COUNTY OF HUMBOLDT

For the meeting of: 10/22/2024

File #: 24-1449

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Departmental

Vote Requirement: Majority

SUBJECT:
Amendment to Mobile Home Rent Stabilization Ordinance (MHRSO) Implementing Guidelines

RECOMMENDATION(S):
That the Board of Supervisors:

1. Receive and review the Amended MHRSO Implementing Guidelines; and
2. Adopt the resolution amending the MHRSO Implementing Guidelines (Attachment 1).

STRATEGIC PLAN:
This action supports the following areas of your Board's Strategic Plan.

Area of Focus: Housing for All
Strategic Plan Category: 4002 - Increase and prioritize housing development

DISCUSSION:
Executive Summary:
Your board is being asked to approve a revised set of guidelines to implement the MHRSO. The current guidelines were adopted on Oct. 17, 2023. Following adoption there were comments that some of the provisions were inconsistent with the MHRSO (Measure V). After analysis of the concerns, it was confirmed that changes needed to be made. A modified draft was prepared and discussed with stakeholders during meetings on May 30, 2024 and Sept. 26, 2024. The major outstanding issue for your board to address is related to whether RV's in spaces registered as Special Occupancy Park spaces should be subject to MHRSO. The guidelines provided to your board include alternatives to either make RV's subject to MHRSO or not. The revisions to the guidelines are in Attachment 1 and are shown in underline and stricken text. Staff recommend your board adopt the revised guidelines making RV's subject to the MHRSO.

Background:
The MHRSO (Measure V) was approved by the voters on Nov. 8, 2016, setting limits on the amount of rent increases that can be charged for Mobile Home Park Residents. The ordinance provided that rules and guidelines may be adopted by the county to implement the ordinance per Humboldt County Code § 9101-23. Guidelines were initially adopted in 2017 but found to be insufficient and an updated set of guidelines were proposed and introduced to the Board of Supervisors in 2021. This drew complaints from mobile home park residents who asked to be involved in the preparation of the guidelines. Your board did not act on those guidelines but directed staff to work with the community to refine the guidelines. A series of meetings were held to refine the guidelines, and the updated guidelines were presented to your board on Oct. 17, 2023. Your board approved these guidelines

with a unanimous vote.

Following the action on the guidelines a mobile home park resident expressed she attempted to speak during the Board Meeting via Zoom but could not and that there were items on the guidelines that were inconsistent with the ordinance. Staff analyzed this and found that there were items that could be inconsistent with the ordinance and prepared a revision to the guidelines to address these issues. The revised guidelines were discussed with residents of various mobile home parks and mobile home industry representatives at meetings on May 30, 2024 and Sept. 26, 2024.

During the period in which these guidelines were being revised, the department received a complaint that a park with RVs and six mobile homes had raised the rents in an amount that seemed to exceed what would be allowed within the MHRSO. While undertaking discussions with the park owner, staff also explored whether a park registered as a Special Occupancy Park and serving as host to RVs which remain on site as permanent housing should be subject to the MHRSO.

Mobile homes and RVs are regulated under separate provisions in the California regulations. The MHRSO is a separate law regulating the rate at which rents can be increased in mobile home parks. The policy issue is whether the MHRSO can and should be extended to RVs that are licensed outside of mobile home park spaces. RVs are regulated the same way as mobile homes when in a spot licensed as a mobile home for a period exceeding nine months. There is no change in regulation on RVs in special occupancy parks based on duration of stay. Alternatives are presented in the ordinance for consideration by your board.

The mobile home and RV park industries are strongly opposed to subjecting RVs in Special Occupancy Parks to the MHRSO.

The revisions to the guidelines are shown in underline and stricken text. An effort has been made to ensure consistency with MHRSO. The discussion below will identify the proposed changes.

Description of Changes:

1. Introduction: Minor language changes for ease of reading. No issues were raised with this.

2. Rent Control on RV's (1). This would be a new provision in the Guidelines to apply the MHRSO to RVs in spaces permitted for RVs. The basic argument against this is that the state licenses mobile homes and RVs differently under different provisions of the California Code. RVs are far more mobile than a mobile home as they can typically be attached to a vehicle and towed to another location. A mobile home is far less mobile, and the owner is subject to the circumstances within the park in which the mobile home is located. The initiative, considered by the voters, did not specifically identify RVs as part of the MHRSO ordinance.

   The strongest argument for including this provision is that the MHRSO was intended to protect mobile home residents who often have less economic resources than a traditional homeowner. People who permanently live in RV's typically have less resources than somebody who lives in a mobile home. The MHRSO is intended to protect those who are economically vulnerable.

   The first policy decision for your board to make is whether RVs should be included under the MHRSO. If not, then Alternative 2 would remove this provision from the guidelines. If your board finds that RVs permanently occupied should be included within the MHRSO, then your board should choose a threshold for determining when the RVs become subject to the MHRSO. Two choices are provided:

   a) Nine Months. If an RV is occupied for a period exceeding 9 months, it would be subject to the MHRSO. The 9-month period is taken from state statute to identify when an RV is regulated as a mobile home when located on a space licensed for a mobile home. The time duration here would seem to indicate the point at which occupancy is considered permanent residency as opposed to transiency.This is the primary recommendation within the guidelines.

   b) 30 Days. By definition, anything less than a 30-day stay is transient occupancy. This would be the threshold, so any stay longer than 30 days would be subject to the MHRSO. There are people who stay in RV parks for longer than 30 days but not as their primary residence, so while this is consistent with other code provisions, it may be too restrictive for this situation.

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3. Park Size and Determination of the Number of Units (HCC 9101-4) (4). In the first line, "all" has been changed to "most" because there are times when there are discrepancies between what is registered with the state and what actually exists.

4. Spaces used for short-term Recreational Vehicles (11(b(iii))). This is deleted because RVs are proposed to be addressed in provision 1 as discussed above. If Alternative 2 is chosen to eliminate provision 1, then this should be restored as this is simply a reference to state law.

5. Role of the Resident Representative (HCC 9101-17) (13). The last line in this provision was deleted because it is addressed in provision 16.

6. Single Petition 16 ((b)(v)). This was changed to be consistent with the MHRSO. The ordinance is clear that not more than one petition can be filed in a year.

7. Continuances 16 ((i)(ii)). The MHRSO addresses continuances for Fair Return Petitions, but not for Service Rent Reduction Complaints. A provision was added to address continuances associated with Service Rent Reduction complaints, but it was unclear whether this was intended to apply to Fair Return Petitions. For clarity, this revision provides the same requirements for continuances in Fair Return Petitions and Service Rent Reduction Complaints using the language from the MHRSO.

8. Beneficiaries of Downward Rent 16((q)(iv)). The approved guidelines said that only those who joined in the petition would be beneficiaries of a rent reduction and would be subject to payment of attorney's fees if awarded. The award of rent reduction has been changed remove payment of attorney's fees and to provide rent reductions all who pay the MHRSO administrative fee because they are subject to the protections of the MHRSO.

9. Reasonable Expenses (17). This originally allowed the prevailing party to receive attorney's fees. The ordinance does not allow payment of attorney's fees beyond preparation of the Fair Return Petition to encourage discussion and settlement between the ownership and residents. The ordinance does not identify how this will be reviewed by the county. This provision has been modified to reflect that the cost amortized for a Fair Return Petition needs to be reviewed by the county. This does not create any new allowance.

Items Not Changed, but Requested.

A. Consideration of the Hearing Officer 16 ((q)(iii)(f)). The objection is to have the hearing officer consider changes to service that came because of negotiations with the Homeowners Association (HOA). This is based on an actual circumstance. The concern is that the person filing the Service Rent Reduction petition may not agree with the decision of the HOA and so the Hearing Officer should not consider an agreement between the HOA and the park ownership. This is a factor the Hearing Officer should consider and not a finding that must be made or direction on how they must decide. It is appropriate for the Hearing Officer to consider what the HOA has done. If it is something that is supported by a majority of the park, that is an appropriate consideration and conversely if the majority of the park feels like they have been taken advantage of by a bad decision, that should be considered.

B. Incomplete Fair Return Petitions. The request has been made to add a provision in the guidelines that state a Fair Return Petition must be made complete within 30 days of an incomplete letter and if it is not made complete within that period the petition is rejected. There is no direct example comparable to the MHRSO. Sometimes with permit applications it is not possible to put information together within 30 days. This would address the stress placed on residents while a Fair Return Petition is pending, if the provision is too strict it could compromise an owner's ability to provide needed information.

SOURCE OF FUNDING:
The preparation of these guidelines and this board report are funded from the administrative service fees collected from persons occupying a space within a mobile home park that benefits from the Mobile Home Rent Stabilization Ordinance. These fees are collected and deposited into 1100282-631155 Administrative Fees of the Long-Range Planning (Advance Planning) Division of the Planning and Building Department.

FINANCIAL IMPACT:
Adopting the amended MHRSO Implementing Guidelines will have no impact on the General Fund as the costs associated with

preparing this board item and the administration and enforcement of the rent stabilization provisions are paid for by those people who benefit from the ordinance.

OTHER AGENCY INVOLVEMENT:
Mobile Home Residents and Operators

ALTERNATIVES TO STAFF RECOMMENDATIONS:
Board discretion

ATTACHMENTS:
1. Draft Resolution
2. Revised Guidelines
3. MHRSO

PREVIOUS ACTION/REFERRAL:
Meeting of: August 9, 2016, October 18, 2016, December 13, 2016, November 5, 2019, October 17, 2023
File No.: 16-5099, 16-7728, 16-8898, 19-819, 23-1325