



## Santa Cruz County Mobile and Manufactured Home Commission

701 Ocean Street, Fifth Floor, Room 510  
Santa Cruz, CA 95060  
(831) 454-2772 Fax (831) 454-2411 TTY/TDD: 711  
commissions@santacruzcountyca.gov  
www.sccmmhc.org

### Notice of Public Meeting and Agenda

DATE: Thursday, March 21, 2024  
TIME: 9:30 AM to 11:00 AM  
LOCATION: United Way of Santa Cruz County, 4450 Capitola Road, Ste 106, Capitola, CA 95010

**\*\*As a courtesy to those who are affected, kindly attend the meeting *scent-free* and *smoke-free*.\*\***

1. Call to Order/Roll Call/Agenda Review
2. Approve *January 18, 2024 Meeting Minutes*
3. Public Comment: *Any person may address the Commission for a period not to exceed 3 minutes on matters within the Commission's jurisdiction. The Commission will not take action but may choose to follow up at a subsequent meeting.*
4. New Business/Action Items:
  - 4.1. Consider Commission Action on California State Legislature AB-2387
  - 4.2. Consider Commission Action on California State Legislature AB-2778
5. County Supervisor Report
6. Commissioner Reports
  - 6.1. District 1 (*Brocklebank*)
  - 6.2. District 3 (*Walker*)
  - 6.3. District 4 (*Valdez*)
  - 6.4. District 5 (*Halterman*)
  - 6.5. Golden State Manufactured Homeowners League (*Lerno*)
  - 6.6. Western Manufactured Housing Communities (*Garza*)
  - 6.7. District 2 (*Cleveland*)
7. Central Coast Resident-Owned Parks Report
8. Legislative Report
9. Staff Report
10. Correspondence
11. Adjournment

**Next Meeting Scheduled for: 9:30 to 11:00 AM on Thursday, May 16, 2024**

*The County of Santa Cruz does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefits of its services, programs, or activities. If you are a person with a disability and require assistance to participate in the virtual meeting, please call (831) 454-2772 or TTY/TDD:711 at least 72 hours in advance to make arrangements.*



# Santa Cruz County

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### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: January 18, 2024

LOCATION: United Way Community Room, (4450 Capitola Road, Ste 106, Santa Cruz, CA 95010)

PRESENT: Jean Brocklebank (*1<sup>st</sup> District*), Henry Cleveland (*Chair - 2<sup>nd</sup> District*), Candi Walker (*3<sup>rd</sup> District*), Richard Valdez (*4<sup>th</sup> District*), Rick Halterman (*5<sup>th</sup> District*), Charlene Garza (*Vice Chair - WMA*)

EXCUSED: None

ABSENT: Carol Lerno (*GSMOL*),

STAFF: Kaite McGrew (*Commissions Manager*)

GUESTS: 8 members of the public attended.

1. Call to Order/Roll Call/Agenda Review  
Meeting convened at 9:30 AM.
2. Approve *November 16, 2023 Meeting Minutes*  
Minutes amended to clarify attendance.  
**Motion to approve November 16, 2023 Meeting Minutes as amended.**  
Motion/Second: Brocklebank/Halterman  
**Motion passed unanimously.**
3. Public Comment:  
1 member of the public provided public comment.
4. New Business/Action Items:
  - 4.1. Consider 2022-2023 Biennial Report  
Commission reviewed a draft of their 2022-2023 Biennial Report and revised it as follows:  
Eliminated redundant language, clarified rail corridor encroachment, and added reports from Supervisor Koenig's office.  
**Motion to approve the 2022-2023 Biennial Report as amended.**  
Motion/Second: Brocklebank/Garza  
**Motion passed unanimously.**
  - 4.2. Timing of Special Rent Adjustments and General Rent Adjustments  
Brocklebank clarified that the timing of special rent adjustments must align with the General Rent Adjustment so that there is only one increase per year. Completed Special Rent Adjustment Petitions must be submitted 90 days prior to the anniversary date of the park. Residents are encouraged to save all rent-related paperwork including postmarked envelopes in perpetuity.

## 5. County Supervisor Report

Staff read an update on several issues impacting mobile home residents that was provided by Supervisor Koenig's office which included the following updates:

- The Board of Supervisors ratified a proclamation of local emergency in the wake of the December 2023 Storms. The proclamation will allow potential recovery funding from State and Federal disaster assistance.
- Board approval of County funding for two affordable housing developments on key mid-county sites including one in Capitola and another at the corner of Thurber Lane and Soquel Drive.
- CSA 9E special ballot distribution to property owners in Soquel, Twin Lakes, Live Oak, and surrounding neighborhoods to provide funding for streetscape maintenance, including trimming street-trees, mowing medians, and repairing sidewalks in County Service Area No. 9E via an increase in their property taxes
- Master Plan for Aging – Age Well Santa Cruz County efforts including the launching of a local survey to collect community feedback on aging in Santa Cruz County.
- An upcoming meeting at Blue and Gold Clubhouse to address concerns and provide information from the RTC on rail corridor encroachment issues

## 6. Commissioner Reports

### 6.1. District One (Brocklebank)

Brocklebank reported communicating with 8 MHPs a variety of matters among which included Old Mill MHP, Blue and Gold MHP, Castle Mobile Estates, and Pinto Lake Mobile Estates.

### 6.2. District Three (Walker):

Walker reported that the City of Santa Cruz is diligently enforcing the oversized vehicle parking ordinance on Delaware. Brocklebank shared some information about Deanza MHP rent increases.

### 6.3. District Four (Valdez):

Valdez reported that he believes Harmony is currently involved in litigation with three MHPs in other counties where they are challenging local rent control ordinances and recently prevailed in a similar case in Fresno. Reportedly, there is a team of only two maintenance people providing maintenance for multiple parks throughout the state.

### 6.4. District Five (Halterman)

Halterman reported that MRLPP program audit is now complete and there are no plans to respond to the audit's recommendations this year, but some legislation may be introduced in 2025.

### 6.5. Golden State Manufactured Homeowners League (Lerno): Not Present

### 6.6. Western Manufactured Housing Communities (Garza):

Garza reported that WMA is rolling out their spring educational seminars for managers and park owners. WMA has added a monthly talk for park managers and invited Santa Cruz County Weights and Measures to give a presentation (similar to the one the Commission heard in November) to WMA membership in April 2024. Garza has encouraged Supervisor Koenig to meet and engage with the park owners to learn about their concerns and perspectives. Regarding the MRLPP, Garza encouraged residents to bring issues to their park management before resorting to the MRLPP.

### 6.7. District Two (Cleveland):

Cleveland shared information about the recent MRLPP audit recommendations which included improving better record keeping and eliminating the 10\$ per year fees among other

recommendations. To date, they have agreed to improve record keeping, but retained the annual fee because they are going to be referring unresolved issues to local attorneys. If complaints are not processed properly, residents are encouraged to contact the representative's supervisor. Representation from the HCD also reported issues regarding the complainant not following up with the local attorney post referral. Cleveland will share a template Commissioner letter via email. Cleveland summarized community advocate Jerry Bowles' many contributions to the mobile home community. Mr. Bowles passed away in late 2023.

7. Central Coast Resident-Owned Parks Report:

Cleveland reported that the group's next meeting will be held the first Saturday in February, and the topic will be insurance. Garza reported that SC County is now designated as a fire zone which is impacting insurance premiums across all types of structures regardless of location. California Fair Plan will step in as a last resort, but their premiums are very high. Park owners are being encouraged to pay any expenses that amount to less than \$10K out-of-pocket rather than submitting claims to prevent cancellations for too many claims.

8. Legislative Report:

Halterman reported the deadline for submitting new bills is February 16<sup>th</sup> so he will be able to report on pending legislation at the March meeting.

9. County Counsel Report: Not Present

10. Staff Report

Staff reported that the County is implementing a \$75 stipend for each qualifying Commissioner Commissioners who are not either County employees or are attending on behalf of their employer being otherwise compensated for their attendance will now be entitled to receive a \$75 stipend for each publicly noticed meeting they attend.

11. Correspondence: None

12. Adjournment

Meeting adjourned at 10:50 AM.

Submitted by: Kaite McGrew, *Commissions Manager*

## FACT SHEET IN OPPOSITION TO AB 2387, AS NOW WRITTEN

### I. SUMMARY OF THE MOST SERIOUS PROBLEMS WITH AB 2387.

- Overrules local control and allows mobilehome park owners to convert 10% of their current single-family spaces into multifamily mobilehome spaces, which will be exempt from local rent control, severely reducing the supply of affordable housing rather than increasing it.
- The replacement duplex mobilehomes will usually be two-story mobilehomes, severely crowding the adjacent homeowner-owned mobilehomes, degrading their values and the quality of life in the parks.
- Encourages park owners to buy up mobilehomes in their parks and replace them with rent-control-exempt duplex mobilehomes, including through the nefarious practice of preventing sales and evicting homeowners, which some park owners routinely practiced in the past.

### II. LEGAL ARGUMENT AGAINST AB 2387, AS NOW WRITTEN.

AB 2387 is a re-introduction of last year's AB 1334, which almost became law last year after being passed by the Assembly unanimously. AB 1334 was unopposed because mobilehome advocates and local jurisdictions were unaware of its consequences, which are discussed below. Fortunately, AB 1334 was pulled in the Senate because, due to the State's budget crisis, the Legislature adopted a policy of tabling any legislation that required the expenditure of additional State funds (*AB 1334's new expenditure was the costs of HCD inspections of the new duplex mobilehomes*). Apparently, AB 2387's advocates believe that they can overcome that policy this year, so we cannot rely on it being stopped again unless it is vehemently opposed.

AB 2387, by Assembly Member Gail Pellerin, adds Section 65862.8 to the Government Code. It is almost identical to last year's AB 1334, with only minor changes. Like last year's AB 1334, AB 2387's outside sponsor is the California Manufactured Housing Institute, an advocacy organization for mobilehome manufacturers, park owners, retailers, and their financial services and suppliers. They claim it simply exempts new spaces created in existing mobilehome parks from what they claim are exorbitant local fees and, thereby, that it will result in the construction of hundreds of new affordable mobilehome spaces across the state.

#### **A. AB 2387 is a "Trojan Horse" Bill That Will Severely Reduce the Supply of Affordable Housing by Allowing Park Owners to Eliminate Rent-Controlled Spaces in Their Mobilehome Parks.**

Contrary to the above claims of its supporters, AB 2387 is a "Trojan Horse" Bill because, rather than creating new affordable mobilehome spaces, its primary impact will be that it overrules local zoning and other restrictions and allows mobilehome park owners to convert up to 10% of the **current spaces** in their parks, which were zoned for and occupied by single-family mobilehomes, into multifamily mobilehome spaces. (*See* subsections (a) and (a)(2) to proposed new Government Code Section 65852.8 in AB2387, as introduced on February 12, 2024)

The converted multifamily mobilehome spaces will very likely be considered "newly constructed spaces" and, therefore, exempt from rent control under Civil Code Section 798.45. (See Civil Code sections 798.7 and 798.45.) This could cause the local jurisdictions to lose 10% of their rent-

controlled mobilehome spaces. Even worse, once that happens to multiple parks in the State, mobilehome manufacturers and park owners will be strongly incentivized to return to the Legislature and ask them to increase the percentage of allowable converted spaces even higher.

Even if the courts were to determine that the multifamily mobilehome spaces created under AB 2387 are not exempt from rent control under Civil Code Section 798.45, AB 2387 could still be used by park owners to eliminate rent-controlled spaces in their parks. They simply convert spaces in their park into multifamily mobilehome spaces, retain ownership of the duplex mobilehomes they place on them, and then rent each of the duplex's two units out to tenants rather than selling the mobilehomes to homeowners. If they do so, local mobilehome park rent control will likely not apply to the mobilehomes on the converted spaces because, under almost all local mobilehome park rent control ordinances in California, their rent limits only apply to the rents charged to mobilehome owners on their spaces but not to tenants renting mobilehomes or units in duplex mobilehomes from park owners who retain ownership of the mobilehomes.

### **B. AB 2387 Will Overrule Local Zoning Controls and Allow Mobilehome Parks to Become Overcrowded with Two-Story Duplex Mobilehomes.**

The current single-family mobilehome spaces that can be converted under AB 2387 to multifamily mobilehome spaces include small, single-wide mobilehomes. This means that two-story mobilehomes would have to be placed on them, and on most current double-wide mobilehome spaces, in order to fit multifamily mobilehomes on the converted spaces.

Mobilehome parks are very crowded, particularly parks containing single-wide, single-family spaces. Even if only 10% or less of these spaces are converted to multifamily, presumably two-story duplex mobilehome, it will cause the mobilehomes adjacent to them, which are already crowded together, to become even more crowded, with two-story mobilehomes just several feet away. This will likely degrade the value of the mobilehomes adjacent to the converted spaces. As more spaces become converted, it will cause widespread crowding in the parks, particularly with parking, degrading the quality of life and the values of all homeowner-owned mobilehomes in the parks.

### **III. WHAT SHOULD BE DONE TO AB 2378 TO RESOLVE THESE PROBLEMS AND PROTECT MOBILEHOME RENT CONTROL AND THEIR AFFORDABLE HOUSING**

The above problems can be resolved by eliminating subsection (a)(2) of proposed Government Code Section 65862.8 from AB 2387. If this is done, then AB 2387 will only apply to new spaces created from vacant available land in current mobilehome parks rather than also to current single-family mobilehome spaces being converted into multifamily mobilehome spaces.

This modification of AB 2387 will eliminate its worse consequences, but it will still not add any new affordable housing since the new spaces will clearly be exempt from local rent control for 15 years. (*See* Civil Code Sections 798.7 and 798.45). It would also result in the loss of scarce empty green spaces in those parks. A better solution would be not to enact AB 2387 and, instead, to protect and expand mobilehome rent control to preserve the half of a million mobilehomes already in California that need rent control to remain affordable.

**ASSEMBLY BILL**

**No. 2778**

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**Introduced by Assembly Member Muratsuchi**

February 15, 2024

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An act relating to mobilehomes.

LEGISLATIVE COUNSEL’S DIGEST

AB 2778, as introduced, Muratsuchi. Mobilehome parks: rent caps.

Existing law, the Mobilehome Residency Law, prescribes various terms and conditions of tenancies in mobilehome parks. Existing law defines “tenancy” for these purposes as the right of a homeowner to use a site within a mobilehome park on which to locate, maintain, and occupy a mobilehome for human habitation, including the use of the services and facilities of the park. Existing law prohibits, with certain exceptions, the management of a mobilehome park from increasing the gross rental rate for a tenancy in a qualified mobilehome park, as defined, more than 3% plus the percentage change in the cost of living, or 5%, whichever is lower, of the lowest gross rental rate charged for a tenancy at any time during the 12 months prior to the effective date of the increase, subject to specified conditions.

This bill would state the intent of the Legislature to enact the Mobilehome Affordability Act to limit rent increases for mobilehome spaces.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. It is the intent of the Legislature to enact the
- 2 Mobilehome Affordability Act to limit rent increases for
- 3 mobilehome spaces.

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### Scheduled Meetings

Unless otherwise specified, regularly scheduled Mobile and Manufactured Home Commission meetings are generally held as follows:

DAY: Third (3<sup>rd</sup>) Thursday\*  
MONTH: Every other month (January, March, May, July, September, and November)  
TIME: 9:30 AM – 11:00 AM  
LOCATION: United Way of Santa Cruz County Community Room\*  
4450 Capitola Road, Ste 106, Capitola, CA 95010

**\*Changes to the schedule**, including special meetings, changes of location/date, or meeting cancellations, **will be listed on the website** at [www.sccmmhc.org](http://www.sccmmhc.org) as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2024 MEETING DATES		
DATE	TIME	LOCATION
January 18, 2024	9:30 – 11:00 AM	United Way
March 21, 2024	9:30 – 11:00 AM	United Way
May 16, 2024	9:30 – 11:00 AM	United Way
July 18, 2024	9:30 – 11:00 AM	United Way
September 19, 2024	9:30 – 11:00 AM	United Way
November 21, 2024	9:30 – 11:00 AM	United Way

#### Public Participation

- Please check the meeting agenda to learn details about how to participate in the commission meeting.
- If you need special accommodation, please call 454-2935 or TDD: 711 (California Relay Service) at least 48 hours before the meeting.