



Sunnyvale

# Housing Strategy: Mobile Home Park MOU/Accord Scope of Work and Budget

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# 2020 Housing Strategy

Approved October 13th

- Mobile Home Park Policy
  - ◆ **Tier 1: MOU/Accord**
  - ◆ Tier 2: Rent Stabilization Ordinance
- Tonight:
  - ◆ Scope of Work for MOU
  - ◆ Budget Modification



# What is an MOU/Accord?

*A formal agreement between the local jurisdiction and the owners of the mobile home parks.*

- Sets Conditions Applicable Solely to MHPs
  - ◆ Rent increase limits
  - ◆ Vacancy controls
  - ◆ Enforcement
  - ◆ *etc.*
- Examples
  - ◆ City of Napa
  - ◆ City of Rancho Cucamonga
  - ◆ City of Modesto
  - ◆ City of Vista



# MOU Preparation

## General Overview

- Scope of Work
  - ◆ Sets Stage for MOU completion
  - ◆ RSO will follow if MOU not successful
- Consultant led effort
- Three Stakeholder Groups
  - ◆ City of Sunnyvale
  - ◆ MH Park Owners/Designated representatives
  - ◆ MH Residents (SMHPA)
- 6 month check in (June 2021)



# MOU Council Action – *October 13, 2020*

## Initial Key Terms to Address in MOU

- Rate of annual rent increase *during residency*
- Allowed rate of increase *upon vacancy*
- Capital improvement cost pass-through
- Property tax pass-through
- Retroactivity – no earlier than October 13, 2020.



# Schedule Overview

Dec  
'20

- Scope & Budget Approval

Jan-  
Jun  
'21

- 9+ Stakeholder meetings
- 3+ City Council meetings

Jun  
'21

- Draft MOU

Dec  
'21

- Final MOU

# MOU Scope of Work

## Key Features

- **Consultants**
  - ◆ BAE Urban Economics
  - ◆ Goldfarb & Lipman
- **Budget**
  - ◆ \$81,380
  - ◆ Includes Large contingency
- **Meetings**
  - ◆ Negotiation and Stakeholder
    - Not open to public
  - ◆ City Council
    - Community Participation Encouraged



# MOU Scope of Work

## Key Features *continued*

- **Draft MOU**

- ◆ June 2020, unless further negotiation needed
- ◆ Considered by
  - Housing and Human Services Commission
  - City Council

- **Final MOU**

- ◆ By December 2021, per Housing Strategy
- ◆ Owners of all 13 parks must sign





# Background – Applicable MHP Regulation

## Mobile Home Park Residency Law

- Outlines various protections
  - ◆ Leases
  - ◆ 90-day notices
  - ◆ Limits on security deposits
  - ◆ Homeowner's rights
  - ◆ Just cause eviction
- Review AB 2782 during MOU process



# Background – Applicable MHP Regulation

## Sunnyvale Municipal Code Ch. 19.72

- **Limitations on Closures and Conversions**
  - ◆ Required Notices
  - ◆ Tenant Rights
  - ◆ Conversion Impact Report
  - ◆ Relocation Assistance



# Background – Applicable MHP Regulation

## Sunnyvale Housing Element Policies

- **Goal HE-2**
  - Enhanced Housing Conditions and Affordability
- Policy HE-2.6
  - Preserve **mobile home parks** as an affordable housing option
  - 400 acres of MHP zoning



# Next Steps

- City finalizes Consultant contract
- City finalizes Stakeholder Groups
- Meetings begin January 2021
- Lack of progress = Return to Council

# Staff Recommendation

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- Alternative 1
  - ◆ Approve the Scope of Work; and
  - ◆ Approve Budget Modification of \$81,380.

