



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Mayor Matt Mahan
Vice Mayor Pam Foley
Councilmember Anthony Tordillos
Councilmember Michael Mulcahy

SUBJECT: Proposed Amendments to the
Mobilehome Rent Ordinance (SJMC 17.22)

DATE: January 23, 2026

Approved

Date 01/23/2026

RECOMMENDATION

1. Approve staff recommendations (a), (b), (c), (d), (f) and (g).
2. Direct staff to return to the Community and Economic Development (CED) Committee 18 months after the ordinance effective date with a report detailing the following:
 - a. Transfer activity and market impacts, including changes in mobilehome sales volume, evictions and turnover rates.
 - b. Park owner usage and compliance with the one-time 10% rent increase provision.

BACKGROUND

We appreciate Housing staff for their work on this proposed ordinance. The changes to the Mobilehome Rent Ordinance (MRO) updates a more than 30-year-old system. These updates give tenants stronger protections, make the process more transparent and accountable, and bring the ordinance in line with recent state laws. With a new resident petition process, expanded park registration, and an administrative appeal option, the City is giving residents easier ways to resolve disputes and protect their rights without going to court.

These changes help keep housing affordable and stable by making rent changes less unpredictable and reducing legal disputes. Currently disagreements between park owners and residents can lead to lengthy resource-intensive hearings that can cause sudden rent hikes for everyone. The new ordinance sets out clearer rules and steps, so residents know what to expect and there is less chance of conflict or extra paperwork for all involved.

Preserving San José's mobilehome parks is essential for housing affordability. These parks are dealing with higher costs for utilities, insurance, maintenance, and regulations, while rent increases for current residents remain capped. Allowing a one-time rent adjustment of up to 10 percent when a mobilehome is completely vacated and sold, applied only once and not including inheritance transfers, can help keep parks financially stable without displacing current residents. Removing the proposed capital improvement pass-through also limits cost impacts to mobilehome park residents.

The updated proposal maintains strong protections for tenants and brings San José in line with best practices used in other parts of California. In many jurisdictions with a significant number of mobilehome parks, local rules allow for rent changes when homes are resold. San José's plan is still conservative, keeping yearly limits, clear rules, means to enforce them, and strong protections for residents. These updates aim to give residents stability while also making sure owners can maintain, improve, and continue to operate older mobilehome parks.

To ensure transparency and accountability, we are directing staff to report to the Community and Economic Development Committee 18 months after the ordinance takes effect. The report will look at transfer activity, market impacts, changes in mobilehome sales, eviction activity, turnover rates, and how park owners are complying with the one-time 10 percent rent increase. This review will ensure the ordinance is working as intended and allow for adjustments if needed, maintaining San José's ongoing commitment to stable housing and protecting residents.

The signers of this memorandum have not had, and will not have, any private conversation with any other member of the City Council, or that member's staff, concerning any action discussed in the memorandum, and that each signer's staff members have not had, and have been instructed not to have, any such conversation with any other member of the City Council or that member's staff.