

WEBVTT

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00:00:00.000 --> 00:00:00.690

Sarah Fields: 7th?

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00:00:03.700 --> 00:00:16.060

Sarah Fields: The changes to the mobile home rent ordinance, along with, proposed changes to the inclusion of housing ordinance, to incentive programs around housing production, as well as a pilot program around

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00:00:16.129 --> 00:00:25.390

Sarah Fields: So they will all be coming to City Council on July 27th, which is Housing Day, appropriately named.

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00:00:25.540 --> 00:00:28.359

Sarah Fields: And so this item will, of course, be both of them.

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00:00:28.550 --> 00:00:34.800

Sarah Fields: We encourage you, of course, to ask questions, around the presentation and the information presented today.

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00:00:34.850 --> 00:00:50.739

Sarah Fields: And, sharing her comments, around the policies and ideas present today, beyond the clarifying questions that we've been able to serve here, we encourage you, of course, to finish the City Council meeting the afternoon of November 27th at Council Chambers at City Hall in San Jose.

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00:00:51.040 --> 00:00:58.740

Sarah Fields: With that, I will ask my colleague Jess not to share slides, and so I'll call it Emma to begin presentation. Thank you.

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00:00:58.960 --> 00:01:13.140

San, Banu: Thank you, Sarah. Let's wait for Jeff. In the meantime, I'll introduce myself. I'm Bonus Sun, the Deputy Director of the Production, Preservation, Rent Stabilization Group, Inclusionary Housing Group, asset management, groups within the Housing Department.

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00:01:13.570 --> 00:01:15.659

San, Banu: And then, Jeff, when you're ready.

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00:01:16.650 --> 00:01:18.550

Scott, Jeff: Okay, just give me one minute here.

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00:01:20.270 --> 00:01:24.859

Hislop, Emily: And, have we mentioned about interpretation?

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00:01:25.690 --> 00:01:30.410

Hislop, Emily: We have Spanish and Vietnamese interpretation.

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00:01:30.550 --> 00:01:33.530

Hislop, Emily: Bye.

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00:01:35.580 --> 00:01:42.110

Hislop, Emily: Hopefully, if anyone needs help accessing interpretation, please raise your hand.

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00:01:42.270 --> 00:01:44.180

Hislop, Emily: Or type a question in the chat.

16

00:01:45.860 --> 00:01:47.789

Hislop, Emily: Or in Q&A.

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00:01:58.400 --> 00:02:00.310

San, Banu: Okay, great. Thank you, Jeff.

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00:02:00.650 --> 00:02:11.469

San, Banu: Welcome, everyone. Thank you for joining us today. This is the fourth in a number of community meetings where we will walk you through the proposed changes to the mobile home rent ordinance.

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00:02:11.520 --> 00:02:28.190

San, Banu: We'll give a brief overview of each proposed change, explain why these updates are needed, and then we'll have a time for questions in the end. These changes will be brought, as Sarah mentioned, to Council on our housing day. A lot of other items are going on January 27th.

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00:02:28.790 --> 00:02:31.090

San, Banu: First... next slide, Jeff.

21

00:02:33.280 --> 00:02:50.559

San, Banu: So, as a reminder, these proposed updates come directly from the direction the City Council gave when it adopted the Rent Civilization Strategic Plan back in September 2024. And that plan really sets the foundation for why we're doing this work.

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00:02:50.670 --> 00:02:59.489

San, Banu: Since September 2024, Council has given additional direction, and that... that created improvements, and that plan created improvements,

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00:02:59.670 --> 00:03:07.329

San, Banu: Across all three rental programs. The apartment rent ordinance, the tenant protection ordinance, and the mobile home rent ordinance.

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00:03:07.480 --> 00:03:21.710

San, Banu: For the mobile home ordinance, there are four big goals driving these updates. The first is improving data collection. Our existing regulations are over 30 years old, which limits our ability to track

rents, petitions, and conditions across the parks.

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00:03:21.770 --> 00:03:30.789

San, Banu: Secondly, we want to increase transparency. Without updated regulations, it's difficult to provide accurate information to residents and park owners.

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00:03:30.890 --> 00:03:38.869

San, Banu: Thirdly, streamline program administration, so clearer processes help both residents and the owners navigate the system.

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00:03:38.950 --> 00:03:55.900

San, Banu: And these reasons include removing procedural, details, which have been there for the past 30 years, so the ordinance can remain focused on policy rather than day-to-day administration. And lastly, really to create accessible, practical ways for residents to enforce their rights.

28

00:03:55.900 --> 00:04:15.809

San, Banu: while ensuring... also ensuring owners can receive a fair return. So, everything we're proposing today ties back to these core goals. These four focus areas represent the Council's direction for the updates, to the mobile home ordinance and the two related ordinances with further work planned for 2026.

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00:04:15.910 --> 00:04:18.120

San, Banu: For this year. Next slide, please, Jeff.

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00:04:19.680 --> 00:04:37.360

San, Banu: Thank you. This is a... the map that shows all the mobile home parks across the city. There's more than 10,000 spaces in total. You can see the parks are heavily concentrated in four council districts, particularly Districts 7, 2, 3, and 4.

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00:04:37.360 --> 00:04:48.429

San, Banu: The size and distribution of this portfolio make it especially important for us to modernize the ordinance. The scale alone creates challenges related to data collection.

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00:04:48.430 --> 00:04:57.089

San, Banu: Resident protection, and then consistency in program administration. These updates are designed to meet those challenges. Next slide, please.

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00:04:59.230 --> 00:05:07.239

San, Banu: Here's a quick overview of how we got here. The mobile home ordinance has been around for a long time. It was first adopted in 1979.

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00:05:07.270 --> 00:05:26.149

San, Banu: revised in 1985, and last meaningful update was done in 1992. So, because the rules haven't been refreshed in more than three decades, we've run into gaps in data, issues with transparency, and outdated administrative processes. So, that's why Council directed us in 2024 to modernize the ordinance.

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00:05:26.240 --> 00:05:37.489

San, Banu: And why the Housing and Community Development Commission added this work to its 2025 plan. So the purpose of the mobile rent ordinance still guides everything we're doing here.

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00:05:37.490 --> 00:05:46.920

San, Banu: Prevent excessive rent increases, prevent exploitation of the city's shortage of mobile home spaces, ensure owners can receive a fair return.

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00:05:46.920 --> 00:05:57.420

San, Banu: and establish a fair process for resolving disputes. So these updates also help align resident rights across our other programs, and they clarify

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00:05:57.440 --> 00:06:09.159

San, Banu: how capital improvements and other administrative steps should be handled moving forward. And now, I'm going to turn it over to our Division Manager, Emily Hislop, to walk us through the changes.

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00:06:11.870 --> 00:06:16.239

Hislop, Emily: Good evening, everyone, and thank you for joining us. Next slide.

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00:06:19.890 --> 00:06:36.179

Hislop, Emily: So as Banu introduced me, I'm the Division Manager for the Rent Stabilization and Eviction Prevention Division, and oversee the administration of our apartment rent ordinance, our tenant protection ordinance, our mobile home rent ordinance, and our eviction prevention programs.

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00:06:36.480 --> 00:06:41.920

Hislop, Emily: So this slide shows, the... The timeline and the...

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00:06:42.310 --> 00:06:52.370

Hislop, Emily: how much community engagement we have done, the schedule of meetings, and the timeline of what led us here today. Bonu reviewed the

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00:06:52.530 --> 00:06:58.559

Hislop, Emily: the catalysts for, really looking at this ordinance.

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00:06:58.610 --> 00:07:18.319

Hislop, Emily: We spent the summer to fall developing new regulations and graph amendments, really looking at, how we run all our programs and what would lead to efficiency, as well as some policy considerations. Then we have gone to HCDC. We've had a series of community meetings culminating in this fourth and final community meeting.

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00:07:18.340 --> 00:07:21.929

Hislop, Emily: going to Council in a couple weeks on Housing Day.

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00:07:23.110 --> 00:07:24.159

Hislop, Emily: Next slide.

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00:07:26.770 --> 00:07:45.369

Hislop, Emily: A high-level summary of the proposed amendments, is that they concern primarily six, areas. Reflecting changes in state law, the last time this ordinance was, materially amended was in 1993, and that was a few decades ago.

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00:07:45.380 --> 00:07:59.740

Hislop, Emily: We are also removing expired provisions. There are areas, sections of the ordinance that pertain to, events that occurred in the 80s or 90s that are no longer necessary to have, in the municipal code.

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00:07:59.840 --> 00:08:14.330

Hislop, Emily: We also, are strengthening resident protections. Currently, there is no mechanism for residents to address concerns, and, that has been a challenge for the program, and something we have wanted to address for a while.

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00:08:14.630 --> 00:08:27.280

Hislop, Emily: We are, fourth, we are separating policy and procedure from the ordinance and regulations. This ordinance was initially written almost four decades ago, and a lot of, the provisions regarding

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00:08:27.370 --> 00:08:34.670

Hislop, Emily: Administrative processes are in the ordinance, and that's typically what's not done, because there's a lack of flexibility. So we're...

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00:08:34.890 --> 00:08:43.959

Hislop, Emily: separating out the policies in the ordinance, and day-to-day and administrative processes are in the regulations.

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00:08:44.280 --> 00:08:53.149

Hislop, Emily: The fifth, primary area is we're establishing a rent registration, for mobile home parks. And finally,

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00:08:53.310 --> 00:09:00.599

Hislop, Emily: Revising the way, vacancy decontrol is, dealt with when a mobile home is sold and sitting.

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00:09:01.230 --> 00:09:02.099

Hislop, Emily: Next slide.

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00:09:05.310 --> 00:09:07.939

Hislop, Emily: We wanted to make abundantly clear

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00:09:08.050 --> 00:09:14.840

Hislop, Emily: that there are some major parts of this ordinance we are not changing at all. There is no proposed change.

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00:09:15.240 --> 00:09:27.580

Hislop, Emily: The annual rent increase calculation is not being changed. It will remain primarily at 3%.

There is still the upper limit of 7% if inflation,

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00:09:27.800 --> 00:09:31.099

Hislop, Emily: Gets a little out of control, but it has been 3%

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00:09:31.250 --> 00:09:37.869

Hislop, Emily: All but 4 times since 1993, and it will remain at 3%. The calculation is still the same.

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00:09:38.470 --> 00:09:52.070

Hislop, Emily: But there is no change to vacancy control when a mobile home passes to a partner or a next of kin, due to the... due to someone passing away.

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00:09:52.220 --> 00:10:03.470

Hislop, Emily: There is still a fair return petition process for park owners. That is not changing at all. That is the only way, park owners can increase rents beyond

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00:10:03.500 --> 00:10:18.910

Hislop, Emily: for the entire park, beyond what's allowed annually to achieve a fair return. They still must go through that petition process with the program, and residents participate and complaint claims to counter that fair return increase request.

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00:10:19.310 --> 00:10:36.600

Hislop, Emily: Finally, the ordinance was originally written to cover renters of mobile home, where a third party owns the mobile home, and someone rents it. Either the park owns the mobile home, or another... or a third party who does not reside there. That is still, changed the

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00:10:36.660 --> 00:10:41.089

Hislop, Emily: The rent increase limits and protections still pertain to renters of mobile homes.

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00:10:42.160 --> 00:10:43.090

Hislop, Emily: Next slide.

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00:10:45.510 --> 00:10:51.089

Hislop, Emily: So, I got into this a little bit, so one of the main areas is... or one of the,

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00:10:51.550 --> 00:11:05.639

Hislop, Emily: areas of amendments we wanted to address is to eliminate outdated provisions and conform to current state law. The most significant is removing the exemption for leases longer than 12 months. We call them long-term lease

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00:11:05.690 --> 00:11:12.309

Hislop, Emily: To align with State Assembly Bill 2782, which sunsetted that exemption

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00:11:12.650 --> 00:11:30.229

Hislop, Emily: in, the beginning of 2025. So this exemption was for if an owner and mobile home resident

and a park owner voluntarily decided to enter into a lease that was longer than 12 months, that, space rent would be exempt from

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00:11:30.300 --> 00:11:42.090

Hislop, Emily: rent control. And that was put in our ordinance in 1985 to align with state law, and now that that state law is no longer there, we are removing that exemption provision.

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00:11:42.420 --> 00:11:47.409

Hislop, Emily: We're removing sections, as I said, that only pertain to periods in the 80s and 90s.

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00:11:47.560 --> 00:12:02.349

Hislop, Emily: And we are updating definitions and administrative provisions to reflect the current city structure and department structure and align with state and federal law. You know, keep in mind the last time the ordinance was, had a significant update.

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00:12:02.350 --> 00:12:12.970

Hislop, Emily: The city was probably half the size it was now, so our government was structured differently. And references to departments that no longer exist are in front of work.

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00:12:13.830 --> 00:12:14.720

Hislop, Emily: Next slide.

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00:12:17.390 --> 00:12:34.340

Hislop, Emily: As I mentioned before, we are streamlining ordinance and regulations. Primarily, we are removing provisions that deal with the petition and administrative process, from the ordinance to the regulations. This, gives flexibility for us to adapt to changing technologies.

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00:12:34.340 --> 00:12:37.709

Hislop, Emily: and to different ways of communication. It...

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00:12:38.380 --> 00:12:49.490

Hislop, Emily: This was written before common use of email. Even faxes may have been a newer technology, when the ordinance was originally written.

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00:12:49.660 --> 00:12:51.830

Hislop, Emily: We were transferring the...

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00:12:51.980 --> 00:13:04.659

Hislop, Emily: Provisions concerning the hearing process, how hearing officers administer hearings, and noticing required timing timelines from the ordinance to the regulations, again, to allow more efficiency in the administration.

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00:13:04.690 --> 00:13:13.500

Hislop, Emily: Of those processes. And finally, there's some noticing requirements of the program and the role of program staff. That is better

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00:13:13.730 --> 00:13:21.150

Hislop, Emily: But that is not a policy decision, that's really day-to-day operations that we are putting in the regulations, as I said, to

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00:13:21.590 --> 00:13:25.489

Hislop, Emily: For ease of adapting to technology and changing city processes.

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00:13:26.020 --> 00:13:27.879

Hislop, Emily: How we do billing and things like that.

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00:13:29.020 --> 00:13:30.840

Hislop, Emily: Next slide, please.

86

00:13:33.090 --> 00:13:52.540

Hislop, Emily: An important amendment that, our staff and our program is welcome... would welcome, to have this changed is we're strengthening resident protections, where the proposed amendments would establish an administrative hearing process for residents to initiate and settle rent disputes.

87

00:13:52.670 --> 00:13:59.419

Hislop, Emily: Currently, if a resident believes that their rent is higher than it should be, or increased more than it should be.

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00:13:59.630 --> 00:14:19.419

Hislop, Emily: We have no immediate recourse as a program to assist them. We can talk to the resident, we can talk to the park owner and manager, we can refer them to legal help, but we have very limited ways of trying to resolve something that's very clear under the law. This way, a resident can

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00:14:19.550 --> 00:14:33.420

Hislop, Emily: put their dispute in front of a hearing officer who will issue a decision that's binding, that saves anyone from having to go to court, having to get legal help, and also helps our staff because we have a

90

00:14:33.720 --> 00:14:36.819

Hislop, Emily: We can present a way for residents to resolve their issues.

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00:14:37.790 --> 00:14:45.780

Hislop, Emily: Secondly, we are establishing a process for residents to appeal petition decisions.

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00:14:46.160 --> 00:15:02.400

Hislop, Emily: that would mitigate the need to address any concern they have with a landlord or a park owner fair return petition, through state court. Right now, we have a fair return petition process in the ordinance that a park owner engages in, and if

93

00:15:02.590 --> 00:15:19.199

Hislop, Emily: the residents or the owners want to appeal that decision, it can't be appealed through our program. They have to go file a court action, which not only involves, typically, attorneys and high costs, but

can take quite a while to resolve.

94

00:15:19.310 --> 00:15:39.179

Hislop, Emily: So, like our apartment rent ordinance and many other rent stabilization ordinances, we have an administrative process to appeal hearing officer decisions that can be, taken advantage of before pursuing a court action. They'd still be able to pursue a court action if they don't agree with the appeal decision.

95

00:15:39.770 --> 00:15:48.989

Hislop, Emily: Finally, another way we are strengthening resident protections is establishing a park rent registry for all the... all units in a park

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00:15:49.040 --> 00:16:00.730

Hislop, Emily: that park owners must complete annually prior to implementing any rent adjustments. We will be able to monitor whether rents are being increased legally or not, where there may be

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00:16:00.790 --> 00:16:09.850

Hislop, Emily: changes that we need to address. It's a great... it's... it's a way we can get data to really respond to the needs of the community, and...

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00:16:09.930 --> 00:16:16.029

Hislop, Emily: Be able to come up with policy decisions to address concerns that are raised, and that we have data to

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00:16:16.330 --> 00:16:20.940

Hislop, Emily: Show, to back up what is being asserted.

100

00:16:21.830 --> 00:16:23.139

Hislop, Emily: Next slide, please.

101

00:16:25.960 --> 00:16:29.530

Hislop, Emily: We're balancing park owner interests through

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00:16:30.130 --> 00:16:49.369

Hislop, Emily: various amendments and encouraging park improvements. The most significant of which is upon the sale of a mobile home to another person and a new occupant, the park owners will be allowed to implement one time an increase of up to 10%, and after that point.

103

00:16:49.580 --> 00:16:53.559

Hislop, Emily: the... Regular annual adjustments will apply.

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00:16:54.470 --> 00:17:13.630

Hislop, Emily: We are also, this is to encourage park owners to maintain their parks. Their costs have gone up significantly, in certain areas, particularly prep for the insurance, and other utility costs that are far outpaced the,

105
00:17:14.230 --> 00:17:18.749
Hislop, Emily: The maximum allowable rent increase calculation that is made.

106
00:17:19.050 --> 00:17:22.890
Hislop, Emily: We are also establishing a...

107
00:17:23.170 --> 00:17:29.080
Hislop, Emily: Expedited petition process for very limited, For limited cost recovery, for

108
00:17:29.370 --> 00:17:49.239
Hislop, Emily: particular capital improvements that provide significant added benefits to residents. This is a very narrow, definition. This is not your regular capital improvements. This is not replacing roads and replacing infrastructure. This is to embark on capital improvements that improve the health, safety of the park.

109
00:17:49.360 --> 00:17:57.040
Hislop, Emily: Like flood mitigation, or to improve energy or water... energy efficiency or water conservation.

110
00:17:57.090 --> 00:18:10.119
Hislop, Emily: There will be a process that has to be followed and gone through, the program through a hearing officer to approve any type of pass-through related to that, that added benefit capital improvement.

111
00:18:11.240 --> 00:18:28.559
Hislop, Emily: Finally, as I mentioned before, we're establishing an appeal process for fair return decisions, an extra step in the program that owners can also take advantage of if they disagree with a hearing officer's decision before, taking the step to appeal the decision in court.

112
00:18:30.000 --> 00:18:30.850
Hislop, Emily: Next slide.

113
00:18:34.550 --> 00:18:36.470
Hislop, Emily: I'll turn it back over to Bonu.

114
00:18:39.510 --> 00:18:51.420
San, Banu: Oops, I realize I'm muted. Thank you, Emily. So, to close, here are the key points to remember. These amendments carry out direction from the City Council and implement the strategic plan.

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00:18:51.570 --> 00:19:06.959
San, Banu: They modernize and streamline outdated regulations. They increase tenant protections and create clear, accessible processes. And they balance resident stability with park owners' need to maintain aging infrastructure.

116
00:19:07.510 --> 00:19:18.120
San, Banu: And they strengthened the due process with added appeal opportunities. We'll continue the... so, we'll be taking these amendments to Council on January 27th.

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00:19:18.320 --> 00:19:25.479

San, Banu: And I believe that takes us... brings us to the end of the presentation. I do want to move to the next slide real quick, Jeff.

118

00:19:26.380 --> 00:19:28.759

San, Banu: This is a,

119

00:19:28.890 --> 00:19:36.179

San, Banu: Code, as well as the links to the website with all the information that you can get, regarding it, regarding this topic.

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00:19:36.410 --> 00:19:39.280

San, Banu: And, I think we can now take questions.

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00:19:40.930 --> 00:19:45.419

San, Banu: And there's some questions that are posted, so we should take a look at those as well.

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00:19:48.220 --> 00:19:50.000

San, Banu: Let's have a look here...

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00:19:53.480 --> 00:19:59.520

San, Banu: I think the first question I saw, Sarah and Jeff, this is more for you, maybe, is whether we're able to

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00:19:59.630 --> 00:20:01.599

San, Banu: Obtain a participant list.

125

00:20:01.990 --> 00:20:05.880

Sarah Fields: Yep, Bonu and Emily, can you hear me reasonably well right now?

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00:20:05.880 --> 00:20:06.970

San, Banu: Yeah, better. Much better.

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00:20:06.970 --> 00:20:07.929

Sarah Fields: Very good, okay.

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00:20:07.930 --> 00:20:08.610

San, Banu: Fire one.

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00:20:08.610 --> 00:20:09.670

Sarah Fields: So,

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00:20:10.050 --> 00:20:29.959

Sarah Fields: First and foremost, I want to say, the format of this presentation is through a webinar. In a webinar, the individual participants listed are not disclosed. That's a matter of privacy. We're happy to disclose that there are 76 attendees currently on this call.

131

00:20:29.960 --> 00:20:49.759

Sarah Fields: But in no way, is it sort of a public right to know the list of people attending a particular meeting. This is also true if you go to a council meeting, you are not given a list of everyone in attendance at that meeting. Of course, in that example, you would, of course, be able to see people's faces, but you do not get to know people's names, necessarily.

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00:20:49.870 --> 00:20:55.140

Sarah Fields: That said, .

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00:20:55.140 --> 00:20:57.830

San, Banu: 84, actually. I'm seeing 84 attendees right now.

134

00:20:57.830 --> 00:21:04.350

Sarah Fields: That includes the panelists, and the interpreters, so 76 attendees, who are not,

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00:21:04.700 --> 00:21:16.570

Sarah Fields: interpreters or the staff, presenting. So the first question, that I want to get to, is a question about the term vacancy control.

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00:21:16.570 --> 00:21:27.569

Sarah Fields: I think there's some confusion about, sort of, general, like, an unoccupied unit versus, the, sort of, the term of art here around vacancy control.

137

00:21:28.990 --> 00:21:30.979

Sarah Fields: So this person writes.

138

00:21:32.260 --> 00:21:51.570

Sarah Fields: Shelby writes, how does the Council define vacancy control? Because to me, meaning Shelby, this only applies to standard rental units. Vacancy does not apply to a mobile home unless someone is evicted. The owners are always on the hook to pay until... to pay, I'm assuming that means the space rental, until the date of sale.

139

00:21:51.570 --> 00:21:53.670

Sarah Fields: So,

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00:21:54.060 --> 00:21:59.069

San, Banu: Emily, maybe, would you like to answer this question? Emily will take the technical questions, yes.

141

00:21:59.070 --> 00:22:12.059

Sarah Fields: Okay, we want to get, some clarification on when the up to 10% would apply. Of course, this is

during both the sale and new occupancy of a mobile home, but please, Emily.

142

00:22:12.200 --> 00:22:13.480

Sarah Fields: Drill down into some of the...

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00:22:13.940 --> 00:22:17.100

Hislop, Emily: The term vacancy control,

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00:22:17.350 --> 00:22:25.550

Hislop, Emily: Across the country is referred to as the rent stays the same when the occupant of the rented space

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00:22:25.960 --> 00:22:29.749

Hislop, Emily: school department, changes. So we have...

146

00:22:29.890 --> 00:22:37.770

Hislop, Emily: If a mobile home owner right now, San Jose, sells their mobile home, moves to another person, Whoops out.

147

00:22:38.210 --> 00:22:44.969

Hislop, Emily: Vacancy control applies. The new owner will pay the same rent, that the previous owner

148

00:22:45.290 --> 00:22:47.310

Hislop, Emily: Mobile homeowner was paying.

149

00:22:47.760 --> 00:22:51.409

Hislop, Emily: This one-time rent increase will only apply

150

00:22:51.560 --> 00:23:00.960

Hislop, Emily: In that type of situation, there is a new owner of a mobile home that is on a... existing on a space.

151

00:23:01.190 --> 00:23:06.169

Hislop, Emily: A seller sells a mobile home to a new person, who then occupies that mobile home.

152

00:23:06.630 --> 00:23:15.290

Hislop, Emily: That person would, upon the close of escrow, see a one-time 10% increase in the rent that will be disclosed in sale.

153

00:23:15.640 --> 00:23:18.979

Hislop, Emily: If a mobile home owner

154

00:23:19.250 --> 00:23:25.410

Hislop, Emily: Passes away, and leaves their mobile home to their partner, who they reside with in that

mobile home.

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00:23:25.940 --> 00:23:33.029

Hislop, Emily: the same rent will apply. We have vacancy control. The ownership may have changed, but it's the same

156

00:23:33.460 --> 00:23:35.270

Hislop, Emily: Person who was occupying the milk.

157

00:23:35.470 --> 00:23:38.160

Hislop, Emily: before. So this is truly a lot of...

158

00:23:38.560 --> 00:23:43.020

Hislop, Emily: When one purchaser... when one seller sells to a purchaser of a mobile home.

159

00:23:43.190 --> 00:23:46.809

Hislop, Emily: blow this one time up to 10%.

160

00:23:48.080 --> 00:23:51.659

Sarah Fields: Great, thank you, Emily. So again, the conditions for that,

161

00:23:51.750 --> 00:24:03.640

Sarah Fields: It's partial vacancy decontrol, not full vacancy decontrol, but this refers to, you know, allowing a change in rent at the time of turnover of the unit.

162

00:24:03.640 --> 00:24:12.969

Sarah Fields: And again, you need to have both the sale of the mobile home and a new occupancy, entirely new occupancy, for this to kick in.

163

00:24:13.940 --> 00:24:23.219

Sarah Fields: There's a question here, from Martha O'Connell, that I will read verbatim. She says there has no

164

00:24:23.220 --> 00:24:38.580

Sarah Fields: there is no appeal to date from residents. All the appeals come from the park owners. Housing is handling the park owners, excuse me, is handing the park owners a basically cost-free way to, quote, screw the residents.

165

00:24:38.640 --> 00:24:54.810

Sarah Fields: So I'll just briefly respond to that, and then Emily or Bonu may want to add, it is true that right now, there is not a mechanism for residents to file, a petition with the housing department.

166

00:24:54.810 --> 00:24:58.980

Sarah Fields: And one of the proposed changes within the MRO

167

00:25:00.210 --> 00:25:07.859

Sarah Fields: is to... is to allow for that process to take place. Emily, can you describe that process a little bit more?

168

00:25:09.100 --> 00:25:16.469

Hislop, Emily: So I can, explain what the appeal process is in our apartment rent ordinance, which is what we would make.

169

00:25:16.800 --> 00:25:23.820

Hislop, Emily: So, the... In... if a hearing officer issues a decision under our apartment rep ordinance, and it

170

00:25:23.960 --> 00:25:25.540

Hislop, Emily: Tenant appeals it.

171

00:25:25.790 --> 00:25:31.809

Hislop, Emily: the... Director's review is limited to Affirming the decision.

172

00:25:31.950 --> 00:25:38.720

Hislop, Emily: Or sending the decision back to the hearing officer for particular issues that were appealed.

173

00:25:39.050 --> 00:25:45.300

Hislop, Emily: Letting the... After a review of the record, if they feel that the hearing officer did not,

174

00:25:45.770 --> 00:25:50.790

Hislop, Emily: Review all of the evidence in the record, or made

175

00:25:51.180 --> 00:26:02.770

Hislop, Emily: made a miscalculation or, didn't rely on the right area of law. It's not a wholesale, I just decide.

176

00:26:02.910 --> 00:26:07.229

Hislop, Emily: that it's a different decision. It's gotta be pace. The... the appeal...

177

00:26:07.530 --> 00:26:21.679

Hislop, Emily: Decision has to be based on the evidence in the record, and has to point to evidence that wasn't considered, or should... or was considered and shouldn't have been considered, or to the laws that were... the decision was based on.

178

00:26:22.120 --> 00:26:26.780

Hislop, Emily: The other parts of that question of Ms. O'Connell are

179

00:26:27.270 --> 00:26:37.489

Hislop, Emily: Somewhat conclusory, and that we can't, speculate as to All the reasons why the... the one...

180

00:26:37.830 --> 00:26:43.499

Hislop, Emily: court action I have seen in my tenure was initiated by a landlord. They were not given any increase.

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00:26:43.620 --> 00:26:46.310

Hislop, Emily: So that is going through that process.

182

00:26:46.460 --> 00:26:58.629

Hislop, Emily: But just for anybody who understands, once right now, without being able to go through a first step administrative process, they would have to... a resident would have to

183

00:26:58.950 --> 00:27:12.649

Hislop, Emily: Hire an attorney, most likely. It's very difficult to prepare court papers on your own without the legal assistance. File a writ of mandate with the court, pay the court fees, and pay all the costs associated with that.

184

00:27:14.010 --> 00:27:19.319

Hislop, Emily: And not be... guaranteed an outcome. So there is a lot more

185

00:27:19.480 --> 00:27:25.100

Hislop, Emily: It's almost a disincentive for a resident to to...

186

00:27:25.240 --> 00:27:29.370

Hislop, Emily: To appeal, because they could be out more money and still have to pay.

187

00:27:29.530 --> 00:27:30.410

Hislop, Emily: Beautiful.

188

00:27:30.660 --> 00:27:32.530

Hislop, Emily: The increase in the end.

189

00:27:32.750 --> 00:27:39.520

Hislop, Emily: But that's just my... That's a theory of why Haven't seen that.

190

00:27:39.840 --> 00:27:46.090

Hislop, Emily: I think... did I... was there another part of the question that I haven't... Address?

191

00:27:48.000 --> 00:28:05.329

Sarah Fields: So, let's move on to an additional question. There's a variety of questions on concern around price increasing. One question on, is there a cap on the price of

192

00:28:06.640 --> 00:28:19.010

Sarah Fields: space rental, a question on 10% being, quite high. Is there a concern that that would, lead to, sort of, difficulty selling a mobile home?

193

00:28:21.420 --> 00:28:28.990

Sarah Fields: Yeah, let's, let's sort of kind of ask those questions. You know, is there a cap? Is there a concern on

194

00:28:29.130 --> 00:28:47.889

Sarah Fields: 10% motivating or disincentivizing the sale of mobile homes? And at the same time, would that 10% motivate park owners to try to encourage people to sell their mobile homes in an effort to increase their revenues from rents?

195

00:28:48.840 --> 00:28:49.790

Hislop, Emily: So...

196

00:28:50.560 --> 00:29:04.249

Hislop, Emily: This is where the importance of the rent registry comes in, and the residents' ability to petition. We want to be able to see what is the trends and what is going on, and the

197

00:29:04.450 --> 00:29:09.679

Hislop, Emily: The 10% increase is subject to department review.

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00:29:09.850 --> 00:29:20.270

Hislop, Emily: So, as we collect data, and as we hear reports from residents, if we see trends that could suggest, speculative or abusive practices.

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00:29:20.390 --> 00:29:25.950

Hislop, Emily: We can use that data to investigate and take some enforcement action if necessary.

200

00:29:27.930 --> 00:29:34.689

Hislop, Emily: That... and I want to emphasize the 10% is not on existing residents. It's only when you sell your home.

201

00:29:35.200 --> 00:29:44.030

Hislop, Emily: there have been Theories put forth that there's an inverse relationship

202

00:29:44.410 --> 00:29:54.730

Hislop, Emily: There's not data or studies to prove that... that there's a direct relationship between a space rent and the sale of the mobile home.

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00:29:54.940 --> 00:29:59.240

Hislop, Emily: That, as we collect more data, We'll be able to see

204

00:29:59.510 --> 00:30:01.860

Hislop, Emily: What impact, if any, that has.

205

00:30:02.650 --> 00:30:19.340

Hislop, Emily: And more importantly, we can do something about when the residents are coming to us about issues in the mobile park, because we will be able to see if the park owner is taking any additional revenue and reinvesting it back in their park, or if they're letting

206

00:30:20.190 --> 00:30:28.419

Hislop, Emily: maintenance get deferred, and not replacing projects as needed. And then, as a department in the city, we recommend taking action.

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00:30:30.530 --> 00:30:32.600

Hislop, Emily: Donna, did you want to add anything to this?

208

00:30:32.600 --> 00:30:35.440

San, Banu: That's... that's... that's fine, thank you.

209

00:30:36.580 --> 00:30:43.049

Sarah Fields: And then there's a question on how often the 10%,

210

00:30:43.670 --> 00:30:46.610

Sarah Fields: Vacancy decontrol number can be applied.

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00:30:46.720 --> 00:30:58.790

Sarah Fields: If it's a one-time increase, or is it at every sale, if there are frequent sales of a mobile home, would there be a cap on how many times it applies?

212

00:30:58.790 --> 00:31:01.700

Hislop, Emily: So, we are including provisions to...

213

00:31:02.310 --> 00:31:15.880

Hislop, Emily: preserve the rights and the regulations to limit the 10% if we see trends of a sale happening within short periods, or repeated sales within a short period of time. And

214

00:31:16.060 --> 00:31:26.910

Hislop, Emily: We're trying to reserve the right to disallow if we start seeing those patterns, but we need to collect the data to be able to see, if those types of practices are happening.

215

00:31:31.450 --> 00:31:32.330

Sarah Fields: Great.

216

00:31:33.100 --> 00:31:36.090

Sarah Fields: Okay.

217

00:31:36.810 --> 00:31:54.299

Sarah Fields: There's some questions on the capital improvements, the capital improvement, excuse me, the added benefit capital improvement program, you know, sort of what's the oversight from the housing

department on that, and how would that work?

218

00:31:55.570 --> 00:31:56.680

Hislop, Emily: So,

219

00:31:57.010 --> 00:32:09.239

Hislop, Emily: The proposed amendments would say that the, would have to be pre-approved before the work's done, that this is a capital improvement that,

220

00:32:09.420 --> 00:32:12.239

Hislop, Emily: I'm sorry, I'm still with this.

221

00:32:12.700 --> 00:32:25.780

Hislop, Emily: That does provide... that falls into the criteria, as we lay it out, that that's materially, additional benefit that enhances sustainability, environmental, or,

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00:32:25.950 --> 00:32:42.570

Hislop, Emily: blood mitigation is one. So they would have to be pre-approved, then they... once the work is completed, a petition would have to be filed within 12 months, and a hearing officer would verify that the work was done and paid for, and no rebates or any other incentives were received.

223

00:32:42.660 --> 00:32:58.650

Hislop, Emily: And any pass-through would be limited to 2% of a resident's space rent. So there's an approval before, and there was an additional administrative process that residents could participate in, and, respond to.

224

00:32:58.860 --> 00:33:02.370

Hislop, Emily: That is heard by an independent, hearing officer.

225

00:33:04.800 --> 00:33:16.049

Sarah Fields: Okay, there's a question, if you currently live in a mobile home, and you move... you sell that, and you move to a different mobile home, would the 10% be waived?

226

00:33:17.990 --> 00:33:26.129

Sarah Fields: Like, would it still apply? If you're a current mobile home resident, would it still apply if... and you move to a different mobile home.

227

00:33:26.510 --> 00:33:28.020

Sarah Fields: would it still apply?

228

00:33:28.020 --> 00:33:29.189

San, Banu: Question, like, pushing the same.

229

00:33:29.190 --> 00:33:33.269

Sarah Fields: park, or is that... A different park. You move to a different park.

230

00:33:34.460 --> 00:33:36.990

Sarah Fields: There's no exemptions here, correct?

231

00:33:40.070 --> 00:33:42.199

Hislop, Emily: I'm not really clear on that situation.

232

00:33:42.200 --> 00:33:45.190

San, Banu: Yeah, I don't really entirely understand the question. Okay.

233

00:33:45.190 --> 00:33:52.759

Sarah Fields: Someone lives in a mobile home, they live in mobile home park A, they sell that mobile home, and they move to mobile home park B,

234

00:33:53.010 --> 00:33:58.160

Sarah Fields: And would that 10% apply? Is there... are there any exemptions.

235

00:34:00.810 --> 00:34:06.180

Hislop, Emily: That's not a scenario that has been contemplated, or presented, or...

236

00:34:08.120 --> 00:34:11.920

Hislop, Emily: If we see that happening, that's something addressed.

237

00:34:12.679 --> 00:34:13.550

Hislop, Emily: Further on.

238

00:34:15.920 --> 00:34:25.939

Sarah Fields: Okay, here's another question. As part of the data gathering around the rental registry, are we looking at income of current or future residents?

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00:34:26.260 --> 00:34:26.880

Hislop, Emily: Nope.

240

00:34:29.500 --> 00:34:30.110

Sarah Fields: Great.

241

00:34:31.929 --> 00:34:35.969

Sarah Fields: Please, clarify,

242

00:34:36.330 --> 00:34:44.010

Sarah Fields: The 2% pass-through, that's 2% of the capital projects, 2% per month, 2% of current rents.

243

00:34:44.270 --> 00:34:46.419

Sarah Fields: More clearly understand the 2%.

244

00:34:46.420 --> 00:34:59.820

Hislop, Emily: Sorry, I will flush that out, and I really want to emphasize this is a very limited... this is not going to happen very frequently, but we want to provide an incentive to make parks safer and more sustainable in the long term.

245

00:35:00.410 --> 00:35:08.840

Hislop, Emily: The particular capital improvement would first be amortized over a certain amount of years pursuant to an amortization schedule.

246

00:35:09.110 --> 00:35:18.770

Hislop, Emily: And then the cost would be... Split across the number of... spaces that benefit from the

247

00:35:19.150 --> 00:35:20.679

Hislop, Emily: from the improvement.

248

00:35:20.940 --> 00:35:29.290

Hislop, Emily: And then... So, I haven't... gone through all the calculations here. So, the cost is amortized.

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00:35:29.400 --> 00:35:35.059

Hislop, Emily: And then divided by all the spaces, divided by monthly.

250

00:35:35.430 --> 00:35:41.600

Hislop, Emily: So, amortization is on a yearly basis, and then it would be divided by 12 for a month, and then that amount

251

00:35:41.960 --> 00:35:46.560

Hislop, Emily: Would be capped at 2% of the residence space rent.

252

00:35:49.120 --> 00:35:49.710

Hislop, Emily: So...

253

00:35:49.710 --> 00:35:51.330

Sarah Fields: Okay, so it's 2% of the rent.

254

00:35:52.720 --> 00:35:56.569

Hislop, Emily: The pass-through amount, monthly pass-through amount, is capped at 2% of voters.

255

00:35:57.020 --> 00:36:05.710

Sarah Fields: Excellent. Thank you, Emily. Okay, some questions around, kind of, the fair return process,

256

00:36:07.040 --> 00:36:19.250

Sarah Fields: So, one is, you know, is there really a need for an additional process or an additional category

outside of the fair return, the added benefit capital improvement project?

257

00:36:19.540 --> 00:36:39.259

Sarah Fields: kind of understanding these two distinct lanes. And then a question around the process, you know, why have the appeals go to the housing director? Why not instead, you know, the city council, the housing commission, some other decision-making body?

258

00:36:39.450 --> 00:36:57.760

Sarah Fields: So I guess sort of the first part is kind of understanding and distinguishing these two categories of the fair return process and the added benefit capital improvement process, what goes into those two procedures, sort of why they're needed, and then talk about the procedure and process around the appeals.

259

00:36:59.430 --> 00:37:01.210

Hislop, Emily: Okay.

260

00:37:01.340 --> 00:37:02.530

Hislop, Emily: Fair return.

261

00:37:03.160 --> 00:37:05.420

Hislop, Emily: Normal capital improvements.

262

00:37:05.600 --> 00:37:07.089

Hislop, Emily: Improvements that may add...

263

00:37:08.300 --> 00:37:23.640

Hislop, Emily: Replacements that may need to be made, but maybe give a little bit of added benefit to residents, those are all regular capital improvements that the only way to recover costs is to file through a fair return process.

264

00:37:24.500 --> 00:37:36.649

Hislop, Emily: There are a lot of questions in that, group, but I... I keep seeing a question in the Q&A that I think might be fair to address about what fair returns

265

00:37:36.790 --> 00:37:45.110

Hislop, Emily: is and how it's defined. It's defined in our current ordinance, in our apartment renting ordinance, and generally accepted

266

00:37:45.600 --> 00:37:55.319

Hislop, Emily: standard across rent stabilization jurisdictions in the state is that fair return is determined by looking at a base year

267

00:37:55.890 --> 00:38:03.690

Hislop, Emily: Of a park. What did they earn in the base year? And for us, it's 1985.

268

00:38:03.890 --> 00:38:18.879

Hislop, Emily: So, what's captured is what were the rents collected, and any other revenue, minus the operating expenses. There's no debt service allowed. So, operating expenses and any amortized capital improvements that were done.

269

00:38:19.500 --> 00:38:22.380

Hislop, Emily: The amplification period of that base year.

270

00:38:23.100 --> 00:38:24.710

Hislop, Emily: That's one snapshot.

271

00:38:25.460 --> 00:38:38.139

Hislop, Emily: Then, the hearing officer looks at the most current year, what were the rents collected, revenue collected, minus the operating expenses, and any amortized capital improvements.

272

00:38:38.640 --> 00:38:41.790

Hislop, Emily: If we're still in the amortization period of the capital.

273

00:38:42.160 --> 00:38:43.930

Hislop, Emily: Basically, the expenses of the park.

274

00:38:45.600 --> 00:38:46.930

Hislop, Emily: you subtract...

275

00:38:47.260 --> 00:38:54.759

Hislop, Emily: What was earned from the base year, and from what we... what we call net operating income of the current year.

276

00:38:55.060 --> 00:38:56.670

Hislop, Emily: And that is...

277

00:38:56.890 --> 00:39:09.069

Hislop, Emily: is what we're looking at to see, are you still getting a fair return? And the way that's determined is taking that net operating income from the base year and adding the rate of inflation.

278

00:39:09.330 --> 00:39:10.479

Hislop, Emily: Which was used.

279

00:39:10.610 --> 00:39:17.780

Hislop, Emily: Since 1985, so it's gonna be a few decades of the change in the consumer price index.

280

00:39:17.910 --> 00:39:25.929

Hislop, Emily: Oh, with a little adjustment. When they add that percentage, like, here's what your profit should have increased by this period of time.

281

00:39:26.030 --> 00:39:33.590

Hislop, Emily: They add that to the base year. That sum is the target for what an owner's fair return is.

282

00:39:33.780 --> 00:39:36.119

Hislop, Emily: So, if the current year

283

00:39:36.610 --> 00:39:47.969

Hislop, Emily: net operating income exceeds that amount, the owner is not... is deemed to be achieving a fair rate of return and doesn't get any increase. If there's any difference.

284

00:39:48.540 --> 00:39:56.369

Hislop, Emily: There's, between... if it's... if their current net operating income is lower, Then, that calculation.

285

00:39:56.490 --> 00:40:09.120

Hislop, Emily: then the difference is what turns into a rent increase for everyone, for the owner to be deemed getting a fair return. I just want to explain that because it's a complicated process, very involved.

286

00:40:09.300 --> 00:40:14.500

Hislop, Emily: And it's not just market rate rents. There's an explicit calculation.

287

00:40:16.410 --> 00:40:20.700

Hislop, Emily: So... The difference with the added benefit capital incurred me.

288

00:40:21.180 --> 00:40:33.970

Hislop, Emily: We are trying to incentivize these aging parks. Many of them were constructed in the 1950s, 1960s, 1970s, and their infrastructure is at the end of its useful life for a lot of them.

289

00:40:34.260 --> 00:40:37.159

Hislop, Emily: So... In addition to

290

00:40:37.570 --> 00:40:45.500

Hislop, Emily: We want them to replace things as they go along. We also want to... we are also dealing with high... with climate

291

00:40:45.810 --> 00:40:49.520

Hislop, Emily: Changes in climate, and increased weather events, and a many...

292

00:40:49.790 --> 00:40:52.240

Hislop, Emily: Many, mobile home parks are

293

00:40:52.390 --> 00:40:56.750

Hislop, Emily: subject to flooding. So, if an owner wants to...

294

00:40:56.990 --> 00:41:12.310

Hislop, Emily: embark on a flood mitigation project. This is not... if they want to improve drainage or protect the park from flooding more. We want to give them an incentive for doing so, and this is not a normal capital improvement. This would make the park be

295

00:41:12.460 --> 00:41:29.890

Hislop, Emily: grow safer, hopefully reduce insurance costs. So the pass-through of 2% is for something like that, that's going to be a material added benefit to residents in the area of safety, sustainability, upgrading electrical.

296

00:41:29.970 --> 00:41:38.090

Hislop, Emily: Normal road replacement and sewer replacement, those all have to go through a more massive air return.

297

00:41:38.420 --> 00:41:39.140

Hislop, Emily: Excellent.

298

00:41:40.410 --> 00:41:43.480

Hislop, Emily: You had 3 questions in there from,

299

00:41:43.780 --> 00:41:45.789

Hislop, Emily: what one of the other questions was, Sarah.

300

00:41:47.410 --> 00:41:51.700

Sarah Fields: Yes, a question about the appeal process,

301

00:41:51.700 --> 00:41:52.160

Hislop, Emily: Okay.

302

00:41:52.160 --> 00:41:55.179

Sarah Fields: Sort of explain, sort of, the procedure there.

303

00:41:55.260 --> 00:42:07.369

Hislop, Emily: So it's consistent. And how it goes to the director, yeah. Okay. So, appealing to the director is what we currently have in the environmental rent ordinance, and that's consistent with the policy decisions made by Council.

304

00:42:07.900 --> 00:42:16.349

Hislop, Emily: Back in 2017, when, the apartment ordinance was overhauled and adopted.

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00:42:16.780 --> 00:42:19.129

Hislop, Emily: From the previous reporting.

306

00:42:19.430 --> 00:42:24.570

Hislop, Emily: We don't have a... a governing body set up.

307
00:42:24.930 --> 00:42:27.750
Hislop, Emily: So that was the policy decision, was to align it with it.

308
00:42:28.710 --> 00:42:33.119
Hislop, Emily: What we... the previous policy decision, for the apartment rent.

309
00:42:37.250 --> 00:42:39.140
Hislop, Emily: And was there a third question?

310
00:42:41.900 --> 00:42:44.059
Sarah Fields: I think we can move to the next one.

311
00:42:45.280 --> 00:43:02.439
Sarah Fields: There's a question, how will the city ensure park owners are maintaining parks, trimming trees, water leaks, you know, kind of maintaining, you know, all the needs of the park? And then will a city inspector be conducting routine inspections?

312
00:43:03.670 --> 00:43:04.870
Hislop, Emily: So, I can...

313
00:43:04.870 --> 00:43:06.869
Sarah Fields: That is a little bit unique here. Please go...

314
00:43:06.870 --> 00:43:14.230
Hislop, Emily: Yeah, so, the city does not have jurisdiction over mobile home parks. That is, the... be...

315
00:43:14.810 --> 00:43:21.389
Hislop, Emily: Housing and Community Development Agency? Department? The state, basically, we call it HCD,

316
00:43:21.640 --> 00:43:30.490
Hislop, Emily: Governs those aspects of mobile home parks. The state sends out inspectors. That is not the city's jurisdiction.

317
00:43:30.690 --> 00:43:31.660
Hislop, Emily: So...

318
00:43:31.770 --> 00:43:41.629
Hislop, Emily: The residents can currently file complaints with, HCD for those... for types of deferred missions, and not,

319
00:43:42.480 --> 00:43:44.730
Hislop, Emily: And it... I think.

320

00:43:45.140 --> 00:43:54.099

Hislop, Emily: not having a commensurate decrease in rent. But that is not within the jurisdiction of the city, so that is not something we can go in and expect without

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00:43:54.260 --> 00:43:55.559

Hislop, Emily: A change to the law.

322

00:44:03.960 --> 00:44:09.289

Sarah Fields: Okay, we got another question just around, understanding,

323

00:44:09.480 --> 00:44:27.160

Sarah Fields: the vacancy control or partial vacancy decontrol issue. If a person, is deceased and does not have anyone else on their lease, and a new family member, you know, moves into the mobile home, is this considered

324

00:44:27.440 --> 00:44:32.640

Sarah Fields: Would this qualify for... The 10% or not.

325

00:44:34.860 --> 00:44:40.329

Hislop, Emily: The... it is a new... owner and... A new occupant.

326

00:44:41.070 --> 00:44:44.599

Hislop, Emily: So... That... in that situation, yes.

327

00:44:45.150 --> 00:44:45.790

Sarah Fields: Okay.

328

00:44:47.680 --> 00:44:50.040

Sarah Fields: Excellent.

329

00:44:52.580 --> 00:45:05.469

Sarah Fields: There's a question about the annual rent increase of 3%. I think, again, just kind of trying to understand if there's ever a rent cap. Do we have a rent cap?

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00:45:07.130 --> 00:45:12.460

Hislop, Emily: So the ordinance, as it's written and been for a few decades, is that

331

00:45:12.590 --> 00:45:21.990

Hislop, Emily: The allowable rent increase each year is calculated from the change in the Consumer Price Index, which is a federal index used to measure inflation.

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00:45:22.340 --> 00:45:27.779

Hislop, Emily: And... Our calculation is look at the change from year to year.

333

00:45:28.010 --> 00:45:43.210

Hislop, Emily: And then we do 75% of that change is the allowable increase. Now, the ordinance has a floor in that there's a minimum increase an owner would get if that calculation goes below 3%.

334

00:45:43.460 --> 00:45:47.130

Hislop, Emily: then the... a 3% increase is allowed.

335

00:45:48.060 --> 00:45:54.099

Hislop, Emily: If that calculation is above 3%, it would be capped at 7%.

336

00:45:55.440 --> 00:45:59.700

Hislop, Emily: But looking at the data over since 1993.

337

00:45:59.960 --> 00:46:04.210

Hislop, Emily: That calculation has gone above 3% 4 times.

338

00:46:04.380 --> 00:46:11.220

Hislop, Emily: And even then, it was under 4%. So we have never seen

339

00:46:11.330 --> 00:46:18.189

Hislop, Emily: an increase. Maybe there was one year in the early 2000s that it went up a little bit above 4%.

340

00:46:18.320 --> 00:46:21.360

Hislop, Emily: But... That increase will stay.

341

00:46:22.150 --> 00:46:24.420

Hislop, Emily: That floor at 3%.

342

00:46:27.500 --> 00:46:32.970

Sarah Fields: Excellent, Emily, thank you so much. It's,

343

00:46:33.130 --> 00:46:48.610

Sarah Fields: We're getting close to the end of time, and I recognize that there are still several questions in the Q&A box, so I do just want to share with everyone, if you have additional questions, you can email them to us. You can email mobilehomes

344

00:46:48.790 --> 00:46:54.060

Sarah Fields: at San Joseca.gov. That's mobilehomes.com.

345

00:46:54.420 --> 00:47:03.430

Sarah Fields: M-O-B-I-L-E-H-O-M-E-S mobilehomes at San Jose.ca.gov.

346

00:47:04.690 --> 00:47:24.969

Sarah Fields: We did get a question, actually, a couple of questions around, sort of, City Council procedures, so I want to be clear, all of the things that we talked about here, or many of the things I should say, we talked about here, with the exception of the things we said were continuing forward, are proposed changes. The City Council will be voting on them at their January 27th meeting.

347

00:47:25.150 --> 00:47:26.899

Sarah Fields: Here at City Hall.

348

00:47:27.080 --> 00:47:45.609

Sarah Fields: But a question on, sort of, procedures and process. So these are proposals that are going to City Council. The City Council can accept them, change them, reject them. They'll deliberate on that process on the 27th. There is an opportunity to give public comment

349

00:47:45.610 --> 00:47:47.829

Sarah Fields: at the meeting.

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00:47:47.920 --> 00:48:03.250

Sarah Fields: you cannot give public comment via Zoom, unfortunately. That's not an option at this time. However, you are welcome to email a comment in that will be included within the City Council packet of information.

351

00:48:03.250 --> 00:48:17.519

Sarah Fields: prior to the meeting, and we will be sure when we email out this recording and the transcript and some other information to include information on how to submit a public comment to the city clerk

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00:48:17.520 --> 00:48:32.999

Sarah Fields: should you not be available to attend the meeting and give public comment that way. Additionally, you are all welcome to reach out to your city council member and provide comment to them leading up to the meeting.

353

00:48:33.310 --> 00:48:36.219

Sarah Fields: You may end up, reaching their staff,

354

00:48:36.680 --> 00:48:43.870

Sarah Fields: Staff is often very knowledgeable on city policies, and welcome your feedback that way as well.

355

00:48:44.040 --> 00:48:46.400

Hislop, Emily: So with that, Allie...

356

00:48:46.400 --> 00:48:48.349

Sarah Fields: Some closing words, by all means.

357

00:48:48.350 --> 00:49:06.390

Hislop, Emily: Well, I just want to add something about the vacancy decontrol position, because my eye caught a word in one of the questions. I wasn't reviewing them, but I just saw something out of the front of

my head, and I realized I hadn't made clear. The 10% is when there is not only a new owner, but a new occupant who intends to reside in the mobile home.

358

00:49:06.390 --> 00:49:09.610

Hislop, Emily: So, if there is no intention to reside in the mobile home.

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00:49:09.610 --> 00:49:15.419

Hislop, Emily: that is a... this... the 10% increase would not apply. There was a question about

360

00:49:15.660 --> 00:49:20.430

Hislop, Emily: Storage agreement, where someone may purchase a mobile home, not reside in it.

361

00:49:21.000 --> 00:49:22.730

Hislop, Emily: Agreement with the park owner.

362

00:49:22.980 --> 00:49:34.519

Hislop, Emily: they're doing some improvements or something. The intent is that the 10% increase would not apply in those situations, because there is not an owner is not occupying the

363

00:49:35.690 --> 00:49:37.689

Hislop, Emily: So, I just wanted to add that.

364

00:49:38.160 --> 00:49:55.779

San, Banu: Thank you, Emily. And I do... I do want to talk a little bit about vacancy decontrol. It says that we've received a lot of comments and questions about it. And as Emily mentioned, I mean, this doesn't affect the current residents. It only applies when a home is sold, and for a new occupant.

365

00:49:55.780 --> 00:50:14.049

San, Banu: It's really, avoiding larger sudden rent hikes, because that hurts fixed-income residents, especially. It's supporting reinvestment in aging parks. I mean, these parks are 50 to 60 years old. And, as mentioned previously, they have rising costs, insurance, infrastructure, labor.

366

00:50:14.050 --> 00:50:20.380

San, Banu: that utilities alone don't cover. So without these updates, the... we actually risk

367

00:50:20.430 --> 00:50:38.850

San, Banu: park closures and possible loss of mobile home housing. So, and I just want to mention that the city of San Jose is not an outlier, and many cities allow 10% to 15% on resale increases, and some allow full vacancy decontrol. We've done some research around that, where they have unlimited

368

00:50:38.850 --> 00:50:54.330

San, Banu: rent resets. For example, Sunnyvale, Campbell, Freeman, and LA have 10-15% rent increase at resale, and then cities like Gilroy and Lancaster, they have no limits when a home is sold, in terms of the reset on the rent.

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00:50:54.400 --> 00:51:03.449

San, Banu: So this proposed amendment, you know, is really to help avoid the risk of losing more mobile homes.

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00:51:03.810 --> 00:51:09.239

San, Banu: So, I hope that helps a little bit. I'm trying to clarify all of the questions around the vacancy decontrol.

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00:51:10.730 --> 00:51:30.659

Sarah Fields: So thank you for everyone for attending. You know, you're welcome, of course, to attend the January 27th City Council meeting. We encourage you to give feedback, continue to ask questions. We're here to be responsive to the community. So, thank you, everyone, and have a good evening. Take care.