



COUNTY OF HUMBOLDT

For the meeting of: 11/5/2019

File #: 19-819

To: Board of Supervisors

From: Planning and Building Department

Agenda Section: Departmental

SUBJECT:

Mobile Home Rent Stabilization Ordinance Implementing Rules and Procedures

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive the staff report on the Mobile Home Rent Stabilization Ordinance;
2. Review the Mobile Home Rent Stabilization Rules and Guidelines, including the remedies for non-compliance; and
3. Adopt the draft Resolution establishing Mobile Home Rent Stabilization Rules and Guidelines.

SOURCE OF FUNDING:

Mobile Home Rent Stabilization Ordinance administrative funds collected from park residents, paid to the park owners, and delivered to county.

DISCUSSION:

This report has been prepared to update the Board of Supervisors on implementation of the Mobile Home Rent Stabilization Ordinance (MHRSO) and to propose new implementing guidelines. The original implementing Guidelines were adopted December 13, 2016, concurrent with the administrative fee, shortly after adoption of the ordinance. Much has come to light in the last two years and staff is recommending that the Board review and adopt more thorough Rules and Procedures to assist in implementing the MHRSO.

The MHRSO was proposed as an initiative measure (Measure V) by a group of mobile home owners from the McKinleyville area and passed in November 2016. It is codified as Humboldt County Code Section 9101-1, et seq. Measure V as approved by the voters was adapted from an ordinance adopted in a city and did not fully address some of the concerns present in a geographically large and rural jurisdiction. Additionally, after two full years questions have arisen with regard to implementation of some sections of the MHRSO.

The Mobile Home Rent Stabilization Ordinance (Sections 9101-23, Rules and Guidelines and 9101-24 Compelling Compliance) allow the county to adopt rules and procedures to implement the ordinance

and provide the ability to institute civil action to compel compliance with the ordinance. The department has developed updated and more thorough Rules and Procedures for implementing the MHRSO, included as an attachment to the resolution.

The Ordinance was written to reference Consumer Price Index (CPI) for the San Francisco-Oakland-San Jose area as reported by the Bureau of Labor Statistics of the United States Department of Labor. In January 2018 the US Bureau of Labor Statistics introduced a new geographic area sample for CPI. The San Francisco Area no longer includes San Jose and some other areas, which are linked to other regions. The closest current geographical CPI index to historical CPI data referred to in the MHRSO is San Francisco-Oakland-Hayward.

Evaluating the 57-state registered mobile home parks in the unincorporated area it was determined that fourteen parks had fewer than ten spaces and are therefore exempt under Section 9101-5 (c). Of the remaining 43 parks, six are validly exempt and the entire park is not subject to MHRSO, and four parks are currently under review. Creating guidelines will assist in making the proper determination for those four parks.

The biggest challenge has been questions surrounding smaller, more rural parks. These parks have the most anomalies that require implementation interpretation. Ideally, staff could focus on the larger “urban” parks, which would allow more site-visits and in-depth enforcement. To illustrate this, the following table shows the number of parks in various categories.

Park Unit Size	Number of Parks	# Spaces/ # Covered	Median Rent	Fee Collected Per Year
1-24 Units	13	223/171	\$389	\$10,260
25-49 Units	8	278/256	\$390	\$15,360
50+ Units*	9	779/549	\$492	\$32,940

Some important items to note are that the parks over 50 units have rents \$100 more than the others, they provide 56% of the administrative revenue, are mostly owned by out of county Limited Liability Company’s (LLC), most of the formal complaints are from these parks, and they are all between Eureka and McKinleyville. Alternatively, parks under 49 units are the bulk of the parks, many were “trailer parks” prior to be considered mobile home parks and they are mostly owned by Humboldt County residents.

Amending the ordinance to apply only to the more “urban” and larger parks with 50 or more units can only be accomplished through another initiative measure approved by county voters. Considering this, staff has identified MHRSO Rules and Procedures for implementation. The Rules and Procedures also clarify the penalties associated with various items, including charging too much rent.

Three parks have said they will not cooperate and refuse to pay the required administrative funds. Failure to register is a violation of the ordinance. There are many parks struggling with implementing this ordinance, and to give an owner a pass would be inequitable. If a non-registered park is

considered 100% covered then non-compliance could result in late fees associated with the administrative payment. Continued non-compliance could result in referral to code enforcement through the civil penalty procedure, Title III, Division 5, section 352-1, et seq. of the Humboldt County Code. The Implementing Rules and Guidelines outline the options when there is no registration.

Beyond the registration, there are parks that got the proper permits to convert to recreational vehicle (RV) parks but are registered with the state as mobile home (MH) parks. These are in rural areas and have long since converted. Staff is recommending that these parks be deemed exempt. These parks would be required to change the licensure at the state, and if they do not have proper conditional use permit, they would be considered a zoning ordinance violation and be handled as such.

Another challenge is park spaces where the owner is claiming exemptions that are not listed in the ordinance. Within the 30 covered parks, representing 1280 spaces, there are 211 exempt and 95 spaces that are vacant for reasons which are not included in Section 9101-5 title Exemptions. In other jurisdictions, if a space is empty, and not exempt per the ordinance it would be considered a billable unit in terms of fee payment. The issues being experienced include the following:

- Operating with less units than licensed and/or permitted
 - Leaving abandoned mobile homes in place, (not removing or renting them)
 - Leaving a space vacant by choice, (ie: too costly or time consumptive)
- Temporary vacancy - under renovation; or for sale
- Using a space and/or unit for something else - road, storage
- No rent being collected from manager

Two parks have opted to have elected representatives. In both parks there is a question of who can vote for a MHRSO Resident Representative. The Rules and Procedures clarify the questions and concerns.

Staff believes that a regular inspection schedule would ensure that MHRSO is being reported correctly and implemented in accordance with the regulations. Focus would be on the larger parks first and eventually the smaller parks.

The implementing Rules and Procedures address the above questions, identify penalties and actions for non-compliance, and clarify other minor questions that have arisen as the ordinance is implemented. Adoption of these Rules and Procedures will supersede the original implementing Guidelines. Staff is recommending that the Board adopt resolution certifying Procedures and Guidelines to give staff clear direction and interpretation. Changes will be communicated and rolled out with next registration cycle in 2020.

FINANCIAL IMPACT:

There will be no financial impact on the general fund because revenue of approximately \$55,500 is collected on an annual basis. This covers the \$35,000 worth of staff time spent communicating with park owners and residents, collecting registration and fees, and related research. With the inspections

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being staggered the department does not expect that the inspections would cost more than an additional \$2,000-\$5,000 in employees time per year.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by enforcing laws and regulations to protect residents .

OTHER AGENCY INVOLVEMENT:

There are no other agencies involved at this time.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board could ask staff for additional data and/or choose not to implement the code, or immediately institute a civil action to compel compliance with this Chapter.

ATTACHMENTS:

Resolution adopting Mobile Home Rent Stabilization Implementing Procedures and Guidelines

PREVIOUS ACTION/REFERRAL:

Board Order No.: 1

Meeting of: December 13, 2016

File No.: 16-0116