



# MOBILE HOME PARKS RENT STABILIZATION ORDINANCE ANNUAL PUBLIC HEARING

Housing and Human Services

City Council

September 17, 2024

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## BACKGROUND

- August 25, 1992, Riverside Municipal Code (RMC) Chapter 5.75 was added establishing a rent stabilization procedure for mobile home parks that required annual increases not exceed 80% of the Consumer Price Index for the 12-month period immediately preceding the last published monthly CPI
- September 15, 2020, amended the RMC 5.75.040 to change the Consumer Price Index month from August to July as the August data is not available for the Riverside-San Bernardino-Ontario region



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## BACKGROUND

- 2019, staff was directed to conduct a review of the entire Mobile Home Parks Rent Stabilization Ordinance
- 2022 annual public hearing, the maximum rent increase for 2023 was 7.36%, which is the highest rent increase experienced under the Ordinance
  - Staff was asked to research capping rent increases and to work with mobile home park owners and residents through community outreach on the proposed Ordinance changes and present changes to the Housing and Homelessness Committee



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## ANNUAL PUBLIC HEARING

### Purpose of Public Hearing

1. Review activities relative to the Mobile Home Parks Rent Stabilization Ordinance over the past 12 months; and
2. Announce the maximum allowable annual rent increase for 2025 based on the July 2024 Consumer Price Index (CPI) for Riverside-San Bernardino-Ontario.



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## MOBILE HOME COURTESY REVIEW PROGRAM

*During the reporting period, staff carried out the Mobile Home Courtesy Review Program, which is:*

1. An annual review of streets in mobile home parks to provide the Mobile Home Rent Review Hearing Board with a photographic history of the appearance of streets within mobile home parks over time.
2. August 30, 2023: Authorization forms were mailed out to property owners and staff received three signed authorization forms.
3. September 3, 2024: Authorization forms were mailed out to property owners and are due by September 27, 2024.



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## RMC SECTION 5.75.027 DISCLOURE REQUIREMENTS

1. Prospective tenants must be informed that rental agreements with a term of more than one year are not subject to the City's rent stabilization ordinance; and
2. The City is required to notify mobile home park owners annually of their notice obligations under state law and RMC 5.75.027:
  - A. Informing prospective tenants that lease terms of more than one year are not subject to local rent control ordinances; and
  - B. Lease agreements must include a printed copy of the Mobile Home Residency Law.



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## MOBILE HOME PARKS RENT STABILIZATION ORDINANCE – RMC SECTION 5.75.040

Allowable annual rent increases each calendar year

- Up to 80% of the change in the CPI for the 12-month period ending July 31<sup>st</sup> of the prior year for Riverside-San Bernardino-Ontario region
- Changes in property taxes or government mandated costs in excess of 2% per year
- Capital improvements to existing facilities
- Increases in state fees
- Rent increases associated with sale of a space



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## PRIOR RENTAL INCREASES

YEAR	CPI INDEX	MAXIMUM RENT INCREASES	CPI SOURCE
2012	2.40%	1.92%	Los Angeles – Anaheim - Riverside
2013	2.30%	1.84%	
2014	0.80%	0.64%	
2015	1.80%	1.44%	
2016	1.10%	0.88%	
2017	1.40%	1.12%	
2018	2.80%	2.24%	
2019	3.90%	3.12%	
2020	2.60%	2.08%	Riverside – San Bernardino - Ontario
2021	1.70%	1.36%	
2022	6.50%	5.20%	
2023	9.20%	7.36%	
2024	3.4%	2.72%	



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## 2024 RENT INCREASE

- CPI for period ending July 31, 2024: 2.80%
- 2025 allowable rent increase: 2.24%



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## RMC 5.75

- Staff and City Attorney's Office completed rereview of RMC 5.75
- Presented recommended changes to park residents in June 2024 and to WMA and local mobile home park owners in July 2024
- On September 23<sup>rd</sup>, staff's final recommendations will be presented to the Housing & Homelessness Committee for discussion



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# STRATEGIC PLAN ALIGNMENT

## Envision Riverside 2025 Strategic Plan Priorities



#2 Community Well-Being

### Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



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# RECOMMENDATIONS

That the City Council:

1. Conduct the public hearing as required by Section 5.75.080 of the Riverside Municipal Code for the Mobile Home Parks Rent Stabilization Ordinance;
2. Direct staff to notify mobile home park owners and representatives on record of the maximum allowable rent increase for calendar year 2025 is 2.24% pursuant to Section 5.75.040 of the Riverside Municipal Code; and



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## RECOMMENDATIONS

3. Receive a report on all activities that have taken place relative to the Mobile Home Parks Rent Stabilization Ordinance for the 2023 reporting from September 1, 2023 through August 31, 2024.

