#### CONVERSION IMPACT REPORT SECTION OUTLINE

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PREFACE: This Conversion Impact Report ("CIR") has been prepared at the request of the City of Mountain View, Planning Division, by Attorney, Margaret Ecker Nanda<sup>1</sup>, and Attorney, Sonya Welch<sup>2</sup> (hereinafter collectively referred to as "Consultant"). Its purpose is to address the impact of the closure and conversion to another use of Bayshore RV Park and Bayair RV Park upon the displaced residents of those parks. Margaret Ecker Nanda is the author of six Conversion Impact Reports, also sometimes referred to as Resident Impact Reports concerning the closure and conversion to other uses of mobilehome and RV parks in various cities in the Bay Area and northern California.

**INTRODUCTION:** This Conversion Impact Report (hereinafter "CIR") is prepared at the request of the City of Mountain View in compliance with Mountain View City Code, Article X, Mobilehome Park Conversion or Cessation of Use, Section 28.100 et seq., (see discussion in Section 2, infra) as well as state law, specifically Government Code Section 65863.7 which requires the filing of a report on the impact of conversion, closure or cessation of use of a mobilehome park upon the displaced residents of the park to be converted or closed. At issue are two parks located within the City of Mountain View --Bayair RV Park located at 149 Fairchild Drive and Bayshore RV Park located at 133 Fairchild Drive.<sup>3</sup> Throughout this report, unless specifically required, the discussion of the closure of both parks will be addressed as if they were a single park, and thus the term "Park" or "Parks" as used herein, refers collectively to both parks. This report generally addresses four pertinent areas. First, it discusses the legal requirements for closure of a mobilehome park and then recites the chronology to date of the process initiated to close the Park and the anticipated timeline for closure, followed by a description of the park residents. Secondly, the CIR will discuss the homes that the residents occupy, including the age of the home, its size and its appraised on-site value. Thirdly, the CIR will discuss data gathered which reflects other area RV Parks and the availability of other RV spaces in those parks. Lastly, the Consultant will suggest "mitigation" which, subject to a decision of the Mountain View City Council would, in the Consultant's view mitigate the adverse impact to the displaced residents per the requirements of Government Code Section 65863.7, subsection (e) and Mountain View

<sup>&</sup>lt;sup>1</sup> Margaret Ecker Nanda, the Law Office of Margaret Ecker Nanda, California State Bar #92616, Juris Doctor, 1989, Southwestern University School of Law.

<sup>&</sup>lt;sup>2</sup> Sonya Phongpitag Welch, California State Bar #287002, Juris Doctor, 2012, University of Southern California, Gould School of Law.

<sup>&</sup>lt;sup>3</sup> RV Park is the common abbreviated term for a Recreational Vehicle Park.

City Code SEC. 28.101, subsection d. All aspects of this Conversion Impact Report must be viewed through the prism of the impact of the Park closure on the residents and the mitigation assistance which will ultimately be offered to the residents. The Park has served as an unsubsidized source of affordable housing within the City of Mountain View for more than 46 years.<sup>4</sup> Due to the extremely limited affordable housing supply in Mountain View and the high cost of market rate apartments, as well as the scarcity of vacant RV spaces within 20 miles of the Park, current residents will find it extremely challenging to either relocate to a nearby RV Park or find comparable housing at the rates they are currently paying. The CIR addresses these difficulties and suggests ways to mitigate the adverse impacts of the closure of the Park through a comprehensive mitigation assistance plan for all residents. As suggested within the most mitigation assistance will be directed to those whose incomes are extremely low, very low, and low for Santa Clara County as defined by the State of California, Department of Housing and Community Development, Division of Housing Policy Development.<sup>5</sup>

### SECTION 1: A BRIEF HISTORY OF THE PARK AND REASON FOR ITS CLOSURE

The park is currently owned by the heirs of William Stoddard, deceased. Mr. Stoddard purchased Bayshore RV Park in 1969 and Bayair RV Park in 1970. Very little information is available as to the initial history of Bayshore and Bayair, except that both parks have operating permits with the California Department of Housing and Community Development (HCD) Mobilehome Parks Division, which has exclusive jurisdiction to oversee the operation of mobilehome and RV parks throughout the state of California. The operating permit for what is now referred to as Bayair RV Park located at 149 Fairchild Drive is officially listed as Bayair Motel/MHP. On the property where Bayair RV Park is located there is a motel building which is no longer in use, which closed in 2014. The operating permit for Bayair RV Park reflects that it has seventeen (17) permitted mobilehome spaces.

The Housing and Community Development Department's operating permit for Bayshore RV Park, located at 133 Fairchild Drive officially lists the name of the Park as

<sup>&</sup>lt;sup>4</sup> The Stoddard Family acquired Bayshore RV Park in 1969 and Bayair RV Park in 1970.

<sup>&</sup>lt;sup>5</sup> See the Department of Housing and Community Development website <a href="http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html">http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html</a>

Bayshore MP and reflects that it has thirteen (13) permitted mobilehome spaces. Thus between the two parks there is a total of thirty (30) permitted mobilehome spaces.

Because of the designation of the spaces at the Park by HCD as mobilehome, not RV spaces, and the fact that there is a 1959 single wide mobilehome at Bayair RV Park, it is possible that in earlier days the Park did provide spaces for mobilehomes as that term is defined in Section 35790 of the California Vehicle Code and Section 18008 of the Health & Safety Code. The heirs of William Stoddard reported to the Consultant that at the time William Stoddard acquired the Parks in 1969 and 1970, the Park spaces, with one exception were occupied by recreational vehicles and that use continues to today. Even in 1969 and 1970, according to the heirs of William Stoddard, the spaces at the Park were too small to accommodate mobilehomes with the setbacks required under Title 25 of the California Administrative Code.<sup>6</sup> At some point in time that cannot be precisely determined, but apparently occurred prior to the purchase of the Parks by William Stoddard, a previous owner began renting vacant mobilehome spaces to RVs. The heirs of William Stoddard informed the Consultant that the RV spaces during the period of time that the Park has been owned by the Stoddard family, served as an RV park for the rental of RV spaces to members of the workforce, many of whom were employed at Moffett Field.

Currently, with the exception of a single mobilehome, all of the occupied spaces in the Park are occupied by various types of recreational vehicles. The Park allows RV owners to stay on a long-term basis, in excess of nine months, and such RV owners are considered "residents" as that term is defined under Civil Code Section 799.31, a provision of the Recreational Vehicle Park Occupancy Law<sup>7</sup> Currently there is a mix of long-term and short-term tenants at the Parks. For instance, some residents have been at the Park for over thirty years, while one resident rented a space just a few months prior to the announcement of the Park's closure.

An RV is defined in Section 18010 of the Health and Safety Code as follows:

Section 18010. "Recreational vehicle" means both of the following:

<sup>&</sup>lt;sup>6</sup> Title 25, California Administrative Code, Mobilehome Parks and Installations, Chapter 2, Section 1330 (a) provides, "In parks, or portions of parks constructed prior to September 15, 1961, units shall not be located closer than six (6) feet from any permanent building or other unit.

<sup>&</sup>lt;sup>7</sup> Civil Code Section 799.31 states, "Resident means a tenant who has occupied a lot in a park for nine months or more."

- (a) A motor home, travel trailer, truck camper, or camping trailer, with or without motive power, designed for human habitation for recreational, emergency, or other occupancy that meets all of the following criteria:
  - (1) It contains less than 320 square feet of internal living room area, excluding built-in equipment, including, but not limited to, wardrobe, closets, cabinets, kitchen units or fixtures, and bath or toilet rooms.
  - (2) It contains 400 square feet or less of gross area measured at maximum horizontal projections.
  - (3) It is built on a single chassis.
  - (4) It is either, self-propelled, truck-mounted, or permanently towable on the highways without a permit.
- (b) A park trailer, as defined in Section 18009.3.

In December 1997, the City Council adopted the (P-32) Evandale Precise Plan (see Appendix 12). The Evandale Precise Plan covers a narrow strip of land adjacent to U.S. 101 between Moffett Boulevard and North Whisman Road. The precise plan calls for the amortization of nonconforming uses 20 years from the adoption date of the Precise Plan. The RV parks became nonconforming uses with the adoption of the Precise Plan. During the Precise Plan adoption update, all the property owners within the Precise Plan boundaries were notified of the proposed zoning change.

In addition to the RV Parks and former motel building, the property also contains a commercial building, which is approximately 960 sq.ft. with a warehouse offering a 24x24 concrete slab. It is located at 133 Fairchild Dr. and is rented for use as a technology company. Further there are two single family homes, one is located at 149 A Fairchild Drive and the other is located at 138 Evandale Drive<sup>8</sup> The rental homes are conventional, stick built homes approximately 44 years old, as estimated by the Park owner. The two rental homes were on the property at the time the Parks were purchased by William Stoddard.

In August 2013, the City of Mountain View initiated a code enforcement action at the 133-149 Fairchild Drive site in response to complaints and identified a number of zoning violations on the property. As part of this code enforcement action, the Park Owner, William Stoddard was reminded in writing that, "the non-conforming RV use

<sup>&</sup>lt;sup>8</sup> The rental homes range in size from approximately 650 square feet (138 Evandale) to 850 square feet (149 A Fairchild).

shall be terminated by no later than December 9, 2017." The Park Owner chose to sell and redevelop the property rather than bring the existing uses into compliance with the Mountain View City Code.

In 2014, the Park Owner entered into a contract to sell the real property upon which both Bayair and Bayshore RV Parks are located to Fairchild-Evandale Investors LLC of Morgan Hill (hereinafter "the Developer" or "Applicant"). Plans for the property are attached as Appendix 16. The Developer has already purchased the adjoining property and broken ground, beginning a Phase 1 of development. The Park's property will be added as Phase 2 of the development. The property which in its current use as Bayair and Bayshore RV Parks is zoned "P (32) – Evandale Precise Plan" by the City of Mountain View.

#### **SECTION 2:** DESCRIPTION OF PROPOSED NEW USE OF PARK.

The Parks will be redeveloped as Phase II of a residential community with thirty-five row-homes (35) and a public park of 0.27 acres. Phase I of the project, which is adjacent to the Parks was approved for eighteen (18) residential units by the Mountain View City Council in January 2014. Phase I is currently under construction and combined with Phase II the project will encompass fifty-three (53) row-homes.

### <u>SECTION 3:</u> LEGAL REQUIREMENTS FOR A CLOSURE OF A MOBILEHOME PARK AND CONVERSION TO ANOTHER USE

#### California Mobilehome Residency Law, Civil Code Section 798 et seq.

California Civil Code Section 798.56, a provision of the California Mobilehome Residency Law (Civil Code Sections 798 et seq.) provides the enumerated causes for a termination of a tenancy in a mobilehome park. Subsection (g) of Civil Code Section 798.56 states that a landlord may terminate a tenant's tenancy because of a <u>change of use of the park</u>. The property owner is in contract to sell the land to the Developer to redevelop the property with 35 row-house units.

#### City of Mountain View Conversion Ordinance

The City of Mountain City Code, Article X, Mobile Home Park Conversion or Cessation of Use Chapter 28, Sections 28.100 and Section 28.101 provide:

SEC. 28.100. - Findings and policy.

- a. The City Council of Mountain View hereby finds and determines that mobile home parks provide an important independent living situation in Mountain View, particularly for senior citizens.
- b. Mobile home parks are an essential component of ownership-housing stock in Mountain View, where the cost of most housing exceeds the financial reach of low- and moderate-income persons.
- c. <u>Chapter 3</u> (Policy F) of the General Plan calls for increasing the supply of housing for low- and moderate-income families, seniors, and the disabled.
- d. The City of Mountain View is committed to preserving and increasing the supply of housing for low- and moderate-income citizens, especially families, senior citizens, and disabled persons, and that mobile home parks constitute a valuable housing resource to meet this need.
- e. Mountain View has a variety of mobile home parks with wide diversity in economic values of the land, the mobile home units, the amenities, the zoning, the location, and the acreage and number of units, among other factors, which warrant careful consideration and analysis of the distinct impact involved in the possible conversion of the different parks and appropriate mitigation of those diverse impacts.
- f. Available comparable relocation sites for mobile homes within a twenty (20) mile radius of the City of Mountain View are very limited, and the cost of relocation of mobile home units is substantial in proportion to the value of the individual unit itself.
- g. Adequate replacement housing for displaced mobile home residents at a comparable cost is not readily available within the community or the County. (Ord. No. 18.89, 10/10/89.)

SEC. 28.101. - Conversion impact report; notice to residents; hearing; bankruptcy exception; fees.

a. Prior to the conversion of any mobile home park to another use, as shown on Map 1 on file in the planning department, except pursuant to the Subdivision Map Act (Division 2, commencing with Section 66410 of Title 7 of the California Government Code) (see Section 28.103) or prior to closure of a mobile home park or cessation of the use of the land as a mobile home park, a conversion impact report shall be independently prepared by a consultant, pursuant to a contract with the City, but paid for by the applicant. This conversion impact report shall analyze the impact of the conversion, closure, or cessation of use upon the displaced persons of the mobile home park to be converted or closed. In determining impact of the conversion, closure or cessation of use on displaced mobile home park residents, the report shall address the availability of adequate replacement housing in mobile home parks and relocation costs.

- b. The person proposing the change in use shall provide a copy of the conversion impact report and written notification of the hearing date to the residents and to the registered owner of each mobile home in the mobile home park at least thirty (30) days prior to the hearing on the conversion impact report by the City Council, or its delegated advisory agency.
- c. The person or entity filing the report, or park residents, may request, and shall have a right to, a hearing before the City Council, or its delegated advisory agency, on the sufficiency of the report.
- d. The City Council, or its delegated advisory agency, shall review the report prior to any change, and shall require, as a condition of the change, the person or entity to take steps to mitigate any adverse impact of the conversion, closure, or cessation of use on the ability of displaced mobile home park residents to find or afford adequate replacement housing. The City Council may consider in requiring mitigation of adverse impacts of a mobile home park conversion, but shall not be limited thereto, such steps as the reasonable costs of relocation or, if a suitable relocation site is not available, the purchase of the mobile home at the in-space fair market value of the mobile home.
- e. At the same time as the notice of the change is provided to the residents (six months prior to termination of tenancy pursuant to Paragraph (2) of Subdivision (g) of Section 798.56 of the Civil Code), the person or entity proposing the change shall ensure that a copy of the report has been provided to a resident and to the registered owner of each mobile home in the mobile home park.
- f. If the closure or cessation of use of a mobile home park results from the adjudication of bankruptcy, the provisions of this Section shall not be applicable. g. The city council may establish reasonable fees by resolution pursuant to
- Chapter 13, commencing with Section 54990 of Part I of Division 2 of Title 5 of the California Government Code to cover any costs incurred by the city in implementing this section. Those fees shall be paid by the person or entity proposing the change in use. (Emphasis supplied)

Chapter 28, Article X, Sections 28.100 and 28.101 of the Mountain View City Code will hereinafter be referred to as the "Conversion Ordinance" or the "Ordinance."

As previously stated, the State of California, Department of Housing and Community Development (HCD) had issued a license to the Park Owner to operate two mobilehome parks with a combined thirty (30) permitted spaces. The City of Mountain View advised the applicant in May 2014 that it considered the parks to be mobilehome parks and thus subject to Chapter 28, Article X of the Mountain View City Code and California Civil Code Section 798.56. At the time of the announcement of the Park

closure to the tenants and residents<sup>9</sup>, there were 30 permitted spaces occupied by 28 RVs and 1 mobilehome.

The decision by the City to categorize the Parks as "Mobilehome Parks" instead of "recreational vehicle parks" which is the current use, appears to be based on several factors. First, the State of California, Department of Housing and Community Development (HCD) has exclusive jurisdiction over the licensing and operation of all mobilehome and recreational vehicle parks within the state. HCD has issued operating permits to both Bayair and Bayshore RV Parks as mobilehome parks, and not as recreational vehicle parks. Further, under Civil Code Section 798.3, a trailer or other recreational vehicle which occupies a mobilehome site in the park for nine or more continuous months commencing after November 15, 1992 is considered a "mobilehome" and subject to the provisions of the Mobilehome Residency Law, Civil Code Section 798 et seq. Under Civil Code Section 798.56 subsection (g)<sup>10</sup> a mobilehome park tenancy may be terminated based upon change of use of the park or any portion thereof provided that the park owner prepares the report required pursuant to subdivisions (b) and (c) of Section 65863.7 of the Government Code.<sup>11</sup> Also, since the City considered the parks as mobile home parks, the City applied Chapter 28, Article X

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<sup>&</sup>lt;sup>9</sup> See letter of October 13, 2014 to all Bayshore RV Park and Bayair RV Park Tenants attached as Appendix 1.

<sup>&</sup>lt;sup>10</sup> Civil Code Section 798.55(b)(1) provides that, "The management may not terminate or refuse to renew a tenancy except for a reason specified in this article and upon the giving of written notice to the homeowner..." and then Civil Code Section 798.56(g) provides as one such reason in subsection (g) "Change of use of the park or any portion, thereof, and then provides in subsection (h) "The report required pursuant to subdivisions (b) of Section 65863.7 of the Government Code shall be given to the homeowners or residents at the same time that notice is required pursuant to subdivision (g) of this section."

Government Code Section 65863.7 provides that prior to the conversion, closure or cessation of use of a mobilehome park, that the person or entity proposing the conversion, closure or cessation of use, file a report on the impact of the change of use on the displaced residents. Subdivisions (b) and (C) of Government Code Section 65863.7 provide: (b) The person proposing the change in use shall provide a copy of the report to a resident of each mobilehome in the mobilehome park at least 15 days prior to the hearing, if any, on the impact report by the advisory agency, or if there is no advisory agency, by the legislative body.(c) When the impact report is filed prior to the closure or cessation of use, the person or entity proposing the change shall provide a copy of the report to a resident of each mobilehome in the mobilehome park at the same time as the notice of change is provided to the residents pursuant to paragraph (2) of subdivision (g) of section 798.56 of the Civil Code.

of the Mountain View City Code (Mobile Home Park Conversion or Cessation of Use), which requires the preparation of Closure Impact Report.

#### **Summary of Legal Requirements**

In summary, the legal requirements for closure or cessation of use of a mobilehome park in the state of California, and in particular the City of Mountain View, include:

- 1. Preparation of a Conversion Impact Report independently prepared by a consultant hired by the City of Mountain View but paid for by the Applicant.
- 2. Service of the Report on the Park residents at least 30 days prior to a hearing on the Conversion Impact Report by the City Council, or its' delegated advisory agency.
- 3. Review of the Conversion Impact Report by the City Council and a determination of required mitigation assistance to mitigate the adverse impacts of a mobilehome park conversion.
- 4. Service of at least a six (6) month notice of termination of tenancy pursuant to Civil Code Section 798.56 (g) upon the Park residents.

The "Applicant" as that term is discussed in Section 28.102 of the Conversion Ordinance, is Fairchild-Evandale LLC, the developer of the property upon which the Park is located. The Applicant is under contract to purchase the park and their plans to redevelop the property will result in the displacement of tenants of the park.

#### **SECTION 4:** CHRONOLOGY REGARDING CLOSURE PROCESS

The following is a brief chronology of events relating to the announcement of the closure of Bayshore RV Park and Bayair RV Park and the process that has been followed to date:

<u>March 9, 2014</u>: Fairchild-Evandale Investors, LLC filed a Planning Application with the City of Mountain View for the development of the real property upon which Bayshore and Bayair RV Parks are located.

<u>August/September 2014</u>: The City of Mountain View, specifically Scott Plambaeck, Senior Planner in the Planning Division contacted the Consultant and a proposal was made by Consultant, which was accepted by the City of Mountain View, for Consultant to prepare the Conversion Impact Report relating to the closure of Bayshore RV Park and Bayair RV Park. Included in the Consultant's contract was the retention of an

appraiser to appraise the RVs and mobilehomes at the Park. Consultant proposed, and the City accepted, the firm of Beccaria & Weber, Inc.<sup>12</sup> to conduct the appraisals of the Park units.

October 13, 2014: A letter was mailed to each of the Park Tenants informing them of a meeting to be held on October 21, 2014 to discuss the closure of Bayshore and Bayair RV Parks. See Appendix 1.

October 21, 2014: Meeting held with tenants and residents of Bayshore and Bayair RV Parks. Present on behalf of the City of Mountain View was Scott Plambaeck, Senior Planner, on behalf of the Applicant, Josh Vrotsos, on behalf of the Park Owner, Kim Stoddard, and Consultant Margaret Ecker Nanda, Attorney at Law and Brian Grasser, Attorney at Law.<sup>13</sup> Discussion included remarks by Scott Plambaeck and discussion by Margaret Ecker Nanda regarding the closure process and probable timetable of closure. See Appendix 2, which is a copy of the agenda and attachments for the meeting. All persons who attended the meeting were asked to sign a "Sign-In sheet" with their names and contact information. For privacy purposes the "sign in sheets" from that night will not be attached to the CIR, but will be made available to the City if requested.

October 27, 2014 through December 5, 2014: Tenant interviews were conducted by Brian Grasser with all tenants except for one tenant who declined to be interviewed, and one tenant who was not available to be interviewed until January 2015. The tenant who was unavailable was ultimately interviewed on January 28, 2015 by Sonya Welch. The renters of the two single-family homes at the Park were interviewed in late November 2014 by Brian Grasser. A blank tenant interview form is attached as Appendix 3.

November 14 and 15, 2014: Appraisals of the tenants homes were conducted by Beccaria & Weber, Inc., and if the tenants were unavailable on those dates, at a mutually agreed upon time between the tenant and appraiser. For more information about the appraiser and scope of work, see Section 9 *infra*. The appraisals were paid for by the Applicant and were at no cost to the tenant. The cost of each appraisal was approximately \$886, with a total price of \$19,500.00, paid by the Applicant.

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<sup>&</sup>lt;sup>12</sup> Beccaria & Weber, Inc. are experienced mobilehome and RV appraisers and have acted as the appraisers in the closure of the former Oasis Mobilehome Park and Flick's Mobilehome Park in Sunnyvale; Milpitas Mobilehome and RV Park in Milpitas; Windsor Mobilehome Park in Windsor; Red Arrow Trailer Court in South San Francisco; and Buena Vista Mobilehome Park in Palo Alto.

<sup>&</sup>lt;sup>13</sup> Brian P. Grasser, California State Bar #236435, Juris Doctor, 2003, University of San Francisco School of Law.

November 25, 2014: A letter was sent to all tenants informing them of a new project in Mountain View, Studio 819, a new 49 unit affordable, workforce housing community offering low income, subsidized housing, which was accepting applications. Tenants were asked to contact Consultant for further information or for assistance in completing the application. See Appendix 15. Two tenants expressed interest but their family size prevented them from submitting an application; the maximum capacity of the studio units at Studio 819 is two.

<u>January 20, 2015</u>: A letter was sent to all tenants regarding the City of Mountain View's subsidized housing opportunities. See Appendix 5.

<u>February 2, 2015</u>: A copy of the appraisal of the tenant's home was mailed first class mail, postage prepaid to each tenant from Consultant's Los Gatos office. A copy of the enclosure letter is attached as Appendix 13. Copies of the appraisals of each home will be made available to the City at the City's request and are not attached hereto because of privacy considerations.

#### **ANTICIPATED TIMELINE FOR CLOSURE**

<u>April 2015</u>: After review by City staff, the Consultant will copy and cause to be delivered to each tenant/RV owner in the Park a copy of the Conversion Impact Report. Copies of the Conversion Impact Report will be personally delivered to all current Park residents and mailed to former residents for whom forwarding addresses are available. For current residents not available to receive personal delivery of the CIR, the CIR will be mailed to their Park address.

- Copies of the CIR will be delivered or mailed no less than thirty (30) days prior to the Hearing of the Zoning Administrator, presently scheduled for May 13, 2015.
- Following the tenant/RV Owner's receipt of the CIR, Consultant will hold a
  meeting with the tenants to discuss the CIR, to answer questions and to review
  the recommended categories for mitigation assistance. At the meeting
  Consultant will present to each tenant an individualized letter explaining their
  recommended individual mitigation assistance to be received *if approved by the*City Council. This letter will be titled "Statement of Recommended Benefits."

May 13, 2015: A hearing to evaluate the CIR will be held by the Zoning Administrator, which will be at least thirty (30) days after: 1) the tenant/RV Owner's have received the

CIR regarding the closure of the Bayshore and Bayair RV Parks and 2) Tenants have written notification of the hearing date.

June 9, 2015: It is anticipated that the Mountain View City Council will hear the matter of the approval of the Conversion Impact Report in June 2015. The decision of the City Council is not appealable, and thereafter the Park Owner may, pursuant to Civil Code Section 798.56, subsection (g) give each RV Owner and the mobilehome owner a six month notice of termination of tenancy. The six month period would expire, provided the notices were served prior to June 15, 2015, sometime before the end of December 2015.

By December 31, 2015: All six month notices of termination of tenancy will expire and all tenants will have vacated the Park.

Note: As to the two renters of the single family homes at the Park, the tenants are entitled to a sixty (60) day notice of termination of tenancy because they have each rented the homes for a period longer than one year.<sup>14</sup> The City's Tenant Relocation Assistance Ordinance does not apply because there are less than four homes on the property. It is the Park Owner's decision, but it is presumed that the requisite notices of termination of tenancy will be given so that the tenancies will terminate no later than those of the RV tenants or mobilehome tenant.

### SECTION 5: TENANTS AND RENTERS OF BAYSHORE AND BAYAIR RV PARK AS OF FEBRUARY 6, 2015

#### Tenant Names and Other Confidential Information

The CIR when filed with the City by the Consultant is a public document. In order to protect the privacy of the tenants and residents<sup>15</sup> of the Park, the CIR will not include personal information, such as names, addresses and the appraised values of specific homes identified by their space numbers in the Park. Such confidential information will be made available for review by the City of Mountain View upon request to the Consultant.

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<sup>&</sup>lt;sup>14</sup> See Civil Code Section 1946.1.

<sup>&</sup>lt;sup>15</sup> The term "tenant(s)" as used in this report means the person(s) who are parties to a written rental agreement with the Park and is/are the registered owners of the home. Unless specified otherwise, as used in this report the term "resident" means a person other than a tenant who is occupying the home on a full time basis and also includes minor children of the tenant.

#### A. Overview of the Park Tenants and Residents

Each RV or mobile home tenant owns his/her own RV or mobilehome and rents a space from the Park owner pursuant to a written rental agreement. Initial residential occupant information was obtained from the "Space Rental Agreements" on file with the Park owner, and was also obtained via interviews conducted by the Consultant with Park tenants and residents. As of February 6, 2015, there were twenty-two (22) occupied spaces (including one mobilehome) at the Park plus the two single-family homes that are occupied. Each mobilehome space was occupied by a recreational vehicle or trailer and at one space, a mobilehome. Tables 1 and 2 provide a list of the occupied spaces and the amount of base monthly space rent charged for that space as of February 6, 2015<sup>16</sup>. In addition to the base monthly space rent paid by the tenants, each tenant pays for the utilities the tenant used in the previous month. Specifically, the tenant pays for electricity based on usage which appears on the monthly rent statement, and a flat fee of \$20 for trash collection. Sewer and water *are included* in the base monthly space rent. There is no natural gas provided to the space by the Park Owner.

**TABLE 1, Bayair Tenants and Residents** 

Space	Residents	Household Size	Vehicle Type	Base Monthly Space Rent
1.	Redacted	3	Fifth Wheel <sup>17</sup>	\$900
4.	Redacted	2	Fifth Wheel	\$820
5.	Redacted	2	Trailer <sup>18</sup>	\$850
6.	Redacted	1	Fifth Wheel	\$850
7.	Redacted	3	Fifth Wheel	\$850

<sup>&</sup>lt;sup>16</sup> Upon request to the Consultant, the City of Mountain View will be provided a copy of the lists of tenants and residents at Bayair and Bayshore RV Parks, which includes their names and space numbers.

 $<sup>^{17}</sup>$  A fifth-wheel travel trailer is defined in California Vehicle Code § 324 as "a vehicle designed for recreational purposes to carry persons or property on its own structure and so constructed as to be drawn by a motor vehicle by means of a kingpin connecting device."

<sup>&</sup>lt;sup>18</sup> A "trailer" as used herein means a "park trailer" as that term is defined in California Health and Safety Code § 18009, which in pertinent part provides that a park trailer means a trailer designed for human habitation for recreational or seasonal use only, that meets requirements including that it contains 400 or less of gross floor area and is built on a single chassis.

9.	Redacted	1	Trailer	\$850
10.	Redacted	1	Fifth Wheel	\$834
11.	Redacted	2	Fifth Wheel	\$800
12.	Redacted	1	Fifth Wheel	\$790
13.	Redacted	4	RV <sup>19</sup>	\$820
14.	Redacted	2	Fifth Wheel	\$950
15.	Redacted	2	Fifth Wheel	\$900
16.	Redacted	2	RV	\$920

**TABLE 2, Bayshore Tenants and Residents** 

Space	Residents	Household	Vehicle Type	Base Monthly
		Size		Space Rent
3.	Redacted	1	RV	\$850
4.	Redacted	3	Fifth Wheel	\$900
5.	Redacted	2	RV	\$870
7.	Redacted	1	Fifth Wheel	\$850
8.	Redacted	2	Trailer	\$830
9.	Redacted	1	RV	\$825
10	Redacted		RV	\$890
11.	Redacted	1	RV	\$950
12.	Redacted	1	Fifth Wheel	\$950

<sup>&</sup>lt;sup>19</sup> A "recreational vehicle" also referred to as an "RV" pursuant to California Health and Safety Code § 18010 means a "motor home, travel trailer, truck camper, or camping trailer with or without motive power, designed for human habitation for recreational, emergency, or other occupancy that meets the following criteria, (1) It contains less than 320 square feet of internal living room area; (2) It contains 400 square feet or less of gross area measured at maximum horizontal projections; (3) It is built on a single chassis; (4) It is either self-propelled, truck mounted, or permanently towable on the highways without a permit."

14.	Redacted	3	Fifth Wheel	\$800

Within Bayair RV Park there is one mobilehome. There are no mobilehomes in Bayshore RV Park. The following is the pertinent data regarding the mobilehome.

**TABLE 3, Bayair Mobilehome Space** 

Space	Residents	Household Size	Mobilehome Type	Base Monthly Space Rent
8.	Redacted	1	Single-wide mobilehome	\$850

Note: Utilities billed monthly to the mobilehome owner at Bayair Space 8 are trash and electricity based on usage. Water and sewer are included in the base monthly space rent.

#### B. Former Tenants who have vacated the Park

Following the announcement of the Park closure and the meeting with the tenants and residents on October 21, 2014, certain RV tenants vacated their spaces by removing their RVs. Generally these tenants informed the Park Manager, Genell Basurto that they were leaving the Park and then did so within a few days of said notification. Some tenants informed Ms. Basurto where they were going, some did not. None of the following tenants received appraisals of their home. Because these tenants left prior to the preparation of the CIR and a plan for mitigation assistance, the Applicant has made no offers of mitigation assistance to any of the following former tenants. The Applicant understands that the Council may require payment of mitigation assistance to the following former tenants who vacated prior to December 31, 2014.

TABLE 4, Tenant Who Vacated on or Prior to December 31, 2014

Tenant Name	Park & Space Number	Vehicle Type <sup>20</sup>	Approximate Date Vacated
Redacted	Bayair, Space	Fifth Wheel	12/1/2014

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<sup>&</sup>lt;sup>20</sup> Vehicles are specified by type because Recreational Vehicles include motorhomes, travel trailers, truck campers or camping trailer. Fifth Wheel trailers are most often distinguished because they are connected to trucks or other large vehicles by a tow-hitch. More specific information is available under Health and Safety Code § 18010.

Redacted	Bayshore, Space 2	Fifth Wheel	10/31/2014
Redacted	Bayair, Space 3	Fifth Wheel	11/15/2014
Redacted	Bayshore, Space 1	Fifth Wheel	11/30/2014
Redacted	Bayair, Space 6	Unknown	10/31/2014

TABLE 5, Tenants Who Vacated Between January 1, 2015 and February 1, 2015

Tenant Name	Park & Space Number	Vehicle Type	Approximate Date Vacated
Redacted	Bayshore, Space 2	Fifth Wheel	01/02/ 2015
Redacted	Bayair, Space 16	Trailer	02/02/2015

All of the former tenants who vacated after January 1, 2015 accepted offers of mitigation assistance from the Applicant as described in Table 6. The Applicant understands that the Council's decision regarding the adequacy of mitigation assistance may be different than the mitigation assistance paid to the following former tenants.

TABLE 6, Mitigation Assistance to Tenants Vacated the Park after January 1, 2015

Tenant Name	Park & Space	Description of Mitigation Assistance		
	Number	accepted by former tenant		
Redacted	Bayshore,	The former tenants found an available RV		
	Space 2	space at Trailer Villa in Redwood City after		
		approximately 2 months of waiting. The		
		former tenants' home was a 5th Wheel and		
		the former tenants did not have a truck or		
		other vehicle that could transport their 5 <sup>th</sup>		
		Wheel. The Applicant arranged for, and		

		paid for, the move from Bayshore to Trailer
		Villa on January 2, 2015. The Applicant paid
		the Park the utility bills from mid-December
		through January 2, 2015 and the space rent
		for the first 2 days of January 2015 until the
		5 <sup>th</sup> Wheel was moved. The former tenants
		were not required to pay a deposit of any
		kind or a first month's rent for the RV space
		at Trailer Villa. The Applicant offered to pay
		in a lump sum the difference between the
		base space rent the former tenants paid at
		Bayshore (\$779.00) and the new base space
		rent at Trailer Villa (\$1000.00) for a period of
		12 months. The total rent gap differential to
		be paid in a lump sum is \$2,652.00 (12 x \$221
		per month). The former tenants accepted
		this offer on February 9, 2015.
Redacted	Bayair, Space	The Applicant paid the full on-site appraised
	16	value of the home per the appraisal of
		Beccaria & Weber dated November 22, 2014.

### <u>SECTION 6:</u> RECREATIONAL VEHICLE INFORMATION AND MOBILE HOME DESCRIPTION

The first standard for construction of residential trailers in California did not become effective until September 1, 1958. Over the years, standards were improved and by the mid-1960s, the industry started to refer to its products as "mobilehomes" instead of trailers. In 1974, Congress passed the Mobilehome Construction and Safety Standards Act, authorizing the U.S. Department of Housing and Urban Development to establish and enforce a national code for mobile home construction.

On June 15, 1976, the Department of Housing and Urban Development implemented its new standards for manufactured home construction, commonly referred to as the "HUD Code." By establishing a single standard, a manufacturer was assured that the electrical system of a manufactured home built in California would also meet the requirements of any other state to which it was shipped.

Perhaps most important, the HUD Code's assurance of safety and durability of manufactured homes provided a basis for extending federal loans to purchase them. Financing is frequently not available for mobile homes built before the HUD Code became effective; if it is available, down payments and interest rates are higher.

Units manufactured in the 1950s and 1960s are considered to be "older trailers and mobilehomes." Mobile homes built in the 1970s, before the HUD Code became the standard, are pre-HUD Code mobile homes. Manufactured homes built to the Federal Standard, are HUD Code Manufactured Homes.

As of February 1, 2015, there was one mobilehome and twenty-one Recreational Vehicles located in the Park. The Recreational Vehicles include several that fall into the sub-category of travel trailers. Recreational Vehicles, including travel trailers are registered with the California Department of Motor Vehicles (differing from manufactured homes, mobilehomes, commercial coaches, truck campers or floating homes which are required to be registered with the California Department of Housing and Community Development<sup>21</sup> and on the personal property tax rolls of the counties in which they are located). Recreational vehicles are usually capable of being driven off, or trucked off of the site into another RV Park. Standards for acceptance of RVs at other area RV parks vary widely. Some parks will not accept an RV older than 10 years old. Some parks will make exceptions based upon the appearance of the unit, despite its age. For example the RV at Space 6 which was moved to Trailer Villa is a 2002 model and is thus 13 years old. Some RV Parks restrict occupancy to transitory or recreational use and will not allow RV owners to stay more than nine months. The willingness of an RV Park to accept an older RV is often dependent upon whether that park has vacancies, and if so, how many vacancies. Many area RV Parks; however, state that their policy is not to accept homes older than 10 years.

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<sup>21</sup> California Health and Safety Code Section 18085.

TABLE 7, Recreational Vehicles in Bayair RV Park<sup>22</sup>

BAYAIR	SQ/FT	WIDTH/LENGTH	TYPE	TRADE	YEAR	CAN BE
SPACE				NAME		RELOCATED?
#						
1	264	8'/33'	5th Wheel	Jayco	2002	Probably
						Probably
				Nu-Wa		"Good
4	351	8'4'/35'	5th Wheel	Industries	2003	condition"
			Travel	Forest		
5	369	8.5'/36.4'	Trailer	River	2012	Yes
						Maybe –
						"Average
6	323	8.1'/32.4'	5th Wheel	Fleetwood	2002	condition"
						Maybe –
						"Average
7	377	8.4'/40'	5th Wheel	Newmar	2003	condition"
				Great		
8	488	10'/48.9'	Mobilehome	Lakes	1959	No
			Travel	Thor		Yes – "Average
9	243	8'/25.6'	Trailer	Industries	2008	condition"
10	230	7.11'/29'	5th Wheel	Traveleze	1987	No
11	320	8'/34'	5th Wheel	Fleetwood	1994	No
				Skyline		
12	231	8'/29'	5th Wheel	Corp	1991	No
13	274	8'/34.25'	RV	Fleetwood	1987	No
						Yes – because
14	407	8'/41'	RV	Sandpiper	2013	of age
				Forest		Yes – because
15	272	8'/29.4'	5th Wheel	River	2006	of age

<sup>&</sup>lt;sup>22</sup> This data was gathered from the written appraisals of Beccaria & Weber, Inc. for each of the units at Bayair and Bayshore, including the mobilehome.

TABLE 8, Recreational Vehicles in Bayshore RV Park

BAYSHORE SPACE #	SQ/FT	WIDTH/ LENGTH	ТҮРЕ	TRADE NAME	YEAR	CAN BE RELOCATED ?
3	330	8.5'/35'	RV	National RV	1995	No
4	355	8'/38'	5th Wheel	Open Road	2006	Yes – because of age
5	212	8.1'/23'10"	5th Wheel	Forest River	2005	Yes – because of age
7	224	8'/28'	Travel Trailer	Dutchman	1995	No
8	245	7'10"/26'8"	RV	Thor	2001	Maybe - "Average condition"
9	N/A	N/A	N/A	N/A	N/A	N/A
10	142	8'/17.9'	RV	National M-300	1987	No
12	251	7'10"/32"	5th Wheel	Juno Industries	1987	No
14	350	8.5'/35'	5th Wheel	Travel Supreme	1998	Maybe - "Average + condition"

TABLE 9, Summary of Recreational Vehicle Data

VEHICLE SPECIFICS OVERVIEW	
Average Sq/Ft	298 sq./ft
Average Year	1997
Average Price of Unit	\$17,171.43
Median Price of Unit	\$15,000.00

At the time the resident interviews were conducted in late 2014, the owners were asked if they planned on selling their RV or mobilehome to the Applicant, or they planned to

keep the unit and move it into another RV park. The question was asked prior to the RV owner's receipt of their appraisal. The majority of owners answered that their decision depended upon the value of the RV or mobilehome to be determined in the appraisal, however five RV owners responded that they did not intend to sell their units to the applicant, and thus would relocate those units to another RV Park.

Although not identified by space number, the following table demonstrates the range of appraised values of the units of the Park per the appraisals of Beccaria & Weber, Inc.

TABLE 10, Appraised Value of Recreational Vehicles

DOES THE OWNER WANT TO SELL THE UNIT TO THE APPLICANT	OWNER RESPONSE	APPR mobil highe
1	Depends on value	\$5,000
4	Depends on value	\$6,300
5	Yes	\$6,500
6	No	\$7,000
7	Depends on value	\$8,500
8	No	\$10,00
9	Depends on value	\$11,50
10	No	\$12,00
11	Depends on value	\$14,00
12	Depends on value	\$15,00
13	No	\$15,00
14	Depends on value	\$16,00
15	Depends on value	\$16,00
3	Depends on value	\$16,50
4	No, but maybe	\$19,00
	1	

APPRAISED VALUES of the RVs and mobilehomes at the Park – from lowest to highest, without reference to space number
\$5,000.00
\$6,300.00
\$6,500.00
\$7,000.00
\$8,500.00
\$10,000.00
\$11,500.00
\$12,000.00
\$14,000.00
\$15,000.00
\$15,000.00
\$16,000.00
\$16,000.00
\$16,500.00
\$19,000.00

5	Depends on value
7	Depends on value
8	Depends on value
9	No
10	Depends on value
11	Depends on value
12	Depends on value
14	Depends on value

\$21,000.00		
\$23,800.00		
\$25,500.00		
\$33,000.00		
\$35,000.00		
\$44,000.00		

In summary the lowest appraised value of any unit in the Park was \$5,000.00 and the highest was \$44,000.00. Included in the data shown above is the on-site appraised value of the single mobilehome at the Park.

#### **SECTION 7: PARK DEMOGRAPHICS**

# A. <u>Gathering of data regarding tenants and residents at Bayshore and Bayair RV Parks:</u>

At the meeting of October 21, 2014 where the closure of the Park was announced to the tenants, the tenants and the residents were informed that in order to offer a plan of mitigation assistance to the City Council for its consideration, the consultant would need to interview each tenant to ask questions regarding income, employment, whether the tenant's preference was to remain in their RV or move into other housing -- in general to find out as much information as possible in order to ultimately present a plan of mitigation assistance in the Conversion Impact Report. To that end a Resident Questionnaire was developed by Consultant (see Appendix 3), and thereafter, Brian Grasser, conducted resident interviews with the Park residents in November and December 2014. With rare exception the interviews were conducted by Mr. Grasser in the Park Office and the Resident Questionnaire was completed at the time of the interviews. All tenants were assured at the October 21, 2014 meeting, and again at the time of the interview, that all information gathered in the interview would be confidential and would not be shared, except as aggregate data with the Applicant and the City of Mountain View. Thus no information identifying the tenant and his or her income level or other information, such as employment or disabilities is included in this

CIR. In November 2014, of the thirty permitted spaces at Bayshore and Bayair RV Parks, twenty-eight spaces were occupied during the time the interviews were conducted.<sup>23</sup> Only one resident declined to be interviewed. Since the time of those interviews, six tenants have vacated the Park and none of the spaces which were vacated after the announcement of the Park closure were re-rented to any new tenants. The following aggregate data is gathered from the information in the Resident Questionnaires and unless indicated otherwise, reflects the status of the tenants and residents as of February 6, 2015.

#### B. The Socio-Economic Status of the Tenants

The Park tenants fall into several categories of socio-economic classifications based on 2014 California State Housing income limits<sup>24</sup>. As of February 6, 2015 with all twenty-two (22) households reporting, the average income of the park residents was \$90,836.73. This income data has not been verified and is based only on information obtained from the resident interviews, and thus reflects what the residents reported as their income. The income level classification chart is populated below. Households that are very low-income and some low income households may be eligible for government housing assistance programs at the local or state level.

**TABLE 11, Household Incomes** 

Average Income of the Park	\$90,836.73
Santa Clara Median Income 1-person	\$73,850.00
Santa Clara Median Income 4-person	\$105,500.00

Below is a table of how many households at the Park fall into each of the income categories.

TABLE 12, Number of Households by Income Category

STATE HOUSING INCOME LIMITS	# of Households
Extremely low income	1
Very Low income	2
Low Income	7
Median or Above	13

<sup>\*</sup>All 22 households as of February 6, 2015 are included, including the Mobilehome household.

<sup>23</sup> One tenant, the tenant at space 14 of Bayair vacated the space on or about October 1, 2014, prior to Brian Grasser beginning the resident interviews.

<sup>&</sup>lt;sup>24</sup> See http://www.hcd.ca.gov/hpd/hrc/rep/state/inc2k14.pdf, see Appendix 10.

Twelve of the Park's tenants also stated they own other real estate or a "first home" outside of the RV or Mobilehome space they currently occupy at the Park. Below follows the households and type of other property owned.

**TABLE 13, Households and Other Properties** 

Households with other	Type of Property	Location
property elsewhere		
1	House	MI
1	House	TX
1	House	UT
1	House	CA
1	Warehouse/Business	Declined to State
1	House	CA
1	House	CA
1	Land	CA
1	House	CA
1	House	UT
1	Another RV at a nearby	CA
	Park	
1	House	CA

<sup>\*</sup>Households reporting as of February 6, 2015.

Some residents have indicated that they are not full-time residents, meaning they do not occupy their space in the RV Park seven days per week. This information has not been verified and is based on the resident interviews. Table 14 illustrates the findings.

**TABLE 14, Tenancy of Residents** 

Full-time Residents*	16
Part-time Residents*	6

<sup>\*</sup>Households reporting as of February 6 2015.

Additionally, the following chart conveys the ages of the residents, how many residents are under-age eighteen, and how many above the age of eighteen, and the number of "seniors". In summary, there are a total of forty (40) residents, five (5) children under eighteen years old, and three (3) senior adults sixty-two years old or older as of February 6, 2015. Table 15 and Table 16 include the former tenants who left the Park

between January 1, 2015 and February 1, 2015, and Table 17 includes former tenants who vacated after the park closure announcement in October 2014.

TABLE 15, Bayair RV Park Residents and Spaces as of January 1, 2015

Space	Total Residents	Under 18	Over 18	Over 62
1.	3	0	3	1
4.	2	0	2	0
5.	2	0	2	0
6.	1	0	1	0
7.	3	1	2	0
8.	1	0	1	0
9.	1	0	1	0
10.	1	0	1	0
11.	2	1	2	0
12.	1	0	1	1
13.	4	2	2	0
14.	2	0	2	0
15.	2	0	1	1

TABLE 16, Current Bayshore RV Park Residents and Spaces as of January 1, 2015

Space	Total Residents	Under 18	Over 18	Over 62
3	1	0	1	0
4	3	1	2	0
5	2	0	2	0
7	1	0	1	0
8	2	0	1	1
9	1	0	1	1
10	1	0	1	0

12	1	0	1	0
14	3	0	13	0

TABLE 17, Tenants Who Vacated the Parks Following the Closure Announcement

Space	Total Residents	Under 18	Over 18	Over 62
Bayshore,	1	0	1	0
11				
Bayair,	2	0	2	0
17				
Bayair, 2	Not interviewed			
Bayshore,	Not interviewed			
6				
Bayshore,	Declined to be			
1	Interviewed			
Bayshore,	2	0	1	1
2				
Bayair,	2	0	2	0
16				
Bayair, 3	Not interviewed			

#### **SECTION 8: NOTIFICATION TO RESIDENTS OF PARKS CONVERSION**

The residents of both parks received a written notice, a copy of which is attached as Appendix 1 that the Park was closing and inviting all residents to a meeting. The notice is dated October 13, 2014 and a meeting was held on October 21, 2014 with the purpose to "discuss and outline the process of the closing the Park." (See Appendix 2). Further, residents were informed of appraisal dates and subsidized housing options available within the City of Mountain View (See Appendix 4 and Appendix 5).

Mountain View City Code Section 28.101(B) mandates that person proposing the change in use provide a copy of the conversion impact report and written notification of the hearing date to the residents and to the registered owner of each mobile home in the mobilehome park at least thirty (30) days prior to the hearing on the conversion impact report by the City Council, or its delegated advisory agency. In this case the delegated advisory agency is the Zoning Administrator and Subdivision Committee. The Zoning

Administrator and Subdivision Committee will hold a hearing regarding this Conversion Impact Report (CIR) on May 13, 2015. Residents will have been served with a copy of this CIR 30 days prior to the hearing, or on or before April 13, 2015. Additionally, another resident meeting will take place at least 15 days after the residents receive a draft copy of the CIR.

#### **SECTION 9: METHOD OF APPRAISAL**

It should be noted that the issue of how to accurately obtain a fair market valuation for each recreational vehicle and mobilehome was carefully and fully considered. Some of the RVs at the Park had been there for many years. In RV Parks which allow RV owners to live in their RVs for a period of years, there can be an "on-site value" for the residence or vehicle that may be greater than only the cost of the vehicle. This occurs because sometimes the residence or vehicles are purchased and sold "on site" with the RV remaining in place, and the seller vacating the home for the buyer, often due to the benefits of the physical location of the unit at the specific park location.

An examination of the history of tenancies at the Park by the Park Manager and Park Owner revealed that there were very few, if any, on site or "in place sales" of RVs at the Park. Nevertheless extensive discussions were held between the City of Mountain View, the appraiser, the Consultant, and the Applicant, in order to define the agreed upon appraiser's scope of work. It was ultimately agreed that two market valuations would be determined: 1) the recreational vehicles would be evaluated at their autoguide fair market value as well as their on-site market value; and 2) the mobile home would be evaluated at its on-site market value.

Here, the recreational vehicles were evaluated based on a "sales comparison approach to the value of other recreation vehicle units that have sold in place in RV Parks and other pertinent data"<sup>25</sup> as well as at the auto-guide fair market value for each vehicle if removed from the park. Similarly, the mobilehome was evaluated using both sales and cost approaches to value when compared with other comparable mobile home sales data. This method was approved by both city staff and the Consultant. Please, see the Appendix 14 outlining the appraiser's scope of work for more a more detailed discussion.

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<sup>&</sup>lt;sup>25</sup> See Appraisers "Scope of Work" at Appendix 14.

#### **SECTION 10: VACANT RV SITES WITHIN A 50 MILE RADIUS**

A "snapshot"<sup>26</sup> of available comparable RV sites was taken on November 20, 2014. Pursuant to Mountain View's City Code Section 28.100, subsection (f), parks within a twenty (20) mile radius were contacted. This "snapshot" was subsequently updated on January 22 – 23, 2015 in order to reflect a more recent data and therefore more relevant information. There was one available RV spot within the specified 20 mile radius. Based on this information and on other comparable conversion impact reports from neighboring municipalities, and on discussions with city staff, the search area was widened to include RV Parks located within a range of up to 50 miles from Mountain View. As of January 22-23, 2015 there were 121 possible long-term (spaces allowing residents to stay longer than 9 months) RV spaces available within this 50 mile radius. The table conveying these findings follows below.

TABLE 18, Available Spaces within a 50-mile Radius

	SPACES		
LOCATION	AVAILABLE	MILE RANGE	
Redwood City	1	14 miles	
Morgan Hill	100	34 miles	
Half Moon Bay	1	29 miles	
Castro Valley	1	35 miles	
Gilroy	10	48 miles	

<sup>\*</sup>Data current as of 1/22/2015

There were size and year restrictions for the RV Parks with spaces available on the contacted date. Overall, the parks required that RV's for permanent residence in a park be between fourteen (14) years old or ten (10) years old or newer. Some parks maintained an exception for applicants to include photos demonstrating that their older RV was well maintained. Additionally, the rent requirements at the RV Parks which were contacted were found to be comparable to the space rent that the current residents of Bayshore RV and Bayair RV Parks are currently paying.

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<sup>&</sup>lt;sup>26</sup> The snapshot was taken by identifying all RV Parks within a 20 mile radius of the Park per the records of RV Parks maintained by the State of California Department of Housing and Community Development.

The chart conveying these findings follows below.

TABLE 19, Rents in RV Parks within a 50 Mile Radius

LOCATION	MONTHLY RENT REQ.
Redwood City	\$1000 /mo
Morgan Hill	\$900 /mo
Half Moon Bay	\$650/mo
Castro Valley	
Gilroy	\$775/mo

<sup>\*</sup>Data current as of 1/22/2015

The size restrictions would not be prohibitive for the majority of the RV's at the Park if they were accepted into the parks with space availability. Of the current Park's residents, there were only four RVs or Trailers in excess of thirty-five (35) feet. However, approximately half of the RV's would potentially not qualify for tenancies in the identified RV parks because of the age of their RV's. In Consultant's experience RV Parks will make exceptions for older recreational vehicles if they are in good condition despite their age.

TABLE 20, RV Park Restrictions.

LOCATION	SIZE REQ.	YEAR REQ.
Redwood City	36ft	1995
Half Moon Bay	30ft	"decent shape"
Morgan Hill	35ft - 70 ft	2000 or newer
Castro Valley	30ft	2000
Gilroy	28 ft	2004 or newer

<sup>\*</sup>Data current as of 1/22/2015

### SECTION 11: MOBILE HOME SALES WITHIN SANTA CLARA COUNTY IN 2014

As has been previously discussed in this Conversion Impact Report, there is one single wide mobilehome at the Park, built in 1959 with a total of 488 square feet of living space. In the view and experience of the Consultant, a 1959 mobilehome is too old to be moved to another mobilehome park, most Bay Area mobilehome parks only accept

homes which are "newer" meaning built within the last five to ten years at most. Park owners who have the opportunity to replace mobilehomes in their parks, whenever possible, pick new homes that are resold by mobilehome dealers, or newer homes with the express purpose of improving the overall appearance of their parks. In the Consultant's opinion the owner of the mobilehome will have to sell the mobilehome to the Applicant, and if that tenant desires to continue to live in a mobilehome, the tenant will have to purchase another mobilehome at another park.

The appraised on site value of the home is less than \$50,000. A snapshot of available mobilehomes currently listed for sale on redfin.com, as of February 5, 2015, listed the lowest mobilehome for current sale at \$55,000. and the home was available in San Jose. Attached as Appendix 17 is 2014 actual sales data for mobilehome parks in Mountain View, Sunnyvale, and San Jose, which reflects sales of mobilehomes in the \$35,000 to \$50,000 range. The chart below summarizes that data:

TABLE 21, All Mobile Sales under \$50,000.00 (2/5/2014 to 2/5/2015)<sup>27</sup>

Sunnyvale – Under \$50k	5
Mountain View – Under \$50k	8
San Jose – Under \$50k	71

### SECTION 12: ADVERSE IMPACTS OF PARK CLOSURE AND REASONS FOR MITIGATION ASSISTANCE

It is well known that finding affordable housing in Silicon Valley is difficult because of the area's distinctive technology sector growth, which has caused population growth from primarily higher-income households who have relocated, in large numbers, to the region for work. The City of Mountain View also faces this problem and the current Mountain View market rate rental housing market as well for sale housing market reflects this undersupply of affordable housing. As a result tenants of the Park who are low-income and below will likely experience the most difficulty in finding comparably priced housing within the nearby area. In Consultant's experience, low-income tenants often require assistance in finding affordable housing options available to them. In some instances residents may face language barriers, which negatively impact their

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<sup>&</sup>lt;sup>27</sup> Data via report from: http://www.mhousing.com/members.asp

ability to fill-out housing application forms or navigate advertisements showing Park or apartment vacancies. Because of this, an experienced housing relocation specialist is absolutely necessary to help such residents identify and relocate to their next home.

The statutory requirements under the Government Code for the closure of a mobilehome park *require* mitigation assistance for the displaced residents to mitigate the adverse impact of the park closure, which mitigation assistance cannot exceed the reasonable costs of relocation.<sup>28</sup> Further the city's own ordinance provides:

The City Council may consider in requiring mitigation of adverse impacts of a mobile home park conversion, but shall not be limited thereto, such steps as the reasonable costs of relocation or, if a suitable relocation site is not available, the purchase of the mobile home at the in-space fair market value of the mobile home.<sup>29</sup>

As the discussion of the socio-economic status of the Park residents in Section 6 B of this report demonstrates, the average income in the Park is well above the Santa Clara County median income. It is the Consultant's opinion that residents above the AMI moderate income levels, with the mitigation assistance proposed below, which includes the option of the purchase of their homes at in-space fair market value; those residents will be able to secure comparable housing. It is important to note, in this context that only after approval of this CIR by the City Council, which would likely occur in June 2015, will the Park residents be served a six month notice of termination of tenancy. Although such notice gives the tenants up to six months to find an alternative RV site or to sell their home to the Applicant at its in-space fair market value, they can move or sell their home at their option, meaning as soon as they identify alternative housing they can leave the Park.

The most vulnerable Park residents are those who fall below the moderate income<sup>30</sup>, and thus are considered low income (7 households), very low income (2 households) and extremely low income (1 household) and thus will find securing replacement

<sup>29</sup> Mountain View City Code, Article X, Mobile Home Park Conversion or Cessation of Use, Chapter 28, Section 28.101, subsection d.

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<sup>&</sup>lt;sup>28</sup> Government Code Section 65863.7, subsection (e).

 $<sup>^{</sup>m 30}$  Moderate Income levels are defined as 80% to 120% of the AMI (Area Median Income).

comparable housing a distinct challenge. Thus the City Council should consider and adopt steps to mitigate the Park's closure which will allow these low income residents to relocate to comparable housing. Because the low income tenants will not likely "income qualify" and many market rate apartments, such tenants will probably need to avail themselves of subsidized or affordable housing. If the Council adopts the Consultant's recommendation and recommends the retention of a Housing Relocation Specialist, such Specialist can assist the low income tenants in identifying all such housing opportunities.

Additionally, residents who choose to keep their RV and relocate it to another park may face the added consideration that there are limited spaces available within the immediate vicinity. As mentioned in Section 10, there are RV spaces available approximately 35 miles away from the current Park. Thus, a Housing Relocation Specialist may be able to provide relocation assistance to these residents by presenting them with housing opportunities closer than 35 miles that may have been previously unknown to them or by assisting them in finding other spaces.

### SECTION 13: MITIGATION ASSISTANCE FOR PARK TENANTS AND RESIDENTS

After discussion with staff, Consultant recommends a focused approach to relocation assistance based upon income category: 1) households that are low-income or below<sup>32</sup>, and 2) households that are moderate income and above<sup>33</sup>. In this case, Consultant has focused on providing the most assistance to lower-income tenants. By adopting Consultant's approach, the Council can insure that the Applicant will direct its resources to best serve those residents most in need of assistance during this transition.

month or an annual income of \$64,500.00.

<sup>&</sup>lt;sup>31</sup> Typically in market rate rental housing, including the rental of a mobilehome or RV space, a Landlord requires a 3 to 1 income to housing cost ratio, meaning that in order for a prospective tenant to qualify for an apartment which rents for \$1,800 per month, that tenant would need a gross income of \$5,400 per

<sup>&</sup>lt;sup>32</sup> Low-income Households are those whose income does not exceed eighty (80%) of the area median household income for Santa Clara County as adjusted for household size according to the U.S. Department of Housing and Urban Services.

<sup>&</sup>lt;sup>33</sup> Moderate-income Households are those who income does exceed eighty (80%) of the area median household income for Santa Clara County as adjusted for household size according to the U.S. Department of Housing and Urban Services.

The mitigation assistance, if approved by the City Council, which will be received by each Park household will follow the Department of Housing and Urban Services income limitation standards. Those income levels are defined below.

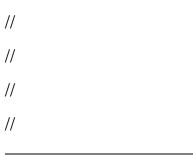
TABLE 22, Department of Housing and Urban Services Income Levels for 2015.

	1	2	3	4	5	6
	person	persons	persons	persons	persons	persons
EXTREMELY LOW INCOME	\$22,350	\$25,550	\$28,750	\$31,900	\$34,500	\$37,050
VERY LOW INCOME	\$37,250	\$42,550	\$47,850	\$53,150	\$57,450	\$61,700
LOW- INCOME	\$52,850	\$60,400	\$67,950	\$75,500	\$81,550	\$87,600

### A. DESCRIPTION OF PROPOSED RELOCATION ASSISTANCE FOR TENANTS WHO ARE LOW INCOME AND BELOW<sup>34</sup>

Based on the Consultant's experience in closing mobilehome and RV Parks, in order to find alternative housing by the time the Park closes, the lowest income level tenants should receive additional targeted relocation assistance. There are ten RV owners who qualify as either low income, very low income or extremely low income. See Section 6, *supra*. Of those ten households, five include either senior or disabled household members.

All RV owners have the option to sell or not sell their homes to the Applicant. As to any RV owner who is low income or below RV owner who wishes to sell the RV to the Applicant, the Consultant proposes the following:



<sup>&</sup>lt;sup>34</sup> Low-income Households are those whose income does not exceed eighty (80%) of the median household income for Santa Clara County as adjusted for household size according to the U.S. Department of Housing and Urban Services.

TABLE 23, Low Income and Below Mitigations for Tenants Who Sell their RVs To the Applicant

- 1 The Applicant shall pay the owner Fair Market Value for the RV as determined by the Appraisal.
- The Applicant shall provide a twelve month rent gap differential to cover the difference, if any, between tenant's base space rent at the Park and the new rent at an apartment or multi-unit building, not to exceed the median monthly rent in Mountain View at time of the project entitlement approval based on data from RealFacts or equivalent source and household size. For households of 2 or less, cash equivalent will be based on a one-bedroom unit, for households of 3 persons, cash equivalent will be based on a 2-bedroom unit, for households of more than 4 persons, cash equivalent will be based on a 3-bedroom unit.
- 3 The applicant will provide \$2,000 in a lump sum for relocation cost.
- 4 Services of a Housing Relocation Specialist to assist RV owners with finding housing.

As to RV owners who qualify as low income, very low income or extremely low income who do not wish to sell their RV to the Applicant but instead choose to move their RV to another RV park, the following is the proposed mitigation assistance:

TABLE 24, Low Income and Below Mitigations for tenants who keep their RVs

1	The Applicant will provide \$2,000 in lump sum for relocation cost.
	Cash equivalent of three months rent based on median monthly rent in
	Mountain View at time of the project entitlement approval based on data
2	from RealFacts or equivalent source and household size. For households of
4	2 or less, cash equivalent will be based on one-bedroom. For households of
	3, cash equivalent will be based on a 2-bedroom for households of more
	than 4 persons, cash equivalent will be based on a 3-bedroom unit.
3	Service of a Housing Relocation Specialist to assist RV owners with finding a
3	RV space in another park and with relocation services, such as movers.

## B. DESCRIPTION OF PROPOSED RELOCATION ASSISTANCE FOR TENANTS WHO ARE AT OR ABOVE MODERATE INCOME<sup>35</sup>.

As the discussion in Section 6 ("Park Demographics"), *supra* illustrates, the income levels of the Park tenants varies widely and on average exceeds the median income levels for Santa Clara County. In Consultant's experience working under mobilehome park conversion ordinances in various jurisdictions, it is not unusual to have mitigation assistance levels vary depending upon income levels of the displaced residents. In the specific circumstances of the Bayair and Bayshore RV Park tenants, more than half the residents exceed, by a large margin, the median income level in Santa Clara County. Consultant's recommendation for mitigation assistance for RV Owners who are at or above the median income level for Santa Clara County is as follows:

#### **TABLE 25, Moderate Income and Above Mitigations**

1	If the owner sells the RV, the applicant shall pay the owner Fair Market
	Value for the RV as determined by the Appraisal. If the owner does not sell
	the RV, the applicant will provide \$2,000 in a lump sum for relocation costs.
2	Services of a Housing Relocation Specialist to assist RV owners in finding a
	RV space in another park or replacement housing and relocation assistance
	services, such as movers.

Note: upon written request by the RV owner, the \$2,000 payment could be paid as much as thirty (30) days in advance of either the purchase of the RV by the Applicant, or the moving of the RV from the Park.

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 $<sup>^{35}</sup>$  Households whose income exceeds 80% of the median household income for Santa Clara County as adjusted for household size according to the U.S. Department of Housing and Urban Services

### C. SPECIAL CIRCUMSTANCE HOUSEHOLDS<sup>36</sup> REGARDLESS OF INCOME LEVEL:

The closure of the Park and the resulting move has an additional impact for households with children, disabled persons, and seniors over 62. Therefore, it is recommended additional mitigation be provided, regardless of income, to these households to assist with relocating. The recommended mitigation is an additional \$3,000 lump sum payment for these households to assist with moving and relocation costs in addition to the mitigation identified in this document.

### TABLE 26, Special Circumstances Households – Includes all Households in the Park

1 Special circumstances households will be paid three thousand dollars (\$3,000) in addition to other mitigation assistance received.

### <u>SECTION 14</u>: RELOCATION ASSISTANCE FOR THE MOBILEHOME OWNER:

As stated in previous sections of this report, there is one mobilehome at the Park. The mobilehome space has been rented by the mobilehome owner for a period of over 30 years. The mobilehome appraised at a full on-site value of less than \$50,000 which reflects the value of its location in Mountain View. The appraisal for this mobilehome by David Beccaria, of Beccaria and Weber Inc., found that the mobilehome has no off-site value. As discussed in Section 5, *supra* the mobilehome was manufactured in 1959 and cannot be moved to another park. Therefore the only option for the mobilehome owner is to sell the mobile home to the Applicant, and use the sales proceeds either partially, or in full to purchase another mobilehome, or relocate to some other type of housing. As to the mobilehome owner, the Consultant recommends:

<sup>&</sup>lt;sup>36</sup> An eligible residential household with any of the following characteristics:

<sup>1.</sup> At least one (1) member is sixty-two (62) years of age or older;

<sup>2.</sup> At least one (1) member qualifies as disabled as defined by Title 42, United States Code, No. 423 or handicapped as defined by California Health and Safety Code Section 50072; or

<sup>3.</sup> Is a household with one (1) or more minor children (under eighteen (18) years of age) who are legally dependent (as determined for federal income tax purposes).

#### TABLE 27, Mobilehome Owner

- The Applicant shall pay the owner Fair Market Value for the Mobile Home as determined by the Appraisal.
- If the Mobilehome Owner is low-income or below, the Applicant shall provide a twelve month rent gap differential to cover the difference, if any, between owner's base space rent at the Park and the new rent at an apartment or multi-unit building, not to exceed the market rate cost of median monthly rent in Mountain View at the time of the project entitlement approval based on data from RealFacts or equivalent source and household size. For households of 2 or less, cash equivalent will be based on a one-bedroom unit, for households of 3, cash equivalent will be based on a 2-bedroom unit, for households of more than 4 persons, cash equivalent will be based on a 3-bedroom unit.
- The applicant will provide \$2,000 in a lump sum payment for relocation costs.
- 4 Services of a Housing Relocation Specialist to assist RV owners to find housing.

### <u>SECTION 15</u>: RELOCATION ASSISTANCE FOR TENANTS OF SINGLE-FAMILY HOMES

As previously discussed, in Section 4, *supra* there are only 2 single family homes for rent at the Park. At present one of the homes is occupied with a family with one minor child and the other home is occupied by a single person. None of the occupants of the single family homes are disabled or senior. The household income level for one of the rental houses, as reported by the tenant, is above the median average income for Santa Clara County, the other household income would qualify as extremely low-income housing. This income data has not been verified and is based only on information obtained for the resident interviews.

The Mountain View City Council adopted a Tenant Relocation Assistance Ordinance in February 2010. The Ordinance was amended June 24, 2014<sup>37</sup> and requires landlords provide relocation assistance to tenants when <u>four (4) or more units are removed</u>.

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<sup>&</sup>lt;sup>37</sup>Mountain View C Code, Article XIII, Sections 36.38 – 36.38.45.

The following details of the Tenant Relocation Ordinance are provided for *informational* purposes only. It specifies:

- Displaced tenants will be provided with the cash equivalent of three (3) months median market-rate rent for similar apartment.
- This will apply to households with an area median income (AMI) up to eighty percent (80%) based on U.S. Department and Urban Development (HUD) income levels for Santa Clara County adjusted by household size.
- Special circumstance households, or a household with at least one person who is a minor child, senior, handicapped, or disabled person provides an additional \$3,000 in assistance.
- Half of the Relocation assistance is to be paid within fifteen (15) days of a tenant's request and the remaining half paid when an eligible tenant vacates the unit.
- The City hires and manages a relocation assistance specialist instead of the landlord of the closing property, who instead pays for the specialist's services.

The City has confirmed to the Consultant that because there are only two single-family homes at the Park, and therefore not four or more units of rental housing to be removed by the Landlord, that the Tenant Relocation Ordinance does not apply. Because the Applicant cannot be legally compelled to provide relocation assistance to the renters of the two single family homes at the Park, Consultant is not proposing a relocation plan.

#### **CONCLUSION:**

Consultant respectfully submits that this Conversion Impact Report detailing the impact of the conversion of the Bayshore RV Park & Apartments and the Bayair RV Park upon the displaced residents complies in all respects, with the requirements of the Mountain View City Code, Article X, Section 28.100 et seq, Mobile Home Park Conversion or Cessation of Use, State law, in particular, Civil Code Section 798.56 subsection (g) and Government Code Section 65863.7. Consultant has targeted relocation assistance to the most vulnerable of residents, the low-income tenants whose incomes fall below the median income level for Santa Clara County and thus are considered low income, very low income or extremely low income. Consultant recognizes and appreciates in every respect that relocation of the residents at the Park will be a challenging task and to that end this report recommends the immediate

retention of a Housing Relocation Specialist. The proposed mitigation assistance strikes a balance between mitigation of the adverse impact of closure upon the park residents, while not exceeding the reasonable costs of relocation. In summary, the proposed mitigation assistance is mindful of each households' unique characteristics, specifically focusing on: income levels, ability to relocate and other vulnerabilities such as advanced age and disabilities.

Date: May 13, 2015	
J.	MARGARET ECKER NANDA
	CONSULTANT