

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF MOUNTAIN VIEW
AMENDING MOUNTAIN VIEW CITY CODE CHAPTER 46, SECTIONS 46.5 AND 46.6,
TO MODIFY ALLOWED ANNUAL RENT INCREASES FROM THE CURRENT COMBINATION
OF AN ADJUSTMENT LIMITED TO 100% OF THE CONSUMER PRICE INDEX FOR
ALL URBAN CONSUMERS (CPI-U) FOR THE SAN FRANCISCO-OAKLAND-HAYWARD REGION,
WITH A 2% FLOOR AND 5% CEILING TO AN ADJUSTMENT LIMITED TO 60% OF THE CPI-U
WITH NO FLOOR AND A 3% CEILING

WHEREAS, the City of Mountain View (City) has adopted the Mobile Home Rent Stabilization Ordinance (MHRSO) 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; and

WHEREAS, the City's state-certified 2023-31 Housing Element includes Program 3.2 related to displacement prevention and mitigation efforts, including: "Study amendments to the MHRSO such that allowed rent increases are consistent with or less than comparable jurisdictions with rent control for mobile home parks" and "Study updates to the MHRSO regarding allowed rent increases and adopt (if directed by Council) by March 31, 2025"; and

WHEREAS, on January 28, 2025, the City Council held a New Business item and directed staff to amend the MHRSO to: (1) lower the annual general adjustment (AGA from 100% CPI-U to 60% CPI-U; (2) lower the floor from 2% to no floor; and (3) lower the ceiling from 5% to 3%;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOUNTAIN VIEW DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Chapter 46, Section 46.5, of the Mountain View City Code is amended to add, delete, or modify its provisions as set forth below. Section titles are shown in **bold** font, additions are shown in underline font, and deletions are shown by ~~strikethrough~~ font. Provisions that are not shown in underline or strikethrough font are not changed.

"SEC. 46.5. - Stabilization of rents.

a. It shall be unlawful to demand, accept, receive or retain rent for a mobile home space or a mobile home in excess of the base rent plus any increases that are authorized by this Chapter ~~chapter~~, unless the tenancy or mobile home space is exempt.

b. The annual general adjustment shall be equal to ~~one hundred (100)~~ sixty percent (60%) of the annual percentage increase from February to February in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics.

c. The base rent for a tenancy for a mobile home or a mobile home space shall be the monthly rent in effect on March 16 of the base year.

d. Rent may be increased only once in any twelve (12) month period starting September 1, 2022.

1. Rent for an existing tenancy of a mobile home or a mobile home space may only be increased under an annual general adjustment or an approved petition for upward adjustment.

2. Upon commencement of a new tenancy of a mobile home space, the maximum rent for the mobile home space may only be increased by an amount no greater than one hundred ~~(100)~~ percent (100%) of the annual percentage increase from February to February in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, more than the last lawful rent applicable to the mobile home space; provided, however, that the park owner shall be permitted to set the base rent for a new tenant without regard to the last lawful rent applicable to the mobile home space following:

(a) The legal termination of a mobile home owner's tenancy in compliance with the Mobilehome Residency Law;

(b) Abandonment of a mobile home in place on a mobile home space; or

(c) When a commercial purchaser replaces a mobile home with a new or different mobile home.

3. Upon commencement of a new tenancy of a mobile home, the mobile home landlord may establish the maximum rent for the mobile home.

e. A park owner or mobile home landlord that collected rent in excess of the base rent after March 16 of the base year and prior to the effective date of this Chapter ~~chapter~~ shall be liable to the tenant for any corresponding overpayment, and the rent shall be adjusted to reflect the lawful rent allowed pursuant to this Chapter ~~chapter~~ and any implementing regulations adopted by the committee."

Section 2. Chapter 46, Section 46.6, of the Mountain View City Code is amended to add, delete, or modify its provisions as set forth below. Section titles are shown in **bold** font, additions are shown in underline font, and deletions are shown by ~~strikethrough~~ font. Provisions that are not shown in underline or strikethrough font are not changed.

“SEC. 46.6. - Rent increases pursuant to annual general adjustment.

a. The committee shall announce the amount of the annual general adjustment no later than June 30 each year.

b. The annual general adjustment shall be equal to ~~one hundred (100)~~ sixty percent (60%) of the annual percentage increase from February to February in the Consumer Price Index for all urban consumers (CPI-U) for the San Francisco-Oakland-Hayward region, or any successor designation of that index, as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics.

c. In no event shall the annual general adjustment be ~~less than two (2) percent or more than five (5)~~ three percent (3%). If the percentage change in the Consumer Price Index is negative, the annual general adjustment shall be zero percent (0%).

d. A park owner or mobile home landlord who refrains from imposing a rent increase or any portion thereof pursuant to an annual general adjustment may accumulate said increase and impose the unimplemented amount in subsequent years. The ability to accumulate and impose unimplemented rent increases shall not carry over to a successor park owner or mobile home landlord in the event of a change in ownership of the mobile home park or the mobile home, as applicable. Any such subsequent rent increase shall be subject to a maximum annual increase limit of ten ~~(10)~~ percent (10%). The committee may issue rules and regulations that modify, restrict or prohibit the ability of park owners or mobile home landlords to impose accumulated increases upon a finding that the banking of annual general adjustments causes undue hardship, provided that park owners and mobile home landlords retain the ability to earn a fair return.”

Section 3. The provisions of this ordinance shall be effective thirty (30) days from and after the date of its adoption.

Section 4. If any section, subsection, sentence, clause, or phrase of this ordinance is for any reason held to be unconstitutional, such decision shall not affect the validity of the other remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, or phrases be declared unconstitutional.

Section 5. Pursuant to Section 522 of the Mountain View City Charter, it is ordered that copies of the foregoing proposed ordinance be posted at least two (2) days prior to its adoption

in three (3) prominent places in the City and that a single publication be made to the official newspaper of the City of a notice setting forth the title of the ordinance, the date of its introduction, and a list of the places where copies of the proposed ordinance are posted.

Section 6. This ordinance is not subject to the California Environmental Quality Act (“CEQA”) pursuant to Sections 15060(c)(2) of the CEQA Guidelines (Title 14, Chapter 3 of the California Code of Regulations) (the activity will not result in a direct or reasonable foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378 of the CEQA Guidelines because it has no potential for resulting in physical change to the environment, directly or indirectly).

WC/6/ORD
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