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**BOARD OF SUPERVISORS**
**COUNTY OF VENTURA**
**GOVERNMENT CENTER, HALL OF ADMINISTRATION**
**800 SOUTH VICTORIA AVENUE, VENTURA, CALIFORNIA 93009**

February 6, 2007

Board of Supervisors
800 S. Victoria Ave.
Ventura, CA 93009

SUBJECT: Adoption of Resolution Supporting Legislation to Protect Mobilehome Park Residents and Direction to Staff to Pursue Legislative Remedies.

RECOMMENDED ACTION:

1. Adopt the attached Resolution supporting revisions to the California Government Code to protect Mobilehome Park residents from losing the protection of local rent control when parks are subdivided.
2. Add this issue to the County State Legislative Platform and Agenda, and direct County staff, including County Counsel, and the County lobbyist to pursue the necessary legislative remedies.

DISCUSSION:

With 22 mobilehome parks encompassing 1,289 homes in the unincorporated area, and many more within cities, mobilehome parks are a significant component of the county's stock of affordable housing. The County's Mobilehome Rent Control Ordinance protects these residents from inappropriate rent increases and preserves this stock of affordable housing.

Within the last few years, a series of events have given rise to a statewide wave of applications by park owners to avail themselves of a particular section of the California Government Code which enables park owners to eliminate local rent control with the completion of a largely ministerial subdivision application and the sale of a single space.

Government Code Section 66247.5 was originally intended to support the long-term affordability of mobilehomes by encouraging the sale of parks to the residents. Unfortunately, the language of this section, combined with an appeals

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court case confirming the legislative language did not grant flexibility to local governments to protect residents, together have created a loophole whereby park owners have a simple and convenient avenue to do away with local rent control.

The code and the case together establish that local governments cannot condition or deny mobilehome park subdivisions, and that once a single lot is sold, the rent on any space occupied by households above lower-income levels rises to market rates over four years. Further, there is no restriction on the selling price the park owners can demand for the lots, creating the possibility that park owners could file the subdivision maps, sell one lot, and eliminate rent control for all persons above lower income.

The California Appeals Court recognized this situation in the 2002 case Eldorado vs. City of Palm Springs, acknowledging in their decision that indeed State law would enable a sham subdivision to eliminate rent control. The State legislature attempted to close this loophole with new legislation introduced late in the session; however, last minute amendments of the bill left the loophole intact. As a result, hundreds of applications for subdivision of mobilehome parks have been filed across the state by park owners, and the first subdivision case has now arisen in Ventura County.

The Golden State Manufactured Home Owners Association (GSMOL) has identified this legislative remedy as their top legislative priority for 2007. The GSMOL has found two legislators to carry the legislation, Assemblymember Noreen Evans and Senator Ellen Corbett, Chair of the Senate Judiciary Committee.

The first subdivision case in Ventura County is the Ojai Oaks Village Mobilehome Estates. It is urgent to eliminate this loophole in State law to protect our residents and the county stock of affordable housing. While the intentions of the Ojai Villa owners may well be noble and good, the threat to residents and affordable housing county- and statewide demands an immediate remedy.

While the original State goal of encouraging the sale of mobilehome parks and spaces to residents is laudable, the text of Section 66247.5 has turned what was intended to be a benefit to residents into the greatest threat to their ability to continue to live in the homes they own, and to the maintenance of affordable housing.

While the bill language is still under construction, what is needed is to assure that park owners cannot trigger an elimination of local rent control for rented spaces through mobilehome park conversion or subdivision, and clear establishment of

local government authority to condition any conversion or subdivision application that may be allowed to prevent economic impact to residents. In order to assure that Ventura County's perspective is heard, Recommended Action No. 2 would include direction to county staff including County Counsel to work on appropriate legislative remedies and communicate our Board's position to the Legislature.

The attached Resolution identifies our Board's strong support for assuring the protections of local rent control and urging rapid adoption of a legislative remedy. In addition, the Resolution encourages other local governments to take similar actions. Upon adoption of the recommended actions, we will also enlist the support of CSAC for the ensuing legislation.

Cordially,

Steve Bennett

Steve Bennett
Supervisor, First District

Attachment- Resolution, news article