

Mobile home parks: A peaceful, affordable way of life But rent-control issues keep the pot boiling

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Grace Kievlan has a hard time paying her heating bills even though her rent is only \$222 a month.

"In the wintertime," she said, "I can't hardly make it."

Still, Kievlan's not likely to find a cheaper place to live in Santa Cruz County, and she knows it. An 82-year-old widow on a fixed income, she said she has no thoughts of leaving the home she's occupied in Pine Knoll Mobile Manor, in Live Oak, for nearly 20 years.

"Where else can you get rent this cheap?" she asked.

Like Kievlan, John and Debbie Dearing chose to live in a mobile home park because they could afford it, but unlike Kievlan, they considered it an investment and would now like to move.

With three children between the ages of 4 and 12, they feel they've outgrown their home in Ace High Mobile Home Park, also in Live Oak, and would like to put a down payment on a house, John Dearing said. That's always been their dream.



Jennifer Koss

Ben Powys, 68, assistant manager at Blue Pacific Mobile Home Park in

Seacliff, works in a flowerbed. He has lived in the park for 2½ years.

"If we'd had our choice to begin with," he said, "we'd have bought a house."

His wife added, "A mobile home is like a starter home nowadays, seeing as how you can't find those anymore."

Kievlan and the Dearings are typical of the people who live in the county's mobile home parks, according to Bob Taren, chairman of the county's Mobile Home Commission.

Two types of people commonly choose the mobile home way of life, he said — "retirees, or people nearing retirement, or families just starting out, usually blue-collar, lower middle-class, or poor people."

In an era of escalating rents and skyrocketing costs of buying a home in this county, a mobile home has remained an inexpensive way to go.

"You can still buy it for five, six thousand dollars down and so much per month," Taren said. "So all you've got to pay is the mortgage for the home and the space rent."

While mobile homes may depreciate in other parts of the country, they appreciate in Santa Cruz County. Since no new mobile home parks have been developed here for more than 10 years, existing spaces are at a premium and the vacancy rate has plunged to near zero.

Residents of mobile homes say that "mobile" is really a misnomer, and that the homes are closer to prefabricated houses than trailers.

The average cost of a mobile home that is already in a park is about \$40,000, according to statistics from the Santa Cruz and Watsonville boards of Realtors. Compared to other forms of housing, though, that's still cheap.

The reason mobile homes have remained so affordable — and why no new parks have been built, park owners claim — is a 1982 rent-control ordinance limiting annual rent increases by a formula based on the Bay Area Consumer Price Index, which measures the rate of inflation.

Impetus for the ordinance came in the '70s, when mortgage rates soared and new-park owners raised rents to help meet the higher mortgage payments. Park residents were mostly older people on fixed incomes who feared they would be driven from their homes, Taren said.

"They could not afford these rent increases and they would flood into city hall," he said. "They'd flood into the Board of Supervisors demanding rent control."

Pressured into action, the supervisors passed the rent-control ordinance, and the Mobile Home Commission was charged with enforcing it. The ordinance governs 47 parks with a total of 3,281 spaces in the unincorporated portions of the county, with the majority located in the Midcounty area.

The cities of Capitola and Scotts Valley also enacted rent-control ordinances, but similar attempts in Santa Cruz and Watsonville have failed.

REFERENCE

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While many park residents claim they need rent control to survive, the ordinance is anathema to park owners. They were sorely disappointed recently when the U.S. Supreme Court upheld the Berkeley rent-control ordinance; they'd hoped to see the ordinance struck down on the grounds that local governments enacting rent control were violating anti-trust laws.

"We all had high hopes that rent control would be phased out because of the ruling," park owner Frank Evans said.

He and other owners believe the county's ordinance is unfair because they say it prevents them from making a fair return on their investment. The owners complain that while residents can sell their homes for a much higher price than they paid for them, the park owners' profits are declining. So with rent control has come a growing trend to do away with facilities such as clubhouses and swimming pools.

"If I can't get it (a profit) through increasing my income," Evans said, "I'm going to reduce my expenses. Any big business would do the same thing."

He and other park owners say that low-income mobile home residents are in the minority, and should be helped with government-subsidized housing, not by the government limiting how much money owners can charge for their spaces.

Under rent control, Evans said, "I'm subsidizing everybody who lives in my park."

Many of those park residents can afford to pay much more, said park owner John Watkins, who also serves on the Mobile Home Commission. The argument that residents are on fixed incomes and are struggling to survive is, he said, "an excuse they (county officials) used to institute rent control."

However, Joy White, a visiting nurse who said she makes the rounds of many of the county's mobile home parks, disagrees that mobile home park residents are well off.

Many park residents are actually undernourished, she said, because they cannot afford to buy food.

"A lot of people come into these parks for economic reasons and when the rent goes up, it's a real hardship," White said.

Al Rowe, an activist for seniors causes and a resident of the Villa Santa Cruz mobile home park in Live Oak, said the closing of facilities is a political ploy. Park owners are hoping the Board of Supervisors will not renew the county's rent-control ordinance when it expires at the end of this year, he said.

Without rent control, space rents would double or triple within five years, Rowe said, taking away "the last vestige of low-income housing for retired people."

If an owner does find himself in dire financial straits, Rowe said, he need only open his books to prove it and he will be allowed to raise rents accordingly.

But park owners resent that intrusion into their financial affairs.

Terry Hancock, directing attorney for Senior Citizens Legal Services, agreed with Rowe. The owner of De Anza Aptos Pines Mobile Home Park recently opened his books, Hancock said, and was allowed a rent adjustment.

"It's outrageous," Hancock said of the trend toward closing park facilities. "It's absolutely outrageous ... I don't think any of the residents plan on taking this sitting down."

A clause in the rent-control ordinance requires that residents be reimbursed for the loss of facilities, but residents and owners argue over how much they should be reimbursed. The Board of Supervisors is in the process of amending the ordinance to help determine what value should be placed on various facilities.

Doing away with rent control is no guarantee owners will not close facilities, according to Chuck, 62, and his wife Ruth, 64, who asked that their last names not be used.

Residents of Meadows Manor in the city of Watsonville, which is not under rent control, they said the park owner recently stopped heating one of the park's two pools and filled a Jacuzzi with sand because he said they were too expensive to operate.

Ruth said she would vote for rent control, even though the couple's monthly rent is less than \$250, which is not that much different from the rents in rent-controlled parks.

Another tack park owners are taking in their fight against rent control, critics say, is to try to circumvent the ordinance. Owners were successful in getting a bill passed, effective Jan. 1 of this year, exempting residents from rent control if they sign a long-term lease.

However, Watkins has been unable to persuade residents of his Blue and Gold Star Mobile Home Park, in Live Oak, to sign such leases, even though they would include a promise to maintain park facilities.

Evans said he is in the process of drafting a lease for residents of his Bay Park, also in Live Oak.

Along with the long-term leases have come charges of intimidation, park residents claiming that owners are trying to force them into signing. Watkins and Evans deny it.

"There's no way that I can twist the arm of any single one of them," Evans said.

"They've got to sign it voluntarily."

Mobile Home Commissioner Taren warned that residents should look long and hard at leases, "because it looks like to me they (owners) are charging residents more than they would be under the protection of the

rent-control ordinance."

Hancock, of Senior Citizens Legal Services, expressed the same concerns as Taren.

To help those park residents who want to sign a lease, the Board of Supervisors has directed the county counsel's office to draw up a model lease for use as a guideline.

Another, related issue is that park owners say their parks would be worth more as bare land, but a county ordinance makes it difficult for them to close their parks. Under the ordinance, if an owner wants to close his park, he must move the residents to a space of comparable value, nearly impossible to do because of the lack of spaces available in the county.

Still another issue facing mobile home park owners is the allegation that many of them discriminate based on age. The Santa Cruz County Grand Jury is currently investigating those charges. The Grand Jury has reported that only one-third of the mobile home spaces in the county are in parks that allow residents under 35 years old, and less than 10 percent are in parks that allow families with children.

Watkins said he would gladly open his park to all ages if residents would opt for a lease instead of rent control. The presence of children means wear and tear, and thus more expenses, he said.

Often, however, it is not the park owners but the residents themselves who want to keep children out of their park.

"We don't want children," said Rose Kelly, 77, a resident of Blue Pacific Mobile Home Park, in Seacliff. "We're too old to be bothered with all that noise."

The age issue is now before the California Supreme Court, Taren said, and should be decided sometime this year.

Park owners and residents will probably continue to butt heads before the Mobile Home Commission as long as rent control exists.

Costs to the county for refereeing those disputes are increasing, said Gloria Lorenzo, who as a member of the county's Consumer Affairs Office works with the Mobile Home Commission.

Commission staffing last year cost the county about \$15,000 at an estimated \$300 to \$500 per hearing, she said. It's also becoming more time-consuming, and Lorenzo said her office will soon be unable to handle the workload.

A mobile home occupancy fee has been suggested as a way of paying for permanent staff. It was opposed by park owners in the past, but is likely to come up again, Lorenzo said. The \$5 fee would be paid half by the park owner and half by the resident.

Evans' solution to the rent-control ordinance is simple. "Just let the damn thing die," he said, "and let private industry have a chance to iron out the problems."

Other people see resident-owned parks as a solution.

There are already a handful of resident-owned parks in the county, and other mobile home residents are considering such a move.

(Representatives of a San Diego consulting firm that helps mobile home residents buy their parks will speak at Dominican Hospital's Education Center May 2 on the subject.)

Maxine Pfeiffer, regional director of the park residents' organization, Golden State Mobilehome Owners League, said resident-owned parks are

the wave of the future.

"I think it's the coming thing," she said, "because it's the only way people in parks are going to be able to stabilize their way of living."

Several mobile home park residents described that way of life as being rooted in a small-town atmosphere and a sense of community feeling that has disappeared from many neighborhoods.

If the threat of losing that atmosphere to deterioration is not enough to bring residents together and persuade them to try buying their parks, the economic security achieved through ownership might be, she said.

"You will find park residents banding together no matter what age they are," Pfeiffer said, "if their pocketbook is touched."