



Santa Cruz County Mobile and Manufactured Home Commission

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MOBILE AND MANUFACTURED HOME COMMISSION MEETING MINUTES

DATE: July 21, 2022
LOCATION: Meeting held remotely
PRESENT: Jean Brocklebank (*Vice Chair - 1st District*), Henry Cleveland (*Chair - 2nd District*), Richard Valdez (*4th District*), Rick Halterman (*5th District*), Carol Lerno (*GSMOL*)
EXCUSED: David Allenbaugh (*3rd District*), Charlene Garza (*WMA*)
STAFF: Kaite McGrew (*Commissions Manager*), Suzanne Yang (*County Counsel*)
GUESTS: Jamie Sehorn (*1st District Analyst*), Jerry Bowles, Michael Smith (*Bay Federal Credit Union*) and 5 members of the public.

1. Call to Order/Roll Call/Agenda Review
Meeting was convened at 9:30 AM.
2. Approve *May 19, 2022 Meeting Minutes*
Motion to approve the May 19, 2022 minutes
Motion/Second: Lerno/Brocklebank
Motion passed unanimously.
3. Public Comment: None
4. New Business/Action Items:
 - 4.1. Reasonable Rate of Return on Capital Improvements Recommendation
Brocklebank expressed concern about ambiguities in the Rent Control Ordinance.
Motion to approve memo recommending that the rate of return on capital improvements remain at 12%
Motion/Second: Halterman/Lerno
Ayes: Cleveland, Valdez, Halterman, Lerno
Nos: Brocklebank
Motion passed.
 - 4.2. Space Fee Recommendation
Motion to approve memo recommending that the space fee remain at \$38
Motion/Second: Brocklebank/Valdez
Motion passed unanimously.
 - 4.3. CPI Adjustment Letters
Commission reviewed the 2022 letters to park owners specifying the allowable 2023 space rent adjustments for mobile homes and recreational vehicles.
 - 4.4. CPUC Sub-Metered Tenant Billing Rights
Commission reviewed PG&E's one-sheet describing billing rights for sub-metered tenants and providing contact information for various sub-metered tenant matters.

- 4.5. Soquel Garden Housing Assistance Payment Contract Termination
Commission discussed the recent termination of Santa Cruz County's Housing Assistance Program contract with Soquel Garden Mobile Home Park because of the park's failure to regain an active permit to operate from Housing and Community Development (HCD). Residents in eight units will need to find new housing. Commission will continue to monitor the situation.
5. County Supervisor Report (Sehorn)
 - 5.1. The Board of Supervisors reinstated the SCCC Chapter 13.32.030 rental adjustment petition hearing process which had been suspended in April 2020 in response to the COVID-19 State of Emergency declared by Governor Newsom.
 - 5.2. Supervisor Koenig's office met with the HCD in June to discuss Soquel Gardens MHP. The HCD feels the park owner is making satisfactory progress towards resolution of violations and will not be taking any further enforcement steps. They issued an electrical permit to address electrical issues, the sewage issue is resolved, and the owner is making progress on fire separation issues.
6. Commissioner Reports
 - 6.1. 1st District Report
Brocklebank reported on a variety of matters related to four MHPs since the last meeting including Ranchito MHP, Osocales MHP, Soquel Gardens MHP, and Yacht Harbor Manor.
 - 6.2. 3rd District Report: No report
 - 6.3. 4th District Report:
Valdez reported that sale prices for units are increasing.
 - 6.4. 5th District Report:
Halterman reported on issues related to MPROP program was renamed to be called the MORE Program. The \$100M program provides funds (grants or loans) to help rehab existing mobile homes and remains under the jurisdiction of the HCD who will set it up.
 - 6.5. Golden State Manufactured Homeowner's League (GSMOL) Report:
Lerno encouraged Commissioners to support the GSMOL as appropriate, either through donations, sharing information about the league, or helping them cut costs by receiving the newsletter electronically.
 - 6.6. Western Manufactured Housing Communities Association (WMA) Report:
Staff read the following report aloud, as Garza was unable to attend: CPUC Upgrade Program projects continue to be delayed, primarily because of mid-project contractor changes. Frank J. Evans Charitable Foundation Scholarship Foundation will make awards in August. County Counsel will report at the next meeting on whether CPUC Upgrade Program park costs can be passed through to residents as capital improvements.
 - 6.7. 2nd District Report
Cleveland reported that residents at Monterey Vista formed a GSMOL Chapter and held a Fourth of July picnic. Cleveland shared details regarding the upcoming Bruce Stanton Virtual Mobilehome Townhall on Saturday, July 23rd. SB-197 may also allow for mobilehome replacements. Cleveland reported that Aptos Pines MHP sold a mobile home for the highest price yet (\$725K).

7. Central Coast Resident-Owned Parks Report:

Cleveland reported that the next meeting will be held in-person at Sorrento Oaks MHP on August 6, with speaker Michael Freitas providing an overview of water replacement project costs.

8. Legislative Report

Halterman reported on the following legislation of interest to the mobile home community:

AB-2031 – (Management Complaint Response Procedures) The bill clarifies how MHP managers must respond to resident complaints. If written complaint or request is submitted, a meeting must be held within 30 days, and written response provided within ten days of that meeting. The bill passed the Senate Committee and is on its way to the Senate Floor. It was amended so it will need to return to its house of origin for a consent vote. If the bill passes by 8/31/22, the Governor will have 30 days to sign it. Commission will continue to monitor.

SB-940 - (New Construction and Rent Control) – Limits the time a park owner is allowed to suspend rent control after new construction to ten years. After 10 years, the new spaces become eligible for rent control. The bill passed the Assembly Housing Committee and is awaiting an Assembly floor vote. . It was amended so it will need to return to its house of origin for a consent vote. If the bill passes by 8/31/22, the Governor will have 30 days to sign it. Commission will continue to monitor.

SB-869 - (Manager Training) Requires that park managers complete 18 hours of training, take an exam for certification and post proof of certification prominently in a park's common area or risk being fined and a potential suspension of their permit to operate. The bill passed the Assembly Housing Committee and will need to go to the Finance Committee. It was amended so it will need to return to its house of origin for a consent vote. If the bill passes by 8/31/22, the Governor will have 30 days to sign it. Commission will continue to monitor.

9. County Counsel Report: No Report

10. Staff Report:

Staff reported that the Commission will be meeting in person in the Sheriff's Community Room for the September meeting. Ranchito MHP has paid the space fees including penalty.

11. Correspondence:

Commission reviewed a letter from Shangri-la Residents Group at Shangri-la MHP.

12. Adjournment

Meeting was adjourned at 10:30 AM.

Submitted by: Kaite McGrew, *Commissions Manager*