



**MEMORANDUM**

Rent Stabilization Program  
Community Development Department

**DATE:** January 24, 2022

**TO:** Rental Housing Committee

**FROM:** Anky van Deursen, Program Manager  
Karen Tiedemann, Special Counsel to the RHC  
Nazanin Salehi, Special Counsel to the RHC

**SUBJECT:** **MHRSO Regulations – Chapter 8 – Banking and Tenant Hardship and Chapter 9 – New and Additional Occupants**

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**RECOMMENDATION**

1. Consider and adopt Banking and Tenant Hardship Regulations, including the noticing requirements for a banked Rent increase, the definitions of hardship conditions, and the petition process for Mobile Home Owner or Mobile Home Tenant hardship.
2. Consider and adopt New and Additional Occupants Regulations, including the process by which to replace a departing roommate or add an eligible family member to a Mobile Home.

**BACKGROUND AND ANALYSIS**

The Mobile Home Rent Stabilization Ordinance (MHRSO) was adopted by the City Council to stabilize rents for Mobile Home Owners and Mobile Home Tenants in the City of Mountain View, while at the same time protecting the rights of Mobile Home 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. The MHRSO went into effect on October 28, 2021 and authorizes the Rental Housing Committee (RHC) to implement and administer the MHRSO.

**I. CHAPTER 8 – BANKING AND TENANT HARDSHIP**

MHRSO Section 46.6(d) provides that a Mobile Home Park Owner or Mobile Home Landlord, who does not impose a Rent increase, or a portion thereof, pursuant to the Annual General Adjustment (AGA) may accumulate, or “bank,” said increase

and impose that increase in subsequent years. Any subsequent increase is subject to an annual increase limit of 10%. Additionally, the ordinance provides that the RHC may promulgate regulations modifying, restricting, or prohibiting the imposition of “banked” increases upon a finding of undue hardship, if the Park Owners and Mobile Home Landlords are still able to earn a fair return.

Chapter 8 of the MHRSO Regulations would further clarify the banking procedures, including the required notices to the affected Mobile Home Owners and Mobile Home Tenants as well as to the RHC or its designee. Specifically, the proposed regulations require a Park Owner or Mobile Home Landlord to provide a Mobile Home Owner or Mobile Home Tenant with a notice that includes:

- The dollar and percentage values of the requested rent increase; and
- Specific language informing the Mobile Home Owner or Mobile Home Tenant about banked increases, and the right to file a tenant hardship petition.

The notice of banked Rent increase must be provided in accordance with California Civil Code Section 798.30 (for Mobile Home Spaces) or California Civil Code Section 827 (for Mobile Homes). In addition, the Mobile Home Park Owner or Mobile Home Landlord must file a copy of the notice with the RHC or its designee within seven (7) days of delivery to a Mobile Home Owner or Mobile Home Tenant.

Moreover, Chapter 8 provides that a Mobile Home Owner or Mobile Home Tenant who receives a banked Rent increase notice may claim an undue hardship by filing a petition. The proposed regulations outline the required contents of the hardship petition, and the date within which the petition must be filed with the RHC or its designee. The regulations also outline the petition and hearing process for a hardship petition. Finally, Chapter 8 defines the hardship conditions that would qualify a Mobile Home Owner or Mobile Home Tenant household; those conditions include:

- Households with inadequate household income;
- Households with dependent, minor children;
- Households with at least one person who is at least sixty-two (62) years of age;
- Households with at least one person with a disability;
- Households with at least one person who is terminally ill; or
- Households that demonstrate other extenuating circumstances.

## II. CHAPTER 9 – NEW AND ADDITIONAL OCCUPANTS

MHRSO Section 46.8 provides that Mobile Home Landlords may not evict a Mobile Home Tenant without a just cause for eviction. Specifically, Subsection (a)(2) provides that a Mobile Home Landlord may terminate a Mobile Home Tenancy where the Mobile Home Tenant has breached the lease, except that the Mobile Home Landlord may not terminate the Tenancy based on either the Mobile Home Tenant's sublease of the Mobile Home if the sublessee replaces one (1) or more departed tenants, or the Mobile Home Tenant's addition of an eligible family member (i.e., the Mobile Home Tenant's child, parent, grandchild, grandparent, brother, sister, or spouse, or domestic partner). Chapter 9 of the MHRSO Regulations addresses the consequences of, and the processes by which to replace, a departing roommate or adding an eligible family member.

First, the proposed regulations clarify the process for housing an eligible family member. A Mobile Home Tenant who desires to house eligible family must provide notice to the Mobile Home Landlord, including the person's name and qualifying relationship. The Mobile Home Landlord may request documentation verifying the eligible relationship. The regulations would require reasonable documentation to be provided to the Mobile Home Landlord upon request.

Next, Chapter 9 clarifies the process for replacing a departing roommate. A Mobile Home Tenant who desires to replace a roommate must provide notice to the Mobile Home Landlord, including the new roommate's name and the proposed terms of payment. The proposed regulations clarify that the Mobile Home Landlord may screen the roommate in accordance with typical screening procedures. The Mobile Home Landlord may charge a screening fee under State law, but the regulations require Mobile Home Landlords to use the same screening standards for the new roommate as would be used for any other Mobile Home Tenants.

Finally, the proposed regulations provide that when no original Mobile Home Tenants reside in the Mobile Home, the Mobile Home Landlord may renegotiate Rent with the subtenants and may raise Rent so long as proper notice is provided. Mobile Home Landlords and subtenants have the right and obligation to disclose rental charges to one another to help ensure Mobile Home Landlords have accurate information about their units and that subtenants are not price-gouged.

**FISCAL IMPACT**

The adoption of the MHRSO regulations related to banking procedures, hardship petitions, and new and additional occupants are not anticipated to impact the budget of the RHC.

**PUBLIC NOTICING** – Agenda posting.

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- Attachments: 1. Mobile Home Rent Stabilization Ordinance  
2. Draft MHRSO Regulations – Chapter 8 and Chapter 9