

HOUSING DEPARTMENT

Rent Stabilization Program

December 6, 2021

RE: Mobilehome Rent Ordinance Summary

Dear Interested Party,

Enclosed is a Summary of the City of San Jose's Mobilehome Rent Ordinance (Ordinance), Chapter 17.22. This information is being provided to you because you are either a mobilehome owner; a mobilehome park owner/manager; or a dealer, agent, or broker of mobilehomes.

The Rent Stabilization-Program has prepared a summary of the Ordinance to mobilehome park owners in San José. The Summary provides information about allowable rent increases under the Ordinance and exemptions to the rent increase limit. Park owners are required to maintain a copy of this notice in their park office and provide a copy of the Summary to each resident in the park prior to February 1st of each year. The Ordinance (Chapter 17.22.1055) also requires distribution of this Summary to all mobilehome owners, mobilehome park owners/managers, dealers, agents or brokers of mobilehomes, as well as disclosure of the Mobilehome Rent Ordinance to all perspective mobilehome buyers and transferees.

The Mobilehome Rent Ordinance prohibits more than one rent increase in any 12-month period and requires that all rent increases for owner-occupied mobilehome be consolidated to a common date. The Ordinance does not require special noticing when the rent increase does not exceed the maximum annual percentage increase.

If you have any questions regarding this letter, please contact Rent Stabilization Program staff, Elizabeth Guzman at (408) 535-5632 or elizabeth.guzman@sanjoseca.gov.

Sincerely,

Rachel VanderVeen Deputy Director

Rent Stabilization Program



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TO: CURRENT AND PROSPECTIVE MOBILEHOME PARK RESIDENTS

If your mobilehome space was permitted before September 7, 1979 and you are on a month to month rental agreement, your space will be covered by the City's Mobilehome Rent Ordinance (Ordinance). Spaces <u>not covered</u> by the Ordinance include: 1) spaces permitted after September 7, 1979; 2) a space or mobilehome park owned and operated by a government agency; 3) a space where a resident has chosen to sign a Long-Term Lease (more than twelve months) with a mobilehome park. You are not obligated to sign a Long-Term Lease.

The Ordinance regulates rent increases in San José's mobilehome parks. The following information is offered only as a summary. When you sell your mobilehome, you are required (Chapter 17.22.1055) to provide a copy of this document to prospective buyers. Complete information on the Ordinance may be obtained by contacting the Rent Stabilization Program staff, Elizabeth Guzman at (408) 535-5632 or elizabeth.guzman@sanjoseca.gov.

UNDER THE ORDINANCE

- 1. Each park has an "anniversary date" on which mobilehome park owners may increase space rents.
- 2. The Ordinance limits annual rent increases to 75% of the San Francisco-Oakland Consumer Price Index (CPI) with a minimum of 3% and maximum of 7%. For the period of October 1, 2021 through September 30, 2022, the maximum that mobilehome park owners can increase rents is 3%. If rents have not been increased for more than 24 months, they may be increased by the combined total of the allowable annual rent increases for the current and previous year.
- 3. Rent increases beyond those allowed in #2 may be allowed immediately following a voluntary vacancy including a court-ordered eviction of the seller and a dealer pull out. Exceptions may be verified with the Rent Stabilization Program.
- 4. A mobilehome park owner must file a petition to seek any increases above these amounts allowed under #2. An administrative hearing must be held on all petitions by mobilehome park owners to raise space rents beyond the amount allowed by the Ordinance. The base year for determining the net operating income in these hearings is 1985. Park owners are required to keep all financial records from that year. Failure to keep these records may result in the inability of the park owner to successfully petition to increase space rents.

The San José Municipal Code Chapter 17.22 (Mobilehome Rent Ordinance) is supplemental to the STATE OF CALIFORNIA CIVIL CODE, Section 798 through 799.11 (Mobilehome Residency Law). Copies of the Mobilehome Rent Ordinance and Regulations may be obtained at:

https://www.sanjoseca.gov/your-government/departments/housing/mobilehome-park-owners

For Program staff assistance, contact Elizabeth Guzman at (408) 535-5632.