



# Memorandum

**TO:** THE HONORABLE MAYOR &  
CITY COUNCIL

**FROM:** Councilmember Lan Diep

**SUBJECT:** CREATION & APPLICATION OF  
A MOBILEHOME PARK LAND USE  
DESIGNATION IN THE GENERAL PLAN

**DATE:** March 9, 2020

Approved

Date

3/9/20

## RECOMMENDATION

Adopt the Planning Commission's recommendations (a), (b), and (c) along with the following:

1. Direct staff to produce an info memo within 90 days assessing and ranking the 56 remaining mobile home parks (58 parks excluding Westwinds and Mountain Springs) according to each park's risk of conversion, based on known facts, present applications or inquiries from park owners, market conditions, and anticipated impacts of new state laws;
2. Create a Mobile Home Protection Reserve Fund – to be funded through the budget process – to fund the work of preserving our mobile home communities against imminent threats of conversion as they arise by crafting tailored responses that will offer meaningful protection to park residents; and
3. Pre-approve initial funding for the Mobile Home Protection Reserve Fund with \$30,000 from the Essential Services Fund, deducted against Councilmember Lan Diep's portion of the funds Mayor Liccardo has set aside for council offices. (A Budget Document shall follow).

## BACKGROUND

The City of San José was caught off guard in 2014 when the owners of Winchester Ranch Mobile Home Community entered negotiations to sell the park to make way for a new high-density residential development. Since then the City Council has deemed preventing mobile home conversions as its second highest priority.

Each mobile home community in San José exists under one of various General Plan land use designations, such as Residential Neighborhood, Urban Residential, Neighborhood/Community Commercial, Light Industrial, Heavy Industrial, Combined Industrial/Commercial, and Open Space Parklands and Habitat. Each designation allows varying degrees and types of development and grants the landowner different rights as to potential park conversion.

Only two parks – Westwinds and Mountain Springs – are designated as Urban Residential under our General Plan. This designation allows the owners of these parks to develop – by right – up to a density of 95 dwelling units per acre (du/acre). The Council will protect these two parks with

Tuesday's vote, changing their land use designation to Mobilehome Park to reduce the allowed density to 25 du/acre. This action will require landowners to take an additional step of seeking a General Plan amendment and permission from Council to convert a park to higher density. Mobile home owners will be empowered with leverage to speak through the City Council.

Presently 40 mobile home communities have Residential Neighborhood designations, four parks have split residential and non-residential designations, and 14 parks have non-residential designations. The Residential Neighborhood designation allows up to eight du/acre. The proposed Mobilehome Park designation allows for 25 du/acre. Staff has indicated that amending the General Plan land use designations of all 58 mobile home communities will cost between \$318,800-\$381,600 and require 12 to 18 months of staff time.

### ARGUMENT

This Council has consistently stood with our mobile home residents to enact policies to preserve this naturally affordable housing stock. We have enacted zoning code changes, adopted a mobile home conversion policy, implemented a moratorium on conversions and closures, and are now pursuing General Plan amendments to ensure mobile home communities are not vulnerable to conversion and residents are not at risk of displacement.

We will continue to assure mobile home owners that they are a valued part of our City and that their investments in their homes will be protected. However, considering constraints on city finances and staff time, we must be judicious and nimble in our actions. The proposal to designate all existing mobile home communities from their current land uses to Mobilehome Park sounds significant but in practice would not create any additional meaningful protections.

The vast majority of our mobile home parks are designated Residential Neighborhood, which allows for eight du/acre. A park owner considering conversion will likely want more density than that and will have to apply for a General Plan amendment. Likewise, conversion of mobile home parks with non-residential designations will also require a General Plan amendment, as new industrial development is unlikely at this time. Only at Westwinds and Mountain Springs can landowners proceed with lucrative, high-density development by right, without coming first to Council. Accordingly, only these two parks will gain any meaningful protection by a Mobilehome Park land use designation, as the action would restrict the development potential at these parks and create the additional step of requesting a General Plan amendment before redevelopment can happen. This additional step already exists for all other mobile home communities. Changing every park's land use designation will not create any new protections.

### CONCLUSION

There may be attempts at park conversion that defy conventional wisdom and market expectations. In these rare instances, mobile home parks that seem safe may become threatened. But even in these instances, a Mobilehome Park designation will not protect mobile home communities from a landowner submitting an application to convert. Rather than investing scarce resources into an overbroad strategy of amending the land use designations of all 58 parks, the Council should establish a Mobile Home Protection Reserve Fund so that we can nimbly customize our responses to the actual threats to mobile home communities as they arise.