



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

Chris Bazar
Agency Director

Agenda Item No. _____ March 10, 2015

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March 6, 2015

The Honorable Board of Supervisors
County Administration Building
Oakland, California 94612

Dear Board Members:

**SUBJECT: ADOPT AN ORDINANCE SUSPENDING RENT INCREASES
FOR ALL MOBILE HOME PARKS IN THE
UNINCORPORATED COUNTY FOR 90 DAYS**

RECOMMENDATION:

Adopt "An Ordinance establishing a moratorium on rent increases in mobile home parks within unincorporated Alameda County" (suspending all increases to rents in mobile home parks for 90 days after its effective date in order to allow a study of mobile home rents in the unincorporated County and possible amendments to the "Mobile Home Rent Stabilization Ordinance" to be developed by staff and reviewed by the Board of Supervisors.

SUMMARY/ DISCUSSION:

On March 3rd, your Board considered adoption of a proposed 90-day moratorium on rent increases in mobile home parks in the unincorporated county. The moratorium that was proposed on that date was an urgency measure that would have taken effect shortly after adoption. After consideration, your Board directed staff to revise the proposed moratorium so that it was no longer an urgency measure and it would have an effective date approximately 60 days after adoption; staff was also directed to bring this back to Board for consideration at your March 10th meeting. Staff were also directed to amend the proposed process for public input into any recommended changes to the current mobile home park space stabilization ordinance, incorporating one or more meetings of stakeholders.

The moratorium being brought for your consideration at your March 10th meeting has been revised to reflect this direction. Given that the ordinance requires a first and second reading before adoption, and that your Board's next regularly scheduled meeting is not anticipated to be held for at least two weeks after March 10th, the 45 days between the first reading of the ordinance and its effective date provides for approximately 60 days before the ordinance would take effect.

During this period, staff will continue the process for review of the current ordinance, including community stakeholder meetings, along with the previously planned review and discussion at a number of commissions and committees (including the Housing and Community Development Advisory Committee, the Planning Commission, the Castro

Board of Supervisors

March 6, 2015

Page 2 of 2

Valley Municipal Advisory Committee, and your Board's Unincorporated Services Committee). This process of review and public input may result in recommendations for amendments to the Mobile Home Park Rent Stabilization Ordinance or possibly replacement to it. These meetings are expected to occur in March and April. The stakeholder meeting(s) would occur concurrently. Staff recommendations regarding the community stakeholders process will be forthcoming.

By way of background, your Board originally adopted a "Mobile Home Rent Stabilization Ordinance" in 1990. The Ordinance has not been updated since its original adoption. The Ordinance limits the annual increase in rent payable for use or occupancy of any mobile home space in unincorporated Alameda County to no more than 5% of the space rent per year, without review. If a park owner wishes to raise rents more than 5% in a year, the owner must submit an application to the County for review.

Staff has received a significant number of complaints by residents of mobile home parks concerning mobile home park space rents increases under the current Ordinance. These complaints have suggested that rents are increased each year with no relation to increase in costs. If space rents are increased 5% per year, the cumulative impact is to make the space rental prohibitively expensive; for example space rents can increase 25% over five years. Residents of mobile home parks own their own homes, and rent the land on which they sit. They are not generally able to move their homes to other parks, as these units are generally older and would not stand up to the rigors of travel and may not even be accepted by another park.

Staff performed a basic initial review of mobile home park rent ordinances throughout the State of California and has identified 95 jurisdictions in the State that have a rent control ordinance governing mobile home parks. Of these 95, the vast majority of them utilize a combination of a Consumer Price Index (CPI) and flat rate percentage to govern rent increases. The CPI methodology ties rent increases to actual cost increases. A survey of these other methods and their results show that Alameda County's rent control Ordinance allowed the second highest rent increase in the State for 2014, and is significantly higher than all other jurisdictions in Alameda County, including Pleasanton, Union City, Fremont and Oakland.

FINANCING:

There is no financial impact to the County and no Net County Cost as a result of this action.

Very truly yours,



Chris Bazar, Director
Community Development Agency

cc: Susan S. Muranishi, County Administrator
Steve Manning, Auditor-Controller
Donna R. Ziegler, County Counsel
Richard Conway, County Administrator's Office
Heather M. Littlejohn, Office of the County Counsel
U.B. Singh, CDA Finance Director

ORDINANCE NO. ____

AN ORDINANCE ADOPTING A MORATORIUM ON RENT INCREASES IN MOBILE HOME PARKS WITHIN UNINCORPORATED ALAMEDA COUNTY

The Board of Supervisors of the County of Alameda, State of California, does ordain as follows:

SECTION I

In enacting this ordinance, the Alameda County Board of Supervisors makes the following findings:

1. Since 1990, Alameda County has restricted mobile home space rent increases to a maximum of 5% annually in mobile home parks through Ordinance No. 90-71.
2. In the past year, several mobile home park residents have represented to Alameda County staff that their space rent has increased by the maximum allowable amount every year for several years consecutively.
3. A review of the mobile home rent stabilization ordinances of surrounding communities reveals that Alameda County's maximum rent increase has resulted in the highest yearly rent increase in the area repeatedly.
4. Such rent increases could deplete the stock of affordable housing in the County, as mobile home parks provide a significant pool of affordable housing for low income families, senior citizens and disabled residents in the County.
5. A significant distinction exists between homeowners in mobile home parks and other dwelling units, in that homeowners in mobile home parks are in the unique position of having made a substantial investment in purchasing and maintaining a residence without owning the land underneath, and the physical removal and relocation of the mobile home from a rented space to another location can be accomplished only at substantial cost and inconvenience with limited concurrent ability to find another location, and frequently this removal requires separation of the mobile home from appurtenances which have been made permanent, thus creating severe damage and depreciation in the value of the mobile home.
6. It is in the interest of the County, of owners and residents of mobile home parks and of the community as a whole that the County staff undertake a comprehensive study and public outreach to consider new regulations to protect affordable and senior housing within mobile home parks, including, but not limited to, updated mobile home park rent stabilization regulations.
7. In light of the concerns noted herein, it is in the interest of the County to adopt this ordinance in order to allow staff to, among other related tasks, proceed with a study and public hearings to consider revised regulations to protect affordable and senior housing within mobile home parks.
8. If this temporary moratorium is not imposed, mobile home owners will likely raise mobile home space rents by the maximum allowable 5% again before the study and subsequent public hearings are completed, thus minimizing the impact of any future modifications to the mobile home rent stabilization regulation.

9. Civil Code Section 798.17 acknowledges that local governments may adopt ordinances, rules, or regulations establishing a maximum amount that a landlord may charge a tenant for rent.
10. Thus, the Board of Supervisors considers it necessary to adopt this ordinance to suspend mobile home park rent increases for a period of ninety (90) days, unless extended, to allow the County to evaluate potential revisions to its rent stabilization ordinance.

SECTION II

The uncodified Alameda County General Ordinance Code is hereby amended to add the following Section:

Temporary Prohibition on Rent Increases in Mobile Home Parks

For the duration of this ordinance and any extension(s) thereto, the maximum rent that a mobile home park tenant in the County may be charged shall be the following:

1. For a mobile home park space which was rented on the effective date of this ordinance, and continued to be rented thereafter to one or more of the same persons, the total rent shall not exceed that in effect on the effective date of this ordinance.
2. For a mobile home park space which was not rented on the effective date of this ordinance, but which is rented after that date, the total rent shall not exceed that received for said mobile home park space when last occupied.
3. For a mobile home park space vacated on or after the effective date of this ordinance, and rented prior to the end of the moratorium period, the total rent shall not exceed that received for said mobile home park space when last occupied.

The level of housing services provided to the mobile home park tenants shall not be reduced during the moratorium period.

A mobile home park resident may refuse to pay any rent in excess of the maximum rent permitted by this ordinance. The fact that such unpaid rent is in excess of the permitted maximum rent shall be a defense in any action brought to recover possession of a mobilehome space or to collect such unpaid rent.

To the extent any provision of the Alameda County General Ordinance Code or appendices thereto is inconsistent with the provisions of this Ordinance, the provisions of this Ordinance shall prevail to the extent necessary to implement the provisions of this Ordinance.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance, or any part thereof, is for any reason held to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or any part thereof. The Board of Supervisors hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases that would be subsequently declared invalid or unconstitutional.

SECTION III

This Ordinance shall take effect and be in force forty-five (45) days from and after the date of its passage and before the expiration of fifteen (15) days after its passage, it shall be published once with the names

of the members voting for and against the same in the Inter-City Express, a newspaper published in the said County of Alameda.

This Ordinance shall be in effect for ninety (90) days, expiring on the ninety-first (91st) day after its effective date, unless otherwise extended by the Board of Supervisors.


Adopted by the Board of Supervisors of the County of Alameda, State of California, on March __, 2015, by the following called vote:

AYES:
NOES:
EXCUSED:

President of the Board of Supervisors of the
County of Alameda, State of California

ATTEST: ANIKA CAMPBELL-BELTON, Clerk
of the Board of Supervisors of the County of
Alameda, State of California

Approved as to Form
Donna R. Ziegler, County Counsel


By Heather M. Littlejohn
Deputy County Counsel

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