

**Sunnyvale Mobile Home Park**  
**Memorandum of Understanding (MOU)**  
**Frequently Asked Questions & Information Page**



- **What is an MOU?**
  - Sunnyvale’s mobile home park memorandum of understanding (MOU), also called an Accord, is a legally binding document in which the City and mobile home park owners agree to regulate various aspects of mobile home parks to ensure mobile homes remain a source of housing that is affordable to Sunnyvale residents. The MOU regulates over 16 items including annual rent increases and rent increases at sale/turnover; a copy of the MOU can be found on the City’s website:  
<https://sunnyvale.ca.gov/property/housing/mobilehome.htm>
  
- **Why did the Council Adopt an MOU?**
  - As part of Sunnyvale’s 2020 Housing Strategy, the City Council considered whether to adopt a formal Rent Stabilization Ordinance (RSO) or a more collaborative MOU. Both options serve the same purposes of stabilizing rents and other costs associated with living in a mobile home park. The Council voted to implement an MOU rather than an RSO. The Council chose this option so that all mobile home residents could benefit from the protection, where the RSO would not have applied to those with long term leases over one year until 2025. Since January 2021, the City, mobile home park owners, and a group of mobile home park residents have been discussing and creating the new MOU to ensure it successfully addresses the biggest concerns of the mobile home park residents.
  
- **Where can I find more information on the MOU?**
  - Please visit the City’s website at  
<https://sunnyvale.ca.gov/property/housing/mobilehome.htm>
  
- **When does the MOU start? When does it expire?**
  - The MOU starts upon signature by the owner of your mobile home park; it expires 20 years from that date. We expect most of the owners to sign the MOU sometime in October.
  
- **Does the MOU effect my current lease?**
  - That is up to each mobile home owner if the mobile home owner is subject to a lease. In order for the MOU to apply to your mobile home space if you have a lease, you must sign a new MOU Lease Addendum. This will be offered by your park management staff in a similar way that you signed your current lease/rental agreement. If you do not sign a Lease Addendum, you will not be subject to the MOU until your current lease expires. If you are on a month to month agreement, the terms of the MOU will begin to apply to you on your first rent payment date after your park owner signs the MOU. Your park owner should send you a notice of the changes to the terms of your agreement. Please see the below questions for more on the Lease Addendum.

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- **What if the park I live in did not sign the MOU?**
  - If the owner of your park did not sign the MOU, the City will prepare a Rent Stabilization Ordinance that your park will be subject to. Please stay informed at <https://sunnyvale.ca.gov/property/housing/mobilehome.htm>
- **Can parks offer better terms than what the MOU outlines?**
  - Some components of the MOU establish a maximum requirement and some establish minimums. In cases where the MOU establishes maximums, park owners can still charge less. For example, if the allowed space rent increase at sale is 5%, a park owner can decide to only increase that space rent at sale 4%.
- **What are Pass Throughs?**
  - Pass throughs are costs accrued related to operations of the mobile home park that are then passed to residents of the mobile home park on a monthly basis. Examples of these include property tax increases and new capital improvements (ex: a new pool or community clubhouse). Pass throughs are divided evenly among all spaces in the park, and must be itemized on your monthly space rent bill.
- **What do I do if I can't pay my rent?**
  - Each mobile home park is required to provide a 'Safety Net Program' for households experiencing financial hardship that can provide some relief from rent increases. Please inquire with your park owner or management staff for more information.

**MOU Lease Addendum**

- **What is a Lease Addendum?**
  - A lease addendum is a new document that will become a part of your current lease/rental agreement. The purpose of the document is to incorporate the new MOU terms and make them apply to your mobile home space. Without the new Lease Addendum, the MOU does not apply to your space.
- **When will I receive the Lease Addendum?**
  - Your Park Owner or Manager will send out the Lease Addendum on **November 1**. All mobile home park residents in Sunnyvale will receive the addendum at the same time and have the same amount of time to review and sign.
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- **Why do I have to sign the MOU Lease Addendum?**
  - Because your current lease/rental agreement does not incorporate the new terms of the MOU, you will need to sign the new Lease Addendum to be covered by the new MOU terms. If you have a month to month lease, the MOU Lease Addendum will

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automatically go into effect on the first rent payment date after the park owner signs the MOU.

- **What if I don't sign the Lease Addendum?**
  - If you do not sign the Lease Addendum, you will not be covered by the new terms of the MOU until your current lease/rental agreement expires. Once your lease/rental agreement expires, your new lease will follow the terms required by the MOU but will not be optional.
  
- **How long do I have to sign the Lease Addendum?**
  - The Lease Addendum must be signed no later than 60 days after the document has been presented to you (before December 31, 2021).
  
- **I don't have a lease – does this affect me?**
  - Yes. If you do not have a lease but are covered by a month to month rental agreement, the terms of the MOU will apply when you first pay rent after the park owner signs the MOU.
  
- **I live in Plaza del Rey and see there is a Rent Cap when mobile homes are sold – What does it mean and what if I am already above \$2,250 per month in space rent?**
  - Upon resale, if your rent is \$2,250 or more, the space rent will not increase. The new buyer will be subject to the allowed Annual Rent Increase (3% or 75% of CPI – whichever is greater).
  - If at the time of resale, the space rent is less than \$2,250 (as that amount is increased each year by the greater of 3% or 75% of the CPI), the space rent for the new buyer can be increased in accordance with the MOU but cannot be increased to more than \$2,250 as that amount is increased each year by the greater of 3% or 75% of the CPI.
  - If the space rent is more than \$2,250 at the time of sale it will not be reduced.
  
- **What do I do if I believe the park I live in is not following the MOU?**
  - If you believe the owner of your park has not followed the terms of your Lease Addendum, please contact your park's management representative AND city staff ([mobilehomes@sunnyvale.ca.gov](mailto:mobilehomes@sunnyvale.ca.gov)) immediately. You must provide written notice to the park owner/management and City describing the violation.
  - If the violation is not resolved by your park owner within 30 days, you may work with a dispute resolution/mediation service funded by the City (see "Resources" below). Should you wish to use a different mediation or legal service, you will have to pay for the mediation services yourself.
  - If the issue is not resolved through mediation you may file a lawsuit to enforce the terms of the MOU. Additionally, the City may elect to file a lawsuit to enforce the terms of the MOU.

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- **My rent increased on July 30, 2021, is the rent increase allowed?**
  - Yes. Even though the Council approved the MOU on July 13<sup>th</sup>, the MOU was not offered to the Park Owners until September 15<sup>th</sup>. In addition, your space is not subject to the terms of the MOU unless you sign a Lease Addendum or your lease expires after your park owner has signed the MOU.
  
- **Who can help me understand the Lease Addendum?**
  - Your mobile home park's management staff can assist you in understanding the lease addendum. In addition, residents can contact Project Sentinel for fair housing assistance (see "Resources" below).
  
- **Resources**
  - *City Funded:*
    - Project Sentinel: [info@housing.org](mailto:info@housing.org) OR (408) 720-9888
    - Senior Adults Legal Assistance (SALA): 308-295-5991 or visit [www.sala.org](http://www.sala.org) (Ages 60+ only)
  - *Non City Funded:*
    - Law Foundation of Silicon Valley: 408-280-2424 or visit [lawfoundation.org/housing](http://lawfoundation.org/housing)
    - Bay Area Legal Aid: (800) 551 5554 or visit [www.baylegal.org](http://www.baylegal.org)
    - Golden State Manufactured-Home Owners League: [www.gsmol.org](http://www.gsmol.org)
  - General MOU/Lease Addendum Questions
    - [mobilehomes@sunnyvale.ca.gov](mailto:mobilehomes@sunnyvale.ca.gov) or 408-730-7250

**Examples of Rent Increases**

**1. Annual Rent Increase**

Under the new MOU and MOU Lease Addendum, space rent can only be **increased by the greater of 3% or 75%** of the local Consumer Price Index (CPI) once per year.

**Examples:**

- *Ex: If CPI is 2%, the maximum annual rent increase would be 3% because 75% of 2% (.02 x 0.75) is 1.5% which is less than 3%. Therefore, if your rent is \$1,500/month, your new space rent would be \$1,545/month (\$1,500 x 1.03 = \$1,545).*
  
- *Ex. If CPI is 5%, the maximum annual rent increase would be 3.75% (.05 x 0.75 = 3.75%). Therefore, if your rent is \$1,500/month, your new space rent would be \$1,556/month (\$1,500 x 1.0375 = \$1,556).*

**2. New Buyer Space Rent**

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Under the new MOU and MOU Lease Addendum, space rent upon a homeowner selling their mobile home to a new owner can be increased as follows:

- **First Year of the MOU:** Space rent may not be increased more than five percent (5%) above the Space Rent in effect immediately prior to the effective date of the Transfer.
- **Second Year of the MOU:** Space rent may not be increased more than ten percent (10%) above the Space Rent in effect immediately prior to the effective date of the Transfer.
- **Following the Second Anniversary of the MOU:** Space rent may not be increased more than fifteen percent (15%) above the Space Rent in effect immediately prior to the effective date of the Transfer.

**Examples:**

- *Ex: If you sell your home within the first year of the MOU and your rent at the time is \$1,500, the maximum increase allowed at sale would be 5%. Therefore, the space rent for the new buyer would be \$1,575/month ( $\$1,500 \times 1.05 = \$1,575$ ).*
- *Ex: If you sell your home 15 months after the MOU was signed and your rent at the time is \$1,500, the maximum increase allowed at sale would be 10%. Therefore, the space rent for the new buyer would be \$1,650/month ( $\$1,500 \times 1.1 = \$1,650$ ).*
- *Ex: If you sell your home 8 years after the MOU was signed, and your rent at the time is \$1,500 the maximum increase allowed would be 15%. Therefore, the space rent for the new buyer would be \$1,725/month ( $\$1,500 \times 1.15 = \$1,725$ ).*