



THE CITY OF  
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CALIFORNIA

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Mayor  
Denise Athas  
Mayor Pro Tem  
Josh Fryday  
Councilmembers  
Pam Drew  
Pat Eklund  
Eric Lucan

City Manager  
Regan M. Candelario

**MINUTES OF THE CITY COUNCIL/MVMCC JOINT MEETING**

**MARIN VALLEY MOBILE COUNTRY CLUB  
100 MARIN VALLEY DRIVE, NOVATO**

**FEBRUARY 14, 2017  
6:30pm**

The City Council Regular Meeting was called to order at 6:30 p.m. on Tuesday, February 14, 2017.

**A. CONVENE, PLEDGE OF ALLEGIANCE, AND ROLL CALL**

Present: Mayor Athas, Mayor Pro Tem Fryday, Councilmember Drew, Councilmember Eklund, Councilmember Lucan

Roll was called with five of five Councilmembers present, creating a quorum.

Staff Present: City Manager Regan Candelario, Assistant City Attorney Veronica Nebb, City Clerk Claudia Laughter, and Finance Manager Brian Cochran

**B. APPROVAL OF FINAL AGENDA  
M/S/C EKLUND/LUCAN AYES: 5 NAYS: 0**

**C. PUBLIC COMMENTS** – Mayor Athas called for Public Comments of which there were none.

**D. CONSENT CALENDAR**

- 1. Adopt meeting minutes of June 13, 2016** – The Council adopted the minutes.
- 2. Marin Valley Mobile Country Club Financial Update – May 2016 through December 2016** – The Council received the MVMCC Finance Report of May 2016-December 2016.

**M/S/C LUCAN/DREW AYES: 5 NAYS: 0**

**E. GENERAL BUSINESS**

- 3. CONSIDERATION OF A PROPOSED MARIN VALLEY MOBILE COUNTRY CLUB LOT RENT ASSISTANCE PROGRAM** – Finance Manager Brian Cochran reviewed the proposed program that would partner with Hello Housing to assist low-income residents with rental payments to avoid displacement. The program would be managed through Hello Housing and qualified residents can receive up to \$150/month off their rent. The program has an annual rent deferral amount of \$22,000 for the entirety of the park. The program would require annual recertification for eligibility. Councilmember Eklund asked what would happen to the program if it received a large number of applicants. Mr. Cochran stated the funding amount would be reevaluated. Ms. Nebb stated that a similar program had been set up with Hello Housing for an affordable home ownership program in Hamilton which staff sees as a valuable program.

Mayor Pro Tem Fryday asked if other cities were implementing similar programs. Mr. Cochran stated there are but not with mobile homes and the model for this program was a rent subsidy program in Nevada. Councilmember Drew asked if there was any accrual of interest with the deferrals. Mr. Cochran stated there was no interest proposed.

**PUBLIC COMMENT:**

1. Martina Koecvritz – Reasonable Help
2. Janice Dodgshon – Stated her question had been answered.
3. David King – Suggested Al Fry to run a trial program
4. Anica Manning – Supported trial run program
5. John J. Shelfer – Supported trial run program
6. Larry Cohen – Does not support administrative costs
7. John Hansen – Support the plan but not administrative costs
8. Michael Hagerty – Support the idea but not administrative costs
9. Anita Flantz – Support program and outside administration
10. Martha Cray – Concern over 15 application cap
11. Anica Manning – Question on cumulative shortfall and infrastructure repair

Ms. Nebb reported that staff were reviewing the humanitarian fund and the process for application. Staff is also recommending an outside administrator due to complicated formulaic calculations and process management required. Councilmember Lucan asked if this program was similar to a reverse mortgage and Ms. Nebb stated it was with reverse mortgages not available on mobile homes. Mayor Pro Tem Fryday asked if the humanitarian fund was administered perpetually. Ms. Nebb stated it was set up for temporary emergencies for unanticipated costs and can be applied for once a year. Mayor Pro Tem Fryday asked how the number of participants was determined. Ms. Nebb stated it was a percentage basis recommended by Hello Housing. Councilmember Drew asked if there was a rule between administrative costs for firms like Hello Housing and the amount of funds awarded. Ms. Nebb stated there was no industry standard at this point but in coordinating with firms on the Hamilton project, the cost benefit of amount of services from Hello was the best choice. Councilmember Eklund asked if the humanitarian fund would continue if this program was accepted. Mr. Cochran stated they both would still go forward subject to reauthorization every year. Councilmember Eklund requested more information on the humanitarian fund and its administration be sent to Council for review.

**MOTION TO SPLIT ADMINISTRATION COSTS BETWEEN SENIOR AFFORDABLE HOUSING FUND IN THE CITY AND THE MARIN VALLEY MOBILE COUNTRY CLUB AND FOR STAFF TO CONFIRM OTHER VENDORS FOR LOWER ADMINISTRATIVE MANAGEMENT COSTS**

**M/S/C      EKLUND/LUCAN      AYES: 5      NAYS: 0**

- 4. RENT DIFFERENTIAL ANALYSIS** – Mr. Cochran introduced the item as instances where two similarly situated lots pay, in some instances, significantly different rents and the advent of rent control in 1997 which locked a fixed percentage on all rental increases. Since November 2015, Staff have been reviewing analysis and trying to determine any solutions and reviewed approximately 30-35 lots that were significantly out of line with neighbors with no clear indication for why. Staff reviewed the existing rent control ordinance and percentage reductions to apply and analysis also identified many more negative factors and different fairness issues to consider. Ms. Nebb stated that the Council has been judicious in rent increases within the park in the 20 years the City has owned it and could have raised the CIP but wanted to retain the affordability of the park.

Councilmember Drew stated this is a hard issue to be fair to everyone and that maybe to leave the situation as is. Ms. Nebb stated that the City is constrained by the rent control ordinance which requires rents to be raised uniformly across the board and also requires to raise rents by a percentage of CPI basis. The ordinance can be changed but the changes will affect every mobile home park in the City which would have unintentional consequences in other parks. Councilmember Eklund asked how many were significantly lower. Mr. Cochran stated at least 20 significantly below. Councilmember Eklund asked if when a coach sells, can the new owner's rent be increased. Ms. Nebb stated the rent control ordinance is drafted to protect all mobile owners city-wide and vacancy only if a coach without an owner leaves the park which has happened once in 20 years. That one unit creates a vacancy and could increase the rent.

**PUBLIC COMMENT:**

1. Margie Siegfried – Against rent differentials
2. Owen Haxton – Rent control protects tenants and owners
3. Dorallen Davis – Support even rents for all
4. Jay Shelfer – Requested rent adjustment for vacancies
5. John Hansen – Requested information if Los Robles was for-profit ownership
6. Ray Schneider – Lot size and view considerations at purchase
7. Erma Wheatley – Change rent control ordinance
8. Martina Koevcritz - In favor of reasonable adjustments

Ms. Nebb stated that in the percentage versus flat rent increase, the Council can change the rent control ordinance but it will change every mobile home park in the City but that staff is looking to serve all the interests including those not protected.

Councilmember Drew asked about rents prior to rent control in 1997. Ms. Nebb stated prior when a resident sold, the owner typically would raise the rent more than was typical of overall park rent increases and staff saw large jumps in rent. The current ordinance prevents rent

increases when a unit sells. Councilmember Eklund requested staff return with cost information for Options 1, 2, and 3 before a decision would be made. Ms. Nebb stated there was an extensive amount of staff time on determinations for Option1, staff stated the costs of Option 2. Without full analysis and committing the staff time to it, the options being reviewed were costed out at \$30,000 range which would likely be in breach and debt service wouldn't be covered. Mayor Pro Tem Fryday asked if there was anything in the analysis that suggested the City acted unfairly or was it a market situation. Ms. Nebb stated it was an inherited problem and that rent discrepancies existed when the City purchased the park.

**MOTION TO RECEIVE THE REPORT AS-IS  
M/S LUCAN/DREW**

Councilmember Drew stated that making adjustments would create other inequities and that the problem was inherited and the City should not intentionally exacerbate it. Councilmember Eklund stated she would vote against as she would like to look at Option 2 in greater detail. Mayor Pro Tem Fryday stated that the Council was providing tools such as rent assistance approved earlier in the meeting and that this was not a closed conversation and hoped it would continue. Mayor Athas stated she was wanted to also continue the conversation but would not support the motion.

Councilmember Eklund called for a Point of Order if no action would mean the conversation would not continue. Ms. Nebb stated no action will mean Staff will not do any additional analysis impact work but will continue to hear residents and bring forward new ideas.

**M/S/C LUCAN/DREW                    AYES: 3 (LUCAN, DREW, FRYDAY)    NAYS: 2 (EKLUND, ATHAS)**

- 5. BRUSH REMOVAL BUDGET AMENDMENT REQUEST** – Mr. Cochran reviewed the existing Fire Safe Program and details of the recent fire that has jumpstarted additional efforts from residents and Staff within the park and the costs associated it them. Ms. Nebb stated Staff were working in conjunction with the Fire District who suggested pruning cleanup work. Councilmember Eklund asked for clarification that no trees were being removed. Ms. Nebb stated some dead trees in common areas were removed. Matt Greenburg pointed out it was a separate line item specifically for pruning/removal on common area or lots in the yearly budget.

**PUBLIC COMMENT:**

1. Jay Shelfer – Question was covered in the presentation
2. Bill Davis – Firewise Community – support additional funding
3. John Hansen – Support additional funding
4. Ray Schneider – Support additional funding; review extending natural gas pipes

5. Linda Redondo – Rain erosion concerns

Mr. Cochran addressed the concerns about the slide and stated there is analysis from engineering and it will be addressed in the capital improvement budget with \$450,000 annual in Year 3.

**MOTION TO APPROVE BRUSH REMOVAL BUDGET AMENDMENT REQUEST FOR FY 2016/17  
IN THE AMOUNT OF \$190,000**

**M/S/C          EKLUND/FRYDAY          AYES: 5          NAYS: 0**

- 6. TRANSFER OF MARIN VALLEY MOBILE COUNTRY CLUB FUNDS FOR REIMBURSEMENT OF CITY GENERAL FUND ADMINISTRATIVE COSTS** – Mr. Cochran reviewed the fund transfer history that the \$25,000 was for administrative and legal costs. Since the bond refinancing, Staff is requesting reimbursement for the last four fiscal years. Costs cover the bond refinance, property condition report in 2012, ongoing utility master plan work, rule and policy changes, litigation claims work, long-term ownership question, PG&E projects, pathway refinishing, individual on-off projects with PG&E, parks emergency plan, and in FY 2015/16 rent differential analysis. Specific capital project include engineering work on ADA clubhouse improvements which will be transferred from the Park’s long-term reserve funds.

Councilmember Lucan requested correction of \$26,800 for FY 2015/16 in the report. Mayor Pro Tem Fryday asked about concerns from the community on how staff resources have been allocated. Mr. Cochran stated costs come from staff and legal work on the complexities of refinance, reactional projects, and the PG&E infrastructure pilot program which included legal and engineering time. Councilmember Drew stated that in FY 14/15 the \$35,000 in special projects were benefiting health and safety. Ms. Nebb stated that administrative costs of \$25,000 will continue with potential increases as it doesn’t take CPI into account and the rate has been left flat for 20 years. Councilmember Eklund asked measures were being taken so the fees would be transferred on a regular basis. Mr. Cochran stated a six-month check-in and working with the PAC committee. Mayor Athas asked if the transfer would impact their account. Mr. Cochran stated the overall fund has \$4.4 million in reserves.

**PUBLIC COMMENT:**

1. David King – Support monthly/quarterly meeting
2. Larry Cohen – Deferred comments
3. Jay Shelfer – Support quarterly or half-year reports
4. John Hansen – CERT Programs recommendations
5. Stephen Plocher – Question on reimbursement methodology
6. John Feld – Concerns over legal costs
7. Martina Koecvritz – Concerns over legal costs

Mr. Cochran addressed questions and concerns brought up during public comment. He stated the figures on the finance spreadsheet are rounded and that Staff time, with the exception of Legal, is not parceled into tiny increments on projects. Ms. Nebb clarified that when legal addresses work relative to the park, it also takes the needs of the park and residents into account.

**MOTION TO TRANSFER THE FUNDS FROM MARIN VALLEY HOME COUNTRY CLUB FUND LONG-TERM INFRASTRUCTURE TO THE CITY OF NOVATO GENERAL FUND FOR REIMBURSEMENT OF ADMINISTRATIVE COSTS  
M/S EKLUND/LUCAN**

Councilmember Eklund stated that the Council and Staff are doing what's best for MVMCC and the City of Novato as well. Councilmember Lucan thanked residents for their participation and the great management team in place.

**M/S/C EKLUND/LUCAN AYES: 5 NAYS: 0**

**F. REGULAR REPORTS**

7. **Park Management Verbal Update** – Matt Greenburg reported there is ongoing deferred maintenance with asphalt repair, standing water, special projects including replacing pool equipment, air & heat in the hall, projection/screen for movies. Other items included pool plastering. He stated staff were working with Al Frei and Novato engineering and planning for June through October to accomplish these smaller projects. Mr. Frei stated in 30 years of management, they were lucky to have the City's resources available but that consultants are necessary as well.

8. **PAC Update** – Jay Shelfer thanked the City Council and Staff and MVMCC management for their help in making this a sustainable community. Suggested City Staff use Matt to help formulate plans going forward.

**G. COUNCIL/STAFF COMMENTS** – None.

**H. ADJOURNMENT**

**M/S/C EKLUND/FRYDAY AYES: 5 NAYS: 0**

**MEETING ADJOURNED AT 10:05 P.M.**