

# Petaluma Mobile Home Park Owners' Proposal

1. Voluntary rental assistance, paid by the park owners, will assist park tenants who have demonstrated financial need.
  - See following pages for program details
2. Park owners will agree to keep all parks in Petaluma open for the next 5 years.
3. The city will allow limited vacancy decontrol, which will further the City's affordability goals (and help prospective homebuyers seeking affordable housing) by making homes in parks more affordable.
  - Every mobile home park resident will continue to get the benefit of rent control for the entire duration of their tenancy. When a park resident moves out of a park, we propose that the park should be able to set rent *for the new tenant* to the average of the 3 highest current rents in the park. This is economically fair, and prevents rent gouging (since at least 3 other residents are voluntarily paying that rent amount), and will allow Petaluma's parks to remain economically viable over the long term by allowing rents to "catch up" to the market, after protecting every tenant with below-market rents for the duration of their tenancy.
  - Examples: Beaumont, Menifee, Riverside County
4. We oppose any change that would reduce the automatic annual rent increase from the current formula: 100% of CPI with a cap at 6%. The average annual rent increase for Petaluma's parks over the past 20 years is 2.6%. Our park expenses rise at the rate of CPI (or much faster), and we cannot run a business with less than that. 2022 CPI was an anomaly (due to the highest inflation the country has seen in decades). We can address this anomaly with our voluntary rental assistance program.
5. Park owners will forfeit their right to litigate against the city's ordinance in state or federal court.



## **Mobile Home Rental Assistance Program (RAP)**

### **What is the Rental Assistance Program (“MHET RAP”)?**

The Rental Assistance Program provides monthly rent subsidies to qualified mobile home park residents. It has been serving low-income mobile home owners for over thirty years. The program was designed to provide temporary assistance for qualified mobile home owners who are on the waiting list for the Section 8 government rent subsidy program. This program has been a tremendous success as a completely privately funded and supported program.

### **Who administers the program?**

The program is administered by the Manufactured Housing Educational Trust (MHET), a non-profit trade association. Applications are reviewed and approved based on established criteria with annual reviews to verify continued eligibility and need.

### **How does the program work?**

Once an applicant is approved, a “rent credit” in the amount of the rent subsidy is given each month on the recipient’s monthly rent statement. Subsidies are 10% of the rent, however in some cases where the need exists, mobile home park owners approve higher subsidies.

### **How long does it take to be approved for the program?**

Applications are generally processed within 4-6 weeks with the subsidy beginning within one to two months after receipt of the application.

### **Who pays the monthly rent subsidy?**

The owner of the mobile home park community where the applicant lives pays the subsidy.

### **Does the rent subsidy have to be refunded or paid back?**

No. The subsidy is a gift that does not have to be paid back.

### **Why was this program established?**

MHET established this program because the waiting list for government rent subsidy programs (Section 8) was typically several years long. Since many mobile home park owners were already helping their residents on an informal basis while they waited for Section 8, MHET decided to formalize a park owner funded program and make rental assistance available to qualified mobile home owners.

### **Who do I contact for more information?**

Call MHET RAP at (949) 380-3311.



## **Who qualifies for the Mobile Home Rental Assistance Program?**

### **Mobile home owners who:**

- own their mobile home and live in it as their primary place of residence
- have lived in the park where they are currently residing for the past three consecutive years
- meet the very low-income guidelines used by the local Housing Authority for the Section 8 rental assistance program (Gross annual income from all sources is 50% of the median income or less)
- must meet one or more of the following criteria: (1) be at least 62 years of age or older; (2) be a family of two or more; (3) or be disabled
- does not receive assistance from any other rental assistance program
- have housing costs equal to or greater than 40% of their income
- do not have real property with a value of \$25,000 or more
- do not have personal property with a value of \$40,000 or more (excluding mobile home)
- qualify for HUD Section 8 rental subsidy and are on the waiting list for assistance.
- live in a jurisdiction that is not regulated by rent control
- is in compliance with all park rules and regulations
- complete all of the appropriate application forms