



**Western
Manufactured Housing Communities
Association**

California Housing Crisis: Manufactured Homes Could Be Part of the Solution **Costly government regulations have stifled the development of attainable housing**

October 7, 2016 (Sacramento, CA) – In an effort to educate public policymakers on how mobilehome parks operate and how the misapplication of rent control has contributed to California’s housing crisis, the Western Manufactured Housing Communities Association (WMA) has launched a statewide public education campaign.

“There is no question that California is one of the most expensive places to live in the country,” said Sheila Dey, Executive Director of WMA. “So when the purchase price of a mobilehome can be up to 30% less than a traditional home, state and local government should be creating incentives to build more mobilehome parks and not less.”

Rent control is a reaction to local government’s failure to plan for their community’s future housing needs. When attainable housing is no longer accessible, politicians force parkowners to subsidize a tenant’s housing costs regardless of income, which often leads to a reduction in park amenities and in some cases, [lawsuits](#) when rents do not cover a park’s operational costs.

California has created a regulatory environment where existing parks are threatened by rent control ordinances that undermine a park’s economic sustainability, and cost prohibitive building regulations and fees that have stifled the construction of new parks. As a consequence, it’s been decades since a new mobilehome park has been built in California.

“Building more manufactured home communities could ease California’s housing crisis,” said Dey. “But first, politicians are going to have to address rent control’s failure and reduce building fees, and at the very least, require means-testing so that rent control truly benefits the needy.”

In an effort to educate policymakers, WMA has released a [video](#) which explains how parks operate and how they have become a source of quality housing for scores of people from all socio-economic backgrounds. To demonstrate its misapplication, the video showcases a [rent control park in Malibu, California](#), where millionaires live in beachfront properties, and for some, the properties serve as a second home.

Video: <http://www.wma.org/video/part-ii-california-housing-crisis-failed-policy-rent-control>

(more)

Fast Facts

- Mobilehomes offer all the quality and comfort of traditional homes, for up to 30% less.
- Unlike a traditional rental property such as apartments, mobilehome parks operate like small villages or cities. Rents often cover property taxes and fund essential neighborhood services, such as, park management, utilities, cable, roads, landscaping, security, recreation and more. When rent control ordinances reduce or freeze rents at below market rates, services can be reduced like a city facing budget deficits.
- Rent control ordinances do not require means-testing. As a consequence, park owners are required to subsidize the housing costs of tenants, regardless of their need.
- In an extraordinary case, a father and son want to close their mobilehome park, but the City of Palo Alto is standing in the way by threatening to forcibly seize it by eminent domain.
- Very much like homebuilders, costly regulations and fees do not provide financial incentives to expand or build new mobilehome parks in California, limiting the potential for new stocks of attainable housing. Even though mobilehomes are a source of affordable housing, not one park has been built in California in decades.
- Rent control regulations can cost local governments millions of dollars to administer and to legally defend; all at the expense of other government services and programs.
- Rent control can lead to lawsuits when parkowners are denied their right to a fair and reasonable return on their investment. This year, a federal jury unanimously found that the City of Carson's mobilehome park rent control ordinance violated the constitutional rights of a parkowner in Southern California. The parkowner was awarded \$7.5 million in damages.
- Many parkowners support long-term lease agreements and direct rental assistance programs, which provide bonafide rental protection and help to those mobilehome park residents truly in need.

To follow WMA's campaign to reform the failed practice of rent control, visit www.wma.org/real-housing-solutions, www.facebook.com/realhousingsolutions and twitter.com/CAHousingFix

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