From: Anthony Rodriguez

To: <u>City Council</u>; <u>van Deursen, Anky</u>; <u>, City Attorney</u>

Cc: "Doug Johnson"; Maria Ahmad;

**Subject:** RE: AGENDA ITEM # 4.2 - Mobilehome Rent Stabilization and Urgency Ordinance

**Date:** Tuesday, September 28, 2021 4:01:12 PM

Attachments: De Anza - Mountain View - Letter to City Attorney Re Vacancy Decontrol, Closure and Brown Act - September 28

2021.pdf

**CAUTION:** EXTERNAL EMAIL - Ensure you trust this email before clicking on any links or attachments.

### Mayor and City Council Members:

Please see the attached follow up letter regarding the proposed mobilehome rent control ordinance, vacancy decontrol, park closure and the Brown Act. Please include this email and the attached letter in the record with respect to Agenda Item No. 4.2 for the City Council's September 28, 2021 meeting.

Thank you.

# **Anthony C. Rodriguez**

Law Office of Anthony C. Rodriguez 1425 Leimert Boulevard, Suite 101 Oakland, California 94602

Telephone: (510) 336-1536 Facsimile: (510) 336-1537 Email: arodesq@pacbell.net

### IMPORTANT / CONFIDENTIAL

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From: Anthony Rodriguez

**Sent:** Monday, September 27, 2021 5:22 PM

**To:** 'city.council@mountainview.gov' <city.council@mountainview.gov>; 'van Deursen, Anky' <Anky.vanDeursen@mountainview.gov>; ', City Attorney' <CityAttorney@mountainview.gov>

Cc: Maria Ahmad

'atoledo@bayareanewsgroup.com'

**Subject:** RE: AGENDA ITEM # 4.2 - Mobilehome Rent Stabilization and Urgency Ordinance

### Mayor and City Council Members:

Please see the attached letter regarding the proposed mobilehome rent control ordinance, the vacancy decontrol amendment, the sales prices of mobilehomes in Mountain View, the proposed MOU, capital improvement pass-throughs, and the Brown Act. Please include this email and the attached letter in the record with respect to Agenda Item No. 4.2 for the City Council's September 28, 2021 meeting.

Thank you.

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From: Anthony Rodriguez

Sent: Thursday, September 23, 2021 7:27 PM

**To:** 'city.council@mountainview.gov' < <a href="mailto:city.council@mountainview.gov">city.council@mountainview.gov</a>; 'van Deursen, Anky' < <a href="mailto:Anky.vanDeursen@mountainview.gov">Anky.vanDeursen@mountainview.gov</a>; ', City Attorney' < <a href="mailto:CityAttorney@mountainview.gov">CityAttorney@mountainview.gov</a>>

Subject: RE: AGENDA ITEM # 4.2 - Mobilehome Rent Stabilization and Urgency Ordinance

Mayor and City Council Members:

My client has never "threatened" to evict the tenants from its almost 200 "park owned" mobilehomes before the new ordinance could be enacted. To the contrary, my client has on at least two occasions asked the City if it is interested in purchasing each and every one of those mobilehomes. To date, the City has not responded.

If there is any doubt, please see the attached letter, confirming in writing that my client will *not* evict the tenants in its park owned homes before the new ordinance goes into effect. As you can see, my client intends to approach the tenants in the next week or so, to see if they are interested in purchasing the homes they currently rent. As you can also see, my client is once again asking the City if it has any interest in purchasing those homes.

Based on the record to date, any finding by the City Council that my client has threatened to evict its tenants prior to the new ordinance going into effect would be a false finding, and should be rejected by each of you.

Finally, please include this email and the attached letter in the record with respect to Agenda Item No. 4.2 for the City Council's September 28, 2021 meeting.

Thank you.

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From: Anthony Rodriguez

Sent: Tuesday, September 14, 2021 4:28 PM

To: <a href="mailto:city.council@mountainview.gov">city.council@mountainview.gov</a>; 'van Deursen, Anky' < <a href="mailto:Anky.vanDeursen@mountainview.gov">Anky.vanDeursen@mountainview.gov</a>; ',

City Attorney < <a href="mailto:cityAttorney@mountainview.gov">cityAttorney@mountainview.gov</a>>

Cc: 'Doug Johnson'

**Subject:** RE: AGENDA ITEM # 7.1 - Alternatives to Rent Control and Sale of Park Owned Homes to

City

## Mayor and City Council Members:

This office represents the owner of two of the six mobilehome parks in the City of Mountain View. On behalf of my client, attached please find its proposed alternatives to rent control, its objections regarding portions of the proposed ordinance, and its inquiry regarding the City's interest in purchasing the almost 200 "park owned" mobilehomes at its parks. Although each of the attached documents have previously been provided to City officials, it is unclear if those officials have provided them to the Council, as they did not appear to be in the agenda packet that I saw on-line.

- 1. January 28, 2021 memos to all tenants at both parks regarding alternatives to rent control, including a rent credit program for low income tenants and a commitment to leave the parks open for at least 10 years;
- 2. September 8, 2021 memos to all tenants at both parks rescinding January 28, 2021 ten year plan and questions regarding the tenants' interest in purchasing the park owned homes they live in;
- 3. Letter to City Attorney regarding constitutional issues and unintended consequences of rent controls on park owned homes; and
- 4. Letter to City Attorney to determine whether City has interest in purchasing my client's almost 200 park owned homes.

# Anthony C. Rodriguez

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From: Doug Johnson

Sent: Tuesday, September 14, 2021 9:44 AM

To: <a href="mailto:city.council@mountainview.gov">city.council@mountainview.gov</a>

**Subject:** AGENDA ITEM # 7.1

September 14, 2021

The Honorable Mayor and City Council City of Mountain View 500 Castro Street, 3rd Floor Mountain View, CA 94041-2010

city.council@mountainview.gov

#### RE: OPPOSITION TO MHP RENT CONTROL (Agenda Item # 7.1)

Dear Mayor Kamei & Councilmembers:

The Western Manufactured Housing Communities Association (WMA) is a nonprofit trade association representing the owners and operators of mobilehome communities throughout the state of California. Having been founded in 1945, WMA is one of the oldest, largest and most respected trade associations of its kind in the United States. WMA is firmly opposed to rent control. We believe it tears communities apart, diminishes affordable housing stocks, invites costly litigation and can rapidly deplete precious city resources during a time when COVID-19 is already wreaking havoc on municipal budgets throughout the state.

A better, fairer and more cost-effective alternative to rent control is a MOU. The Sunnyvale City Council unanimously approved a comprehensive MOU for ten of its mobilehome parks in July. An entire community — councilmembers, parkowners, park residents, city staff and professional consultants — worked together on this groundbreaking agreement that will protect mobilehome park affordability and sustainability for decades.

MOU stakeholder meetings were facilitated by the managing partner of BAE, an awardwinning urban economics consulting group that has completed thousands of projects for local governments across the country. BAE provided services to the city of Mountain View on the San Antonio Precise Plan in 2014. The well-known law firm of Goldfarb & Lipman provided legal services to the stakeholder group and drafted the language of the Sunnyvale MOU agreement.

WMA and our member parkowners expressed our collective support for a MOU to a Mountain View City Council study session back in January 2020 and we also met with city staff in February 2020 to discuss this option in more depth. It is important to note that a MOU can be tailor-made for the unique and specific needs of Mountain View's six mobilehome communities.

The MOU work just completed in Sunnyvale could be easily and quickly replicated in Mountain View. The cities of Rancho Cucamonga and San Dimas also administer two highly successful, decades-long MOUs that were both recently renewed by their city councils. WMA respectfully urges the Mountain View City Council to authorize the development of a MOU and its collaborative approach, rather than impose a one-sided rent control ordinance.

Sincerely yours,

#### **DOUG JOHNSON**

Senior Regional Representative Local Government & Public Affairs

#### WESTERN MANUFACTURED HOUSING COMMUNITIES ASSOCIATION

Northern California & Bay Area Regional Office 1667 Columbus Road West Sacramento, CA 95691-4902 (916) 374-2702 Office rdj2003@sbcglobal.net Email www.wma.org Website

#### ANTHONY C. RODRIGUEZ

ATTORNEY AT LAW
1425 LEIMERT BOULEVARD
SUITE 101
OAKLAND, CALIFORNIA 94602-1808

— — TELEPHONE (510) 336-1536

FACSIMILE (510) 336-1537

September 28, 2021

Krishan Chopra, City Attorney City of Mountain View 500 Castro Street, Suite 300 Mountain View, California 94041-2010

Re: Proposed Mobilehome Rent Stabilization Ordinance

Dear Mr. Chopra:

I am responding to your September 28, 2021 email, which you apparently sent to me shortly after midnight last night. Although your email focuses primarily on the Brown Act, that is a minor issue, which could easily be cured by the City Council. The real issues are my client's constitutional rights, which the City Council has <u>no</u> power to violate.

No matter how many laws the City of Mountain View or the state of California may adopt, it is very unlikely either of them can force a parkowner to buy tens of millions of dollars of mobilehomes, in order to exercise their constitutional right to go out of business. By rejecting my client's ten year program and proceeding with a rent control ordinance that limits rent increases to the CPI on tenant-to-tenant sales, the City is likely to push one or more parkowners out of business. When that happens, those tenants who have paid artificially inflated prices for their mobilehomes are likely to end up with little, or nothing.

You also claim that the draft ordinance is in compliance with state and federal law regarding "capital improvements." However, Section 46.7(b) of the ordinance specifically states that capital improvement pass throughs will "not be considered rent," in direct violation of Civil Code Section 798.31, and the published case law interpreting that section. More important, please explain how a parkowner can receive a fair return on investment under the MNOI approach, as set forth in Section 46.10(a)(1) of the ordinance. I was the attorney for the parkowner in the *Sierra Lake* case, and I have yet to see an MNOI formula that provides for such a return.

Again, the Brown Act is a minor issue. If you are aware of a published decision that allows local governments to provide notice of a specific provision in a proposed ordinance, but then change that provision after it closes public debate, please provide that case.

Krishan Chopra, City Attorney September 28, 2021 Page 2

In this case, changing the formula for rent increases on tenant-to-tenant sales from 10% to the CPI is likely to result in a loss in value in my client's parks in excess of \$10,000,000. Morever, the beneficiary of that loss is not the tenant who is buying an artificially overpriced home, but the person who is *leaving* Mountain View. Again, such a policy will only increase the likelihood that one or more parkowners will close their parks, with the tenants who purchased overpriced homes being left with little or nothing.

Most mobilehome parks in California were built in the 1960s and 1970s. Many of them are nearing the end of their useful lives, so they will require either substantial renovation, or closure. Those issues are going to be litigated throughout the state in the coming years. Based on past decisions dating back more than forty years, there is a substantial likelihood the United States Supreme Court will conclude that parkowners cannot be required to pay their tenants tens of millions of dollars, simply to go out of business.

Finally, no rational person would accept an "accord" whereby the rent increases are the same or lower than that allowed under the ordinance, while at the same time forfeiting their constitutional rights to seek *Vega* and "fair return" adjustments. As I advised you long ago, my client will not give up its constitutional rights, unless it receives something meaningful in exchange, such as reasonable rent increases on tenant-to-tenant sales. Rather than approving this deeply flawed ordinance before discussing compromise, my client again urges the City Council to put this matter on hold, to allow full vetting of all of these issues.

The City of Mountain View's apparent intention to push parkowners out the door seems to be an incredibly short-sighted approach, especially when its new policy on tenant-to-tenant sales benefits no one, other than people who are leaving Mountain View. Hopefully, the City Council will see that my client's ten year program was far better for both parkowners and tenants who actually intend to live in Mountain View.

Very truly yours,

Anthony C. Rodriguez

all Chody

cc: Client