

Mobile-home rent-control fight brewing

By STEVE SHENDER
Sentinel staff writer

SANTA CRUZ — A ballot measure aimed at repealing the county's mobile-home rent control and affordable-housing ordinances would lead to "substantial rent increases" in mobile home parks, significantly reduce the county's stock of so-called affordable housing, and result in "windfalls" for developers, according to the County Counsel's Office.

Moreover, County Counsel Dwight Herr has reported to the Board of Supervisors, the measure may very well be illegal.

Called the "Fair Property Rights Initiative," the measure is backed by a mobile-home park owner group, which has spent at least \$20,000 to qualify it for the ballot in November. Last month, the group turned in petitions bearing more than 11,800 signatures in support of the initiative to the county Elections Department. The measure

will qualify for the ballot if at least 7,400 of the signatures are those of people registered to vote in the county.

Elections officials, who say it appears that initiative supporters have gathered enough valid signatures to put the measure on the ballot, are expected to announce the results of a random sampling of the names today.

The initiative states that the county "shall enact no law which imposes direct restrictions on the price for which real property may be sold, leased, rented, transferred or exchanged," and further states that "any law which imposes such direct restrictions" must be repealed.

According to Herr, if the measure were placed on the ballot and approved by voters, the county would have to scrap both its mobile-home rent control ordinance and its "Measure J" affordable-housing ordinance.

The resulting economic impact on mobile

home residents — many of whom are senior citizens — and on low and moderate-income home buyers and renters, could be devastating, according to the county counsel, whose report will be considered by supervisor's Tuesday.

The initiative is being pushed by a group called "Santa Cruz Voters for Property Rights," which in turn is being bankrolled by a group called the "Western Mobilehome Association Santa Cruz County Park Owners." A financial statement filed by the Voters for Property Rights group earlier this year was signed by Mickey Watkins, vice president of Evans Management Services, which operates more than 30 mobile home parks, including several in Santa Cruz County.

The financial report revealed that the park owners group had loaned \$20,000 to the committee, which had already spent \$10,700

on the initiative drive by mid-March. The committee must file a new report at the end

of this month.

In his report, Herr noted that in view of the "time and expense committed by mobile home park owners in promoting this initiative," it could "reasonably be assumed" that "residents in a number of mobile home parks would be subject to substantial rent increases" if the measure were approved.

Under the county's "mobile home rent-adjustment ordinance," which park owners have opposed in the past, rents in mobile home parks currently may not be raised by more than half the annual increase in the San Francisco Bay Area consumer price index. That translates into an annual rent hike of 2 to 3 percent.

Herr said that repeal of the county's affordable housing law — which requires developers of new housing to set aside at least 15 percent of their units for sale or rent to people of modest means — would result in sharp escalations in either sale prices or rents for more than 480 housing units built since the passage of Measure J, the county's growth-management ordinance. Herr said this could mean rent increases as high as \$300 a month for tenants of Measure J affordable rental units — and "windfall" profits for the units' owners.

Herr said the Property Rights Initiative appears to be illegal on several counts. According to Herr:

- The measure violates a state constitutional prohibition against submitting initiatives "embracing more than one subject" to voters.

Herr said that the mobile home rent control and affordable housing ordinances which the measure would repeal "are each so ... different that they should not be combined in one vague and general initiative."

- The initiative's backers failed to indicate to the public the true intent of their initiative, as required by state law.

- Under a succession of state court decisions, the measure's bar against future enactment of laws restricting housing sales prices and rents "is beyond the proper scope of an initiative and is invalid."

Herr, who last year was successful in keeping an initiative aimed at limiting supervisors' power to approve so-called "service fees" off the ballot, asked the board to authorize him to challenge the Property Rights Initiative in court.

REFERENCE

