



Memorandum

**TO: NEIGHBORHOOD SERVICES
AND EDUCATION COMMITTEE**

FROM: Leslye Krutko

SUBJECT: SEE BELOW

DATE: February 27, 2007

Approved

Date

Feb. 27, 2007

SUBJECT: NEW MOBILEHOME PARK INFRASTRUCTURE PROGRAM

RECOMMENDATION

It is recommended that the Neighborhood Services and Education Committee review and provide feedback to the Housing Department on mobilehome park infrastructure issues.

BACKGROUND

With the high cost of housing in San Jose, the City's 58 mobilehome parks are an affordable housing option for more than 10,000 households. San Jose has long provided loan and grant assistance to residents of mobilehome parks for the rehabilitation of their units to ensure that they are living in safe and healthy housing. However, while the City has had funding available to assist in improvements to the units themselves, we have not had funding that could be used to improve the common areas, or infrastructure, such as interior roads, drainage, and lighting. Over the years, Housing Department inspectors have observed infrastructure concerns, including substandard electrical hookups, and non-conforming underground utility services for natural gas, water, and sewage systems.

While many of these concerns have been identified in older, aging mobilehome parks, where you might find more "trailers" than mobilehomes, some of the larger and newer parks are also finding that they have aging infrastructure.

ANALYSIS

Mobilehome Park Infrastructure Pilot Program

To respond to these concerns, the Department has begun to develop a pilot program to provide financial assistance to park owners to address these infrastructure issues. We have identified \$300,000 in Workforce Housing Reward Program funding that can be used for this purpose. (Note: the City Council will consider this recommendation at its February 27, 2007 meeting.) These funds will be available beginning in July of 2007.

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Using as a model the successful Project Alliance Program, which seeks to improve multi-family areas in Strong Neighborhood Initiative (SNI) areas, the Department has developed the following program features:

- Park is located within the City of San José
- Park is located in a Strong Neighborhoods Initiative (SNI) Area or another target area
- Park has fewer than 125 space lots (see attached list)
- Park is at least 51% low-income resident occupied
- Park has homes identified as travel trailers and/or single-wide manufactured homes
- Park infrastructure is in need of significant repair
- Park is subject to the City's Mobilehome Rent Ordinance, Municipal Code, Chapter 17.23
- Park has no plan for future conversion for at least 10 years

Additionally, it is proposed that to qualify for the Program, the park owner must:

- Meet all *Qualifying Criteria* as stated above
- Provide park owner verification
- Provide matching funds (in an amount to be determined)
- Demonstrate a financial need for infrastructure improvement assistance
- Provide low-income resident verification including space rent amount

To select the pilot mobilehome parks, the Department is recommending that a Task Force be convened, with representatives from the Housing Department, Code Enforcement Division of the Department of Planning, Building and Code Enforcement, Redevelopment Agency SNI staff, and a representative from the Mobilehome Advisory Commission (MAC). The role of the Task Force will include:

- Identifying qualifying parks
- Conducting a visual site visit
- Reviewing information from Rental Rights and Referrals (RRR) Program case log reports
- Prioritizing park needs: electrical, sewer and storm drain systems, lights, and driveway pavements.
- Recommending 1-3 parks to the Housing Director
- Developing performance measures to evaluate project success
- Evaluating the Pilot after project completion to determine next steps

Housing Department staff proposed the concept of a Mobilehome Park Infrastructure Pilot Program at the October 19, 2006 Mobilehome Advisory Commission (MAC) meeting. The MAC, although concerned about aging parks, had a split vote with dissenters concerned that the pilot would be limited to small-sized parks.

Mobilehome Advisory Commission Proposal

Since June 2006, the MAC has discussed concerns regarding infrastructure in aging parks, with a focus all parks (not just those not dominated by older coaches and travel trailers that are the subject of the aforementioned pilot project). At the heart of the issue is the concern by some that owners cannot keep up with infrastructure maintenance needs due to the restrictions imposed by the Mobilehome Ordinance. Others believe that owners of mobilehome park communities, particularly those that are owned and operated by large mobilehome corporations, have allowed their parks to deteriorate and should be responsible for ensuring that the parks are maintained.

In October, the Chair presented a draft memorandum suggesting alternative approaches for potential funding sources for park improvements that can be applied equally to all parks. At the December MAC meeting, the Commissioners discussed sending a memorandum to the Mayor and City Council encouraging that a task force be appointed to identify alternative approaches to fund park capital improvements. Concerns were raised at the meeting about the memo and the possibility that the issue of capital improvements could be used to reopen the Mobilehome Ordinance and subject it to other changes, including vacancy decontrol. The vote on this action was 3-2, with the minority requesting that the memo clearly state that there is not consensus on this topic.

In February, two of the MAC members supporting the action met with the Housing Department Director and staff to discuss the idea of a task force. At this meeting, it was made clear that the Department did not support a task force or the idea of reopening the Mobilehome Ordinance. Rather, it was suggested that the MAC set up a subcommittee and conduct public outreach to get ideas and feedback about possible solutions to the infrastructure concerns. This subject was subsequently discussed at a meeting of the California Mobilehome Resource Action Association (CMRAA), which was attended by Mayor Reed and Councilmember Nguyen. Both CMRAA and the Homeowners Organized to Maintain Equity (HOME) have expressed concerns that these discussions will result in a request to reopen the Ordinance.

At the February MAC meeting, again on a split vote, it was decided that the focus group would initially hold one meeting at City Hall to discuss the alternative approached. This meeting is set for March 5, 2007 at 5pm (location TBD). Concerns were raised by some Commissioners that there should be more meetings and that they should be held out in the community, preferably at mobilehome parks themselves.

The Housing Department will be at the March 5th meeting and will continue to follow this issue.

Performance Measures and Outcome

Because the pilot program is under development, the Department has not yet developed performance measures. Clearly, the outcome of the Department's efforts is to improve the living environment for lower-income mobilehome park residents, while at the same time improving neighborhood conditions and contributing to the goals of the Strong Neighborhood Initiative.

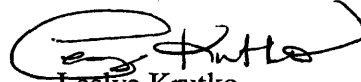
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PUBLIC OUTREACH

Once the pilot program is approved, the Housing Department will launch an outreach effort to area parks, mobilehome organizations, and park owners.

A handwritten signature in black ink, appearing to read "Leslye Krutko", written over a circular stamp or seal.

Leslye Krutko
Housing Director

Attachment

ATTACHMENT

LIST OF SMALL MOBILEHOME PARKS IN SAN JOSE

	Park Name	District	Space Lots
1	Ace Trailer	7	55
2	Bella Rosa	5	49
3	Cottage Trailer	7	34
4	Foothills	5	92
5	Garden City	4	40
6	Hillview	5	26
7	Hilton	3	62
8	La Buona Vita	5	108
9	Mayfair Trailer	7	54
10	Mill Pond II	7	52
11	Mobile Home Manor	3	81
12	Moss Creek	8	107
13	Mountain Shadows	7	108
14	Old Orchard	7	102
15	Riverbend	4	124
16	San Jose Mobile Home	3	120
17	San Jose Trailer Park	3	99
18	Sleepy Hallow	8	72
19	Summerset	4	112
20	Sunset Mobile Manor	3	58
21	Sunshadow	7	121
22	Town & Country	2	121
23	Triangle Trailer	4	24
24	Walnut Park	2	40
25	Western Trailer	7	86
26	Willow Glen	6	90
27	Winchester Ranch	7	111