



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

MEMORANDUM

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TO: Supervisor Scott Haggerty, Chair
Supervisor Nate Miley
Transportation and Planning Committee

FROM: Chris Bazar, Director, Community Development Agency
Linda Gardner, Housing Director

DATE: December 10, 2015

SUBJECT: Mobile Home Rent Stabilization Ordinance

BACKGROUND:

The State of California governs Mobile Home Parks, with the exception of local governments' ability to regulate space rents. In 1990, the Alameda County Board of Supervisors adopted the Mobile Home Rent Stabilization Ordinance, which limited the annual increase in rent payable for use or occupancy of any mobile home space in unincorporated Alameda County to no more than 5% each year, without review. Under the Ordinance, if a park owner wishes to raise rents more than 5% in a year, the owner is required to submit an application to the County for review and approval by the Board.

When the Ordinance was originally adopted, the Board's intent was to "protect the owners and occupiers of mobile homes from unreasonable rent increases, while at the same time recognizing the need of the park owners to receive both a fair return on their property and rental income sufficient to cover increasing costs of repair, maintenance, insurance, employee service and utility government assessments."

The Ordinance has not been updated since its original adoption. Staff received a significant number of complaints by residents of mobile home parks concerning the allowable 5% maximum space rent increases under the current Ordinance. These complaints have suggested that 5%, when instituted annually and compounded year over year, is unreasonable and not related to increases in operating costs.

DISCUSSION:

This item has gone to the Planning Commission, the Castro Valley MAC, and the Unincorporated Services Committee for public comment, and a series of stakeholder meetings was held to elicit feedback from the Owners and Residents beginning last spring. During the Spring and Summer, staff gathered data, reviewed the Ordinance, and held several community stakeholder meetings to elicit feedback from both owners and residents of the mobile home parks.

Staff presented a draft revised Mobile Home Rent Stabilization Ordinance to the Unincorporated Services Committee and to the Castro Valley Municipal Advisory Council in September 2015. As a result of feedback received at those meetings, staff and Supervisor Miley met with owner and resident stakeholder groups one additional time and staff revised the proposed Ordinance pursuant to input received at those meetings. Subsequently, the current draft Ordinance went to the Planning Commission on December 7; in addition, Supervisor Miley met one more time with Owners on December 8, and Residents on December 9.

The proposed revisions to the Ordinance are primarily to reduce the annual allowable increase, require additional data and reporting from the Park Owners to the County, and provide for clarity on how to make appeals.

The current proposed revised Ordinance contains the following key provisions:

1. Amends the maximum amount of space rent increase each year from a flat rate of 5% to a flat rate of 4%;
2. Allows vacancy de-control in instances of eviction or abandonment;
3. Provides for modified vacancy control allowed at unit turnover in the event the owner has not taken standard rent increases, capped at 12%;
4. Maintains the ability of mobile home park owners to request a rent increase in excess of the standard allowable annual amount. Basic standards for submission and review of those requests were added. Appeals continue to be allowed and the process has been updated;
5. Adds an annual reporting requirement to the County and updated noticing requirements to residents; and
6. Allows the County to charge an administration fee at the Board of Supervisors' discretion.

The proposed revised Ordinance is attached as Exhibit A and a background and research report which contains the results of Staff research is attached as Exhibit B.

STAFF RECOMMENDATION:

Staff recommends that the Transportation and Planning Commission receive public testimony on the proposed revised Ordinance and forward a recommendation to the Board of Supervisors for adoption of the revised Ordinance.

cc: Each Member, Board of Supervisors
Susan Muranishi, County Administrator
Brian Washington, Office of the County Counsel
Heather Littlejohn, Office of the County Counsel

Exhibit A
Proposed Mobile Home Rent Stabilization Ordinance

Chapter 3.32 ~~RE~~ MOBILEHOME PARK RENT REVIEW PROCEDURES

Sections:

3.32.010 Findings and purpose.

There is presently within the unincorporated area of Alameda County and the surrounding areas a shortage of space for location of mobilehomes. This has resulted in a low vacancy rate and rents have been and are presently rising rapidly and causing concern among a substantial number of residents. Because of the high cost of moving mobilehomes and the potential for damage resulting therefrom, the requirements relating to the installation of mobilehomes, including permits, landscaping and site preparation, the lack of alternative homesites for mobile-home owners, and the substantial investment of mobilehome owners in such homes, the Board of Supervisors finds and declares it necessary to protect the owners and occupiers of mobilehomes from unreasonable rent increases, while at the same time recognizing the need of the park owners to receive both a fair return on their property and rental income sufficient to cover increasing costs of repair, maintenance, insurance, employee service and utility-government assessments.

3.32.020 Definitions.

“Base Rent” means the Space Rent charged and allowed pursuant to this chapter on the effective date of this section plus any increase in Space Rent allowed thereafter pursuant to this chapter.

“Capital Improvements” means those improvements that ~~re~~-materially add to the value of the property and appreciably prolong its useful life or adapt it to new uses and which may be amortized over the useful life of the improvements in accordance with the Internal Revenue Code.

“Commercial Purchaser” means a person or entity including, but not limited to, an individual, a limited liability company, corporation, partnership or any form of association engaged in Mobile Home sales as a business.

“Event of Vacancy” means a change in ownership of the Mobile Home, removal and replacement of the Mobile Home on the Mobile Home space or any vacancy of the Mobile Home space. A change in ownership shall not constitute an Event of Vacancy if the prior owner continues to reside in the Mobile Home as his or her primary residence.

“Hearing Officer” means the person designated by the Rent Review Officer pursuant to Section 3.32.040.

“Housing Director” means the Director of the Housing and Community Development Department of the Community Development Agency, acting either directly or through his/her assigned deputies and employees.

“Housing Services” means services provided by the owner related to the use or occupancy of a Mobile Home Space, including but not limited to insurance, repairs, replacements, maintenance,

painting, lighting, heat, water, refuse removal, laundry facilities, recreation facilities, parking security and employee services.

“Major Rent Increase” means an increase in rent pursuant to Section 3.32.060.

“Mobile Home” means a structure designed for human habitation and for being moved on a street or highway under permit pursuant to Cal. Veh. Code § 35790, including but not limited to a manufactured home, as defined in the California Health and Safety Code, “Mobile home” does not include a recreational vehicle, as defined in Cal. Civ. Code § 799.24, a commercial coach, as defined in Cal. Health & Safety Code § 18001.8, or factory-built housing as defined in Cal. Health & Safety Code § 19971.

"Mobile Home Owner" means a person who has an ownership interest in a Mobile Home and has a tenancy in a Park under a rental agreement, having the right to the use of a Mobile Home space on which to locate, maintain and occupy a Mobile Home, including any fractional interest therein and who is not a Commercial Purchaser.

"Park" means a Mobile Home park which rents or leases spaces for Mobile home dwelling units in the unincorporated area of Alameda County.

"Park Owner" means the owner, lessor, operator or manager of a Park.

“Rent Review Procedures” means the written procedures adopted by the Housing Director pursuant Section 3.32.160.

“Space Rent” means the money or other consideration charged or received by a Park Owner for the use or occupancy of a Mobile Home space and the nonexclusive use of common area facilities, but excluding separately billed utilities or reasonable charges for services actually rendered as of the effective date of this section.

“Standard Rent Increase” means an increase in rent pursuant to Section 3.32.050.

3.32.030 Rent Review Officer

The Housing Director, or a person or persons designated by the Housing Director, shall serve as the Rent Review Officer to administer and enforce the provisions of this chapter. The Rent Review Officer shall have the power and duty to receive, investigate, hold hearings on, and make findings and decisions regarding the petitions for rent adjustment.

3.32.040 Hearing Officer

The Rent Review Officer may designate a Hearing Officer to conduct a hearing or hearings pursuant to this chapter. The minimum qualifications of the Hearing Officer shall be as established by the Rent Review Procedures. A person shall not be appointed as a Hearing Officer if the Rent Review Officer determines that the person has an actual or potential conflict of interest in the matter or if such appointment would have the appearance of a conflict of interest in the matter. For example, a person who is a Mobile Home Owner, a Park Owner or an immediate family member of a Mobile Home Owner or Park Owner shall be ineligible to serve as a Hearing Officer.

3.32.050 Standard Rent Increase.

The annual Space Rent shall not be increased by more than four percent (4%). Section 3.32.090 herein governs the maximum increase in Space Rent allowable upon an Event of Vacancy.

3.32.060 Major Rent Increase.

- A. If dissatisfied with the maximum Space Rents permitted by Section 3.32.050 of this chapter, a Park Owner may request an adjustment in Space Rents according to the provisions of this section. However, no Park Owner may request more than one adjustment to Space Rents during the twelve (12) month period following the first full day the Space Rent increase authorized by Section 3.32.050 is put into effect.
- B. A Park Owner may request an adjustment in excess of the Space Rent increase authorized by Section 3.32.050 by conforming to the procedures set forth in this section, and any further procedures as established in the Rent Review Procedures.
- C. A hearing will be held upon receipt of a complete application and submission of such additional information as may be requested by the Hearing Officer or Rent Review Officer.
- D. In any Space Rent increase proceeding pursuant to this section, the burden shall be upon the Park Owner to prove the justification for a Space Rent increase by clear and convincing evidence.
- E. In evaluating the request, the Hearing Officer shall consider, among other factors:
 - 1. Unavoidable increases in maintenance and operating expenses;
 - 2. The substantial rehabilitation or the addition of Capital Improvements by the Park Owner seeking the Major Rent Increase;
 - 3. The rental history of the affected Mobile Home spaces and the Park, for the immediately preceding thirty-six (36) months, including prior rent increases, reductions in Housing Services, and the occupancy rate;
 - 4. The physical condition of the affected Mobile Home Spaces and Park;
 - 5. Existing Space Rents for comparable Mobile Home spaces in other comparable Parks in the area;
 - 6. Current and historic net operating income;
 - 7. A fair return on the property pro-rated among the Mobile Home spaces of the Park;
 - 8. Whether any expense is clearly excessive, given the industry standard for the same item; and
 - 9. Other financial information that the Park Owner is willing to provide.
- F. The Hearing Officer shall consider the evidence presented and the factors set forth above to determine what level of Space Rent increase, if any, is just, fair and reasonable. The Hearing Officer may approve or deny the requested Major Rent Increase, or may approve the request with modifications. The Housing and Community Development Department will notify the affected Mobile Home Owners of the Hearing Officer's determination.

- G. This section does not place a cap on the amount of a Space Rent increase that may be requested or approved via a Major Rent Increase. However, the Hearing Officer may place a cap on the allowable Space Rent increase approved in response to a request for a Major Rent Increase or deny the request.
- H. If a Major Rent Increase is approved that is based in whole or in part on a Capital Improvement cost, then that portion of the increase attributable to the Capital Improvement cost shall not form a part of the Base Rent. In addition, that portion of the increase shall be charged only during the useful life of the Capital Improvement in accordance with IRS regulations.

3.32.070 Notices Required

Rent increases pursuant to this chapter shall not be effective and shall not be charged, accepted, received or retained until the Park Owner has given all notices required by state law (see e.g. Civil Code Section 798.30), this chapter, and the Rent Review Procedures.

Park Owners shall maintain a current paper copy of the California Mobilehome Residency Law (Civil Code Sections 798 et seq.) and of this Chapter in the on-site management office in an area readily accessible for review by Mobile Home Owners. If the copy cannot be made available in an on-site management office, the Park Owner shall immediately notify the Housing Director who may permit the copy to be stored in an alternate location. Each notice of a rent increase shall state the on-site location where the Mobilehome Residency Law may be reviewed.

3.32.080 Vacancy Decontrol-Evictions or Abandoned Mobile Homes

A Park Owner may increase Space Rent by any amount when renting a Mobile Home space after obtaining a judgment of unlawful detainer or a judgment of abandonment for an “abandoned mobilehome” as defined by and pursuant to Section 798.61 of the Mobilehome Residency Law. The new Space Rent established for the Mobile Home space shall become the Base Rent upon which future rent increases pursuant to this chapter will be calculated.

3.32.090 Vacancy Control/De-Control

If the Park Owner has not implemented the maximum annual Standard Rent Increases allowed for a particular Mobile Home space, following an Event of Vacancy for that Mobile Home space, the Space Rent may be increased to the level that would have been allowed had the Park Owner implemented annual Standard Rent Increases to the extent permitted by this chapter for the past three calendar years (12%). The Park Owner shall provide appropriate documentation and reporting to the County if such an increase is implemented.

3.32.100 Mobile Home Park Registration

Park Owners must register their Park(s) with the Rent Review Officer within sixty (60) days from the effective date of this ordinance. The registration must include, in a form acceptable to the County, the following information:

- A. A list of the Park Owner’s Parks and all associated Park Owners, including a list of the managers and operators, if any;
- B. Appropriate contact information for all Park Owners;

- C. The number of Mobile Home spaces in each Park;
- D. Mailing address of each Mobile Home space;
- E. A list of all Mobile Home spaces covered by this chapter;
- F. A list of all spaces within the Park not covered by this chapter and the reasons therefor (e.g., spaces with a lease term longer than 12 months);
- G. The amount of and descriptions for all other rent, charges and fees charged to the Mobile Home Owners by space; and
- H. The Space Rent for each Mobile Home space as of the effective date of this section.

Any changes in the information provided in subsections A through G shall be reported to the Rent Review Officer within thirty (30) days of the change.

3.32.110 Conduct of proceedings, hearings.

- A. Within ten (10) working days of the filing of a complete petition for a Major Rent Increase the Rent Review Officer shall set a date for the hearing and shall have notified all affected parties by mail of the date and time of the hearing.
- B. The hearing shall be set for a date not less than twenty (20) nor more than thirty (30) working days after the Rent Review Officer has received all required documentation pursuant to Section 3.32.60.
- C. The Rent Review Officer shall designate a Hearing Officer not less than ten (10) working days prior to the hearing.
- D. The hearing need not be conducted according to technical rules relating to evidence and witnesses. Any relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rule which might make improper the admission of such evidence over objection in civil actions.
- E. In the event that either the Park Owner or the Mobile Home Owner or both should fail to appear at the hearing, the Hearing Officer may hear and review such evidence as may be presented and make such decisions just as if both parties had been present or continue the hearing or dismiss the petition for Major Rent Increase.
- F. Materials received in conjunction with a petition for Major Rent Increase shall be maintained in the Housing and Community Development Department for five (5) years and shall be available for review by the public during normal working hours.

3.32.120 Decision of the Hearing Officer.

- A. The Hearing Officer shall adopt findings and a decision no later than ten (10) working days after the conclusion of the hearing on any petition for a Major Rent Increase. All parties shall be sent a copy of the findings and decision.
- B. Based on the findings, the Hearing Officer shall deny the request, grant the request, or set the Major Rent Increase at an amount less than requested.

3.32.130 Mobile Home Owner's Right of Refusal.

A Mobile Home Owner may refuse to pay any increase in rent which is in violation of this chapter. Such refusal to pay shall be a defense in any action brought to recover possession of a Mobile Home space or to collect the rent increase.

3.32.140 Five-year review.

The Housing Director will provide a report regarding the administration of this ordinance for consideration by the Board of Supervisors at least once in a five (5) year period.

3.32.150 Administration Fees

The Board of Supervisors may establish a fee payable by the Park Owners to reimburse the County for the general costs incurred by the County in administering this chapter.

3.32.160 Direct Cost Fees

The direct costs incurred in the processing of a request for a Major Rent Increase shall be borne directly by the Park Owner involved in the request and may not be passed through in any manner to the Mobile Home Owners unless otherwise apportioned by the Hearing Officer. Direct costs include all costs incurred by the County in processing the request pursuant to this chapter including but not limited to the cost of staff time, hearing costs, and appeals costs. The Rent Review Officer may collect a deposit from a Park Owner prior to processing an application for a Major Rent Increase.

3.32.170 Implementing Rent Review Procedures

The Housing Director shall establish written Rent Review Procedures consistent with this chapter to effectuate the purposes of this chapter, including but not limited to establishing timelines for the notices and actions described herein, hearing procedures, requirements for written submissions, and factors to be considered by the Rent Review Officer and Hearing Officer in making determinations pursuant to this chapter.

3.32.180 Appeals

A decision by a Hearing Officer may be appealed to the Rent Review Officer. A decision by the Rent Review Officer may be appealed to the Housing Director. A decision by the Housing Director may be appealed to the Board of Supervisors. The appeal may be taken by any Mobile Home Owner, Park Owner or other person aggrieved or by an officer, department, board, or commission affected by the order within ten (10) working days of the decision, by filing with the Housing Director a notice of appeal specifying the grounds for such appeal. Filing such notice shall stay all proceedings in furtherance of the order appealed from. The action of the Board of Supervisors shall be subject to judicial review pursuant to Code of Civil Procedure Section 1094.5.

3.32.190 Severability

This chapter shall be liberally construed to achieve its purpose and preserve its validity. If any provision or clause of this chapter or application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this chapter that can be given effect without the invalid provision or application, and to this end the provisions of this chapter are declared to be severable and are intended to have independent validity.

3.32.200 No Takings

This chapter should not be interpreted and shall not be applied in a manner that would effectuate a taking of private property.

3.32.210 Consistency with State and Federal Law

This chapter should not be interpreted and shall not be applied in a manner that would be inconsistent with the rights and responsibilities of Park Owners and Mobile Home Owners as established by the Mobilehome Residency Law or as otherwise provided by state or federal law.

Exhibit B
Planning Commission
December 7, 2015

Mobile Home Rent Stabilization Ordinance - Background and Research Report

Background

In response to concerns raised by mobile home residents in the Unincorporated County about space rents becoming increasingly unaffordable, HCD was asked to review the County’s Mobile Home Space Rent Stabilization Ordinance (“Ordinance”). Staff reviewed provisions of other mobile home space rent ordinances locally and statewide, took public testimony in a series of presentations at Advisory and Board of Supervisor Committees, and held a series of informal stakeholder meetings: three with mobile home park owners and three with mobile home park residents. These meetings were held between February and July 2015. In early 2015, staff also conducted surveys of park owners and residents to elicit data regarding current space rents, rates of rent increases, and other pertinent park information in the Unincorporated County.

The current Ordinance was adopted in 1990 and has not been updated since. It is short, without specificity or details about how to implement it. The Ordinance allows for a 5% annual increase in rents each year. It further allows for park owners to apply for higher than 5% increase, but does not specify the factors that will be taken into account when considering such a request.

Research

There are more mobile home parks in the Unincorporated County than in any other city in the County. County parks have fewer spaces in each park on average than those in other jurisdictions. Alameda County has 19 parks, with an average size of 33 spaces. As a comparison, Hayward has the second largest number of parks: 10 parks with an average park size of 213 spaces. The following chart provides detail regarding mobile home parks within Alameda County:

Alameda County Jurisdictions with Mobile Home Parks		Rent Stabilization Ordinance?	Number of Parks	Total Number of Spaces	Smallest Park	Largest Park	Average Size
1	Unincorporated	Yes	19	622	8	86	33
2	Hayward	Yes	10	2131	37	462	213
3	San Leandro	No	8	837	30	366	105
4	Livermore	No	7	443	14	159	63
5	Pleasanton	Yes	4	404	14	208	101
6	Fremont	Yes	3	732	165	331	244
7	Oakland	No	3	49	10	26	16
8	Union City	Yes	2	896	352	544	448

Research on mobile home rent stabilization ordinances throughout the State of California revealed that there are a total of 95 jurisdictions in the State that have rent stabilization ordinances governing their mobile home parks. Of these 95, the majority of them utilize a combination of a Consumer Price Index (CPI) and a flat rate percentage to govern rent increases. Alameda County is the only jurisdiction in California which calculates its allowable space rent increase solely as a percentage of the current space rent (flat 5% as opposed to tied to the CPI).

Briefly, these differences can be illustrated by an example utilizing the February, 2015 CPI rate for the San Francisco – Oakland – San Jose area of 2.5% and the average reported mobile home space rent in the unincorporated county of \$624/month.¹ Under Alameda County’s current Ordinance allowing up to a 5% increase, the rent could be increased by \$31.20/month, the highest in the Bay Area.

Jurisdiction	Increase Allowed based on:	Amount of Increase
Unincorporated	5% of the Space Rent	\$31.20
Fremont	60% of CPI or 3% of Space Rent or \$10/month	\$18.72
Hayward	60% of CPI or 3% of Space Rent	\$18.72
Pleasanton	100% of CPI	\$15.60
Union City	90% of CPI	\$14.04

In Alameda County, if the space rent were raised by the maximum 5% per year between the adoption of the Ordinance in 1990 through 2014, the space rent would be increased by 120% over that period. Over that same time period, the Consumer Price Index only increased 65%. Other jurisdictions allowable rent increases were significantly less over the same period:

Year	Alameda County Max Increase	Fremont Max Increase	Hayward Max Increase	Union Max Increase	Annual Average CPI
Cumulative Increases	120.0%	86.4%	74.6%	61.3%	65.6%

Staff reviewed actual mobile home space rents in neighboring jurisdictions by researching single wide mobile homes for sale in Hayward and San Leandro in spring 2015, and determining their space rents. For context, the City of Hayward has a mobile home rent stabilization ordinance; the City of San Leandro does not. For more detail on rents at County parks and comparison of rents in other jurisdictions, please see Appendix A.

¹ \$624/month average space rent was calculated utilizing the average space rents reported by park owners through HCD’s survey, weighted by the number of spaces in each park.

From the seven owner surveys received, mobile home parks in the Unincorporated County at the higher end of the rent spectrum have space rents comparable to those in Hayward and San Leandro. However, the Hayward and San Leandro mobile home parks contain significantly more amenities than any mobile home park in the unincorporated county, despite comparable space rents. It should be noted that these parks have more spaces than those in the Unincorporated County, and therefore can spread the costs of amenities over more spaces (economies of scale).

Summary of Resident and Owner Issues from Stakeholder Meetings

The six stakeholder meetings, held between March, 2015 and July, 2015, were facilitated by HCD staff. There are 19 mobile home parks in the Unincorporated County. Residents or owners of 11 of those participated in the stakeholder meetings. Meetings were held separately with park residents and park owners in order to encourage candid discussion of stakeholder concerns. Both groups of stakeholders expressed general agreement that the stakeholder meetings were productive and respectful. Complete summary notes from these stakeholder meetings can be found on HCD's website at: www.acgov.org/cda/hcd/mobilehome/index.htm .

Mobile home park residents at the stakeholder meetings expressed a preference for lower limits on annual rent increases, even if that meant vacancy decontrol and capital improvement pass-through are also allowed.

It is important to note that not all Alameda County parks have the same characteristics nor are they run in the same manner. As a result, not every park resident's concerns are the same, nor were all the residents' concerns expressed in these meetings. Concerns raised by the residents included excessive rent increases, inadequate park maintenance and insufficient communication with park management. In some cases, residents also reported that park owners refused to disclose to the current coach owner what the new rent will be if the unit sells, so that the current owner can factor that information into the listing. Some residents expressed historical reticence to discuss concerns with park management for fear of retribution.

Residents want to see maximum allowable rent increases lowered, though some residents expressed concern with a maximum tied to a calculation of the CPI increase unless HCD calculates the percentage and provides that determination to both the owners and the residents annually. Generally, residents liked the idea of tying increases to improvements at the park, although they would prefer to have input into the capital improvement through a vote. Residents are supportive of regulations which provide them with additional information regularly, including tenant grievance and appeal procedure, as well as State and local mobile home regulations.

Most park owners attending the stakeholder meetings expressed that if more stringent rent increase limits are imposed, they desire the ability to pass through costs of necessary capital improvements in addition to rent increases, in order to pay for the cost of those improvements. The owners also expressed a strong preference for partial to total vacancy decontrol. Concerns

raised by park owners included the need for space rents to adequately cover the costs of park operations, as well as for capital improvements and maintenance. Overall, owners expressed a preference for completely eliminating the Ordinance and, short of that, having no change to the current annual rent increase limit. If there is a change to a CPI model, owners prefer a minimum annual increase, regardless of the CPI level. If the current maximum rent increase limit is maintained, owners do not feel a capital improvement pass-through is necessary; but if the ordinance maximum annual rent increase is lowered, the ability to have a capital improvement pass-through is desired. Owners do not want resident votes on capital improvements, but if necessary, owners believe residents should only be able to vote on new and optional improvements, rather than on capital improvements necessary for maintenance or substantial health and safety-related repairs.

APPENDICES:

A. Results of Surveys and Rent Comparisons

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APPENDIX A: Survey Results and Actual Rent Comparisons

This Appendix summarizes the results of research regarding actual mobile home space rents in unincorporated Alameda County and a comparison of those rents with actual mobile home space rents of nearby jurisdictions.

The current Ordinance does not require that owners report to the County actual rents charged, or that they provide any information to the County when they raise rents, therefore actual rents were difficult to establish. Lack of data from the mobile home parks has been a significant challenge in this process.

To gather data, surveys were distributed electronically and/or by hard copy to residents and owners from February to April, 2015 in order to ascertain rent data and other pertinent information from park owners and residents. Responses from park owners or their representatives from seven out of nineteen mobile home parks were received. Seventy-four residents from ten mobile home parks were represented in the resident survey.

Survey Results Regarding Rents and Rent Increases

Through the surveys, mobile home park residents or owners reported the following annual rent increases during the years 2010-2014:

Mobile Home Park	City	Yearly Rent Increase	Years
Avalon	Castro Valley	5%	All
Chetwood Crest	Castro Valley	5%	All
Fuchsia Court	San Leandro	3-5%	All
Paradise	San Leandro	5%	All
Tra Tel	Castro Valley	5%	All
Wishing Well	Castro Valley	5%	All
Wagon Wheel	Castro Valley	2-5%	2010, 2011, 2012, 2014
Vaughn's	Castro Valley	5%	2013

The mobile home park owner survey also collected information regarding average, highest and lowest space rents, and utilities for resident-owned mobile homes, as indicated in the chart below. Not all owners responded, and therefore data was not available for all parks.

Mobile Home Park	City	Average Rent	Highest Rent	Lowest Rent	Utilities Extra
Avalon	Castro Valley	\$427.00	\$490.00	\$380.00	No
Chetwood Crest	Castro Valley	\$658.00	\$848.00	\$559.00	Yes
Fuchsia Court	San Leandro	\$555.00	\$555.00	\$555.00	Yes
Paradise	San Leandro	\$698.00	\$835.34 (double space)	\$692.00	Yes

Tra Tel	Castro Valley	\$550.00	\$550.00	\$491.00	Yes
Wishing Well	Castro Valley	\$672.49	\$760.88	\$584.10	Yes
Wagon Wheel	Castro Valley	\$670.00	\$697.00	\$643.00	Yes

Of the park owners that responded to the survey (7 of 19), the majority reported increasing rents in all of the last five years, while a few did not. Residents in those same parks reported rents raised every year that the current owner owned the park.

Comparison with Other Jurisdictions’ Space Rents:

Staff researched mobile homes currently for sale in nearby jurisdictions in order to compare the average space rents in the Unincorporated County to those of nearby municipalities and was able to ascertain some current space rents in Hayward and San Leandro. For context, the City of Hayward has vacancy control within its Mobile Home Rent Stabilization Ordinance; the City of San Leandro does not.

Mobile Home Park	# of Spaces	City	Rent	Double Wide vs. Single Wide	Amenities
Spanish Ranch I	462	Hayward	\$720-\$722	Double	Clubhouse, pool, spa,
Spanish Ranch II	187	Hayward	\$659-\$680	Double	Clubhouse, pool
New England Village	415	Hayward	\$732-\$819	Mix, mostly Double	Clubhouse
Mission Bay	366	San Leandro	\$795-\$966	Double	Clubhouse, gym, exercise facility, pool, spa
Sandev RV Park	71	San Leandro	\$910	Double	Clubhouse, pool
<i>Chetwood Crest</i>	85	<i>Castro Valley</i>	<i>\$559-\$848</i>	<i>Single</i>	<i>Clubhouse</i>
<i>Wishing Well</i>	35	<i>Castro Valley</i>	<i>\$584-\$760</i>	<i>Single</i>	<i>None</i>
<i>Wagon Wheel</i>	53	<i>Castro Valley</i>	<i>\$643-\$697</i>	<i>Single</i>	<i>None</i>

As the chart above illustrates, mobile home parks in the unincorporated county at the higher end of the rent spectrum have space rents comparable to those in Hayward and San Leandro. The Hayward and San Leandro mobile home parks contain significantly more amenities than any mobile home park in the unincorporated county, despite comparable space rents. Parks in these cities also have significantly more spaces per park, and therefore when amenities are offered, the cost is spread over a larger number of spaces (economy of scale), which parks in the Unincorporated County cannot match.

Results of the surveys identified the high, low and average rent the mobile home parks where surveys were submitted. Using the park owner-reported average mobile home space rent in unincorporated Alameda County of \$624/month², staff regressed back 5% annually to 1990 to come up with a starting rent of \$193.48. Using this *theoretical* rent amount, the chart below demonstrates the rent increases each jurisdiction would have allowed from 1990 through 2014.

- County: 5% of rent
- Fremont: Greater of 60% of CPI , 3% of rent or \$10/month, up to 6% of rent
- Hayward: Greater of 60% of CPI or 3% of rent, up to a CPI of 6%
- Pleasanton: 100% CPI, between 1% and 5% of CPI
- Union City: Lesser of 90% of CPI or 7% of rent

As the chart below demonstrates, after regressing back to an assumed average rent in 1990, Alameda County's current allowable maximum rent increase results in rents far greater than neighboring jurisdictions over the 25 years that the ordinance has been in place. Using the same starting rent of \$193.48 (which is an approximation) from 1990 for all jurisdictions, and calculating their allowed increases (based on the specific ordinance for each jurisdiction) up until 2015, Alameda County rents reached \$655.20 in this model, whereas Fremont's went up to \$461.61, Hayward's reached \$407.46, Pleasanton reached \$379.49 and in Union City the rents would have increased to \$354.63. This demonstrates that the allowable maximum exceeded the allowable maximums of other jurisdiction.

² \$624/month average space rent was calculated utilizing the average space rents reported by park owners through HCD's survey, weighted by the number of spaces in each park.

Year	Alameda County	Fremont	Hayward	Pleasanton	Union City
Average Annual change	5.0%	3.5%	3.0%	2.7%	2.5%
Ave. Chg past 5 years	5.0%	3.0%	3.0%	2.4%	2.2%
2015	\$655.20	\$461.61 (3%)	\$407.46 (3%)	\$379.49	\$354.63 (90%)
2014	\$624.00(1)	\$448.16 (3%)	\$395.59 (3%)	\$370.11	\$346.74 (90%)
2013	\$594.29	\$435.11 (3%)	\$384.07 (3%)	\$361.32	\$339.32 (90%)
2012	\$565.99	\$422.44 (3%)	\$372.88 (3%)	\$352.69	\$332.00 (90%)
2011	\$539.03	\$410.13 (3%)	\$362.02 (3%)	\$342.42	\$323.27 (90%)
2010	\$513.37	\$398.18 (3%)	\$351.48 (3%)	\$336.61	\$318.34 (90%)
2009	\$488.92	\$386.58 (3%)	\$341.24 (3%)	\$330.80	\$313.38 (90%)
2008	\$465.64	\$375.32 (3%)	\$331.30 (3%)	\$326.93	\$310.08 (90%)
2007	\$443.47	\$364.39 (3%)	\$321.65 (3%)	\$318.15	\$302.57 (90%)
2006	\$422.35	\$353.78 (3%)	\$312.28 (3%)	\$308.32	\$294.12 (90%)
2005	\$402.24	\$343.48 (3%/\$10 are equal)	\$303.18 (3%)	\$299.54	\$286.57 (90%)
2004	\$383.08	\$333.48 (\$10)	\$294.35 (3%)	\$292.60 (1% CPI)	\$282.60 (90%)
2003	\$364.84	\$323.48 (\$10)	\$285.78 (3%)	\$292.00	\$282.09 (90%)
2002	\$347.47	\$313.48 (\$10)	\$277.46 (3%)	\$282.55	\$273.83 (90%)
2001	\$330.92	\$303.48 (\$10)	\$269.38 (60%)	\$277.53 (5% CPI)	\$269.44 (90%)
2000	\$315.16	\$293.48 (\$10)	\$260.02 (3%)	\$264.31	\$259.65 (90%)
1999	\$300.15	\$283.48 (\$10)	\$252.44 (3%)	\$253.68	\$250.21 (90%)
1998	\$285.86	\$273.48 (\$10)	\$245.09 (3%)	\$244.39	\$241.94 (90%)
1997	\$272.25	\$263.48 (\$10)	\$237.95 (3%)	\$236.46	\$234.84 (90%)
1996	\$259.28	\$253.48 (\$10)	\$231.02 (3%)	\$229.42	\$228.53 (90%)
1995	\$246.94	\$243.48 (\$10)	\$224.29 (3%)	\$225.37	\$224.59 (90%)
1994	\$235.18	\$233.48 (\$10)	\$217.76 (3%)	\$220.73	\$220.43 (90%)
1993	\$223.98	\$223.48 (\$10)	\$211.42 (3%)	\$217.89	\$215.36 (90%)
1992	\$213.31	\$213.48 (\$10)	\$205.26 (3%)	\$211.15	\$209.35 (90%)
1991	\$203.16	\$203.48 (\$10)	\$199.28 (60%)	\$203.81	\$202.78 (90%)
1990	\$193.48	\$193.48	\$193.48	\$193.48	\$193.48