



# Memorandum

**TO:** RULES AND OPEN GOVERNMENT  
COMMITTEE

**FROM:** Leslye Corsiglia

**SUBJECT:** AMENDMENT TO MOBILEHOME  
ADVISORY COMMISSION'S  
2011 WORKPLAN

**DATE:** March 16, 2011

Approved

Date

3-17-11

## RECOMMENDATION

It is recommended that the Rules Committee approve an amendment to the 2011 Workplan for the Mobilehome Advisory Commission to allow for the appointment of a six-month, ad hoc subcommittee of the Commission to review the 3% annual rent increase allowed under the Mobilehome Rent Ordinance and consider ways to reduce its impact on low- and fixed-income mobilehome owners.

## OUTCOME

Approval of the recommended action will provide the Mobilehome Advisory Commission ("Commission") and the City Council with additional information and suggestions regarding ways to address this contentious issue.

## BACKGROUND

The Mobilehome Rent Ordinance ("Ordinance") generally provides that space rents may be increased by a percentage of the annual increase in the Consumer Price Index ("CPI"). The Ordinance establishes a cap of 7% on such rent increases but also allows landlords to impose a 3% increase even if the basic CPI formula would otherwise yield a lesser percentage increase.

Discussion of this issue is included in the Commission's 2011 Workplan but without mention of an ad hoc subcommittee to study the issue. The workplan also limits the consideration of the issue to Spring 2011. Staff has been advised by the City Attorney's Office that a Commission's approved workplan should include specific reference to the formation of such subcommittees before creating one.

## ANALYSIS

Many mobilehome park tenants and their supporters have expressed concerns that the 3% floor on rent increases unjustifiably imposes financial hardships on seniors and other tenants on fixed incomes as well as those working families with very limited means. They would support an

March 16, 2011

**Subject: Amendment to Mobilehome Advisory Commission's 2011 Workplan**

Page 2

amendment to Ordinance to modify or eliminate the 3% floor provision. Opponents of amending the Ordinance to address this concern point out that such an amendment would re-open the statute of limitations on the entire Ordinance and poses the risk that mobilehome park owners would file suit to eliminate rent control altogether.

The Commission meets only four times a year, so there is not sufficient time to allow an adequate study of this issue and/or alternate approaches to the problem. For this reason, the Commission decided at its February 2011 meeting to seek approval from the Rules Committee to appoint an ad hoc subcommittee of two Commissioners that could give this issue the in-depth analysis that it deserves for a period of up to six months.

Since the Commission's next meeting will be in May, appointment of an ad hoc subcommittee at that time will mean that the subcommittee's work may not be completed until November 2011, and the Commission's discussion may not occur until early-2012. It is therefore possible that this issue will need to be reflected in the Commission's workplan for 2012.

**Workload Assessment:** The Housing Department and the City Attorney's Office foresee a minor workload impact directly associated with the work of an ad hoc subcommittee. Depending on what comes out of the subcommittee process and is then recommended to the City Council by the Commission, there could be a significant workload impact on both departments. However, until such a recommendation is formulated, it is not possible to assess the magnitude of that impact.

### **COORDINATION**

Preparation of this report was coordinated with the City Attorney's Office.



LESLYE CORSIGLIA  
Secretary to the Mobilehome  
Advisory Commission

For questions please contact LESLYE CORSIGLIA, DIRECTOR OF HOUSING  
At 408-535-3851.