



CITY OF SANTA ANA
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Fair Return Petition for City of Santa Ana Residential Property and Mobilehome Parks

The Rent Stabilization Ordinance allows for a maximum rent increase during any 12-month period of three percent (3%), or eighty (80%) of the change in the Consumer Price Index, whichever is less, as further described in Section 8-1998.1(a) of the Ordinance. An owner of residential real property or a mobilehome park owner may petition for a rent increase in excess of the published allowable increase in order to obtain a fair and reasonable return on their property. The applicant shall bear the burden of establishing that, without such an increase, they will not realize a fair and reasonable return on the property. Section 8-1998.3 details the requirements for a Fair Return Petition for Rent Increase. A copy of the ordinance can be found [HERE](#).

If you have any questions regarding the Fair Return Petition, please contact a representative at (714) 667-2209 or rso@santa-ana.org.

The Ordinance details the following process for the submission of a Fair Return Petition:

- Owner shall provide a copy of any Fair Return Petition submitted to the City to the applicable tenant(s) and provide City with proof of completing such service to the applicable tenant(s).
- The tenant(s) will then have thirty (30) days from the date of receiving the Fair Return Petition to reply or provide additional materials to the City in response to the Fair Return Petition.
- The applicant shall bear the burden of establishing that a rate increase in excess of that provided in the Ordinance is necessary to provide the applicant with a fair and reasonable return on their property, including by providing an independent financial report and verified financial data demonstrating that without such an increase, they will not realize a fair and reasonable return on their property.
- Applicant shall be responsible for all costs associated with the City's review of the Fair Return Petition.
- Upon receipt of a Fair Return Petition, the City Manager shall determine the anticipated costs of review and if the employment of expert(s) will be necessary or appropriate for a proper analysis of the applicant's request.
- If applicable, the City Manager shall also determine the anticipated costs of employing such expert(s). The resulting figure shall be communicated to the applicant, and the Fair Return Petition shall not be processed until the applicant has paid to the City the estimated cost of the complete analysis.

- City will provide the applicant with an invoice of all costs incurred after the review of the Fair Return Petition. If the amount is less than the amount already paid by the applicant, the excess funds will be returned to the applicant. If the amount is more than the amount already paid by the applicant, the additional amount will need to be paid by the applicant before receiving the determination.
- A Fair Return Petition shall be decided by the City Manager within sixty (60) calendar days of the date that the application has been deemed complete, including proof of service of the Fair Return Petition on the applicable tenant(s).
- The decision shall be emailed and sent by mail, with proof of mailing to the subject property owner, the owner's designated representative(s) for the Fair Return Petition, and a designated representative of the tenant(s).
- Any appeal of the City Manager decision on a Fair Return Petition will proceed pursuant to the administrative appeal procedures found in Chapter 3 of the Santa Ana Municipal Code.

Property/Park Name: _____ Telephone: _____

Property/Park Address: _____

Property/Park Owner(s): _____ Telephone: _____

Address: _____

Property/Park Representative(s): _____ Telephone: _____

Address: _____

Property/Park Attorney(s): _____ Telephone: _____

Address: _____

of Units in Property/Spaces in Park: _____ # of Units/Spaces Affected by Proposed Increase: _____

Year Property Built/Park Opened: _____ Year Your Ownership Started: _____

Briefly describe the location of the property/park.

Briefly explain the reasons for requesting a rent increase.

**Owner’s or Owner's Representative Declaration
Under Penalty of Perjury**

I declare as follows:

I am the owner, or authorized representative of the owner(s), of said residential property/mobilehome park involved in this request.

I am authorized to submit this petition form and supporting documentation on behalf of the Residential Property/Mobilehome Park being applied for.

I declare under penalty of perjury of law that the information and documentation and statements herein are true and correct to the best of my knowledge and belief.

Executed this _____ (Day) of _____ (Month), 20 _____ (Year)
at _____ (City), California.

Signed

Print Name

Capacity (e.g., Owner, Manager, Attorney, etc.)

Mailing Address

City, State, Zip

Telephone

**This section does not need to be notarized.*

Income

As provided below, list all residential property/park-related income. Use totals for your most recent 12-month calendar year period and base year for all units in the property/spaces.

Do not include any income collected for the provision of sub-metered gas and electricity expenses or reimbursements for utility company charges.

Rent	Annual Total	
	Base Year ¹ : _____	Most Recent 12-Month Calendar Year Period Year: _____
1. Total of unit/space rent	\$ _____	\$ _____

Fees (indicate what each fee is for)		
2. Late fees	\$ _____	\$ _____
3. Laundry income	\$ _____	\$ _____
Other Fees (list separately by type)		
4.	\$ _____	\$ _____
5.	\$ _____	\$ _____
6.	\$ _____	\$ _____
7.	\$ _____	\$ _____
8.	\$ _____	\$ _____
Other (list separately by type)		
9.	\$ _____	\$ _____
10.	\$ _____	\$ _____
Total Gross Income	\$ _____	\$ _____

1. If you are a first-time Fair Return Petition applicant in the year 2022 or afterward, the base year information utilized in this Fair Return Petition must be from the calendar year 2020, the period preceding the date the Rent Stabilization Ordinance went into effect.

If you have previously submitted a Fair Return Petition in the City of Santa Ana, the base year information utilized in this Fair Return Petition must be from the most recent 12-Month Calendar Year Period and information submitted in your most recent Fair Return Petition, whether or not your previous petition was approved or declined.

Utilities

Electricity (please check one)

_____ Residents pay directly to utility company (proceed to the Natural Gas section below)

_____ Residents are billed by the owner based on their meter reading (proceed to A, below)

_____ Cost of the utility is included in the rent

A. Electricity pass-through	Fill in the amounts paid and collected for Electricity (Most Recent 12-Month Calendar Year Period)
1. Amount collected from residents	
2. Amount billed by utility company	
Difference (1. Minus 2.)	

Natural Gas (please check one)

_____ Residents pay directly to utility company (proceed to the Water section below)

_____ Residents are billed by the owner based on their meter reading (proceed to B, below)

_____ Cost of the utility is included in the rent

B. Natural Gas pass-through	Fill in the amounts paid and collected for Natural Gas (Most Recent 12-Month Calendar Year Period)
1. Amount collected from residents	
2. Amount billed by utility company	
Difference (1. Minus 2.)	

Water (please check one)

_____ Residents pay directly to utility company

_____ Residents are billed by the owner based on their meter reading (proceed to C, below)

_____ Cost of the utility is included in the rent

C. Water pass-through	Fill in the amounts paid and collected for Water (Most Recent 12-Month Calendar Year Period)
1. Amount collected from residents	
2. Amount billed by utility company	
Difference (1. Minus 2.)	

Rent Comparative Analysis

Per the Rent Stabilization Ordinance, the owner or owner's representative must detail how their rental charges compare to residential real property or mobilehome spaces in the City.

Describe below amenities and services in your property that are provided within the current rent at no additional charge to tenants, in addition to the current average rent of your property.

Additionally, identify and describe comparable residential real properties or mobilehome spaces in the City that offer similar amenities, services, unit/space count, and detail their current average rent. Provide documentation for each comparable property identified.

Operating Expenses

Item	Annual Total	
	Base Year	Most Recent 12-Month Calendar Year Period
1. Assessments	\$ _____	\$ _____
2. Electricity (common areas only)	\$ _____	\$ _____
3. Gas (common areas only)	\$ _____	\$ _____
4. Gardening	\$ _____	\$ _____
5. Insurance	\$ _____	\$ _____
6. Legal	\$ _____	\$ _____
7. Accounting	\$ _____	\$ _____
8. Licenses	\$ _____	\$ _____
9. Manager (if any)	\$ _____	\$ _____
10. Miscellaneous Supplies	\$ _____	\$ _____
11. Office Supplies	\$ _____	\$ _____
12. Real Property Taxes	\$ _____	\$ _____
13. Security	\$ _____	\$ _____
14. Street Sweeping	\$ _____	\$ _____
15. Trash (do not include charges reimbursed by tenants)	\$ _____	\$ _____
16. Water (do not include charges reimbursed by tenants)	\$ _____	\$ _____
17. Sewer (do not include charges reimbursed by tenants)	\$ _____	\$ _____
18. Cable (do not include charges reimbursed by tenants)	\$ _____	\$ _____
19. Owner-performed labor	\$ _____	\$ _____
20. Pool Maintenance	\$ _____	\$ _____
21. Plumbing Maintenance	\$ _____	\$ _____
22. Normal Repairs	\$ _____	\$ _____
23. Street Maintenance	\$ _____	\$ _____
Other (list separately by type)		
24.	\$ _____	\$ _____
25.	\$ _____	\$ _____
Total Operating Expenses	\$ _____	\$ _____

Additional Repairs

In the most recent 12-month calendar year period and base year, has there been a need for repairs caused by circumstances other than ordinary wear and tear? If so, please briefly explain below and list relevant repair expenses:

--

Additional Repairs (list separately by type)		
	Base Year	Most Recent 12-Month Calendar Year Period
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
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	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
Total Maintenance and Repair Expenses	\$ _____	\$ _____

Completed Capital Improvement/Rehabilitation Work Expenses

List and describe capital improvements or rehabilitation work related to the residential real property or mobilehome space or spaces specified in the Fair Return Petition.

Include improvements/rehabilitation work **only** completed during most recent 12-month calendar year period and base year.

(Please Complete this Sheet for Each Capital Improvement)

Capital Improvement/Rehabilitation Work: _____

Date of Completion: _____

Brief Description

Cost	Amount
Materials	\$ _____
Labor	\$ _____
Construction Interest	\$ _____
Permit Fees	\$ _____
Other Items	
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
Total Amount:	\$ _____

Additional Expenses

A. Complementary Tenant Services

List all services that were provided within the current rent at no additional charge to the tenants (e.g., car washing, dry cleaning, etc.)

Service Provided	Annual Amount	
	Base Year	Most Recent 12-Month Calendar Year Period
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
	\$ _____	\$ _____
Total	\$ _____	\$ _____

B. Changes in the Rent Paid by the Applicant for Leasing of Property

If applicable, describe below if there have been any changes in the rent paid by the applicant for the lease of the residential property or land on which the subject residential real property or mobilehome park is located.

Previous and Proposed Rent Increases

List previous and proposed rent increases for each individual unit related to the residential real property or mobilehome space or spaces specified in the Fair Return Petition.

Month/Year	Average Rent	Average Rent	Average Increase	Date of Last Rent Change
Unit Number	Current Rent Charged	Requested New Rent	Percent Increase	

(Please Complete This Sheet as Needed)

Completing the Fair Return Petition for Rent Increase

The owner(s), or authorized representative of the owner(s), must complete the Fair Return Petition and include all supporting documentation. If information requested is not available indicate this fact and give the reason for its unavailability.

Please submit receipts, ledgers, invoices and all supporting documentation by categories as listed below.

Required Documentation

- A. Copies of all invoices, cancelled checks, receipts and ledger sheets or other documents showing, for the most recent 12-month calendar year period selected in Schedule A of the petition, the following:
 1. Rents collected from all tenants;
 2. Leases entered into between the applicant and the affected tenant(s);
 3. The amount of other income received in the period, including contracts for Section 8 units;
 4. Verified property taxes assessed and paid;
 5. Verified amounts billed and paid for electricity, gas, water, and trash service;
 6. Verified amounts expended for maintenance and repair;
 7. Insurance paid;
 8. If claiming, all actual paid administrative and management expenses;
 9. License or other fees paid;
 10. Owner-performed labor listed on the petition. Documentation must show the date, time, nature of work performed, unit in which the work was performed, and if the work related to a specific capital improvement expense;
 11. Verified miscellaneous expenses paid;
 12. Capital expenses for which the amortized useful life has not expired. Include only those not included in previous increase petitions
 13. Documentation for each comparable property identified for Rent Comparative Analysis

After the Fair Return Petition is submitted, it will be reviewed to make sure it contains all necessary information. A Fair Return Petition will only be considered properly filed when it has been submitted in substantially completed form with all material information necessary to reach a decision on the Fair Return Petition. You will be notified if it is incomplete or if any further information is necessary. You will then be allowed to either provide additional information or explain why you are not able to do so.

A Fair Return Petition shall be decided by the City Manager within sixty (60) calendar days of the date that the application has been deemed **complete**, including proof of service of the Fair Return Petition on the applicable tenant(s).

If you are not satisfied with the decision, you have the right to appeal. If you choose to appeal the decision, you must do so within ten (10) days of the date of the decision listed on the determination letter. Any appeal of the City Manager decision on a Fair Return Petition will proceed pursuant to the administrative appeal procedures found in Chapter 3 of the Santa Ana Municipal Code.

Factors the City Manager May Consider in Deciding a Fair Return Petition

The factors the City Manager may consider in deciding a Fair Return Petition may include, but not be limited to:

- (1) Changes in the Consumer Price Index for All Urban Consumers in the Los Angeles-Long Beach-Anaheim Metropolitan Area published by the Bureau of Labor Statistics.
- (2) The rent lawfully charged for comparable residential real property or mobilehome spaces in the City.
- (3) The length of time since the last determination by the City Manager on a rent increase application, or the last rent increase if no previous rent increase application has been made.
- (4) The completion of any capital improvements or rehabilitation work related to the residential real property or mobilehome space or spaces specified in the Fair Return Petition, and the cost thereof, including materials, labor, construction interest, permit fees, and other items the City Manager deems appropriate.
- (5) Changes in property taxes or other taxes related to the subject residential real property or mobilehome park.
- (6) Changes in the rent paid by the applicant for the lease of the residential real property or land on which the subject mobilehome park is located.
- (7) Changes in the utility charges for the subject residential real property or mobilehome park paid by the applicant, and the extent, if any, of reimbursement from the tenants.
- (8) Changes in reasonable operating and maintenance expenses.
- (9) The need for repairs caused by circumstances other than ordinary wear and tear.
- (10) The amount and quality of services provided by the applicant to the affected tenant(s).
- (11) Any existing written lease lawfully entered into between the applicant and the affected tenant(s).