



MOBILE HOME PARK RENT STABILIZATION ORDINANCE

2020 Board of Supervisors Workshop



Background

Housing Element identifies mobilehomes as a viable source of affordable housing.

What is Mobile Home Park Rent Stabilization Ordinance (RSO)?

- A tool to limit increases in space rent within a Mobile Home Park

Majority of existing RSOs in California were initiated between early 1980s and late 1990s.



- Approximately 9 counties in California have some type of RSO:

- ❖ Alameda (1965)
- ❖ Humboldt (voter initiative 2016)
- ❖ Riverside (1983)
- ❖ San Luis Obispo (1988)
- ❖ Santa Barbara (1984)
- ❖ Santa Cruz (1979)
- ❖ Sonoma (1987)
- ❖ Tuolumne (1995)
- ❖ Ventura (1983)





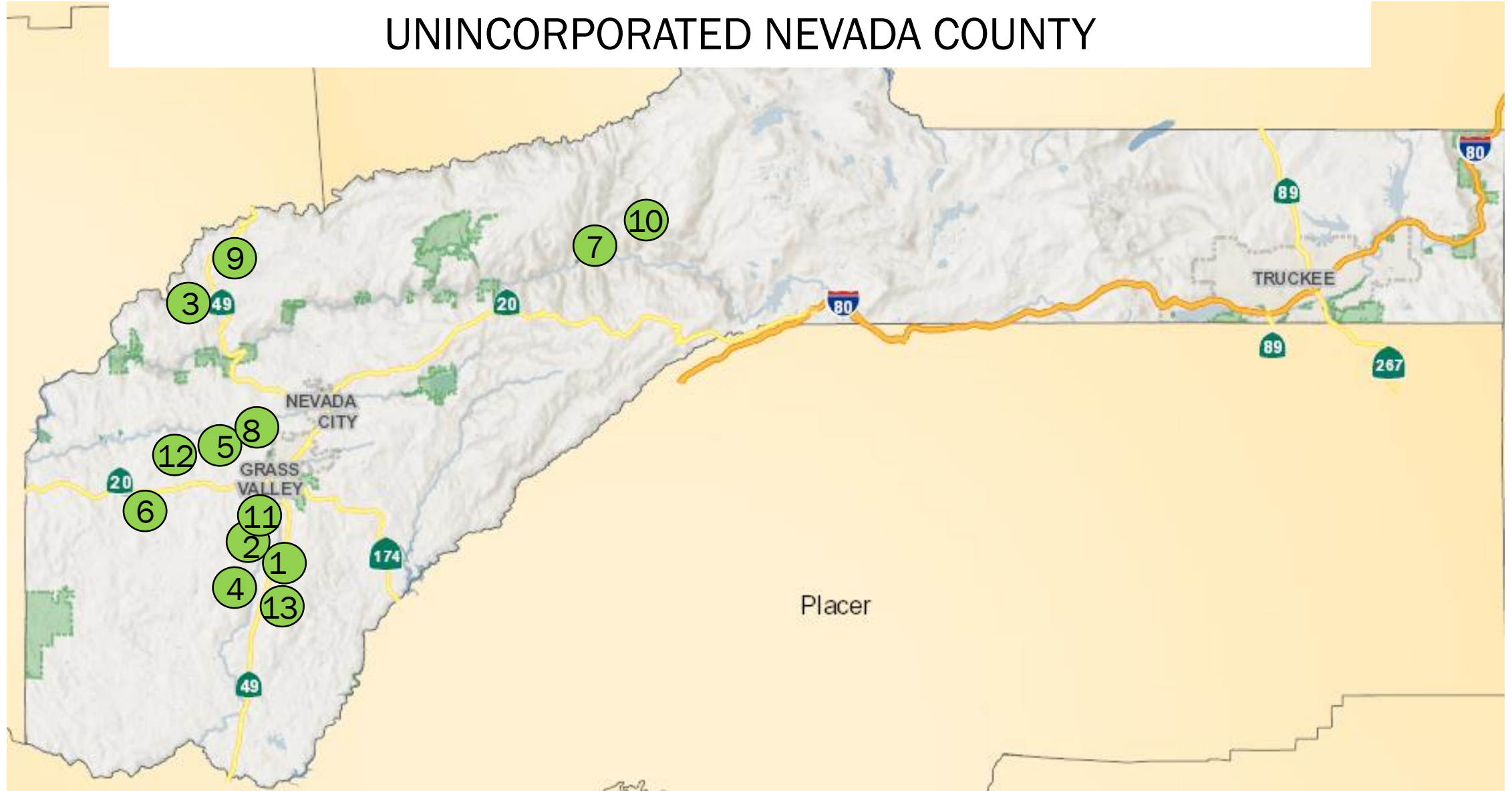
STATE LAW KEY PROVISIONS:

- Mobile home residency and parks heavily regulated by state law (“Mobilehome Residency Law”)
- State allows local jurisdictions to determine whether a Rent Stabilization Ordinance is needed
- RSOs applies to residents who have a month-to-month space rent agreement
- RSOs do not apply to newly constructed spaces initially held out for rent after January 1, 1990
- With certain specified exceptions, the mobile home space is also exempt if it is not a principal residence of the homeowner and the space is not sublet
- No lease or rental agreement is allowed to automatically renew at the sole option of either management or homeowner

NEVADA COUNTY UNINCORPORATED MOBILE HOME PARKS (Total 1,002)

<u>MOBILE HOME PARK</u>	<u>TRANSFER DATE</u>	<u>UNITS</u>	<u>NOTES</u>
1. Forest Springs	4/7/1972	310/372	Phase IV exempt RSO
2. Mountain Air MHP	8/29/1975	89	
3. Rolling Hills	7/15/1986	6	
4. Ponderosa Pines	6/12/1991	140	
5. Sunset Mobilehome Park	8/11/1994	12	Grass Valley SOI
6. Creekside Village	8/4/1999	129	
7. River Rest Campground	11/29/2001	22	
8. The Pines Senior MHP	6/9/2006	21	Grass Valley SOI
9. Gold Country	3/23/2016	26	
10. Crowley Estates	11/1/2016	10	
11. Tall Pines	9/14/2016	98	
12. Rough & Ready Village	12/15/2017	35	
13. Grass Valley MH Village	09/21/2005	104	

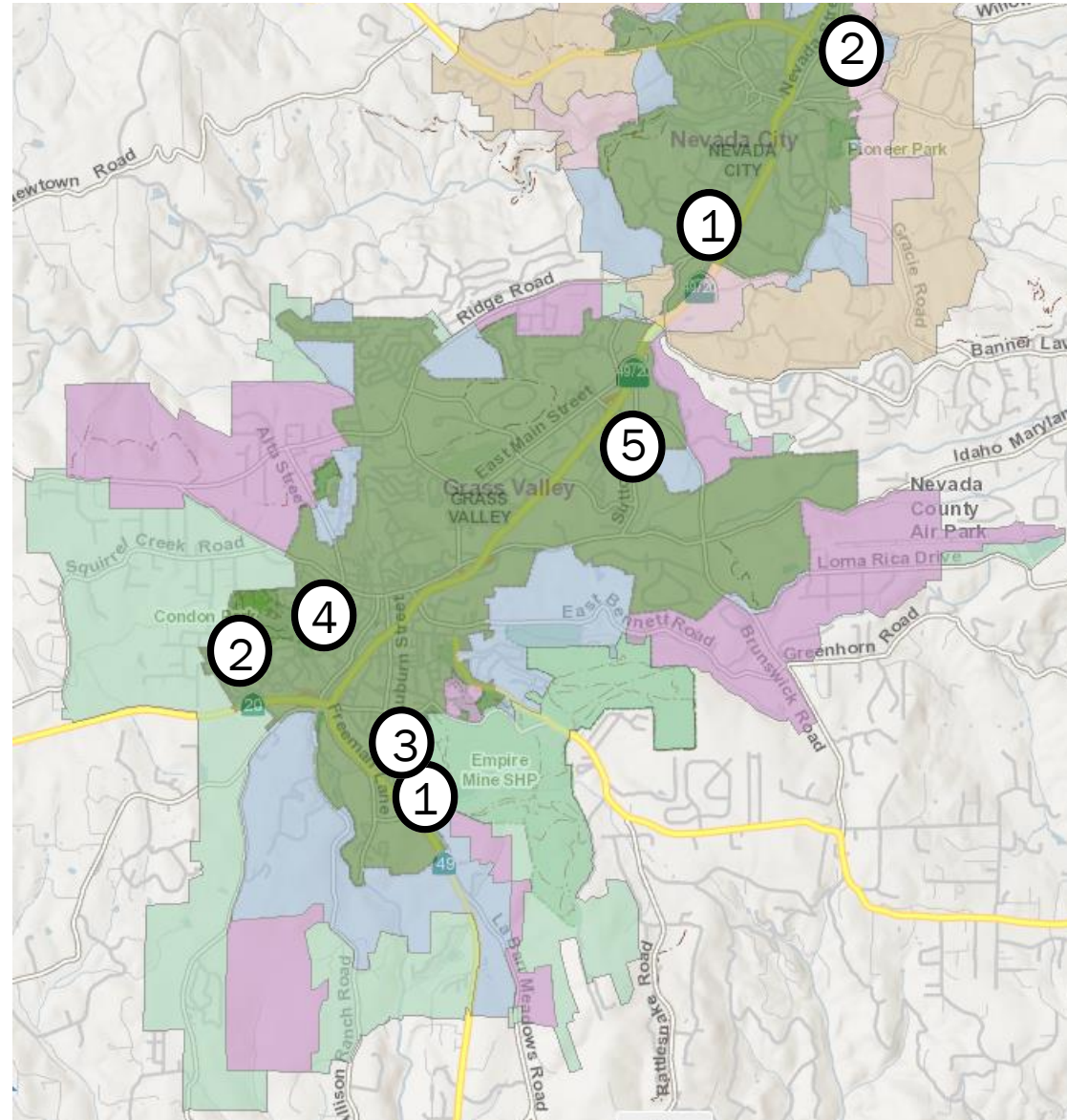
PHYSICAL LOCATIONS FOR MOBILE HOME PARKS IN UNINCORPORATED NEVADA COUNTY



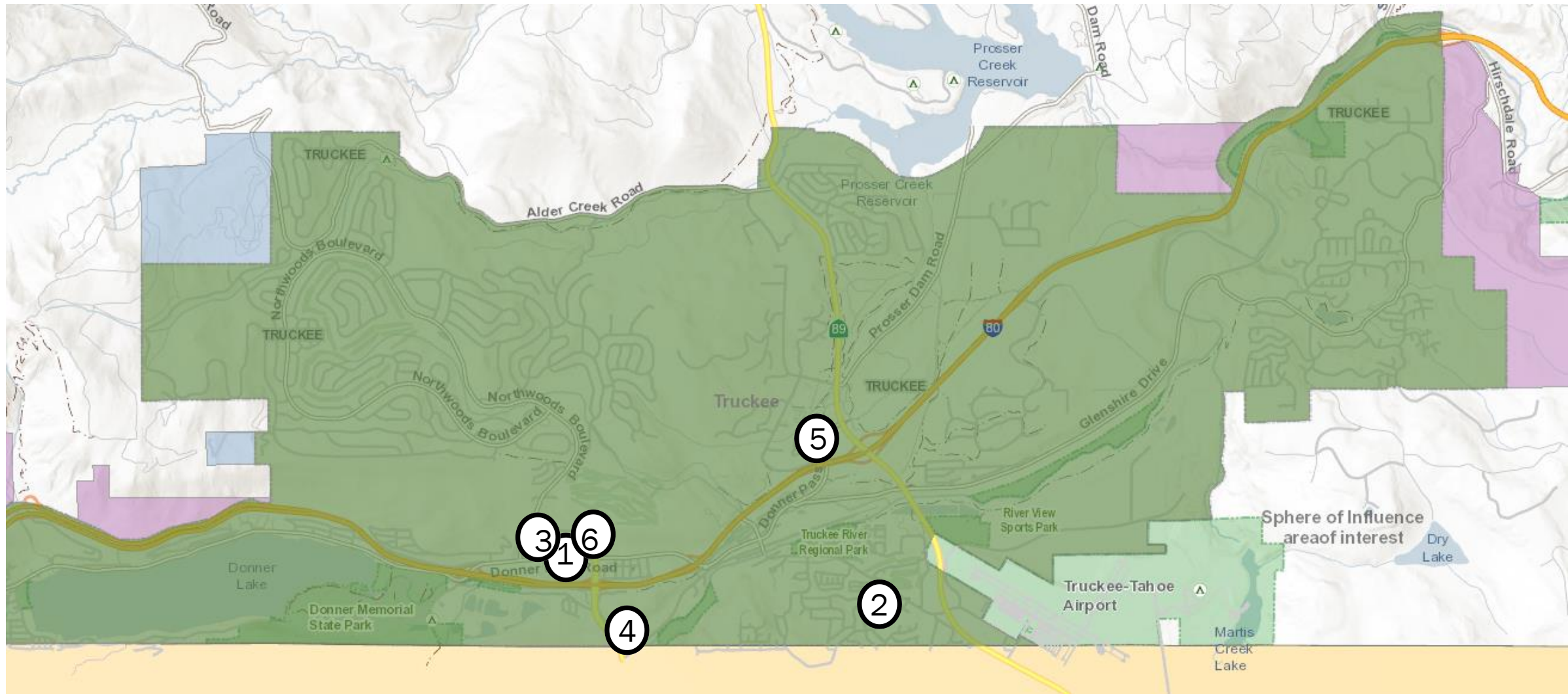
Nevada County Incorporated MHP Statistics (Total 827)

<u>Grass Valley MHP (436)</u>		<u>Units</u>	<u>Truckee MHP (351)</u>		<u>Units</u>
1.	Empire Courts	20	1.	Sunset Inn I	19
2.	Sierra Pines MHP	187	2.	Village Green MP	102
3.	Wagon Wheel Estates	38	3.	Sierra Park Trailer Court	22
4.	Crystal Mobile Home CC	14	4.	Donner Creek MHP	94
5.	Olympia Glade Mobile Estates	177	5.	Coachland MHP	102
			6.	Old 40 Village	12
<u>Nevada City MHP (40)</u>		<u>Units</u>			
1.	Rankins TP	26			
2.	Pine Rock Park	14			

PHYSICAL LOCATIONS FOR MOBILE HOME PARKS IN GRASS VALLEY AND NEVADA CITY



PHYSICAL LOCATIONS FOR MOBILE HOME PARKS IN TRUCKEE



PROS & CONS

■ Pros:

- *Help stabilize rent levels*
- *Protect home owners from excessive rent increases*
- *Mobile homes are costly and difficult to move*
- *Excessively high space rent drives down the resale value of affected mobile homes*
- *High rental rates impact seniors and others persons living on a fixed income*

■ Cons:

- *Rent stabilization imposes a continuing limitation on the landowner's ability to a fair market return on investment*
- *RSO require administrative oversight supervised and commonly funded by a public entity*
- *RSO are the subject of significant litigation such as regulatory takings claims*

Sample Administrative Procedure Administration? Enforcement? Costs?

Admin fee per
space for RSO
program

Mobile Home
Owner
Representative

Mobile Home
Park Owner
Representative

Rent
Administrator

Rent Review
Board/Hearing
Officer

MHP Mediation
Board

Appeals
handled by
Legislative Body



- ➔ Public entities must show a legitimate government purpose exists
- ➔ Requires conducting surveys of current space rent, historic annual rent increases, demographics and comparable rents
- ➔ Requires information regarding park amenities, condition, maintenance and infrastructure of existing mobile home parks
- ➔ Other jurisdictions that have considered a RSO, whether successfully or not, demonstrate an extensive amount of research and analysis, and stakeholder engagement
- ➔ Most jurisdictions use an outside consultant and takes an average of 2 years

Going Forward . . .

- Recent passage of tenant protection laws that cap rent increases at City, County and State levels do not apply to mobile home parks
- Coordination is critical with Grass Valley, Nevada City and Truckee to provide consistency
- Unintended consequences . .

In the absence of local statistics and input from all stakeholders, there isn't sufficient data to make a recommendation for or against a countywide RSO.

