



DATE: August 5, 2024

TO: Honorable Mayor and Members of the City Council through City Manager

FROM: Dylan Brady, Assistant City Attorney
Jessie Gooch, Finance Director

SUBJECT: Resolution of the City Council of the City Of Petaluma Amending the
Previously Adopted Master Fee Schedule to Add a Mobilehome Park
Conversion Fee Pursuant to Section 8.34.120 of the Petaluma Municipal Code

RECOMMENDATION

It is recommended that the City Council adopt the attached Resolution of the City Council of the City Of Petaluma Amending the Previously Adopted Master Fee Schedule to Add a Mobilehome Park Conversion Fee Pursuant to Section 8.34.120 of the Petaluma Municipal Code.

BACKGROUND

The City Council has a longstanding practice of adopting a schedule of fees and charges, which updates existing fees and introduces new ones based on the City's budgeted and projected service costs. These fees are designed to recover the costs associated with providing specific services, ensuring that users contribute to the expenses incurred. Previously, the City Council of Petaluma established a Master Fee Schedule with the goal of recovering up to the City's estimated actual and reasonable costs for providing services. On May 6, 2024, the City Council held a public hearing to discuss changes and updates to this Master Fee Schedule. Following the hearing, the Council adopted Resolution 2024-049 N.C.S., officially establishing the updated Schedule of Fees and Charges for City Services.

In 2006, the City Council adopted Chapter 8.34 of the Petaluma Municipal Code, titled "Mobilehome Park Conversions," which outlines the procedures and obligations for converting a mobilehome park to another use, closing a mobilehome park, or ceasing the use of land as a mobilehome park. Section 8.34.120 of the Petaluma Municipal Code authorizes the City Council to establish reasonable fees to cover any costs incurred by the City in implementing Chapter 8.34.

Similarly, Government Code Section 65863.7(g), the California statute on Mobilehome Park Closures, permits a legislative body of a city to establish reasonable fees pursuant to Section

66016 to cover any costs incurred by the local agency in implementing Section. 65863.7 These fees must be paid by the person or entity proposing the change in use. In accordance with Government Code Section 66016, before levying a new fee, a local agency must hold at least one open and public meeting, as part of a regularly scheduled meeting, where oral or written presentations can be made. Additionally, at least 10 days prior to the meeting, the local agency must make available to the public data indicating the amount of cost required to provide the service for which the fee is levied and the anticipated revenue sources for providing the service.

The City has recently received correspondence from Youngstown Mobilehome Park and Little Woods Mobilehome Park indicating their intention to commence the closure of their mobilehome parks. The closure process is governed by Chapter 8.34 of the Petaluma Municipal Code and Section 65863.7 of the Government Code. This process, which takes several months, necessitates the involvement of a City-hired consultant to draft a Relocation Impact Report. This report will address the potential impacts of the park closures and propose measures to mitigate the displacement of the parks' tenants.

DISCUSSION

The proposed fee, **Attachment 1**, will allow the City to recover its costs based on City staff's hourly rate and any other costs that the City incurs in administering its Mobilehome Park Closure chapter, Chapter 8.34 of the Petaluma Municipal Code. Accordingly, if this fee is adopted, park owners that seek to close or change the use of their mobilehome park will be required to pay for the City's costs in implementing Chapter 8.34.

The City has complied with the noticing requirements of Government Code Section 66016 as the City has:

- Held at least one public hearing;
- Send notice of the meeting at least 14 days in advance to any interested person who has filed a written request; and
- Made available to the public at least 10 days before the meeting data indicating the estimated cost required to provide the service for which the fee or charge is levied and the revenue sources anticipated to provide the service, including general fund revenues

PUBLIC OUTREACH

This agenda item appeared on the City's tentative agenda document on July 15, 2024 which was a publicly-noticed meeting.

COUNCIL GOAL ALIGNMENT

The City Council has identified "A City That Works for Everyone" as one of its key strategic initiatives. Objective #1 seeks to "ensure a fiscally and organizationally sustainable City;" including a Fiscal and Organizational Sustainability (FOS) plan with the community that achieves a strategic balance of available revenues with City services.

ENVIRONMENTAL REVIEW

The proposed action not a “project” under the California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Section 15378(b)(5) because adopting an administrative fee to implement Chapter 8.34 of the Petaluma Municipal Code "Mobilehome Park Conversions" is a “government fiscal activity or an “organizational and administrative activity of the government”. This action is also exempt pursuant to Public Resources Code Section 15273 which states that “CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies...”.

FINANCIAL IMPACTS

Adopting this fee will amend the City’s Master Fee Schedule to include a fee for mobilehome park owners who seek to close or convert their parks. This fee will cover the City’s costs, including any staff time spent managing the park closure process.

ALTERNATIVES

If the attached resolution is not adopted then the City would not be able to recover its costs for implementing Chapter 8.34 of the Petaluma Municipal Code when park owners seek to change the use or cease operating their mobilehome parks.

ATTACHMENTS

1. Resolution Amending the Master Fee Schedule to add a new fee to implement Chapter 8.34 of the Petaluma Municipal Code related to Mobilehome Park Conversions
 - A. Park Conversion Fee
 - B. 2024 User Fee Study