



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Councilmember Campos

**SUBJECT:** SEE BELOW

**DATE:** January 26, 2026

Approved

Date: 1/26/2026

**SUBJECT: Proposed Amendment to Chapter 17.22 (Mobilehome Rent Ordinance) of the San José Municipal Code**

## RECOMMENDATION

1. Approve an ordinance amending Chapter 17.22 (Mobilehome Rent Ordinance) of Title 17 of the San José Municipal Code, to include the following substantive updates and cleanups:
  - (a) Expand mobilehome park rental registration requirements; and
  - (b) Remove the exemption for leases longer than 12 months and outdated provisions to conform with changes in state law.
2. Direct the City Manager to collect, or continue collecting, data regarding:
  - (a) Mobilehome resident rent disputes;
  - (b) Annual mobilehome transfers/sales; and
  - (c) Mobilehome park capital improvements.
3. Direct the City Manager to explore the following alternative options to increase revenue for mobilehome park owners:
  - (a) Eliminate barriers to adding new spaces to mobilehome parks, including process clarification, permitting fee reduction, and streamlined or ministerial approval.
  - (b) Reduce Mobilehome Rent Ordinance cost recovery fees.

## BACKGROUND

I appreciate Housing staff's efforts to prepare these recommendations, including the multiple stakeholder outreach meetings organized over the past several months. Alignment with state law provides clarity to park owners and residents, and updates to the Ordinance to eliminate conflicts with state law are prudent. I agree with staff's recommendation to expand the rental registration requirements, facilitating collection of crucial data that will inform future policy decisions. However, as previous Councils have discovered, adjusting the Mobilehome Rent Ordinance (MRO) is a sensitive and controversial matter, and we should approach this work with great care.

The City Council's March 2018 direction to "stop work on the development of an Opt-In/Stay-in-Business ordinance" and the Rent Stabilization Program Strategic Plan 2024-2027 form the basis for the recommendations in this memo. A decade ago, the Council directed the Housing

Department to explore the “Opt-in/Stay-In-Business” (“Opt-In”) concept, which would have provided mobilehome park owners with “financial incentives to make needed capital improvements in return for keeping parks operating for a defined period of time.”<sup>1</sup> Exploration included evaluation of allowing “limited capital improvement costs to be passed through to residents without filing a fair return petition and without a hearing process” and allowing “limited vacancy decontrol upon the sale of a mobilehome to a new owner with no resident consent required.”

Staff found a “relatively consistent” Citywide turnover rate of 3.2% per year and concluded at that time that it was not clear whether the modest revenue generated from the limited vacancy decontrol allowance would “be enough to entice mobilehome park owners to commit to 20 years of continued operation.” The staff also determined that “significant increases in space rents do impact mobilehome values.” The Council unanimously approved a motion to cease work on this effort.

To avoid impacting mobilehome owners, I suggest exploring recommendations shared by mobilehome park owners during the development of the Rent Stabilization Program Strategic Plan 2024-2027. Attachment B, Summary of Stakeholder Feedback, reveals that park owners find it very difficult to add new spaces, and that it costs them “\$27,000 to add more spaces.”<sup>2</sup> Allowing park owners to add new spaces easily and without significant cost gives them additional ways to generate revenue without needing to increase costs on tenants. Park owners also expressed concern about the impact of MRO cost recovery fees, and I recommend exploring reductions to provide financial relief without negatively impacting program operations.

In the meantime, data collection through expanded rental registration requirements will ensure that the City will, in the future, have the information necessary to make adjustments to the Ordinance.

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<sup>1</sup> “[Mobilehome Opt-In Update](https://sanjose.legistar.com/LegislationDetail.aspx?ID=3355534&GUID=4A0808CC-0A97-4088-9B68-52E95BBC32A1&Options=&Search=)” staff memorandum, dated March 1, 2018, p. 5.

<sup>2</sup> “[Rent Stabilization Strategic Plan Status Report](https://sanjose.legistar.com/MeetingDetail.aspx?ID=1213457&GUID=9647EC57-E10C-49BB-B299-360B7C3FBB2F&Options=&Search=)” staff memorandum, dated September 17, 2024, p. 35.