

City of Modesto

Rent Subsidy Information Summary

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The City of Modesto has a Rent Stabilization Ordinance for Mobile Home Owners. The process they went through was 18 months long.

- The Modesto City Council joined a countywide ad-hoc committee which met for about 6 months with Ken Baar (an expert in mobile home rent control) and discussed options. These included approaches and ordinances from Turlock, Healdsburg, Concord, Berkeley, and Citrus Heights. This committee felt that the Turlock subsidy program would not satisfy the needs of Modesto and recommended an ordinance like Citrus Heights proposed ordinance. (Citrus Heights has passed but not enacted that ordinance.)
- Stanislaus County voted on the proposal and it was unanimously voted down and the ad-hoc committee ceased meeting.
- The Modesto City Council decided to pursue an ordinance and directed the City Attorney to meet with the stakeholders. The idea for the MOU and City-approved long term leases came from this meeting.
- A Mobile Home Market study was conducted to determine if an ordinance would be advisable and would provide assistance to those residents in danger of losing their homes.

The ordinance applies to all Mobile Home parks in the City except those who have a Memorandum of Understanding with the City. This Memorandum specifies that:

- They must provide the opportunity for each resident to sign a long term lease.
- They must meet quarterly with the City Representatives to discuss any issues that may arise in the parks
- The Park Owners will provide annually to the City, on a matching funds basis, a contribution of up to \$20 per home site to fund a Rent Subsidy Program.
- The City's Matching funds would come from either:
 - A "gift", which can be done because Modesto is a Charter City, to an outside agency who will administer the subsidy program – the City of Lathrop is a General Law City and is therefore prohibited from issuing such gifts; or

- o Redevelopment Agency Housing Set Aside Funds for Low/Moderate Housing – the City of Lathrop does not have a Redevelopment Agency and so no Housing Set Aside Funds

The ordinance indicates:

- No rent in excess of rent in effect on April 30, 2007 may be charged except Automatic Annual Increases, Pass-throughs of Property Tax Increases, or Increases to provide a Fair Return, each of which is outlined in the ordinance.
- Procedures for reviewing petitions for fair return rent adjustments are also outlined in the ordinance.