



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember Pam Foley

SUBJECT: SEE BELOW

DATE: January 25, 2021

APPROVED:

DATE:

01/25/2021

SUBJECT: ADOPTION OF 2021 COVID-19 RESIDENTIAL EVICTION
MORATORIUM FOR TENANTS FINANCIALLY IMPACTED BY COVID-19

RECOMMENDATION

1. Approve the memorandum from Councilmember Esparza and direct staff to:
Apply the recommendations found in the letter signed by Ryan Jasinsky of
Brandenburg, Staedler & Moore, and Martha O'Connell of GSMOL sent to City
Council dated January 24, 2021 to any future extension/renewal of the Rent
Increase Moratorium. This letter is attached below this memorandum.

BACKGROUND

It is a positive outcome when Mobilehome Landlords and Mobilehome Tenants come together in mutual agreement to advocate for policies that affect the entirety of our Mobilehome community. This is a win-win for everyone.

On April 28, the City of San Jose adopted a Rent Increase Moratorium that effectively froze Mobilehome Park Owners from increasing rents until December 31, 2020. Advocates originally assisted in creating language to support the adoption of this proposal in the spirit of providing relief to Mobilehome Owners during the COVID-19 pandemic while also preserving Mobilehome Park Community anniversary dates.

It is important that this community rest assured that those impacted by COVID-19 receive solutions and protections but also that our Mobilehome communities are still maintained with the utmost care. This memorandum aims to achieve a balanced, more fair approach to rent increases moving forward.

January 24, 2021

Dear Mayor Liccardo, Vice Mayor Jones and City Council members:

RE: Item 8.3 City Council Meeting 1/26/2021

Ryan Jasinsky represents the Mobilehome Landlords and Martha O'Connell represents the Mobilehome Tenants on the Housing and Community Development Commission (HCDC). The opinions in this letter are that of Ryan Jasinsky and Martha O'Connell and do not represent that of HCDC.

On April 28, 2020, the City of San Jose adopted a Rent Increase Moratorium that effectively froze Mobilehome Park Owners from increasing rents until December 31, 2020. Martha and I originally assisted in creating language to support the adoption of this proposal in the spirit of providing relief to Mobilehome Owners during the COVID-19 pandemic while also preserving Mobilehome Park Community anniversary dates.

While we understand Councilmember Esparza's interest in extending the adoption of the Rent Increase Freeze, we believe a more targeted approach to assist Mobilehome Owners in need is a fairer and more appropriate response. Throughout the pandemic Mobilehome Park Owners have been working closely with their Mobilehome Owners who have been financially impacted by COVID-19 to provide relief either through rent increase freezes or rent deferrals. This collaborative effort and communication between Park Owners and Mobilehome Owners provided direct financial relief to those who need it and has offered security during uncertain times.

Creating a program that provides targeted relief to Mobilehome Owners who are financially impacted by COVID-19 will continue to protect those that are most vulnerable, while also allowing Park Owners to maintain their operations. This also continues to preserve community anniversary dates which provide predictability for all mobilehome communities. Per GSMOL Corporate Attorney Bruce Stanton's letter to the City Council on April 24, 2020, "Park Owners internal accounting systems and cash flows are based upon the anniversary cycles which they have been used to for many years. Changing those dates could potentially expose the City to objections and challenges from all of the City's park owners. Homeowners representatives agree that those dates should **not** need to change."

Below is our proposal for a targeted rent increase freeze.

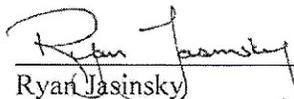
- We suggest providing a rent increase freeze for Mobilehome Owners who report being financially impacted due to COVID-19.
- If a Mobilehome Owner is currently financially impacted by COVID-19, by law they are required to complete and return a Declaration of COVID-19 Related Financial Distress form indicating they are unable to pay rent and other financial obligations and sign the form under penalty of perjury. Park Owners or Operators must provide this notice to any Mobilehome Owner indicating that they have been financially-impacted by COVID-19.
- If the Mobilehome Owner is currently enrolled or enrolls in the COVID-19 Financial Distress Program, they will receive a rent increase credit until the end of the state of emergency connected to the pandemic as declared by county, State or federal government(s).

- Mobilehome parks have a fixed rent increase anniversary date, which are typically outlined in the lease agreement. The State requires that mobilehome park management provide a Homeowner with a 90-day written notice before the effective date of an increase (Mobilehome Residency Law 798.30)
 - *For example, if Community A has a rent anniversary date of July 1, then on that date all the residents of Community A may receive a rent increase. However, before this can happen, in accordance with state law, management is required to send a notice of the rent increase to the residents before April 1.*
- We recommend allowing Park Owners to notify their financially impacted COVID-19 Mobilehome Owners of their annual increase in order to maintain that fixed anniversary date.
- Instead of initiating the increase upon the anniversary date, financially impacted COVID-19 Homeowners will have the increase applied and credited to the Homeowners account on the same monthly bill.
 - *For instance, if there is an increase of \$30 there will be a credit on the Homeowner's account of \$30. The net effect will equal zero.*

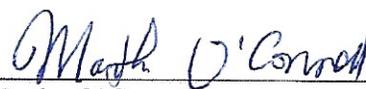
We want to continue to work with the City to create solutions and protections for those that have been financially impacted by COVID-19 while also ensuring that our mobilehome communities are still maintained to a high standard.

Thank you for your consideration.

Sincerely,



Ryan Jasinsky
Brandenburg, Staedler & Moore
Director of Property Management



Martha O'Connell
GSMOL
Golden State Manufactured Homeowners
League -Regional Manager