



APPROVED MINUTES

SUNNYVALE HOUSING AND HUMAN SERVICES COMMISSION September 26, 2012

The Housing and Human Services Commission met in regular session in the City Hall West Conference Room, 456 W. Olive Avenue at 7:00 p.m. with Chair Dietrich presiding.

The meeting was called to order at 7:02 p.m.

ROLL CALL

Board/Commission Members Present: Eric Anderson, Dennis Chiu, Hannalore Dietrich, Patti Evans, Diana Gilbert, Younil Jeong, and Barbara Schmidt.

Board/Commission Members Absent: None

Council Liaison: Vice Mayor David Whittum (absent).

Staff Present: Housing Officer Suzanne Isé and Housing Programs Technician Edith Alanis.

Others: 25 members of the public were present.

SCHEDULED PRESENTATION

None.

PUBLIC ANNOUNCEMENTS

None.

CONSENT CALENDAR

Chair Dietrich asked for a motion to approve the consent calendar.

Commissioner Anderson moved and Commissioner Evans seconded to approve the Consent Calendar which contained the minutes of the May 23, 2012 meeting.

Motion passed 2-0-4 with Commissioners Chiu, Evans, Gilbert and Schmidt abstaining because they were not present at the May meeting. Commissioner Jeong had stepped out of the room during this item.

PUBLIC COMMENTS

Introduction of new commissioners.

PUBLIC HEARINGS/GENERAL BUSINESS

2. Public Hearing: Draft RTC: Introduce Amendments to the Zoning Code for Conversions of Mobile Home Parks to Other Uses.

Officer Isé gave a presentation which included some background on the City's current conversion ordinance, and reviewed the proposed changes.

She explained that this meeting was one of several opportunities for the City to receive public input about this item and an opportunity for the Housing and Human Services Commission to give a recommendation regarding the proposed changes.

Officer Isé also noted that mobilehome park rent control and park maintenance issues have been raised by residents as concerns in past public hearings, but these concerns were outside of the scope of the study requested by Council. She explained that park maintenance issues are under state jurisdiction, and that local rent control initiatives had been put on the ballot in the past and had not passed.

Officer Isé pointed out that only 3 of the 13 parks in Sunnyvale (Nick's, Aloha and Blue Bonnet) are not zoned "Mobile Home Exclusive" and are therefore more likely to convert than others, and emphasized that no conversion applications have been received by the City from any of the 13 parks.

She noted that the next public hearing on this matter will be held on October 22 at the Planning Commission meeting, and a public hearing before Council is scheduled for the November 20th City Council meeting.

Chair Dietrich opened the public hearing at 7:49 p.m.

Marlice Salsbery, resident of Fair Oaks Mobilehome Park, shared her reservations about the proposed changes and expressed that in her opinion, park owners are forcing people out of her park and no one is doing anything about it. She is also concerned about how the in-place values of the mobile homes will be determined and feels that they would be decreased by the condition of the park at the time of conversion. She also added that she has encountered a lot of obstacles from the park management at her park while trying to sell her mobile home. She also added that in the past she has tried to relocate her home, but her insurance company warned her that if she moved the home her policy would not cover it, and if she was not insured, her mortgage would become due and payable in full. She wants to know how her policy and mortgage would be affected if she is forced to move her mobilehome by a conversion. She has had her home for sale for two years, and all of the buyers who have made offers on her home have been rejected from park residency by park management.

Candace Hardy, resident of Fair Oaks Mobilehome Park, inquired about the timeline for final action on these recommendations, and asked if any park would be prevented from converting in the meantime.

Officer Isé clarified that there is no moratorium on park closures at this time, and that if any park wanted to convert, it would be subject to the current conversion ordinance.

Charles Olson, attorney representing the owners of Plaza del Rey Park, presented a letter to the Commissioners and stated that he believes that the current ordinance and proposed changes violate state law, which caps the mitigation that cities can require at the "reasonable cost of relocation". He noted that the assumption was that in the event of a conversion, mobile homes could be relocated to other parks. He also noted that the proposed changes assume that the mobile homes cannot be moved or cannot be moved to a comparable park, and the focus of the ordinance has turned to compensation and in-place value. He gave some mathematical

examples of how infeasible it would become for Plaza del Rey to be converted. Lastly he added that the new ordinance removes the mobilehome owner's obligation to deliver the mobile home free and clear of any liens if they wish to pursue the option of selling their mobilehome to the park owner at 85% of in-place value, and the in-place value does not cover the outstanding debt on the home. He did not feel the park owners should have to negotiate with lienholders instead of the mobilehome owners, in such situations.

Anne Walker, Sunnyvale resident and Realtor, commented that the new ordinance should consider what would be fair for both sides, not only for the mobile home park residents. She also suggested that some tenants should be ineligible for any compensation, such as undocumented tenants, owners of travel trailers and RVs, and those renting the mobilehomes. She also suggested excluding completely from this ordinance the smaller, older mobilehome parks such as Nick's, Aloha and Blue Bonnet, and noted that vacant lender-owned homes are not addressed by the ordinance.

Tracy Callaway, resident of Fair Oaks Park, shared her experience of purchasing a small 1962 trailer which she loves, located in Fair Oaks Park, but now she cannot afford to live in the park due to the multiple rent increases she has faced since moving in. She is very concerned about the 85% in-place value compensation rate which may not be enough to allow her to relocate. She noted that she has tried to sell her home and that she had a difficult time finding a realtor willing to list it. The management of the park has a reputation of rejecting potential buyers. She expressed her frustration, and said that she felt like a prisoner in her own home.

Anna Ko, former Housing and Human Services Commissioner, shared that Millennium Housing is a non-profit agency that purchases mobilehome parks and manages them for the benefit of the residents, and thought that some residents might want to contact Millenium to inquire about their programs.

Chair Dietrich closed the public hearing at 8:34 p.m.

Commissioners discussed the issues at hand, asked several clarification questions, and made several suggestions, such as adding insurance to cover the home during the move; raising the compensation to 100% of in-place value if the owner decides to sell; reduction or elimination of compensation to renters; and some suggestions about how to address the poor conditions at some of the parks.

Staff clarified that the proposed code amendments include the cost of insurance coverage during the transport of a mobilehome to a new location, if the home owner elects to move the home as their relocation option.

Chair Dietrich asked for a motion.

Commissioner Anderson moved and Vice Chair Evans seconded to recommend approval of the Ordinance with the following amendments: that the new phrase at the end of section 19.72.140 ["provided that the relocation assistance paid to the mobilehome owner is adequate to remove any existing liens"] be stricken (i.e., continue to require the mobilehome owner to deliver the home free of liens upon receipt of compensation) and that the requirement to provide relocation assistance to renters [of mobilehome or other dwelling unit] be made optional, or at Council's discretion.

Motion passed 4-3-0 with Chair Dietrich and Commissioners Chiu and Jeong dissenting: Chair Dietrich and Commissioner Chiu dissented because they favor raising the compensation rate to 100% of in-place value; and Commissioner Jeong dissented because she does not agree with forcing the mobilehome owners to essentially lose their homes (or their rights to compensation) because they have underwater mortgages that become payable in full due to the conversion of the park.

Chair Dietrich called for a break at 9:25 p.m.

Meeting resumed at 9:41 p.m.

3. Public Hearing: Review of Consolidated Annual Performance Evaluation Report (CAPER) on CDBG and HOME grants.

Officer Isé gave a brief overview and explained that the CAPER is a performance report required by the Department of Housing and Urban Development (HUD) as a condition of the CDBG and HOME grants. The draft CAPER is available online; an ad is published to let the public know that it is available for input and review for a 30-day period; and this meeting is also a public hearing. She explained that the City is doing well spending the federal funds that it receives in a timely manner.

Chair Dietrich opened the public hearing at 9:45 p.m.

There were no members of the public present.

Chair Dietrich closed the public hearing at 9:46 p.m.

There was some discussion and clarification questions about specific points in the CAPER, specifically over the few goals that were not met. Officer Isé explained that it is not uncommon depending on the nature of the activity or how challenging the goal is, and that sometimes the goals are not reached during the fiscal year covered by the report, but are reached at a later time, and some goals were not met because the program's beneficiaries did not meet the HUD program's income limits, so they received City assistance instead.

Commissioner Anderson moved and Vice Chair Evans seconded to recommend approval of the Consolidated Annual Performance Evaluation Report on CDBG and HOME grants as presented by staff.

Motion passed unanimously 7-0-0.

4. Propose and/or review new Study Issues and Budget Issues.

After a brief discussion, the Commissioners determined that they did not have any study or budget issues to propose.

5. Election of Officers for Fiscal Year 2012-13.

Chair Dietrich opened the floor for nominations for the office of Chair for fiscal year 2012-2013.

Commissioner Evans moved and Commissioner Chiu seconded to nominate Chair Dietrich to continue in the Office of Chair.

Chair Dietrich asked for a vote.

Motion carried unanimously.

Commissioner Anderson moved and Commissioner Chiu seconded to nominate Vice Chair Evans to continue in the Office of Vice Chair for fiscal year 2012-2013.

Chair Dietrich asked for a vote.

Motion carried unanimously.

NON-AGENDA ITEMS AND COMMENTS

B/C Members Oral Comments

- Commissioner Jeong asked when the human services funding process will begin. Officer Isé responded that staff will start in December when the draft RFP is released for review, and the public hearings will be held beginning in January or February.

STAFF Oral Comments

None

INFORMATION ONLY ITEMS

None.

ADJOURNMENT

The meeting adjourned at 10:10 p.m.

Respectfully submitted,

Suzanne Isé
Housing Officer