



DATE: April 12, 2022

CATEGORY: Public Hearing

DEPT.: Community Development

TITLE: **Amendments to the Tenant Relocation Assistance Ordinance to Apply to Mobile Home Tenants**

RECOMMENDATION

Introduce an Ordinance of the City of Mountain View Amending Article XIII of Chapter 36 of the Mountain View City Code Related to Tenant Relocation Assistance to Provide Tenant Relocation Assistance Benefits and a First Right to Return to Mobile Home Tenants Who Rent a Mobile Home in a Mountain View Mobile Home Park, and Finding the Ordinance to be Exempt from the California Environmental Quality Act under CEQA Guidelines Section 15061(b)(3), to be read in title only, further reading waived, and set a second reading for May 10, 2022 (Attachment 1 to the Council report).

BACKGROUND

On September 28, 2021, the City Council adopted the Mobile Home Rent Stabilization Ordinance (MHRSO). This Ordinance went into effect on October 28, 2021. The stated purpose of the MHRSO in Section 46.1 is to “protect mobile home residents from unreasonable rent increases, while at the same time protecting the rights of park owners and mobile home landlords to receive a fair return on their property and rental income sufficient to cover increases in the costs of repairs, maintenance, insurance, employee services, additional amenities and other costs of operation.”

At the time Council approved the MHRSO, they directed staff to return with an ordinance providing: (a) relocation protections to mobile home tenants evicted without fault; and (b) mobile home tenants’ right of return to a unit returned to the rental market which was previously removed from the rental market.

These provisions mirror the rights already provided by the Tenant Relocation Assistance Ordinance (TRAO) for tenants living in apartments covered by the City’s Community Stabilization and Fair Rent Act (CSFRA). Therefore, staff recommends modifying the TRAO to include mobile home tenants to address Council’s direction.

The protections provided by the current TRAO apply to tenants of any residential building or structure. Recommended modifications would cover tenants of a mobile home that is rented from a mobile home owner (i.e., owner of a mobile home who rents the space from a park owner but rents out the unit to a tenant) or a park owner who rents a mobile home (i.e., park owner who rents both the space and the mobile home), as included in the draft Ordinance (Attachment 1).

The amended TRAO would not apply to a mobile home owner renting a space from a park owner, as such terms are defined in Section 46.2 of the MHRSO, because applicable protections are covered by State law. The State Mobilehome Residency Law (MRL) provides eviction protections of mobile home owners (i.e., a household who owns a mobile home but rents a space in a mobile home park), and California Government Code Section 65863.7 requires relocation benefits and protections for mobile home owners upon a park closure or change of use.

Rental Housing Committee and Environmental Planning Commission Public Hearings

Rental Housing Committee Public Hearing

On January 24, 2022, the Rental Housing Committee (RHC), at its Regular Meeting, discussed the proposed amendments to the TRAO in their capacity as the administrator of the MHRSO. The RHC voted unanimously to recommend the proposed amendments. These recommended amendments are incorporated in Attachment 1, with additional minor modifications for clarity.

Environmental Planning Commission Public Hearing

On March 2, 2022, the Environmental Planning Commission (EPC) held a public hearing to discuss the proposed amendments to the TRAO. The EPC voted unanimously to recommend the City Council adopt the proposed Ordinance.

ANALYSIS

This Analysis section provides a summary of the key TRAO provisions, which would apply to mobile home tenants if Council adopts the proposed amendments.

Key TRAO Provisions

1. **Income Requirement**: Households are only eligible for relocation benefits under the TRAO if annual household income does not exceed 120% of the median household income for Santa Clara County plus \$5,000 as adjusted for household size. For reference, below are the 120% area median income (AMI) plus \$5,000 maximum income limits for Santa Clara County as adjusted by household size.

Household Size	1	2	3	4	5	6
120% AMI*	\$127,100	\$145,250	\$163,400	\$181,550	\$196,050	\$210,600
120% AMI + \$5,000	\$132,100	\$150,250	\$168,400	\$186,550	\$201,050	\$215,600

* 2021 State Area Median Income adjusted for household size (HCD Santa Clara County).

2. Relocation Assistance Available to Eligible Households:

- a. Security Deposit Refund: A full refund of a tenant's security deposit, except for funds that may be necessary to repair the tenant's damage to property in rental units reoccupied prior to undergoing renovation or demolition.
- b. Subscription Agency: Unlimited access to a subscription service to a rental agency until the time of move-out; services of a relocation agency with extended advisory and personalized replacement housing assistance based on a household's preferences, housing budget, preferred location, and other requirements; and providing several rounds of referrals through analysis of available rental housing, including internet listings, contact with property management companies, available affordable housing options, including waitlist opportunities, and other leads on housing.
- c. The cash equivalent of three months' rent, based on the median monthly rent for a similar-sized unit with the same number of bedrooms and bathrooms.
- d. An additional \$8,000 per rental unit for special-circumstances households adjusted annually for inflation based on the Consumer Price Index for the San Francisco Bay Area (\$8,503 for calendar year 2022). Special-circumstances households are defined as eligible households with at least one person 62 years of age or older, disabled or handicapped, or with one or more minor children under 18 years of age, who are legally dependent.

3. First Right of Return: The MHRSO grants tenants with a first right of return to the rental unit if that rental unit is returned to the rental market after termination due to: (a) necessary and substantial repairs requiring a temporary vacancy; (b) owner move-in to the rental unit; (c) permanent withdrawal of the property from the rental market; or (d) demolition of the rental unit. The proposed TRAO amendment would address the first right of return for tenants displaced due to permanent withdrawal of the rental unit from the rental market because the Ellis Act, the State law that covers the withdrawal of rental property from the market, requires that tenant protections related to an Ellis Act eviction be adopted by the City Council by ordinance. The RHC, under its authority to implement the MHRSO, will adopt regulations to address tenants' first right of return in the event of

other displacements, those resulting from: (a) necessary and substantial repairs requiring a temporary vacancy; (b) owner move-in to the rental unit; or (c) demolition of the rental unit.

FISCAL IMPACT

There is no impact on the City's General Fund to modify the TRA0 to extend existing benefits to mobile home tenants.

ALTERNATIVES

1. Recommend approval of the draft TRA0 modifications with additional changes.
2. Recommend that Council not adopt the draft TRA0 modifications.
3. Provide other recommendation.

PUBLIC NOTICING

Agenda posting, and a notification was sent to interested stakeholders.

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Attachment: 1. Draft Ordinance Amending Article XIII of the Zoning Ordinance