Mobile home rent controls strengthened

Santa Cruz County's mobile home park rent control regulations were strengthened by the Board of Supervisors last week.

With only Pajaro Valley Supervisor E. Wayne Moore Jr. in opposition, the board approved a "rent control adjustment" ordinance for mobile home parks in the unincorporated areas of the county that makes it a misdemeanor punishable by fine and/or imprisonment for violators.

The county already has a rental adjustment law in operation for mobile home park owners, but it has no criminal penalties attached to it so that the only recourse against park owners who ignore the ordinance is for tenants to file lawsuits.

The ordinance approved last week not only makes it a misdemeanor offense to violate the law, it also puts tighter restrictions on the park owners' ability to raise rents. The new ordinance, however, does not take effect until next year.

A complicated formula is included in the ordinance under which the mobile home park owners are allowed to adjust their rents annually and it was in arriving at that formula that the supevisors engaged in most of their arguments.

Supervisor Moore was joined by Soquel-Live Oak Supervisor Dan Forbus in trying to make the formula more lenient for the park owners in that they felt that the park owners should be allowed to pass on more of their expenses to the tenants than the proposed ordinance would allow.

But the "liberal majority" of Chairman Robley Levy, San Lorenzo Valley-Scotts Valley Supervisor Joe Cucchiara and Santa Cruz-North Coast Supervisor Gary Patton not only beat back those attempts, they made the regulations even more restrictive on the owners than was recommended in the proposed ordinance. At the instigation of Patton, the majority approved a formula under which park owners could take into account only 50 percent of the annual increase in the San Francisco Bay Area Consumer Price Index (CPI) in computing the allowable annual rent raise.

Under the existing ordinance, the owners can use 75 percent of the CPI as a basis for computing rental adjustment and, at the recommendation of Deputy County Counsel Dwight Herr, that figure was included in the proposed new ordinance. Herr, who had been given the task of scrutinizing the ordinance originally recommended by the county's Mobile Home Advisory Commission for its legal implications, recommended the 75 percent figure as "more consistent with the intent of the Birkenfeld case."

The "Birkenfeld case" refers to a court ruling under which, among other things, landlords must be assured of "a just and reasonable return" on their property investment.

Forbus said after the meeting that in his opinion the majority's decision to ignore the advise of legal counsel put the ordinance on shaky legal ground and could result in its nullification through court challenge. Nevertheless, Forbus voted to approve the ordinance after failing to persuade the majority to allow park owners to "pass through" all utility costs to tenants rather than considering such costs as part of operating expenses.

Forbus made it clear, however, that he didn't believe rent control was very effective. He said, as he had before, that in his experience about all rent control measures such as the one now in existence and the one adopted Tuesday do is "guarantee the yearly raise in rents" to the maximum allowed under the law.

Moore, who obviously extremely reluctant to vote for any measure that violated his commitment to the free enterprise system, had nevertheless indicated previously that he might support some controls on moible home park rents because of the special situation of the tenants, a large proportion of whom are elderly and live on fixed incomes.

But the Watsonville supervisor said the majority's insistence on limiting the owners to the use of only 50 percent of the CPI in computing the allowable rent was going to far. So he voted against adoption of the ordinance.