

DATE: May 28, 2026

TO: Rental Housing Committee

FROM: Anky van Deursen, Rent Stabilization Manager
Andrea Kennedy, Senior Management Analyst

SUBJECT: **Fiscal Year 2026-27 Budgets and Annual Fees for the Community Stabilization and Fair Rent Act and Mobile Home Rent Stabilization Ordinance**

RECOMMENDATION

Adopt a Resolution of the Rental Housing Committee of Mountain View approving the Fiscal Year 2026-27 Budgets for the Community Stabilization and Fair Rent Act and the Mobile Home Rent Stabilization Ordinance and establishing the Rental Housing Fee and Space Rental Fee for Fiscal Year 2026-27, to be read in title only, further reading waived (Attachment 1 to this memorandum).

BACKGROUND

The Rental Housing Committee (RHC) implements the Community Stabilization and Fair Rent Act (CSFRA) and the Mobile Home Rent Stabilization Ordinance (MHRSO) (collectively termed “rent stabilization programs”). Key powers and duties of the RHC related to the budget include the following:

- “Establish a budget for the reasonable and necessary implementation of the provisions of the CSFRA/MHRSO, including, without limitation, the hiring of necessary staff, and charge fees as set forth herein in an amount sufficient to support that budget.” (CSFRA Section 1709(d) and MHRSO Section 46.9(a))
- “...finance the Committee’s reasonable and necessary expenses, including, without limitation, engaging any staff as necessary to ensure implementation of the MHRSO, by charging Park Owners an annual space rental fee, in amounts deemed reasonable by the Committee in accordance with applicable law. The Committee is also empowered to request and receive funding, when and if necessary, from any available source, including the City, for the Committee’s reasonable and necessary expenses.” (CSFRA Section 1709(j) and MHRSO Section 46.9(b))

On April 23, 2026, the RHC reviewed and accepted the Recommended Budgets for the CSFRA and MHRSO for Fiscal Year 2026-27 with no changes (Attachment 2).

Note that staff develops the CSFRA/MHRSO budgets in coordination with the City's Finance and Administrative Services Department (FASD). After the April RHC meeting, two minor updates have been made to the budget as follows:

- The CSFRA budget shows a \$3,000 reduction in the Transfer to Compensated Absences Reserves and a \$4 increase in Salary/Benefits due to rounding, resulting in a net reduction in expenditures of \$2,996.
- The MHRSO budget shows an increase in Operations of \$1,000 for Unfunded Liability, an increase of \$1,000 for Transfer to Comp Absences Reservation, and a \$3 increase in Salary/Benefits, for a total increase in expenditures of \$2,003.

ANALYSIS

Staff presented the following budget summaries to the RHC in April, which remain unchanged (except for the two minor adjustments referenced above).

Community Stabilization and Fair Rent Act Fiscal Year 2026-27 Budget

The CSFRA Fiscal Year 2026-27 Budget totals \$2,589,451 and consists of the following key expenditures (see Attachment 1, Exhibit A):

Operating Expenses—\$2,318,091

1. Staffing for the administration of the CSFRA: \$1,642,441.
2. General operating costs, \$121,600.
3. Third-party professional services: \$455,500.
4. Information Technology: \$55,000.
5. Capital Outlay for the development of the online portal: \$43,550 (rebudget).

City Administration and Interfund Transfer Expense—\$271,360.

1. City Administration (General Fund Administration): \$200,480.

2. Self-Insurance, Compensated Absences Reserve, and Equipment Replacement Reserve Funding: \$70,880.

Reserves—\$ 517,890

Fiscal Year 2026-27 CSFRA Rental Housing Fee

The CSFRA is a 100% cost-recovery program fully funded by the Rental Housing Fee. As discussed at the April 2026 RHC meeting, the fee will be \$143 per unit for Fiscal Year 2026-27, or \$11.92 per unit per month (Attachment 1, Exhibit C), and will be invoiced in January 2027.

Mobile Home Rent Stabilization Ordinance Fiscal Year 2026-27 Budget

The MHRSO Fiscal Year 2026-27 Budget totals \$282,829 and consists of the following key expenditures (see Attachment 1 Exhibit B):

Operating Expenses—\$245,469

1. Staffing for the implementation and administration of the MHRSO: \$184,969.
2. General operating costs: \$6,500.
3. Third-party professional services: \$49,000.
4. Information Technology: \$5,000.

City Administration and Interfund Transfer Expenses—\$37,360.

1. City Administration (General Fund Administration): \$27,520.
2. Self-Insurance, Compensated Absence Reserve and Equipment Replacement Reserve Funding: \$9,840.

Reserves—\$56,165.

Fiscal Year 2026-27 MHRSO Space Rental Fee

The MHRSO has historically operated as a 100% cost-recovery program. In March 2025, Council lowered the allowable rent adjustment for the MHRSO per the City's 2023-31 Housing Element and supported a 50% fee reduction. To support this reduced fee level, a \$50,000 transfer from the City's General Fund has been included in the MHRSO Budget for Fiscal Year 2026-27.

As discussed in April 2026, the MHRSO fee will remain \$142 per space for Fiscal Year 2026-27 or \$11.83 per space per month and will be invoiced in January 2026 (Attachment 1, Exhibit C).

FISCAL IMPACT

Adopting the Fiscal Year 2026-27 budgets for the CSFRA and the MHRSO will provide appropriations for the operation of the CSFRA and MHRSO programs for Fiscal Year 2026-27. The adoption of the budgets also authorizes the billing and collection of fees to provide financial resources to recover program costs. The CSFRA program is a 100% cost-recovery program and is fully funded by fees. The MHRSO program is also a cost-recovery program funded by fees; however, the program budget for Fiscal Year 2026-27 is supplemented by the City's General Fund in the amount of \$50,000.

PUBLIC NOTICING—Agenda posting, posting on the City's website, and email to distribution list.

- Attachments: 1. Resolution Adopting the CSFRA and MHRSO Budgets and Establishing a Rental Housing Fee and Space Rental Fee for Fiscal Year 2026-27
- Exhibit A: CSFRA Fiscal Year 2026-27 Statement of Revenues, Expenditures, and Balances
 - Exhibit B: MHRSO Fiscal Year 2026-27 Statement of Revenues, Expenditures, and Balances
 - Exhibit C: Fiscal Year 2026-27 CSFRA Rental Housing Fee and MHRSO Space Rental Fee