

# SUMMARY REPORT

**Agenda Date:** 11/7/2023

To: Board of Supervisors Department or Agency Name(s): Community Development Commission Staff Name and Phone Number: Michelle Whitman, (707) 565-7504 Vote Requirement: Majority Supervisorial District(s): All

#### Title:

Amendments to Chapter 2, Article XIX of the Sonoma County Code; and Determination of Exemption from the California Environmental Quality Act (CEQA) - Second Reading and Adoption.

#### Recommended Action:

Adopt the Ordinance introduced on October 24, 2023, amending Chapter 2, Article XIX of the Sonoma County Code; and Determination of Exemption from the California Environmental Quality Act (CEQA). Second reading, ready for adoption.

#### Executive Summary:

This item requests the Board adopt amendments to Chapter 2, Article XIX of the Sonoma County Code; and Determination of Exemption from the California Environmental Quality Act (CEQA). The amendments:

- 1. Reduce annual mobilehome space rent increases payable for any mobilehome space, limited to 70% of the percent change in the Consumer Price Index; or four 4 percent of the previous year's rent, whichever may be less.
- 2. Upon an in-place transfer (sale) of a mobilehome on site to a resident-to-be or current resident, authorize an increase in rent not to exceed 5% of the then current base rent.
- 3. Make ordinance language gender neutral and replace all instances of "tenant" with "resident."
- 4. Require all written notices to residents to be provided in both English and Spanish.

At its regular meeting on October 24, 2023, the Board of Supervisors introduced, read the title of, and waived further reading of an Ordinance Amending Chapter 2, Article XIX of the Sonoma County Code; and Determination of Exemption from the California Environmental Quality Act (CEQA). The final version of the Ordinance introduced by the Board on October 24, 2023, is attached as Attachment 1. This Board item now seeks second reading and adoption of the Ordinance.

CDC staff recommended Mobilehome Space Rent Stabilization Ordinance amendments to support the County's Housing Element, Program 3, Section 3a that states that "the County will continue to implement the mobile home rent stabilization ordinance and update as necessary to ensure ongoing affordability of this unique form of housing." The amended ordinance also more closely aligns limits on mobilehome (MH) space rent increases in the unincorporated County with those of municipalities located within the County.

# Agenda Date: 11/7/2023

## Discussion:

At its regular meeting on October 24, 2023, the Board of Supervisors introduced, read the title of, and waived further reading of Ordinance Amending Chapter 2, Article XIX of the Sonoma County Code (Ordinance). The final version of the Ordinance introduced by the Board on October 24, 2023, is included as Attachment A. This Board item now seeks second reading and adoption of that Ordinance.

The Board approved amendments:

- 1. Reduce annual mobilehome space rent increases payable for any mobilehome space, limited to 70% of the percent change in the Consumer Price Index; or four 4 percent of the previous year's rent, whichever may be less.
- 2. Upon an in-place transfer (sale) of a mobilehome on site to a resident-to-be or current tenant resident, authorize an increase in rent not to exceed 5% of the then current base rent.
- 3. Make ordinance language gender neutral and replace all instances of "tenant" with "resident."
- 4. Require all written notices to residents to be provided in both English and Spanish.

At the August 15, 2023 meeting of the Sonoma County Board of Supervisors, residents of mobilehome parks (MHPs) within the County's jurisdiction addressed the Board to bring attention to concerns about rent increases outpacing the low and/or fixed income on which many MHP residents rely. During public comment several speakers suggested that the County's current mobilehome (MH) rent stabilization policies should be revised to reinforce housing security for vulnerable County residents. Your Board directed staff to return with an urgency ordinance on August 22, 2023 to establish a temporary moratorium until the earlier of February 29, 2024, or the effective date of an ordinance amending Chapter 2, Article XIX of the Sonoma County Code, which was approved.

Sonoma County's Housing Element, adopted on August 22, 2023 includes Program 3: Protections for Mobile Home Parks. Section 3a states that the County will continue to implement the mobile home rent stabilization ordinance and update as necessary to ensure ongoing affordability of this unique form of housing. The Ordinance amendment responds to Program 3, Section 3a.

The County's Mobilehome Park (MHP) Stabilization Program has been in place since 1992 and has not been updated since February 1998. The unincorporated county currently includes approximately 67 MHPs.

CDC staff researched MH resident demographics, trends in MHP investment and public policy, monitored the process and progress to update MHP ordinances in nearby jurisdictions, and engaged with stakeholders and advocates for both MH residents and MHP owners before recommending changes.

Manufactured and mobile homes are the most widely utilized form of naturally occurring affordable housing, providing affordable housing without subsidies, and allowing residents to own homes who otherwise could not.

MHPs house a large low- and modest-income population. The Consumer Financial Protection Bureau reports that median income for MH households is only half that of households in conventional homes. Additionally, older persons, households with low educational attainment, and households with relatively low net worth are all disproportionately represented among MHP households. Elderly households are especially prevalent in

## Agenda Date: 11/7/2023

MHPs, where a majority are headed by a retiree. These households are also more financially insecure; the median net worth of MHP households is about one quarter of the net worth of households in conventional homes. When MHP owners choose to increase rent above a certain threshold, MHP residents report facing great difficulty meeting basic needs.

Nearly all MHP residents own and occupy their MH and have made a substantial monetary investment to live in an MHP. However, once installed on a site, most so-called MHs are never moved as relocation costs can exceed \$20,000. After the Tubbs Fire destroyed most but not all of the MHs at Journey's End, County and City of Santa Rosa officials also learned that most local MHPs reject older units like the Journey's End homes that were spared. This reality makes MH owners a captive class of tenant, usually with no option but to stay where they are even when space rents outpace a fixed and/or low-income household's ability to absorb cost of living increases.

The amended Ordinance (Attachment 1) is presented for second reading and adoption. After adoption, the ordinance will be published once in the Press Democrat within 15 days of adoption. If approved, the ordinance is adopted on November 7and will be effective 30 days later on December 7, 2023. Note that the County's temporary moratorium on MH space rent increases (Urgency Ordinance 6443) will no longer be in effect upon the effective date of this ordinance, on December 7, 2023.

# Strategic Plan:

N/A

# Racial Equity:

# **Was this item identified as an opportunity to apply the Racial Equity Toolkit?** No

# Prior Board Actions:

10/24/2023: Board Considered and Approved Amendments to Chapter 2, Article XIX of the Sonoma County Code to Strengthen Mobilehome Park Resident Protections; Made a Determination of CEQA Exemption.

08/22/2023: Board adopts Urgency Ordinance Creating a Temporary Moratorium on Rent Increases on Mobilehome Spaces In the Unincorporated Area of the County

08/15/2023: Board directs CDC to return on 8/22/2023 with Urgency Ordinance to Create a Temporary Moratorium on Rent Increases on Mobilehome Spaces In the Unincorporated Area of the County.

02/03/98: Board adopts a Resolution amending Section 19-54 and adding Sections 19-56 of the Sonoma County Code in reference to the Mobilehome Park Stabilization Program.

02/03/98: Board adopts a Resolution amending Section 19-54 and adding Sections 19-56 of the Sonoma County Code in reference to the Mobilehome Park Stabilization Program.

01/23/96: Board adopts Ordinance No. 4919 amending the Mobilehome Park Space Rent Stabilization Program.

07/14/92: Board adopts Ordinances Nos. 4655 and 4657 to continue the Mobilehome Park Space Rent Stabilization Program.

06/16/92: Boards adopts findings on 1992 Mobilehome Park report.

06/23/87: Board Adopts Mobilehome Park Space Stabilization Program.

#### **Agenda Date:** 11/7/2023

Expenditures	FY23-24	FY24-25	FY25-26
	Adopted	Projected	Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies			
Total Sources			

#### Narrative Explanation of Fiscal Impacts:

N/A

Staffing Impacts:					
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)		

Narrative Explanation of Staffing Impacts (If Required):

N/A

#### **Environmental Review:**

This ordinance is exempt from the California Environmental Quality Act pursuant to State CEQA Guideline § 15061(b)(3) because it can be seen with certainty that there is no possibility that this ordinance may have a significant effect on the environment. The basis for this determination is that this ordinance amends annual rent increase limits within mobilehome parks, which will not result in any significant adverse direct or indirect physical changes to the environment.

#### Attachments:

Attachment 1: Ordinance introduced by the Board on October 24, 2023

# Related Items "On File" with the Clerk of the Board:

N/A