CITY OF MOUNTAIN VIEW

ENVIRONMENTAL PLANNING COMMISSION STAFF REPORT WEDNESDAY, MARCH 2, 2022

5. **PUBLIC HEARINGS**

5.1 Amendments to the Tenant Relocation Assistance Ordinance to Extend Tenant Relocation Assistance and First Right of Return to Mobile Home Tenants

RECOMMENDATION

That the Environmental Planning Commission recommend the City Council adopt an Ordinance Amending Article XIII of Chapter 36 of the Mountain View City Code Related to Tenant Relocation Assistance, to Provide Tenant Relocation Assistance Benefits and a First Right to Return to Mobile Home Tenants Who Rent a Mobile Home in a Mountain View Mobile Home Park (Exhibit 1 to the EPC Staff Report).

PUBLIC NOTIFICATION

The Commission's agenda is advertised on Channel 26, and the agenda and this report appear on the City's internet web page. Interested stakeholders were notified of this meeting.

ENVIRONMENTAL REVIEW

The proposed amendments to the Tenant Relocation Assistance Ordinance are exempt from the California Environmental Quality Act ("CEQA") as it can be seen with certainty that there is no possibility that the project may have a significant effect on the environment (CEQA Guidelines, Section 15061.b.3).

BACKGROUND

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

City Council approval of the MHRSO included providing:

- 1. Relocation protections to mobile home tenants evicted without fault.
- 2. Mobile home tenants the right of return to a unit returned to the rental market which was previously removed from the rental market.

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

The protections provided by the current TRAO apply to tenants of any residential building or structure. Recommended modifications would cover tenants of a mobile home that is rented from a mobile home owner (i.e., owner of a mobile home who rents the space from a park owner but rents out the unit to a tenant) or a park owner who rents a mobile home (i.e., park owner who rents both the space and the mobile home), as included in the draft ordinance amendments (Exhibit 1). The TRAO would not apply to mobile home space rentals from a park owner by mobile home owners, as such terms are defined in Section 46.2 of the MHRSO. The Mobilehome Residency Law (MRL) provides eviction protections of mobile home owners (i.e., a household who owns a mobile home but rents a space in a mobile home park where their mobile home is placed), and California Government Code Section 65863.7 requires relocation benefits and protections for mobile home owners upon a park closure or change of use.

ANALYSIS

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

Key TRAO Provisions:

1. <u>Income Requirement</u>: Households are only eligible for relocation benefits under the TRAO if annual household income does not exceed 120% of the median household income for Santa Clara County plus \$5,000, as adjusted for household size. For

reference, below are the 120% Area Median Income (AMI) plus \$5,000 maximum-income limits for Santa Clara County, as adjusted by household size.

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

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

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

As the Rental Housing Committee (RHC) will be implementing the MHRSO, the draft TRAO amendments were reviewed by the RHC at its meeting on January 24, 2022. The RHC agreed with the recommended amendments. These recommended amendments are incorporated in Exhibit 1, with additional minor modifications to provide clarity.

NEXT STEPS

The EPC's recommendation will be forwarded to the City Council. The City Council is scheduled to hold a public hearing on April 12, 2022 (first reading) and May 10, 2022 (second reading, to consider the TRAO amendments.

ALTERNATIVES

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

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AvD/JC/4/CDD 829-03-02-22SR

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