager with a copy to the park owner and, shall include sufficient evidence to establish whether the applicant qualifies for an exemption pursuant to this Section and shall be signed by the applicant under penalty of perjury. The City Manager shall grant the exemption for any qualified applicant.

1. Qualification. To qualify for the sublease hardship exemption, the applicant must satisfy all of the following criteria:

(a) The applicant must own a mobilehome at the applicable park, and must have occupied said mobilehome as his or her primary residence for a minimum of three years prior to applying for this exemption.

(b) The applicant must present adequate evidence that he or she would qualify for the Low Income Rate Payer Assistance Program for Submetered Households.

(c) The combined value of assets owned by the applicant must not exceed $150,000 excluding the value of the mobilehome itself.

(d) No person other than the applicant can declare the applicant as a dependent for purposes of federal or state taxes.

In the event that the applicant, after receiving the hardship exemption, at any time ceases to satisfy all of the foregoing criteria, from that point on, the applicant will not be qualified to receive, and shall not receive, the hardship exemption.

2. Effect of Exemption. Each applicant who qualifies for the hardship exemption shall be exempt from the sublease surcharge provided in Section 6708E of this chapter.

Section 5. Section 6701(D)(1)(e) is hereby amended to read as follows:

e. Those improvements that the park owner intends to pass through to the homeowner, except for necessary infrastructure improvements, must be approved by 50% plus one of the homeowners.

Section 6. Section 6701(D)(2) is hereby amended to read as follows:

2. "Capital improvements" include construction, installation or replacement of all or a portion of a clubhouse, laundry facility or other common area facilities, a swimming pool, sauna, hot tub or other recreational amenities, streets, security

gates, outdoor or common area lighting, retaining walls, sewer, electrical, plumbing, water or television reception systems, sprinkler systems, or any addition to or upgrade of existing improvements.

Section 7. Section 6701(M.5) is hereby added to read as follows:

M.5. "Necessary infrastructure improvements" means maintenance (such as replacement of a necessary component of a system or improvement, and other than normal maintenance or repair which constitute "operating expenses" pursuant to Section N) of streets, electrical, gas, plumbing, sewer or water systems, except that costs of replacement or repair incurred or required as a result of the park owner's negligence.

Section 8. Section 6708(D)(2)(a) is amended by adding the following words at the beginning of the first sentence of that subsection: "(1) Necessary infrastructure improvements subject only to the provisions of Section 6708(D)(2)(c) and, (2) . . ."

Section 9. Section 6708(D)(2) is amended by adding subsection (c) to read as follows:

(c) Notwithstanding the provisions of Sections 6708(D)(2)(a) and 6710, the City Manager may approve special and limited rent increases for necessary infrastructure improvements upon a showing by the park owners that the proposed improvement meets the requirements of Section 6701(M.5) and that the park owner obtained a minimum of three bids from qualified persons/entities to perform the work, if possible, and that the park owner selected the person/entity submitting the lowest responsible bid to perform the work for the proposed necessary infrastructure improvement. No Commission review is required or permitted.

Section 10. Section 6708(C) is hereby amended to read as follows:

(C) Adjustments to Assure a Fair and Reasonable Return. A park owner may file a rent adjustment application for one, some or all the spaces in a mobilehome park in order to establish the maximum allowable rent or to achieve a fair and reasonable return on its investment. In connection with any such adjustment, all relevant evidence can be considered including, but not limited to the following:

(1) The rent being charged by comparable mobilehome parks.

(2) The amount of investment by the park owner in the mobilehome park, including without limitation, acquisition costs.

(3) The rate of return on investment earned by the park owner in previous years.

(4) The rate of return on investment earned by other mobilehome parks in the City and surrounding or comparable areas.

(5) The mobilehome park's pattern of income and expenses over each of the past five years.

(6) The quality of the services, amenities and maintenance provided at the mobilehome park and any decrease or increase in services, maintenance and amenities in the current year.

Section 11. CEQA AND URGENCY FINDINGS. The City Council hereby finds that the purpose of this Ordinance is to make basic adjustments in the amount of rent that may be charged for mobilehome park spaces and to make adjustments in the economic provisions of the ordinance. The fundamental provisions of the ordinance (to set base rent and regulate future increases) is unchanged. The City conducted an initial study as a preliminary review to determine whether any adverse environmental impacts are possible from the adoption of this ordinance. Exercising its independent judgment, the City Council hereby finds that there is no evidence that this Ordinance will have any significant effect on the environment for the purposes of the California Environment Quality Act. The City Council further finds that it can be seen with certainty that there is no possibility that the Ordinance may have a significant effect on the environment. Accordingly, it is exempt from CEQA.

The City Council further finds that the adoption of this ordinance is necessary to settle the State and Federal lawsuits entitled *Adamson Companies v. the City of Malibu.* The settlement will save the City thousands of dollars in litigation costs and avoid the necessity of a damages trial and possible appeal. It will also avoid potential damages judgment far in excess of the cost of this agreement. The trial is currently set for December 6, 1994. Due to the impending trial date it is in the interests of the public health, safety and welfare that this ordinace take effect immediately. Accordingly, this is an urgency ordinance and shall become effective upon adoption.

Section 12. Grandfather Provision. Any new ordinance or any changes, modifications, additions to Article VI, Chapter 7 which are more restrictive other than the provisions of said chapter as amended by this Ordinance shall not apply to the Point Dume Club Mobilehome Park. For the purposes of this Section, "more restrictive" includes any new provision that would reduce the base or space rent, place any additional administrative or economic burden on the park owner in connection with the determination, calculation or registration of maximum allowable rents, or otherwise defeat or lessen the value of the entitlements established by this Ordinance. In the event that such provisions are enacted, the park owner may rely on the grandfathering rights granted in this Section and such new provisions shall not apply to the Point Dume Club Mobilehome Park and/or the park owner with respect to that park. All other provisions in any new ordinance or any changes, modification, additions to

Article VI, Chapter 7, which are not more restrictive will apply to the Point Dume Club Mobilehome Park and/or the park owner with respect to that park.

PASSED APPROVED AND ADOPTED THIS 30th DAY OF NOVEMBER, 1994.

MAYOR

ATTEST:

CITY CLERK (seal)

Schedule A - Rents

Point Dume Club Mobilehome Park Rent Schedule

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
1	762.19		789.62		817.26		817.26		835.24	835.24
2	633.32		691.86	710.06		727.67		738.07		738.07
3										
4	584.64	610.07		626.12		641.64		650.82		650.82
5	650.00		702.00	720.46		738.33		748.89		748.89
6	606.86		637.33	654.09		670.31		679.90		679.90
7	577.49		623.31	639.70		655.57		664.94		664.94
8	650.00		672.03	689.70	637.58		659.89	669.33		669.33
9	572.75		625.81	642.27		658.20		667.61		667.61
10	583.24		616.48	632.69	631.89		654.00	663.35		663.35
11	582.63		621.08		640.33	656.21		665.59		665.59
12	625.08		673.43	691.14		708.28		718.41		718.41
13	568.43	593.16		608.76		623.85		632.78		632.78
14	568.56		600.97		615.99		637.54	646.66		646.66
15										
16	667.88				693.93		719.60		733.99	733.99
17			692.90		710.22		734.37	744.87		744.87
18					767.00		795.37		821.62	821.62
19	592.54		636.30	653.03		669.23		678.80		678.80
20	618.08		653.31	670.49		687.12		696.95		696.95
21	653.13		697.71	716.06		733.82		744.31		744.31
22	761.49	794.61		815.51		835.74		847.69		847.69
23			815.00		851.68		879.78		909.69	909.69
24	723.84	755.33		775.19		794.42		805.78		805.78
25			762.19	782.24	789.62		814.89		832.82	832.82
26					755.90		783.86		805.02	805.02
27	587.09		634.40	651.08		667.23		676.77		676.77
28	573.32	598.26		613.99		629.22		638.22		638.22
29	550.16		585.47	600.87		615.77		624.57		624.57

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
30	534.29		557.80	572.47	573.42		592.92	601.40		601.40
31			692.90		717.84		736.50		752.70	752.70
32	570.56		616.07	632.27		647.95		657.22		657.22
33	568.06				587.94	602.52		611.14		611.14
34	601.58			617.40		632.71		641.76		641.76
35	572.73		630.94	647.53		663.59		673.08		673.08
36	650.00		680.55		705.04		726.90		735.62	735.62
37	620.96		676.19	693.97		711.18		721.35		721.35
38	585.00		604.32		634.55		650.41		642.16	642.16
39	570.86		616.39	632.60		648.29		657.56		657.56
40	550.53		598.29	614.03	723.49	741.43		752.04		752.04
41	582.85		616.07	632.27		647.95		657.22		657.22
42	633.32				692.87		742.21		748.15	748.15
43	592.50		646.80	663.81		680.27		690.00		690.00
44	504.93		548.57	563.00		576.96		585.21		585.21
45	528.45	551.44		565.94		579.98		588.27		588.27
46	630.59	658.02		675.33		692.07		701.97		701.97
47	650.00		699.13	717.52		735.31		745.83		745.83
48	575.39		621.24	637.58		653.39		662.73	727.94	727.94
49	650.00		680.55		705.04		726.90		735.62	735.62
50	611.24		639.97		663.00	679.44		689.16		689.16
51	573.84		627.16	643.65		659.62		669.05		669.05
52	637.08				661.13		685.59		695.87	695.87
53									700.30	700.30
54	580.27		640.46	657.30		673.61		683.24		683.24
55	678.30	707.81		726.42		744.44		755.08		755.08
56	605.86		658.00	675.31		692.05		701.95		701.95
57	645.68		690.94	709.11		726.70		737.09		737.09
58	634.18		685.04		685.04		706.28		724.35	724.35
59	715.00		764.89	785.01		804.47		815.98		815.98
60	852.00		892.04		924.15	947.07		960.61		960.61
61	715.82		777.11	797.55		817.33		829.01	910.59	910.59
62	945.00				981.86		1,017.44		1,051.02	1,051.02
63	859.19		927.09	951.47		975.07		989.01		989.01

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
64	846.52	883.34		906.58		929.06		942.34		942.34
65	721.25		781.31	801.86		821.74		833.50		833.50
66	655.76	684.29		702.28		719.70		729.99		729.99
67	661.93	690.72		708.89		726.47		736.86	810.54	810.54
68	693.44		739.50		759.24		785.81		799.17	799.17
69	715.00		746.46		777.81		804.25		814.71	814.71
70	613.86		681.83	699.76		717.12		727.37		727.37
71	762.19				781.24		808.58		825.56	825.56
72			692.20		707.89		722.00		746.54	746.54
73	563.31		620.90	637.23		653.03		662.37		662.37
74	572.50		625.66	642.11		658.04		667.45		667.45
75	563.31		627.01		640.43		662.21		670.16	670.16
76	561.15		611.32	627.40		642.96		652.15		652.15
77	566.10		616.49	632.70		648.39		657.67		657.67
78	632.52				654.66		678.88		689.06	689.06
79	637.32				653.13	669.33		678.90		678.90
80	561.58		613.45	629.58		645.20		654.42		654.42
81	623.28		686.72	704.78		722.26		732.59		732.59
82	578.26		620.19	636.50		652.29		661.61		661.61
83	537.25		558.72		582.07	596.51		605.04		605.04
84	616.87		678.84	696.69		713.97		724.18		724.18
85	768.44		804.56		833.52		860.19		870.51	870.51
86	804.26				832.31		863.10		876.05	876.05
87	655.91	684.44		702.44		719.86		730.16		730.16
88	640.00		668.25		680.32		705.49		716.07	716.07
89	643.29		673.52		697.76		719.39	729.68		729.68
90	636.36	664.04		681.51		698.41		708.39		708.39
91	650.00		693.15		707.10		731.34		740.64	740.64
92	591.42		617.44		634.73		656.31	665.70		665.70
93	567.84		618.30	634.56		650.30		659.60		659.60
94	567.84	592.54		608.12		623.21		632.12		632.12
95	600.67		663.36	680.81		697.69		707.67		707.67
96	613.86		681.83	699.76		717.12		727.37		727.37
97					600.00	614.88		623.67		623.67

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
98	563.31		620.90	637.23		653.03		662.37		662.37
99										0.00
100	607.65		653.82	671.02		687.66		697.49		697.49
101	557.00		588.75	604.23		619.22		628.07		628.07
102										809.75
103	788.58		813.48		813.48		824.07	835.85		835.85
104	680.87		761.38	781.40		800.78		812.23		812.23
105						881.49		894.10		894.10
106			868.79		890.51		921.67		941.03	941.03
107	709.26	740.11		759.58			835.54	847.49		847.49
108	768.63				803.22	823.14		834.91		834.91
109	697.92		776.86	797.29		817.06		828.75	910.29	910.29
110	697.92		776.86	797.29		817.06		828.75		828.75
111	709.25		783.39	803.99		823.93		835.71		835.71
112					824.07	844.51	928.96	942.24		942.24
113	697.92		776.86	797.29		817.06		828.75		828.75
114	697.92		767.79	787.98		807.52		819.07		819.07
115	701.38		771.40	791.69		811.32		822.92		822.92
116	703.37		743.46	763.01		781.94		793.12		793.12
117	714.92		775.07	795.45		815.18		826.84		826.84
118									980.37	980.37
119	921.88				954.14	977.80		991.79		991.79
120	1003.51		1110.53	1,139.74		1,168.00		1,184.70		1,184.70
121	1055.73		1125.41		1,160.30	1,189.08		1,206.08		1,206.08
122	1013.53		1135.42	1,165.28		1,194.18		1,211.26		1,211.26
123	968.11		1073.83	1,102.07		1,129.40		1,145.55		1,145.55
124	1105.75		1149.98		1,191.37	1,220.92		1,238.38		1,238.38
125	715.00				742.89		770.37		795.79	795.79
126	649.10		686.10		703.25	720.69			792.76	792.76
127	1052.00		1139.66		1,168.15		1,209.03		1,235.63 2	1,235.63
128	1170.00		1221.48		1,265.45		1,298.35		1,313.94	1,313.94
129	843.04		880.17		896.15	918.37		931.51		931.51
130	712.76		777.82	798.28		818.07		829.77		829.77
131	708.16		741.44	760.94			837.03	849.00		849.00

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Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
132	697.92		776.86	797.29		817.06		828.75		828.75
133	697.92	728.28		747.43		765.97		776.92		776.92
134	780.53		879.18	902.30		924.68		937.90		937.90
135	1111.94		1160.87	1,191.40		1,220.95		1,238.41		1,238.41
136	1003.85		1061.07		1,087.60	1,114.57		1,130.51		1,130.51
137	983.60		1082.59	1,111.06		1,138.62		1,154.90		1,154.90
138	891.53	930.31		954.78		978.46		992.45		992.45
139	854.86		892.47		917.46		948.66	962.23		962.23
140	910.67		975.36	1,001.01		1,025.84		1,040.51		1,040.51
141	864.45		923.44	947.73		971.23		985.12		985.12
142	826.88		868.22	891.05		913.15		926.21		926.21
143	792.50	826.97		848.72		869.77		882.21		882.21
144	749.04		782.00		814.84	835.05		846.99		846.99
145	728.33	760.01		780.00		799.34		810.78		810.78
146	704.93		745.11		763.74		790.47	801.77		801.77
147	1085.70		1210.47	1,242.31		1,273.11		1,291.32		1,291.32
148	1082.61		1186.61		1,216.04		1,251.45			1,251.45
149	1124.63	1173.55		1,204.42		1,234.29		1,251.94		1,251.94
150	1267.93				1,312.31		1,312.31		1,347.74	1,347.74
151	1151.33		1249.97	1,282.84		1,314.66		1,333.46		1,333.46
152	1179.73		1231.61		1,266.13		1,392.75		1,412.67	1,412.67
153										1,571.72
154	1190.50		1234.55		1,278.99		1,312.24		1,331.01	1,331.01
155	854.30		915.33	939.40		962.70		976.47		976.47
156	870.34		923.42	947.71		971.21		985.10		985.10
157	939.44		980.78	1,006.57		1,031.54		1,046.29		1,046.29
158	961.00		1015.78		1,041.17		1,077.61		1,101.32	1,101.32
159					1,204.31	1,234.18		1,251.83		1,251.83
160	1109.90		1199.51	1,231.06		1,261.59		1,279.63		1,279.63
161	1097.91		1187.07	1,218.29		1,248.50		1,266.36		1,266.36
162	839.20		887.03		909.21		941.03	954.49		954.49
163						688.39		698.23		698.23
164	554.04		574.17		597.14		615.65		666.46	666.46
165	1075.00				1,123.38		1,160.45		1,199.91	1,199.91

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
166	829.88		906.83	930.68		953.76		967.40		967.40
167	832.34		920.22	944.42	1,037.35	1,063.08		1,078.28		1,078.28
168										1,028.38
169	835.58	871.93		894.86		917.05		930.17		930.17
170	945.00		986.58		1,028.01		1,062.96	1,078.16		1,078.16
171	860.74		933.03	957.57		981.32		995.35		995.35
172	924.50		1014.15		1,054.72		1,087.42		1,100.47	1,100.47
173	844.36		900.09		927.99		957.68	971.37		971.37
174	730.69		783.17	803.77		823.70		835.48		835.48
175			868.79		900.06		931.56			931.56
176	815.00			836.43		857.18		869.44		869.44
177	824.37		912.52	936.52		959.74		973.47		973.47
178	822.14		918.94	943.11		966.50		980.32		980.32
179	911.97		995.25	1,021.43		1,046.76		1,061.73		1,061.73
180	823.61		907.36	931.22		954.32		967.96		967.96
181	1100.78	1148.66		1,178.87		1,208.11		1,225.39		1,225.39
182	1235.00		1305.40	1,339.73		1,372.96		1,392.59		1,392.59
183	1137.86		1183.37		1,225.97		1,251.73	1,269.63		1,269.63
184	1109.84				1,316.51		1,363.90		1,410.27	1,410.27
185	1127.76		1208.63	1,240.42		1,271.18		1,289.36		1,289.36
186	1235.00		1289.34		1,335.75		1,359.55		1,370.43	1,370.43
187	1109.10	1157.35		1,187.78		1,217.24		1,234.65		1,234.65
188	1122.54		1171.93		1,221.15		1,262.66	1,280.72		1,280.72
189	1106.51		1203.74	1,235.40		1,266.04		1,284.14		1,284.14
190	1067.68		1160.18	1,190.69		1,220.22		1,237.67		1,237.67
191	974.40		1059.73	1,087.60		1,114.57		1,130.51		1,130.51
192	971.13		1043.65	1,071.10		1,097.66		1,113.36		1,113.36
193	974.40		1059.23	1,087.09		1,114.05		1,129.98		1,129.98
194										1,157.16
195	949.60		991.38		1,033.01		1,068.13	1,083.40		1,083.40
196			1075.00		1,108.33		1,143.79		1,173.53	1,173.53
197	1011.40		1058.94		1,097.06	1,124.27		1,140.34		1,140.34
198			1145.95		1,187.20		1,216.64		1,234.04	1,234.04
199	1075.00		1125.53		1,166.04		1,202.19		1,216.61	1,216.61

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
200	1058.44		1118.75		1,146.72		1,186.88	1,203.85		1,203.85
201	992.87		1103.75	1,132.78		1,160.87		1,177.47		1,177.47
202	934.73	975.39		1,001.04		1,025.87		1,040.54		1,040.54
203	1023.58	1068.11		1,096.20		1,123.38		1,139.45		1,139.45
204			1215.24		1,245.62		1,289.21		1,316.29	1,316.29
205	992.87			1,018.98		1,044.25		1,059.19	1,163.40	1,163.40
206	947.01		1055.28	1,083.03		1,109.89		1,125.76		1,125.76
207	1069.01		1116.05		1,156.22		1,186.28	1,203.24		1,203.24
208	862.28		918.33		934.22		966.91	980.74		980.74
209	989.26	1032.29		1,059.44		1,085.72		1,101.24		1,101.24
210	890.15		929.32		962.77		987.80	1,001.93		1,001.93
211	924.50		1020.62	1,047.46		1,073.44		1,088.79		1,088.79
212	940.50		1002.57		1,033.65		1,066.72	1,081.97		1,081.97
213	627.74				655.90		677.54		689.74	689.74
214	679.04		708.92		738.69		763.80	774.72		774.72
215	585.43		632.35	648.98		665.08		674.59		674.59
216										672.62
217	584.02		619.18	635.46		651.22		660.54		660.54
218	590.53		605.18	621.10		636.50	682.20	691.96		691.96
219	553.29		596.70	612.39		627.58		636.55		636.55
220	583.80		624.79	641.22		657.12		666.52		666.52
221	588.00		613.83		625.04		648.16		657.88	657.88
222	650.00		680.55		705.04		726.90		735.62	735.62
223	912.41				947.99		986.06	1,000.16		1,000.16
224	711.82		784.69		925.93		871.02		883.48	883.48
225	725.23		766.51		785.73		810.87	822.47		822.47
226	847.59		895.90		918.30		950.44	964.03		964.03
227					773.94		821.05	832.79		832.79
228	723.00		787.11	807.81		827.84		839.68		839.68
229	792.67				820.41		850.76	862.93		862.93
230	660.69	689.43		707.56		725.11		735.48		735.48
231	728.17		785.71	806.37		826.37		838.19		838.19
232	773.40		807.43		830.04		858.27	870.54		870.54
233	712.78		777.84	798.30		818.09			899.90	899.90

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
234	586.39		619.81		635.31		657.54	666.94		666.94
235	628.88				656.55		678.21	687.91		687.91
236	581.16		623.42	639.82		655.68			721.25	721.25
237	623.28		686.72	704.78		722.26		732.59		732.59
238	821.50		911.03	934.99		958.18		971.88		971.88
239	770.90		804.82		833.79		855.47	867.70		867.70
240	964.03		1018.98		1,044.45		1,081.00	1,096.46		1,096.46
241	845.30	882.07		905.27		927.72	995.80	1,010.04		1,010.04
242	1010.30		1057.78		1,095.86	1,123.04		1,139.10		1,139.10
243	908.76		995.42		1,010.75		1,032.25		1,067.35	1,067.35
244	883.66		978.03	1,003.75		1,028.65		1,043.35		1,043.35
245	722.59		781.99	802.56		822.46		834.22		834.22
246	579.09	604.28		620.17		635.55		644.64		644.64
247										
248	789.55		825.08		854.78		870.17	882.61		882.61
249	645.07	673.13		690.83		707.97		718.09		718.09
250										
251	807.63		900.96	924.66		947.59		961.14		961.14
252	804.75		887.46	910.80		933.39		946.74		946.74
253	824.33	860.19		882.81		904.71		917.64		917.64
254	587.15		624.21	640.63		656.51		665.90		665.90
255			762.19		792.96		818.34		839.62	839.62
256	585.43		632.35	648.98		665.08		674.59		674.59
257	592.09		635.81	652.53		668.71		678.28		678.28
258	631.52				653.62		677.80	687.49		687.49
259	760.42		790.84		819.31	839.63		851.64		851.64
260	759.87				789.50		818.71	830.42		830.42
261	662.23		691.37		720.40	738.27		748.82		748.82
262	648.77		681.21	699.13			769.04	780.04		780.04
263	912.83				948.43	971.95		985.85		985.85
264	832.24		903.47	927.23		950.23		963.81		963.81
265	945.00		1007.37		1,038.60		1,071.90		1,093.34	1,093.34
266	894.09		945.63	970.50		994.57		1,008.79		1,008.79
267	820.79	856.49		879.02		900.82		913.70		913.70

Space No.	Mar-91 Base Rent	1991 CPI 4.35% Adjust	1991 Lease Adjust	1992 CPI 2.63% Adjust	1992 Lease Adjust	1993 CPI 2.48% Adjust	1993 Lease Adjust	1994 CPI 1.43% Adjust	1994 Lease Adjust	1994 Current MAR
268	945.00		979.97		1,015.24		1,041.63		1,056.53	1,056.53
269	825.69	861.61		884.27		906.20		919.16		919.16
270	865.98		904.11		920.54	943.37		956.86		956.86
271	823.73		870.68		892.45	914.58		927.66		927.66
272	835.56				882.79		915.45		931.93	931.93
273	799.33		871.74	894.67		916.85		929.97		929.97
274	838.38		919.78	943.97		967.38		981.21		981.21
275	1007.37				1,043.63		1,070.31		1,093.86	1,093.86
276	838.38		919.78	943.97		967.38		981.21		981.21
277	825.69		913.19	937.21		960.45		974.18		974.18
278	792.25				819.98		846.21		864.83	864.83
279	783.21	817.28		838.77		859.58		871.87		871.87
280	861.90		902.41		934.89		963.87	977.65		977.65
281			771.17		909.98		940.92		956.92	956.92
282	825.26				854.14		885.74		899.03	899.03
283	850.60				883.54		916.54		933.04	933.04
284	869.01		907.25	931.11		954.20		967.85		967.85
285	899.27				921.57	944.42		957.93		957.93
286	830.52		869.55	892.42		914.55		927.63		927.63
287	1109.46			1,138.64		1,166.88		1,183.56		1,183.56
288	1023.25				1,048.63	1,074.64		1,090.00		1,090.00
289	1027.62			1,054.65		1,080.80		1,096.26		1,096.26
290	856.39	893.64		917.15		939.89		953.33		953.33
291	965.08		965.08		1,011.40		1,042.75	1,057.66		1,057.66
292							1,207.77	1,225.04		1,225.04
293	865.65	903.31		927.06		950.05		963.64		963.64
294										1,171.40
295	859.81		897.64		929.95		954.13	967.77		967.77
296	715.95		742.44		769.16	788.24		799.51		799.51
297	882.74		924.23	948.54		972.06		985.96		985.96
298	733.25		767.71		795.34		820.00	831.73		831.73
299	815.00				859.83		891.64		913.93	913.93

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Space	Amount	Anniv. Date	Space	Amount	Anniv. Date	Space	Amount	Anniv. Date
1	835.24	Dec	41	657.22	Jul	81	732.59	Jul
2	738.07	Jul	42	748.15	Aug	82	661.61	Sept
3	TAC		43	690.00	Jul	83	605.04	Jun
4	650.82	Nov	44	585.21	Jul	84	724.18	Aug
5	748.89	Jul	45	588.27	Aug	85	870.51	Nov
6	679.90	Aug	46	701.97	Nov	86	876.05	Mar
7	664.94	Sept	47	745.83	Nov	87	730.16	Jul
8	669.33	Jun	48	727.94	Sept	88	716.07	Apr
9	667.61	Jul	49	735.62	Oct	89	729.68	Oct
10	663.35	June	50	689.16	Oct	90	708.39	Aug
11	665.59	May	51	669.05	Jul	91	740.64	Aug
12	718.41	May	52	695.87	Mar	92	665.70	Jul
13	632.78	Oct	53	700.30	Oct	93	659.60	Sept
14	646.66	June	54	683.24	Jun	94	632.12	May
15	TAC		55	755.08	Oct	95	707.67	Nov
16	733.99	Feb	56	701.95	Dec	96	727.37	Jul
17	744.87	Jul	57	737.09	Oct	97	623.67	Dec
18	821.62	Feb	58	724.35	Oct	98	662.37	Jul
19	678.80	Oct.	59	815.98	Aug	99	TAC	
20	696.95	Jul	60	960.61	Oct	100	697.49	Nov
21	744.31	Sept	61	910.59	Sept	101	628.07	Jun
22	847.69	June	62	1,051.02	Feb	102	809.75	Jul
23	909.69	Jan	63	989.01	Sept	103	835.85	Jan
24	805.78	Sept	64	942.34	Jul	104	812.23	Jul
25	832.82	Nov	65	833.50	Oct	105	894.10	Feb
26	805.02	Mar	66	729.99	June	106	941.03	Jun
27	676.77	Jul	67	810.54	Sept	107	847.48	Feb
28	638.22	Dec	68	799.17	Apr	108	834.91	Jan
29	624.57	Sept	69	814.71	Aug	109	910.29	Sept
30	601.40	Jul	70	727.37	Jul	110	828.75	Jul
31	752.70	Sept	71	825.56	Jun	111	835.71	Jul
32	657.22	Nov	72	746.54	Aug	112	942.24	Dec
33	611.14	Mar	73	662.37	Jul	113	828.75	Jul
34	641.76	Jan	74	667.45	Jul	114	819.07	Aug
35	673.08	May	75	670.16	Jul	115	822.92	Aug
36	735.62	Oct	76	652.15	Nov	116	793.12	Jul
37	721.35	Nov	77	657.67	Aug	117	826.84	Sept
38	642.16	Oct	78	689.06	Mar	118	980.37	Aug
39	657.56	Nov	79	678.90	Mar	119	991.79	Mar
40	752.04	Aug	80	654.42	Oct	120	1,184.70	Oct

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Space	Amount	Anniv. Date	Space	Amount	Anniv. Date	Space	Amount	Anniv. Date
121	1,206.08	May	161	1,266.36	Sept	201	1,177.47	Jul
122	1,211.26	Apr	162	954.49	Jun	202	1,040.54	Jul
123	1,145.55	Jul	163	698.23	Feb	203	1,139.45	Nov
124	1,238.38	Dec	164	666.46	Oct	204	1,316.29	Jun
125	795.79	Feb	165	1,199.91	Jan	205	1,163.40	May
126	792.76	Apr	166	967.40	Aug	206	1,125.76	Jul
127	1,235.63	Jun	167	1,078.28	Nov	207	1,203.24	Nov
128	1,313.94	Nov	168	1,028.33	Jun	208	980.74	Jun
129	931.51	Apr	169	930.17	Sept	209	1,101.24	May
130	829.77	Aug	170	1,078.16	Aug	210	1,001.93	Nov
131	849.00	Apr	171	995.35	Sept	211	1,088.79	Sept
132	828.75	Jul	172	1,100.47	Oct	212	1,081.97	May
133	776.92	Apr	173	971.37	May	213	689.74	Jan
134	937.90	Jul	174	835.48	Sept	214	774.72	Aug
135	1,238.41	Aug	175	931.56	Dec	215	674.59	Jul
136	1,130.51	Jun	176	869.44	Mar	216	672.62	Aug
137	1,154.90	Jul	177	973.47	Jul	217	660.54	Sept
138	992.45	Sept	178	980.32	Jul	218	691.96	Nov
139	962.23	Jul	179	1,061.73	Dec	219	636.55	Dec
140	1,040.51	Jul	180	967.96	Sept	220	666.52	Oct
141	985.12	Oct	181	1,225.39	Aug	221	657.88	Apr
142	926.21	Aug	182	1,392.59	Jun	222	735.62	Oct
143	882.21	Apr	183	1,269.63	Dec	223	1,000.16	Feb
144	846.99	Aug	184	1,410.27	Jan	224	883.48	Feb
145	810.78	Aug	185	1,289.36	Sept	225	822.47	Jun
146	801.77	Jun	186	1,370.43	Nov	226	964.03	Jun
147	1,291.32	Apr	187	1,234.65	Aug	227	832.79	Jun
148	1,251.45	Dec	188	1,280.72	Aug	228	839.68	Aug
149	1,251.94	Jul	189	1,284.14	Aug	229	862.93	Mar
150	1,347.74	Mar	190	1,237.67	Jul	230	735.48	Jul
151	1,333.46	Sept	191	1,130.51	Jul	231	838.19	Aug
152	1,412.67	Jul	192	1,113.36	Nov	232	870.54	Jul
153	1,571.72	Jul	193	1,129.98	Jul	233	899.90	Aug
154	1,331.01	Sept	194	1,157.16	Dec	234	666.94	Jun
155	976.47	Nov	195	1,083.40	Aug	235	687.91	Jan
156	985.10	Nov	196	1,173.53	May	236	721.25	Aug
157	1,046.29	Nov	197	1,140.34	Oct	237	732.59	Jul
158	1,101.32	Jun	198	1,234.04	Oct	238	971.88	Jul
159	1,251.83	Sept	199	1,216.61	Nov	239	867.70	Nov
160	1,279.63	Sept	200	1,203.85	Jun	240	1,096.46	Jun

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Space	Amount	Anniv. Date	Space	Amount	Anniv. Date
241	1,010.04	Oct	281	956.92	May
242	1139.10	Oct	282	899.03	Mar
243	1,067.35	Jul	283	933.04	Feb
244	1,043.35	Dec	284	967.85	Jul
245	834.22	Oct	285	957.93	Mar
246	644.64	Jul	286	927.63	Oct
247	N / A		287	1,183.56	Mar
248	882.61	Jan	288	1,090.00	Mar
249	718.09	Nov	289	1,096.26	Feb
250	N / A		290	953.33	Jul
251	961.14	Jul	291	1,057.66	Oct
252	946.74	Nov	292	1,225.04	Dec
253	917.64	Jul	293	963.64	Jul
254	665.90	Sept	294	1171.40	Mar
255	839.62	May	295	967.77	Nov
256	674.59	Jul	296	799.51	Sept
257	678.28	Jul	297	985.96	Dec
258	687.49	Mar	298	831.73	Oct
259	851.64	Dec	299	913.93	Apr
260	830.42	Feb			
261	748.82	Aug			
262	780.04	Apr			
263	985.85	Feb			
264	963.81	Sept			
265	1,093.34	May			
266	1,008.79	Sept			
267	913.70	Oct			
268	1,056.53	Sept			
269	919.16	Jul			
270	956.86	Apr			
271	927.66	Jun			
272	931.93	Feb			
273	929.97	Dec			
274	981.21	Jul			
275	1,093.86	Nov			
276	981.21	Jul			
277	974.18	Jul			
278	864.83	Mar			
279	871.87	Sept			
280	977.65	Oct			

EXHIBIT C

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS (BAR NO. 93819)
MICHAEL S. GREGER (BAR NO. 156525)
18400 Von Karman, Fourth Floor
Irvine, California 92715-1597
Telephone: (714) 553-1313

Attorneys for Plaintiff
The Adamson Companies

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

THE ADAMSON COMPANIES, a California partnership, Plaintiff and Petitioner, v. THE CITY OF MALIBU; CITY COUNCIL FOR THE CITY OF MALIBU; Defendants and Respondents.	CASE NO. 92-1027-MRP (EEx) (Consolidated With) CASE NO. 92 1028 MRP (Eex) STIPULATION FOR ENTRY OF JUDGMENT (Honorable Mariana R. Pfaelzer, United States District Judge)
THE KISSEL COMPANY, a California corporation, Plaintiff, v. CITY OF MALIBU, AND CITY COUNCIL FOR THE CITY OF MALIBU, Defendants.	

IT IS HEREBY STIPULATED by and between plaintiff The Adamson Companies, and Defendants City of Malibu and the City Council for the City of Malibu; Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller, Lawrence Wan (collectively the "City"), through their respective attorneys of record, as follows:

1. That the judgment attached hereto as Exhibit "A" be entered by the Court pursuant to the provisions of the Federal Rules of Civil Procedure.

2. That the parties hereto, and each of them, agree to execute all documents and do all other things reasonably necessary and proper for the entry of said judgment.

3. That the parties hereto, and each of them, waive findings of fact, conclusions of law, notice of entry of said judgment and all rights to appeal from, or other review of, said judgment.

This stipulation and the attached judgment are being filed with the Court pursuant to the terms of the Settlement Agreement dated December 1, 1994, and executed by the parties.

DATED: DECEMBER 2, 1994

RICHARDS, WATSON & GERSHON
MITCHELL E. ABBOTT
ROCHELLE BROWNE

By: ______________________
Mitchell E. Abbott
Attorneys for Defendants

DATED: December 2, 1994

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS
MICHAEL S. GREGER

By: ______________________
Thomas E. Gibbs
Attorneys for Plaintiff
The Adamson Companies

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS (BAR NO. 93819)
MICHAEL S. GREGER (BAR NO. 156525)
18400 Von Karman, Fourth Floor
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Telephone: (714) 553-1313

Attorneys for Plaintiff
The Adamson Companies

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA

THE ADAMSON COMPANIES, a California partnership, Plaintiff and Petitioner, v. THE CITY OF MALIBU; CITY COUNCIL FOR THE CITY OF MALIBU; Defendants and Respondents.	CASE NO. 92-1027-MRP (EEx) (Consolidated With) CASE NO. 92 1028 MRP (Eex) [Proposed] JUDGMENT (Honorable Mariana R. Pfaelzer, United States District Judge)
THE KISSEL COMPANY, a California corporation, Plaintiff, v. CITY OF MALIBU, AND CITY COUNCIL FOR THE CITY OF MALIBU, Defendants.	

Plaintiff The Adamson Companies ("Adamson") and the City of Malibu, City Council for the City of Malibu, Missy Zeitsoff, Michael Caggiano, Carolyn Van Horn, Walter Keller and Lawrence Wan (collectively, the "City"), having entered into a Stipulation for Entry of Judgment on file herein, and the Court having duly considered same, and Adamson appearing by and through its attorneys, Allen, Matkins, Leck, Gamble & Mallory, and the City appearing by and through its attorneys, Richards, Watson and Gershon, now, good cause appearing therefor, the Court hereby orders the following judgment pursuant to said Stipulation:

IT IS HEREBY DECLARED, ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. That Adamson recover from the City the following amounts: $200,000.00 (payable on January 3, 1995) and $200,000.00 (payable on or before October 1, 1995).

2. That the parties fully comply with and observe all of the provisions of the Settlement Agreement executed by the parties, effective December 1, 1994, and Ordinance 121U, attached hereto as Exhibit "A" and incorporated herein by this reference.

3. That the Court shall maintain and reserve jurisdiction over this action and the judgment provided for herein.

Allen, Matkins, Leck, Gamble & Mallory

4. That, in the event the City breaches the Settlement Agreement, Adamson shall have the following remedies:

(a) Enforce the Settlement Agreement according to its terms, including by way of specific performance, injunctive relief, damages or otherwise, as appropriate and permitted by law; or

(b) In the event of a material breach of the Settlement Agreement by the City, as defined in that agreement, Adamson shall have the option, as an alternative to Paragraph 4(a), to rescind the Settlement Agreement in accordance with Paragraph 7(c) thereof. In the event of such rescission, the parties shall return to the exact same position, rights and remedies as they had on the date of the entry of this judgment, and may proceed with this action as if there had been no settlement or judgment.

5. Each party shall bear its own attorneys' fees and costs incurred in connection with this action through and including the date of entry of this judgment.

DATED: ____________________ ______________________________

MARIANA R. PFAELZER
JUDGE OF THE DISTRICT COURT

DATED: DECEMBER 2, 1994

RICHARDS, WATSON & GERSHON
MITCHELL E. ABBOTT
ROCHELLE BROWNE

By: ______________________
Mitchell E. Abbott
Attorneys for Defendants

DATED: December 2, 1994

ALLEN, MATKINS, LECK, GAMBLE & MALLORY
THOMAS E. GIBBS
MICHAEL S. GREGER

By: ______________________
Thomas E. Gibbs
Attorneys for Plaintiff
The Adamson Companies

AGREEMENT FOR PAYMENT

OF ENVIRONMENTAL IMPACT REPORT

PREPARATION AND PROCESSING COSTS

THIS AGREEMENT is made this 22nd day of May, 1995, by and between the City of Malibu (hereinafter called "CITY"), and The Adamson Companies, a California corporation (hereinafter called "DEVELOPER").

1. Recitals. DEVELOPER has requested that CITY approve a conditional use permit, commercial plot plan review, site plan review and variances in connection with a proposed hotel project within the City of Malibu. The initial study prepared in connection with the proposed project indicates that it will have significant environmental impacts. Accordingly, CITY requires that an Environmental Impact Report (EIR) be prepared for and under the direction of CITY but at DEVELOPER's expense for consideration in conjunction with the application as is required by the California Environmental Quality Act (CEQA), Public Resources Code Sections 21000 et seq. and the state and local regulations promulgated pursuant thereto.

2. Payment. DEVELOPER agrees to pay CITY in full for all costs and expenses incurred pursuant to any contract between CITY and any EIR consultant selected by CITY to prepare the

necessary environmental documents for DEVELOPER's project. DEVELOPER agrees to pay CITY in full for all CITY personnel (full-time and part-time positions) staff costs incurred in managing the contract with the Consultant selected by the CITY and other costs related to the processing of the above-referenced applications for development entitlements. DEVELOPER shall pay CITY the sum of $57,881.00 in a lump sum upon execution of this Agreement, which sum represents CITY's best estimate of Developer's ultimate obligations hereunder.

In the event CITY determines based on the actual expenses incurred in preparation and review of the EIR that its costs will exceed $57,881.00 **and after written notification and explanation to DEVELOPER**, DEVELOPER shall pay to CITY upon demand in a lump sum the estimated cost of the excess. Work on the EIR shall be suspended until and unless said payment is made to CITY and in such event, DEVELOPER shall be responsible for all costs incurred as a result of the suspension of work.

After a final decision is made on the EIR by the City Council, or prior **instruction for termination or** abandonment by DEVELOPER pursuant to Section 3 below, and satisfaction of all liabilities to CITY'S consultant and reimbursement of all CITY staff expense, CITY shall refund to DEVELOPER any amount of DEVELOPER'S payments which remain unexpended.

3. <u>Abandonment of Project</u>. In the event DEVELOPER abandons the project **or instructs the City to terminate** prior to a final decision on the EIR by the City Council, and upon written request from DEVELOPER directed to the City Manager of the CITY, the CITY will suspend preparation of the EIR and evaluation of DEVELOPER's applications and avoid further expense.

4. <u>Independent Consultants</u>.

(a) During existence of CITY's contract with a Consultant assigned to DEVELOPER's project and for a time period of one (1) year from final resolution of DEVELOPER's applications, neither DEVELOPER, nor any of its representatives, agents or other persons acting in concert with DEVELOPER will enter into any financial or business relationship with any such Consultant or propose to enter into any future such relationship with any such Consultant.

(b) DEVELOPER hereby acknowledges and agrees as follows:

(i) CITY has sole discretion to select which of its employees are assigned to work on DEVELOPER's applications;

(ii) CITY has sole discretion to determine which persons CITY will hire as employees and contractors to work on the DEVELOPER's application.

(iii) CITY has sole discretion to direct the work and evaluate the performance of the employees and contractors whom the CITY hires to work on DEVELOPER's applications and CITY retains the right to terminate or replace at any time any employee or contractor who is assigned to work on DEVELOPER's applications.

(iv) CITY has sole discretion to determine the amount of compensation paid to employees or contractors hired by CITY to work on DEVELOPER's applications.

(v) CITY, not DEVELOPER, shall pay employees and contractors hired or assigned by CITY to work on DEVELOPER's applications from a CITY account under the exclusive control of CITY.

(c) CITY and DEVELOPER hereby acknowledge and agree that processing of DEVELOPER's applications is not contingent on the hiring of any specific contractor.

(d) CITY and DEVELOPER hereby acknowledge and agree that the DEVELOPER's duty to reimburse the CITY is not contingent upon the CITY's approval or disapproval of the proposed project or upon the result of any action of the CITY.

(e) Neither DEVELOPER nor its officers, employees or agents, shall communicate with the consultant selected by the CITY during the term of this Agreement **without City's prior approval.**

5. Interpretation. This Agreement is deemed to have been prepared by all of the parties hereto, and any uncertainty or ambiguity herein shall not be interpreted against the drafter, but rather, if such ambiguity or uncertainty exists, shall be interpreted according to the applicable rules of interpretation of contracts under the law of the State of California.

6. Assignment. This Agreement shall not be assigned in whole or in part, without the prior written consent of CITY.

7. Notice. Any notice required to be given to the DEVELOPER shall be deemed duly and properly given upon delivery, if sent to DEVELOPER postage prepaid to:

MICHAEL VIGNIERI & ASSOCIATES
12381 Wilshire Blvd., Ste. 201
Los Angeles, California 90025

or personally delivered to DEVELOPER at such address or other address specified to the CITY in writing by DEVELOPER.

Any notice required to be given to the CITY shall be deemed duly and properly given upon delivery, if sent to the CITY postage prepaid to:

Joyce Parker-Bozylinski
City of Malibu
Planning Department
23555 Civic Center Way
Malibu, CA 90265

or personally delivered to CITY at such address or other address specified to the CONSULTANT in writing by the CITY.

8. Entire Agreement. This agreement represents the entire integrated agreement between CITY and DEVELOPER, and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by a written instrument signed by both CITY and DEVELOPER.

9. Litigation Costs. Should any dispute under this Agreement lead to litigation, the prevailing party shall be entitled to reasonable attorneys' fees for the prosecution of the action.

10. Governing Law. This Agreement shall be governed by the laws of the State of California.

11. Authority. The persons signing this Agreement warrant that each of them has the authority to execute this

Agreement on behalf of the party on whose behalf said person is purporting to execute this Agreement, and that this Agreement is a binding obligation of said parties.

EXECUTED in the day and year first above written.

"CITY"

CITY OF Malibu, CA

By Joan House
MAYOR

ATTEST:

CITY CLERK

"DEVELOPER"

THE ADAMSON COMPANIES

By Sylvia Dell Neville
General Partner

City of Malibu
23555 Civic Center Way, Malibu, California 90265-4865
(310) 456-CITY Fax (310) 456-3356
Tory Freeman, Deputy City Clerk

June 6, 1995

Michael Vignieri
Michael Vignieri & Associates
12381 Wilshire Blvd., Ste. 201
Los Angeles, CA 90025

Subject: AGREEMENT FOR PAYMENT OF ENVIRONMENTAL IMPACT REPORT PREPARATION AND PROCESSING COSTS

Dear Mr. Vignieri:

Enclosed are two copies of the above agreement which was approved by the Malibu City Council on May 22, 1995. Please review the document, which has been signed by our Mayor and City Clerk. If it is acceptable, please sign where indicated and return one copy to my office.

If you have any questions, please do not hesitate to contact me at (310) 456-2489, ext. 228.

Sincerely,

Tory Freeman

Tory Freeman
Deputy City Clerk

AGREEMENT FOR PAYMENT

OF ENVIRONMENTAL IMPACT REPORT

PREPARATION AND PROCESSING COSTS

THIS AGREEMENT is made this 22nd day of May, 1995, by and between the City of Malibu (hereinafter called "CITY"), and The Adamson Companies, a California corporation (hereinafter called "DEVELOPER").

1. Recitals. DEVELOPER has requested that CITY approve a conditional use permit, commercial plot plan review, site plan review and variances in connection with a proposed hotel project within the City of Malibu. The initial study prepared in connection with the proposed project indicates that it will have significant environmental impacts. Accordingly, CITY requires that an Environmental Impact Report (EIR) be prepared for and under the direction of CITY but at DEVELOPER's expense for consideration in conjunction with the application as is required by the California Environmental Quality Act (CEQA), Public Resources Code Sections 21000 et seq. and the state and local regulations promulgated pursuant thereto.

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After a final decision is made on the EIR by the City Council, or prior instruction for termination or abandonment by DEVELOPER pursuant to Section 3 below, and satisfaction of all liabilities to CITY'S consultant and reimbursement of all CITY staff expense, CITY shall refund to DEVELOPER any amount of DEVELOPER'S payments which remain unexpended.

3. Abandonment of Project. In the event DEVELOPER abandons the project **or instructs the City to terminate** prior to a final decision on the EIR by the City Council, and upon written request from DEVELOPER directed to the City Manager of the CITY, the CITY will suspend preparation of the EIR and evaluation of DEVELOPER's applications and avoid further expense.

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(a) During existence of CITY's contract with a Consultant assigned to DEVELOPER's project and for a time period of one (1) year from final resolution of DEVELOPER's applications, neither DEVELOPER, nor any of its representatives, agents or other persons acting in concert with DEVELOPER will enter into any financial or business relationship with any such Consultant or propose to enter into any future such relationship with any such Consultant.

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(i) CITY has sole discretion to select which of its employees are assigned to work on DEVELOPER's applications;

(ii) CITY has sole discretion to determine which persons CITY will hire as employees and contractors to work on the DEVELOPER's application.

(iii) CITY has sole discretion to direct the work and evaluate the performance of the employees and contractors whom the CITY hires to work on DEVELOPER's applications and CITY retains the right to terminate or replace at any time any employee or contractor who is assigned to work on DEVELOPER's applications.

(iv) CITY has sole discretion to determine the amount of compensation paid to employees or contractors hired by CITY to work on DEVELOPER's applications.

(v) CITY, not DEVELOPER, shall pay employees and contractors hired or assigned by CITY to work on DEVELOPER's applications from a CITY account under the exclusive control of CITY.

(c) CITY and DEVELOPER hereby acknowledge and agree that processing of DEVELOPER's applications is not contingent on the hiring of any specific contractor.

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(e) Neither DEVELOPER nor its officers, employees or agents, shall communicate with the consultant selected by the CITY during the term of this Agreement **without City's prior approval.**

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City of Malibu
Planning Department
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10. Governing Law. This Agreement shall be governed by the laws of the State of California.

11. Authority. The persons signing this Agreement warrant that each of them has the authority to execute this

Agreement on behalf of the party on whose behalf said person is purporting to execute this Agreement, and that this Agreement is a binding obligation of said parties.

EXECUTED in the day and year first above written.

"CITY"

CITY OF Malibu, CA

By Jean House

MAYOR

ATTEST:

____

CITY CLERK

"DEVELOPER"

____

By_______________

From:	Crawford, Malik - BLS <Crawford.Malik@bls.gov> on behalf of cpi_info <cpi_info@BLS.GOV>
Sent:	Wednesday, December 15, 2021 9:23 AM
To:	Mary Linden; cpi_info
Subject:	RE: [cpi] CPI Data

Hello,

Thank you for contacting the Consumer Price Index program.

The browser is not the source of the challenge. In January 2018, a new geographic area sample was introduced, which you can read about here: https://www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm. For more detail, click here: https://www.bls.gov/opub/mlr/2016/article/the-2018-revision-of-the-cpi-geographic-sample.htm.

As part of the geographic sample revision, the Los Angeles-Riverside-Orange County, CA area (A421) was split into the Los Angeles-Long Beach-Anaheim, CA (S49A) and Riverside-San Bernardino-Ontario, CA (S49C) areas. While the area definition has changed, for practical purposes you can consider the Los Angeles-Long Beach-Anaheim, CA series continuous with the now-discontinued Los Angeles-Riverside-Orange County, CA series. Because the latter is discontinued, you will only see data through 2017. For 2018 data, use the former.

You can find CPI-U, All items, Los Angeles-Long Beach-Anaheim here: https://data.bls.gov/timeseries/CUURS49ASA0.

For 12-month percent changes, click here: https://data.bls.gov/timeseries/CUURS49ASA0?output_view=pct_12mths.

Please let us know if you have questions or need additional CPI data.

Malik Crawford
Economist
Information and Analysis Section
Consumer Price Index
US DOL, Bureau of Labor Statistics
cpi_info@bls.gov
CPI Info Line: 202-691-7000
Direct: 202-691-5375

bls.gov | @BLS_gov BLS
We have a stat for that!

From: Request for Consumer Price Indexes (CPI) Information [mailto:labdesk@bls.gov]
Sent: Wednesday, December 15, 2021 11:21 AM
To: cpi_info <cpi_info@BLS.GOV>
Subject: FW: [cpi] CPI Data

Bureau of Labor Statistics

A user has contacted us. Here are the details of their message:

To receive an answer to your inquiry, enter the following:

*** Email address:**
mlinden@malibucity.org

*** Full name:**
Mary Linden

Telephone number:
3104562489

Telephone extension:
232

*** Subject:**
CPI Data

*** Enter your question in the box below:**
I work for the City of Malibu and access CPI data tables for the Los Angeles/Orange County region of California each year, but when I go to https://data.bls.gov/PDQWeb/cu, it doesn't allow me to access data beyond 2017. I need the November 2021 12-month percent change, and also like to include the chart for at least the past ten years as a reference. I have had problems in the past with certain browsers, but I've tried both Chrome and Edge and still can't get data after 2017.

We expect to reply within three working days. If you have not received a response within three working days, please send your request again.

City Council Meeting
02-09-26
Item
6.A.

Council Agenda Report

To:	Mayor Riggins and Honorable Members of the City Council
Prepared by:	Tyler Eaton, Assistant Community Development Director
Reviewed by:	Yolanda Bundy, Community Development Director
Approved by:	Rob Duboux, Interim City Manager
Date prepared:	January 29, 2026 Meeting date: February 9, 2026
Subject:	Update on Temporary Use and Sign Permit Regulations and Consideration of Zoning Text Amendment

---

RECOMMENDED ACTION: 1) Receive update on the implementation of Ordinance No. 526, amendments to Temporary Use Permit (TUP) and Sign Permit regulations to support economic recovery following the impacts of the 2025 Palisades Fire; 2) Adopt Resolution No. 26-06 (Attachment 1), initiating a Zoning Text Amendment (ZTA) to Title 17 (Zoning) of the Malibu Municipal Code (MMC) related to TUP and Sign Permit regulations; 3) Bypass the Zoning Ordinance Revisions and Code Enforcement Subcommittee (ZORACES) review; and 4) Direct the Planning Commission to schedule a public hearing regarding the same.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

STRATEGIC PRIORITY: This item supports the City's 2025 Strategic Plan Goal 2: Drive Economic Recovery and Restore Lost Revenue, and Goal 1: Support Community Rebuilding and Long-Term Recovery.

DISCUSSION: Pursuant to MMC Section 17.74.040, a change in the text of the Malibu Zoning Ordinance (MMC Title 17) must be initiated by the Council through a resolution of intention. The resolution gives notice to the public and other interested parties that the Council will consider changes to the code and directs the Planning Commission to hold a public hearing to consider the changes. The public hearing is required by the MMC and allows the City Council to make a recommendation on the zoning text.

The City Council is limited to the issues reasonably within the scope of the public hearing notice. In this resolution, the Council is announcing its intent to adopt revisions to MMC

Title 17 that would continue to support economic recovery for local businesses impacted by the 2025 Palisades Fire, specifically related to TUPs and Sign Permits. Additionally, the proposed permanent TUP and Sign Permit ordinance would better serve the community and advance the City's long-term economic development goals by easing regulations for minor events and promoting more business-friendly zoning standards.

Pacific Coast Highway (PCH) was closed from the City's eastern boundary to the Carbon Beach area starting on January 7, 2025, when the Palisades Fire broke out, and until Memorial Day 2025. Even after the roadway reopened, ongoing traffic controls, intermittent closures, and persistent congestion along PCH continue to cause significant delays, exacerbating access to the city and to local businesses. The prolonged closure and delays on PCH significantly limit access for visitors traveling from the greater Los Angeles area to Malibu, particularly during peak summer seasons when Malibu typically experiences its highest annual visitor volume. As a result, businesses throughout the city have been severely affected by the reduction of visitors, with some Malibu business owners publicly reporting year-over-year losses seen of up to 80 percent. The cause of the drop in visitors is widely attributable to the fire and resulting access restrictions.

The City Council adopted Urgency Ordinance No. 526U on July 14, 2025, in response to the economic impacts from the Palisades Fire described above. The ordinance was intended to help spur economic recovery and support local businesses during this period of lack of visitors. Ordinance No. 526, the follow-up regular ordinance to Urgency Ordinance No. 526U, was subsequently adopted by the City Council on September 8, 2025. Ordinance No. 526 (Attachment 2) is currently in effect and includes minor changes from Ordinance 526U, specifically related to TUPs involving events with 100-250 attendees. The amendments to MMC Title 17 adopted in Ordinance No. 526 include a sunset date of May 31, 2026, reflecting their purpose as both a post-fire economic recovery and a pilot program to evaluate their effectiveness and benefit to Malibu's business community.

Ordinance No. 526 allowed businesses to obtain a planning clearance for events with 99 persons or fewer. These events were not limited in number per year. Businesses were still required to obtain a permit from the City, so the City could ensure the event did not create a public nuisance, and so the City could notify the public through the City's online event report. These events were identified as Temporary Use Permits – Planning Clearance (TUPPC).

The ordinance also includes a provision for events with 100-250 persons, which differs from the general TUP ordinance. Businesses utilizing these provisions must submit their applications within seven (7) calendar days of the event date. Public Notices are mailed five (5) days in advance of the event to all neighbors within a 500-foot radius. These events are limited to a total of 48 one-day events per year, with no more than eight (8) one-day events per month per shopping center. For businesses not located in a shopping center, a total of 24 one-day events are allowed, with no more than two (2) one-day events per business per month. These events were identified as Temporary Use Permits – Express (TUPE).

Events with more than 250 persons are required to obtain a regular TUP, which is limited to six (6) per calendar year, per parcel, and the application must be submitted at least 35 days in advance of the event. These requirements limit the ability to plan events on short notice. Prior to the adoption of Ordinance No. 526, even small events of less than 100 persons were required to obtain a regular TUP, which counted towards the six-event annual limit per parcel. Ordinance No. 526 provided businesses with greater opportunity to host more small-scale events and attract visitors, supporting economic recovery and longer-term economic development. The ordinance has been well received by Malibu business owners, and based on this experience, staff is recommending the Council initiate a Zoning Text Amendment to make the ordinance permanent. To date, no code enforcement complaints have been received for any events approved under the program period to date. Staff may also explore additional opportunities to support businesses, such as eliminating permit requirements for minor holiday events, including temporary ornamental Christmas tree displays or trick-or-treat events for residents. Below is a snapshot of the ordinance's success from its adoption in July 2025 through January 2026. As stated previously, the ordinance is scheduled to sunset on May 31, 2026.

TUPPCs, TUPEs, and TUPs approved from July 14, 2025 through January 21, 2026

Event Type	Number Approved	Code Enforcement Complaints
TUPPC (99 or less)	19	0
TUPE (100-250)	5	0
TUP (250+)	10	0

To date, only one temporary sign permit has been approved during the program period. Staff has left the option open for Council to consider adopting the temporary sign regulations permanently or to direct staff to remove this provision from the permanent ordinance. The temporary signs regulations applicable during the program period are outlined in Ordinance No. 526 (Attachment 1). The Council may also consider other ways to regulate or promote signage.

Zoning Text Amendment

If this resolution of intent is adopted, staff will recommend amendments to the City's zoning code related to permanent TUPs and Sign Permits, including reductions to application and noticing requirements. Staff would also propose allowing more than six (6) TUPs per parcel, per year, while continuing to explore additional ways to ease regulations for minor events. Adoption of the resolution will authorize and direct the staff to prepare a ZTA as described herein.

Staff requests City Council feedback to help ensure the proposed ZTA aligns with the Council's objectives. While the Council will ultimately approve the final changes to the TUP and Sign Permit ordinances, staff seeks early direction to maintain consistency with Council's direction before proceeding further.

STAFF FOLLOW-UP: If the resolution is adopted, staff will prepare a staff report and proposed ordinance, including any environmental review required, bypass ZORACES review, and publish a notice of Planning Commission public hearing.

ATTACHMENTS:

1. Resolution No. 26-06
2. Ordinance No. 526

RESOLUTION NO. 26-06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MALIBU INITIATING A ZONING TEXT AMENDMENT TO TITLE 17 (ZONING) OF THE MALIBU MUNICIPAL CODE RELATED TO TEMPORARY USE PERMIT AND SIGN PERMIT REGULATIONS

The City Council of the City of Malibu does hereby find, order and resolve as follows:

SECTION 1. Recitals.

A. On January 7, 2025, the Palisades Fire broke out, affecting one-third of Malibu geographically and closing Pacific Coast Highway (PCH), a main throughfare, to the general public. PCH was closed from the City's eastern boundary to the Carbon Beach area, affecting visitors traveling from the greater Los Angeles area. The Governor of California has declared the event a State of Emergency and the President of the United States has declared the event a Federal Emergency.

B. On May 21, 2025, the City Council adopted Resolution No. 25-23 to: 1) initiate a Zoning Text Amendment (ZTA) to consider changes to Title 17 (Zoning) of the Malibu Municipal Code (MMC) to stimulate economic recovery for local businesses as a result of impacts from the 2025 Palisades Fire, specifically related to Temporary Use Permits and Sign Permits; 2) Bypass the Zoning Ordinance Revisions and Code Enforcement Subcommittee (ZORACES); and 3) Direct the Planning Commission to schedule a public hearing regarding the same.

C. On June 2, 2025, the Planning Commission held a duly noticed public hearing on the proposed amendments, ZTA No. 25-002, reviewed and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record. The Planning Commission adopted Planning Commission Resolution No. 25-59 and provided a recommendation to the City Council.

D. On July 14, 2025, the City Council held a duly noticed public hearing on the proposed amendments ZTA No. 25-002, reviewed and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record. The City Council directed staff to set a second reading for adoption of Ordinance No. 526, approving ZTA No. 25-002. The City Council adopted an Urgency Ordinance, Ordinance No. 526U, to immediately initiate economic recovery for businesses affected by the 2025 Palisades Fire.

E. On August 11, 2025, the City Council received public comment, reviewed and considered the agenda report and written reports, public testimony, and other information in the record, and directed staff to return with additional revisions to the ordinance.

F. On August 25, 2025, the City Council received public comment, reviewed and considered the agenda report and written reports, public testimony, and other information in the record, and conducted an additional first reading and introduction of the Ordinance and directed staff to schedule a second reading and adoption of Ordinance No. 526, approving ZTA No. 25-002.

G. On September 8, 2025, the City Council held a duly noticed public hearing on the proposed amendments ZTA No. 25-002, reviewed and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record. The City Council approved on second reading Ordinance No. 526, approving ZTA No. 25-002.

H. On February 9, 2026, the City Council held a duly noticed public hearing and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record and initiated a ZTA to consider changes to Title 17 (Zoning) of the MMC, specifically related to Temporary Use Permits and Sign Permits.

SECTION 2. Initiation.

Pursuant to MMC Chapter 17.74, the City Council hereby initiates amendments to MMC Title 17 (Zoning) specifically related to Temporary Use Permits and Sign Permits.

SECTION 3. Planning Commission Hearing.

The Planning Commission is hereby directed to conduct a duly noticed public hearing in accordance with the provisions of MMC Chapter 17.74. Following the public hearing, the Planning Commission shall recommend to the City Council whether it should approve, modify or deny the proposed amendment. The Planning Commission's recommendation shall be made by resolution carried by the affirmative vote of not less than the majority of the entire Planning Commission.

SECTION 4. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

SECTION 5. The City Council shall certify the adoption of this resolution.

PASSED, APPROVED, and ADOPTED this 9th day of February, 2026.

MARIANNE RIGGINS, Mayor

ATTEST:

KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:
THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

TREVOR RUSIN, Interim City Attorney

ORDINANCE NO. 526

AN ORDINANCE OF THE CITY OF MALIBU APPROVING ZONING TEXT AMENDMENT NO. 25-002 TO AMEND TITLE 17 OF THE MALIBU MUNICIPAL CODE TO MODIFY STANDARDS AND PROCEDURES TO STIMULATE ECONOMIC RECOVERY FOR LOCAL BUSINESSES AS A RESULT OF IMPACTS FROM THE 2025 PALISADES FIRE, INCLUDING MODIFICATION TO THE PROVISIONS RELATED TO TEMPORARY USE PERMITS AND SIGN PERMITS, AND FINDING THE AMENDMENTS ARE EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

The City Council of the City of Malibu does ordain as follows:

SECTION 1. Recitals.

A. On January 7, 2025, the Palisades Fire broke out affecting close to one-third of Malibu geographically and closing Pacific Coast Highway (PCH), a main throughfare, to the general public. PCH was closed from the eastern City limit to the Carbon Beach area affecting visitors coming from the greater Los Angeles area from the date of the fire through Memorial Day weekend 2025. The Governor of California has declared the event a State of Emergency and the President of the United States has declared the event a Federal Emergency.

B. On May 8, 2025, a Notice of Planning Commission Public Hearing was published in a newspaper of general circulation within the City of Malibu and mailed to interested parties.

C. On May 15, 2025, a Notice of City Council Public Hearing was published in a newspaper of general circulation within the City of Malibu and mailed to interested parties.

D. On May 21, 2025, the City Council adopted Resolution No. 25-23 to: 1) initiate a Zoning Text Amendment (ZTA) to consider changes to Title 17 (Zoning) of the Malibu Municipal Code (MMC) to stimulate economic recovery for local businesses as a result of impacts from the 2025 Palisades Fire, specifically related to Temporary Use Permits and Sign Permits; 2) Bypass the Zoning Ordinance Revisions and Code Enforcement Subcommittee (ZORACES); and 3) Direct the Planning Commission to schedule a public hearing regarding the same.

E. On June 2, 2025 the Planning Commission held a duly noticed public hearing on the proposed amendments, ZTA No. 25-002, reviewed and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record. The Planning Commission adopted Planning Commission Resolution No. 25-59 and provided a recommendation to the City Council.

F. On June 23, 2025, the item was continued to the July 14, 2025 City Council meeting.

G. On July 14, 2025, the City Council held a duly noticed public hearing on the proposed amendments ZTA No. 25-002, reviewed and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record. The City Council directed staff to set a second reading for adoption of Ordinance No. 526, approving ZTA No. 25-002. The City Council adopted an Urgency Ordinance, Ordinance No. 526U, to immediately initiate economic recovery for businesses affected by the 2025 Palisades Fire.

H. On August 11, 2025 the City Council took public comment, reviewed and considered the agenda report and written reports, public testimony and other information in the record, and directed staff to return with additional revisions to the ordinance.

I. On August 25, 2025 the City Council took public comment, reviewed and considered the agenda report and written reports, public testimony and other information in the record, and conducted an additional first reading and introduction of the Ordinance and directed staff to set Ordinance No. 526, approving ZTA No. 25-002, for second reading and adoption.

J. On September 8, 2025, the City Council held a duly noticed public hearing on the proposed amendments ZTA No. 25-002, reviewed and considered the agenda report, reviewed and considered written reports, public testimony, and other information in the record. The City Council approved on second reading Ordinance No. 526, approving ZTA No. 25-002.

SECTION 2. Environmental Review.

The City Council has analyzed the project proposal described herein. The California Environmental Quality Act (CEQA) applies only to projects which have the potential for causing a significant effect on the environment. Pursuant to CEQA Guidelines Section 15061(b)(3), where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The City Council has determined that there is no possibility the amendment will have a significant effect on the environment and accordingly, the exemption set forth in Section 15061(b)(3) applies. The amendments to the MMC will not to have a significant effect on the environment as they provide only temporary relief from some current permitting requirements, and still require individual review, conditions, and CEQA review for all events. In addition, the changes do not excuse compliance with the Coastal Act which provides additional protection of the environment and sensitive coastal resources. All of the temporary uses allowed by the proposed ordinance will be required to be restored to its existing state and each event will still require compliance with CEQA individually, as well as the California Coastal Act.

SECTION 3. Zoning Text Amendment Findings.

Pursuant to Malibu Municipal Code Section 17.74.040, the City Council hereby makes the following findings:

A. The subject zoning text amendment is consistent with the objectives, policies, general land uses and programs specified in the General Plan. The proposed amendment serves to enhance the Malibu General Plan Mission Statement, protect public safety and preserve Malibu's natural and cultural resources.

B. The City Council held a public hearing, reviewed the subject zoning text amendment application for compliance with the City of Malibu General Plan, Malibu Municipal Code and the Malibu Local Coastal Program, and finds that the zoning text amendment is consistent and recommends approval.

SECTION 4. Zoning Text Amendment No. 25-002, Amendments to the Malibu Municipal Code (MMC).

The City Council hereby amends Title 17 - Zoning in the MMC as follows:

A. Amend Section 17.02.060 (Definitions) to add the underlined language:

"Director" refers to the Community Development Director of the city of Malibu or his or her designated appointee.

B. Amend Section 17.68.010 (Purpose) to add the underlined language:

The temporary use permit is intended to allow for the short-term placement of activities, many of which would be prohibited as permanent placements, in temporary facilities, public or private buildings or open spaces, or outside of buildings. Activities involving any commercial component such as: admission fee, renting of facility, charging for valet parking or shuttle service and/or public advertising shall require a temporary use permit. Temporary use permits shall be limited to four events per parcel of land per calendar year in residential zoning districts, and six events per parcel of land per calendar year in all zoning districts, except residential or as described in Section 17.68.090 below. All activities shall be regulated so as to avoid incompatibility between such uses and surrounding areas.

C. Add Section 17.68.090 titled "Temporary use permit requirements related to impacts from the 2025 Palisades Fire" which shall read as follows:

To aid recovery from the 2025 Palisades Fire, Temporary uses will be allowed for events specified in Section 17.68.040 with 250 or fewer attendees on commercially and institutionally zoned parcels from June 23, 2025, through May 31, 2026, subject to the following procedures and requirements. These provisions do not supersede the requirements of the City's Local Coastal Program. Only one event permitted under this Section is allowed at a time. This section shall not apply to events with more than 250 persons.

A. Events with 99 persons or less in attendance at one time (excluding workers):

1. A TUP shall not be required, but instead a planning clearance must be obtained from the Community Development Department authorizing the temporary use.

2. The application shall be submitted at least two (2) calendar days prior to the event. No public noticing is required. The planning director's decision is not appealable.

3. There are no limits to how many of these types of events may be conducted on a property so long as a planning clearance is obtained.

4. A property is not eligible for a permit pursuant to this Section, and such application shall be denied, if any of the following apply:

   a. The property has received a citation for violation of the City's noise ordinance or other public nuisance violation in the past year.

   b. An event has been held on the property without the required permit in the past year.

   c. The property has outstanding code enforcement violations, unless a compliance agreement between the City and the owner of the property exists that addresses a resolution to the violation, and the owner is in compliance with the requirements of the agreement.

   d. The proposed event would create a public nuisance or violate any City, County, State, or Federal regulation.

   e. The owner has knowingly made any false, misleading or fraudulent statement of material fact in the application, or in any report or statement required to be filed that is related to the application.

5. These events shall appear on the City's weekly Event Report.

6. The planning director may impose conditions on the permit to protect against the event becoming a nuisance to the surrounding properties due to the number of people in attendance, the amount of traffic to be generated, the type and volume of amplified music or entertainment to be utilized and other similar considerations. Conditions shall take into account the size of the property, the capacity of the street on which it is located, the availability of parking and the proximity to neighboring properties and sensitive uses.

B. Events with 100-250 persons in attendance at one time (excluding workers):

1. A TUP pursuant to this chapter is required but the following requirements replace those in Section 17.68.050 and there shall be no appeal of the planning director's decision:

   a. An application for a temporary use permit shall be filed with the Community Development Department seven (7) calendar days prior to the proposed use. Applications for events held at a shopping center must be applied for by the owner of the shopping center.

   b. A notice shall be mailed, postage pre-paid, to any organization or homeowners associations that requests such notice in writing and to all property owners and tenants within a 500 foot radius of the subject property, and in no event less than the 10 closest developed properties.

c. The public notice shall state the nature of the request, location and zoning designation of the property, name of the applicant, and the time and place of the proposed temporary use.

d. Public notices shall be mailed not less than five (5) calendar days prior to the proposed event.

e. The planning director shall render a decision at least three (3) calendar days prior to the proposed temporary use.

f. Events shall not include illumination unless it complies with Chapter 17.41 (Malibu Dark Sky).

g. Events may occur in a common area, but cannot occur in vacant locations, i.e. those not occupied by a currently operating business.

h. Events must be open to the general public, but a fee may be charged for entrance. This requirement (h) does not apply to tenant opening events, private gatherings for friends and family of the business only, or other similar events hosted by the business or shopping center owner for the sole purpose of promoting the goods and services the business provides.

2. These events shall be limited to a total of 48 one day events with no more than eight (8) one day events per month per shopping center. For businesses not located in a shopping center, a total of 24 one day events shall be allowed with no more than two (2) one day events per business per month.

3. A property is not eligible for a permit pursuant to this Section, and such application shall be denied, if any of the following apply:

a. The property has received a citation for violation of the City's noise ordinance or other public nuisance violation in the past year.

b. An event has been held on the property without the required permit in the past year.

c. The property has outstanding code enforcement violations, unless a compliance agreement between the City and the owner of the property exists that addresses a resolution to the violation, and the owner is in compliance with the requirements of the agreement.

d. The proposed event would create a public nuisance or violate any City, County, State, or Federal regulation.

e. The owner has knowingly made any false, misleading or fraudulent statement of material fact in the application, or in any report or statement required to be filed that is related to the application.

C. Temporary signage.

1. Businesses may obtain temporary signage permits subject to the following limitations. The requirements of Chapter 17.52 shall not apply so long as the businesses or property owners obtain a temporary sign permit from the City and meet the following requirements. All other signs are subject to chapter 17.52.

   a. Six (6) signs per shopping center as defined by the Malibu Municipal Code or two (2) signs per parcel for all other commercial businesses which shall not exceed 16 square feet in size each.

   b. Signs must be temporary and not have any permanent foundations or footings.

   c. Signs shall not be illuminated.

2. The planning director may impose conditions on the permit to protect against the sign creating a nuisance or to increase the safety of the sign.

SECTION 5. Effective Date.

The ZTA sections referenced in Section 6 of this ordinance shall become effective 30 days following adoption by the City Council.

SECTION 6. Severability.

Should any section, subsection, clause, or provision of this Ordinance for any reason be held to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or constitutionality or the remaining portions of this Ordinance; it being hereby expressly declared and this Ordinance, and each section, subsection, sentence, clause, and phrase hereof would have been prepared, proposed, approved, and ratified irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phases be declared invalid or unconstitutional.

SECTION 7. Certification.

The City Clerk shall certify to the passage and adoption of this Ordinance.

PASSED, APPROVED, and ADOPTED this 8th day of September 2025.

Marianne Riggins

MARIANNE RIGGINS, Mayor

ATTEST:

KELSEY PETTIJOHN, City Clerk
(seal)

Date: 9/8/25

APPROVED AS TO FORM:

TREVOR RUSIN, Interim City Attorney

I CERTIFY THAT THE FOREGOING ORDINANCE NO. 526 was passed and adopted at the Regular City Council meeting of September 8, 2025 by the following vote:

AYES:	5	Councilmembers:	Conrad, Stewart, Uhring, Silverstein, Riggins
NOES:	0		
ABSTAIN:	0		
ABSENT:	0		

KELSEY PETTIJOHN, City Clerk
(seal)

City Council Meeting
02-09-26
Item
8.A.

Council Agenda Report

To: Mayor Riggins and the Honorable Members of the City Council

Prepared by: Kelsey Pettijohn, City Clerk

Approved by: Rob DuBoux, Interim City Manager

Date prepared: January 26, 2026 Meeting date: February 9, 2026

Subject: Council Appointment to the Public Safety Commission

RECOMMENDED ACTION: Councilmember Stewart to make a new appointment to the Public Safety Commission.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action.

STRATEGIC PLAN IMPLEMENTATION: N/A.

DISCUSSION: Chris Frost, Councilmember Stewart's appointment, resigned from the Public Safety Commission effective after the Commission's February 4, 2026 meeting. Pursuant to Government Code Section 54974, a notice of unscheduled vacancy was posted on January 23, 2026. Councilmember Stewart may make his appointment at this time.

ATTACHMENTS:

1. Notice of Unscheduled Vacancy

City of Malibu

23825 Stuart Ranch Road · Malibu, California · 90265-4861
Phone (310) 456-2489 · Fax (310) 456-3356 · www.malibucity.org

Unscheduled Vacancy Notice

(Government Code Section 54974)

VACANT POSITION	PREVIOUS INCUMBENT	DATE APPOINTMENT CAN BE MADE
Public Safety Commission	Chris Frost	February 6, 2026

Interested citizens should contact the City Clerk at (310) 456-2489, extension 228 for more information.

Posted: January 23, 2026

Kelsey Pettijohn, City Clerk