



mobile home housing element input; need to modify the AGA to 3/60/0

From runner_dude [REDACTED]
Date Wed 10/30/2024 11:11 AM
To Chen, Wayne <Wayne.Chen@mountainview.gov>; van Deursen, Anky <Anky.vanDeursen@mountainview.gov>
Cc Jim Schwartz [REDACTED]; Anna Marie Morales [REDACTED] Elie Sfeir [REDACTED] Showalter, Pat <Pat.Showalter@mountainview.gov>; Ramirez, Lucas <Lucas.Ramirez@mountainview.gov>; Ramos, Emily Ann <Emily.Ramos@mountainview.gov>; Hicks, Alison <Alison.Hicks@mountainview.gov>; Kamei, Ellen <Ellen.Kamei@mountainview.gov>; Abe-Koga, Margaret <Margaret.abe-koga@mountainview.gov>; Matichak, Lisa <Lisa.Matichak@mountainview.gov>; City Council <City.Council@mountainview.gov>

1 attachment (7 KB)

mobile home input - housing element - aga modification.txt;

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Dear Wayne and Anky:

Thank you for your presentation to the Mountain View Mobile Home Alliance on Saturday, 10/26/24, regarding modifications to the MHRSO.

Please accept the attached as input from the 100's of renters of Mountain View's mobile homes who feel the current AGA regime needs to be modified.

We are proposing **60% of CPI, a 3% CAP, and no floor** (3/60/0 vs the current 5/100/2 regime).

The attached provides our detailed rationale and data in support of our request.

Thank you.

Sincerely

Anna Marie Morales (sahara mobile village)
Susan Morales (sahara mobile village)
Jim Schwartz (sahara mobile village)
Christopher Saleh (sahara mobile village)
... and 100's of others

Dear Anky and Wayne:
CC City Council:

Thank you for your presentation to the Mountain View Mobile Home Alliance on Saturday, 10/26/24, regarding modifications to the MHR50.

As some of the longest residing renters in Mountain View's mobile home parks (some of us over 17 years) we'd like to reinforce the messages you heard on Saturday.

Namely ...

1) The current AGA structure is not working.

Renters have experienced a cumulative increase of 12.9% over the last 25 months (5% + 5% + 2.4%).

This is on top of rents that are already the highest in the country. Some renters are paying \$4000 a month. They are potentially facing rents approaching \$11,000 a month in 20 years if inflation is re-ignited and the 5% cap is not altered.

In short, the current model is simply not sustainable and it is already failing at it's goal of keeping people housed.

2) We need a new AGA.

We are proposing a new AGA of:

- * 60 % of CPI
- * a 3% CAP
- * with no floor

3) Landlords will balk at changing the AGA.

Landlords may claim that rent control is hurting them and that they won't survive with a lower AGA.

But here's the truth.

Look at how the current legal regime sustains an ongoing windfall for landlords.

Under current federal, state, and local law, landlords receive:

- the benefits of Prop 13, which caps the increase in the assessed value of their properties at 2% annually,
- they receive tax deductions on their tax returns which are not available to renters,
- they receive preferential treatment on mortgages which are not available to folks who don't own land,
- they are guaranteed a current 2% AGA floor, which they can pass on to renters, even in a deflationary environment
 - or in a market with high vacancy rates, and
- they can take advantage of a built-in-mechanism in the current rent control law which allows landlords to request
 - rent increases beyond the AGA if they feel they are making insufficient profit ...

Think about that for a minute ...

There is not a single industry or market segment anywhere in the country that receives such a comprehensive set of guarantees ... Mountain View landlords receive this windfall which is not available to any other industry.

And what if the economy tanks ?? It doesn't matter. Landlords still receive this windfall.

And why should landlords have one of their major expenses, property taxes, capped at 2% while renters have their major expense, which is rent, capped at 5% ? How is that at all fair ?

4) Renters lost the benefit of concessions with the MHRSO.

Upon enactment of the MHRSO, renters lost the one benefit they had previously received from landlords. Namely, as a result of the MHRSO, landlords have eliminated all concessions and long term leases for renters which historically resulted in lower rents for residents.

As landlords will happily tell you and as they have told us in no uncertain terms ... "this is what you get for fighting for rent control".

5) Help is needed before the next AGA cycle.

Ensure that the new AGA (60% of CPI, 3% CAP, no floor) is in place for the next AGA adjustment cycle which is scheduled for 09/01/25.

6) We are not alone in this request.

Antioch and Richmond, recognizing this problem of out-of-control too high rents, recently passed a rent control ordinance with an annual CAP of 3% or 60% of CPI, whichever is less, with no floor.

And there are numerous rental communities throughout the State (Santa Ana, Inglewood, Beverly Hills) with similar AGA's. So Mountain View would not be blazing a new trail here. Concord is also looking at a 3% or 60% of CPI regime.

And here's the kicker.

Mountain View has higher rents than any of these communities, compounding the ill effects of our current high AGA cap, meaning the urgency to lower the AGA is even greater here.

7) We started with a base rent that was and is too high.

Mobile home residents are starting with "controlled" rents that are already too high because our base rent was set 6 years after the base rent allowed by the CSFRA. How is that fair? The only way to remedy this is to adopt the new AGA model we are recommending.

Usually, rent control helps long-term residents. That's not the case in Mountain View. People that have been in their homes over 17 years are still paying "market rates". In some cases, residents are paying higher than "market rates" even with rent control due to landlord's insistence on passing along the maximum allowable increases, irrespective of market conditions. And landlords are able to do this because they know they have a captive audience ... as moving and relocating because of high rents for seniors, the disabled, and families is difficult if not impossible.

Effectively, the high AGA allowed by the MHRSO is a legal "freebie" to landlords giving them permission to raise rents without regard to market conditions or the length of time the resident has been in their home.

Landlords have explicitly told us their intent is to raise the rents every year to the maximum allowed by law, irrespective of market conditions. This is not sustainable long-term. And they have even stopped doing market studies and don't offer rent increase relief to long-term residents. As a result, long-term renters pay as much as if not more than new renters.

8) We are Seniors, disabled folks, families with kids, folks on fixed income, blue collar workers, and more ... the kind of Community Mountain View wants and needs.

Did you know that two of Mountain View's 6 parks are senior parks? And Sahara Village used to be a senior park. We had two Senior families leave recently due to escalating unsustainable rent increases.

You can help fix all this with a simple AGA modification.

In closing, let us say "thank you for your efforts and hard work on this critical issue" and please ensure that your office incorporates this info into your analysis and presentation and recommendation to City Council.

Residents are counting on you to recommend modifying the AGA to 60% of CPI, a 3% CAP, and no floor. (we are calling this 3/60/0)

It's critical that we get this AGA improvement implemented for the next AGA cycle and we appreciate your efforts at making that happen!

Sincerely,

Anna Marie Morales (sahara mobile village)
Susan Morales (sahara mobile village)
Jim Schwartz (sahara mobile village)
Christopher Saleh (sahara mobile village)

and 100's of others we interact with daily in our Community who want to stay in their homes and who maintain the current AGA model is simply too high and not sustainable.

Mobile Home Park Owner Stakeholder Meeting Follow Up

From Ken Kravenas [REDACTED]
Date Wed 12/4/2024 9:19 AM
To van Deursen, Anky <Anky.vanDeursen@mountainview.gov>; Chen, Wayne <Wayne.Chen@mountainview.gov>

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Anky and Wayne,

Thank you for the time on November 7th to discuss the Mountain View RSO. As I mentioned during the call, the data of the various RSO's in the Bay Area that you presented clearly show that the rent increases allowed under the Mountain View MHRSO are consistent with or less than comparable jurisdictions with rent stabilization for mobile home parks.

Mountain View residents have benefited greatly from the MHRSO as written. Rent increases are predictable and have been lower than COLA. Home values have appreciated yet remain attainable compared to sales of traditional (fee simple) homes. Most importantly, have not experienced an increase in delinquency or non-payment issues, and thus have not seen an increase in housing instability.

I appreciate you listening to other concerns that I raised during the call. It is important that the MHRSO balances resident protection while allowing community owners to generate a reasonable return on investment. Limiting rent growth more than what is currently allowed could lead to increased housing instability and displacement as owners must resort to filing hardship applications which could lead to significant rent increases. Below is the link the City of San Jose's website where they post past mobile home petition decisions. The Oakcrest petition was for \$185.33 per site per month over the 3% allowed in the ordinance. The residents and the community owner settled for a \$72 per site per month increase that was phased in over three years.

<https://www.sanjoseca.gov/your-government/departments-offices/housing/mobilehome-residents-park-owners/past-mobilehome-petition-decisions>

Thank you again for your time. Please feel free to reach out to me if you have any questions.

HOMETOWN AMERICA
COMMUNITIES.

Ken Kravenas
Chief Operations Officer, Corporate





December 10, 2024

City Clerk's Office
Attn: RHC Members and City Staff
500 Castro St., 3rd Floor
Mountain View, CA 94041

RE: Mobile Home Rent Stabilization Ordinance Review

Dear RHC Members and City Staff,

Our firm oversees and operates Moffett and Moorpark Mobile Home Park in the City of Mountain View. We represent 281 of the 1,130 mobile home spaces in the city. We are writing to the committee to share several concerns regarding the MHRSO's recent review and staff report and the proposal to further restrict increases to 75% of the CPI.

Prior to the adoption of the ordinance our community owners strived to keep rents low for our residents while still maintaining the aging infrastructure. As many of you know these parks were built in the 60's and 70's with water, gas, and electrical lines that were not meant to last for 60 years.

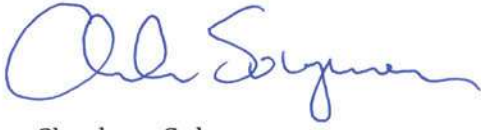
When reviewing utilities like garbage, water and sewer that are not sub metered, insurance and general maintenance we are seeing an increase that the current CPI increases fail to keep up with. Add the exorbitant rent control administration fee and the park is on a trajectory to fail. I share the following table reflecting the increase in costs for one of these properties over the last 3 years. Based on early numbers 2024 looks to be approximately 10% higher over last year.

	2021	2022	2023
Maintenance	24,735.48	26,309.83	13,766.71
Operating	241,076.80	308,934.86	365,687.17
Utilities	212,796.74	212,689.59	228,705.03
	480,630.02	547,934.28	608,158.91

In review, many of the data points used in the review of the City of Mountain View against other Cities and Counties it becomes clear that not all factors of the ordinance like Vacancy Decontrol,

Rent Control Administration Fees, and Capital Improvement Pass Throughs were taken into consideration for the staff's evaluation. Therefore, it is my hope the RHC rejects the proposal and considers leaving the ordinance as it stands.

Sincerely,

A handwritten signature in blue ink, appearing to read "Charlene Solyman". The signature is fluid and cursive, with the first name being more prominent.

Charlene Solyman
Vice President
Evans Management Services

December 11, 2024

City Clerk's Office
Attention: Rental Housing Committee and City Staff
500 Castro Street
Mountain View, CA 94041

Subject: Opposition to Lowering the Allowable Rent Increase Under the MHRSO

Dear Members of the Rental Housing Committee,

Thank you for the opportunity to provide input on the potential amendments to the Mobile Home Rent Stabilization Ordinance (MHRSO). I appreciate the Committee's efforts to carefully evaluate this matter, and I respectfully urge you not to lower the allowable annual rent increase under the MHRSO.

Current MHRSO Aligns with Comparable Jurisdictions

As noted in the City's own analysis, the MHRSO's current provisions—with a 100% CPI annual general adjustment (AGA), a 2% floor, and a 5% ceiling—fall within the range of rent stabilization measures adopted by comparable jurisdictions, meeting the goal set out in the City's Housing Element to “study amendments to the Mobile Home Rent Stabilization Ordinance (MHRSO) such that allowed rent increases are consistent with or less than comparable jurisdictions with rent control for mobile home parks (emphasis added).” While it is true that 70% of jurisdictions have a lower AGA, the data also shows that Mountain View's ceiling is among the lowest in the region, providing significant tenant protection.

The current AGA structure has effectively balanced the needs of residents and park owners. Residents have benefited from stable, predictable rents, while park owners have maintained the ability to cover rising operational costs. Altering this balance by reducing the AGA to 75% of CPI would impose additional financial strain on park owners, jeopardizing their ability to maintain and invest in their communities.

Residents Benefit from the Current Structure

The MHRSO has delivered tangible benefits to residents since its implementation. Mobile home residents in Mountain View have experienced stable and affordable rents, even during periods of high inflation. Importantly, the current system has helped preserve housing stability and affordability, as evidenced by:

- Reasonable annual rent increases averaging 3.5% since 2021, lower than Social Security cost-of-living adjustments (4.7%) and the San Francisco CPI-U (3.6%).
- Preservation of home equity while remaining a critical source of affordable housing. The resale value of mobile homes in Mountain View averaged \$262,000 over the last 24 months compared to the median single family home sales price of \$1.9 million¹. Lowering rent increases further could

¹ Redfin. *Mountain View, CA Housing Market*. <https://www.redfin.com/city/12739/CA/Mountain-View/housing-market>
110 N. Wacker Drive, Suite 4500 Chicago, IL 60606: TEL: 312-604-7500 www.hometownamerica.com

drive up home prices, making ownership less accessible to prospective buyers and increasing financing costs for current and prospective residents.

- Full occupancy across mobile home parks, with strong demand from prospective buyers.

Lowering the AGA Could Undermine Housing Stability

A reduction in the allowable rent increase to 75% of CPI risks creating unintended consequences that could undermine the very stability the MHRSO aims to preserve. Revenue generated from rents is critical for covering operational costs and reinvesting in community improvements. If costs outpace revenues, park owners may face difficult choices, including:

- Delaying or reducing essential maintenance and upgrades.
- Filing hardship petitions, which could result in significant rent increases, as seen in other jurisdictions.²
- Exploring more drastic measures, such as park closure or sale, which would directly conflict with the city's goal of preventing displacement.

Conclusion

The MHRSO, as currently structured, achieves a careful balance that protects residents while ensuring park owners can sustain operations. Lowering the allowable rent increase would upset this balance and risk unintended negative consequences for both parties. The city's own analysis confirms that the MHRSO's provisions are consistent with—and in many respects, more tenant-protective than—comparable jurisdictions.

I respectfully request that the Committee recommend maintaining the current MHRSO provisions without amendments. Instead, I encourage exploring collaborative approaches to address specific resident concerns while preserving the ordinance's overall effectiveness.

Thank you for your time and consideration.

Sincerely,



Ken Kravenas
Chief Operating Officer
Hometown America on behalf of New Frontier Mobile Home Park

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² San Jose posts past Mobilehome Petition Decisions on their website: <https://www.sanjoseca.gov/your-pgovernment/departments-offices/housing/mobilehome-residents-park-owners/past-mobilehome-petition-decisions>

Sunset Estates



December 11, 2024

City of Mountain View Rental Housing Commission
500 Castro Street
Mountain View, CA 94041

Alex Brown, Chair
Kevin Ma, Vice-Chair
Robert Cox
Edie Keating
Guadalupe Rosas
Mark Balch, Alternate

Dear Rental Housing Committee members:

Item 6.1 of the agenda of this month's Rental Housing Committee meeting is to consider input to be provided to the City Council regarding a potential reduction in the MHRSO AGA.

The results of Staff's study in comparing the Mtn View MHRSO to other MHRSO reflect the difficulty in analyzing the comparability of the ordinance to other jurisdictions. The AGA is only one of the many factors of an RSO, and focusing on this aspect for modification is misguided.

In its simplest terms, CPI is an attempt to measure change in the cost of a basket of goods today relative to a previous period in time. The items measured by this index do not reflect the nature of goods and services essential to the operation of a mobilehome community. Staffing costs, materials, insurance, electricians, plumbers, landscaping vendors, regulatory, and other inputs have all increased significantly above the CPI during the same period.

Mobilehome community operational inputs are more similar to those experienced by the city in its operations. Mobilehome communities are small cities. Even the city of Mtn. View's actions support that CPI is insufficient to offset the impacts of inflation. For example, the annual city utility increases during the past 10 years have averaged over 6 % for sewer, trash and water.

In reviewing the Bay Area regional CPI and the COLA over the past 25 years, it should be noted that they have averaged 2.8 and 2.6 percent, respectively. The two inflationary spikes encountered during the pandemic should not be held as the typical data points, as CPI has returned to a more traditional level. Residents did receive housing protections under the current RSO and were shielded from the actual inflation that they experienced on their other day to day costs such as food, insurance, auto, medical etc.

A reduction of the AGA would be an attack on the income of the park and only serves to inhibit the ability of the park to operate successfully in the goal of providing a quality housing opportunity within the city.

Furthermore, reducing the AGA further accelerates the likelihood of the bumpy pathway that MNOI adjustments produce, and results in a greater divide between residents and community owners. We should be looking at actions that support building, not tearing down this important relationship.

The desire to create housing stability and reduce displacement is not achieved through further restriction of the financial viability of mobilehome communities. In fact, a reduction in the AGA, while sounding attractive as a short term “solution” to displacement, leads to increasing the probability of the loss of housing opportunities.

On behalf of our family business, we ask the commission to forward a recommendation to the city council to not modify the MHRSO. The Mountain View MHRSO, when looked at in its totality, is already consistent with, or lower than comparable jurisdictions and does not need to be modified to be consistent with the City’s Housing Element.

Any attempts to address displacement resulting from financial instability should focus directly on methods that would assist those residents in need, and not as a general and further restriction on rental charges across the board.

Respectfully,

Frank Kalcic
Sunset Estates Mobilehome Community

To: Mountain View Rental Housing Committee
From: Mountain View Mobile Home Alliance
Re: City Staff's Recommendation for Amending Mountain View's Mobile Home Ordinance
Date: December 11, 2024



We read the City Housing staff's recent memorandum to your committee recommending lowering the AGA to 75% of CPI with dismay. Because such an amendment would not make much of a dent in the park owners' profits, it will probably be easy to pass, but it is not acceptable to MVMHA.

The staff report states that the 5% ceiling "provides protection for tenants in the event that inflation is particularly high". But our residents felt fear, not relief, when they saw their AGA rise to 5% in 2022. A resident who protested to park management about the increase was told "that's what you get for voting for rent control". When others learned that we have all been covered by a rent stabilization ordinance since 2021, they typically responded "so why are our rents higher, not lower?"

The MHRSO does much more to protect our mobile home community than just controlling the AGA, but that's what our residents know is hurting them on a daily basis. They don't understand that they are protected from unjust evictions and pass-throughs for capital improvements, and they don't know that vacancy decontrol will help them if they have to sell their homes. What they do know is that their government has done nothing to address economic inequality, and that mobile home residents are on the bottom of the heap.

When residents got their 90 day notices for 2022 and 2023, they questioned whether they were really required to pay the 5% annual increase. Because they've seen what has happened to some of their friends who couldn't afford to keep living here, they worry about living on the street themselves one day.

That's what the 5% cap means to the mobile home community.

The Compounding Effects of the 5% AGA

Mobile home residents are quite reasonably worried that we are likely to have higher inflation starting in January 2025. Although the City staff report states that "5% AGAs compounded over time is unsustainable for tenants", the staff is nevertheless recommending a mild solution to mitigate its potentially grave effects. Mountain View's tenants pay the highest rents in the Bay Area, and Mountain View's mobile homeowners pay even more, because unlike apartment dwellers, they have to pay to maintain their homes and grounds.

By recommending a 75% of CPI solution, staff is apparently gambling on the possibility that a 25% reduction in a future Bay Area CPI might be just enough to avoid triggering the 5% ceiling. When Bay Area CPIs were 5.2% or 5.3%, as they were in 2022 and 2023, our AGAs would have been reduced to 3.9% or 4% instead of 5% if this device had been implemented in those years. But if CPIs in future years are just a bit higher, we will again be stuck with 5% AGAs. This little tweak is unlikely to protect our community effectively in the unstable economy that is likely to start decaying in 2025.

What the Community Fears

The incompetence, criminality, and greed of the incoming Trump administration portends a bleak economic forecast. There is already contentious discussion that the leadership of the Federal Reserve might be at risk. If we have high inflation within the next four years, and it is not managed properly by the Fed, our rents might increase by as much as 32.4% in just six years.

If that happens, we would not be surprised to see former members of the mobile home community adding to Mountain View's already overwhelming homeless population.

How the Mobile Home Working Class Got Targeted

For decades, mobile home parks in this country have been a source of naturally affordable housing. Until recent years, it was possible for low income families to live a reasonable facsimile of the American dream of home ownership. Historically, people living on federal, veteran, or disability assistance were able to afford rent increases in their parks because the COLAs from those programs generally ran from 1 to 3%. And for decades, the AGAs in mobile home parks rarely exceeded those levels.

But about ten years ago, America's mobile home parks started becoming a popular investment strategy. Because mobile homeowners generally can't afford to move, predatory lenders started spreading the word that mobile home park investing was a good way to get rich. Frank Rolfe of Mobile Home University compared managing mobile home parks to Waffle Houses "where the customers are chained to their booths". He told his students "One of the big drivers to making money is the ability to increase the rent. If we didn't have them hostage, if they weren't stuck in those homes in the mobile home lots, it would be a whole different picture."

Why are Mountain View's Mobile Home Parks at Risk?

Over the years, mobile home residents throughout the country have had to just put up with disparaging and disrespectful characterizations. In Mountain View's mobile home parks, the large population of seniors and disabled people is a large contingent, but our community also includes a lot of workers who support Mountain View's retail, hospitality, and transportation industries. But as the staff report observes, "mobile homes comprise approximately 3% of the housing units in Mountain View". This statement suggests that the mobile home population is not really that significant to the City's bottom line. There aren't many of us, and we don't have the deep pockets that the more affluent renters are offering.

Since there are very few affordable apartment complexes being built, the rest of the City's renters are paying market rates and contributing to the local economy. It is also true that some of the renters in our mobile home parks have been forced into paying market rates, but they are also in the minority. Perhaps that's why the City isn't making much of an effort to protect us with an amended AGA.

What is a "Fair Rate of Return"?

It's up to RHC and City Council to decide what is "fair", but the staff report's biased analysis suggests that the City's goal is to enrich the mobile home park owners far beyond the considerable financial benefits they are already receiving. Maybe that's not a fair statement, but that's for you to decide.

We can't help wondering why mobile home park owners have their property taxes capped at 2% (courtesy of Prop 13), while mobile home residents have their rents capped at 5%. As for the 2% floor in MHRSO, there is no other industry that guarantees a profit just for existing. How is that fair and reasonable?

Because RHC now has a Rent Registry (courtesy of the citizens who voted for Measure V in 2016), we know that Mountain View's mobile home park owners have been profiting handsomely from their lucky investments. If they do run into financial difficulties maintaining habitability of the parks, they have the option of filing an MNOI hardship petition to get relief.

California's Mobile Home Residency Law now states that mobile home residents have the same rights as park owners, but it's all theoretical. When it comes to financial matters, California's mobile home residents apparently do not deserve fair treatment, no matter what jurisdiction they reside in.

Comparable Jurisdictions

The language about "comparable jurisdictions" is a case in point. MVMHA considers comparable jurisdictions those that have created some kind of ordinance to provide protection for their mobile home residents. But comparing our ordinance to that of other jurisdictions in an effort to match the state of the existing mobile home rent stabilization legislation should not be the goal. City staff's comparison should not just be based on the average protections offered by the mobile home ordinances of other cities. Mountain View's ordinance should simply be the best.

There are over 4,000 mobile home parks in California, and many cities with mobile home parks have either lowered their AGAs, or are planning to do so. The figures in the following list show cities with mobile home ordinances. Their names are followed by the <percentage increase allowed> or <percentage of CPI allowed>, whichever is lower.

- Antioch 3/60
- Richmond 3/60
- Concord 3/60
- Pittsburg 3/60
- Delano 3/60
- Petaluma 4/70
- Novato 4/100
- San Leandro 4/100
- Rohnert Park 4/75
- Sebastopol 3/75

There are many cities in or near the Bay Area that have better protections for their mobile home residents, and I hope City staff will analyze legislation from those cities. The “averaging” approach to amending MHRSO suggests that the City of Mountain View just wants to do as little to help the mobile home community as it can get away with.

Statewide Support for Better Mobile Home Ordinances

Mobile home activists throughout the state have been trying for years to limit AGAs to 60% of CPI or 3%, whichever is lower. In Southern California, Assemblyman Muratsuchi of Huntington Beach submitted the Mobile Home Affordability Act (AB1035 / AB2778) to the State Legislature, but it proposed to set a 5% limit on AGAs for mobile home residents throughout the state.

Muratsuchi’s own constituents refused to support his bill because of the 5% cap, and asked all of the members of the statewide Mobile Home Resident Coalition to do the same. MVMHA is a member, so we contacted Marc Berman and asked him to vote against it. The current status of AB2778 is “failed”.

City planners did their best to defeat our attempts to get an amendment of MHRSO into the Housing Element. We had a very hard time adding to Program 3.2 from the beginning. When we were finally allowed to add our statements, the language was deliberately changed to suit their already determined purposes. Time was short, so we accepted the change to keep the City from being penalized for late submission. We cooperated by contacting Reid Hiller of HCD to approve the City’s plan, which we now regret.

Despite the fact that Mountain View has the highest rents in the Bay Area, ordinances with lower rents in other Bay Area cities are doing a better job of protecting their citizens. A 3% AGA will still compound over years, but will do less damage that might result in displacement. If we could get that 3% amendment through, members of our mobile home community would be less likely to end up in the already outrageously large homeless population in Mountain View.

WMA Will Love the Proposed Amendment

WMA is the Western Manufactured Housing Communities Association. It is an organization made up of all the mobile home park owners in California. Ken Kravenas of HomeTown America (HTA) is probably a member, and he sent a favorable email to RHC stating his satisfaction with the City’s current MHRSO.

It seems that the City staff has bought into the claim HTA made in their cheerful email to the Housing staff. Kravenas claims that “Mountain View residents have benefited greatly from the MHRSO as written” because “rent increases are predictable and have been lower than COLA.” We don’t know what he’s talking about, because Social Security and SSI COLAs have not exceeded 3% since MHRSO was passed in October of

2021. I guess he doesn't have a relative living in a mobile home park, and feels free to just make up his own facts to convince him of what a wonderful deal he is offering Mountain View.

Future Challenges

HomeTown America is a corporate mobile home park scavenger owned by private equity real estate firm Calzada Capital Partners. They have been binge-buying mobile home parks in California, and now own 38 parks in our state and 76 nationally. HTA recently bought one of Mountain View's six mobile home parks, and might acquire another, so the City's proposed MHRSO amendment might be at an inflection point.

The company has considerable legal and financial resources, and we know from their behavior in Sunnyvale that they might be inspired to use them to help our City government increase their profits. When HTA purchased New Frontier, the value of the park's property skyrocketed, so they might soon be requiring the residents to pay their property taxes. That's what happened to Plaza del Rey residents in Sunnyvale.

HTA's Sunnyvale Acquisition

Because Sunnyvale has had little or no protection for their mobile home communities, Plaza del Rey's residents' space rent has increased 59% since 2016 due to two rapacious acquisitions (Carlyle in 2015 and HomeTown America in 2019). Now homeowners interested in buying a mobile home won't purchase one in PdR, because they would be charged 25% over the already high space rents. The result is that Plaza del Rey's 800 homeowners are unable to sell their homes.

Current space rents in Plaza del Rey are up to \$2400, and residents also have to pay \$78 monthly for the property taxes HTA incurred when they purchased the park. Because Sunnyvale's toothless MOU doesn't protect them from pass-throughs, they are desperately trying to fight it, but because their MOU includes no enforcement mechanisms, they can only get legal help if they raise money to finance it. So far, they've raised \$15,000, but it hasn't helped. The resident who organized the GoFundMe campaign says that there have been several challenges to property tax pass-throughs, but the property owners have prevailed in all of them.

Mountain View's MHRSO does have several protections from pass-throughs, but property tax is not one of them. As Ro Khanna told the constituents of Congressional District 17, "The owners know that we're paying attention to what happens."

That's all they can do – and it's not enough.

Conclusion

Rental House Committee members, please read and consider the Council Report and supporting attachments carefully, but urge the Housing staff to improve the protections they have recommended. Mountain View should first protect the people who live in the parks, and then protect the parks.

Respectfully,

Bee Hanson, Administrator
Mountain View Mobile Home Alliance

From: [REDACTED]
Sent: Thursday, December 12, 2024 11:29 AM
To: MVRent; Rental Housing Committee; Terah James
Subject: Tonight's Meeting, Item # 204831, New Business.

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

To: Mountain View Rental Housing Committee

Regarding tonight's meeting: Item # 204831. New business.

Potential Modifications to Allowed Rent Increases in the Mobile Home Rent Stabilization Ordinance - Housing Element Program 3.2

My comment:

Please, consider Mountain View's mobile home tenant's proposal for a new AGA that consists of: 60 % of CPI, a 3% CAP, and with no floor.

As a senior citizen, it is increasingly difficult to manage finances, in Mountain View. I know people in their 20's and 30's needing two jobs, to make their rent, even living 'dormitory' fashion, with between 6 to 12 (yes, that's twelve) single adults and/or multi-families, in one home, just to be able to live here. That scenario serves no Mountain View resident and it is not healthy.

Please, consider what other California cities have done, and change Mountain View's amounts, in order to be equitable to everyone, landlords and tenants, making them more reasonable.

Thank you,
RJ Devincenzi
Resident

Hi RHC:

I'm here speaking tonight on behalf of myself and my neighbors.

Like 44% of my mobile home neighbors,
I'm a senior, and I've been renting my mobile home in MV for the last 18 years.

When I tell people I live in a home with rent control they ask me:

- 1) Why is your rent so high if you have rent control ?
- 2) Why are your rent increases so high every year if you have rent control ?
- 3) Why are you paying market or above market rates for your home that you've lived in for 18 years, if you have rent control?

You think of places like New York City that have rent control and folk's rent increases are modest, sustainable, and well below market rates.

Unfortunately, that's not the way it is in Mountain View.

The simple fact is the current mobile home ordinance is not working and Staff's recommendation on fixing it falls short.

Rents remain too high, rent increases are not sustainable, and rents are at or even well above market rates in some cases.

The whole point of the ordinance is to keep folks in their homes, yet in the last 2 months two senior families were forced to leave in my park because they couldn't afford their rent increases.

So the residents are proposing an ordinance that allows rent increases of 60% of CPI or 3%, whichever is lower, with no floor. We are calling this 3/60/0 instead of the current 5/100/2 regime implemented in Mountain View

Antioch
Richmond
Concord
Pittsburg
Delano
Santa Ana
Inglewood
Beverly Hills
Concord

and other cities all have a 3/60/0 model.

And arguably, Mountain View has higher rents than any of these communities,

compounding

the ill effects of our current high 5% AGA cap, meaning the urgency to lower the AGA is even greater here.

Since I have limited time, let me refute some of staff's claims surrounding the CAP, the AGA, and the Floor.

THE CAP:

Staff's entire analysis and basis for keeping the cap at 5% is based on "comparable jurisdictions".

But there is no comparable jurisdiction to a City that has the highest rents in the country.

An owner's current space rent of \$2100 balloons to almost \$5600 in 20 years at 5%. A renter's current home rent of \$4000 balloons to almost \$11000 in 20 years.

I'm a senior as are many of my neighbors and my social security increase did not even cover my rent increase this year as an example.

So we need a 3% cap. I mean how is it fair that park owners have their largest expense, property taxes, capped at 2% while residents have their highest expense, rent, capped at 5%. Not to mention the tax benefits available to park owners that are not available to renters.

And remember ... we're talking about percentage caps ... not dollar caps ... percentage caps impose real burdens on residents as rents rise due to the compounding effect.

THE AGA:

As for the AGA, Staff points out that 70% of jurisdictions have a lower AGA than Mountain View and almost 1 of every 3 mobile homes in Staff's report have AGA's of 60% or less.

In addition, we have the highest rents in the Country, which reinforces the need for a lower AGA.

So let's adopt an AGA that mimics almost 1 in 3 mobile homes in California which is 60% or less.

THE FLOOR:

The discussion around the floor and justification for it is the most insidious.

Simply put, we need to eliminate it. 85% of jurisdictions have NO floor.

It makes no sense to have a floor. I ask each member of the RHC to identify an industry, any industry, that is guaranteed a 2% increase in revenues, in spite of market conditions. A great depression, a weak market, high vacancy rates, a silicon valley bust, world war 3, global pandemic, armageddon ?? Doesn't matter ... landlords can still raise rents in Mountain View
2%. And they have told us in no uncertain terms that they plan to do just that.

In summary ... There is absolutely no justification for having a floor. None ... None whatsoever.

So please ... Do not accept Staff's recommendation. It falls short. Change the AGA to 60% of CPI, a 3% CAP, and no floor.

And you know what ... with a 3/60/0 regime, park owners will do just fine.

Thank you

Christopher

From: Anna Marie Morales [REDACTED]

Sent: Thursday, December 12, 2024 4:03 PM

To: Kennedy, Andrea <Andrea.Kennedy@mountainview.gov>; van Deursen, Anky <Anky.vanDeursen@mountainview.gov>; mvrent@mountainview.gov

Subject: RHC mobile home comment

Dear RHC,

Thank you for taking the time to address this very important issue of amending the MHRSO to ensure that more residents don't face displacement. It has been a long hard battle for the mobile home community to get any help from our city, as the MHRSO did not provide sufficient protections, especially in the face of inflation and the greed of most park owners.

It is with a heavy heart that the Mountain View Mobile Home Alliance and myself ask for real help. We are tired of providing our feedback for it to be overlooked and ignored. Please refer to the letter from the MVMHA for more details.

It is not too late to reject the grossly insufficient recommendations of Housing staff, in favor of what our residents desperately need to stay housed in our beautiful city.

Thank you,
Anna Marie Morales

From: [REDACTED]
Sent: Thursday, December 12, 2024 4:28 PM
To: MVRent <MVRent@mountainview.gov>
Subject: Mobile home

Dear RHC,

Thank you for taking the time to address this very important issue of amending the MHRSO to ensure that more residents don't face displacement. It has been a long hard battle for the mobile home community to get any help from our city, as the MHRSO did not provide sufficient protections, especially in the face of inflation and the greed of most park owners.

It is with a heavy heart that the Mountain View Mobile Home Alliance and myself ask for real help. We are tired of providing our feedback for it to be overlooked and ignored. Please refer to the letter from the MVMHA for more details.

It is not too late to reject the grossly insufficient recommendations of Housing staff, in favor of what our residents desperately need to stay housed in our beautiful city.

I'm disabled living on a fixed income and I'm scared. Your recommendation will not protect people like me. Help us, please. Choose people over the profits of greedy landlords.

Thank you,
Susan Morales