From: <u>Eva Arevalo</u>
To: <u>Kenneth Domer</u>

Cc: <u>Lucinda M. Williams; Mea Klein; Susana Barrios</u>

Subject: FW: FOR FULLERTON CITY COUNCIL MEETING RE: RANCHO LA PAZ MOBILE HOME PARK

Date: Wednesday, July 31, 2019 4:01:04 PM

From: Linda Moore [mailto:

Sent: Wednesday, July 31, 2019 2:33 PM

To: Jennifer Fitzgerald <JenniferF@cityoffullerton.com>; Bruce Whitaker-EXT

>; Ahmad Zahra <AhmadZ@cityoffullerton.com>; Council Members

<Council@ci.fullerton.ca.us>; Jesus Silva <JesusS@cityoffullerton.com>; Jan Flory

<JFlory@cityoffullerton.com>; Eva Arevalo <EvaA@ci.fullerton.ca.us>

Subject: FOR FULLERTON CITY COUNCIL MEETING RE: RANCHO LA PAZ MOBILE HOME PARK

Dear City of Fullerton Mayor Silva, and City Council Members Fitzgerald, Flory, Whitaker and Zahra,

I am writing you today regarding the Rancho La Paz Mobile Home Park (RLPMHP) community issue. I feel that the most important details of this controversy are being overlooked: **the residents of Rancho La Paz are HOMEOWNERS and SENIORS, and these facts differentiate us entirely from Renters.**

Unlike renters who are free to move if rents go up dramatically, we homeowners cannot.

Although these manufactured homes are sometimes called mobile homes, they are not any more mobile than a standard home — the only real difference is where the homes are built — standard homes are built onsite and manufactured homes are produced in a factory and then placed onsite. The rules that apply to renters should not be imposed on property tax-paying homeowners, and as homeowners, we should not be forced to sell our homes. We are at the mercy of whoever owns the land, and that is why we are asking for your intervention, to find an equitable solution that will work for the 400+ senior RLPMHP homeowners, and the new landowners.

Yes, the new landowners are paying higher property taxes and it is reasonable for them to profit from their investment, but NOT at the complete expense and detriment of the existing homeowners. If the old landowners purposefully falsified the space rent income to inflate the purchase price of the land, then the new owners should sue the old landowners for illegally misrepresenting the financial return amounts, and not take it out on the homeowners. If the new landowners have been defrauded, then I sympathize with them, but if not, then they are willfully harming homeowners. I understand that the new landowners want a 100%

return on their investment within 2 and a half years. We believe that expectation is arbitrary and unreal. Because the new landowners want to speed up the return on their land investment by charging exorbitant rent increases, many RLPMHP homeowners feel their only option is to sell, but with 40+ homes for sale at RLPMHP, how can we possibly get a good return on our own home investments? And with all of this controversy, who would now want to buy a home at Rancho La Paz?

Just as the new landowners should have a return on their investment, we are asking for equally fair and reasonable increases that will not force us out of our homes. None of us want to move and Homeowners should have just treatment. The RLPMHP homeowners have had the expectation of increases under \$50 per month annually. The other Fullerton Senior mobile home park landowners have also stated that their typical annual increases range between \$30 to \$45 per month, with average monthly rents parkwide of about \$850 per month. A committee comprised of the landowners, homeowners, City Council members, other Senior mobile home park owners and residents, and other stakeholders, should research the average monthly space rent for Fullerton Senior mobile home parks, and then apply that standard to all Fullerton Senior Homeowner parks. I call this the Average Rates *Option.* For example, if \$850/month is the average determined by the committee for Fullerton Senior mobile home communities, then the new RLPMHP landowners would be justified in raising all space rents to that amount. There are also a good number of newer RLPMHP homeowners, like me, who are paying well above that amount – I pay \$1100 per month – so the new landowners will be getting even more than the average monthly rents, and that will offset the new landowners property taxes. Also, as new residents move in, they too will pay the higher rates, giving the new landowners more profit.

If anyone can come along and just arbitrarily slap on huge space increases, why would anyone ever buy a mobile or manufactured home? Seniors buy these homes because they have always been able to count on the stability and reliability of lower costs for their retirement. How can anyone ever financially plan for retirement if space costs skyrocket unpredictably?

If things remain as it stands, the RLPMHP Homeowners currently only have 2 options: suck it up, stay, and fork out unexpectedly excessive amounts of our life savings, or sell our homes. That's what's happening now: 40+ homes are up for sale at Rancho La Paz, as people are panicking because of the upcoming exorbitant rent hikes: 19% this year, 19% next year, 15% the year after and so on.

I'm a new resident and was not made aware of the fact that the community was up for sale

— if I had known, I would never have purchased that house! February was my first payment

of \$1100 per month for space rent. In October, my rent will be raised 19%, to \$1309 per month. The previous owners paid \$744 per month, so essentially my space rent has actually increased \$565, or a whopping 76% in less than 9 months, which, by any stretch of the imagination, is outrageous!

Yes, we can sell our homes, but with 40+ homes on the market, no one will be able to get full price for their home. People will have to sell at a big loss, and most probably, the new owners will take advantage of that and buy the homes for pennies on the dollar. This situation is a Lose-Lose for all RLPMHP homeowners.

SENIORS. As Seniors, these homes represent most people's life savings, what they've worked all their lives to achieve. To have that taken away from them is a travesty. Most are living on fixed incomes, so these wildly inflated rent increases pose more than just financial hardship. Most of the Seniors in this community thought these would be their forever homes — if they knew things would come to this, they would never have purchased a home here. For example, when you rent a car, you know the amount of payment for the duration, and do not suddenly, out of nowhere, have the payment spike beyond your means to pay. People can live without cars — they cannot live without homes.

For the Seniors at RLPMHP, this situation at best means insecurity and financial loss, and for others it means abject poverty and homelessness. Can you imagine the toll that this stress has had on their physical and emotional health? This situation has turned a friendly, welcoming haven to a place of fear and despair. Some of these Seniors are in their 80's and 90's and what's happened has undermined the security these folks need and should expect in their old age. Could you see your own parents or grandparents going through this ordeal and do nothing? What futures do these Seniors have under these terrible circumstances?

I implore you all, please do what you can to help. *There has to be a way to change this situation so that everyone wins – landowners and homeowners.* What you do now may have an impact not just for the Senior residents of RLPMHP, but for other Senior homeowners living on rented land throughout California. Landowners should expect profit from their investments, but so should Senior who are Homeowners – their homes are their investments, and they should not be held hostage because they do not own the land their homes sit upon.

We are not renters who can leave at the drop of a hat – <u>our situation as Homeowners and Seniors begs an entirely different approach</u>. *Please consider my suggestion of an Average Rates Option, to be set by a committee of all interested parties*. There have been housing

injustices in the past that needed dramatic change – the home buying restrictions on African-Americans prior to the civil rights movement is one instance that springs to mind – and this situation, which makes it impossible for Senior homeowners to keep their homes, is another wrong which needs to be righted, right now.

Very sincerely,

Linda Moore

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