

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

#### **Notice of Special Public Meeting and Agenda**

DATE: Tuesday, January 3, 2023 TIME: 10:30 AM

IN RESPONSE TO THE COVID-19 PUBLIC HEALTH EMERGENCY AND PURSUANT TO THE PROVISIONS OF AB 361 AND CAL. GOV. CODE 54953, THIS WILL BE A REMOTE MEETING WITH NO PHYSICAL LOCATION AVAILABLE, BUT ACCESS AND AN OPPORTUNITY TO COMMENT WILL BE PROVIDED.

#### **VIRTUAL MEETING INFORMATION**

TO JOIN BY VIDEO: <a href="https://zoom.us/join">https://zoom.us/join</a>

**OR TO JOIN BY PHONE ONLY:** +1 (669) 900-6833 (San Jose)

**Meeting ID:** 998-8815-2083

Passcode: 1850

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- 1. Call to Order/Roll Call/Agenda Review
- 2. AB-361 Statement of Findings
- 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. Review Amendments to Santa Cruz County Code Chapter 13.32 and Consider Recommendation
- 5. Adjournment

#### Next Regular Meeting Scheduled for: 9:30 to 11:00 AM on Thursday, January 19, 2023

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.



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# SANTA CRUZ COUNTY MOBILE AND MANUFACTURED HOME COMMISSION'S FINDINGS PURSUANT TO ASSEMBLY BILL 361 AUTHORIZING TELECONFERENCE MEETINGS AS A RESULT OF THE CONTINUING COVID-19 PANDEMIC STATE OF EMERGENCY AND HEALTH OFFICER RECOMMENDATION FOR SOCIAL DISTANCING

**WHEREAS**, The Santa Cruz County Mobile and Manufactured Home Commission is a legislative body under the Brown Act as defined under Cal. Gov. Code section 54952(b) and Santa Cruz County Code Section 2.38.110; and

WHEREAS, on September 16, 2021, Governor Newsom signed Assembly Bill 361 ("AB 361"), urgency legislation effective immediately, that amended Government Code section 54953 to permit legislative bodies subject to the Brown Act to continue to meet under modified teleconferencing rules provided that they comply with specific requirements set forth in the statute; and,

**WHEREAS**, pursuant to AB 361 and Cal. Gov. Code section 54953(e)(1)(A), a legislative body may meet under the modified teleconferencing rules during a proclaimed state of emergency, and where local officials have imposed or recommended measures to promote social distancing; and

**WHEREAS,** on March 4, 2020, Governor Newsom issued a Proclamation of State of Emergency in response to the COVID-19 pandemic, and which remains in effect; and

WHEREAS, on September 30, 2021, Santa Cruz County Public Health Officer Dr. Gail Newel strongly recommended that legislative bodies in Santa Cruz County continue to engage in physical/social distancing by meeting via teleconference as allowed by AB 361 and confirmed that she will regularly review and reconsider this recommendation and notify the public when it is no longer recommended; and

WHEREAS, pursuant to AB 361 and Cal. Gov. Code section 54953(e)(3), within 30 days of the date the legislative body first holding a teleconferenced meeting under the modified rules, and every 30 days thereafter, a legislative body can continue to hold such teleconference meetings provided it has reconsidered the circumstances of the state of emergency and determined either that the state of emergency continues to directly impact the ability of the members to meet safely in person or that local officials continue to recommend measures to promote social distancing; and

**WHEREAS**, on January 3, 2023, The Santa Cruz County Mobile and Manufactured Home Commission held a teleconference meeting under AB 361; and

WHEREAS, this Santa Cruz County Mobile and Manufactured Home Commission has reconsidered the circumstances of the current state of emergency and finds that the COVID-19 pandemic continues to directly impact the ability of members of the public to participate safely in person and further finds that the Santa Cruz County Public Health Officer continues to recommend measures to promote social distancing; and

WHEREAS, in the interest of public health and safety, and due to the emergency caused by the spread of COVID-19, the Santa Cruz County Mobile and Manufactured Home Commission deems it necessary to utilize the modified teleconferencing rules set forth in AB 361;

**NOW, THEREFORE**, the Santa Cruz County Mobile and Manufactured Home Commission makes the following findings by a majority vote:

**Section 1.** The foregoing recitals are true and correct, and adopted as findings of the Santa Cruz County Mobile and Manufactured Home Commission.

**Section 2**. Effective immediately, and for the next 30 days, the Santa Cruz County Mobile and Manufactured Home Commission will meet via teleconference as authorized under AB 361 and Government Code section 54953(e)(3).

**Section 3.** No later than thirty (30) days from making today's findings, or at the next scheduled meeting, the Commission will reconsider the circumstances of the COVID-19 state of emergency and, if necessary, adopt subsequent findings to continue holding teleconference meetings in accordance with Government Code section 54953(e)(3).

**PASSED AND ADOPTED** by the Santa Cruz County Mobile and Manufactured Home Commission in Santa Cruz, State of California, this 3<sup>rd</sup> day of January, 2023, by the following vote:

AYES:	
NOES:	
ABSENT:	
ABSTAIN:	
	Henry Cleveland
	Chair, Santa Cruz County Mobile and Manufactured Home Commission
ATTECT.	
ATTEST:	
De	partment Staff
Approved as to Fo	orm:
Office of the Cou	unty Counsel



### County of Santa Cruz Board of Supervisors Agenda Item Submittal

**From:** Zach Friend, Second District Supervisor, Manu Koenig, First District Supervisor

(831) 454-2200

**Subject:** Ordinance Amending SCCC Provisions Relating To Mobile Home

Park Rent Adjustment Procedures

Meeting Date: December 13, 2022

#### **Recommended Action(s):**

- 1) Consider and approve in concept "Ordinance Amending Santa Cruz County Code Section 13.32.030(H), 13.32.040(F), and 13.32.060 Relating to General and Special Rent Adjustments for Mobile Home Parks"; and
- Schedule the ordinance for a second reading and final adoption on January 10, 2023.

#### **Executive Summary**

Proposed are amendments to Santa Cruz County's Mobile Home Park Rent Adjustment Ordinance, Santa Cruz County Code 13.32. The proposed amendments to 13.32.030, 13.32.040, and 13.32.060 are designed to clarify and strengthen the existing ordinance.

#### Background

Mobile homes are a critical component of Santa Cruz County's housing stock and Chapter 13.32 of the Santa Cruz County Code (SCCC) is intended to protect and preserve the affordability of these homes. However, as currently written, County Code Section 13.32.040 uses a fixed rate of ten percent per year assumed increase in operating costs instead of tying it to real world changes.

Furthermore, in the event of a disputed special rent increase, County Code Section 13.32.060 includes a requirement for a Prehearing Settlement Conference before proceeding to a Hearing; however, the process has proven ineffective at preventing hearings or costly litigation. Instead, these cases result in long, drawn out litigation with both parties employing attorneys and expert witnesses.

Lastly, a change is being recommended to Section 13.32.030 to eliminate the requirement that park owners produce copies of their federal or State tax returns for inspection as part of the rent adjustment process.

The proposed amendments to SCCC 13.32 will strengthen protections for residents, bring in a neutral third-party expert to provide unbiased analysis and help avoid litigation for both sides by encouraging settlement.

#### **Analysis**

The proposed amendment to County Code Section 13.32.040 is designed to address special rent adjustments and the formula for calculating operating expenses to align with other portions of the SCCC to utilize the Consumer Price Index. The proposed amendment removes the arbitrary ten percent per year increase in operating costs and instead uses a widely accepted index that reflects the real-world changes in the cost of doing business which is historically under ten percent.

The proposed amendment to County Code Section 13.32.060 is designed to protect residents and park owners by re-envisioning the dispute process for a proposed special rent adjustment. The amendment includes several new instances in the process where agreement can be reached should a dispute arise to a proposed special rent increase. The first step involves an option for both sides to accept the analysis of a third-party expert, the next engages a Hearing Officer for facilitated settlement conferencing and finally a Hearing is conducted.

Under the proposed language if a park owner proposes a special rent increase that is disputed by park residents an independent third-party expert is brought in to complete an assessment and make a recommendation. The independent third-party expert is a Certified Public Accountant with no financial interest in the matter and is selected from a rotating list maintained by the County. The cost of the expert is split evenly between the park owner and the space fee fund, an annual rate set by the Board and paid by mobile home owners for costs associated with the Rent Adjustment Ordinance. Both sides are given the opportunity to accept the recommendation, saving costs to both parties and the County by avoiding hearings or litigation.

Should either or both reject the expert recommendation, a Hearing Officer is brought in to make reasonable efforts to negotiate a settlement based on the expert's recommendation and the parties' statements. Although the ordinance previously included Settlement Conferencing, the addition of the Hearing Officer and the expert analysis increase the likelihood of resolution at this stage without having to proceed to a formal Hearing. By strengthening the opportunities for agreement and avoiding litigation, the proposed amendments to SCCC 13.32 further protect both park owners and mobile home residents from increased costs.

Finally, changing Section 13.32.030 to no longer require park owners to produce income tax documentation will provide a measure of privacy for park owners without impacting the analysis of a rent adjustment inquiry.

#### **Financial Impact**

There is no financial impact from the recommended actions.

#### Strategic Plan Element(s)

2.A. Attainable Housing: Affordable Housing

#### Submitted by:

Zach Friend, Second District Supervisor, Manu Koenig, First District Supervisor

#### **Attachments:**

- а
- 13.32 Amend CPI Tax Expert Settlement 12.2.22 strikethrough Ordinance Amending SCCC 13.32.030 13.32.040 and 13.32.060 (eSign) b

(e) Government Required Service Charge Adjustment (list individually for each government required service):	
1) Type of Charge:	
Previous year's service charge: \$	
1981 service charge: \$	
Difference of \$	
$\div$ $\div$ 12 months = \$	
(# of spaces)	
(f) Space Fee (If billed monthly): \$	
(3) NEW TOTAL MONTHLY RENT = \$	
(4) CURRENT MONTHLY RENT PRIOR TO ADJUSTMENT = \$	
(5) AMOUNT OF MAXIMUM ALLOWABLE MONTHLY RENT= \$	
Attach additional pages for other capital improvements and/or service charges.	
Pursuant to SCCC 13.32.030(H) of the Mobile Home Rent Adjustment Ordinance (Chapter	
13.32 SCCC), you have the right to examine copies of certain documents which relate to	
increases or decreases in rent sought by the owner in your rent adjustment notice. Please refer to	
this subsection for more information.	
Residents representing at least 25% of the spaces within the park have the right to challenge any portion of this rent adjustment notice by filing a petition with the Santa Cruz County Mobilehome Commission within 45 days of the postmark on this Notice. You are encouraged to meet and confer prior to filing a petition. Please consult SCCC 13.32.060(B)(1) and (B)(2)(a) for more detailed information on these requirements.	
Petitions may be obtained by phoning the Mobilehome Commission at 454-2040.	
(G) The owner shall not adjust rents in excess of the amount permitted pursuant to this general rent adjustment procedure, except as expressly provided elsewhere in this chapter.	
(H) For purposes of this section, the owner shall make available for examination within five business days of the written request of any resident copies of bills for property taxes, the government required service charges, copies of insurance policies and records of insurance payments, and the books and records of the owner which relate to the original and depreciated cost of capital improvements and all relevant portions of Federal and State income tax returns	
relating to capital improvements to verify any increases or decreases sought by the owner under	
this section, If the owner elects to provide documentation relating to capital improvements from	<b>Deleted:</b> , shall also be made available to residents
<u>income tax returns</u> , the owner has the option of providing income tax this information either in a declaration filled out under penalty of perjury, or by producing copies of the relevant portions	
of the actual federal and State income tax return themselves. [Ord. 4561 § 1, 1999; Ord. 4548	Deleted: F
\$ 2, 1999; Ord. 4451 \$ 1, 1997; Ord. 4444 \$ \$ 1, 2, 1996; Ord. 4404 \$ \$ 3—7, 1996; Ord. 4060	_ 51000M.1
§ 2, 1990].	

13.32.040 Special rent adjustments.

- (2) The gross income during the base year was disproportionate due to one of the enumerated factors below. In such instances, adjustments may be made in calculating gross income consistent with the purposes of this chapter.
  - (a) The gross income during the base year was lowered because some residents were charged reduced rent because of sentimental, personal or emotional relationships with the owner.
  - (b) The gross income during the base year was significantly lower than normal because of destruction of the premises and/or temporary eviction for construction or repairs.
- (E) Determination of Base Year Net Operating Income.
  - (1) To determine the net operating income during the base year, there shall be deducted from the gross income realized during calendar year 1979, a sum equal to the actual operating expenses for 1979, unless the owner demonstrates to the satisfaction of the Hearing Officer that some other 12-consecutive-month period is justified. In all cases, April 1979 shall fall within the 12-month period utilized herein except as provided in subsection (E)(2) of this section.
  - (2) In the event that the owner did not own the subject property on January 1, 1979, the operating expenses for 1979 shall be determined in one of the following manners, whichever the Hearing Officer determines to be more reliable in the particular case:
    - (a) The previous owner's actual operating expenses as defined in subsection (B)(3) of this section; or
    - (b) Actual operating expenses for the first calendar year of ownership discounted to 1979 by the schedule in subsection (F) of this section.
- (F) Schedule of Adjustments in Operating Expenses. Where scheduling of rent adjustments, or other calculations, require projections of income and expenses, it shall be presumed there shall be a rebuttable presumption that operating expenses (exclusive of property taxes and management expenses) increased at 10 percent per year the same percentage per year as the annual percentage change in the CPI from the base year; that property taxes increased at two percent per year; and that management expenses are 5 percent of gross income.
- (G) Allowable Rent Adjustment. A special rent adjustment petition for a rent adjustment over and above the adjustment provided for by the general rent adjustment provisions shall only be approved if necessary to provide the owner with net operating income, after adjustment for inflation, comparable to the net operating income realized from the park during the base year. There shall be a rebuttable presumption that an adjustment of the owner's net operating income at the rate of 50 percent of the percentage change in the CPI from the base year will provide a comparable net operating income. The burden shall be on any party seeking to demonstrate that a different percentage of the CPI change is appropriate. The change in the CPI shall be calculated

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by dividing the difference between the most recently reported monthly figure at the time of filing of the petition and the monthly figure in effect on January 1, 1979, by the monthly figure in effect on January 1, 1979. In determining comparability of net operating income, the following factors may be considered by the Hearing Officer:

- (1) The rental history of the park;
- (2) The level of services and amenities of the park during the base year and during the current year; and
- (3) Any extraordinary capital expenditures necessary to repair or reconstruct a park damaged by natural disaster or required by health, building or fire protection officials not covered by insurance or other disaster insurance; and
- (4) Other unusual factors affecting comparability of net operating income.
- (H) Relationship to General Rent Adjustment. Any special rent adjustment permitted pursuant to this chapter shall take into account the extent of any general rent adjustment the owner may be implementing or otherwise entitled to, and during the time the special adjustment is to be implemented, and the special adjustment may be limited or conditioned accordingly.
- (I) Retroactive Effect. In no event shall rent adjustments be authorized retroactive of the date of decision by the Hearing Officer by application of the special rent adjustment provisions. [Ord. 4548 § 3, 1999; Ord. 4060 § 2, 1990].

#### 13.32.060 Hearing of disputes.

A hearing shall be provided as to disputes regarding general rent adjustment, special rent adjustment, and reduction or elimination of services, and for no other purposes.

- (A) Types of Hearings.
  - General Rent Adjustment Hearing. A general rent adjustment hearing shall be limited to determining whether the owner conformed to the provisions of SCCC 13.32.030 in adjusting rents.
  - (2) Special Rent Adjustment Hearing. A special rent adjustment hearing shall be held to determine whether the owner shall be allowed to make rent adjustments in excess of those provided under the general rent adjustment provisions set forth at SCCC 13.32.030. In making this decision, the Hearing Officer shall apply the provisions of SCCC 13.32.040.
  - (3) Reduction or Elimination of Services Hearing. Hearings on the reduction or elimination of services shall determine whether the owner conformed to the provisions of SCCC 13.32.050.

- (B) Hearing Procedure. The Board of Supervisors shall provide independent contractor Hearing Officers to carry out the provisions of this section. The Hearing Officer presiding at any hearing pursuant to this section shall require compliance with the following hearing procedure and shall provide adequate clerical support for such purpose.
  - (1) Meet and Confer. The park owner and residents shall make a good faith effort to meet and confer prior to the filing of a petition by either. Within 15 days of the postmark on a notice of a general rent adjustment, residents either individually, collectively, or with representatives of a group of residents who have signed a request to be so represented, shall by written request require the park owner, or his or her representative, to meet and confer about the proposed rent adjustment. Hearing Officers are not required to attend the meeting. The required meeting shall be held within 20 days of the postmark on the written request. Failure to request the meeting in writing will not affect the residents' right to a hearing.

#### (2) Petitions.

- (a) General Rent Adjustment Hearing. Within 45 calendar days of the postmark on a notice of a general rent adjustment, residents representing at least 25 percent of the spaces within the park affected by the general rent adjustment must file a petition if they wish to dispute compliance by the owner with the general rent adjustment provisions of SCCC 13.32.030. If the forty-fifth day falls on a Saturday, Sunday or holiday, the time to file a petition is extended to the next working day: January 1st; the third Monday in January (Martin Luther King Jr.'s Birthday), the third Monday in February (President's Day), the last Monday in May (Memorial Day), July 4th (Independence Day), the first Monday in September (Labor Day), the second Monday in October (Columbus Day), November 11th (Veterans' Day), Thanksgiving, and the following Friday, Christmas Eve and Christmas. The petition shall clearly state the residents' basis for disputing compliance by the owner with the provisions of this chapter. A copy of the postmarked envelope shall be attached to the petition.
  - (i) Any notice of general rent adjustment which does not have a postmark shall be considered invalid.
- (b) Special Rent Adjustment Hearing. Any owner may file a petition for a special rent adjustment under the provisions of SCCC 13.32.040. A petition for a special rent adjustment shall be on the form provided for by County staff, and a list of the names and addresses of all residents of the park shall be attached to the petition. The Hearing Officer shall set a hearing on County staff shall refer such petition for expert analysis as provided in subdivision (B)(4) of this section only after determining that the petitioner has provided all of the information requested in that form. The owner shall file a completed petition at least 90 days in advance of the next anniversary date so that any rent adjustment ultimately agreed upon with residents in writing as provided in subdivision (B)(4) of this section or approved by the Hearing Officer can be combined with any general rent

adjustment for all the park residents for that year. No special rent adjustment may be implemented prior to a written agreement from residents, or upon final granting of a petition. A hearing fee shall be charged only to a petition in a special rent adjustment proceeding, when necessary. Such fee shall not be passed through or otherwise collected from residents. The space fee hereinafter established shall be set at a rate sufficient to pay the cost of all other hearings.

- (i) The amount of the hearing fee shall be set by resolution by the Board of Supervisors.
- (ii) The hearing fee shall be paid the time of filing the once County staff determines that a special adjustment petition will be referred to a Hearing Officer, as provided in subdivision (B)(4) of this section. Payment shall be made in the form of a personal check, bank check, or money order payable to "County of Santa Cruz."
- (iii) Fifty percent of the hearing fee shall be refunded; provided, that County staff is notified no less than 72 hours prior to the hearing that a settlement has been reached.
- (c) Reduction or Elimination of Services Hearing. Residents representing at least 25 percent of the park affected by a reduction or elimination of services may file a petition disputing compliance by the owner with the provisions of SCCC 13.32.050. The petition shall clearly state the basis for disputing compliance by the owner with the provisions of said section and shall be filed within one year of the date the service or services are reduced or eliminated.
- (3) Filing of Petition. Any petition regarding a general rent adjustment or a special rent adjustment or the reduction or elimination of services shall be filed with County staff and shall set forth the name, address, and telephone number of petitioner's counsel or designated representative. County staff shall file stamp the petition.
- (4) Expert Analysis Special Rent Adjustment Hearings. Within 15 days of receipt of a completed petition for special rent adjustment, County staff shall refer the petition to an independent expert. The expert shall prepare a written assessment of the requested special rent adjustment with a recommendation for use by the parties and the Hearing Officer. The expert shall make all reasonable efforts to complete the assessment within 15 days of receipt of the referral. Upon receipt of the expert assessment and recommendation, County staff shall provide a written copy to the parties. Each party shall respond in writing within 10 days stating whether they accept or reject the expert recommendation. Where one or both parties reject the expert recommendation, the petition shall be referred to a Hearing Officer as provided in this section.
  - (a) Qualification of Expert. The expert shall be a Certified Public Accountant, and shall have no financial interest in mobile homes, mobile home spaces, or

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mobile home parks, or otherwise conduct business with mobile home parks or financial institutions that lend to mobile home parks and residents.

- (b) Establishment of a Panel. County staff shall make all reasonable efforts to ensure that three qualified experts are available to form a panel of prospective independent experts on an independent contractor basis.
- (c) Selection of Expert. County staff shall select experts on a rotating basis from the panel list. The expert shall disqualify themselves from serving as an expert in a particular matter where they have a conflict of interest within the meaning of the Political Reform Act. (Government Code Sections 87100 et seq.)
- (d) Payment of Expert. County staff shall determine the estimated cost of employing the expert, and that sum shall be communicated to the petitioner. Fifty percent of the cost of the expert shall be charged to petitioner, and the remaining fifty percent shall be charged to the space fee fund. The petition shall not be further processed until the petitioning park pays its portion of the cost of the expert, in the form of a personal check, bank check, or money order payable to "County of Santa Cruz." The petitioning park's portion of the cost of the expert shall not be passed through to residents.
- (4)(5) Scheduling of Hearings. County staff shall file stamp the petition. Once a Hearing Officer has been selected, County staff shall transmit such petition and expert report and recommendation if applicable to the Hearing Officer who shall schedule a hearing no sooner than 30 days and no later than 60 days after receiving the petition.
- (5)(6) Prehearing Settlement Conferences. Parties are required to attend a prehearing settlement conference with the Hearing Officer at least seven calendar days in advance of the hearing. Unless expressly excused by the Hearing Officer in advance of the settlement conference, The designated representative of each party authorized to effect a binding settlement shall be present at the settlement conference. Each party shall submit to the Hearing Officer at least five calendar days prior to the prehearing conference a statement containing the following information:
  - (a) The names of the party(ies) involved with the matter and on whose behalf the statements are filed. Both parties shall designate one person who shall represent the interests of, and be authorized to act on all matters considered at the settlement conference.
  - (b) A plain and concise statement of facts. A listing of all relevant facts that are not in dispute, and a listing of all relevant facts that are in dispute.
  - (c) A statement of the legal issues (claims or disputes) and any defenses (explanations or justifications) to be considered by the Hearing Officer at the hearing.

- (d) A list of witnesses to be called by the party at the hearing, along with an estimate of the time required for each witness's testimony. The witness list may be revised at any time up until two calendar days prior to the hearing.
- (e) A statement of the remedy the party is seeking from the Hearing Officer.
- (f) A copy of each witness statement signed under penalty of perjury, to be presented at the hearing. The witness statement shall include an explanation of why the witness is unavailable to testify at the hearing. No witness statement shall be admitted into evidence at the hearing unless it is included with the prehearing statement or is offered by a witness whose name appears on a witness list provided to the opposing party at least two days prior to the hearing, unless admission is justified by good cause shown. However, in no case shall a statement by an expert witness independently retained by a party be admitted unless the expert's name appears on the witness list.
- (g) A copy of each item of documentary evidence to be presented at the hearing.
- (h) An estimate of the time required for presentation of each party's case.
- (7) Conduct of Settlement Conference Special Rent Adjustment Petitions. At the settlement conference on a petition for Special Rent Adjustment, the Hearing Officer shall make reasonable efforts to negotiate a settlement based on the expert's recommendation and the parties' prehearing statements. If the parties cannot reach a settlement, the matter shall proceed to formal hearing.
- (6)(8) Consolidation. All petitions pertaining to a general rent adjustment and, where possible, to special rent adjustment in one park for the same year shall be consolidated for hearing, unless there is a showing of good cause not to consolidate such petitions.
- (7)(9) Continuances. Reasonable continuances of the hearing may be granted at the discretion of the Hearing Officer if exceptional circumstances are shown.
- (8)(10) Notice to Parties. County Counsel staff will notify the respondent that a petition has been filed and provide the parties with a list of potential Hearing Officers.
  - (a) General Rent Adjustment Hearing. After scheduling a hearing, the Hearing Officer shall notify the park owner, the counsel or designated representative of the petitioning residents of the park, and County staff, of the time, date and place of the hearing by letter. Such letters shall be mailed first class at least 14 days prior to the hearing date scheduled. County staff shall assist in securing a room for the hearing and shall have the necessary recording devices available to the Hearing Officer.
  - (b) Special Rent Adjustment Hearing. After scheduling a hearing, the Hearing Officer shall notify the park owner and all park residents (or their counsel or



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January 4, 2023

Santa Cruz County Board of Supervisors 701 Ocean Street, Room 500 Santa Cruz, CA 95060

Re: Recommendation to Adopt Proposed Amendments to Santa Cruz County Code Sections 13.32.070 and 13.32.080 of Chapter 13.32

Dear Chair Koenig and Members of the Board,

On December 13, 2022, your Board accepted in concept several proposed amendments to County Code Chapter 13.32 Rental Adjustment Procedures for Mobile Home Parks. The proposed amendments are within sections 13.32.030, 13.32.040 and 13.32.060.

The Mobile and Manufactured Home Commission (MMHC) appreciates the ability to practice due diligence in acting as an advisory commission to your Board as codified in 2.64.050.

At a Special Meeting held on January 3, 2023, after careful review and discussion of these amendments the MMHC voted to endorse these amendments and recommend your final approval of them at your 10 January 2023 meeting.

On behalf of the Commission, we thank you for your continued support for the Santa Cruz County mobile and manufactured home community.

Respectfully submitted,

Henry Cleveland

Commission Chair, Santa Cruz County Mobile and Manufactured Home Commission

Jean Brocklebank

Commission Vice Chair, Santa Cruz County Mobile and Manufactured Home Commission



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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: Sheriff's Community Room (unless meeting is held remotely)\*\*

5200 Soquel Avenue, Santa Cruz, CA 95062

**Changes to the schedule**, including special meetings, changes of location, or meeting cancellations, **will be listed on the website** at <a href="https://www.sccmmhc.org">www.sccmmhc.org</a> as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2023 MEETING DATES						
DATE	TIME	LOCATION				
January 19, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
March 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
May 18, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
July 20, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
September 21, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
November 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room				



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#### **Notice of Public Meeting and Agenda**

DATE: Thursday, January 19, 2023

TIME: 9:30 AM to 11:00 AM

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

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

- Call to Order/Roll Call/Agenda Review
- 2. Approve November 17, 2022 Meeting Minutes
- 3. Approve January 3, 2023 Special Meeting Minutes
- 4. 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.
- 5. New Business/Action Items:
  - 5.1. Review of Commission Website
- 6. County Supervisor Report
- 7. Commissioner Reports
  - 7.1. District 1 (*Brocklebank*)
  - 7.2. District 2 (Cleveland)
  - 7.3. District 3 (Allenbaugh)
  - 7.4. District 4 (*Valdez*)
  - 7.5. District 5 (Halterman)
  - 7.6. Golden State Manufactured Homeowners League (Lerno)
  - 7.7. Western Manufactured Housing Communities (Garza)
- 8. Central Coast Resident-Owned Parks Report
- 9. Legislative Report
- 10. County Counsel Report
- 11. Staff Report
- 12. Correspondence
- 13. Adjournment

Next Meeting Scheduled for: 9:30 to 11:00 AM on Thursday, March 16, 2023

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#### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: November 17, 2022 LOCATION: Meeting held remotely

PRESENT: Jean Brocklebank (Vice Chair - 1<sup>st</sup> District), Henry Cleveland (Chair - 2<sup>nd</sup> District), David

Allenbaugh (3<sup>rd</sup>District), Richard Valdez (4<sup>th</sup> District), Rick Halterman (5<sup>th</sup> District), Carol

Lerno (GSMOL), Charlene Garza (WMA)

EXCUSED: None

STAFF: Kaite McGrew (Commissions Manager)

GUESTS: Supervisor Koenig (1st District Supervisor), Megan Rhodes (Bay Federal) and 4 members of

the public attended.

1. Call to Order/Roll Call/Agenda Review

Meeting was convened at 9:32 AM.

2. Approve September 15, 2022 Meeting Minutes

Minutes amended to correct an error.

#### Motion to approve the September 15, 2022 Minutes as amended

Motion/Second: Brocklebank/Garza

Ayes: Brocklebank, Cleveland, Allenbaugh, Richard Valdez, Halterman, Garza

Abstain: Lerno

#### Motion passed unanimously.

3. Public Comment

1 member of the public and two Commissioners provided public comment.

- 4. New Business/Action Items:
  - 4.1. Jan Beautz Award Discussion

Commission will postpone the Jan Beautz Awards until 2023.

- 5. County Supervisor Report (Koenig)
  - 5.1. In honor of November being designated Men's Health Awareness Month, Supervisor Koenig shared statistics related to the prevalence of men's mental health issues and increased suicide risk.
  - 5.2. Increased potential resident/park impacts related to the Rail-Trail easement are anticipated if the State awards funding for segments 8, 9, 10, and 11 State in early December.
  - 5.3. Supervisor Koenig updated the Commission on general improvements in District 1 including better bike/pedestrian access, improved parks, increased revenue from short-term occupancy taxes, crosswalks, safety beacons and a pedestrian/bike bridge over Hwy 1.
  - 5.4. The Board of Supervisors is considering new legislation allowing tiny homes and recently reviewed the County's proposed Sustainability Update which will have a significant impact on the District 1 residents as District 1 contains the largest unincorporated urban area in the County.
- 6. Commissioner Reports
  - 6.1. 1<sup>st</sup> District Report

Brocklebank reported on a variety of matters related to three MHPs she has been involved in since

the last meeting including Osocales MHP, Sorrento Oaks MHP and Soquel Gardens MHP. Brocklebank will prepare a draft regarding readiness-to-serve fees for consideration at a future meeting.

#### 6.2. 3rd District Report:

Allenbaugh reported that De Anza MHP has no major issues. Brocklebank shared information regarding ongoing expenses related to AED devices in clubhouses including liabilities, maintenance, and training.

#### 6.3. 4th District Report:

Valdez is researching allowable late fees for late space rents.

#### 6.4. 5th District Report:

Halterman reported that the MRL Protection Program (MRLPP) will sunset at the end of 2023 unless extended and a detailed report on the program so far will be available early next year. The HCD's Park Inspection Report is now available. HCD criteria that would flag a park for inspection included volume of resident complaints, interval between inspections, and a lack of permit activity. Of the 14K resident complaints statewide, 13K have been resolved. Of the 500 park complaints statewide, 400 have been resolved.

- 6.5. Golden State Manufactured Homeowner's League (GSMOL) Report: No Report
- 6.6. Western Manufactured Housing Communities Association (WMA) Report:

Garza reported that the annual WMA convention took place in October. Garza will serve on their education committee and will take an active role in working with park owners on education, particularly regarding fulfillment of upcoming continuing education requirements. A resident shared a flier related to proposed MHP County Code changes. The Shoreline MHP property tax reassessment is complete and nearly resolved.

#### 6.7. 2nd District Report

Cleveland assisted a Pinto Lakes MHP resident. Commission reviewed the list of parks accepted into the CPUC Master Meter conversion program. The HCD Park Inspection Report cited the most common violations for park owners (unsecured gas meters, inaccessible lot equipment, and live wires) and residents (accumulated garbage, unsupported carports, and storage shed proximity).

7. Central Coast Resident-Owned Parks (ROP) Report:

Cleveland reported that the most recent meeting discussed park management models for ROPs. The next meeting will host a speaker on improved communications between residents and Boards in ROPs.

- 8. Legislative Report: No Report
- 9. County Counsel Report: No Report
- 10. Staff Report: No Report
- 11. Correspondence: None
- 12. Adjournment

Meeting was adjourned at 10:27 AM.

Submitted by: Kaite McGrew, Commissions Manager



701 Ocean Street, Fifth Floor, Room 510, Santa Cruz, CA 95060 P: (831) 454-2772 F: (831) 454-2411 TTY/TDD: 711 commissions@santacruzcounty.us

www.sccmmhc.org

#### MOBILE AND MANUFACTURED HOME COMMISSION SPECIAL MEETING MINUTES

DATE: January 3, 2023

LOCATION: Meeting held remotely

PRESENT: Jean Brocklebank (Vice Chair - 1st District), Henry Cleveland (Chair - 2nd District), Richard

Valdez (4<sup>th</sup> District), Rick Halterman (5<sup>th</sup> District), Carol Lerno (GSMOL), Charlene Garza

(WMA)

EXCUSED: None

ABSENT: David Allenbaugh (3<sup>rd</sup>District)

STAFF: Kaite McGrew (Commissions Manager)

GUESTS: Jamie Sehorn (1st District Supervisor's Analyst ), Shane McKeithan (1st District Supervisor's

Analyst), Will Constantine (Attorney) and 2 members of the public attended.

 Call to Order/Roll Call/Agenda Review Meeting was convened at 10:30 AM.

2. AB 361 Statement of Findings

Motion to approve statement of findings authorizing the Commission meet remotely under the provisions of Assembly Bill 361

Motion/Second: Lerno/Valdez **Motion passed unanimously.** 

3. Public Comment: None

4. New Business/Action Items:

4.1. Review Amendments to Santa Cruz County Code Chapter 13.32 and Consider Recommendation Commission

Motion to approve letter recommending that the Board adopt the proposed amendments to Santa Cruz County Code Chapter 13.32

Motion/Second: Brocklebank/Lerno

Ayes: Brocklebank, Cleveland, Valdez, Halterman, Lerno

No: Garza

Motion passed.

5. Adjournment

Meeting was adjourned at 10:48 AM.

Submitted by: Kaite McGrew, Commissions Manager

MOBILE AND MANUFACTURED HOME COMMISSION								
2022 ATTENDANCE REPORT								
District/Supervisor		Commissioner	Jan 2022	Mar 2022	May 2022	July 2022	Sept 2022	Nov 2022
<b>1<sup>st</sup> District</b> Supervisor Manu Koo	enig	Jean Brocklebank Vice Chair	Р	Р	Р	Р	Р	Р
<b>2<sup>nd</sup> District</b> Supervisor Zach Frie	end	Henry Cleveland Chair		Р	Р	Р	Р	Р
<b>3<sup>rd</sup> District</b> Supervisor Ryan Coonerty		David Allenbaugh	Р	Р	Р	E	Р	Р
<b>4<sup>th</sup> District</b> Supervisor Greg Caput Richard Valde		Richard Valdez	Р	Р	Р	Р	Р	Р
<b>5<sup>th</sup> District</b> Supervisor Bruce McPherson		Rick Halterman	Р	Р	Р	Р	Р	Р
Golden State Manufactured Homeowners League		Carol A. Lerno	Р	Р	Р	Р	Р	Р
Western Manufactured Housing Communities Association		Charlene Garza	Р	E	E	E	Р	Р
Attendance: P=Present A=Absent E=Excused (-) = Not Seated		eated						

Submitted:	
KaiteMegrew	December 31, 2022
Kaite McGrew	Date
Commissions Manager	

From: Priscilla Mann
To: Commissions
Subject: Prop 13 tax status

**Date:** Tuesday, December 13, 2022 4:16:11 PM

\*\*\*\*CAUTION:This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.\*\*\*\*

Dear commission,

if I move To a new home, I get to take my current property tax amount with me.

If I rehab my house to adapt to disabilities, my rate remains the same.

to Rehab our old mobile home would cost more than to replace it.

A replacement home would not only be ADA compliant, but much more energy efficient, mold free, get rid of vectors, etc. much healthier.

A replacement home does not qualify as a rehab. Tax rate would go up about double.

This new tax rate may make replacement prohibative.

But, why doesn't it qualify as a rehab if that's the primary reason for replacement? There was a mobile home replacement program, seems logical to address rehabs as well, to encourage replacement. Let us keep the old tax rate, the same as if we moved to a new house.

How can I get this inequity fixed?

Priscilla Mann

Sent from my iPad



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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: Sheriff's Community Room (unless meeting is held remotely)\*\*

5200 Soquel Avenue, Santa Cruz, CA 95062

\*\*Changes to the schedule, including special meetings, changes of location, or meeting cancellations, will be listed on the website at <a href="www.sccmmhc.org">www.sccmmhc.org</a> as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2023 MEETING DATES						
DATE	TIME	LOCATION				
January 19, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
March 16, 2023	9:30 – 11:00 AM	To Be Determined				
May 18, 2023	9:30 – 11:00 AM	To Be Determined				
July 20, 2023	9:30 – 11:00 AM	To Be Determined				
September 21, 2023	9:30 – 11:00 AM	To Be Determined				
November 16, 2023	9:30 – 11:00 AM	To Be Determined				



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#### **Notice of Public Meeting and Agenda**

DATE: Thursday, March 16, 2023 TIME: 9:30 AM to 11:00 AM

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

\*\*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 19, 2023 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 Letter Regarding Amendment to SCCC Chapter 13.32.060(B)(4)(a)
  - 4.2. Consider GSMOL Supported Legislation
- 5. County Supervisor Report
- 6. Commissioner Reports
  - 6.1. District 1 (Brocklebank)
  - 6.2. District 3 (Allenbaugh)
  - 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. County Counsel Report
- 10. Staff Report
- 11. Correspondence
- 12. Adjournment

#### Next Meeting Scheduled for: 9:30 to 11:00 AM on Thursday, May 18, 2023

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.



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#### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: January 19, 2023

LOCATION: Meeting held remotely

PRESENT: Jean Brocklebank (Vice Chair - 1st District), Henry Cleveland (Chair - 2nd District), David

Allenbaugh (3<sup>rd</sup>District), Richard Valdez (4<sup>th</sup> District), Rick Halterman (5<sup>th</sup> District),

EXCUSED: Carol Lerno (GSMOL), Charlene Garza (WMA)

ABSENT: None

STAFF: Kaite McGrew (Commissions Manager)

GUESTS: Shane McKeithan (1st District Supervisor's Analyst) and 14 members of the public attended.

 Call to Order/Roll Call/Agenda Review Meeting was convened at 9:31 AM.

2. Approve November 17, 2022 Meeting Minutes

Motion to approve November 17, 2022 minutes as written.

Motion/Second: Brocklebank/Halterman

Motion passed unanimously.

3. Approve January 3, 2023 Special Meeting Minutes

Motion to approve January 3, 2023 minutes as written.

Motion/Second: Brocklebank/Halterman

Motion passed unanimously.

4. Public Comment: 3 members of the public provided public comment.

Valdez arrived.

- 5. New Business/Action Items:
  - 5.1. Review Commission Website

Brocklebank suggested updates to the Commission's website. Commissioners and members of the public are encouraged to submit suggested updates by email.

6. County Supervisor Report

McKeithan provided an update on County flood recovery efforts including placement of dumpsters, deployment of County volunteers to assist with cleanup, and assistance with application for available resources. The Old Mill MHP has formed a residents' association, and County Counsel is preparing correspondence to the park's property management company to clarify elements of the local MHP ordinance and encourage them to apply for FEMA assistance. Next steps will include mold inspections and working with local agencies and community stakeholders to develop early warning strategies and prepare for possible future flooding events.

#### 7. Commissioner Reports

#### 7.1. District One (Brocklebank)

Brocklebank provided an update on flood recovery efforts in Old Mill Estates MHP and additional resources available.

#### 7.2. District Three (Allenbaugh)

Allenbaugh reported minor drainage issues resulting from flooding in De Anza MHP.

#### 7.3. District Four (Valdez)

Valdez reported minor flooding.

#### 7.4. District Five (Halterman)

Halterman encouraged the Commission to consider further amendments to the Board's recent amendments to SCCC Chapter 13.32 requiring that experts contracted to review special rent adjustment petitions be certified public accountants. Commission will consider making an additional recommendation.

- 7.5. Golden State Manufactured Homeowners League (Lerno): No Report
- 7.6. Western Manufactured Housing Communities (Garza): No Report

#### 7.7. District Two (Cleveland)

Cleveland reported no flooding in District 2 MHPs. He is working with HCD representatives to host a virtual meeting in February to educate the public and encourage resident participation in the Mobilehome Residency Law Protection Program (MRLPP). The program is scheduled to sunset unless substantial participation occurs. Additional information will be provided to the Commission's email notification list.

#### 8. Central Coast Resident-Owned Parks Report

Cleveland reported that the next scheduled meeting on February 4<sup>th</sup> will feature a guest speaker on Community Emergency Resource Training (CERT) program training. Cleveland provided a brief overview of the issues involved with solar power installations in MHPs.

#### 9. Legislative Report

Halterman reported that February 17 is the deadline for new legislation. Halterman is no longer on GSMOL's Legislative Committee, but he will continue to provide updates on legislative priorities impacting mobile home residents in California.

10. County Counsel Report: None

11. Staff Report: No Report

#### 12. Correspondence:

Commission discussed potential correspondence procedures going forward. Staff will forward unresolved written correspondence to the Commission via email between meetings.

#### 13. Adjournment

Meeting was adjourned at 10:54 AM.

Submitted by: Kaite McGrew, Commissions Manager



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

March 16, 2023

Santa Cruz County Board of Supervisors 701 Ocean Street, Room 500 Santa Cruz, CA 95060

Re: Recommendation on Recent Amendment to Santa Cruz County Code Section 13.32.060(B)(4)(a) Dear Chair Koenig and Members of the Board,

On January 10, 2023 your Board voted unanimously to approve several amendments to County Code 13.32. The strengthening amendments were welcomed and appreciated by the Mobile and Manufactured Home Commission, with one exception.

We refer specifically to 13.32.060(B)(4)(a) -- "Qualification of Expert. The expert shall be a Certified Public Accountant, and shall have no financial interest in mobile homes, mobile home spaces, or mobile home parks, or otherwise conduct business with mobile home parks or financial institutions that lend to mobile home parks and residents."

A Certified Public Accountant brings no particular expertise to the process of deciding whether a park owner is receiving a fair rate of return on the mobile home park. Experts in this field, especially in maintenance of net operating income (MNOI), do not have CPAs. This includes the expert (Dr. Kenneth Barr) that the County used in the Pinto Lake MHP LLC petition for a Special Rent Adjustment.

Our commission is sure the County didn't intend to deny park owners and residents the ability to have effective financial analysts. That said, our commission is concerned that by restricting experts to CPAs and not allowing experts in MNOI, such as Barr to be included in a list of qualified experts, that residents of parks will be at a disadvantage in Special Rent Adjustment petitions.

Therefore, we ask that your Board be aware of this serious concern and be prepared to act on another amendment to 13.32.060(B)(4)(a) in the ensuing months.

On behalf of the Commission, we thank you for your continued support for the Santa Cruz County mobile and manufactured home community.

Respectfully submitted,

Henry Cleveland

Commission Chair, Santa Cruz County Mobile and Manufactured Home Commission

Jean Brocklebank

Commission Vice Chair, Santa Cruz County Mobile and Manufactured Home Commission

TO: Mobile Home Commission

FR: Henry Cleveland for Rick Halterman

March 16, 2023

RE: List of GSMOL supported and watched legislation

Here is the website to research these bills:

https://leginfo.legislature.ca.gov

#### GSMOL Sponsored and Supported Bills:

AB 318 (MRLPP) Assembly Member Addis

AB 604 (water utility charges) Assembly Member Lee

AB 1035 (rent caps) Assembly Member Muratsuchi

#### GSMOL is watching (no opinion at this time):

AB 12 (security deposits) Assembly Member Haney

AB 22 (mobile coaches) Assembly Member Gipson

AB 59 (renters credit) multiple Assembly Members and Senators

AB 319 (conflict of interest) Assembly Member Connolly

AB 713 (Housing Elements) Assembly Member Alanis

AB 1093 (Tax Collection) Assembly Member Jim Patterson

AB 1334 (add spaces; exempt of fees, permits, CEQA) Assembly Member Pellerin, Senator Skinner

AB 1472 (limited RV Parks - rent caps) Assembly Member Alvarez

SB 569 (renters credit) Senator Glazer plus multiple Senators and Assembly Members

SB 834 (2023 Housing Bond Act - \$25 Billion) Senator Portantino



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TIME: 9:30 AM – 11:00 AM

LOCATION: Sheriff's Community Room\*

5200 Soquel Avenue, Santa Cruz, CA 95062

\*Changes to the schedule, including special meetings, changes of location, or meeting cancellations, will be listed on the website at <a href="www.sccmmhc.org">www.sccmmhc.org</a> as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2023 MEETING DATES						
DATE	TIME	LOCATION				
January 19, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
March 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
May 25, 2023*	9:30 – 11:00 AM	Sheriff's Community Room				
July 20, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
September 21, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
November 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room				

#### **Public Participation**

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



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#### **Notice of Public Meeting and Agenda**

DATE: Thursday, May 25, 2023 TIME: 9:30 AM to 11:00 AM

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

\*\*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 March 16, 2023 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. Administration of the Oath of Office
- 5. New Business/Action Items:
  - 5.1. Election of Commission Officers
  - 5.2. Commission Powers and Duties
  - 5.3. Commission Meeting Location
- 6. County Supervisor Report
- 7. Commissioner Reports
  - 7.1. District 1 (Brocklebank)
  - 7.2. District 3 (Walker)
  - 7.3. District 4 (*Valdez*)
  - 7.4. District 5 (Halterman)
  - 7.5. Golden State Manufactured Homeowners League (*Lerno*)
  - 7.6. Western Manufactured Housing Communities (Garza)
  - 7.7. District 2 (Cleveland)
- 8. Central Coast Resident-Owned Parks Report
- 9. Legislative Report
- 10. County Counsel Report
- 11. Staff Report
- 12. Correspondence
- 13. Adjournment

#### Next Meeting Scheduled for: 9:30 to 11:00 AM on Thursday, July 20, 2023

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.



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www.sccmmhc.org

#### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: March 16, 2023

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

PRESENT: Jean Brocklebank (Vice Chair - 1<sup>st</sup> District), Henry Cleveland (Chair - 2<sup>nd</sup> District), David

Allenbaugh (3<sup>rd</sup>District), Richard Valdez (4<sup>th</sup> District), Rick Halterman (5<sup>th</sup> District), Carol

Lerno (GSMOL)

EXCUSED: Charlene Garza (WMA)

ABSENT: None

STAFF: Kaite McGrew (Commissions Manager)

GUESTS: Shane McKeithan (1st District Supervisor's Analyst) and 3 members of the public attended.

 Call to Order/Roll Call/Agenda Review Meeting convened at 9:30 AM.

2. Approve January 19, 2023 Meeting Minutes

Motion to approve the January 19, 2023 meeting minutes as written.

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 Letter Regarding Amendment to SCCC Chapter 13.32.060(B)(4)(a)
    Letter amended to include additional clarifying language regarding Dr. Barr's expertise.

Motion to approve advocacy letter as amended.

Motion/Second: Brocklebank/Halterman

Motion passed unanimously.

4.2. Consider GSMOL Supported Legislation

Motion to send letters in support of AB-318 to both the State Legislature and the Board of Supervisors.

Motion/Second: Halterman/Lerno

Aye: Cleveland, Allenbaugh, Valdez, Halterman, Lerno

Abstain: Brocklebank

Motion passed.

### Motion to send letters in support of AB-604 to both the State Legislature and the Board of Supervisors.

Motion/Second: Halterman/Lerno

Aye: Cleveland, Allenbaugh, Valdez, Halterman, Lerno

Abstain: Brocklebank

Motion passed.

### Motion to send letters in support of AB-1035 to both the State Legislature and the Board of Supervisors.

Motion/Second: Halterman/Lerno

Aye: Cleveland, Allenbaugh, Valdez, Halterman, Lerno

Nay: Brocklebank **Motion passed.** 

#### 5. County Supervisor Report

McKeithan provided an update on County flooding impacts and recovery efforts after eleven atmospheric river events in the last eight weeks and shared information about available resources. Supervisor Koenig and his staff are working with Old Mills MHP to determine financial responsibility for recovery efforts in the park. Supervisor Koenig has been in Sacramento advocating for additional disaster relief funding as well as advocating for additional public transit funding with other representatives from the Central Coast Coalition.

#### 6. Commissioner Reports

#### 6.1. District One (Brocklebank)

Brocklebank reported on a variety of matters related to four MHPs since the last meeting including Bell Harbor MHP, Rodeo Mobile Estates MHP, Soquel Gardens MHP, and Shoreline MHP.

#### 6.2. District Three (Allenbaugh)

Allenbaugh reported on a variety of matters in De Anza MHP including resolution of a drainage issue and clarification of a recent rent increase.

#### 6.3. District Four (Valdez)

Valdez reported working with both Meadows Manor and Rancho Cerritos MHPs to form homeowners associations and Rancho Cerritos is under new management. Valdez is promoting GSMOL membership in both parks.

#### 6.4. District Five (Halterman)

Halterman provided an update on an MRLPP utilization data report available on the HCD website and encouraged MHP residents to submit any complaints related to water bill readiness to serve charges to the program. Cleveland stated that a significant percentage of complaints have been dismissed for not being "serious" enough.

- 6.5. Golden State Manufactured Homeowners League (Lerno):
  Lerno reported her ongoing support for GSMOL's recent legislative report.
- 6.6. Western Manufactured Housing Communities (Garza): No Report
- 6.7. District Two (Cleveland)

Cleveland reported on a variety of matters including two Pinto Lakes mobile homes tagged for unoccupancy as a result of recent storms, the upcoming HCD inspection of Town & Country MHP which is the only park in Santa Cruz County that is scheduled for inspection. Factors that may influence whether a park is selected for inspection could include the length of time since the last inspection, the volume of complains, and the volume (or lack thereof) of home modification permit requests, the recent publication of the 2023 MRLA, and an upcoming GSMOL virtual event.

#### 7. Central Coast Resident-Owned Parks Report:

Cleveland reported that the same vendor that provided CERT training for the Resident-Owned Parks group is also available to provide training at investor-owned parks and shared contact information.

8. Legislative Report: No Report

9. County Counsel Report: No Report

#### 10. Staff Report:

Staff reported on County Disaster Service Worker deployment and shared information about the County being in the process of standardizing County Commission procedures, including a requirement for all Commissioners to swear an oath. Oaths will be administered during an upcoming meeting. Additional resources are being developed. The May meeting may be located at an alternate venue or held on an alternate date. Members of the public are encouraged to watch their email notifications for current information.

#### 11. Correspondence:

Commission reviewed flier promoting an informational virtual event on the MRLPP hosted by GSMOL on March 18.

#### 12. Adjournment

Meeting adjourned at 10:54 AM.

Submitted by: Kaite McGrew, Commissions Manager

# Appointment and Oath of Office for Boards, Commissions and Special Districts

### STATE OF CALIFORNIA County of Santa Cruz

•	•	rative Officer of the Cour	nty of Santa Cruz and exertify that at a meeting of said
was appointed a member	of the		for a term to expire
on	, by Supervisor	ir	and for said County.
	seal of said Bo		ffixed my hand and the official day of,  f Supervisors
	By Juliette Bui	rke, Dept. Administrative	Analyst
STATE OF CALIFORNIA County of Santa Cruz			
support and defend the Co California against all ener Constitution of the United	onstitution of the l mies, foreign and o States and the Co any mental reserv	lomestic; that I will bear to Institution of the State of Vation or purpose of evasi	
	<del></del>	(Signature of A	Appointee)
Subscribed and sworn bef	ore me on this	day of	·
(Signature of person administer	ing the oath)		
(Title)			

### Chapter 2.64 MOBILE AND MANUFACTURED HOME COMMISSION

#### Sections:

<u>2.64.010</u> Established—Statutory authority.

2.64.020 Membership.

2.64.030 Term of office.

2.64.040 Organization and procedures.

2.64.050 Powers and duties.

#### 2.64.010 Established—Statutory authority.

The Mobile and Manufactured Home Commission is established under the authority of Government Code Section 31000.1, and in compliance with SCCC 2.38.060. [Ord. 5278 § 19, 2018; Ord. 5066 § 2, 2010; Ord. 3855 § 1, 1987; Ord. 3194 § 1, 1982; Ord. 3144, 1981; prior code § 3.66.010].

#### **2.64.020** Membership.

The Commission shall consist of seven persons, residents of the County, appointed by the Board of Supervisors:

- (A) One member shall be nominated by the Western Manufactured Housing Communities Association to represent mobile home park owners, managers and operators;
- (B) One member shall be nominated by the Golden State Manufactured-Home Owners League, to represent mobile home tenants;
- (C) Each Supervisor shall nominate one person, who may reside within the Supervisor's district, and who shall possess knowledge of the mobile home community and the issues affecting mobile home parks and residents. [Ord. 5278 § 19, 2018; Ord. 3855 § 1, 1987; Ord. 3144, 1981; prior code § 3.66.030].

#### **2.64.030** Term of office.

(A) Each member representing a supervisorial district shall serve for a term of four years, commencing on April 1st of the year in which the member's nominating Supervisor begins a full term.

(B) Each at-large member shall serve for a term of four years, staggered in accordance with SCCC <u>2.38.100(A)(2)</u>, with such staggering determined by lot, or until replaced by the nominating body. [Ord. 3855 § 1, 1987; Ord. 3144, 1981; prior code § 3.66.040].

#### 2.64.040 Organization and procedures.

- (A) General Organization. The Commission shall comply in all respects with SCCC <u>2.38.110</u> through <u>2.38.250</u>, unless otherwise provided herein.
- (B) Staff Support. The County's Commissions Coordinator shall serve as administrative staff to the Commission and shall provide to the Board of Supervisors copies of all minutes, reports and recommendations of the Commission. [Ord. 5278 § 19, 2018; Ord. 4310 § 1, 1994; Ord. 3855 § 1, 1987; Ord. 3144, 1981; prior code § 3.66.050].

#### 2.64.050 Powers and duties.

The Commission shall perform the following duties:

- (A) Study proposed State and Federal legislation relating to mobile home living, and make recommendations regarding such legislation to the Board of Supervisors;
- (B) Assess the needs of persons living in mobile homes and make recommendations to the Board on matters under the Board's jurisdiction;
- (C) Make recommendations to the Board of Supervisors no later than September 1st of each year pursuant to SCCC <u>13.32.092</u>;
- (D) Consider and advise the Board of Supervisors on other matters related to mobile home living;
- (E) Hold meetings in mobile home parks within the County, to increase the ability of interested citizens to participate in the work of the Commission;
- (F) Accept public input on any matter within the jurisdiction of the Commission. [Ord. 3855 § 1, 1987; Ord. 3620 § 27, 1985; Ord. 3194 § 2, 1982; Ord. 3144, 1981; prior code § 3.66.020].

#### 2021 CPUC Master meter conversion program Phase 2

44-0005 CLEARVIEW CT

44-0112 SOQUEL GLEN MHP

2021 CPUC Master meter conversion program Phase 2					
HCDID	MHP Name	MHP Address	MHP City	Spaces	<b>Total Review</b>
Catagory	1 - Accepted into program				SCORE
44-0051	GARDEN LANE MOBILE LIVING	692 38TH AV	SANTA CRUZ	22	8.27
44-0150	MONTEREY VISTA MOBILE ESTATES	144 HOLM R	WATSONVIL	122	9.67
44-0004	OCEAN VIEW MHP	28 WINDEMI	APTOS	8	8.17
44-0065	PINE KNOLL MOBILE MANOR	2546 CAPITO	SANTA CRUZ	29	12.29
44-0050	PLEASURE POINT MOBILE MANOR	720 26TH AV	SANTA CRUZ	33	12.27
44-0109	SAN LORENZO MHP	4770 HWY 9	FELTON	32	11.55
44-0015	SOQUEL GARDENS MOBILE HOME PA	4150 SOQUE	SOQUEL	20	11.87
44-0042	SURF\SAND MHP	750 47TH AV	CAPITOLA	73	10.44
44-0111	WHARF ROAD MANOR	2155 WHARF	CAPITOLA	36	9.36
	2 - not accepted - pending				
	RODEO MOBILE ESTATES	100 N RODE	-	204	9.37
	SORRENTO OAKS		SANTA CRUZ		9.29
	SHORELINE MOBILE ESTATES		SANTA CRUZ		9.28
	YACHT HARBOR MANOR		SANTA CRUZ		9.26
	EL RIO MHP		SANTA CRUZ		8.84
	VISTA DEL LAGO MH COMMUNITY	444 WHISPEI		202	8.62
	PORTOLA HEIGHTS MOBILE ESTATES			119	8.63
	PINTO LAKE MOBILE ESTATES		WATSONVIL	177	8.36
	SEACLIFF MHP	2700 MAR V		101	8.34
	APTOS PINES HOA	7515 FREED(		170	8.32
	DE ANZA SANTA CRUZ MOBILE EST		SANTA CRUZ		8.29
	SNUG HARBOR MHP		SANTA CRUZ		8.26
	BLUE\GOLD STAR MHP		SANTA CRUZ		8.24
44-0064	TOWN\COUNTRY MHP	9244 HWY 9	BEN LOMON	13	7.71
44-0076	BAY MP	925 38TH AV	SANTA CRUZ	54	7.26
	RANCHO CERRITOS MHP		WATSONVIL	145	6.35
44-0030	OPAL CLIFFS MHP	890 38TH AV	SANTA CRUZ	112	6.25
44-0114	VILLA SANTA CRUZ		SANTA CRUZ	121	6.25
	OLEADY (IEVALOT	1470 144 01:55	CANITA COLIS		

170 W CLIFF SANTA CRUZ

5470 SOQUE SOQUEL

5.68

4.40

63

69



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

### **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: Sheriff's Community Room\*

5200 Soquel Avenue, Santa Cruz, CA 95062

\*Changes to the schedule, including special meetings, changes of location/date, or meeting cancellations, will be listed on the website at <a href="www.sccmmhc.org">www.sccmmhc.org</a> as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2023 MEETING DATES						
DATE	TIME	LOCATION				
January 19, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
March 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
May 25, 2023*	9:30 – 11:00 AM	Sheriff's Community Room				
July 20, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
September 21, 2023	9:30 – 11:00 AM	Sheriff's Community Room				
November 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room				

#### **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.



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### **Notice of Public Meeting and Agenda**

DATE: Thursday, July 20, 2023 TIME: 9:30 AM to 11:00 AM

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

\*\*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 May 25, 2023 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 Reasonable Rate of Return on Capital Improvements Recommendation
  - 4.2. Consider Space Fee Recommendation
  - 4.3. Consider Recommending Board Support for AB 1334 (Pellerin)
  - 4.4. Consider Housing Element Affordable Housing Protection Recommendations
  - 4.5. County Code Chapter 13.32 Amendments Update
  - 4.6. CPI Adjustment Letters Update
- 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. County Counsel Report
- 10. Staff Report
- 11. Correspondence
- 12. Adjournment

Next Meeting Scheduled for: 9:30 to 11:00 AM on Thursday, September 21, 2023

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.



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#### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: May 25, 2023

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

PRESENT: Jean Brocklebank (*Vice Chair - 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), Carol Lerno

(GSMOL), Charlene Garza (WMA)

EXCUSED: None ABSENT: None

STAFF: Kaite McGrew (Commissions Manager), Juliette Burke (Chief Deputy Clerk of the Board)

GUESTS: Jamie Sehorn (1st District Supervisor's Analyst) and 3 members of the public attended.

1. Call to Order/Roll Call/Agenda Review

Meeting convened at 9:30 AM.

Commission welcomed new District 3 Commissioner Candi Walker

2. Approve March 16, 2023 Meeting Minutes

Motion to approve the March 16, 2023 meeting minutes as written.

Motion/Second: Lerno/Valdez **Motion passed unanimously.** 

3. Public Comment: None

4. Administration of the Oath of Office

Burke administered the oath to all Commissioners

- 5. New Business/Action Items:
  - 5.1. Election of Officers

#### Motion to elect Brocklebank as Chair

Motion/Second: Brocklebank/Garza

Ayes: Brocklebank, Garza

Nays: Cleveland, Walker, Valdez, Halterman, Lerno

Motion failed.

#### Motion to re-elect Chair Cleveland as Chair

Motion/Second: Halterman/Lerno

Ayes: Cleveland, Walker, Valdez, Halterman, Lerno

Nays: Brocklebank, Garza

Motion passed.

#### Motion to re-elect Brocklebank as Vice Chair

Motion/Second: Brocklebank/Valdez

Ayes: Cleveland, Valdez

Nays: Brocklebank, Walker, Halterman, Lerno, Garza

Motion failed.

#### Motion to elect Garza as Vice Chair

Motion/Second: Garza/Halterman

Ayes: Brocklebank, Walker, Halterman, Lerno, Garza

Nays: Cleveland, Valdez

Motion passed.

#### 5.2. Commission Powers and Duties

Commission discussed the scope of their mandated powers and duties. Brocklebank reported that County Counsel advised that the Commission is only authorized advocate in support of legislation with the Board of Supervisors and not directly with the State legislature going forward.

#### 5.3. Commission Meeting Location

Commission discussed options for meeting locations going forward and determined to continue meeting at the Sheriff's Community Room with the United Way Facility as a backup. If a suitable centrally located, ADA-compliant MHP recreation room can be located and becomes available, the Commission will consider meeting there occasionally in an effort to fulfill their mandated duties related to SCCC Chapter 2.64.050(E).

#### 6. County Supervisor Report

Sehorn confirmed that the Board of Supervisors send letters of support for AB 1035, AB 318 and AB 604 to State legislators and reported on a variety of County government activities impacting MHP residents including a possible new assessment fee for the CSA 9E service area to pay for the maintenance of sidewalks, street trees, medians, and bulbouts in the CSA 9E area, an update on the Zone 5 Master plan County stormwater management to prevent flooding and protect water supplies, an update on the Soquel Drive congestion buffered bike lane and mitigation project, and an update on the status of the proposed medical office project at 5940 Soquel Avenue which has been withdrawn. The parcel remains zoned for 100 units of housing but there are now no planned infrastructure improvements for the Soquel Avenue/Gross Road corridor.

#### 7. Commissioner Reports

#### 7.1. District One (Brocklebank)

Brocklebank reported on a variety of matters related to six MHPs since the last meeting including Cabrillo Estates, Homestead MHP, Osocales MHP, Rodeo Mobile Estates MHP, Shangri-La MHP and Soquel Gardens MHP.

#### 7.2. District Three (Walker)

Walker provided some information about her background and experience with GSMOL.

#### 7.3. District Four (Valdez)

Valdez continues to work with Meadows Manor establishing GSMOL membership and plans to continue working with residents at Rancho Cerritos MHP to form a homeowners association and promote GSMOL membership in both parks.

#### 7.4. District Five (Halterman)

Halterman provided a further update on publication of the MRLPP utilization data report and reported that the Manufactured Housing Opportunity & Revitalization Program (MORE) program is accepting applications until June 30<sup>th</sup>, though applicants will need to email to schedule a preapplication technical meeting with HCD staff before submitting their applications.

7.5. Golden State Manufactured Homeowners League (Lerno):
Lerno reported her ongoing support for GSMOL's positive impact on MHP residents.

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

Garza reported that the WMA's Frank J. Evans Scholarship Program is now accepting applications for \$2000 scholarships for college (or college-bound) students residing in mobile home parks. Commissioners are encouraged to promote participation with their communities. WMA will host an insurance webinar open to both members and non-members. Staff will forward the details.

#### 7.7. District Two (Cleveland)

Commission discussed Capitola City Council's upcoming consideration of an urgency ordinance stabilizing space rents in MHPs within city limits. Cleveland reported on a variety of matters including developing Pinto Lake MHP resident impacts under the new management of Harmony Homes, the potential unintended financial impact on MHP residents with local rent control ordinances if WMA prevails in their ongoing lawsuit against AB 2782, and the availability of free CERT training for MHP residents in both resident and investor-owned parks.

#### 8. Central Coast Resident-Owned Parks Report:

Cleveland reported that the two major issues being discussed are rules enforcement differences between parks under the MRLA and Davis-Stirling parks, and how to fund the replacement of outdated water systems. The current list of Santa Cruz County MHP parks accepted into Phase 2 of the CPUC Master meter conversion program and those pending acceptance is now available. Acceptance criteria is largely opaque, though Garza reports that parks must have current permits to operate to be accepted.

#### 9. Legislative Report:

Halterman reported that AB 604 has passed the Assembly and moved on to the Senate, AB 318 has extended the MRLPP sunset date by three years to allow for an audit of the program, and AB-1035 has been withdrawn pending the addition of fair rate of return language which it currently lacks.

10. County Counsel Report: No Report

11. Staff Report: No Report

12. Correspondence: None

13. Adjournment

Meeting adjourned at 10:47 AM.

Submitted by: Kaite McGrew, Commissions Manager



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#### **MEMORANDUM**

**To:** Santa Cruz County Board of Supervisors

From: The Mobile and Manufactured Home Commission

**Date:** July 20, 2023

**Re:** Accept and Adopt the Recommendation of the Mobile and Manufactured Home

Commission that the Reasonable Rate of Return for Qualified Mobile Home Park

Capital Improvements Remain at Twelve Percent (12%)

This is to submit the Mobile and Manufactured Home Commission's recommendation to your Board concerning the reasonable rate of return on capital improvements.

Subsection 13.32.030 of the Rental Adjustment Procedures for Mobile Home Parks ordinance provides that the annual automatic general rent adjustment for a mobile home park may, subject to specified exceptions, include a pass-through to residents of 50 percent (50%) of the cost of a capital improvement, amortized over a ten-year period, pursuant to Subsection 13.32.030(D)(5)(g).

The park owner is allowed a reasonable rate of return on the other 50 percent (50%) of the cost of a capital improvement at a percentage established annually, pursuant to subsection 13.32.030(D)(4). The ordinance further provides that any park owner contending that the general rent adjustments do not provide a fair and reasonable return on investment may file a petition for a special rent adjustment.

Pursuant to Subsection 13.32.092 of the ordinance, your Board, acting upon an annual recommendation from the Mobile and Manufactured Home Commission, sets the rate of return. Since 1980, the rate of return has been established at twelve percent (12%).

After a public hearing at its meeting of July 20, 2023, the Mobile and Manufactured Home Commission voted to recommend that the reasonable rate of return remain at the existing rate of twelve percent (12%).

IT IS THEREFORE RECOMMENDED that your Board accept and adopt the recommendation of the Mobile and Manufactured Home Commission that the reasonable rate of return for qualified mobile home park capital improvements remain at twelve percent (12%).



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#### **MEMORANDUM**

**To:** Santa Cruz County Board of Supervisors

From: The Mobile and Manufactured Home Commission

**Date:** July 20, 2023

Re: Accept and Adopt the Recommendation of the Mobile and Manufactured Home

Commission that the Mobile Home Space Fee Remain at \$38 Per Space Per Year

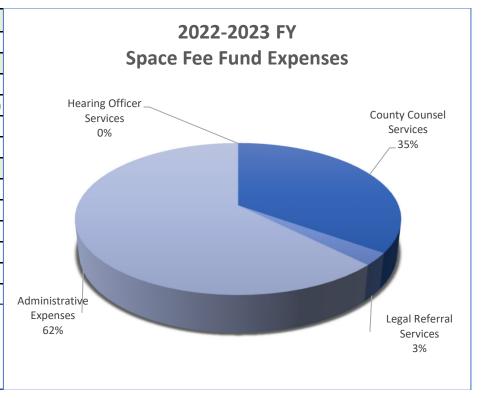
Pursuant to Santa Cruz County Ordinance § 13.32.110, the Commission annually reviews and makes a recommendation to the Board of Supervisors regarding the space fee. As you may recall, in 2022 the Commission recommended, and the Board approved, that the space fee remain \$38 per space per year.

On July 1, 2022, the space fee trust fund balance was \$191,319.42. Income from space fees and interest accrued during the 2022-2023 fiscal year amounted to \$81,458.42. After expenses collected to date, the 2022-2023 fiscal year-end balance in the fund on July 1, 2023 was \$221,184.34 to be held in trust for unplanned costs, such as litigation concerning the Rent Adjustment Ordinance. Trust fund income and expenses for the 2022-2023 fiscal year fell within normal ranges as compared to prior years in all categories except for charges related to hearing officer services and legal referral services. Further, mobile and manufactured home park residents are some of the most vulnerable County residents experiencing financial hardship as the County works to recover from recent flooding events.

It is therefore recommended that your Board accept and adopt the recommendation of the Mobile and Manufactured Home Commission that the Mobile Home Space Fee remain at \$38 per space per year.

2022-2023 FY Space Fee Fund Report						
Starting Balance	\$	191,319.42				
Deposits						
Space Fees Collected	\$	78,014.00				
Space Fees Still Outstanding	\$	(133.00)				
Interest	\$	3,444.42				
Total Deposits	\$	81,458.42				
Expenses						
Hearing Officer Services	\$	-				
County Counsel Services	\$	18,000.00				
Legal Referral Services	\$	1,362.50				
Administrative Expenses	\$	32,231.00				
Total Expenses	\$	51,593.50				
Closing Balance*	\$	221,184.34				

<sup>\*</sup>Does not include fees that have not yet been submitted for payment, or outstanding space fees not yet collected or collected after 6/30/2022.



BAY FEDERAL'S PROPOSALS TO RESTORE THE COUNTY'S CURRENT 2015
HOUSING ELEMENT'S STRONG MOBILE HOME PARK AFFORDABLE HOUSING
PRESERVATION PROVISIONS, WHICH HAVE BEEN ELIMINATED IN THE
COUNTY'S 2023 DRAFT HOUSING ELEMENT, IN ORDER TO COMPLY WITH THE
PROVISIONS OF CALIFORNIA'S HOUSING ELEMENTS LAW AND THE NEW
REQUIREMENTS OF 2020 – AB 2782.

My client, the Bay Federal Credit Union, has asked me to review the County's proposed draft 2023 Housing Element to ensure that it provides for the preservation of the continued affordability of the low-, below low- and moderate-income housing located in the County's mobile home parks. I have done so and noticed three areas in which it either eliminates or significantly weakens these preservation protections contained in the County's current 2015 Housing Element. In doing so, it also violates several controlling requirements of California's Housing Elements Law and related statutes and misdescribes specific provisions in Chapter 13.30 of the County Code. Additionally, it also fails to take into account the new requirements for the preservation of low-income housing located a mobile home parks, which were enacted in AB 2782 in 2020. These eliminations and weakening of Housing Element's protections appear to be an oversight. Accordingly, below, I explain them and offer suggestions for restoring these protections and for also complying with the relevant provisions of California's Housing Elements Law and the new requirements of AB 2782 and for consistency with the provisions of Chapter 13.30 of the County Code.

#### **DEFICIENCY NUMBER 1.**

GOAL H-2 OF THE DRAFT 2023 HOUSING ELEMENT ELIMINATES THE STRONG AFFORDABLE HOUSING PRESERVATION PROTECTIONS OF GOAL 4 OF THE CURRENT 2015 HOUSING ELEMENT AND IS INCONSISTENT WITH THE CONTROLLING STATE STATUTES.

#### The Current 2015 County Housing Element's Strong Affordable Housing Preservation Goal:

"GOAL 4: PRESERVE AND IMPROVE THE EXISTING HOUSING STOCK, AND PRESERVE AND EXPAND THE AVAILABILITY OF EXISTING AFFORDABLE HOUSING."

#### The Affordable Housing Preservation Goal is Eliminated in the 2023 Draft Housing Element:

"GOAL H- 2 MAINTAIN AND IMPROVE THE QUALITY OF EXISTING HOUSING STOCK."

#### **Analysis of Why Goal H-2 is Inconsistent with Controlling State Statutes:**

Among other requirements, Government Code Section 65583, a provision of California's Housing Elements Law, requires housing elements to have a "goal" for the "preservation" of "housing," which must "make adequate provisions for the existing and projected needs of all economic segments of the community." (See subsections (a) and (b)(2) of Government Code Section 65583). "In order to make adequate provision for the housing needs of all economic segments of the community," among other requirements, Government Code Section 65863 requires housing elements to also contain programs to:

"Conserve and improve the existing affordable housing stock, which may include addressing ways to mitigate the loss of dwelling units demolished by public or private action. (See subsections (c) and (c)(4) of Government Code Section 65863.7)

In interpreting the scope of this conservation requirement, the courts have held that it not only incorporates maintaining the physical condition of the community's affordable housing stock through programs that rehabilitate and maintain that stock but **also** programs for the "**conservation of existing affordable housing opportunities in the community**." <u>See</u> Buena Vista Gardens Apartments Assn. v City of San Diego Planning Department (1985) 175 Cal.App. 3<sup>rd</sup> 289 at 303.

Since Government Code Section 65583 uses the terms "conservation" and "preservation" of housing interchangeably, the County's 2015 Housing Element complies with the above requirements by containing the goal to both "preserve and maintain" the existing housing stock and also to "preserve the availability of existing affordable housing." (See Goal 4 of 2015 - Housing Element).

However, the draft 2023- Housing Element fails to comply with the above requirements because it limits its goal to "maintain and improve the quality of the existing housing stock," which fails to incorporate the required goal of the "conservation of existing affordable housing opportunities in the community." (See Goal H - 2 of 2013 Housing Element) Instead, it directly violates the holding in *Buena Vista* and subsections (a) and (b)(2) of Government Code Section 65583 by limiting its goal to "maintaining and improving" the "quality" of the existing housing.

The below proposal restores the County's compliance with the above requirements by adding the required goal of preserving the County's existing affordable housing stock. Since Government Code Section 665583 and related state statutes interpret the terms "affordable housing" for "all economic segments of the community: to particularly refer to housing that is affordable to low-, below low-, and moderate-income households, the below-proposed addition to Goal H-2 specifically refers to preserving the availability of housing affordable to those income groups.

Proposed Restoration of the Affordable Housing Preservation Goal (New Text in Blue):

GOAL H - 2 MAINTAIN AND IMPROVE THE QUALITY OF THE EXISTING HOUSING STOCK AND PRESERVE THE CONTINUED AVAILABILITY AND AFFORDABILITY OF THE EXISTING LOW-, BELOW LOW-, AND MODERATE-INCOME AFFORDABLE HOUSING STOCK.

#### **DEFICIENCY NUMBER 2.**

POLICY H-4.1 OF THE DRAFT 2023 HOUSING ELEMENT SIGNIFICANTLY WEAKENS THE AFFORDABLE HOUSING PRESERVATION PROTECTIONS OF POLICY 4.1 OF THE CURRENT 2015 HOUSING ELEMENT IS INCONSISTENT WITH THE CONTROLLING STATE STATUTES.

The Current 2015 County Housing Element's Strong Affordable MHP Preservation Policy:

**Policy 4.1** Preserve the continued availability of the affordable housing stock located in the County's manufactured home parks.

The Affordable MHP Preservation Policy is Significantly Weakened in the 2023 Draft Housing Element:

"Policy M-2.1 Preservation of Mobile Home Parks (MHP) Continue to implement state and local codes and regulations intended to preserve existing mobile home parks as a more affordable housing option, and to protect their residents from displacement. These include County codes and regulations related to MHP space rent stabilization, the County's MHP overlay zone (- MH), which allows only MHP uses, and County Code Chapters 13.30, which limits conversion of MHPs to other uses and requires relocation assistance and or compensation as conditions of approval. The County and all parties involved with MHPs, including their owners, are also subject to similar state laws that protect residents of mobile home parks from displacement and/or substandard housing conditions. Within the unincorporated area of the County, the State HCD has jurisdiction over code compliance, mobile home installations, and related permitting within MHPs."

### Analysis of Why Policy H-2.1 is Inconsistent with Controlling State Statutes and County Code Chapter 13.30:

- 1. Policy H-2.1 of the draft 2023 Housing Element is the County's replacement for Policy 4.1 of the 2015 Housing Element. However, it fails to meet the above-explained requirements of subsections (a) and (b)(2) of Government Code Section 65583, which also apply to the required policies in Housing Elements. It does so because it fails to provide for the preservation of housing that is available to all economic segments of the community by only stating a policy of preserving mobile home parks as a "more affordable housing option", rather than preserving the housing in mobile home parks that is affordable to "all income groups, including to the low-, below low- and moderate-income residents of the County." The term "more affordable" is too nebulous and almost meaningless because it fails to show that "more affordable housing" is, in fact, affordable to all economic segments of the community, particularly to low- and below- income households in the community. It, therefore, fails to comply with the above requirements of California's Housing Element Law. The below proposal corrects this.
- **2**. Policy H-2.1 lists County Code Chapter 13.30, which limits conversions of mobile home parks, but fails to list County Code Chapter 13.31, which limits the closures of mobile home parks. The below proposal corrects for this
- **3.** In addition to the above-discussed requirements of California's Housing Element Law, Government Code Section 65863.7 also sets low-income housing preservation requirements that apply to all mobile home park conversions and closures in Santa Cruz County. In 2020, it was amended, by 2020 AB 2782, to require the local approval of all mobile home park conversions to other uses or closures in California to:
  - "(B) Make a finding as to whether or not approval of the park closure and the park's conversion into its intended new use, taking into consideration both the impact report as a whole and the overall housing availability within the local jurisdiction, will result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction."

Although this new statutory mandate only requires a local jurisdiction to make this finding and does not require them to reject all proposed park conversions and closures that it determines will result in or materially contribute to a shortage of affordable housing, subsection (k) of Government Code Section 65863.7 and AB 2782's legislative history, make it clear that a local jurisdiction can adopt a

more stringent local measure, which requires the rejection of any proposed park conversion or closure that will result in or materially contribute to a shortage of affordable housing:

(k) This section establishes a minimum standard for local regulation of the conversion of a mobilehome park to another use, the closure of a mobilehome park, and the cessation of use of the land as a mobilehome park and shall not prevent a local agency from enacting more stringent measures. (*See* subsection (k) of section 65863.7)

"AB 2782 requires local agencies to adopt this bill's requirements as a minimum standard for regulating mobile home park changes of use, including a requirement that local agencies make a finding that a proposed change of use does or does not lead to a loss of low- and moderate-income housing, but allows them to adopt more stringent requirements if they so desire." (*See* para.3 on p. 5 of Senate Rules Committee, Senate Floor Analysis on AB 2782, As amended 8/25/20 in the Senate)

Chapter 13.30 of the County Code contains such a more stringent measure requiring the rejection of any proposed park conversion if it cannot make the finding that:

"(G) The conversion will not result in a shortage of housing opportunities and choices within the County of Santa Cruz." (see subsection (G) of County Code section 13.30.050)

In that regard, if Government Code Section 65863.7(1)(e)(B)'s required finding is that a proposed park conversion will result in or materially contribute to a shortage of low-income affordable housing, then it cannot also meet the requirement of County Government Code section 13.30.050(G), that will not result in a shortage of housing opportunities and choices within the County of Santa Cruz. Accordingly, this means that Santa Cruz County does have a policy of rejecting any mobile home park conversion that will result in or materially contribute to a shortage of low-income affordable housing.

However, Policy H-2.1 of the 2023 - draft Housing Element misstates the above policy by both ignoring the above new requirement of Government Code Section 65863.7(1)(e)(B) and then only stating that County Code Chapter 13.30 requires "relocation assistance and compensation as conditions of approval without also stating that, pursuant to subsection (G) of County Code Section 13.30.050 and Government Code Section 65863.7(e)(B), the County has a binding policy of disapproving of any proposed park conversion that will result in a shortage of low-income affordable housing.

The below-proposed restoration of Policy H-2.1 corrects this.

Proposed Restoration of the Affordable Mobile Home Park Preservation Policy (New Text in Blue):

"Policy H-2.1 Preservation of Mobile Home Parks (MHP) Preserve the continued availability and affordability of the existing affordable housing stock located in MHPs, including the housing stock in MHPs that is affordable to the low-, below low-, and moderate-income residents of the County.

Continue to implement state and local codes and regulations intended to preserve existing mobile home parks as a more affordable housing option, housing that is affordable to all income groups, including to the low-, below low- and moderate-income residents of the County, and to protect their residents from displacement. These include County codes and

regulations related to MHP space rent stabilization, the County's MHP overlay zone (-MH), which allows only MHP uses, and County Code Chapters 13.30 and 13.31, which limits conversion of MHPs to other uses and closures and requires relocation assistance and or compensation and a finding that "the conversion will not result in a shortage of housing opportunities and choices within the County of Santa Cruz" as conditions of approval. The County and all parties involved with MHPs, including their owners, are also subject to similar state laws that protect residents of mobile home parks from displacement and/or substandard housing conditions. As state law, Government Code Sections 65863.7 (e)(1)(B) and (k) require to be determined and allows to be enforced for all MHP conversions to other uses and closures, the County will ensure that their approvals will not cause or materially contribute to a shortage of low-, below low- or moderate-income housing in the County.

Within the unincorporated area of the County, the State HCD has jurisdiction over code compliance, mobile home installations, and related permitting within MHPs."

#### **DEFICIENCY NUMBER 3.**

PROGRAM H-2B OF THE DRAFT 2023 HOUSING ELEMENT SIGNIFICANTLY WEAKENS THE AFFORDABLE HOUSING PRESERVATION PROTECTIONS OF PROGRAM 4.1 OF THE CURRENT 2015 HOUSING ELEMENT AND IS INCONSISTENT WITH THE CONTROLLING STATE LAW AND CHAPTER 13.30 OF THE COUNTY CODE.

#### The Current County Housing Element's Strong Affordable MHP Preservation Program:

"Program 4.1 Preserve the continued availability of the affordable housing located in manufactured home parks, including:/manufactured home rent control, land use restrictions to limit conversion of mobile/manufactured home parks to other uses, and regulations that prevent the conversion intended to transfer value from coaches to property."

### The Affordable MHP Preservation Program is Significantly Weakened in the Draft 2023 Housing Element

"Program H -2B Maintain existing County codes and regulatory programs to preserve existing MHPs in the unincorporated area. These include the County's MHP rent stabilization program (SCCC Chapter 13.32), the MHP and enclosure code (SCCC Chapter 13.30 and 13.31), County deed restrictions on MHPs assisted by the former redevelopment agency, and may include, when available funding for various MHP preservation, acquisition and/or maintenance projects through State programs such as the MORE program (formally MPROP).

- Responsibility: CDI, Mobile and Manufactured Home Commission, Board of Supervisors.
- Timeframe: ongoing
- Funding Source: CDI Budget, County MHP space fees (when available)

Measurable Outcome: Preservation of existing MHPs."

Explanation of Why the Draft 2023 Housing Element Significantly Weakens the Affordable Housing Preservation Program and is Inconsistent with Controlling State Statutes and County Code Chapter 13.

As explained under Deficiency No. 1 above, the courts have held that subsection (c)(4) of Government Code Section 65863.7 not only requires "programs to maintain the physical condition of the community's affordable housing stock, through programs that rehabilitate and maintain that stock but **also** programs for the "**conservation of existing affordable housing opportunities in the community**." <u>See Buena Vista Gardens Apartments Assn. v City of San Diego Planning Department</u> (1985) 175 Cal.App. 3<sup>rd</sup> 289 at 303.

As also explained under above Deficiency No. 2, the new requirements for all park conversions to other uses and closures in California of a finding of whether or not a proposed park conversion or closer causes or materially contributes to a shortage of affordable housing facilitates this requirement by requiring a determination on that issue and subsection G of County Code Section 13.30.050 conserves the existing affordable housing opportunities in parks in the County by requiring any proposed park conversion or closure to be rejected if it results in a shortage of affordable housing.

Accordingly, utilizing these above provisions, the below-proposed restoration of Program H-2B corrects for this deficiency in that program.

### Proposed Restoration of the Affordable MHP Preservation Program in Program H-2B (New Text in Blue):

Program H-2B Maintain existing County codes and regulatory programs to preserve existing MHPs in the unincorporated area. These include the County's MHP rent stabilization program (SCCC Chapter 13.32), the MHP and enclosure code (SCCC Chapter 13.30 and 13.31), County deed restrictions on MHPs assisted by the former redevelopment agency, and may include, when available funding for various MHP preservation, acquisition and/or maintenance projects through State programs such as the MORE program (formally MPROP). Ensure that the approval of a proposed MHP conversion or closure does not cause or materially contribute to a shortage of low-, below low- or moderate-income housing in the County, as is required to be determined and allowed to be enforced for all MHP conversions to other uses and closures under the provisions of Government Code Sections 65863.7 (e)(1)(B) and (k).

Responsibility: CDI, Mobile and Manufactured Home Commission, Board of Supervisors.

- Timeframe: ongoing
- Funding Source: CDI Budget, County MHP space fees (when available)
- Measurable Outcome: Preservation of existing MHPs and the continued affordability of the low-, below low-, and moderate-income affordable housing stock that is currently located in them.

Submitted by William J. Constantine

### Will Constantine

For Bay Federal Credit Union.

William J. Constantine, Attorney 303 Potrero Street, Building # 29, Suite 107 Santa Cruz, California 95060 Mailing Address: P.O. Box 3683 Santa Cruz, California 95063 (831) 420-1238

Fax: (831) 480-5934

E-mail: wconstantinesantacruz@gmail.com

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

March 16, 2023

Santa Cruz County Board of Supervisors 701 Ocean Street, Room 500 Santa Cruz, CA 95060

Re: Recommendation on Recent Amendment to Santa Cruz County Code Section 13.32.060(B)(4)(a) Dear Chair Friend and Members of the Board,

On January 10, 2023 your Board voted unanimously to approve several amendments to County Code 13.32. The strengthening amendments were welcomed and appreciated by the Mobile and Manufactured Home Commission, with one exception.

We refer specifically to 13.32.060(B)(4)(a) -- "Qualification of Expert. The expert shall be a Certified Public Accountant, and shall have no financial interest in mobile homes, mobile home spaces, or mobile home parks, or otherwise conduct business with mobile home parks or financial institutions that lend to mobile home parks and residents."

A Certified Public Accountant brings no particular expertise to the process of deciding whether a park owner is receiving a fair rate of return on the mobile home park. Experts in this field, especially in maintenance of net operating income (MNOI), do not have CPAs. This includes the expert (Dr. Kenneth Barr) that the County used in the Pinto Lake MHP LLC petition for a Special Rent Adjustment. Dr. Barr actually created MNOI almost thirty years ago as a method of determining fair rate of return.

Our commission is sure the County didn't intend to deny park owners and residents the ability to have effective financial analysts. That said, our commission is concerned that, by restricting experts to CPAs and not allowing experts in MNOI to be included in a list of qualified experts, residents and park owners will be at a disadvantage in Special Rent Adjustment petitions.

Therefore, we ask that your Board be aware of this serious concern and be prepared to act on another amendment to 13.32.060(B)(4)(a) in the ensuing months.

On behalf of the Commission, we thank you for your continued support for the Santa Cruz County mobile and manufactured home community.

Respectfully submitted,

Henry Cleveland

Commission Chair, Santa Cruz County Mobile and Manufactured Home Commission

Jean Brocklebank

Commission Vice Chair, Santa Cruz County Mobile and Manufactured Home Commission



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July 12, 2023

RE: 2023 Consumer Price Index Rent Adjustment for 2024 Space Rents

Dear Park Owner/Manager:

Enclosed please find the rates for *both* Mobile Home space rentals and RV space rentals. Please note that <u>each type of rental has a different rate</u>, using a different calculation.

Please refer to the letter entitled "2023 Consumer Price Index Rent Adjustment for 2024 Mobile Home Space Rents" when calculating space rental rates for Mobile Home units.

Please refer to the letter entitled "2023 Consumer Price Index Rent Adjustment for 2024 RV Space Rents" when calculating space rental rates for RV units.

Sincerely,

Kaite McGrew

Commissions Manager

cc: Santa Cruz County Board of Supervisors

Santa Cruz County Mobile and Manufactured Home Commission

Tanya Harmony, Senior Legal Services



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

July 12, 2023

#### 2023 Consumer Price Index Rent Adjustment for 2024 Mobile Home Space Rents

Dear Mobile Home Park Owner/Manager:

Under the terms of Chapter 13.32 of the Santa Cruz County Code (*Rental Adjustment Procedures for Mobile Home Parks*), park owners may make adjustments to space rents once each year.

Section 13.32.030(D)(3) of the Santa Cruz County Code allows a park owner to adjust the rents in their park by an amount equal to or less than fifty percent (50%) of the percentage change in the San Francisco-Oakland Consumer Price Index – All Urban Consumers Category between July 1, 1981 and July 1<sup>st</sup> of the year before the rent adjustment will go into effect. A copy of the Consumer Price Index (CPI) for June 2023, as reported by the Bureau of Labor Statistics, can be found on the back of this page. The allowable CPI adjustment for 2024 mobile home space rents is determined to be 140.77% or less, calculated as follows:

#### 2024 CPI Mobile Home Space Rent Adjustment Calculation

 July 1, 2023 (for use in 2024)
 1045.427 (Adjusted Index)

 July 1, 1981 (for use in 1982)
 274.000 (Adjusted Index)

771.427

771.427 Total CPI Increase

(771.427 divided by 274.00) x 100 = 281.54% (Percentage Increase)

Fifty percent of 281.54% = **140.77% (2024 CPI Rent Adjustment)** 

The CPI adjustment, when multiplied by and then added to the 1982 base rent, becomes part of an allowable 2024 general rent adjustment.

Sincerely,

Kaite McGrev

**Commissions Manager** 

cc: Santa Cruz County Board of Supervisors

Santa Cruz County Mobile and Manufactured Home Commission

Tanya Harmony, Senior Legal Services

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

San Francisco-Oakland-Hayward, CA (1982-84=100 unless otherwise noted)

	Indexes			Percent change from-			
Item and Group	Historical data	Apr. 2023	May 2023	Jun. 2023	Jun. 2022	Apr. 2023	May 2023
Expenditure category							
All items	*	338.496	-	340.056	2.9	0.5	-
All items (1967=100)	N	1,040.631	-	1,045.427	-	-	-
Food and beverages	W	356.665	-	362.310	5.0	1.6	-
Food	W	360.824	-	365.879	5.4	1.4	-
Food at home	AV	326.592	332.506	332.099	4.7	1.7	-0.1
Cereals and bakery products	At .	325.167	326.787	334.938	5.7	3.0	2.5
Meats, poultry, fish, and eggs	*	347.694	349.817	351.767	-0.6	1.2	0.6
Dairy and related products	Ar	332.173	332.046	330.449	5.0	-0.5	-0.5
Fruits and vegetables	*	430.010	439.167	420.164	1.9	-2.3	-4.3
Nonalcoholic beverages and beverage materials(1)	At .	226.074	240.615	242.179	9.0	7.1	0.7
Other food at home	*	288.244	294.417	297.949	9.7	3.4	1.2
Food away from home	At-	400.510	-	403.309	6.6	0.7	-
Alcoholic beverages	*	311.678	-	323.959	1.0	3.9	-
Housing	At-	392.105	-	393.011	4.5	0.2	-
Shelter	*	438.763	438.964	439.713	4.9	0.2	0.2
Rent of primary residence(2)	At .	494.560	494.881	501.714	6.1	1.4	1.4
Owners' equiv. rent of residences(2)(3)	*	470.284	469.739	470.221	5.2	0.0	0.1
Owners' equiv. rent of primary residence(1)(2)	At .	470.284	469.739	470.221	5.2	0.0	0.1
Fuels and utilities	*	544.685	-	542.198	-1.5	-0.5	-
Household energy	₩	498.355	492.486	494.459	-4.5	-0.8	0.4
Energy services(2)	*	499.851	494.282	496.170	-4.1	-0.7	0.4
Electricity(2)	Ar.	587.821	587.821	583.916	6.1	-0.7	-0.7
Utility (piped) gas service(2)	*	350.276	336.009	347.027	-22.9	-0.9	3.3
Household furnishings and operations	*	172.967	-	174.497	5.9	0.9	-
Apparel	*	112.229	-	119.619	6.7	6.6	-
Transportation	A√	254.585	-	253.801	-6.7	-0.3	-
Private transportation	*	253.753	-	254.828	-4.8	0.4	-
New and used motor vehicles(4)	N	121.996	-	123.382	2.6	1.1	-
New vehicles(1)	*	196.100	-	196.599	2.3	0.3	-
Used cars and trucks(1)	₩.	349.510	-	365.567	-4.5	4.6	-
Motor fuel	*	354.844	349.579	350.034	-24.6	-1.4	0.1
Gasoline (all types)	A√	352.585	347.362	347.817	-24.8	-1.4	0.1
Gasoline, unleaded regular(4)	*	352.724	347.337	347.795	-25.1	-1.4	0.1
Gasoline, unleaded midgrade(4)(5)	Ar.	329.100	324.608	325.069	-24.0	-1.2	0.1
Gasoline, unleaded premium(4)	*	333.852	329.492	329.910	-23.3	-1.2	0.1
Medical care	Ar.	583.268	-	586.550	0.6	0.6	-
Recreation(6)	*	144.558	-	144.946	6.0	0.3	-
Education and communication(s)	*	160.114	-	161.181	4.2	0.7	-
Tuition, other school fees, and child care(1)	*	-	-	-	-	-	-
Other goods and services	18 bf 21	601.567	-	597.863	5.6	-0.6	-



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July 12, 2023

#### **2023 Consumer Price Index Rent Adjustment for 2024 RV Space Rents**

Dear RV Park Owner/Manager:

Under the terms of Chapter 13.32 of the Santa Cruz County Code (Rental Adjustment Procedures for Mobile Home Parks), park owners may make adjustments to space rents once each year. Section 13.32.102 of the ordinance defines base rents for RV parks to be that amount of rent charged as of January 1, 1999.

It is the opinion of the Santa Cruz County Counsel's office that an RV park owner may adjust the rent in their park by an amount equal to or less than fifty percent (50%) of the percentage change in the San Francisco-Oakland Consumer Price Index – All Urban Consumers Category between July 1, 1998 and July 1st of the year before the rent adjustment will go into effect. A copy of the Consumer Price Index (CPI) for June 2023, as reported by the Bureau of Labor Statistics, can be found on the back of this page. The allowable CPI adjustment for 2024 RV space rents is determined to be 52.73% or less, calculated as follows:

#### 2024 CPI RV Space Rent Adjustment Calculation

1045.427 (Adjusted Index) July 1, 2023 (for use in 2024) July 1, 1998 (for use in 1999) 508.800 (Adjusted Index)

536.627

536.627 Total CPI Increase

(536.627 divided by 508.800) x 100 = 105.47% (Percentage Increase)

Fifty percent of 105.47% = **52.73 % (2024 CPI Rent Adjustment)** 

The CPI adjustment, when multiplied by and then added to the 1999 base rent, becomes part of an allowable 2024 general rent adjustment.

Additionally, in keeping with the intent of the Ordinance, it is also the opinion of the Santa Cruz County Counsel's office that the appropriate property tax adjustment must be based on a formula which uses the 1998/1999 taxes as compared to those of 2023/2024.

Sincerely,

Kaite McGrew

Commissions Manager

cc: Santa Cruz County Board of Supervisors

Santa Cruz County Mobile and Manufactured Home Commission

Tanya Harmony, Senior Legal Services

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods

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All items (1967=100)	No	1,040.631	-	1,045.427	-	-	-
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Food	W.	360.824	-	365.879	5.4	1.4	-
Food at home	W	326.592	332.506	332.099	4.7	1.7	-0.1
Cereals and bakery products	W.	325.167	326.787	334.938	5.7	3.0	2.5
Meats, poultry, fish, and eggs	W.	347.694	349.817	351.767	-0.6	1.2	0.6
Dairy and related products	Mr.	332.173	332.046	330.449	5.0	-0.5	-0.5
Fruits and vegetables	w	430.010	439.167	420.164	1.9	-2.3	-4.3
Nonalcoholic beverages and beverage materials(1)	Mr.	226.074	240.615	242.179	9.0	7.1	0.7
Other food at home	w	288.244	294.417	297.949	9.7	3.4	1.2
Food away from home	No.	400.510	-	403.309	6.6	0.7	-
Alcoholic beverages	w	311.678	-	323.959	1.0	3.9	-
Housing	At-	392.105	-	393.011	4.5	0.2	-
Shelter	w	438.763	438.964	439.713	4.9	0.2	0.2
Rent of primary residence(2)	At-	494.560	494.881	501.714	6.1	1.4	1.4
Owners' equiv. rent of residences(2)(3)	w	470.284	469.739	470.221	5.2	0.0	0.1
Owners' equiv. rent of primary residence(1)(2)	Mr.	470.284	469.739	470.221	5.2	0.0	0.1
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Household energy	W	498.355	492.486	494.459	-4.5	-0.8	0.4
Energy services(2)	w	499.851	494.282	496.170	-4.1	-0.7	0.4
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Household furnishings and operations	N	172.967	-	174.497	5.9	0.9	-
Apparel	w	112.229	-	119.619	6.7	6.6	-
Transportation	N	254.585	-	253.801	-6.7	-0.3	-
Private transportation	W	253.753	-	254.828	-4.8	0.4	-
New and used motor vehicles(4)	W	121.996	-	123.382	2.6	1.1	-
New vehicles(1)	W	196.100	-	196.599	2.3	0.3	-
Used cars and trucks(1)	N	349.510	-	365.567	-4.5	4.6	-
Motor fuel	W	354.844	349.579	350.034	-24.6	-1.4	0.1
Gasoline (all types)	W	352.585	347.362	347.817	-24.8	-1.4	0.1
Gasoline, unleaded regular(4)	W	352.724	347.337	347.795	-25.1	-1.4	0.1
Gasoline, unleaded midgrade(4)(5)	W.	329.100	324.608	325.069	-24.0	-1.2	0.1
Gasoline, unleaded premium(4)	W.	333.852	329.492	329.910	-23.3	-1.2	0.1
Medical care	W.c.	583.268	-	586.550	0.6	0.6	-
Recreation(6)	W	144.558	-	144.946	6.0	0.3	-
Education and communication®	W.	160.114	-	161.181	4.2	0.7	-
Tuition, other school fees, and child care(1)	W	-	-	-	-	-	-
Other goods and services	20 of 21	601.567	-	597.863	5.6	-0.6	-



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

### **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: Sheriff's Community Room\*

5200 Soquel Avenue, Santa Cruz, CA 95062

\*Changes to the schedule, including special meetings, changes of location/date, or meeting cancellations, will be listed on the website at <a href="www.sccmmhc.org">www.sccmmhc.org</a> as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2023 MEETING DATES					
DATE	TIME	LOCATION			
January 19, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
March 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
May 25, 2023*	9:30 – 11:00 AM	Sheriff's Community Room			
July 20, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
September 21, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
November 16, 2023	9:30 – 11:00 AM	To Be Determined			

#### **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.



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Santa Cruz, CA 95060
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### **Notice of Public Meeting and Agenda**

DATE: Thursday, September 21, 2023

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 July 20, 2023 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 Bylaws Revision to Update Regular Meeting Location
  - 4.2. Consider 2023 Jan Beautz Award Nominees
- 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, November 16, 2023

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.



701 Ocean Street, Fifth Floor, Room 510, Santa Cruz, CA 95060 P: (831) 454-2772 F: (831) 454-2411 TTY/TDD: 711 <a href="mailto:commissions@santacruzcounty.us">commissions@santacruzcounty.us</a>

www.sccmmhc.org

#### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: July 20, 2023

LOCATION: Sheriff's Office Community Room, (5200 Soquel Avenue, Santa Cruz, CA 95062)

PRESENT: Jean Brocklebank (*Vice Chair - 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), Carol Lerno

(GSMOL), Charlene Garza (WMA)

EXCUSED: None ABSENT: None

STAFF: Kaite McGrew (Commissions Manager), Mitsuno Baurmeister (EEO Officer), Suzanne Yang,

Esq. (County Counsel)

GUESTS: Manu Koenig (1<sup>st</sup> District Supervisor) and 6 members of the public attended.

1. Call to Order/Roll Call/Agenda Review

Meeting convened at 9:30 AM.

Item 4.4 was moved to the top of the New Business/Action Items section of the agenda.

2. Approve May 25, 2023 Meeting Minutes

Motion to approve May 25, 2023 Meeting Minutes as written.

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 Housing Element Affordable Housing Protection Recommendations
    Will Constantine, attorney for Bay Federal Credit Union, summarized Bay Federal Credit Union's proposals to restore the strong mobile home park affordable housing preservation provisions which had been eliminated in the County's 2023 draft Housing Element.

Motion to send a letter to the Board of Supervisors expressing the Commission's support for Bay Federal's proposed restorations to the County's *Draft 2023 Housing Element*, including restoration of the *Affordable Housing Preservation Goal*, the *Affordable Mobile Home Park Preservation Policy*, and the *Affordable MHP Preservation Program* in Program H-2B.

Motion/Second: Brocklebank/Halterman

Motion passed unanimously.

4.2. Consider Reasonable Rate of Return on Capital Improvements Recommendation Brocklebank expressed concern that ambiguities in SCCC Chapter 13.323.030 allow for implementation potentially resulting in capital improvement overpayment by residents.

### Motion to approve recommendation to the Board of Supervisors that the rate of return on capital improvements remain at 12%.

Motion/Second: Garza/Lerno

Ayes: Cleveland, Walker, Halterman, Lerno, Garza

Nays: Brocklebank, Valdez

Motion passed.

#### 4.3. Consider Space Fee Recommendation

Motion to approve recommendation to the Board of Supervisors that the space fee remain at \$38 Motion/Second: Cleveland/Lerno

Motion passed unanimously.

#### 4.4. Consider Recommending Board Support for AB 1334 (Pellerin)

Commission discussed several problematic elements and impacts of the proposed legislation including language removing local zoning jurisdiction, initiating a 15-year suspension of rent control for new spaces, and the detrimental potential impact that increasing the number of residents without increasing the infrastructure that supports them would have on parking and existing electrical, sewage and water systems. Yang confirmed that this bill is in the suspense file of the Appropriations Committee indefinitely.

### Motion to send a letter to the Board of Supervisors expressing the Commission's opposition to AB-1334 as written.

Motion/Second: Brocklebank/Cleveland

Ayes: Brocklebank, Cleveland, Walker, Valdez, Halterman

Nays: Garza, Lerno **Motion passed**.

#### 4.5. County Code Chapter 13.32 Amendments Update

Commission discussed their recent recommendation regarding criteria for qualified experts in Special Rent Adjustment petition procedures. Yang confirmed that clean-up language is being drafted for consideration by the Board.

#### 4.6. CPI Adjustment Letters Update

Staff reported that the 2023 CPI letters to park owners specifying the allowable 2024 space rent adjustments for mobile homes and recreational vehicles have been mailed and posted online.

#### 5. County Supervisor Report

Supervisor Koenig confirmed that revisions to SCCC 13.32 related to expert qualifications are being developed. He is monitoring the situation at Shangri-la MHP and will advise the current owners of potential tax credits that may be available if they sell to residents rather than to another investor owner. A recent walk-thru at Soquel Gardens MHP indicated that efforts to come into compliance are underway and they may be issued a conditional permit to operate soon.

#### 6. Commissioner Reports

#### 6.1. District One (Brocklebank)

Brocklebank reported on a variety of matters related to five MHPs since the last meeting including Shangri-La MHP, Soquel Gardens MHP, Old Mill Estates, Snug Harbor MHP, and Pinto Lake Estates MHP. There may be a potential purchase of Soquel Gardens if it is brought into compliance.

#### 6.2. District Three (Walker): No Report

#### 6.3. District Four (Valdez)

Valdez reported on a variety of matters related to Meadows Manor MHP including garbage service and ADA-accessibility for both parking and shared spaces. HOA and GSMOL memberships are both growing steadily.

#### 6.4. District Five (Halterman)

Halterman provided information related to an upcoming GSMOL virtual town hall.

#### 6.5. Golden State Manufactured Homeowners League (Lerno):

Lerno reported on the increasing difficulty that mobile home owners are having getting insurance for their homes.

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

Garza confirmed recent difficulty in obtaining mobile home insurance and reported connecting with Harmony Communities regarding Pinto Lake Estates. Garza discussed appropriate storm recovery pass-throughs with several park owners. An Ocean Breeze MHP resident was awarded WMA Frank J. Evans Scholarship for the fourth year in a row.

#### 6.7. District Two (Cleveland)

Cleveland connected with Waterhouse regarding the upcoming Pinto Lake MHP general rent adjustment petition hearing and a matter related to clearing storm drainage at Palm Terrace MHP.

#### 7. Central Coast Resident-Owned Parks Report:

Cleveland reported that the next quarterly meeting will be held in-person on August 5<sup>th</sup> regarding supporting new members.

#### 8. Legislative Report:

Halterman reported that AB 604 has passed Senate Committees and is expected to move forward. AB 318 also passed Senate Committees but will need to be reviewed again by the Assembly because it has been amended to remove language excluding less severe cases and adjust the reporting period. AB-1035 has been completely eliminated in the wake of effective WMA opposition and recent lawsuits related to rent caps.

#### 9. County Counsel Report: No Report

#### 10. Staff Report:

Staff reported responding to two separate Freedom of Information Act (FOIA) requests for records pertaining to prior special rent increase petitions. Special Rent Adjustment petitions are expected in the wake of recent flood recovery efforts and a new qualified expert list is being assembled in anticipation. A general rent adjustment petition hearing process is underway for Pinto Lake Estates MHP. The petition form has been translated to Spanish and posted on the website. Staff is exploring options related to translating SCCC Chapter 13.32 in its entirety.

#### 11. Correspondence: None

#### 12. Adjournment

Meeting adjourned at 10:56 AM.

Submitted by: Kaite McGrew, Commissions Manager

#### 4. OFFICERS

The officers of the Commission are the Chairperson and the Vice-Chairperson. Both officers shall be elected by the Commission at the May meeting to serve in such capacity for one (1) year.

Duties of the Chairperson are to preside over meetings, review and approve agendas, represent the Commission, and communicate with the Board of Supervisors. The Vice-Chairperson shall assume these same duties in the absence of the Chairperson.

#### 5. REGULAR MEETINGS

Regular meetings of the Commission shall be held every other month on the third Thursday of the month at 9:30 AM at the Sheriff's OfficeUnited Way of Santa Cruz County
Community Room (5200 Soquel Avenue, Santa Cruz, CA, 950624450 Capitola Road, Ste
106, Capitola, CA 95010) unless otherwise specified in the meeting agenda. When the Chair and/or County Staff determine that meeting on the regularly scheduled day or location is not practicable, the meeting may be rescheduled to an alternate date and/or location within the same month and a meeting agenda shall be posted and distributed at least 72 hours before the meeting in accordance with regular meeting agenda procedures discussed herein.

No meeting of this Commission shall be held in any facility that prohibits the admittance of any person or persons on the basis of race, religion, color, national origin, ancestry, sex, disability, sexual orientation, gender identity, gender expression, age or any other protected characteristic. Meetings shall not be held in any facility that is inaccessible to persons with disabilities or where members of the public may not be present without making a payment or purchase.

#### 6. SPECIAL MEETINGS

Special meetings may be called by a majority vote of the Commission or by the Chair and one other Commissioner at any time.

At least twenty-four (24) hours prior to each special meeting, written notice for the meeting shall be posted and mailed or emailed to each member of the Commission, and to each person or organization that has submitted a written request to the Commission for notification of such meetings. The notice shall be posted on the Commission website and in a location that is freely accessible to the public. The notice shall specify the time and place of the special meeting and the business to be transacted or discussed.

No business other than that listed on the written notice shall be considered at a special meeting.

#### 7. QUORUM

A majority of voting members shall constitute a quorum. All official acts of the Commission shall comply with Santa Cruz County Code Section 2.38.150.

#### 8. REGULAR MEETING AGENDAS

At least seventy-two (72) hours prior to each regular meeting, an agenda for the meeting shall be mailed or emailed to each person or organization that has submitted a written request to the Commission for notification of such meetings. The agenda shall be posted on the Commission website and in a location that is freely accessible to the public.

The agenda shall contain a brief general description of each item of business to be transacted or discussed at the meeting. No action or discussion shall be undertaken on any item not



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

### **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 <a href="www.sccmmhc.org">www.sccmmhc.org</a> as soon as the information becomes available. Agendas will be posted 72 hours in advance of each meeting.

2023 MEETING DATES					
DATE	TIME	LOCATION			
January 19, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
March 16, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
May 25, 2023*	9:30 – 11:00 AM	Sheriff's Community Room			
July 20, 2023	9:30 – 11:00 AM	Sheriff's Community Room			
September 21, 2023	9:30 – 11:00 AM	United Way			
November 16, 2023	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.



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### **Notice of Public Meeting and Agenda**

DATE: Thursday, November 16, 2023

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 September 21, 2023 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. Overview of Weights & Measures and MHPs Andrew Kimura (*Deputy Agricultural Commissioner/Sealer*)
- 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, January 18, 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.



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#### MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: September 21, 2023

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), Rick Halterman (5<sup>th</sup> District), Carol Lerno (GSMOL), Charlene Garza (Vice

Chair - WMA)

EXCUSED: Richard Valdez (4<sup>th</sup> District)

ABSENT: None

STAFF: Kaite McGrew (Commissions Manager)

GUESTS: Manu Koenig (1<sup>st</sup> District Supervisor) and 5 members of the public attended.

 Call to Order/Roll Call/Agenda Review Meeting convened at 9:30 AM.

2. Approve July 20, 2023 Meeting Minutes

Motion to approve July 20, 2023 Meeting Minutes as written.

Motion/Second: Brocklebank/Lerno

Motion passed unanimously.

3. Public Comment:

2 members of the public provided public comment.

- 4. New Business/Action Items:
  - 4.1. Consider Commission Bylaws Revision to Update Regular Meeting Location
    Commission discussed revising bylaws to reflect a new permanent location at the United Way.
    There were concerns expressed related to lack of adequate ventilation post-COVID. Alternative venues were discussed. No changes are being made to the bylaws at this time.
  - 4.2. Consider 2023 Jan Beautz Award Nominees

Cleveland nominated John Hakin to receive the 2023 Jan Beautz Award posthumously. Mr. Hakin is a local resident who was instrumental in getting a rental control ordinance re-established in Capitola. As President of the Cabrillo Estates Mobile Home Owner's Association and the league chapter of the GSMOL, Mr. Hakin provided the leadership needed to mobilize the community in support of the ordinance. Mr. Hakin passed away in August and his award will be presented to his surviving spouse.

Motion to Award John Hakin with the 2023 Jan Beautz Award.

Motion/Second: Cleveland/Brocklebank

Motion passed unanimously.

#### 5. County Supervisor Report

Supervisor Koenig reported that County Counsel is considering putting out an an RFP for legal service representation alternatives to be available to residents in rent adjustment hearings. A letter was sent to Shangri-La MHP investor-owners about the merits of working with residents to allow them to purchase the park instead of selling to another investor owner. Efforts to address service reductions at Blue and Gold and Snug Harbor MHPs are being discussed. The Board held the first formal hearing of the Housing Element. Additionally, an initiative for a slight increase in the CSA-9E Fund fee (which is currently part of the property tax pass-thru to mobile home residents.) to offset reduced purchasing power will appear on the November ballot. Commissioners are asked to raise awareness among residents, who can express their views to investor owners. Significant road construction is also in progress.

#### 6. Commissioner Reports

#### 6.1. District One (Brocklebank)

Brocklebank reported on a variety of matters related to several issues at the Blue and Gold MHP. Brocklebank will be meeting with residents to discuss how best they can proceed. She will invite someone from County Weights and Measures to present at the November meeting. Brocklebank expressed concerns about the recent Pinto Lake decision and about mobile homes being used as second homes for people not living locally. Brocklebank and Walker have been invited to present a course for realtors on best practices related to mobile home space rents and realty. Garza may join them to present information from the investor-owner perspective. Cleveland gave a similar presentation recently.

- 6.2. District Three (Walker): No Report
- 6.3. District Four (Valdez): No Report

#### 6.4. District Five (Halterman)

Halterman reported that the HCD released two reports (one on park inspections and the other on the MRLPP). Currently the MRLPP still has \$8.5M in unspent funds. Only about 10% of the complaints received were provided with legal counsel because of the language requiring that only the most "egregious" cases be provided with counsel. New legislation is being considered that would remove that criteria and increase access to legal counsel by January 1, 2024. Copies of the reports can be found at <a href="https://www.hcd.ca.gov">www.hcd.ca.gov</a>.

- 6.5. Golden State Manufactured Homeowners League (Lerno): No Report
- 6.6. Western Manufactured Housing Communities (Garza):

Garza reported on upcoming conference – teaching a seminar on insurance in CA will be held in Reno. The Frank J. Evans Foundation has awarded 36 scholarships statewide totaling almost \$1M.

#### 6.7. District Two (Cleveland)

Cleveland reported that the BOS approved the Commission's recommendations on Space Fees and Reasonable Rate of Return on Capital Improvements. Koenig updated the Commission that the County Code has been updated to reflect revised criteria for financial experts in Special Rent Adjustment Hearings. Cleveland reported that Palm Terrace MHP residents are working with local agencies to advocate for fixing drainage ditches on public property adjacent to the park. Supervisor Koenig will contact District 2 to get an update.

7. Central Coast Resident-Owned Parks Report:
Cleveland reported that the November meeting will feature guest speakers from the HCD including permitting concerns (e.g., bringing new homes into mobile homes, park property updates etc.).

#### 8. Legislative Report:

Halterman reported that both AB-318 and AB-604 are awaiting signatures on the Governor's desk. AB-1334 has been suspended. Lerno reported that John Laird spoke locally recently advocating for local services. Cleveland reported that Dawn Addis will be speaking at an upcoming Aptos Chamber of Commerce meeting.

9. County Counsel Report: No Report

10. Staff Report: No Report

11. Correspondence: None

12. Adjournment

Meeting adjourned at 10:36 AM.

Submitted by: Kaite McGrew, Commissions Manager



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November 8, 2023

Charlotte Linck 930 Rosedale Avenue #19 Capitola, 95010

Dear Ms. Linck,

The Santa Cruz County Mobile and Manufactured Home Commission (MMHC) is pleased to award John Hakin the 2023 <u>Jan Beautz Award for Outstanding Service</u> to the mobile home community. John's work to re-establish a space rent ordinance in the City of Capitola will have long-lasting benefits for mobile home residents in the City. Moreover, this success is an inspiring story for mobile home residences statewide.

John was as shocked as everyone when the owner of Cabrillo Mobile Home Estates announced in a letter to residents in February 2023 that effective June 1, 2023 rents would be increased **56 percent**. This increase would have forced people out of their homes. It would have destroyed the value of everyone's home. Residents had no existing recourse. Only their activism could save them.

They had to get the City of Capitola to enact a new space rent ordinance. Many residents had skills essential for success. They needed a leader. John met that challenge and provided the needed leadership. He served as president of the newly re-instated Cabrillo Mobile Home Owner's Association and Golden State Mobile Home Owners League chapter.

Working together, John, you and dozens of your neighbors worked the necessary long hours; making countless calls, emails, and personal contacts. His research on other space rent ordinances, and work with supportive attorneys and other mobile home activists guided the effort for a new ordinance. This brought success closer as he tirelessly lobbied and educated all the city's leaders of this housing issue.

This goal came closer when Vice-Mayor Kristin Brown proposed a new space rent ordinance. Your community bravely continued rallying, filling the city council meetings and giving heart-wrenching testimony of the disastrous effects coming if the rent increase stood.

The 5 to nil City Council vote to adopt the space rent ordinance stands as proof of the necessity of your cause.

John led the effort to correct the City's error in 2010 when it abandoned its mobile home residents. His passing August 2nd raised the question of how to continue the cause. Charlotte, your stepping up to continue to lead the residents assures a brighter future. You will be able to continue the organizing and education efforts to assure that all mobile home resident rights are honored.

On behalf of the Santa Cruz County Mobile and Manufactured Home Commission, we express our sincere appreciation for the work of John Hakin to protect the interests of mobile and manufactured home residents in the City of Capitola and his inspiration for mobile home residents everywhere.

Sincerely,

Chair Henry Cleveland

Henry Cleveland

Vice Chair Charlene Garza



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