

CITY OF MOUNTAIN VIEW

DATE:	July 26, 2021
FROM:	City Attorney's Office and Community Development Department
SUBJECT:	Public Update - Mobile Home Rent Stabilization Ordinance Draft Framework

The City of Mountain View is continuing its process to develop a Mobile Home Rent Stabilization Ordinance that the City Council will consider in September of this year. On March 16, 2021, the Council directed City staff to develop a draft Ordinance that would provide the same base protections to mobile home residents as the Community Stabilization and Fair Rent Act (commonly known as the "CSFRA") and that would empower the Rental Housing Committee to administer the Ordinance.

The City prepared an initial framework for tenant and property owner protections that could be included in the Ordinance, and it hosted two outreach meetings to solicit input and feedback on that framework: a meeting on June 23 oriented to mobile home park owners, and a meeting on June 24 oriented to mobile home park residents. Each meeting was recorded. The Park owners' meeting is available <u>here</u> and the Park residents' meeting is available <u>here</u>.

The feedback received from mobile home park owners, mobile home park residents, and the Rental Housing Committee was very helpful, and City staff have made changes to the initial framework that was shared at the outreach meetings in response to stakeholder comments.

The most significant proposed adjustment is to expand coverage from mobile home spaces only to include both mobile home spaces and the rental of mobile homes themselves. Moreover, the framework has been revised to add exceptions to the vacancy control provisions initially discussed to accommodate circumstances where mobile homes have been abandoned or where tenant protections are not needed, and to expand on the capital improvement pass-through concept.

In addition to the changes reflected in the high-level summary presented below, stakeholder feedback has helped identify specific details about program operations that will be incorporated into the draft Ordinance before it is presented to Council.

Below is an updated draft framework for a potential Mobile Home Rent Stabilization Ordinance that reflects changes so far.

- The Ordinance's purposes would be to:
  - Promote neighborhood and community stability, healthy housing, and affordability for mobile home park residents in the City of Mountain View;
  - Control excessive rent increases to the greatest extent allowable under California law; and
  - Ensure mobile home park owners have the opportunity to earn a fair and reasonable return on their investment.
- The Ordinance would apply to both spaces rented in mobile home parks and mobile homes rented from owners throughout the City, unless a specific exemption applies. The Ordinance would exempt mobile home spaces as required by the Mobilehome Residency Law and any newly constructed mobile home spaces that were first rented on or after January 1, 1990.
- Mobile home space rent for existing tenants would generally be limited to no more than the annual Consumer Price Index (CPI) increase.
  - To ensure the opportunity to earn fair return, park owners would also have the ability to petition for greater increases and capital improvement pass-through requests.
  - The Ordinance would permit mobile home park owners to "precertify" certain capital improvement pass-through requests for necessary improvements, provided that mobile home residents do not object.
  - The Rental Housing Committee would be charged with developing an amortization schedule, rules regarding interest calculations, and individual rent increase limits for a mobile home resident's pro rata share of capital improvement costs.
- The Ordinance would include vacancy control provisions that generally limit the amount of a rent increase that could be charged to new mobile home space tenants to no more than 10 percent. Vacancy control would not apply, and the owner could set the initial rent for incoming tenants, following the legal termination of a tenancy in compliance with the Mobilehome Residency Law, abandonment of a mobile home in place, or when a commercial purchaser replaces a mobile home with a new or different mobile home.

- The "Base Date" for establishing permitted rents would be March 16, 2021, and rent would be rolled back to the level that was charged as of that date.
- The Rental Housing Committee would oversee Ordinance implementation.
  - The Rental Housing Committee would be empowered to adopt regulations for the petition process and to streamline capital improvement pass through requests.
  - Any petitions for rent adjustment would be reviewed by professional hearing officers, with appeals of those decisions going to the Rental Housing Committee.

The City Council is currently scheduled to introduce a Mobile Home Rent Stabilization Ordinance for its first reading on September 14, 2021. Public comment is welcome at that time, and in the meantime, additional comments and feedback on the potential Ordinance may be submitted by emailing <u>CityAttorney@mountainview.gov</u>.