



Memorandum

TO: NEIGHBORHOOD SERVICES
AND EDUCATION COMMITTEE

FROM: Leslye Krutko
Director of Housing

SUBJECT: SEE BELOW

DATE: May 23, 2008

Approved

Date

5-30-08

SNI AREAS: ALL

**SUBJECT: STATUS REPORT ON THE NEW MOBILEHOME PARK
INFRASTRUCTURE PILOT PROGRAM**

RECOMMENDATION

It is recommended that the Neighborhood Services and Education Committee review and accept the following report on the Mobilehome Park Infrastructure Pilot Program.

BACKGROUND

On March 8, 2007, the Neighborhood Services and Education Committee reviewed a proposal for a New Mobilehome Park Infrastructure Pilot Program to provide funding to one or more mobilehome park owners to complete basic infrastructure repairs such as streets, lighting, drainage, and utilities. The Committee endorsed this proposal, and on June 6, 2007 the City Council approved a resolution creating a \$300,000 pilot program. The City Council delegated to the Director of Housing the authority to select mobilehome parks, and to negotiate and enter into a contract with the owners of the properties to affect those repairs.

The basic eligibility criteria for the Infrastructure Pilot Program is that the park:

- Be located within an SNI neighborhood
- Have fewer than 125 single-wide or RV spaces
- Have at least 51% low-income residents
- Has no plan for future conversion for at least 10 years
- Have infrastructure in significant need of repair or replacement
- Be subject to the City's Mobilehome Rent Ordinance

In addition, the park owner(s) must provide an undetermined amount of matching funds, demonstrate a financial need for assistance, and provide low-income resident verification including amount paid for space rent.

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In August, Housing Department staff mailed letters to the owners of all 58 mobilehome parks in San Jose requesting authorization for staff to perform an "infrastructure assessment" of their respective parks. Subsequent phone and letter follow-up to non-respondents resulted in approval to assess 29 of the parks. Housing Department inspection staff completed the assessment of these properties in late March. The visual assessments have helped determine the overall infrastructure conditions and needs of the City's mobilehome parks and also assisted staff in evaluating those parks within SNI neighborhoods that may be eligible for the pilot program (the Program).

Fifteen of the City's 58 mobilehome parks are located in SNI or Industrial Redevelopment Areas (Monterey Corridor). Three of the thirteen parks have been identified as candidates for the Program based on conformance with eligibility criteria, preliminary assessment by inspection staff, and park owner interest and cooperation. The majority of the SNI parks not selected were due to non-response from the park owner or their expressed desire to not be involved in the program or the park did not meet the approved eligibility criteria.

Analysis for Selection of Sunset Mobile Manor as Pilot Program Park

In April, the Housing Department contracted with Benchmark Environmental Engineering to complete an in-depth survey and assessment of the infrastructure needs of the three parks identified as potential pilot projects by Housing Department staff. This assessment included the physical components of the park and coach hookups (utility pedestals) that are included in Housing and Community Development's Mobilehome Inspection program (Title 25).

In addition to meeting the Pilot Program eligibility criteria, the three parks were evaluated based on the scope of work that would be required for the park. The objectives are listed below:

1. The scope of work performed through the pilot program should make a significant improvement to the appearance and livability of the park.
2. The work should add significant benefit to the health and safety of the park residents.
3. The improvements should be completed with the funding available to the program.
4. The necessary scope of work should be completed using the combination of City funds and owner funds.

After reviewing the scope of work that would be required for the three parks, staff is recommending that Sunset Mobile Manor be selected as the first choice for the Pilot Program. Sunset Mobile manor is a 58-space park on 3.75 acres constructed in 1957. This park is located in City Council District 3 in the Five Wounds/Brookwood Terrace Strong Neighborhood. The park demonstrates pride of ownership as it is well-maintained to the degree possible based on the age and conditions of the existing infrastructure. The description below summarizes the proposed scope of work required to bring the park into compliance with State mobilehome park requirements and improve the living conditions of the residents.

Sunset Mobile Manor Infrastructure Needs and Estimated Cost

Electrical Service – Electrical service is provided through non-complying service pedestals and are 30 amp services. All 58 lots need to be upgraded with appropriate service pedestals to 50 amps and

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include an individual service disconnect. The park electrical main service is using screw-in type fuses and requires full upgrade of service panel.

Water Service – The water service to the lots is in compliance and no service issues are known. If feasible, replacing water lines may be added to the scope of work if performed in conjunction with other undergrounding of utilities.

Natural Gas Service – Park requires the inspection and upgrade of existing gas meters to spaces currently without natural gas service. A majority of the spaces do not have natural gas service and are supplied with propane through coach-mounted tanks. The recommendation is to run new natural gas lines and install new gas meters for all spaces.

Sewage Facilities – Each lot is provided with a sewage connection and no issues with the system have been reported or noted.

Drives/Paving/Hardscape – There are several areas within the park where the asphalt surfaces are cracked and failing. This is occurring mainly due to an inadequate or non-functioning site drainage system. Replacement of the drainage system including additional catch basins is recommended. In general, the asphalt and concrete surfaces are sound and maintainable.

Fire Suppression – Condition is reported as acceptable.

Street/Security Lighting – There are 24 security/street lights on the site. Recommendation is to inspect and repair all existing lights to ensure full and proper operation.

As part of the scope of work, energy efficient replacements or upgrades, and “green” materials will be used when feasible.

Total Estimated Cost for Sunset Mobile Manor – \$556,000

Analysis of Parks Not Selected

The two parks that were not selected had major infrastructure needs. However, the cost to bring them to minimum health and safety requirements as mandated by the State of California would far exceed the combined City/Owner funding available. In addition, both parks had numerous non-conforming additions, decks, awnings and an abundance of stored items that contribute to the difficulty of improving the infrastructure.

Next Steps

Staff is currently in the process of refining the scope of work and negotiating a cost sharing agreement with the owner of Sunset Mobile Manor. Staff will provide the City Council with an information memo once a contract is in place with the owner.

Through the process of assessing the infrastructure conditions and needs of mobilehome parks and small trailer courts throughout the City, owners of parks not located in the Strong Neighborhood areas have also expressed a sincere desire to work with the City to help finance similar

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improvements. Staff continues to work with the State of California (HCD) and also looking toward other funding sources to assist with funding possible future projects.

COORDINATION

This report has been coordinated with the City Attorney's Office.


LESLYE KRUTKO
Director of Housing