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FOR IMMEDIATE RELEASE

“Hart, King & Coldren Wins Ruling That Rent Control Causes A Compensable Taking”

Santa Ana, CA --In a ground breaking decision, the Ninth U.S. Circuit Court of Appeals held that the City of Goleta’s mobilehome rent control ordinance caused a compensable taking in the *Guggenheim v. City of Goleta* case. The decision was announced on Monday, September 28, 2009.

The three-judge panel ruled that Goleta’s mobilehome rent control ordinance improperly imposes the burden of an affordable housing program on a single property owner, which is in violation of the U.S. Constitution's Takings Clause. The result was that residents could “sell” homes for many times their worth. Judge Jay S. Bybee, who authored the decision, described it as a “wealth transfer from the park owners to their tenants” accomplished by the adoption of rent control.

Hart, King & Coldren attorneys, Bill Dahlin and Mark Alpert, complimented the team led by Rob Coldren and noted that “the ruling sets forth how a rent control ordinance can and did cause a regulatory taking that is every bit as draconian as a physical invasion.” Coldren predicted the ruling will have “far reaching effects” as local governments will have to consider potential liability for takings when they adopt rent control or other severe land use regulations, or apply them in a manner that unfairly burdens the property owner.

Much of the 75-page decision addressed the procedural barriers faced by property owners seeking their day in Federal court. Judge Bybee concluded the opinion with a strong affirmation that “we will not, therefore, throw these property owners back out and slam the courthouse door shut behind them. Today, our eyes are open. We have weighed the *Penn Central* factors, and we find that the RCO has affected a regulatory taking. Just compensation is due.”

About Hart, King & Coldren

Hart, King & Coldren is a professional law firm located in Santa Ana, California. Our mobilehome practice group, within the firm, has become widely recognized as the premier legal representative for the mobilehome park industry, including manufactured housing communities and recreational vehicle park clients throughout California.

Hart, King & Coldren has successfully helped hundreds of mobilehome park owners with purchase and sales transactions, regulatory compliance issues, drafting rules and regulations, and well designed long-term leases. We spearhead subdivisions and closures, handle evictions and all the landlord/tenant disputes, including failure to maintain actions. We assist clients in the challenging field of park conversions, rent control and other governmentally based disputes. For more information, please visit us on the web at www.hkclaw.com or contact the Marketing Director, Karen Koenes at 714.432.8700 x 339.

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