

CITY PUSHES MOBILE HOME PARK RENT PACTS

Officials have been seeking long-term agreements for two years

BY TERI FIGUEROA

Talks now under way in San Marcos could change rental terms for hundreds of the city's mobile home park residents, and also save money the city must spend weighing rent-hike disputes.

For two years, San Marcos officials have been pushing for long-term lease agreements between six park owners and residents who rent spaces from them. The agreements would cover issues ranging

from the rate of rent increases to how much homeowners should pay for infrastructure improvements.

If a majority of residents in a park sign a deal, the changes would affect all who live there. Agreements could be reached by the end of the year, officials said.

Leaders of a local residents' association, however, said they fear the changes could undermine San Marcos' ordinance governing rent control and might end up hurt-

ing park residents — many of whom are senior citizens on a fixed income.

"The residents are scared," said Sandy Hrstich, a board member of the San Marcos Mobilehome Residents Association. She said some residents fear the agreements could lead to higher rents and other costs that could force them from their homes.

Hrstich and other association board members, including Tim Sheahan and Lloyd



San Marcos Mobilehome Residents Association board members Lloyd Rochambeau (left), Sandy Hrstich and Tim Sheahan. U-T

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Rochambeau, said they want to make sure residents fully understand the proposed deals and the changes they would bring.

City officials, however, said they believe the agreements will be good for all involved.

San Marcos already has an ordinance giving it the power to stop or adjust major rent hikes, but if a dispute arises between park owners and residents, it costs the city roughly \$20,000 to mediate, Mayor Jim Desmond said. Long-term rental agreements would curb those costs.

Desmond said last week that he believes long-term contracts are the right move.

"The win for the residents is stability, in that they know that their rents can't be increased (beyond whatever he lease calls for)," Desmond said. "The win for the parks is that they can be maintained and viable. And for the city, we don't spend a lot of money on the rent review hearings."

San Marcos has 17 mobile-home parks, 10 of which are privately owned — where residents rent spaces — and seven that are resident-owned. The talks involve six park with a combined 819 spaces: El Dorado Park, San Marcos Mobile Estates, Valle Verde Mobile Estates, Lakeview Mobile Estates, Vista Meadows Mobile Home Community and Rancho San Marcos Home Park. The other rental parks already have long-term lease agreements.

The proposed contracts would be unique to each park. Individual homeowners would be offered leases that address four key areas: annual rent increases, **pass-through costs for infrastructure fixes**, rent increases when a mobile home is sold, and the length of the agreement itself.

If a simple majority of a park's residents sign the lease, then the park's owner will take the terms of that lease to the City Council for approval. Approval would lock in the lease agreements for all residents of that park.

whether they signed the individual lease or not.

Bill Goodin, whose company is a part-owner of the El Dorado park, said the **accords better define capital expenditures**, so that no one is left guessing.

"People are scared because of the unknown," Goodin said, "but that is what the accord tries to change. It tries to make the unknown known."

Goodin also said that the still-in-the-works plan keeps annual rent increases lower than owners could ask for under the ordinance.

Balancing the property rights of park owners against the needs and rights of the homeowners is an issue facing several cities. In Vista, talks to replace an expiring 20-year-old rent control accord recently resumed after breaking down this summer. All sides are reportedly close to agreement.

Elsewhere along the state Route 78 corridor, Escondido and Oceanside have ordinances that govern mobile

home parks. Carlsbad has no restrictions, but in all but two of its parks, the residents also own the land under their coaches.

In San Marcos, the City Council oversees disputes over parkwide rent hikes. Between 2005 and 2010, the city resolved five such disputes. Each battle costs the city roughly \$20,000 to pay for experts and attorneys.

In the last two disputes, both in 2010, the City Council rejected one park's bid to raise space rent by as much as \$282 a year, and reduced another park's requested \$158 rent hike for the year to less than \$42.

No disputes have come to the City Council since 2010. However, Desmond said, roughly two years ago, a potential dispute was staved off when the park and residents worked out an agreement. In some cases, he said, "the ask was ridiculous on both sides."

So why, after years of relative calm, is the city pushing a contract between residents and park owners?

Desmond likened it to doing "maintenance as opposed to waiting for it to blow up."

"We are trying to get ahead of it," Desmond said. "Money spent now is cheaper than later. This is a good time to negotiate, rather than when things are heated."

In 2013, the city brought in a Carlsbad attorney to facilitate negotiations of long-term leases between the park owners and residents. Thus far, the city has spent nearly \$75,000 on the effort.

"I absolutely believe this is a justified cost," City Manager Jack Griffin said Friday. "There is significant benefits to everybody for doing this."

Desmond said the city's only skin in the game is to save money.

"We are not rooting for either team," he said. "We are trying to come up with a reasonable agreement they can both live with. We are no one's cheerleader other than the taxpayers."

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