

REGULAR MEETING MINUTES
OCTOBER 9, 2025

1. CALL TO ORDER & ORDERS OF THE DAY

ROLL CALL

PRESENT: Vice Chair Ron Cabanayan, Commissioner Genevieve Altwer, Commissioner Jon Budas, Commissioner Timothy Kenny and Commissioner Brett Williamson.

ABSENT: Chair Karen Parsons and Commissioner David Hook.

STAFF: Board Secretary Regina Lizaola, Code Enforcement Inspector Angel Esparza, Code Enforcement Supervisor Amber Zenk, Senior Supervisor Maria Diaz-Pere, Division Manager Emily Hislop, Director of Housing Erik Solivan, Senior Deputy City Attorney Christopher Alexander, and Senior Deputy City Attorney Wesley Klimczak.

CALL TO ORDER

Vice Chair Cabanayan convened the Appeals Hearing Board at 6:32 p.m. in the City Council Chambers of City Hall, 200 E. Santa Clara Street, San Jose, CA 95113.

2. OPENING REMARKS AND APPROVAL OF MINUTES

APPROVAL OF MINUTES

Documents Filed: Draft Meeting Minutes from Appeals Hearing Board Regular Meeting on September 25, 2025.

Action: Upon motion by Commissioner Kenny, seconded by Commissioner Williamson, the minutes for September 25, 2025 were approved. (5-0-2)

3. REQUEST FOR DEFERRALS

- a. **ITEM 6a: 2784 Monterey Road (497-32-010) ADMINISTRATIVE REMEDY**
(Emily Hislop, Division Manager, Housing Department/ Western Manufactured Housing Community, LLC)

Request for deferral Property owner representative Jason Dilday made a request for deferral for not having time to review the City of San Jose Housing Department's response to property owner's rebuttal. This request for deferral was not made at the beginning of the Board meeting, but during Mr. Dilday's public testimony later in the hearing.

Upon a motion by Commissioner Kenny, seconded by Commissioner Altwer and carried, the request for deferral was denied. (3-2-2)

4. CONSENT CALENDAR

No items on the Consent Calendar.

5. DEFERRED AND/OR CONTINUED ITEMS

None

6. PUBLIC HEARINGS

a. **2784 Monterey Road (497-32-010) ADMINISTRATIVE REMEDY**

(Emily Hislop, Division Manager, Housing Department/ Western Manufactured Housing Community, LLC)

Documents Filed: Administrative Remedy Appeal of Housing Director's Decision dated September 23, 2025.

Action: Housing Director Erik Solivan read a brief opening statement. The central question here is whether mobilehome parks occupied by recreational vehicles ("RVs") are subject to the Mobilehome Rent Ordinance and regulations. The City's position is that they are. Other than Western Manufactured Housing Community, LLC ("Western Manufactured"), no operator of the 55 currently operating mobilehome parks, including approximately 15 with RVs, have challenged the application of the City's Mobilehome Rent Ordinance to their site.

The property owner in this case claims the ordinance and regulations do not apply to the RVs in their mobilehome park, citing perceived lack of clarity in the language. The Department disagrees. The property owner asserts that the City's Mobilehome Rent Ordinance and regulations are inapplicable to them, as they proceeded to impose a 100% rent increase on tenants at their property. The City's position is that the 100% rent increase violates the ordinance and regulations applicable to this property. Like other similarly situated property owners, the Department has received approval from the Mayor and City Council to confirm the historical application of rent control to RV residents in mobilehome parks. Consequently, the 100% rent increase on these tenants violates the ordinance and regulations.

Division Manager Emily Hislop: made clerical corrections into the records in the Notice of Hearing: page 1, 1st sentence "Housing issued a Compliance order" to "Revised Compliance order." Page 8, second paragraph, third line: reference to Attachment D refers to the Director's Decision on page 138. Page 11, Section H: corrected dates from March 3, 2024 to March 3, 2025. Page 13, #4 Administrative penalties adjusted from 200% to 100%. Page 29, line 8 from March 3, 2024 to March 3, 2025; line 11: May 1 to May 2, 2025.

Division Manager Emily Hislop: provided a summary of the case and answered questions regarding the definitions of manufactured homes, motorhomes and RVs used on a permanent basis rather than transiently.

Commissioner Kenny asked if there is any place where you can legally give a 100% increase in rent allowable by law within City Limits?

Housing Director Eric Solivan responded and indicated that units that are unrestricted and fully market rate can raise rents whatever they desire. Under any City program, whether it be mobilehome park tenant protection or Apartment Rent Ordinance ("ARO"), such an increase is strictly prohibited. In practice, the highest annual rent increase for market-rate units is typically 3–5%, as the Department also incentivizes market-rate development.

Property Owner Representative Matt Davies noted: Mobilehome parks are regulated by the State of California Department of Housing and Community Development (“HCD”). Mr. Davies read a quote from their website. Mobilehome parks are called mobilehome parks and RV parks are referred to as special occupancy parks. A special occupancy parks is an area of land or property that has atleast two RVs, tents, camping cabins and/or lots that are held out for rent or lease. Mobilehome parks that have separate designated sections for RVs and other special occupancy can also be recognized as their own special occupancy park that is covered under the Health and Safety code, Section 18.00. There is a section on Mobilehome and Special Occupancy as an RV park. You can have an RV park within a mobilehome park, which is what we have here.

Mr. Davies indicated that the actual rent increase was \$100. Everyone received a full subsidy on the amount over \$100, so the park is not collecting it. Nobody is paying double rent. Further, their rents are still 75% of what other RV parks inside the City of San Jose are charging. Other parks in the City are charging \$2,000.00 per month and Western Manufactured is charging \$1,500.00 per month, which is not an egregious amount.

There has been one eviction that started prior to Mr. Davies taking ownership of the park. The tenant stopped paying rent. The parties entered into a settlement agreement, which the tenant violated by harassing other tenants.

Mr. Davies stated that they agree that mobilehomes on mobilehome lots in a mobilehome park are covered by the Mobilehome Rent Ordinance. He also agrees that RVs on mobilehome lots in mobilehome parks are covered by the Mobilehome Rent Ordinance. Mr. Davies stated that here, there are RVs on RV lots in an RV park, which is not covered by the Mobilehome Rent Ordinance or regulations. The ordinance updated in July only clarifies the earlier language and doesn’t change anything. The ordinance can’t be made retroactive. Mr. Davies stated that he intends to follow the ordinance from July to present, now that it’s applicable to Western Manufactured.

Board question: Commissioner Altwer asked if Western Manufactured’s argument was that the state definition overrides the City’s ordinance? Or is Western Manufactured trying to define two different types of parks, in which you have a mobilehome in a mobilehome park versus an RV in an RV park, and you are saying that San Jose doesn’t have an RV park?

Matt Davies stated that San Jose’s ordinance didn’t cover RVs in RV parks up until July of this year. The City amended its ordinance in July 2025 to bring them in to the ordinance. Western Manufactured raised its rents approximately a year and half prior to the City amending it’s ordinance.

Board question: Commissioner Kenney asked if the City has proof that Western Manufactured raised the rent 100%?

Emily Hislop confirmed the notice from 2024 and 2025, increasing the rent from \$850–\$900 per month prior to July 1, 2024, with proposed increases to \$1,895. The first rent increase was to \$1,600 and the second rent increase was to \$1,895 over a 13 month period, resulting in over a 100% increase.

Senior Deputy City Attorney Christopher Alexander stated the 2024 rent increase notices included a \$695 subsidy, but even with the subsidy, the increase exceeded the Maximum Annual Percentage Increase (“MAPI”) of 3.14% set by the City. For a \$1,600 rent, a 3.14% increase allows only \$24–\$25, meaning the increases exceeded the allowable MAPI.

Commissioner Kenny inquired about the subsidy's origin and whether the original rent increase could ever be enforced.

Matt Davies responded: yes, it can be enforced, at any time, however we don't want to ever displace somebody. In most all of our communities, we offer subsidy and rent abatements if anybody is having financial trouble. What we are really talking about is were we subject to the ordinance or not?

Commissioner Kenny: If someone moves out, can you charge them the \$1800 to whoever moves in to their place?

Matt Davies: There is a big difference between mobilehome parks and RV parks. State law supersedes local ordinances in many ways.. It's called the Mobilehome Parks Act, which preempts local ordinances in many areas. Under California State Law 798.74, a mobilehome, unless it is in major disrepair, is allowed to stay on site almost in perpetuity. This rent control ordinance says that the new tenant who moves in gets the old tenant's rent.

RVs, under Civil Code 798.73, upon resale, tenants have no right to stay. This ordinance does not have control over those spaces when they move out, and the new tenant is charged a new rent.

Commissioner Kenny: the new rent would be 1895.00?

Matt Davies responded: Yes, the idea with this vested rent is that we are at a fair and reasonable level. This allows us the opportunity to let people sell RVs in place. In jurisdictions where there is not that level to get there, sadly, we have to say, "Sorry, you're moving out, take your RV with you." In this case, with the rents now vested, we can get the people the opportunity to sell the RVs in place. If we didn't have the opportunity, we would have to tell them, "Sorry, you've got to go."

Commissioner Kenny: It appears to me that there would be financial incentive to have people leave so you can have the higher rental price.

Matt Davies: It's a perverse incentive but I would agree with you that it's a major flaw in rent control.

Property Owner Representative Jason Dilday requested exclusion of the City's 108-page reply due to insufficient review time.

Senior Deputy City Attorney Wesley Klimczak responded: the Board is not aware of any provision indicating that a reply must be disallowed because it was filed the day of the hearing.

Jason Dilday then moved for a continuance to give him time to review the reply. The Board considered Mr. Dilday's request for a continuance as a request for deferral. As indicated above, the request for deferral was denied by a vote of 3-2-2.

Jason Dilday stated the items in the manilla folder brought today is their rebuttal previously submitted. Ordinance 312-214, which was also previously produced, includes relevant portions of the prior ordinance that's relevant to the events here. The definitions were changed when the City amended the ordinance. In the old ordinance, you can see what the definitions were when the events underlying the violations occurred, which is much different than the definitions that are currently applicable. Mr. Dilday does not dispute that the RV lots are now subject to the ordinance as amended. His contention is that prior to those amendments, the reason the amendments were made was because previously the ordinance didn't apply to RV lots. It applied to RVs

on mobilehome lots. It applied to mobilehomes on mobilehome lots. The plain text of the ordinance is clear that an RV is not a mobilehome.

Two pictures were taken today. One is a mobilehome on a mobilehome lot and one is an RV on the RV lot.

According to the City in the staff report, they state: the central issue in this matter is the applicability of the Mobilehome Rent Ordinance (MRO) to mobilehome lots occupied by RVs.

Mr. Dilday stated that this is not the central issue. The park does not contend that mobilehome lots were exempt from the former ordinance. If you look at the last page, the definition of "Rental Unit" means a mobilehome or mobilehome lot, located in a mobilehome park in the City of San José, which is offered or available for rent. A Rental Unit includes the land, with or without a mobilehome, and appurtenant buildings, etc.

To determine what a mobilehome lot is, you have to look at page 30. "Mobilehome Lot" means a portion of a mobilehome park designated or used for the occupancy of one mobilehome.

Now, on page 5 of 35 "mobilehome" means a structure transportable in one or more sections, designed and equipped to contain not more than one dwelling unit, to be used with or without a foundation system. The definition states that a mobilehome shall include RVs.

Mr. Dilday indicated that an RV, by definition, is not a structure; it's a vehicle. It's a vehicle under state law and under City zoning code. The City zoning code includes definitions for both mobilehomes and RVs.

Mr. Dilday argued that RVs are not included in the definition of a mobilehome because RVs are registered with the DMV, while mobilehomes are registered with HCD. Further, RVs are not transportable; they are instruments of transportation. Moreover, unlike mobilehomes, RVs do not have sections. Finally, unlike mobilehomes, RVs would never be used with a foundation.

Mr. Dilday further argued that Western Manufactured doesn't rent mobilehomes or RVs; they only rent spaces. The RVs on the RV lots are designated by the State of California as RV lots and used as RV lots. Therefore, we have RVs that are not on mobilehome lots. They are not subject to the Mobilehome Rent Ordinance.

According to Mr. Dilday, the ordinance that passed in July of this year added a mobilehome definition that included RVs. Prior to the amendment of the ordinance, this was not the case. The ordinance also added a definition of RV to the ordinance. Finally, it added recreational vehicles to rental units.

Commissioner Kenny asked: An RV on a mobilehome slab with a drain, is it an RV or a mobilehome? How do you distinguish between the two?

A camper on back of a truck, if you take it off the truck and set it on the ground, is it an RV or a mobilehome?

Commissioner Kenny also asked, regardless of the decision today, will this case go to Superior Court?

Jason Dilday read the definition of the mobilehome from the Zoning Code, and of an RV, to Commissioner Kenny and stated that if the Housing Director's decision is upheld, they will move forward to court.

Chair Cabanayan asked: This property, is it a mobilehome park or an RV park? What is the permitted use of the RVs that are parked in the RV portion?

Jason Dilday asked, are we talking about the state definition or the ordinance definition? Under state law, it's a mobilehome park with an RV park section. It's a separate section within a mobilehome park, so under state law it is both a mobilehome park and an RV park. Under the ordinance, we have to look at whether it's the new ordinance or the old ordinance.

Chair Cabanayan When you say new ordinance, are you referring to the June 17th 2025 amended ordinance? So prior to that date, was the mobilehome park considered a mobilehome park or an RV park?

Jason Dilday: Under the old ordinance, it is both. The ordinance would apply to mobilehomes in a mobilehome park. Under the RV section, it doesn't include mobilehomes, so it's not a mobilehome park. If you consider it as a separate section within the park, which is how the state law defines it, then under the new amended ordinance, it's now all considered a mobilehome park, which is a property with two or more mobilehomes.

Chair Cabanayan: Asked if the intent of the tenant matters. Are RV parks more transitory or could an RV be used for permanent housing?

Jason Dilday Western Manufactured is not a campground. The RVs are not typically temporary. That doesn't change the nature of what they are, though.

Jason Dilday asked to confirm that all documents submitted will be entered into the record.

Senior Deputy City Attorney Wesley Klimczak confirmed the documents will be admitted into evidence.

Senior Deputy City Attorney Chris Alexander asked for confirmation that the City of San José's reply brief submitted this afternoon will be admitted into evidence.

Senior Deputy City Attorney Wesley Klimczak confirmed the documents will be admitted into evidence.

Senior Deputy City Attorney Chris Alexander summarized the City's reply arguments, as indicated in their reply brief.

After summarizing their arguments, Mr. Alexander addressed a few additional points raised by the property owners. One statement made by the property owner was that the RVs are instruments of transportation and they are not transportable.

If you look at the photos of what they allege are RVs, they appear to be transportable only if they are hooked up to a vehicle that could remove them.

Mr. Alexander indicated he didn't see any photos of wheels on RVs, and the RVs appear to be of a permanent nature, not for recreation or transient use. The definition discussed under Title 20, which refers to recreational or emergency occupancy, doesn't appear to exist in the park, as we can see from the photos. Therefore, the definition of an RV under a different title of the Municipal Code doesn't apply to how rent control applies to mobilehomes and recreational vehicles within the mobilehome parks.

Mr. Alexander addressed the \$600.00 subsidy. He stated it is an irrelevant issue here. The fact is, the notice of rent increase stated the rent increase would be approx \$1,600.00, based on a rent that was \$857.17. The MAPI, the most the rent could be increased in 2024, was 3.14%. The maximum increase in 2025, at the time the notice

of rent increase went out, was 3%. So, regardless of whether or not there was a subsidy, the rent increase far exceeded the MAPI. In addition, the fact that they are using this vested right that the rent is \$1,600.00, so that they can increase the rent for future occupancy or for future rent increases based on a \$1,600.00 value (not a \$800.00 value), shows that they are merely trying to circumvent the ordinance and take advantage of it by exploiting what they claim is a lack of clarity within the ordinance.

There are a number of case citations within the rebuttal that inaccurately state the holdings of the cases, or the application of the facts applied here. For example, the case of *Delaney v Superior Court* (1990). Contrary to the claims within the rebuttal, the MRO and regulations unequivocally include RVs. Legislative intent is clearly considered by courts to interpret and apply the law. Courts consider the broader statutory context and, where possible, harmonize the language with related provisions by interpreting them in a consistent fashion. If there is an ambiguity that remains within the textual analysis, courts can consider extrinsic sources, such as legislative history and contemporaneous administrative construction.

Last, Western Manufactured claims that a notice of rent increase isn't a demand to pay more rent. I think that is a distinction without a difference. A notice of rent increase is a demand to pay more rent at the time the rent increase goes into effect. There have been claims that there is no evidence they actually increased the rent. However, we do have a rent statement that was part of the evidence. It is also included as Exhibit 1 to the reply brief. There is discussion within staff, park management, and park ownership that establishes Western Manufactured did not rescind the notices, and they were going to proceed with the rent increases — and they did, in fact, go into effect. I don't think there is any contention here that the rent wasn't demanded and received by the park.

Commissioner Kenny: Asked the City to clarify its contention that the City ordinance preempts the State's regulation. Is there any provision for an RV park in San José in Title 20? Is there any provision in Title 20 for an RV park inside a mobilehome park?

Senior Deputy City Attorney Chris Alexander responded: Not that I'm aware of. It doesn't apply here. They are different titles. Chapter 17.22, which is the Mobilehome Rent Ordinance, doesn't refer to Title 20 definitions, so they don't apply to the application of the rent ordinance to RVs.

Commissioner Kenny: The subsidy was mentioned. How would you define a subsidy? How do you charge someone \$1,800.00 then subsidize \$600.00? How does that work?

Housing Director Erik Solivan: Under Title 24, a HUD subsidy, called the voucher program, is a contractual agreement to provide a subsidy to a tenant over a long period of time, that is irrevocable. Under state law, the State Department of Housing and Community Development also provides a version of subsidy to affordable housing developments that mirrors federal law. At the local level here at the City, we provide subsidies to tenants through our prevention system, our prevention of homeless system. That is a voucher that is irrevocable.

From the appellant, their subsidy is retractable and can be reduced; therefore it's not, by either federal, state or local law, a subsidy. That is why it's not included in the MAPI definition for consideration.

Jason Dilday: the subsidy is best thought of as a rent credit. Because the park was concerned that the City would amend the ordinance to control RV lots, we were correct, that's exactly what they did. That's why the big increase was made and then a rent credit for the rest. Basically, as Mr Davies said, "vest the rent." If we didn't think the City was amending the ordinance to include RV lots, we wouldn't have raised it that much. We were correct to do it.

We never said state law preempts rent control. We both said that under the new ordinance, the mobilehomes are subject to rent control. Mobilehomes on mobilehome lots were subject to rent control prior to the new ordinance. RVs on mobilehome lots were subject to the ordinance prior to the new ordinance. It's also not true that the City ordinance preempts state law. In reality, there is no mobilehome rent control statewide, so there is nothing to preempt at the City level.

Under the Health and Safety Code, the mobilehome park definition includes RVs. Often, there are RVs in mobilehome parks. Under the City's old ordinance, those RVs that were on mobilehome lots would be subject to the rent control ordinance. Under the new ordinance, the RV lots are also subject to the new ordinance because an RV is now under the definition of a mobilehome. So an RV, which is now a mobilehome under their ordinance, turns the lot into a mobilehome lot. That's the distinction between the previous ordinance and current ordinance.

Upon a motion by Commissioner Kenny, seconded by Commissioner Budas and carried unanimously by the Board (5-0-2), the Board adopted staff's recommendations as written in it's entirety in the staff report dated September 23, 2025, affirming the Housing Department Directors Decision.

- a. **Appeals Hearing Board upheld the Revised Compliance Order dated May 2, 2025.**
- b. **Housing staff further recommends that, based on analysis of the above facts, the Appeals Hearing Board further concludes and finds that:**
 1. The MRO and accompanying regulations in effect as of the date of the Revised Compliance Order apply to all lots in mobilehome parks in the City, whether designated by HCD as Mobilehome lots or Recreational Vehicle lots, unless otherwise exempt per provisions of the MRO;
 2. At the time of the Revised Compliance Order, the MRO applied to recreational vehicles, whether owned by the occupant or rented to the occupant, on any nonexempt mobilehome lot as defined in SJMC Section 17.22.170 when the Property Owner issued notices of rent increases dated March 27, 2024 and March 24, 2025;
 3. The notices of rent increases given to residents of the Subject Property dated March 27, 2024 and March 24, 2025; that were in excess of the applicable MAPI defined under SJMC section 17.22.155 are invalid;
 4. Any rents collected from residents of the Subject Property in excess of the MAPI in 2024 and 2025 were in violation of the MRO and therefore unlawful; and
 5. Any eviction enforcement action (including, but not limited to, a Notice to Pay or Quit, foreclosure, unlawful detainer action) taken against residents in the subject property based on non-payment of amounts in excess of the 2024 and/or 2025 MAPI were in violation of the MRO and therefore unlawful.

c. Housing staff recommends that, based upon the facts and findings set forth above, the Appeals Hearing Board hereby orders that within seven (7) days of issuing an order, the Property Owner provide evidence to the Housing Department that:

1. the "Rent Increase and Subsidy Letter" dated March 27, 2024 from Western Manufactured Housing Community, LLC addressed to "Residents" is rescinded;
2. the "Notice of Rent Increase" dated March 24, 2025 from Western Manufactured Housing Community, LLC is rescinded;
3. ALL rent amounts collected from residents of Western Manufactured Housing Community since July 1, 2024 that exceed the MAPI of 3.14% in effect for this timeframe are returned to residents (with legal interest);
4. ALL rent amounts collected from residents of Western Manufactured Housing Community since July 1, 2025 that exceed the MAPI of 3.00% in effect for this timeframe are returned to residents (with legal interest);
5. any notices to pay issued to residents based on unpaid rent amounts that exceed the MAPI of 3.14% are rescinded;
6. any unlawful detainer actions filed based on unpaid rent amounts that exceed the MAPI of 3.14% are dismissed (if the unlawful detainer is based on multiple grounds, that the portion based on unpaid rent amounts that exceed the MAPI of 3.14% is dismissed).
7. any notices to pay issued to residents based on unpaid rent amounts that exceed the MAPI of 3.00% are rescinded; and
8. any unlawful detainer actions filed based on unpaid rent amounts that exceed the MAPI of 3.00% are dismissed (if the unlawful detainer is based on multiple grounds, that the portion based on unpaid rent amounts that exceed the MAPI of 3.00% is dismissed).

All evidence of the above actions is to be submitted to the attention of the undersigned at 200 E. Santa Clara Street, San José, CA 95113 or RSP@sanjoseca.gov.

b. 1215 CAMINO RAMON (429-13-071) APPEAL OF NOTICE TO REGISTER

(Angel Esparza, Code Enforcement Inspector/ Sharma Samarinder, Property Owner)

Documents Filed: Appeal Of Notice To Register dated June 20, 2025

Action: Code Enforcement Inspector Angel Esparza gave testimony and summarized the case. He stated he conducted an Inspection on the date of the hearing on October 9, 2025 and provided updated photographs taken that day, to the Board to show current conditions. The perimeter fence was unsecured, debris and solid waste still remains on the side setback, plant debris is still in the public right of way, and overgrown vegetation is on the side setback. Because of the current conditions today, an official warning notice was issued today to secure the property by tomorrow. Inspector Esparza spoke to Property Owner who said they will have the fence secured. The property is still vacant and blighted. No permits were issued, but the Property Owner has submitted plans for permits and those are under review.

Inspector Esparza answered follow up questions. Once permits are issued and a few building inspections are done, the property will be removed from the vacant building program.

Supervisor Amber Zenk stated they have five complaining parties for this complaint.

Property Owner representative Tejas Nair testified regarding the referenced packet provided and he indicated they were responsive to fixing the issues and are in the process of obtaining permits.

Upon a motion by Commissioner Kenny, seconded by Commissioner Altwer and carried unanimously by the Board (5-0-2), the Board adopted staff's recommendations as written in it's entirety in the staff report dated June 20, 2025.

7. REQUEST FOR EXCUSED ABSENCE

The commission approved Chair Parsons and Commissioner Hook's request for an excused absence due to personal business for the meeting of October 9, 2025.

Upon a motion by Commissioner Kenny, seconded by Commissioner Altwer, and carried unanimously the Board, they approved the excused absence for Chair Parsons and Commissioner Hook. (5-0-2)

8. OTHER BUSINESS

There was no other business.

9. PUBLIC COMMENT

There was no public testimony on the floor.

10. ADJOURNMENT

Upon a motion by Commissioner Altwer, seconded by Commissioner Kenny, and carried unanimously, the Hearing was adjourned at 9:05 p.m.