AMENDED AGENDA



City of San José **Housing & Community Development Commission**

District 1 — Roma Dawson (VC)

District 3 — VACANT

District 5 — Ruben Navarro (C)

District 7 — Christopher Escher

District 9 — H.B. Mok Mayor — Ali Sapirman

Start time: 5:45 PM

Lived Experience (Mayor) — Sketch Salazar

Lived Experience Alternate (Mayor) — Gabriela Gabrian

Commissioners are appointed by corresponding Council Members, but do not need to reside in that Council District.

REGULAR MEETING AGENDA

December 11, 2025

Virtual **Zoom Link** Web ID: 940 5398 8541

Alain Mowad — District 2

Roberta Moore — District 10

Daniel Finn — CAAC MR (C) Ryan Jasinsky — CAAC ML

VACANT — District 4

VACANT — District 6 VACANT — District 8

Location: City Hall, Wing Rooms 118-120 888-475-4499 (Toll Free)

Members of the public have a choice to attend the meeting either in person at the location listed above, or to attend virtually, viewing and listening to the meeting by following the instructions below. Additional instructions are provided below to those members of the Public who would like to comment on items on the agenda.

Beginning Tuesday, February 6, 2024, the City of San José will limit verbal comment for Brown Act meetings to in person only. The public will still be able to watch live broadcasts of commission meetings on Zoom. The public may attend meetings in person to provide comment or may provide written comments on agenda items.

How to attend the Housing & Community Development Commission Meeting:

- 1) In person: For participants that would like to attend in person, the physical location is listed on the upper left of this page.
- 2) Electronic Device Instructions: For participants who would like to join electronically from a PC, Mac, iPad, iPhone, or Android device, please click this URL: Zoom Link.
 - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
 - b. Enter an email address and name to join the meeting.
- 3) Telephone Device Instructions: For participants who would like to listen to the meeting on their telephones, please dial 888-475-4499 (Toll Free).
- 4) Public Comments prior to meeting: If you would like to submit your comments prior to the meeting, please e-mail mindy.nguyen@sanjoseca.gov or call (408) 534-2961 by

12pm the day of the meeting. Comments submitted prior to the meeting will be considered as if you were present in the meeting.

Note that the times for items shown below are approximate and intended only to notify the Commission of the approximate amount of time staff expects each item might take.

Please note that items may be heard before or after the times shown, and plan accordingly.

APPROX. TIME	AGI	ENDA ITEM
5:45	I.	Call to Order & Orders of the Day
		A. Chair reviews logistics for Zoom meetings
5:46	II.	Introductions and Roll Call
5:50	III.	Consent Calendar A. Approve the Minutes for the Regular Meeting of September 11, 2025 ACTION: Approve the September 11, 2025 action minutes
5:55	IV.	Reports and Information Only A. Chair B. Director C. Council District Liaison
6:05	V.	Open Forum Members of the Public are invited to speak on any item that does <u>not</u> appear on today's Agenda and that is within the subject matter jurisdiction of the Commission. Meeting attendees are usually given two (2) minutes to speak during Open Forum; however, the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate due to a large number of speaker requests.
6:15	VI.	Old Business
	VII.	New Business
6:20	Δ	A. Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) (E. Hislop, Housing)
		Action: Davious the staff report on proposed amondments to the

Action: Review the staff report on proposed amendments to the Mobilehome Rent Ordinance (SJMC 17.22) and make possible recommendations on those amendments.

7:20 VIII. Open Forum

Members of the Public are invited to speak on any item that does <u>not</u> appear on today's Agenda and that is within the subject matter jurisdiction of the Commission (per <u>Section 2.08.2840</u> of the San José Municipal Code). Meeting attendees are usually given two (2) minutes to speak during Open Forum; however, the time limit is in the discretion of the Chair of the meeting, and may be limited when appropriate due to a large number of speaker requests.

7:25 IX. Meeting Schedule

The next Regular Meeting for the Commission is scheduled to be held on Thursday, February 12, 2025 at 5:45 p.m. in Wing Rooms 118-120 at San José City Hall, 200 E. Santa Clara St., San José, CA 95113. Items tentatively expected to be heard are:

- Rent Stabilization Program Annual Report Fiscal Year 2024-2025
- Measure E Annual Report

7:30 X. Adjournment

The City's <u>Code of Conduct</u> is intended to promote open meetings that welcome debate of public policy issues being discussed by the City Council, their Committees, and City Boards and Commissions in an atmosphere of fairness, courtesy, and respect for differing points of view.

You may speak to the Commission about any discussion item that is on the agenda, and you may also speak during Open Forum on items that are not on the agenda and <u>are within the subject matter jurisdiction</u> of the Commission. Please be advised that, by law, the Commission is unable to discuss or take action on issues presented during Open Forum. Pursuant to Government Code Section 54954.2, no matter shall be acted upon by the Commission unless listed on the agenda, which has been posted not less than 72 hours prior to meeting. Agendas, Staff Reports and some associated documents for the Commission items may be viewed on the Internet at http://www.sanjoseca.gov/hcdc. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Commission.

Correspondence to the Housing & Community Development Commission is public record and will become part of the City's electronic records, which are accessible through the City's website. Before posting online, the following may be redacted: addresses, email addresses, social security numbers, phone numbers, and signatures. However, please note: e-mail addresses, names, addresses, and other contact information are not required, but if included in any communication to the Housing & Community Development Commission, will become part of the public record. If

you do not want your contact information included in the public record, please do not include that information in your communication.

All public records relating to an open session item on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the Office of the City Clerk, 200 East Santa Clara Street, 14th Floor, San José, California 95113, at the same time that the public records are distributed or made available to the legislative body. Any draft resolutions or other items posted on the Internet site or distributed in advance of the Commission meeting may not be the final documents approved by the Commission. Contact the Office of the City Clerk for the final document.

On occasion, the Commission may consider agenda items out of order.

The Housing & Community Development Commission meets every second Thursday of each month (except for July and sometimes December) at 5:45pm, with special meetings as necessary. If you have any questions, please direct them to the Commission staff. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

The Levine Act requires a Party in a Proceeding before the City of San José that involves any action related to their contract, license, permit, or use entitlement to disclose any campaign contributions to City elected or appointed officials totaling more than \$250 within the 12 months prior to the City decision. A Participant to a Proceeding may voluntarily report a campaign contribution. Please visit https://www.sanjoseca.gov/your-government/appointees/city-clerk/levine-act for updated forms and information.

To request translation or interpretation services, accommodation, or alternative format under the Americans with Disabilities Act for City-sponsored meetings, events, or printed materials, please call (408) 535-1260 as soon as possible, but at least three business days before the meeting. Please direct correspondence, requests, and questions to:

City of San José Housing Department Attn: Mindy Nguyen 200 East Santa Clara Street, 12th Floor San José, California 95113 Tel: (408) 534-2961

Email: mindy.nguyen@sanjoseca.gov

Para residentes que hablan español: Si desea mas información, favor de llamar a Luisa Cantu al 408-535-8357.

Tiếng Việt: Xin vui lòng liên lạc Janie Le tại 408-975-4462.

對於說華語的居民: 請電 408-975-2694 向 Hong Hua 詢問詳細事宜。



City of San José Housing & Community Development Commission

District 1 — Roma Dawson (VC)

District 3 — VACANT

District 5 — Ruben Navarro (C)

District 7 — Christopher Escher

District 9 — H.B. Mok

Mayor — Ali Sapirman

Lived Experience (Mayor) — Sketch Salazar

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Daniel Finn — CAAC MR

Alain Mowad — District 2

VACANT — District 4

Ryan Jasinsky — CAAC ML

Commissioners are appointed by corresponding Council Members, but do not need to reside in that Council District.

REGULAR MEETING AGENDA

November 13, 2025

THE NOVEMBER 13, 2025 HOUSING COMMUNITY DEVELOPMENT COMMISSION HAS BEEN CANCELLED DUE TO TECHNICAL DIFFICULTLY WITH COMMISSIONER EMAIL ACCOUNTS.

THE NEXT REGULARLY SCHEDULED HOUSING COMMUNITY DEVELOPMENT COMMISSION IS SCHEDULED FOR:

DECEMBER 11, 2025 AT 5:45 PM

Please direct correspondence, requests, and questions to:

City of San José Housing Department Attn: Mindy Nguyen 200 East Santa Clara Street, 12th Floor San José, California 95113 Tel: (408) 534-2961

Email: mindy.nguyen@sanjoseca.gov

Para residentes que hablan español: Si desea mas información, favor de llamar a Luisa Cantu al 408-535-8357.

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對於說華語的居民: 請電 408-975-2694 向 Hong Hua 詢問詳細事宜。

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

MEETING ACTION MINUTES

September 11, 2025

MEMBERSRoma DawsonVice Chair (D1)PRESENT:Alain MowadCommissioner (D2)

Ruben Navarro Chair (D5)

Christopher Escher Commissioner (D7)

Roberta Moore Commissioner (D10) arrived at 5:59pm

Ali Sapirman Commissioner (Mayor)
Daniel Finn Commissioner (MR)
Ryan Jasinskly Commissioner (ML)
Gabriela Gabrian Commissioner (LE Alt)

MEMBERS Sketch Salazar Commissioner (LE)

ABSENT: H.B. Mok

STAFF PRESENT: Erik L. Soliván Director, Housing

Cupid Alexander Deputy Director, Housing

Mindy Nguyen Interim Senior Development Officer, Housing

(I) Call to Order & Orders of the Day

A. Chair Navarro called the meeting to order at 5:45 p.m.

(II) Introductions – Commissioners and staff introduced themselves.

(III) Consent Calendar

A. Approve the Consent Calendar which includes Minutes for the Regular Meeting of June 12, 2025.

Vice Chair Dawson made the motion to approve the Consent Calendar with a second by Commissioner Finn. The motion passed 8-0-1-2.

Yes	Finn, Jasinsky, Dawson, Mowad, Navarro, Moore, Sapirman, Gabrian (8)	
No	None (0)	
Abstain	Escher (1)	
Absent	Moore, Salazar (2)	

Housing & Community Development Commission DRAFT Minutes – Regular Meeting of September 11, 2025

(IV) Reports and Information Only

- **A.** Chair: Chair Ruben Navarro reviewed logistics and guidelines for participation. Chair Navarro reviewed the functions, powers, and duties of the Housing and Community Development Commission.
- **B. Director:** Director Erik L. Soliván shared updates on the Housing Department's activities.
- **C.** Council Liaison: The Council Liaison was not present.
- (V) Open Forum
- (VI) Old Business
- (VII) New Business
 - A. Housing and Community Development Commission's Fiscal Year 2024-2025
 Accomplishments Report and Fiscal Year 2025-2026 Work Plan
 (E. Soliván, Housing)

Action: Review, discuss, and adopt the Housing and Community Development Commission's Fiscal Year 2024-2025 Accomplishments Report and Fiscal Year 2025-2026 Work Plan for submission to the City Council's Community and Economic Development Committee at its October 27, 2025 meeting.

Commissioner Mowad made the motion to adopt the Housing and Community Development Commission's Fiscal Year 2024-2025 Accomplishments Report and Fiscal Year 2025-2026 Work Plan with a second by Commissioner Sapirman. The motion passed 9-0-0-1.

Yes	Finn, Jasinsky, Dawson, Mowad, Navarro, Escher, Moore, Sapirman, Gabrian (9)	
No	None (0)	
Abstain	None (0)	
Absent	Salazar (1)	

B. Consolidated Annual Performance and Evaluation Report (CAPER) (C. Alexander, Housing)

Action: Hold a public hearing for the FY 2024-25 Consolidated Annual Performance and Evaluation Report (CAPER) on the use of funds from the U.S. Department of Housing and Urban Development (HUD) and make recommendations to City Council to approve the report.

Housing & Community Development Commission DRAFT Minutes – Regular Meeting of September 11, 2025

Commissioner Mowad made the motion recommend to the City Council to approve the FY 2024-2025 CAPER with a second by Commissioner Sapirman. The motion passed 9-0-0-1.

Yes	Finn, Jasinsky, Dawson, Mowad, Navarro, Escher, Moore, Sapirman, Gabrian (9)
No	None (0)
Abstain	None (0)
Absent	Salazar (1)

(VIII) Open Forum

Members of the Public are invited to speak on any item that does not appear on today's Agenda and that is within the subject matter jurisdiction of the Commission. Meeting attendees are usually given two (2) minutes to speak on any discussion item and/or during open forum; the time limit is in the discretion of the Chair of the meeting and may be limited when appropriate. Speakers using a translator will be given twice the time allotted to ensure non-English speakers receive the same opportunity to directly address the Commission.

(IX) Meeting Schedule

The next Regular Meeting for the Commission is scheduled to be held on Thursday, November 13, 2025 at 5:45 p.m., Wing Rooms 118-120, at San José City Hall, 200 E. Santa Clara St., San José, CA 95113. Items tentatively expected to be heard are:

• Amendment(s) to the Annual Action Plan Fiscal Year 2025-2026

(X) Adjournment

Chair Navarro adjourned the meeting at 7:23 p.m.

HCDC AGENDA: 12/11/2025 ITEM:



Memorandum

TO: HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

FROM: Erik L. Soliván DATE: December 4, 2025

SUBJECT: SEE BELOW

SUBJECT: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC

17.22)

RECOMMENDATION

It is recommended that the Commission review the staff report on proposed amendments to the Mobilehome Rent Ordinance (SJMC 17.22) and make possible recommendations on those amendments.

SUMMARY AND OUTCOME

The intent to propose amendments to Chapter 17.22, Title 17 of the San José Municipal Code and modernizes the Mobilehome Rent Ordinance (MRO) was stated in the Rent Stabilization Strategic Plan as presented to and adopted by City Council in September 2024. The proposed amendments modernize an over 30-year-old ordinance, reflects changes in state law, separates program policy from program procedures, expands tenant protections, and provides additional mechanisms to allow mobilehome park owners to maintain and enhance their parks. The revisions balance the needs of mobilehome residents and park owners, maintaining rent stability while providing fair return and procedural clarity.

BACKGROUND

Since 1979, mobilehome lots in mobilehome parks within the City of San José have been subject to the Mobilehome Rent Ordinance, codified under Chapter 17.22 of the San José Municipal Code¹. Typically, an individual owns their mobilehome and they pay rent to the mobilehome park owner who owns or leases the land where the mobilehome is situated. It is also possible that a mobilehome park or private party own a

¹ Mobilehome Rent Ordinance https://library.municode.com/ca/san_jose/codes/code_of_ordinances?nodeId=TIT17BUCO_CH17.22MO_ REOR

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 2

mobilehome which they rent to a tenant. The MRO restricts the amount of rent that can be increased annually for mobilehome lots for which plumbing, electrical, and sewer permits were initially issued September 7, 1979, or earlier, and mobilehomes on those mobilehome lots. The MRO also protects a mobilehome park owner's right to receive a fair return on their investment. There are over 10,000 mobilehome spaces across 58 mobilehome parks that are subject to the MRO, including 11 parks that are exclusive to senior citizen households².

Legislative History

In July 1979, the San José City Council initially adopted Ordinance No. 19696 regulating rents charged to residents in both mobilehome parks and recreational vehicle parks. In July 1985, the City of San José (City) adopted Ordinance No. 22020 by adding Chapter 17.22 to the San José Municipal Code entitled "San Jose mobilehome rental dispute mediation and arbitration ordinance" (MRO). On June 24, 1986, the City adopted Ordinance No. 22284, replacing and superseding Ordinance No. 22020, and simultaneously approved updated regulations implementing the MRO. The last material amendment to the MRO was in 1993 by reducing the annual rent increase limits from a flat 5% to a percentage of the change in the Consumer Price Index, referred to as the Maximum Annual Percentage Increase. On average, the annual allowable increase is approximately 3% to 4% per year.

Recently, City Council took action to adopt a technical amendment to MRO³. Aside from those amendments, no action has been taken to amend the MRO or the MRO Regulations in over 30 years.

The three-year Rent Stabilization Program Strategic Plan presented to City Council in September 2024 included direction to implement improvements across all rental housing ordinance programs including the MRO that further the goals of housing stabilization, unit preservation, and outreach and engagement. Amendments to the MRO support furthering these goals with respect to mobilehome and mobilehome parks.

ANALYSIS

The Housing Department recommends a series of amendments to the MRO to modernize provisions, streamline administration of the MRO program, and incorporate state law changes. Other changes include additional rights for both residents and park owners to maintain parity and fairness. The primary proposed changes to the MRO are described as follows.

² Map of Mobilehome Parks by Council District https://experience.arcgis.com/experience/f9b6362400eb464fad0909411337f905

³ https://sanjose.legistar.com/LegislationDetail.aspx?ID=7411006&GUID=33CF5DAE-F77B-4278-82FE-92B1B8536F1B&Options=&Search=

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 3

Park Registration Requirements

The MRO currently requires mobilehome parks to be registered with the Rent Stabilization Program (Program) by providing owner and manager information, an agent for service of process, and the number of lots in the park. When a mobilehome park is sold or transferred, the seller or transferor and buyer or transferee are required to notify the Program, and the new owner is required to register. Compliance with this requirement is rare and even though the Program mails out registration forms every couple of years, it can be challenging for the Program to maintain up-to-date information for all mobilehome parks. A proposed amendment would require landlords to register all rental units annually to confirm contact information, report rent and tenancy changes, apply for exemptions, and provide ownership updates. The registration system would be similar to the rent registry for properties covered by the Apartment Rent Ordinance. Additionally, landlords who fail to register will be prohibited from increasing rent until compliance is achieved.

This update is in line with the goals stated in the Rent Stabilization Program Strategic Plan of:

- 1) Ensuring accurate data collection to assist data-driven analysis;
- 2) Furthering active outreach and engagement by ensuring ownership and management contact information is current; and
- 3) Supporting compliance monitoring.

Changes to State Law

Some proposed amendments remove or edit provisions to align with certain changes in state law. This includes the deletion of a section that exempts units from the MRO if a resident voluntarily entered into a long-term lease longer than 12 months, which no longer aligns with state law. In 1986, the MRO was amended to conform with a state law adopted in 1985 (Civil Code 798.17 and 798.18) that excluded mobilehome park tenancies from local rent control for leases longer than 12 months. In 2020, AB 2782 was introduced and signed into law, which sunsets the long-term lease exemption as of January 1, 2025. The sole purpose of including the exemption in the MRO in 1986 was to avoid conflict with state law; in addition, removing the provision is consistent with actions other jurisdictions with mobilehome rent ordinances have taken since the law sunset.

Changes to the Decontrol Process for Mobilehome Transfers

Vacancy *control* means that the rent price charged to the new mobilehome resident is the same rent charged to the previous resident. Vacancy *decontrol* means that when a rental unit or rental mobilehome space becomes vacant, the owner may set the new rent. The transfer of ownership of mobilehomes is a primary cause of unit vacancy. The proposed amendment to the MRO will allow a one-time rent increase of up to 10% upon the sale and complete vacancy of the unit at the time of transfer of the mobilehome. The

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 4

increase would be applied on the first Anniversary Date after the transfer and would be inclusive of the annual allowable rent increase percentage that typically averages around 3%. This provision would not apply when an owner passes away and the transfer is to a joint-tenant, spouse, or heir, in accordance with relevant provisions in the state Mobilehome Residency Law.

Example of How the One-time Increase would apply:

- A current Mobilehome owner, Joe, is paying \$1,000/month for space rental.
- Joe sells his mobilehome to Jane.
- On the next anniversary date following the sale, the mobilehome park owner may increase Jane's space rental up to 10% of \$1,000 or \$100, bringing the maximum new rental price to \$1,100.
- On the next year's anniversary date, the mobilehome park owner may only increase Jane's rent by the maximum allowable increase, which is typically 3%. This would be 3% of \$1,100 or \$33, bringing the maximum new rental price to \$1,133. As illustrated in this table.

Year	Maximum Percentage Increase on Anniversary Date	Rent Amount
2025	3%	\$1,000
Joe sells his mobilehome		
2026	10%	\$1,100
2027	3% (unless inflation higher)	\$1,133
2028	3% (unless inflation higher)	\$1,167

Other Cities and Counties with Mobilehome Park Rent Restrictions

A survey of the 106 jurisdictions in California⁴ that regulate rents in mobilehome parks show that 71 cities or counties impose some form of vacancy control on space rents. This means that the space rent remains the same or has a one-time adjustment upon the transfer of the mobilehome home.

Of those 71 programs with vacancy control, 46 jurisdictions allow for a one-time rent increase when the mobilehome is sold. Twenty-one of the 46 jurisdictions allow a 10% increase, and eight programs allow rent increases exceeding 10% (ranging from 12% to 25%). The remaining 17 programs allow an increase that amounts to a percentage of inflation, a percentage less than 10%, a set dollar amount, or an increase to match the average space rent.

⁴ https://mhphoa.com/ca/rso/

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 5

Municipalities	Post Sale Allowable Increase
21	10%
8	12 - 25%
9	3 - 8%
8	% of Inflation or \$x

Alignment with Other Rent Increase Limits on Affordable Housing

The MRO limits annual rent increases based on the rate of inflation each year, with that calculation being 3% for most years over the past few decades. This is lower than the current annual rent increase limits for other affordable housing within the City of San José. Landlords of apartment units subject to the Apartment Rent Ordinance may increase rents annually up to 5%. Annual rent increases for deed restricted affordable units (Low-Income Housing Tax Credit properties) are permitted by state law up to 5% plus the change in the Consumer Price Index⁵.

To keep rents affordable for current mobilehome residents, many of whom are senior households on a fixed income, there is no proposed change to the MRO's current annual maximum allowable percentage increase. The proposed one-time 10% rent increase for a new owner of a mobilehome allows the mobilehome park owner to capture a similar rent increase allowed in other affordable housing portfolios at the time of sale and not impact the stability of current mobilehome residents.

Mitigating Speculative Practices to Safeguard Housing Affordability

The amendments also propose allowing the promulgation of regulations to mitigate asset speculation when a purchaser of a mobilehome does not intend to live in the unit and instead resells it. The purpose of this provision is to discourage speculative investing of mobilehomes, which are often purchased at foreclosure sales by individuals or entities who do not intend to live in the homes. The charge under the MRO to Housing Department to maintain rent stability and to mitigate abuses of the program provisions.

Specified Capital Improvement Petitions for Landlords (Limited)

A new section will be added that creates a defined process for landlords to petition for specified capital improvement pass-throughs, limited to 3% of the monthly rent, in special circumstances. Eligible improvements are those that provide added benefits to residents, not merely replace existing capital improvements or improvements that maintain existing services. Such improvements may include those that materially

⁵ This restriction was imposed by AB 846 passed in 2024 to address larger increases in deed-restricted affordable properties where the allowable rents charges are tied to the Area Median Income, which has increased significantly in recent years.

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 6

improve sustainability (energy or water conservation), accessibility, safety, or flood mitigation. Recovery of costs of other capital improvement projects can be sought through the streamlined fair return petition as set forth in the regulations.

Mobilehome Resident Process to Settle Rent Disputes

Mobilehome resident petitions will be added to the MRO to allow them to be resolved by the Program staff for downward adjustment of rent when there are improper rent increases or illegal pass-throughs. Establishing a clear petition mechanism for mobilehome residents enhances accountability and creates parity with mobilehome park owner petition processes. This change also aligns the administration of the MRO with the Apartment Rent Ordinance, in which such resident petition processes already exist.

Addition of a Petition Decision Appeal Process

The MRO currently does not have an appeal process for petition decisions filed by either park owners or residents. A mobilehome park owner or resident wishing to challenge some aspect of a hearing officer's decision must pursue an action in Superior Court, which can take years and incur costly legal expenses to the appellant and the Program. A new section is proposed, which introduces a formal appeal process allowing any party to a petition to appeal an administrative decision to the Housing Department Director. This new process provides due process, transparency, and consistency in the Program's adjudication of rent disputes. The Housing Department Director's decisions on appeal may still be appealed in state Superior Court through a writ of mandate.

Removal of Outdated Provisions

Other proposed amendments include removing outdated provisions and revising references to the City administration and procedures for administering the MRO. For example, several sections of the MRO addressed provisions that only applied between 1991 and 1992. Another section on consolidating anniversary dates was removed because it applied only to select parks between 1987 and 1989.

Relocating Provisions to Regulations

Proposed amendments include deleting provisions concerning processes that are better addressed in the regulations, where real time updates can be made in the Program's administration that reflect the ever changing technological and fiscal environment. This includes procedural details regarding the filing of petitions, noticing requirements, role of Program staff, and conduct of administrative hearings. These structural changes allow the Housing Department to update procedures more efficiently and effectively.

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 7

FISCAL IMPACT

The proposed amendments are not anticipated to have a significant fiscal impact. Any administrative costs related to additional petition or registration processing will be absorbed within the existing Program budget, supported by annual fees assessed to covered units.

EVALUATION AND FOLLOW-UP

The proposed MRO amendments will go to City Council for an initial public hearing on January 27, 2026. The Commission's feedback will be captured and included in the memorandum, which will be posted on the City's Council Agenda website for the January 27, 2026, City Council meeting.

PUBLIC OUTREACH

This item was originally posted on the Housing and Community Development Commission's Agenda website on November 6, 2025, for its regularly scheduled November 13, 2025 meeting. Since the November 13, 2025, Housing and Community Development Commission meeting was canceled, the item was rescheduled for the Commission's regularly scheduled meeting on December 11, 2025.

The Housing Department held the first of a series of community engagement meetings virtually on November 20, 2025. Mobilehome park owners and residents and members of the public were invited to attend. Simultaneous Vietnamese and Spanish interpretation services were provided. At least 47 mobilehome park residents and owner representatives participated in the meeting.

A second virtual community engagement meeting will be held on December 17, 2026, and a third meeting, which is an in-person community engagement meeting will be held in early January 2026.

Staff from the Housing Department has had and will continue to have numerous communications, small group meetings, one-on-one meetings with community leaders, commission members, owners, operators and residents.

 This memorandum will be posted on the Housing Department website for the December 11, 2025 Commission meeting.

HOUSING & COMMUNITY DEVELOPMENT COMMISSION

December 4, 2025

Subject: Proposed Amendments to the Mobilehome Rent Ordinance (SJMC 17.22) Page 8

 The proposed Amendments to the Mobilehome Rent Ordinance will be posted on the City's Council Agenda website for an initial public hearing scheduled to be held at the City Council's January 27, 2026 meeting.

> Erik L. Soliván Housing Director

The principal author of this memorandum is Emily Hislop, Division Manager. For questions, please contact Emily-Hislop@sanjoseca.gov.

From: Nguyen, Mindy
To: Solivan, Erik

Cc: <u>Hislop, Emily; San, Banu</u>

Subject: RE: Escher mobile home q"s for clarification **Date:** Thursday, December 4, 2025 3:31:00 PM

Attachments: <u>image001.png</u>

From: Solivan, Erik < Erik. Solivan@sanjoseca.gov> **Sent:** Thursday, December 4, 2025 3:04 PM

To: Nguyen, Mindy <mindy.nguyen@sanjoseca.gov>

Cc: Hislop, Emily <Emily.Hislop@sanjoseca.gov>; San, Banu <Banu.San@sanjoseca.gov>

Subject: FW: Escher mobile home q's for clarification

Include in the distribution to the committee members.

Director

Housing Department | City of San José 200 East Santa Clara Street | 12th Floor San José, CA | 95113

Office: (408) 535-3855 FirstNET: (669) 317-8346

www.sanjoseca.gov/housing



On Thursday, December 4, 2025 at 10:24:41 AM PST, Solivan, Erik < erik.solivan@sanjoseca.gov wrote:

Christoper

Thanks for email and questions, and please see my responses below.

Let me know if you have any additional questions.

Regards,

Director

Housing Department | City of San José 200 East Santa Clara Street | 12th Floor

San José, CA | 95113 Office: (408) 535-3855 FirstNET: (669) 317-8346

www.sanjoseca.gov/housing



From: Christopher Escher < christopher.escher@gmail.com>

Date: Wednesday, December 3, 2025 at 6:24 PM

To: Solivan, Erik < Erik.Solivan@sanjoseca.gov>,

<

Subject: Escher mobile home q's for clarification

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To Eric Solivan

cc: Ruben Navarro

Fr: Christopher Escher as D7 Housing Commission

Re: Q's about mobile homes

Hi Eric:

Reading the Proposed Amendments about Mobile Home Rent Ordinance report, there were a number of areas where I was hoping for some clarification. They are outlined below.

Most of my q's revolve around metrics referenced (or not) in the memo. Maybe as a newbie I'm missing some history or misreading, but it would be super helpful for me if you could provide some explanation at the next meeting (or before).

I realize I come at success metrics protocols from a business perspective, having been intimately involved in creation of success and accountability metrics for a number of SV tech companies.

Maybe those lessons apply, maybe they don't.

I wanted to take advantage of the lag time before the next meeting so these q's don't appear to be last-minute.

Thanks!

Christopher Escher
D7 Housing Commissioner

Under Summary and Outcome:

* Balancing the needs of "maintaining rent stability while providing for fair return."

Q: I am assuming the "stability" concern is about rising (not lowering) rents, so is it really stability per se or rather controlling increases?

The reference is to the primary charges of the Rent Stabilization Program, which are:

1. to provide for a stable rent prices inclusive of stable and predictable growth in rents; and 2. A fair return to mobile home park owners and managers from rent revenues.

Q: How does the city determine "fair return" for park owners? Is there a number? An algorithm? As written, "fair" seems vague and subjective.

The reference to "fair return" is both a charge to the Rent Stabilization Program and a specific procedure that mobile home park owners can initiate with the Housing Department if they think and can evidence that current rent levels are insufficient to reasonably cover costs. The mobile home ordinance detail the process for Department to administer upon receipt of a petition from a mobile home park owner for a "fair return" analysis and decision.

I will note the following facts: in all other rent restricted housing, such as the federal and the state Low Income Housing Tax Credits (LIHTC) Programs, rents rise on an annual basis of 5%. Under the mobile home park ordinance rent rises on an

annual basis are limited to 3%, therefore, there is inherent inconsistency across affordable housing program. The Housing Departments produces the data that demonstrates the rent burdens on low income households throughout the city and in mobile homes specifically, The proposed change to the vacancy decontrol process permitting a one-time 10% increase in rent at the time a mobile home unit is sold and full vacated by all current occupants, is a release valve for mobile home park owners to capture additional revenues with no impacts on any current tenant rents.

Under legislative history

* "MRO further the goals of housing stabilization, unit preservation, and outreach/engagement."

Q: But what about increasing the overall supply of housing in SJ? Isn't that the #1 way to lower rent prices? What happens if "unit preservation" gets in the way of increasing supply--if a mobile home park property could be converted into dense high rise affordable apartments, would the mobile home park's "stability" trump the additional housing? What happens when stabilization gets in the way of supply increase?

The change to the Housing Department under the mobile home park ordinance is for continuing operations, occupancy and manage as the ordinance is silent on the production of housing supply.

The mathematician and econometric models, and real world execution in cities like Austin, Houston, and Tampa has demonstrated that mass increases in housing supply direct reduces rents. (Austin rents are down over 10%), but the ordinance does not charge the Housing Department to invest in or foster the production of mobile home parks and units. Your queries regarding unit preservation and its relationship to unit production and unit stability are valid; however, the mobile home park ordinance charge to the Housing Department is focus on rent stability, a fair return to mobile home park owners and continuing operations and management.

Changes to decontrol process

* "one time additional rent increase of up to 10%"

Q: How did we come up with that #? I am assuming this will be the most controversial element of this memo--is there some algorithm we're using? It would be good to know how this fits into "fair return" objectives, and what flip-switches there are (if any) if there are unintended

consequences that affect the efficacy of this #. Right now it's just kind of floating out there, it's hard for me to judge its reasonableness.

Under the current mobile home park ordinance the department does not have access to critical data regarding the rent schedule or a direct data link on registry of units to track unit sales. The proposed changes to the ordinance will install a rent registry and require the annual submission of rent schedules across all units from the mobile home property owners, aligning the administration of the the mobile home park ordinance with the Apartment Rent Ordinance, which provides oversight of roughly 30,000 housing units across the city. Without access to the direct data, the Housing Department sought out information on mobile home park ordinance administration in neighboring municipalities and found a range of rent increases in the vacancy decontrol process from 6% to 12%. Since the annual three percent increase per year is 200 basis points lower than the rate of annual increase in directly compared programs such as LIHTC and balanced against the interest in limiting the impacts to current tenants, the Housing Department recommends a 10% increase in rent at the time of sale and complete vacating of the unit by current occupants. I put emphasis on the vacating of unit at the time of sale because if partners are in the unit and one passes and other "buy" the unit from the partner and remains living unit, the sale of the unit will - not - qualify for the 10% increase. Based on reasons stated above, the Housing Department makes the recommendation for 10% increase at the time of sale and vacancy of the unit.

Q: Why is this within the city's purview to encourage or discourage?

The charge under the mobile home park ordinance is to maintain rent stability. The actions in the market place by some actors to manipulate the administration of the program provision through speculative investments brings into consideration the need for reasonable measures to mitigate the artificial impacts such actions have the rent stability. The Housing Department cannot restrict, limit or otherwise directly or indirectly impact actors in the market place nor are such actions charged to the Housing Department under the mobile home park ordinance. The actions the Housing Department is taking on this issue is to within the charge of the ordinance, which is to foster rent stability as described above.

Under Specified Cap Improvements

"Eligible improvements are those that provide added benefits to residents."

^{* &}quot;discourage speculative 'flipping.'"

Q: Who determines what is beneficial to residents? This sounds subjective. Could also discourage a whole range of potential improvements.

As proposed updates to the mobile home park ordinance codify, an objective factor test will be applied by the Housing Department to determine capital improvements benefits to the resident community.

And overall:

* I am assuming there are Business Plan Success Metrics for the whole HD, which metrics do these changes support? Is there a way of finding out if we're achieving those metrics and refining the effort if it's not working the way we want?

The proposed changes to the mobile home park ordinance are bench marked against the Mayor and Council directed and approved Rent Stabilization Program 3-Year Strategic Plan adopted September 2024.

* I'm just getting a peek at this issue from the memo, but, boy, this category seems very heavily regulated. Is that a strategic decision? Is there any way the HD puts a cap on how much it regulates a particular category? Is there ever an effort to simplify and winnow down regulations, as opposed to simply piling new ones on top of old ones, like barnacles on a docked ship?

The City of San Jose mobile home park ordinance reflects the requirements for implementation in state law.

The mobile home park ordnance has not been updated in nearly 40 years so it was time to modernize the ordinance, to separate out policy from procedure in order to streamline and revised program administration today and going into the future.

Thanks and looking forward to your thoughts and educating me.

Christopher Escher