

Members Present:

Chairman Jeffrey
Assemblyman Bremner
Assemblyman Horn
Assemblyman Sena
Assemblyman FitzPatrick

Other legislators present:

Assemblyman Prengaman
Assemblyman Hayes
Assemblyman Brady

Guests present:

See attached list

Guests testifying (in order of presentation):

Don Rhodes, Chief Deputy of Research, Legislative Counsel Bureau
Vickie Demas, Mobile home Owner's League of the Silver State, Inc.
Irving Dickinson, MHOLSSI
Pat Abiss, MHOLSSI
Lee Glass, MHOLSSI
George Scandlon, MHOLSSI
William Benke, MHOLSSI
Alice White, MHOLSSI
Joe McDonald, MHOLSSI
Marcella Rundus, MHOLSSI
Helen Laustein, MHOLSSI
Arthur Meyers, MHOLSSI
Beverly Minnear, MHOLSSI
William H. Smith, MHOLSSI
Ed Horner, So. Nevada Mobile Home Park Owners Association
Charles M. Damus, Fair Housing Rental Association
George Rhodine, Nevada Manufactured Housing Association
Shannon Zivic, MHOLSSI
Miriam Romero, self
Harry Wright, self
D. W. Berkenstock, self, Three Crowns Mobile Home Park resident
Mike N. Burke, self
Camilla Harbeson, self
Thomas Pilkinton, So. Nevada Homebuilders
Jim Rice, self
Bob Brendon, resident of Pleasant Valley Mobile Home Park, self
Bill Middleton, self
Walter Aisleman, resident of Pueblo Del Sol, self
Carnig Phillips, Jr., self
Ruth Stemoc, self, resident of King's Row and Tropicana
Ben Nance, self, resident of Desert Winds
Arthur Moore, self
Kenneth Boyle, self, resident of Three Crown Mobile Home Park

(Committee Minutes)

Chairman Jeffrey opened the meeting at 9:15 a.m. and stated that the committee would first hear from the contingent from the Mobile Home Owner's League of the Silver State, Inc. then the group in opposition would be heard and then there would be comments from the public. He stated that the committee was only addressing itself, at this meeting, to the overall concepts of the bills and not the individual bills as such.

Mr. Don Rhode's comments are attached and marked at Exhibit "A" also attached to his comments is an additional report on similar legislation in this area from other states and it is included in Exhibit "A".

Next to address the committee was Vickie Demas, her comments are attached and marked Exhibit "B" together with some backup information related to this area which is attached and marked as Exhibit "C". She also proposed to the committee an amendment to AB 525 which is attached and marked as Exhibit "D".

In answer to a question from Mr. FitzPatrick, Mrs. Demas stated that 70% of the park owners were out of state landlords. She further stated that there were 14 major parks in Las Vegas as well as a few other smaller parks and that the majority of the large parks were owned by outside interests and they were attempting to buy up the smaller ones.

Mr. Irving Dickinson's comments are attached and marked as Exhibit "E".

Mrs. Abiss, Tropicana Village West, pointed her remarks to the issue of revocation of permission to keep pets after they had been allowed for some period of time. She felt that it was grossly unfair for a new owner of a park to come in and change the ground rules for tenants who had been in the park for a period of time relative to things which the tenant had been doing prior by agreement with the prior owner.

Lee Glass's comments are attached and marked as Exhibit "F". In addition to his prepared remarks, he stated that he resides in the Bonanza Village Mobile Home Park and that their rent had gone up some 89% in 3 years and that their park had had three different owners in a five year period.

George Scandlon's comments are attached and marked as Exhibit "G". Mr. Scandlon, Mrs. Zivic and the committee discussed the various aspects of metered and sub-metered utilities in the parks.

Mr. William Benke's comments are attached and marked as Exhibit "H".

Alice White's remarks are attached and marked as Exhibit "I". In answer to a question posed by Chairman Jeffrey, Mrs. Demas stated that they felt this rule was very antiquated and that other rules and regulations should be written into the original rental agreement or, if there was no written agreement, should remain the same as any oral agreement. (Committee Minutes)

Joe McDonald's comments are attached and marked as Exhibit "J". In answer to a question posed by Mr. FitzPatrick, Mr. McDonald stated that the skirting that is sometimes put on as an additional item in new rules and regulations, costs somewhere between \$1,800 and \$2,500.

Marcella Rundus stated that her son had recently bought an expando-type mobile home unit in the Kensington Trailer Park. After the sale was made he was told that the unit would have to be moved from the park because it was eleven years old. She stated that the costs of moving the home was estimated at \$1,650, but she said that they had looked all over and there was no place to relocate the unit. She stated that when they asked the owner of the park where they could relocate the trailer, the owner answered that he would suggest, if they could not find an appropriate lot, they could have it stored. She stated that she felt the owners should have more responsibility to the tenants than the methods which are currently practiced. She also pointed out that she felt this kind of problem affects many people and is quite a hardship on them.

Helen Laustein stated to the committee that she has a ten year old custom built mobile home and that she is unable to sublet it, and can't sell it (because, partly, its age) and can't find anywhere to move it. She stated that she has no choice, but to let the owner of the park make her leave. She stated that she felt, since her space is well landscaped and fenced, that the owner wants her lot so that he can locate a new mobile home there and sell it. She stated that the age of her unit was the only reason she was being asked to leave the park and she felt this was an unfair form of harassment. She asked that the committee change this portion of the law.

In answer to a question from Mr. Sena, Mrs. Laustein stated that she had been living in that park for the ten years that she had the mobile home and that during that time she had, while away from the area, sublet the unit and sometimes she had actually lived in it herself. She stated that she had received a notice prior to trying to sublet it recently which stated that the owners must approve and proposed renters before she could sublet, and she stated that the owners would not approve of anyone because she felt they wanted the space.

Arthur Meyers, Desert Winds Mobile Home Park tenant, stated that they have had three owners in the past five years and that though each new owner, upon raising the rent, has promised improvements to the park, none have been made. He stated that there is even a fire hydrant in the park which didn't work when a fire broke out sometime ago and that it had not been repaired since the fire. He stated that many of the tenants have been harassed by the manager regarding restrictions on pets and children (both of which the manager has). He also stated that in their park, there are some 5 or 6 spaces which are empty and which are not kept up by the management. In answer to a question from Mr. FitzPatrick, Mr. Meyers stated that the only thing done about the fire hydrant was to mark it with red paint.

(Committee Minutes)

Beverly Minnear's comments are attached and marked as Exhibit "K".

William H. Smith stated that he had lived in the same mobile home park for four years and when the park had been changed over to new owners they had received an increased rent notice because the new owner stated they were going to make improvements to the park. He stated that as yet the improvements had not been made, and, in fact, that there had been no hot water in the laundryroom, until recently, for the last four years. He stated that he had been to the Clark Co. District Attorney, the Attorney General's office and the City Attorney for North Las Vegas in the last 18 months trying to get some information on ordinances and help with the problems in their park regarding and order to show cause on the rent increase, all to no avail. He stated that they had been told when the last increase was put into effect, they were having speed bumps installed, but that they had not been installed as yet. In answer to a question from Mr. Sena, Mr. Smith stated that he believed the owner to be from California.

First to speak in opposition to the bills was Mr. Ed Horner, representing the So. Nevada Mobile Home Parks Association as President. He stated that out of the 148 parks he represents, that 30% only are owned by out of state landlords. He stated that the average space rental within the association is \$96 per month. He stated that it was his observation that the main problem expressed today was not rent control, but grievances which had not been taken care of. He stated that he agreed with Mrs. Demas that this might be taken care of by an arbitration board. He stated that though there are some unscrupulous landlords, the board might help offset that problem. He stated that the makeup of the board might be the owners, tenants, tenant's associations and the county commissioners.

He stated that he also felt it would help if they were to replace the current rental agreement, whether written or oral, with a written lease agreement which would include increase provisions for rent. He stated that the rental fee now includes, water, sewer, management costs (including salaries, taxes, etc.) and the amenities of the various parks.

He stated that it was his opinion that if any sort of rent control provisions were enacted that there would be no new parks built, and he felt that this would only compound the problem now existing.

He also pointed out that the owners recognize that the senior citizens on fixed incomes have very special problems due to inflation and stated that though some owners would like to give some kind of break to these older residents who are in need, they are unable to do so because of the current provisions in the law. He suggested that NRS 118 be amended so that lower rents could be charged to seniors until some sort of state subsidy could be set up.

Mr. Horner also suggested that, since the majority of complaints were in the area of management abuses, there be a management training program set up between the tenants, landlords and the tenant's association. He stated he felt this would give everyone a better perspective in this area.

In answer to a question from Mr. Jeffrey, Mr. Horner stated he felt it would be a good idea to include the rules and regulations in the original agreements. He also pointed out that those rules and regulations, in many respects, were for the protections of the tenants in general, as there are tenants who abuse their rights.

In answer to a question from Mr. Horn, Mr. Horner stated that he didn't exactly know why these problems hadn't been worked out before. He stated that he has had meetings with the tenant's association before and would hope that they could meet together again and resolve the problems by coming to some kind of understanding.

In answer to a question from Mr. Horn, Mr. Horner stated that he was not making a threat by saying if rent control were enacted, there would be no more new parks. He said that he felt that was just an economical fact of life. He stated, additionally, that he had been trying to get financing for a new park, but due to the fact that rent control was being considered, they have been unable to get any financing for such a project.

Charles M. Damus, attorney for the Fair Housing Rental Association and member of the Southern Nevada Mobile Home Park Association and other organizations interested in this matter, stated that he did not feel anyone at the meeting here was really in favor of rent control. He stated that he had represented the MHOLSSI last session and had helped draft NRS 118 for the protection of the tenants.

He stated that many of the problems involved reflect the current market condition in housing. Mr. Damus pointed out that some of the existing parks are located on land which, because of the market and inflation, is extremely valuable. He stated that if some of the owners found it impossible to make a good profit on their land, they might look to other uses of the land which would be more profitable for them. He said he felt that turning some of the parks into mobile home "estates" wherein the tenants actually buy their space, would preclude many residents from being able to live in the park.

He stated that he would suggest, if the bills were enacted, that there be some provisions for exclusion of new construction so that there could possibly be some financing available. He also stated that he saw nothing temporary about the boards and remedies which are proposed in the bills. He also stated that if you severely limit the new income from the parks, it will be difficult for the owners to upgrade the parks. He stated that he was afraid the new bureaucracy which would be set up would not be responsible for justifying themselves and their actions to the legislature.

Mr. Damus stated that he felt it would be good for the legislature to encourage the local authorities to make available more areas available for mobile home park use. He told the committee that currently the City of Las Vegas is building a mobile home park on city land which will be open only to senior citizens. He stated further, that his association was not in favor of the government getting into this area of enterprise.

He stated that he would encourage the use of long term leases in the parks for the benefit of everyone. He stated that under current law the owners cannot make a separate rate for new tenants and give a lower rate to longterm and senior tenants.

He pointed out to the committee that the historic stereotype of "trailer courts" is no longer appropriate. He said that he felt the threat of these bills had awakened a number of the landlords to the fact if they didn't do something to work out the problems, it would be done for them and; therefore, he felt the arbitration board could be effective to come to some solutions.

George Rhodine, Executive Director of the Nevada Manufactured Housing Association, spoke next and stated he felt this problem was caused by by social, political and economic factors and had many facets to consider. He stated he felt many of the problems where brought about by the absentee landlords and did not feel that the entire industry should be punished for their abuses.

He presented to the committee a letter from the Public Employees Retirement System which recently rejected an application for financing of a mobile home project. That letter is attached and marked as Exhibit "L". Mr. Rhodine discussed the implications of the free market principals with Mr. FitzPatrick relative to its effect on mobile homes and parks.

Mr. Charles Dixon, president of the Nevada Apartment House Association pointed out to the committee at this time the fact the landlords and tenants had gotten together in their area and set up a committee between themselves to work out grievances and it has been a very effective tool for them. He also stated that he felt if there were more parks available, there would be an effect on the mobile home area because of supply and demand.

Shannon Zivic, MHOLSSI, gave her closing remarks to the committee and her remarks are attached and marked as Exhibit "M".

Miriam Romero stated that she really had no quarrel with the increases in rents. However, she stated that her main concern was in not knowing what the increases were for. She suggested that when the owner notices an increase, he also notify the tenants what that increase is attributable to. She stated that if the utility costs, for instance, go up, the entire amount of rent should not be increased by the percentage rate that the utilities alone have increased.

Don Rhodes again addressed this matter and referred the committee to a background paper which had been done by the Research Department (Publication No. 79-10). He also pointed out to those present that the laws contain sunset provisions that, if the condition was cured, the laws would not remain on the books.

Mr. Harry Wright told the committee that his landlord, after defining Mr. Wright's property lines, had come back later and confiscated 6 feet of the back of his lot and when he protested, the landlord gave him a credit of \$3.00 per month on his lot rental. He stated he did not feel what the man had done was fair or equitable.

D. W. Berkenstock stated that he felt there should be some move toward stability of rents, rather than rent control. He stated that they had had an increase of 26.4% eight months ago and that they were now proposing another increase of about the same percentage, yet there have been no improvements made to the Three Crowns park. He stated that they pay an additional \$4.05 per month to have their utility meter read plus an extra few dollars per month for the underground power lines, which he did not believe had ever been inspected.

Mr. Mike N. Burke had generally the same comments regarding the raising of rents and promise of improvements and stated if Carter is going to limit wage increases to 7%, then he should also see that everything else was left at that level.

Camilla Harbeson stated that she felt if there were going to be rent increases, the management should tell the tenants what has made that increase necessary. She further suggested that the law should be changed to allow people to put mobile homes on private land and set them up permanently and that they be taxed as real property.

Tom Pilkinton, representative of Shea Homes and owner of Pueblo Del Sol, stated to Mr. Horn that all the problems are with the landlords. He said that many of the improvements they are asking the tenants to put in are required or suggested by federal or local government, for energy conservation, etc. In answer to a question from Mr. FitzPatrick, Mr. Pilkinton said that he thought the average cost of a lot in an "estate"-type park would be around \$14,000 to \$20,000. And, if that lot were financed for 10 years, the monthly payment would be approximately \$200 per month. He stated that his park is run by a resident manager and that, if his tenants have problems with management or anything else, he encourages them to write or tell him about the problem so that it can be resolved. He stated that in the last three years, he had invested over \$35,000 in renovating his utility set up so that now 1/2 of his lots are hooked directly to the power company and 1/2 are on a master meter.

He pointed out to the committee that he has attempted many times to talk local governments into allowing more mobile home parks and has taken personal abuse because authorities felt that they

(Committee Minutes)

are not an asset to the community.

Mr. Pilkinton stated that after listening to the comments from the tenants today he felt he was more aware of some of the specific problems they were having, and, though he did not feel that all landlords were responsible for the problems, he did think that a board could help to resolve many of the problems within the parks. He stated that he felt the board could be patterned after the one which is in existence in San Jose, California. He stated in answer to a question from Mr. Horn that 1/2 of his park is for adults only and 1/2 is for families and that he currently had \$30,000 allocated for putting in new mail boxes at his park.

Mr. Jim Rice commented that he felt free enterprise should be left to take care of the problems and that he was fearful of over legislating in this area. However, he stated that it was to bad that things had not been worked out between those affected prior to this time because something did need to be done to help these tenants.

Mr. Bob Brendon stated that even if you exempt new construction from rent control or if senior citizens parks are set up, there would still be the moving expense which would have to be borne by the senior who would be moving into these parks and he suggested that that would have to be something considered by the powers that be.

Bill Middleton stated that he had been working with Senator Faiss in regard to those people with fixed income and their related problems. He suggested that the committee review a petition he had drafted which would allow the placing of a mobile home on a lot zoned R-1 together with a conventional home and the mobile home to be considered an extension of the conventional home building. He stated he felt this would allow, for instance, older parents to live on the same lot with their children, but still have their privacy. A copy of the petition is attached and marked as Exhibit "N".

Mr. Walter Aisleman stated that he lived in Pueblo Del Sol and was happy to hear that the owner was going to spend \$30,000 on mail boxes, but wondered why he was paying for gas service when his unit was all electric.

Mr. Carnig Phillips, Jr. stated that he felt there should be some level set for the term "senior citizen". He stated it is very confusing now to know if he's a senior or not because of so many different levels set by different organizations.

Ruth Stemoc stated that she had lived in mobile homes for 19 years and she felt that some kind of rent control bill was needed because, if the legislature doesn't pass something for them, when the session is over all the promises of cooperation will be off and the problems will continue. She stated that she had to replace the skirting on her unit three times in 3 years just because the owner wanted it.

(Committee Minutes)

Mr. Ben Nance, Desert Winds, stated that he was 70 years old and that he had recently gotten an 15 day eviction notice saying he had to move because is mobile home was too small. He said that his rent had increased from \$55 to \$80 in the recent past. He said that he did not know what he was going to do.

Mr. Arthur Moore stated that he was a senior citizen, but that he did not feel it was right to give him a break and charge other people higher rates; he felt the rents should be consistent.

Kenneth Boyle pointed out that he felt supply and demand did not apply to the case at had with mobile home parks relative to mobile home units because the supply was very limited (parks) while the demand was ever growing and very high (units looking for space to locate). He stated that the term "mobile" is somewhat of a misnomer any more because these units are not really very mobile.

That concluded the testimony on these bills and the meeting was adjourned at 12:50 p.m.

Respectfully submitted,

Linda D. Chandler
Linda D. Chandler
Secretary

O against

New 1 Committee

Date of Hearing 3-21-10

ASSEMBLY COMMERCE COMMITTEE

GUEST LIST

NAME (Please print)	REPRESENTING (organization)	WISH TO SPEAK	
		Yes	No.
CAMILA HARRISON	NONE	✓	
GEO. RHODINIE	NEV. MFD HOUSING ASSN	✓	
CHARLES M. DAMUS	FAIR HOUSING RENTAL ASSOC.	✓	
Richard Plaster	So. Nev. Homebuilders	✓	
Thom Pilkinton	" " "		✓
Barry Becker	" " "		✓
Jim Stehmer	" " "		✓
Gene Porter	" " "		✓
Erma Ray	Park Manager		✓
Ed HORNER	So. NV. Mobile Hm Pk owner Assoc	✓	
JIM JOYCE	SAVINGS + Loan League		✓
William Zeris	on agenda		
George Carlson	on agenda		

ASSEMBLY COMMERCE COMMITTEE

GUEST LIST

NAME (Please print)	REPRESENTING (organization)	WISH TO SPEAK	
		Yes	No.
MRS. MIRIAM ROMERO	SELF- PRIVATE TAXPAYER-CITIZEN	X	
<i>[faded]</i>	<i>[faded]</i>	X	
<i>[faded]</i>	<i>[faded]</i>	X	
AL H. SMITH	SILVER STATE & SMILE	X	
<i>[faded]</i>	<i>[faded]</i>		
<i>[faded]</i>	"		X
<i>[faded]</i>	"		X
Harry Skright	self	X	
WM A. BENKE	MOBILE HOME OWNERS LEAGUE	X	
D.W. BURKENSTOCK	3 CROWNS (not against rent control either)	✓	
<i>[faded]</i>	<i>[faded]</i>	X	
<i>[faded]</i>	<i>[faded]</i>		
GEO SCANTON	" " "	X	

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LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710



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March 30, 1979

TO: Assemblyman Jack Jeffrey
FROM: Donald A. Rhodes, Chief Deputy Research Director
SUBJECT: Presentation on Rent Control

Enclosed is a copy of the presentation I will be giving on rent control to your commerce committee this Saturday, March 31, 1979.

DAR/jld
Encl.

EXHIBIT "A"

1113-12

STATEMENT BY DON RHODES
CHIEF DEPUTY RESEARCH DIRECTOR
TO THE
ASSEMBLY COMMITTEE ON COMMERCE
SATURDAY, MARCH 31, 1979

AT THE REQUEST OF ASSEMBLYMAN JEFFREY, THE RESEARCH DIVISION PREPARED VARIOUS MATERIALS RELATING TO MOBILE HOME RENT CONTROL INCLUDING A BACKGROUND MEMORANDUM ON MOBILE HOME RENT CONTROL LEGISLATION, A CHART COMPARING THE PRINCIPLE PROVISIONS OF A.B. 100, A.B. 195, A.B. 390 AND A.B. 525, AND A CHART COMPARING THE "RENT REVIEW" PROVISIONS OF THESE BILLS.

PRIOR TO THE 1979 LEGISLATIVE SESSION, THE RESEARCH DIVISION ALSO WROTE A BACKGROUND PAPER ON THE GENERAL ASPECTS OF RENT CONTROL, INCLUDING THE PROS AND CONS.

THE DIVISION COMMUNICATED WITH THE COUNCIL OF STATE GOVERNMENTS AND THE NATIONAL HOUSING LAW PROJECT AND WAS MADE AWARE OF SIX STATES (NEW YORK, MARYLAND, ALASKA, CONNECTICUT, MAINE AND MASSACHUSETTS) WHICH HAVE EXISTING OR RECENTLY REPEALED LEGISLATION RELATING TO RENT CONTROL.

I SHOULD NOTE THAT THE ALASKA LEGISLATIVE AFFAIRS OFFICE ADVISES THAT ALASKA'S MEASURE, WHICH WAS ENACTED AS AN EMERGENCY RENT CONTROL LAW TO MEET THE HOUSING CRISIS CREATED BY THE ALASKA PIPELINE, IS NO LONGER IN EFFECT.

IN ADDITION TO THE STATES JUST MENTIONED, IT WAS FOUND THAT CALIFORNIA HAS RECENTLY CONSIDERED LEGISLATION WHICH WOULD CONTROL RENT IN MOBILE HOME PARKS.

WITH THE COMMITTEE'S APPROVAL, I WILL COVER CERTAIN BASIC ASPECTS OF RENT CONTROL LEGISLATION AND THEN WILL SUMMARIZE QUICKLY CERTAIN OF THE BILLS YOU WILL BE CONSIDERING.

RENT CONTROL HAS NOT USUALLY BEEN APPLIED BY LOCAL GOVERNMENT UNLESS THERE HAS BEEN STATE ENABLING LEGISLATION OR A HOME RULE CHARTER. HOWEVER, SEVERAL NEW JERSEY MUNICIPALITIES HAVE ENACTED RENT CONTROL IN THE ABSENCE OF STATE ENABLING LEGISLATION. SOME CITIES IN CALIFORNIA, SUCH AS BERKELEY, VACAVILLE AND SAN MARCOS, HAVE ALSO ENACTED RENT CONTROL ORDINANCES WITHOUT STATE ENABLING LEGISLATION. AS THE MEMBERS OF THE COMMITTEE MAY KNOW, HOWEVER, BERKELEY'S ORDINANCE WAS FOUND UNCONSTITUTIONAL BY THE CALIFORNIA SUPREME COURT IN 1976 (BIRKENFIELD v. BERKELEY). THE KEY REASON THE COURT USED IN OVERTURNING THE BERKELEY LAW WAS THAT THE SPECIFIC PROCEDURES FOR AUTHORIZING INCREASES WERE UNREASONABLY HARD ON LANDLORDS. THE CITY OF VACAVILLE'S RENT CONTROL ORDINANCE IS CURRENTLY BEING LITIGATED.

IN REVIEWING RENT CONTROL STATUTES AND ORDINANCES, WE FOUND CERTAIN COMPONENTS WHICH APPEAR TO BE IN MOST OF THEM. THEY ARE: THE DECLARATION OF AN EMERGENCY, EXEMPTIONS, RENT ROLLBACKS,

RENT ADJUSTMENTS, EVICTION CONTROL AND RENT CONTROL ADMINISTRATION.

EMERGENCY

CERTAIN RENT CONTROL LAWS AND ORDINANCES INCLUDE A DECLARATION THAT SAYS THERE IS AN EMERGENCY IN HOUSING AVAILABILITY AND DESCRIBING THE NATURE OF THE EMERGENCY. VACANCY RATES, THE TREND IN RENT INCREASES VERSUS INCREASES IN OPERATING COSTS, THE PERCENTAGE OF INCOME REQUIRED TO OBTAIN DECENT HOUSING, PATTERNS OF HOUSING CONSTRUCTION AND FINANCE ARE ALL USED TO DEMONSTRATE THE EXISTENCE OF AN EMERGENCY. THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT INDICATES THAT OVERALL VACANCY RATES AT 5 PERCENT OR BELOW, OR 3 PERCENT OR LESS FOR LOWER COST RENTALS SUCH AS MOBILE HOME LOTS, REPRESENT CRITICAL LEVELS. SOME BELIEVE THAT VACANCY FACTORS SHOULD TAKE INTO ACCOUNT VACANT MOBILE HOME LOTS WHICH ARE SUPPOSEDLY VACANT BUT WHICH ARE ACTUALLY BEING HELD FOR THE PURCHASERS OF MOBILE HOMES FROM MOBILE HOME DEALERS WHO HAVE AGREEMENTS WITH PARK OWNERS. CERTAIN PERSONS BELIEVE SUCH VACANCIES ARE NOT "TRUE" VACANCIES.

EXEMPTIONS

NEW CONSTRUCTION, OR NEW PARKS IN THE CASE OF MOBILE HOME LOTS, IS USUALLY EXEMPTED FROM CONTROLS. THIS IS DONE TO ENCOURAGE CONSTRUCTION TO ALLEVIATE THE EMERGENCY SITUATION. UNITS RENTING TO TOURISTS AND LUXURY HOUSING ARE ALSO USUALLY EXEMPTED.

RENT ROLLBACKS

TO PREVENT THE DRAMATIC RISE OF RENTS IN ANTICIPATION OF RENT CONTROL, RENT CONTROL LAWS, SUCH AS CALIFORNIA'S PROPOSED BILLS, USUALLY SPECIFY A PAST DATE AS A "BASE DATE" FOR RENTS.

RENT ADJUSTMENTS

MOST RENT CONTROL LAWS PROVIDE FOR RENT INCREASES. SUCH INCREASES ARE SUPPOSED TO GUARANTEE LANDLORDS ADEQUATE INCOME TO MEET MORTGAGE PAYMENTS, MAINTENANCE, OPERATING EXPENSES, TAXES AND YIELD A FAIR RETURN ON INVESTMENT. WHAT CONSTITUTES A "FAIR" RETURN ON INVESTMENT CAN BE DIFFICULT TO DETERMINE.

EVICITION CONTROL

IT IS FELT THAT EVICTION CONTROLS ARE A NECESSARY ADJUNCT TO RENT CONTROL IF TENANTS ARE NOT TO BE INTIMIDATED IF THEY COMPLAIN ABOUT RENT INCREASES OR INADEQUATE UPKEEP. IT IS FELT BY SOME THAT NEVADA'S EXISTING LANDLORD TENANT LAW COULD PROTECT TENANTS FROM ARBITRARY EVICTIONS.

RENT CONTROL ADMINISTRATION

SOME BELIEVE THAT IF A RENT CONTROL LAW OR ORDINANCE IS TO FUNCTION WELL, THERE MUST BE EFFICIENT, FAIR AND RESPONSIVE ADMINISTRATION OF IT.

RENT CONTROL IS AN EXTREME MEASURE. SOME BELIEVE THAT POLITICALLY IT MAY BE EASIER TO GET INTO A RENT CONTROL LAW THAN OUT OF ONE. THAT IS WHY CERTAIN PEOPLE HAVE SUGGESTED THE INCLUSION OF A SUNSET PROVISION IN ANY RENT CONTROL OR REVIEW LAW.

IT HAS BEEN ARGUED, HOWEVER, THAT THERE ARE TIMES WHEN RENT CONTROL MAY BE JUSTIFIED.

RENT CONTROL STUDIES, IT HAS BEEN OBSERVED, GENERALLY SEEM TO SUPPORT THE POINT OF VIEW OF THOSE WHO FINANCE OR REQUESTED THEM. MOST OF THE LITERATURE WE HAVE ON THE SUBJECT OF RENT CONTROL SEEMS TO DISCUSS PROBLEMS WITH IT.

RECENTLY, HOWEVER, THERE HAS BEEN MORE FAVORABLE WRITTEN TREATMENT GIVEN TO THE EFFECTS OF SO-CALLED MODERATE OR INVESTMENT NEUTRAL RENT CONTROLS.

IN REVIEWING RENT CONTROL STUDIES, LAURA MITCHELL, A LOS ANGELES FREE LANCE WRITER SPECIALIZING IN ECONOMIC ISSUES, HAS NOTED THE FOLLOWING CONCLUSIONS ABOUT BOTH HIGHLY RESTRICTIVE RENT CONTROLS, SUCH AS RENT FREEZES, AND "MODERATE" OR "INVESTMENT-NEUTRAL" RENT CONTROLS. SHE SAYS:

* * * THERE IS A WIDE RANGE BETWEEN A RENT FREEZE AND AN INVESTMENT-NEUTRAL TYPE OF RENT CONTROL. IT

SEEMS REASONABLE TO CONCLUDE THAT THE MORE RESTRICTIVE THE CONTROL, THE LOWER GENERAL RENT LEVELS ARE HELD AND THE WORSE THE NEGATIVE IMPACTS ON THE QUANTITY AND QUALITY OF RENTAL HOUSING ARE LIKELY TO BE. SIMILARLY, THE LESS RESTRICTIVE THE CONTROL, THE LESS THE EFFECT ON BOTH GENERAL RENT LEVELS AND THE QUANTITY AND QUALITY OF RENTAL HOUSING.

WHILE HIGHLY RESTRICTIVE CONTROLS, LIKE A RENT FREEZE, KEEP RENT LEVELS LOWER THAN THEY OTHERWISE WOULD BE UNDER THE EXISTING MARKET CONDITIONS, THEY ALSO TEND, OVER TIME, TO RESULT IN DECREASED MAINTENANCE, A DECLINING LEVEL OF NEW RENTAL HOUSING CONSTRUCTION, INCREASED ABANDONMENT AND FALLING RENTAL PROPERTY VALUES. THIS LAST TENDS TO SHIFT THE LOCAL TAX BURDEN TO OWNERS OF OTHER TYPES OF PROPERTY, INCLUDING HOMEOWNERS. THUS, LONG-TERM APPLICATION OF HIGHLY RESTRICTIVE CONTROLS HELPS TO PERPETUATE OR EVEN WORSEN THE TIGHT HOUSING MARKET THAT LED TO THE ESTABLISHMENT OF SUCH CONTROLS IN THE FIRST PLACE.

"MODERATE" * * * OR "INVESTMENT-NEUTRAL" CONTROLS ONLY LIMIT WINDFALL PROFITS TAKEN BY LANDLORDS WHO

HAVE BEEN REAPING UNEARNED BENEFITS FROM A TIGHT HOUSING MARKET. SUCH CONTROLS ARE NOT DESIGNED TO GRANT ACROSS-THE-BOARD RENT RELIEF. TYPICALLY, THEY PERMIT MODEST GENERAL RENT INCREASES PLUS ADDITIONAL HIKES IN THE FACE OF CERTAIN INCREASED COSTS. THEY OFTEN EXEMPT NEW CONSTRUCTION ENTIRELY. OVER THE SHORT RUN, AT LEAST, SUCH CONTROLS EXHIBIT NO EVIDENCE OF THE NEGATIVE EFFECTS THAT CHARACTERIZE HIGHLY RESTRICTIVE, LONG-TERM CONTROLS.

A POTOMIC INSTITUTE REPORT MAKES THE FOLLOWING STATEMENT ABOUT RENT CONTROL. IT SAYS:

HOWEVER STRONG THE ARGUMENTS THAT RENT CONTROL IS INIMICAL TO TENANTS IN THE LONG TERM, THE FACT IS THAT IN THE SHORT TERM IT DOES HELP MANY PEOPLE WHO ARE PINCHED BY INFLATION. IT MAY BE INEFFICIENT, BUT ITS IMMEDIATE EFFECT IS CLEAR --- IT KEEPS RENTS DOWN. NO ARGUMENT ABOUT THE LONG TERM CAN IMPRESS POOR PEOPLE --- OR INDEED, TENANTS AS A WHOLE --- AS MUCH AS THIS FACT --- BECAUSE PAYING RENT IS A SHORT-TERM PROBLEM; IT HAPPENS EVERY MONTH.

THE FOUR RENT BILLS YOU ARE CONSIDERING (A.B. 100, A.B. 195,

8.

A.B. 390 AND A.B. 525) PROVIDE DIFFERENT MECHANISMS FOR RENT REVIEW.

A.B. 100 PROVIDES FOR REVIEW AND RENT LEVEL APPROVAL TO BE DONE BY A CERTIFIED PUBLIC ACCOUNTANT.

A.B. 195 CREATES A SEVEN MEMBER COMMISSION ON MOBILE HOME PARKS TO DO THE REVIEWS AND POSSIBLY SET THE LEVEL OF RENT.

A.B. 390 PROVIDES FOR A FIVE MEMBER BOARD IN CLARK COUNTY TO REVIEW RENTS. NO RATE SETTING IS PROVIDED. AND

A.B. 525, WHICH CONTAINS MANY PROVISIONS BESIDES RENT REVIEW, ALLOWS ANY CITY OR COUNTY TO ESTABLISH A FIVE MEMBER BOARD TO REVIEW RENT INCREASES. THIS BILL DOES NOT PROVIDE FOR RENT LEVEL SETTING BY THE BOARD.

EMERGENCY IS DEFINED AS THREE PERCENT IN ALL THE BILLS EXCEPT FOR A.B. 525, WHICH SETS THE EMERGENCY AT A FIVE PERCENT VACANCY LEVEL.

I WILL BRIEFLY SUMMARIZE CERTAIN OF THE OTHER PROVISIONS CONTAINED IN THESE BILLS.

A.B. 100

1. A.B. 100 DECLARES LEGISLATIVE INTENT FOR THE NEED FOR MOBILE HOME PARK RENT CONTROL.
2. IT ESTABLISHES A MECHANISM FOR BOARDS OF COUNTY COMMISSIONERS TO DETERMINE BY RESOLUTION, MOBILE HOME PARK VACANCY FACTORS AND PROVIDES FOR THE EXCLUSION, AND TERMINATION OF SUCH EXCLUSION, FROM THE BILL'S PROVISIONS ON ACCOUNT OF VACANCY FACTOR FINDINGS BY THE BOARDS.
3. IT PROVIDES FOR INCREASES IN RENT CALCULATED ON THE DIFFERENCE BETWEEN THE CONSUMER PRICE INDEX BETWEEN A SPECIFIED BASE INDEX AND CURRENT INDEX.
4. IT REQUIRES (A) ANY PROPOSED INCREASE IN RENT TO BE APPROVED BY A CERTIFIED PUBLIC ACCOUNTANT WHO IS NOT OTHERWISE IN THE EMPLOY OF THE LANDLORD AND (B) THE ACCOUNTANT'S FEES TO BE PAID BY THE TENANTS OF THE PARK ON A PRO RATA BASIS.
5. AND, FINALLY, A.B. 100 PROVIDES PENALTIES FOR VIOLATIONS OF ITS PROVISIONS.

A.B. 195

1. DECLARES LEGISLATIVE INTENT FOR THE NEED FOR MOBILE HOME PARK RENT CONTROL AND CREATES A SEVEN MEMBER COMMISSION ON MOBILE HOME PARKS, APPOINTED BY THE GOVERNOR FOR UNSPECIFIED TERMS, AND DEFINES THE BOARD'S ORGANIZATION, POWER AND DUTIES, AND MEMBERSHIP.

2. A.B. 195 EXEMPTS MOBILE HOME PARKS WHICH ARE ESTABLISHED BY AN EMPLOYER SOLELY FOR THE USE AND OCCUPANCY OF HIS EMPLOYEES.
3. IT ESTABLISHES A MECHANISM FOR BOARDS OF COUNTY COMMISSIONERS TO DETERMINE, BY RESOLUTION, MOBILE HOME PARK VACANCY FACTORS AND PROVIDES FOR THE EXCLUSION, AND TERMINATION OF SUCH EXCLUSION, FROM THE BILL'S PROVISIONS ON ACCOUNT OF VACANCY FACTOR FINDINGS BY THE COUNTY COMMISSIONERS.
4. IT CREATES THE REGULATORY FUND FOR MOBILE HOME PARKS TO BE PAID FOR OUT OF REGISTRATION FEES.
5. IT PROVIDES FOR THE ANNUAL REGISTRATION WITH THE COMMISSION OF MOBILE HOME PARKS CONTAINING 75 OR MORE MOBILE HOME LOTS, REQUIRES THAT EACH APPLICANT PAY A FEE OF \$1 FOR EACH MOBILE HOME LOT CONTAINED IN THE PARK AND PERMITS THE LANDLORD TO RECOVER THE FEES BY CHARGING EACH TENANT AN ANNUAL \$1 FEE FOR SUCH PURPOSE.
6. IT PERMITS MOBILE HOME TENANTS TO PETITION THE COMMISSION TO REVIEW INCREASES IN RENT OR SERVICE FEES, OR DECREASES IN SERVICES, WHEN THE TENANTS HAVE RECEIVED WRITTEN NOTICE ADVISING THEM OF ANY INCREASE IN RENT OR SERVICE FEE IN ANY CALENDAR YEAR WHICH IS IN EXCESS OF THE NET INCREASES IN THE CONSUMER PRICE INDEX SINCE THE LAST INCREASE IN RENT OR SERVICE FEE; OR THE CUMULATIVE INCREASE IN THE COST OF LIVING DURING THE NEXT PRECEDING YEARS WHEN TAKEN TOGETHER WITH ALL INCREASES OF RENT CHARGED IN THE PARK DURING THE SAME PERIOD.

7. IT PROVIDES FOR A REVIEW AND DETERMINATION OF RENT INCREASES OF SERVICE REDUCTIONS BY THE COMMISSION AND ESTABLISHES CRITERIA FOR RENT INCREASES WHICH ARE ATTRIBUTABLE TO INCREASES IN UTILITY RATES, PROPERTY TAXES AND ASSESSMENTS, FLUCTUATIONS IN PROPERTY VALUE, INCREASES IN THE COST OF LIVING RELEVANT TO INCIDENTAL SERVICES AND NORMAL REPAIR AND MAINTENANCE, AND CAPITAL IMPROVEMENTS NOT OTHERWISE PROMISED OR CONTRACTED FOR.
8. IT SETS PROCEDURES FOR PETITIONING THE COURT FOR ENFORCEMENT OF COMMISSION'S ORDERS.
9. AND, FINALLY, A.B. 195 PROVIDES PENALTIES FOR VIOLATIONS OF ITS PROVISIONS.

THE RENT REVIEW PROCEDURES IN A.B. 390 AND A.B. 525 ARE SOMEWHAT SIMILAR AND SO I WILL COVER THEM TOGETHER.

THEY PERMIT THE GOVERNING BOARD TO PROVIDE BY ORDINANCE FOR A FIVE MEMBER BOARD TO REVIEW INCREASES IN THE RENTS CHARGED FOR MOBILE HOME LOTS IF THE GOVERNING BOARD DETERMINES THAT AN EMERGENCY EXISTS WITH REGARD TO THESE LOTS.

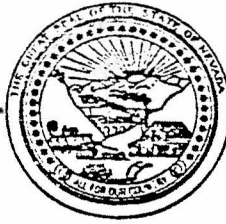
THE BILLS PERMIT THE BOARD FOR RENT REVIEW TO (A) RECEIVE WRITTEN COMPLAINTS CONCERNING MOBILE HOME LOT RENT INCREASES; (B) REVIEW ANY PROPOSED OR ACTUAL INCREASE IN RENT; (C) ISSUE PUBLIC ANNOUNCEMENTS CONTAINING THE NAME OF THE MOBILE HOME PARK AGAINST WHICH A COMPLAINT HAS BEEN FILED WITH THE BOARD AND THE PARK'S INCREASE IN RENT; (D) IMPOSE A PERIOD OF UP TO 60 DAYS FROM THE SCHEDULED EFFECTIVE DATE OF THE PROPOSED INCREASE IN RENT DURING WHICH THE RENT MAY NOT BE INCREASED; (E) RECOMMEND A SETTLEMENT BETWEEN THE TENANT AND THE LANDLORD THROUGH THE MEANS OF AN ADVISORY OPINION, MEDIATION OR NEGOTIATION; AND (F) RECOMMEND TO THE BOARD OF COUNTY COMMISSIONERS CHANGES IN ANY APPLICABLE ORDINANCE OR IN THE PROCEDURES OF THE BOARD FOR RENT CONTROL.

A.B. 525 ALSO HAS MANY NEW LANDLORD-TENANT PROVISIONS AND SPECIFIES THAT IF THE GOVERNING BODIES OF A CITY AND COUNTY BOTH PROVIDE FOR A BOARD TO REVIEW RENT INCREASES, THE BOARD ESTABLISHED BY THE CITY HAS EXCLUSIVE JURISDICTION OVER RENT REVIEW WITHIN THE CITY.

THANK YOU VERY MUCH FOR YOUR INDULGENCE.

STATE OF NEVADA
LEGISLATIVE COUNSEL BUREAU

LEGISLATIVE BUILDING
CAPITOL COMPLEX
CARSON CITY, NEVADA 89710



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March 6, 1979

TO: Assemblyman Jack Jeffrey
FROM: Donald A. Rhodes, *Chief Deputy Research Director*
SUBJECT: Mobile Home Park Rent Control

This is in response to your request for background information on rent control for mobile home parks. The memorandum summarizes other states' legislation and local ordinances, the components of rent control legislation, the effects of rent control, recent mobile home lot rent increases in Washoe County and A.B. 100, A.B. 195, and A.B. 390 of the 1979 legislative session which deal with mobile home park rent control. As you may know, research division background paper 79-10 provides an overview of the general aspects of rent control. A copy of the background paper is included with the other enclosures.

OTHER STATES' LEGISLATION

Last August the research division communicated with The Council of State Governments and the National Housing Law Project and was made aware of six states (New York, Maryland, Alaska*, Connecticut, Maine and Massachusetts) with existing, or recently repealed, legislation relating to rent control. In addition to these states' efforts, it was found that California considered two bills (A.B. 2820 and A.B. 450) during its last legislative session which would have controlled rent in mobile home parks. A.B. 2820 (as amended May 8, 1978), which is somewhat similar to Nevada's A.B. 195, would have, according to the California Legislative Counsel's Digest, done the following:

- a. Established a State Mobilehome Tenant-Landlord Commission within the Department of Housing and Community Development.

* Alaska enacted an emergency rent control law to meet the housing crisis created by the Alaska pipeline. According to the Alaska Legislative Affairs Office, that law no longer is in effect.

EXHIBIT A

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- b. Created a special fund to finance the duties and functions assigned to the commission. The fund would consist of annual registration fees collected from mobilehome parks subject to the bill's provisions.
- c. Enumerated the powers of the commission, including the power to receive, investigate and hold hearings on, and pass upon, complaints of mobilehome park tenants regarding rental or service charge increases imposed by mobilehome park owners.
- d. Required the commission to determine at such hearings whether particular rental or service charge increases are so great as to be unconscionable or unreasonable.
- e. Authorized the commission to reduce, continue, or increase such rental or service charges after holding such hearings.
- f. Authorized the commission to formulate rules concerning the return to the tenants or the crediting to them of all rental or service charges determined to be excessive by the commission and which are paid after the filing of a petition for hearing and until the determination of the commission at such hearing.
- g. Authorized the commission to examine any rental or service charge increases imposed during the 6-month period preceding the date upon which the bill became effective, provided a petition to conduct a hearing on such increases is filed with the commission by the affected tenants within 60 days of the bill's effective date.

California's A.B. 450 (as amended April 10, 1978), which contained a repealer, or sunset provision, for January 1, 1982, would have, as respects tenancies created on or renewed after January 1, 1979, established a rental and service charge limitation of not more than the aggregate of the rental and service charge level operative on December 31, 1977, plus any increases in the Consumer Price Index, and any increases in certain costs and expenditures of operation borne by mobilehome park owners.

I am sending you the copies of the most recent versions of A.B. 450 and A.B. 2820 which we have in our files. I have asked the California Assembly Office of Research to send us the latest versions of these bills and to provide us with an "update" on their status.

LOCAL ORDINANCES

As mentioned in the background paper on rent control, rent control has not usually been applied by local government unless there has been state enabling legislation or a home rule charter. However, several New Jersey municipalities have enacted rent control in the

absence of state enabling legislation. Some cities in California, such as Berkeley, Vacaville and San Marcos, have also enacted rent control ordinances without state enabling legislation. As you may know, however, Berkeley's ordinance was found unconstitutional by the California Supreme Court in 1976 (see Birkenfield v. Berkeley, 550 p. 2d 1001). The key reason the court used in overturning the Berkeley law was that the specific procedures for authorizing increases were unreasonably hard (confiscatory) on landlords. The City of Vacaville's rent control ordinance is currently being litigated.

COMPONENTS OF RENT CONTROL LEGISLATION

The principal components of rent control legislation, as discussed in the background paper on rent control, are:

Emergency

Most state laws include a declaration that says that there is an emergency in housing availability and describing the nature of the emergency. Vacancy rates, the trend in rent increases versus increases in operating costs, the percentage of income required to obtain decent housing, patterns of housing construction and finance are all used to demonstrate the existence of an emergency. The Department of Housing and Urban Development indicates that overall vacancy rates at 5 percent or below, or 3 percent or less for lower cost rentals, represent critical levels. Barbara Bennett, a representative of the United Mobile Tenants Association, believes that vacancy factors should take into account vacant mobile home lots which are supposedly vacant but which are actually being held for the purchasers of mobile homes from mobile home dealers who have agreements with park owners. Mrs. Bennett believes such vacancies are not "true" vacancies.

Exemptions

New construction, or new parks in the case of mobile home lots, is usually exempted from controls. This is done to encourage construction to alleviate the emergency situation. Units renting to tourists and luxury housing are also usually exempted.

Rent Rollbacks

To prevent the dramatic rise of rents in anticipation of rent control, rent control laws, such as California's proposed bills, usually specify a past date as a "base date" for rents.

Rent Adjustments

Most rent control laws provide for rent increases. Such increases

are supposed to guarantee landlords adequate income to meet mortgage payments, maintenance, operating expenses, taxes and yield a fair return on investment. What constitutes a "fair" return on their investment can be problematical.

Eviction Control

It is felt that eviction controls are a necessary adjunct to rent control if tenants are not to be intimidated if they complain about rent increases or inadequate upkeep. It is believed that Nevada's existing landlord tenant law could protect tenants from arbitrary evictions.

Rent Control Administration

Most believe that for a rent control law to function well, there must be efficient, fair and responsive administration of it.

EFFECTS OF RENT CONTROL

As noted in the background paper, rent control is an extreme measure. Politically, it is easier to get into than to get out of. There are, however, times when it may be justified.

Rent control studies, it has been observed, generally seem to support the point of view of those who finance or requested them. Most of the literature we have on the subject of rent control seems to discuss problems with rent control. I have, however, enclosed a report done for the California Department of Housing and Community Development which supposedly provides a more favorable treatment of the subject.* I have also sent for another report which is supposed to be fair.**

A Potomac Institute report makes the following statement about rent control:

However strong the arguments that rent control is inimical to tenants in the long term, the fact is that in the short term it does help many people who are pinched by inflation. It may depress the housing

* Gilderbloom, John. The Impact of Moderate Rent Control in the United States: A Review and Critique of Existing Literature, California Department of Housing and Community Development, March 1978.

** Miles, Barbara. The Theory of Rent Control. Congressional Research Service, May 16, 1978.

supply and it may be inefficient, but its immediate effect is clear: it keeps rents down. No argument about the long term can impress poor people (or indeed tenants as a whole) as much as this fact, because paying rent is a short-term problem: it happens every month.*

In reviewing rent control studies, Laura Mitchell, a Los Angeles free lance writer specializing in economic issues, has noted the following conclusions about both highly restrictive rent controls, such as rent freezes, and "moderate" or "investment-neutral" rent controls:

* * * There is a wide range between a rent freeze and an investment-neutral type of rent control. It seems reasonable to conclude that the more restrictive the control, the lower general rent levels are held and the worse the negative impacts on the quantity and quality of rental housing are likely to be. Similarly, the less restrictive the control, the less the effect on both general rent levels and the quantity and quality of rental housing.

While highly restrictive controls, like a rent freeze, keep rent levels lower than they otherwise would be under the existing market conditions, they also tend, over time, to result in decreased maintenance, a declining level of new rental housing construction, increased abandonment and falling rental property values. This last tends to shift the local tax burden to owners of other types of property, including homeowners. Thus, long-term application of highly restrictive controls helps to perpetuate or even worsen the tight housing market that led to the establishment of such controls in the first place.

"Moderate" * * * or "investment-neutral" controls only limit windfall profits taken by landlords who have been reaping unearned benefits from a tight housing market. Such controls are not designed to grant across-the-board rent relief. Typically, they permit modest general rent increases plus additional

* Brenner, Joel F. and Herbert M. Franklin. Rent Control in North America and Four European Countries, the Potomac Institute, Washington, D.C., 1977, p. 70-71.

hikes in the face of certain increased costs. They often exempt new construction entirely. Over the short run, at least, such controls exhibit no evidence of the negative effects that characterize highly restrictive, long-term controls.*

RECENT MOBILE HOME LOT RENT INCREASES IN WASHOE COUNTY

A postcard survey done by Assemblyman Paul Prengaman found the following:

Average Mobile Home Lot Rental

<u>Month</u>	<u>Amount of Rent</u>
September 1977.....	\$ 78.86
May 1978.....	94.59
October 1978.....	114.08
Percentage increase September 1977 to October 1978.....	44.7 Percent

For comparison, the Consumer Price Index in the same period of time rose from 184.0 to 200.9, an increase of 9.2 percent.

The United Mobile Tenants Association did a similar survey in Washoe County and found a 58 percent increase in mobile home lot rents since January 1, 1978. A copy of the association's survey, which was based on "rent slips," is included with the enclosures.

SUMMARIES OF A.B. 100, A.B. 195 AND A.B. 390

As you know, your committee will be studying several different options for rent control. The following are summaries of three of the measures: A.B. 100, A.B. 195 and A.B. 390.

A.B. 100

A.B. 100 does the following:

1. Declares legislative intent for the need for mobile home park rent control.
2. Specifies that its provisions only apply to counties with

* Mitchell, Laura Remson. "When Housing is Tight, Are Rent Controls Necessary?" The California Journal, (February 1978), p. 55.

mobile home park vacancy factors of 3 percent or less.

3. Establishes a mechanism for boards of county commissioners to determine, by resolution, mobile home park vacancy factors and provides for the exclusion, and termination of such exclusion, from the bill's provisions on account of vacancy factor findings by the boards of county commissioners.
4. Provides for increases in rent calculated on the difference between the Consumer Price Index (for urban wage earners and clerical workers) between a specified base index and current index.
5. Requires (a) any proposed increase in rent to be approved by a certified public accountant who is not otherwise in the employ of the landlord; and (b) the accountant's fees to be paid by the tenants of the park on a pro rata basis.
6. Specifies that if a landlord requires a mobile home which has been sold by a tenant to be moved, and the mobile home was continuously occupied in the park for five years immediately preceding the proposed date of removal, the landlord must pay the removal fees and the towing fee for a distance of 25 miles or less.
7. Provides for misdemeanor penalties for violations of its provision.

A.B. 195

A.B. 195 does the following:

1. Declares legislative intent for the need for mobile home park rent control.
2. Creates a 7-member commission on mobile home parks, appointed by the governor for unspecified terms, consisting of two mobile home park landlords, two tenants of mobile home parks and three members of the general public, and specifies its organization, powers and duties, and the members' subsistence allowances and travel expenses.
3. Specifies that its provisions only apply to counties with mobile home park vacancy factors of 3 percent or less and exempts mobile home parks which are established by an employer solely for the use and occupancy of his employees.
4. Establishes a mechanism for boards of county commissioners to determine, by resolution, mobile home park vacancy factors and provides for the exclusion, and termination of such exclusion, from the bill's provisions on account of vacancy factor findings by the county commissioners.

5. Creates the regulatory fund for mobile home parks to be funded out of specific registration fees.
6. Provides for the annual registration with the commission of mobile home parks containing 75 or more mobile home lots, requires that each applicant pay a fee of \$1 for each mobile home lot contained in the park and permits the landlord to recover the fees by charging each tenant an annual \$1 fee for such purpose.
7. Permits mobile home tenants to petition the commission to review specified increases in rent or service fees, or decreases in services, when the tenants have received written notice advising them of any increase in rent or service fee in any calendar year which is in excess of the net increases in the Consumer Price Index of the United States Department of Labor since the last increase in rent or the service fee; or the cumulative increase in the cost of living during the next preceding years when taken together with all increases of rent charged in the park during the same period.
8. Provides for a review and determination of rent increases or service reductions by the commission and establishes criteria for rent increases which are attributable to increases in utility rates, property taxes and assessments, fluctuations in property value, increases in the cost of living relevant to incidental services and normal repair and maintenance, and capital improvements not otherwise promised or contracted for.
9. Sets procedures for petitioning the court for enforcement of commission's orders.
10. Provides for penalties of violations of its provisions.

A.B. 390

A.B. 390 does the following:

1. Permits the board of county commissioners in Clark County to provide by ordinance for a 5-member board to review increases in the rents charged for mobile home lots within mobile home parks if the board determines that an emergency exists with regard to the rental of those lots. An emergency exists where the board of county commissioners finds that the rate of vacancies in mobile home parks is 3 percent or less.

2. Permits the board for rent review to (a) receive written complaints concerning mobile home lot rent increases; (b) review any proposed or actual increase in rent; (c) issue public announcements containing the name of the mobile home park against which a complaint has been filed with the board and the park's increase in rent; (d) impose a period of up to 60 days from the scheduled effective date of the proposed increase in rent during which the rent may not be increased; (e) recommend a settlement between the tenant and the landlord through the means of an advisory opinion, mediation or negotiation; and (f) recommend to the board of county commissioners changes in any applicable ordinance or in the procedures of the board for rent control.

Enclosed are copies of several recent newspaper articles relating to mobile home lot rent problems in Clark and Washoe Counties, copies of rent control ordinances from the Cities of San Marcos and Vacaville and certain materials from the United Mobile Tenants Association.

DAR/llp
Enc.

EXHIBIT A. - 1

1113-33

Vickie Demas

ASSEMBLY COMMERCE COMMITTEE MARCH 31, 1979

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, MY NAME IS VICKIE DEMAS, I AM PRESIDENT OF THE MOBILE HOME OWNERS LEAGUE OF THE SILVER STATE. WE REPRESENT 70,000 WHO IN THE STATE. WE HAVE INTRODUCED TO YOU AB 525, THIS IS NOT A STRINGENT RENT CONTROL BILL SUCH AS AB 100, 195 or 395. WE ARE SIMPLY ASKING THE ENABLING AUTHORITY BE GIVEN OUR LOCAL GOV. TO SOLVE THEIR OWN EMERGENCIES, WE DO NOT FEEL IT IS A STATE PROBLEM. IT IS ENTIRELY POSSIBLE WE MAY NEVER ASK THEM FOR RENT JUSTIFICATION, AS THERE ARE OTHER WAYS THE SPACE PROBLEM COULD BE SOLVED. WE WOULD POINT OUT TO THE LEGISLATORS THAT THE CALIF SUPREME COURT RULED LAST YEAR THAT THE CITIES AND COUNTYS HAVE THE AUTHORITY TO ESTABLISH RENT CONTROL IF IT IS PROPERLY WORDED. I WOULD LIKE TO LIST FOR YOU THE TOWNS IN CALIF THAT HAVE ESTABLISHED ORDINANCES DEALING WITH RENTS.

- PALM SPRINGS
- SAN JUAN CAPISTRANO
- CLOVIS
- LOS ANGELES

enabling authority is not new. it was established after WW I and again in WW 2 and carried through 1954. The procedure at that time was to give enabling authority to the Local Gov. This from pamphlet put out by Dept Econ & Research, DC

- DAVIS
- BENICIA
- RIALTO
- VACAVILLE

SAN MARCOS, HAS HAD ONE HEARING OF THEIR BOARD AND GRANTED A RENT RAISE OF \$10 TO THE LANDLORD. THIS INFORMATION COMES FROM THE CALIF LEGISLATURE NEW JERSEY AND FLA ^{Mass, NY, Conn, D.C.} ALREADY HAVE IT AND COLORADO AND NEW MEXICO ARE SERIOUSLY LOOKING AT IT. AS ONLY 15% OF THE NATIONS FAMILIES CAN AFFORD SITE BUILT HOMES AT \$60 TO 380 THOUSAND, THEY HAVE TURNED TO MH AS THE ANSWER. MORE THAN 96% OF THE PURCHES OF ALL HOMES UNDER \$20TH ARE MH ^{75% of 330,000 homes are MH} MORE THAN 75% OF THE UNDER \$30TH ARE MH. YOUR EXPERTS WHO HAVE TESTIFIED THAT RENT CONTROL WILL RUIN US ARE BASING THEIR FIGURES ON APT DWELLERS. WE ARE IN NO WAY COMPARABLE TO APT PEOPLE WE PAY THOUSANDS TO OWN OUR OWN HOMES, THOUSANDS MORE TO MOVE THEM. WE PAY MILLIONS OF DOLLARS IN SALES TAX, PROPERTY TAX AND PERSONAL PROPERTY TAX. WE ARE NOT INDIGENTS WHO BELONG ON WELFARE. THEY SAY NEW DEVELOPMENT WOULD HELP, HOW IS THIS POSSIBLE WHEN LAST YEAR IN CLARK COUNTY WE HAD 4,000 NEW COACHES AND 249 NEW SPACES THAT WOULD ACCEPT ONLY NEW COACHES? IT IS PREDICTED THERE WILL BE 2,3000 NEW SPACES IN 1979, THIS IS NOT ADIQUATE WHEN THERE IS A POSSIBLE INCREASE OF 6,000 NEW COACHES. RESTRICTIVE ZONNING IN CLARK CO IS A BIG PROBLEM THAT NEEDS ATTENTION AND AGAIN WE ARE ON A LOCAL LEVEL. WE WOULD POINT OUT TO THE LEGISLATORS THAT WE ARE NOT AGANIST PROGRESS OR FREE ENTERPRISE, BUT WHEN WE ARE ATTRACTING OUT OF STATE OWNERS WHO COME HERE AND DRAIN ALL THE MONEY THEY CAN FROM US WITH OPPRESSIVE RENTS

EXHIBIT "B"

1113-34

AND OPPRESSIVE RULES AND WITH ATTITUDES THAT IF WE CANNOT PAY THEIR HIGH RENTS WE BELONG ON WELFARE , ON THE ONE YOU HAVE RECEIVED STATING THIS OWNER GETS HIS RENT IN CASH FROM PEOPLE WHO WORK IN CASINOS FOR TIPS THEY DON'T DECLARE TO THE IRS, WE MUST DRAW THE LINE.

THE CONSTITUTION DOES NOT PROVIDE FOR FIRST AND SECOND CLASS CITIZENS AND THE MHO ARE CONFIDENT THAT THE LEGISLATORS WILL LOOK AT OUR PROBLEM FAIRLY AND JUSTLY AND CONCLUDE THAT YOU MUST TAKE CARE OF THE 70,000 MHO WHO ARE HERE TO STAY AND GROWING AND NEED YOUR HELP NOW ON AB525.

Jackie Dennis
Pres. M.H.C.L.S.S

No representation, promise or warranty, express or implied, has been made with respect to the merchantability, suitability or fitness for purpose of the Collateral, or otherwise unless the same is endorsed hereon in writing or is contained in a separate written instrument signed by the original Seller.

Security Interest: Buyer agrees to pay the "Total of Payments" to Seller, its successors and assigns and to secure such payment grants to Seller a purchase money security interest in the mobile home, all accessories, furnishings, tools, parts and equipment, sold with the mobile home pursuant to the Uniform Commercial Code.

Address Where Mobile Home Located:	No. Street	City	County	State
	3401 N. Walnut #396	Las Vegas	Clark	Nevada 89030
Address of Buyer After Receipt of Possession of Collateral:	No. Street	City	County	State

DETAILS OF TRANSACTION

The following disclosures are made in accordance with Federal Truth In Lending:

(1) Cash Price* (including sales taxes) 751.25 \$ 22,215.65(1)

(2) Down Payment:
 Cash Down Payment \$ 2,500.00
 Trade-in

Make	Year	Model
Gross	\$	
Less lien	\$	
Net equity	\$	
Total Down Payment (cash plus equity)	<u>\$ 2,500.00 (2)</u>	

Handwritten notes: Rent - \$137.00, Deposit - 276.66, Total B 413.66

(3) Unpaid Balance of Cash Price (Difference between Items 1 & 2) \$ 19,715.65(3)

(4) Other Charges

(a) Liability/Physical Damage Insurance	\$ 198.00
(b) Credit Life Insurance	\$ -0-
(c) Credit Accident & Health Insurance	\$ -0-
(d) Official Fees	\$ -0-
(e) License, Title & Registration Fees	\$ 6.00
Total Other Charges	\$ 204.00 (4)

(5) Unpaid Balance—Amount Financed* (Sum of Items 3 & 4) ... \$ 19,919.65(5)

(6) FINANCE CHARGE* \$ 29,879.15(6)

(7) ANNUAL PERCENTAGE RATE 14.84 % (7)

(8) Total of Payments* (Sum of Items 5 & 6) \$ 49,798.80(8)

(9) Deferred Payment Price (Sums of Items 1, 4 and 6) \$ 52,298.80(9)

The following is an estimate
 Date Finance Charge begins to accrue, if different from date of this agreement:
 _____ 19____ (If a date is inserted, the collateral has not been delivered herewith and delivery is anticipated on or about said date).

INSURANCE

You have the right to choose the person through whom the Physical Damage Insurance required under the contract is to be obtained or the insurance protecting against liability arising out of the ownership or use of the property.

LIABILITY INSURANCE COVERAGE FOR BODILY INJURY AND PROPERTY DAMAGE CAUSED TO OTHERS IS NOT INCLUDED, UNLESS OTHERWISE CHECKED.

A. Liability/Physical Damage Insurance
 If Buyer has existing coverage, furnish the following information.
 Name of Insurer N/A Name of Agent N/A
 Phone No. of Agent () _____
 Area Code _____

Buyer requests Seller to purchase insurance for the benefit of Buyer which insurance covers:
 Physical damage to the collateral
 Amount of Coverage \$ 22750 \$ 198.00
 Term 12 Mos.
 Deductible \$ 50.00
 Liability for injury to persons
 Amount of Coverage \$ 25,000 \$ Inc.
 Term 12 Mos.
 Damage to property of others
 Amount of Coverage \$ 250.00 \$ Inc.
 Term 12 Mos.

(Insert opposite (4) (a) Total Premium \$ 198.00

B. Credit Insurance
 You are not required to obtain Credit Life Insurance or Credit Accident and Health Insurance and such is not a factor in the Seller's approval of this credit.

I hereby give my specific affirmative indication of my desire to purchase:
 Credit Life Insurance on my life for a term of N/A months with an original amount of coverage of \$ N/A at a cost of \$ _____ (Insert opposite 4b)
 Credit Accident and Health Insurance for a term of N/A months with a _____ day waiting period at a cost of \$ N/A and with a monthly benefit amount of \$ _____ (Insert opposite 4c)

Buyer N/A

Payment Schedule: Buyer hereby promises to pay the Seller or his assignee the Total of Payments in 120 consecutive monthly installments on the 5th day of each month, commencing January 1979 the first (1st) 179 installments to be in the amount of \$ 276.65 each, and the 120th and final installment to be in the amount of \$ 275.65 together with interest after maturity at the highest lawful contract rate.

Delinquency and Collection Charges: Buyer shall pay a delinquency charge on each installment in default for more than 10 days in the amount of 5% thereof or \$2.00, whichever is greater, but not to exceed the sum of \$5.00, plus reasonable attorney's fees where this contract is referred for collection to attorney not a salaried employee of holder plus reasonable collection costs.

If Buyer shall fail to pay when due any installment hereof, or under certain other conditions as contained on the reverse hereof, Seller may, at its option declare the unpaid balance of the Total of Payments, less all unearned charges, immediately due and payable in accordance with the Rule of 78's.

Prepayment Rebate: Buyer may prepay this contract in full at any time prior to maturity of the final installment hereunder and if the contract is not in default more than 2 months, shall receive a rebate of the unearned finance charge computed according to the Rule of 78's after first deducting an acquisition fee of \$25.00. No rebate will be made EXHIBIT "C" _____ n \$1.00.

Additional Terms and Conditions: The additional terms and conditions set forth on the reverse side hereof are a part of this contract and are incorporated herein by reference.

111336

#24 used to force Mobile owner to sell to
Mgmt, for rentals in Park.

May 1, 1978

Lease involved:

- 1) No subletting
- 2) must be 10 years old - 12' under 12' wide
- 3) must approve buyer before taking occupancy.

To All Tenants That Own Trailers:

This is to notify any tenant that intends
to sell their trailer.

If they sell their trailer it will have to be
removed from the park.

Sincerely,
Jo Ann Gamble
Manager

P.S. Colonial Inn Trailer Park is also interested in
buying trailers and will pay a fair market price.

Note: Charge on way by phone

Date: 11/2/77
To: All Concerned
From: Residents of Kensington Manor
Mobile Home Park 825 N. Lamb

In the summer of 1976 when many double-wide mobile home owners moved into Kensington Manor they were given two single home spaces because no more double spaces were available. Under the management of Robert B. Stubbs the home owners were forced to landscape such properties and encouraged to plant trees, shrubs, flowers etc. Many tenants invested awnings, fences, and storage sheds to put on the lots to improve the appearance. When the home owners moved in there was no charge for the extra space but later an extra \$5.00 was tacked on to normal payments.

Under the new management of Bill Street a letter was issued on 10/28/77 revoking such properties to use for additional rental purposes. We the residents of Kensington Manor feel this is improper business practice. If the management is allowed to re-claim the property and install new homes on it ~~it~~ will be damaging and destroying our personal property and expensive investments.

- #309. Rayney Curtis 14. _____
- #2372. Mike Hardway 15. _____
- #2623. Jan Smith 16. _____
- #2624. Ken Smith 17. _____
- #331 5. Ms. L. L. Henderson 18. _____
- #217 6. Patricia Pellier 19. _____
- #193 7. Landra Imhausen 20. _____
- #46 8. Louise W. Lane 21. _____
- 9. _____ 22. _____
- 10. _____ 23. _____
- 11. _____ 24. _____
- 12. _____ 25. _____
- 13. _____ 26. _____

209

October 28, 1977

Mr. Rodney Curtis
825 N. Lamb Blvd.
Las Vegas, Nevada

Space # 309

Dear Mr. Curtis:

Thru verbal arrangements with previous owners you were given two (2) spaces for the occupancy of your Coach.

Your rent adjustment at that time was adjusted to an additional \$5.00 charge to cover this arrangement. This does not constitute sound business practice, among other things

We are at this time re-claiming all such double spaces and returning them to their true status of individual occupancy for each.

Your true space for your Coach is 309m your property line will now end there. The adjacent space will be an additional rental and we are re-claiming it for this purpose..

Sincerely,

Bill Street

Bill Street
Resident Manager
Kensington Manor

WS/ms

*Failed to honor agreement -
because it was oral.*

Kensington Manor Mobile Home Park

*Manor
249*

September 1, 1977

Change to Adult Park

To All Residents:

This is to inform all residents, that as of November 1, 1977 Kensington Manor will no longer accept children under the age of 18 as residents.

This will not involve those already in the park nor those yet to be (concieved) of residents. Buyers of homes in the park *Was not honored* must have approval of the management prior to sale.

In other words, as of November 1, 1977, Kensington Manor will be considered an adult park.

All other rules and regulations will remain the same until written notice is given that they have been changed.

The Management
Hardage Corporation

There will be absolutely no "on street parking" at any time. Cars in continuous violation will be towed away at owners expense.

*increase
in gas*



DAVID L. TYLER
28 RICHARDSON DR.
HENDERSON, NV 89015

Sept. 1, 1973

*up Grading Park at The
Tenants expense*

Dear Mr. Bishop:

There is a lot to be said for Ron Richardson's
Ballerina Henderson Mobile Home Park.

We had a raise in rent in April this year just
as we have had every year, only this time we were
advised to put on skirting on our homes so that we
could become one of the finest mobile home parks in
the area. If the skirting was not put on, there
would be a eviction notice handed the tenant 60 to
90 days later. Because of this we were led to
believe that the roads in the park would be repaired,
a fence would be constructed around the park to screen
out objectionable noise etc. There was an attempt
made by one person with a helper to fill in some of
the chuckholes and then suddenly ceased. Then two
more persons came and filled in some of the chuckholes
and left and haven't been seen since.

In a letter from Ron Richardson in February or
March of this year prior to the rent being raised, it
indicated that much would be done to upgrade the park
besides being all Adult. Nothing has been done to
upgrade the Park, we have a dust problem in the center
of the Park, and much could be done to better the
appearance. I am suspicious that Ron Richardson takes
capitol gains and losses from this Park, but I don't
see much in the way of improvements. I have also
been told that the City of Henderson would not allow
Ron Richardson to install separate gas meters serving
each lot. At present the gas rate is pro-rated in the
rent payment. I just don't believe that the City of
Henderson could care less about separate gas meters
for each lot.

I am sorry that I couldn't attend your August 23th
meeting for I was out of town.

Sincerely,

David L. Tyler

Tropicana Village West Company

Tropicana Village West Mobile Home Park

6300 W. Tropicana Avenue
Las Vegas, Nevada 89103

Phone: (702) 876-4778 or (702) 876-4779

OFFICIAL MEMORANDUM

*New owner -
raise in mortgage
12/1/1978
Cost passed to Tenant*

Upon our Company's acquisition of Tropicana Village West Mobile Home Park on November 1, 1978, we not only had to pay the \$50,000.00+ cost to convert the water system over to the Las Vegas Valley Water District's public system, but the loan average interest rate on this property increased from 9% to 10%. Since we have owned this property, we have (a.) given the swimming pool an acid bath, (b.) replaced numerous risers as a result of the water conversion, (c.) have contracted for the club house to be recarpeted and retiled as well as repainted, and (d.) ordered new supplies to keep the park functioning smoothly. We have on order some new swings, basketball nets and a volleyball-tennis net for the playground area. For this same area, repairs to the slide and the teeter-totters have been ordered. Costs to repair the garbage bins and install new ones where necessary, to repaint the entry way to the club house, to gate certain entrances on the sides of the park, to repair the roofs to the clubhouse and laundry facility, and to landscape in a better fashion the club house and play area will be incurred by the Company in the near future in its continuous attempt to improve this park for everyone's betterment.

As a result of the of the tremendous costs this Company has or shortly will be absorbing, it is now necessary to announce the following increases in charges at the park, all of which shall become effective February 1, 1979:

Rent: \$132.00 per space per month will be the new rent.

Security: Your \$2.00 monthly security fee will no longer be charged.

Late Charge: \$1.00 per day commencing the sixth of each month for any rent not paid in full that is due on the first of each month.

Pet Charges: \$3.00 per month per pet.

Storage: This will remain at \$5.00 per month.

Extra Occupant: This will remain at \$10.00 a month

To assist your new Managers operate the park as well as possible, the Company has hired George Novak on a full time basis as its Director of Maintenance & Security.

The executive offices of this Company and its telephone number for those desiring to know same are:

Tropicana Village West Company
c/o Paul King Investment Company, Inc.
2055 Woodside Road--#145, Redwood City, Ca. 94061
Phone: (415) 364-8014

Please return the approval form attached to the enclosed new rules and regulations to the Managers as soon as possible.

Respectfully yours,

Paul F. King, Jr.
Paul F. King, Jr., Managing General Partner

*1. This park is only 5 years old.
2. Rents have been increased \$ 333,840.00 - 1976 to 1979*

January 11, 1979

TO ALL OWNERS OF RENTAL UNITS
IN RICHMOND TRAILER PARK:

It has been decided by the park owners to eventually eliminate all rental units within the park. Therefore, whenever a tenant living in a rental unit moves, the trailer cannot be rented again. Instead, it must be either sold or moved out of the park within a reasonable length of time. This notice becomes effective immediately.

Mobile Home owner tried to sell was refused by Mgr

Don Mackenzie
Manager

Lease affected

- 1. 10 years old*
- 2. under 12 wide*
- 3. Buyer approved*

Change in Subletting Agreement



Britannia Management Company

6535 Wilshire Boulevard/Los Angeles, California 90048/(213) 658-7150

April 17, 1974

Residents

Tropicana Village East Mobile Home Park
5900 Tropicana Avenue
Las Vegas, Nevada 89103

Dear Tenant:

The gas meters that Mr. Lampe informed you of in his letter of February 13, 1974, have been installed at each space in the Park.

Effective April 1, 1974, you will be given a \$5.25 decrease in monthly rental charges which represents the amount that was allocated for supplying gas to each space. To realize the \$5.25 credit against the monthly rental which you have paid for April, we will give you a credit against gas that you will be billed for on your May 1974 statement for the period from April 6, 1974, through April 25, 1974.

Your May 1974 statement will reflect the reduced monthly rental charge. If your rate was: \$71.50, it will reduce to \$66.25, \$73.50, it will reduce to \$68.25, \$78.50, it will reduce to \$73.25.

Your gas meter will be read on the 25th day of each month and charges for gas used will be calculated and billed based on the following:

Cubic feet consumed from meter readings will be converted to gallons, using 36 cubic feet to one gallon of liquid propane.

Number of gallons consumed multiplied by actual cost per gallon of propane, including tax as billed by distributor.

Change in service provided -

October 3, 1978

Dear Residents;

Effective immediately, the following Park Rules will be added to the existing rules:

1. No Bark will be permitted.
2. All new coaches or resale coaches must have both a Patio awning 8' X 20" and a Carport awning 10' X 20".
3. All spaces must be Landscaped in Desert Style Landscaping (Stone) NO REPLANTING GRASS.
4. Fences are only permitted behind the driveway and patio. No fences in front of coach. Fences only erected after Management approval.
5. All steps must be enclosed and carpeted.
6. All lots must have edging to keep stones out of street. (Large Boulders or edging)
7. All Motorcycles must be parked only on DRIVEWAYS.
NO DIRT BIKES ARE PERMITTED IN THE PARK.
8. All Tenants, who have boats or recreation vehicles, who wish to keep them in their yard, will have to pay \$10.00 extra each month with their rent. When the recreational vehicle lot is completed, they must be kept in it. The additional \$ 10.00 Fee will be payable with November 1st., 1978 rent.
9. TV antenna's are permitted only on right rear corner of the coach - 4 ft. above roof. NO C.B. ANTENNA'S ARE PERMITTED. NO EXCEPTIONS
10. No Foil or newspaper is permitted on windows - only Sun glaze products (NO EXCEPTIONS)

Added to list
Change in landscaping
steps
illegal contract

Thank You

Kensington Manor Mobile Home Park

Jerry Schaefer

See memo
These rules were typed to the
in [unclear] about you might [unclear]

1113-45

#5

L.J. FULLER AND COMPANY

INCORPORATED

13035 VENTURA BOULEVARD

STUDIO CITY, CALIFORNIA 91604

TELEPHONE (213) 783-5365

NOTICE

RULES AND REGULATIONS

Pursuant to the requirements of the Nevada Revised Statutes, you are hereby advised that the following additional Rules and Regulations will become effective in Kensington Manor Mobile Home Park, 825 North Lamb Boulevard, Las Vegas, Nevada on April 1, 1977:

1. Rentals are on a month-to-month basis, and all rents are due and payable in advance on the first day of each calendar month. Rents not paid by the fifth of the month are subject to a Twenty Dollar (\$20.00) service charge. An additional Ten Dollar (\$10.00) fee is charged for all checks returned by the bank for any reason. After a check is returned, only a Money Order, cash or Cashier's Check will be accepted.

2. All residents who own or operate motor vehicles within Kensington Manor must register each vehicle with management. All motor vehicles must have a management-provided security identification decal displayed in compliance with management instructions.

By *James Fuller*
TRUSTEE

January 12, 1977

Example - \$ 20.00 late charge

TROPICANA EAST

STATEMENT

5

Young American

FOR RENTAL PERIOD FROM 5/1/78 TO 6/1/78

DESCRIPTION OF CHARGES		AMOUNT
SPACE RENT		100 00
EXTRAS		0 00
EXTRA PERSONS		—
PETS		—
PRESENT GAS READING	7/21 120650	X
PREVIOUS GAS READING	3/21 120650	
GAS USAGE		
SERVICE CHARGE		
TOTAL THIS MONTH		100 —
LATE CHARGE		—
BALANCE PRIOR MONTH		—
AMOUNT DUE		100 00
RECEIVED Cash Check		
BALANCE DUE		

Date Paid:

By

THANKS FOR LIVING WITH US

Example

Proof of lots rented to dealers

KENSINGTON MANOR
MOBILE HOME PARK

RENT CONCESSION AGREEMENT

In consideration for the undersigned becoming a resident of Kensington Manor Mobile Home Park, 825 North Lamb Boulevard, Las Vegas, Nevada 89110, and executing the Rental Lease Agreement and the Rules and Regulations of the park, Kensington Manor hereby grants to the resident three (3) months free rent, on an every-other-month basis, commencing only after all of the following is accomplished:

1. Approved skirting is installed.
2. Approved awning is installed.
3. Approved landscaping is completed.

Resident acknowledges receipt of a copy of Kensington Manor's "New Resident Occupancy Requirements" which specify the minimum requirements for awnings, skirting and landscaping.

SPACE NO. 176-177

RESIDENT [Signature]

DATE 10-22-76

MANAGER [Signature]

Example: Note - "Free Rent"
shows 1 awning only. later demands
installation of another awning (costing \$1000 to \$1500)

1979 REGULAR SESSION (60TH)

ASSEMBLY ACTION		SENATE ACTION		Assembly	AMENDMENT BLANK
Adopted	<input type="checkbox"/>	Adopted	<input type="checkbox"/>	AMENDMENTS to Assembly	
Lost	<input type="checkbox"/>	Lost	<input type="checkbox"/>	Bill No. 525	Joint Resolution No.
Date:		Date:		BDR 10-1290	
Initial:		Initial:		Proposed by Mrs. Hayes	
Concurred in	<input type="checkbox"/>	Concurred in	<input type="checkbox"/>		
Not concurred in	<input type="checkbox"/>	Not concurred in	<input type="checkbox"/>		
Date:		Date:			
Initial:		Initial:			

Amendment N^o 415



Amend the bill as a whole by deleting section 2 and inserting:

"Sec. 2. 1. If the governing body of a city or county finds that there is a vacancy rate of 5 percent or less among lots in mobile home parks in the city or county, it may adopt an ordinance creating a board for rent review and setting forth the powers and duties of the board.

2. The governing body shall, upon adopting the ordinance, appoint a board of seven members including:

(a) Two members who are owners of mobile homes which are located in mobile home parks and not owners of mobile home parks;

(b) Two members who are owners of mobile home parks; and

(c) Three members who are not owners of mobile homes or mobile home parks and who have no other connection with mobile homes or their sale, rental, repair or manufacture.

3. Members of the board for rent review serve at the pleasure

E & E
LCB File
Journal
Engrossment
Bill ✓

EXHIBIT "D"

Date 3-29-79 Drafted by DS:sl

of the body which appointed them and are not entitled to receive compensation for service on the board. The board may elect a chairman and any other officers which it deems necessary.

4. The board shall:

(a) Review all proposed increases in rent, fees and proposed assessments, and may approve, adjust or deny the increases.

(b) Recommend changes in local ordinances related to mobile homes and mobile home parks.

5. In addition to creating a board for rent review and imposing conditions on increases in rents, fees and assessments, the ordinance adopted by the governing body may:

(a) Impose measures to promote equality between tenant and landlord;

(b) Promote maximum use of available lots in mobile home parks; and

(c) Encourage development of mobile home parks to meet the needs of the community.

6. An ordinance adopted pursuant to this section may be repealed only after the governing body has determined that the vacancy rate among lots in mobile home parks has been greater than 5 percent for the entire period of 6 months immediately preceding the date of the determination.":

Amend section 5, page 2, by deleting lines 42 and 43 and inserting:

"(b) Gas by the size of the mobile home."

Amend section 5, page 2, by deleting lines 49 and 50 and inserting:

"shall itemize the gas rate on the rent bill and give written notice to the tenant of any increase in gas rates at least:

(a) The same number of days before the increase is effective as the gas supplier has given to the landlord; or

(b) Sixty days before the increase is effective, whichever is the lesser."

Amend the bill as a whole by adding a new section designated section 6.5, following section 6, to read as follows:

"Sec. 6.5. No utility service may be connected to a mobile home or trailer which is permanently located unless:

1. It is served directly by the utility; or

2. If there is a master meter in the mobile home park, an inspection is conducted by an agency responsible for such inspections."

Amend section 7, page 3, line 7, by deleting the period and inserting:
"if those services are available."

Amend section 16, page 5, line 39, by inserting after "must":
"be concluded for a term of 1 year or more, unless both tenant and landlord agree to a lesser term, and must".

Amend section 21, page 7, line 36, by deleting "or".

Amend section 21, page 7, line 38, by deleting the period, and inserting "; or".

Amend section 21, page 7, by inserting between lines 38 and 39:

"(c) Requiring payment of any cost in addition to those agreed to in the rental agreement or changes to the mobile home or lot unless the changes are agreed to when the tenant occupies the mobile home."

Amend section 22, page 8, by deleting lines 13 through 15 and inserting:

"even if the mobile home is to remain within the park [unless the landlord has acted as the mobile home owner's agent in the sale pursuant to a written contract.]".

Amend section 22, page 8, line 16, by deleting "security or damage" and inserting "[security or damage]".

Amend section 23, page 9, line 14, by inserting an open bracket before "Less".

Amend section 23, page 9, line 16, by deleting the bracket.

Amend section 23, page 9, line 22, by deleting "(d)" and inserting "(b)".

Amend section 24, page 9, by inserting between lines 35 and 36:

"(c) Twenty days in advance if based on a failure of the tenant to pay rent or utilities."

Amend section 24, page 9, line 45, by inserting an open bracket before "the tenancy".

Amend section 24, page 9, line 46, by deleting "The" from the end of the line and inserting "The] the".

Amend section 25, page 10, by deleting lines 4 through 29 and inserting:

"118.295 The rental agreement described in NRS 118.291 may not be terminated except for:

1. Failure of the tenant to pay rent, utility charges or reasonable service fees within [10] 20 days after written notice of delinquency served upon the tenant in the manner provided in NRS 40.280;
2. Failure of the tenant to correct within a reasonable time any noncompliance with a law, ordinance or governmental regulation pertaining to mobile homes or a valid rule or regulation established pursuant to NRS 118.260 or to cure any violation of the rental agreement within a reasonable time after receiving notification of noncompliance or violation;
3. [Conduct of the tenant in the mobile home park which constitutes an annoyance to other tenants or interferes with park management;
4. Violation of valid rules of conduct, occupancy or use of park facilities after written notice of the violation is served upon

the tenant in the manner provided in NRS 40.280;

5.] Condemnation or a change in land use of the mobile home park [; or

6.] if the tenant is given 12 months' notice of the condemnation or change, and 60 days after the expiration of the notice period to vacate the park; or

4. Conduct of the tenant which constitutes a nuisance as defined in NRS 40.140."



MOBILEHOME OWNERS LEAGUE OF THE SILVER STATE, INC.

POST OFFICE BOX 42326
LAS VEGAS, NEVADA 89104
TELEPHONE (702) 876-9896

March 31, 1979

AB 525

NRS 118.241 - RENTAL AGREEMENT

NAME AND ADDRESS

I wish to speak on rental agreements for mobile home owners renting mobile home lots. The rental agreement afforded to mobile home owners, as it stands today, absolutely violates every legal concept. Except in very rare instances where there exists written leases, the mobile home rental agreements give no protection to any mobile home owner. They fail to specify the actual requirements, charges and amenities provided in a proper agreement. The park rules are incorporated into the rental agreement and any change in the park ruling may amend any part of the rental agreement, such as, additional awnings, skirtings, late charges, pets and landscaping. The agreement is legally binding to the tenant, but not to the landlord, who may make any demands upon the tenant, after they have taken occupancy. The rental agreement is on a month to month tenancy.

* * * * *

I ask you, would you agree to move an expensive mobile home, pay several thousands of dollars for moving costs and put out expense to improve another man's property with only the protection of a month to month rental agreement? An agreement that could be changed within sixty (60) days simply by giving a sixty (60) day notice in writing that may become legally binding and effective without your consent? Would you call that intelligent, sound business practices? I don't. It is business practices like this that are forced upon the mobile home tenants that have given the mobile home people the image of being "second class citizens". We are here today to tell you we most certainly are not "second class citizens" nor are we stupid. We are very much aware of what kind of oppressions that are being imposed upon us and that we are asking that we be given the protection that every citizen has the reight to expect.

* * * * *

It is wrong that most of our laws for renting a mobile lot are structured in line with laws that apply to dwelling rentals. Renters of apartment dwellings do not invest the great sums that we do. We feel we have a right to ask for more time of the term of rental agreements and

EXHIBIT "E"

1113-55

notices to terminate tenancy to protect us from the excessive cost of moving our mobile homes. We also have the right of more protection in the courts to ensure that we are not treated the same as apartment dwellers.

* * * * *

We are asking that every tenant be given a rental agreement. That the rental agreement must be binding to both the tenant and the landlord. That the rental agreement shall include all charges, requirements and amenities provided by the tenant and the landlord. That the ~~agreement~~ agreement shall be for no less than twelve (12) months unless the tenant wishes that it be for a shorter term. That no change in park rulings may change the context of the rental agreement. It must be uniform to all tenants.

If this laws is passed every tenant will have a rental agreement. Rental agreements will have to be written for those tenants now residing without an agreement. The oral agreements between the landlord and the tenant must be honored as to what was agreed upon when taking tenancy. Also when the rental agreement is renewed, the landlord must be prohibited from adding cost demands such as additional awnings and skirtings, if it was not agreed upon when the tenant took occupancy.

Thank you



March 31, 1979

AB 525

RENT STATISTICS

NAME AND ADDRESS

A park of 428 coaches built in 1973 increased their rental revenue 89% in three (3) years - or \$333,840.00.

The taxes were \$19,139.00 per year. This was a newer park with no great need for improvements or extra repairs. This park was owned by three (3) different owners in five (5) years.

In comparison, a park of 142 coaches built in 1962 with only one (1) owner, increased their rental revenues by 64% or \$72,420.00 in three (3) years. Their taxes were increased by \$7,976.00 during this period. This park had no park improvements other than normal operational expenses.

Our surveys indicate that the rent increases were greater in parks over 300 spaces during 1976 and that 95% of all parks over 300 spaces are owned by out of state owners, therefore, this indicates that the trend was set by these owners during 1976. However, the small parks increases were in greater percentage during 1977 and 1978. Most of these small parks were not sold, nor were they improved. These parks averaged over 22% a year, wherein their taxes amounted to a maximum of 2 to 3% of the total revenue collected.

The majority of all older small parks took the lead of the large parks and all have increased there rents to an average of 72.3% during the pas(three (3) years. The larger parks averaged rent increases of 91% during the years of 1976 to 1979.

Unless something is done by legislation, based on the past three (3) years average increase, mobile home people will be paying rents as follows:

Parks of 1 to 200 spaces - \$150.00 per month

Parks of 201 to 300 spaces - \$220.00 per month

Parks of 301 to 500 spaces - \$258.00 per month

I would like to add one thing to this report. In an effort to establish a Review Board through the Clark County Commission, a task force was asked by the ~~City~~ County Commission to have the park owners solve the excessive increases, by their own efforts, in order that a Review Board would not be needed. Their answer to the Commission was that nearly every park, large and small, have made additional rent increases which would certainly indicate that they won't stop the increases in the future.

Therefore, I am asking that you as our legislators do it for them.

Thank you

Library Note:

During the examination of this set of minutes, Exhibit G was found to be missing. It also appears to have been missing at the time this set of minutes was hand numbered, as the numbering from Exhibit F to Exhibit H does not have a gap. Exhibit G is also missing from the microfiche.

Research Library
July 2010

Bente
d

Mr. Chairman, and members of the legislature.

Mrs. Shannon Zivic of the Mobile Home Owner's League brought to my attention the contents of Assembly Bill 525-Section #22-18270, Sub section 9. This bill is very much needed to protect the mobile home owner from the irascible action of a mobile park manager or landlord from turning off the utilities of a tenant without due cause during the process of eviction, without due process of law before the judgment of the court.

I would like to relate to you a recent hazardous incident which happened to my wife and myself. On the morning of Jan. 31, 1979 at 10:40A.M. the electric power to my mobile home ceased to function. I contacted my neighbor and asked whether he had electric power and he said "yes." I went to the rear of my trailer to check whether the circuit breaker switch was off or on. I immediately saw the reason for my loss of electric power. The working parts of the electric meter had been removed. I called my neighbor over to be a witness of this fact.

I called Mrs. Shannon Zivic, Regional Director of the Mobile Home Owner's League and told her of this latest happening of harassment. Mrs. Zivic and other members of the League notified the proper authorities and asked what action they would be able to take.

In the meantime we prepared ourselves with flashlights and candles for light and the use of our oven for heat, as the furnace electric blower was not usable without

electric power. All of this required an all night vigil between my wife and myself to maintain safe conditions. In the morning of Feb. 1, '79, at 4:30A.M my wife heard a noise in front of our trailer and as she parted the curtains she saw a figure of a man looking into our trailer, she called me and we both saw this person, she recognized him as being the manger's son and when I saw him leaving I could identify him as being a very large man in dark clothing and resembling the manager's son too. We called the police and they found footprints in the snow. In case someone does not remember it snowed the night of Jan. 31, and part of Feb. 1st.

The real tragedy came later that morning of Feb. 1st, My wife decided to stay home from work and maintain reasonable stable heat conditions in our mobile home as I had to meet with a member of the district attorney's staff. While I was getting dressed my wife went outside to sweep the accumulation of snow from the patio. She slipped and fell and I heard her cry for help and my first thought was that the son of the manager had returned to cause more trouble. I hurried outside and found her lying on the patio, she could not get up and she said that she thought that her ankle was broken. It was, and very seriously as later diagnosed at the hospital.

That night Dr. Ravenholt of the Clark County Health Department came to see me and he noted the condition we were in. He even went out and examined the remains of the electric

meter. He was disturbed by what he saw and promised action. There was also action in our behalf from the District Attorney's office. The sum total of this ~~action~~ ^{INCIDENT} was that my wife was hospitalized with a broken ankle and we were without electric power for more than fifty two hours, loss of rest & spoiled food due to lack of refrigeration, and a almost intolerable increase of Hypertension for which I am still being treated for.

Prior to this incident of Jan. 31st, My wife and myself were physically assaulted by the manager's son on Jan. 15th in our mobile home. There is a bench warrant for his arrest and at this time he is still at large and is considered dangerous.

I ask you gentlemen of the legislature to keep in mind that mobile home owners and renters are very much in need of protective legislation for our human rights.

Sincerely,

Wm. A. Benke

Wm. A. Benke
P.O. Box 42304
Las Vegas, Nv. 89104



MOBILEHOME OWNERS LEAGUE OF THE SILVER STATE, INC.

POST OFFICE BOX 42326
LAS VEGAS, NEVADA 89104
TELEPHONE (702) 876-9896

March 31, 1979

AB 525

10 YEAR OLD - UNDER 12' WIDE

NAME AND ADDRESS

I Shall speak on Chapter 118.280 wherein the law provides that if a coach is ten (10) years old or older or under twelve (12') feet wide, it may be ordered to be removed from the park if sold.

Considering our zero space vacancy rate, it is essential that this ruling be removed. We are asking that only a coach may be removed if it is in disrepair and then, only as deemed necessary by a Fire Department Official.

This ruling is disastrous to many of the elder people living in the older parks. Fifty one percent (51%) of our mobile home parks are in this classification which you can see would cause great hardship because there is NO place to go.

With spaces at a high premium, this law, along with the no subletting law is certain disaster for the owner of a ten (10) year old coach or under twelve feet (12') wide. It is through the combined use of these laws that landlords are coercing these people into selling their coaches to the landlord to utilize as rentals in their parks.

These laws are not equitable to the modern day mobile home. A mobile home is not outdated in ten (10) years if it has had normal use. The Federal Agencies such as FHA and VA have extended the mortgage pay offs to as much as twenty three (23) years. This law only enables a park to keep the parks appearance updated by throwing out ten (10) year old coaches and replacing them with newer coaches. Again, we have a one sided law.

With this emergency situation, thousands of people are sitting on very thin ice hoping you legislators remove this law.

We adamantly request that the ten (10) year old and under twelve feet (12') wide ruling be abolished.

Thank you

EXHIBIT "I"

1113-62



MOBILEHOME OWNERS LEAGUE OF THE SILVER STATE, INC.

POST OFFICE BOX 42326
LAS VEGAS, NEVADA 89104
TELEPHONE (702) 876-9896

March 31, 1979

AB 525

PARK RULINGS

NAME AND ADDRESS

Thank you for giving this opportunity to speak to you today. I would like to talk on the subject of AB 525, relating to Section 21, Chapter 118.260 - Park Rulings. Next to rent control, park rulings are the most serious problem of all mobile home owners. Nearly every oppression and harassment that is practiced, relates back to a park ruling. It is through these park rulings that mobile home people live in constant fear of eviction. Park rulings are a legal weapon of management to force excessive demands upon the tenants. As a result of park rulings, mobile home people actually forfeit their rights as free people when they contract to move into a mobile home park.

Our law states "reasonable" park rulings may be mandated. Our courts recognize the park rulings and any violation of these rulings is grounds for termination of tenancy.

ruling
Ruling? How are we, the tenant, to determine the reasonableness of a park ruling? Is a ruling reasonable that says "tear up your lawn and shrubs and put in rock?" Pay twenty (\$20.00) dollars for a late payment of rent charge. Put in metal steps when you have a perfectly good set of wooden covered steps. These are not reasonable rulings but if you get an eviction for refusing to comply you could get evicted. Many of these park rules infringe on our personal rights. Rights that affect the use of our own homes. They place restrictions on our guests, number of children and additional charges such as pets.

The fact that we own our homes and the depreciation within that home is our own cost, should entitle us the right to ~~have~~ ^{have} guests without asking permission or having to pay more rent for them to use our own home. Our proposals to amend NRS 118 have been directed to relieve the amount of rigid regulations that seem to be increasing every day in mobile home parks. We are weighted down with far more rulings than apartment people who rent their dwelling. We recognize that the landlord only rents us the lot, not our homes. Mobile home ~~people~~ ^{people} are fighting for reasonable treatment and freedom to live in their homes, that is commensurate to the cost of their homes.

EXHIBIT "J"

1113-63

In closing, I would like to state to your committee, that when we moved into our mobile homes conditions of oppression and harassment were not such as they are today. The laws that we had offered us some protection. Due to the space shortage as it exists today, these laws are no longer protective to mobile home owners but are actually being used to legally provide means of forcing us out of our homes, and in many cases, causing us to lose our homes because we have no place to move to.

We are asking that our amendments be approved to stop the hardships that prevail in the mobile home parks today.

Thank you

Beverly Minnear:

I am here to discuss bill AB 525 which covers Chapter 118. I reside at 4304 Vegas Drive, Las Vegas, Nevada. My husband and I decided to purchase mobile homes as an investment in 1973 to be used as rental units.

For convenience, I sought to place all the coaches in one park. Golden Valley Acres Mobile Home Park agreed to allow me to place 4 coaches and we signed an agreement to that effect. The following year, I moved 2 more coaches into that park.

Since I have had the coaches there, numerous improvements have been required, the latest being skirting and awnings last year. Before embarking on the expensive business of skirting and awning all 6 coaches, I spoke with the park manager at that time and was assured my coaches were welcome in the park as long as I continued to comply with the rules.

I completed installation in October, 1978 and in February, 1979 I was given 30 days to remove all six coaches. Let me repeat, 3 months after completing \$5,000 worth of improvements I got a 30 day eviction notice. The reason for the eviction was that the park decided to no longer allow rentals. Each coach was rented. For me to comply with the eviction, I would have to, in turn, evict 6 families.

At the time, there were, and still are, no spaces available in the Las Vegas area. My only recourse would have been to put the six coaches in storage. I stood to lose not only the investment and costs of improvements, but also the costs involved in breaking down and moving 6 coaches with skirtings and awnings, and storage fees.

With the help of an attorney and the MHOLSSI, I have delayed action, but the first of the month is approaching. I have no idea what will happen. If I will again be served or what.

In any case, I feel an investment of roughly \$50,000 is in jeopardy and totally dependant on the arbitrary whim of the park management. Since the park owners also own a trailer sales concern, I feel the evictions is a ploy to either force me to sell coaches at a low price or to secure spaces for the coaches they sell. In either case, I feel the procedure is morally unethical.

Therefore, I urge you to regulate mobile home parks and protect the tenant from capricious, arbitrary evictions.

EXHIBIT "K"

1113-65

Nevada Manufactured
Housing Association

GEORGE RHODINE
Executive Director



5412 Del Monte Ave.
Las Vegas, Nevada 89102

Phone 870-7735
Emer. 451-8012

DYEE'S RETIREMENT SYSTEM

P.O. Box 1569
ON CITY, NEVADA 89701
TELEPHONE (702) 888-4200

July 5, 1978

RETIREMENT BOARD
L. ROSS CULBERTSON CHAIRMAN
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DONALD L. REAM

* Mr. Ron Richardson (Ballerina-Sunrise MH Sales)
826 North Lamb Boulevard
Las Vegas, Nevada 89110

RE: Ballerina Mobile Home Park

Dear Mr. Richardson:

Your mortgage proposal for the Ballerina Mobile Home Park was submitted to the Retirement Board at their meeting held June 30, 1978. After considering the proposal, the Retirement Board passed a motion rejecting your proposal due to the current situation in Clark County where an ordinance is proposed to regulate rent ceilings on mobile home parks. We are enclosing a copy of the proposed ordinance for your information and assistance. The Retirement Board indicated that the passage of this ordinance would jeopardize the investment soundness of mobile home park mortgages because the owner would have no guarantee that he could increase rentals to reflect increases in operating expenses such as utilities and taxes. Therefore, we regret that we could not be of assistance regarding this matter. We are enclosing our check number 206051 in the amount of \$10,050.00 to reimburse you for the one point good faith deposit which you submitted.

We regret that we could not be of assistance regarding this matter.

Sincerely,

Vernon Bennett

Vernon Bennett
Executive Officer

VE:11

Enclosures

NOTE: COPY FURNISHED ALL MEMBERS, LAS VEGAS CHAPTER, NEVADA MANUFACTURED HOUSING ASSN. FOR INFORMATION AND GUIDANCE.....per Rhodine, Ex/Dir. (8-10-78)

PROOF POSITIVE OF RENT CONTROLS'
EFFECT ON NEVADA'S HOUSING ECONOMY!
EXHIBIT "L" 1113-66



MOBILEHOME OWNERS LEAGUE OF THE SILVER STATE, INC.

POST OFFICE BOX 42326
LAS VEGAS, NEVADA 89104
TELEPHONE (702) 876-9896

March 31, 1979

I am Shannon Zivic, Vice President of the Mobile Home Owner's League of the Silver State. I live at 5900 W. Tropicana, Las Vegas, Nevada.

Mr. Chairman, members of the Commerce Committee, I thank you for permitting me to speak to you about the problems of the Southern Nevada mobile home owners.

We have heard a lot about rent control today. However, I feel that there are a few things that have been left unsaid, namely; What has caused the spiraling rents.

The mobile home landlords would have you think that rent increases are all necessary due to the inflationary costs of operating a park. That it is the cause of increases in taxes, permits, and maintenance costs due to inflationary times. Would you say that a park less than five years old, with 428 spaces, that received rent increases of \$333,840.00 in the last 3 years, and paid \$19,000 taxes in one year, that had no need of any capitol improvements would justify such increases. Would you say a park that paid \$50,000 for converting to county water, and increased the rent by \$77,040, \$27,000 more than the cost, was justified. That a park that got an increase of \$7,000 in taxes increased thier tenants rent by \$26,000 was justified. Would you say that the small parks that contrubuted no improvements in the park, but raised their rents by 72% in 3 years was justified. These are the cost of operating increases that are supposed to be necessary. Would you say that \$5.00 for speed bumps, that cost the tenants \$22,000.00 for each year thereafter is fair.

When that park was charged \$50,000 for the lines which the tenants got the \$77,040 increase for is paid up in one year, do you think that the \$15.00 per month will be taken off the rent. You bet it isn't. In fact, it stays on, and it will be added to the next cost.

The cost that is the most deadly is not mentioned at all, that being the resale of the park. The mentioned 5 year old park had two buyers in less than five years. Each time it sold, the mortgage went up along with the interest. It was immediatly passed on to the tenants in the form of a rent increase.

EXHIBIT "M"

1113-67



MOBILEHOME OWNERS LEAGUE OF THE SILVER STATE, INC.
POST OFFICE BOX 42326
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There is nothing that the tenant doesn't pay for. First he pays for the services of utilities and for the lot, then if the lines break down he pays to repair it in order to get the service that he has already paid for. He pay the maintenance, all operating expenses then he pays for the mortgage and interest on the land to provide for the lot that he has already paid to rent. When the park is sold, the new buyer has a built in guarantee that his investment is safe because the tenant will pay through the rent increase. This doesn't leave anything to speculation.

It is the contention of our organization that such increases are not warranted. That they have exceeded the bounds of any reasonableness. If this continues in the next two years, as it has in the past 3 years, we will be paying between \$228 to \$250 a month for the rent of a mobile home lot. Considering that a mobile home payment may average about \$275.00 per month, the tenant would be paying \$225.00 per month to keep a roof over his head. ^{+ this is not even close to the rent} This doesn't include all the extra charges he pays.

It there be no doubt that this situation cannot continue. Landlords are pricing their services out of the reach of at least 75% of the tenants residing in mobile home parks today. Can they honestly delude themselves that there is not a breaking point to the amount that most mobile home owners can afford. It is the senior people who made mobile home living as it is today, and it is the senior people who will step down to other type of living. You can be sure that we won't wait to take the suggestions of the Park owners that we go on welfare to provide the funds to supply the hungrey appetites of the mobile home investors. We are not the kind of people to go on welfar.

Rent Control - The park owners do not want us to have rent control. They say it will cause the stopping of the park development. It will cause the deterioration of the parks. I agree with them, but I ask this question - Without rent control heretofore, how have we managed to come up with a zero vacancy rate in Clark County for mobile home lots, an overall average of 91% rent increases, and a county full of deteriorating parks from lack of proper maintenance. I maintain that we have had rent control but it is the landlords who have the rent control, and they have accomplished just what they are threatening us with now if we change that rent control to local governments.



MOBILEHOME OWNERS LEAGUE OF THE SILVER STATE, INC.

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It is difficult to understand the reasoning of the landlords when they say that they don't want future development of park stopped. I must point out to you, this very factor of no development of park is the one "ace in the hole" for the park owners. If there were more parks, would these parks be so readily sold for an attractive profit every two years. Why would an investor need to buy a can of used ¹¹ norms, when he can get a new park with new ^{works} works. Why is it that in 1976 and 1977 the development of new parks came to an abrupt stop. How did it happen that such a viable position was created that the established parks would become valuable because there were no new park ~~park~~ developed. Are we to believe that these park owners are really concerned that more parks should be developed. Where would the resale park market go if this happened. Yes, it is hard to believe that they would want to change the present circumstances, nor do we believe that there is any possibility of the whole picture changing unless you legislatures help us to equalize the problem.

Our Bill AB 525, asked that we be given the right to request of our local governments to declare an emergency exists if we have less than a 5 percent vacancy of lots in mobile home parks. It is not an out and out "rent control". It is our hope that we can reach a reconsilation with the park owners, and other entities of our business, and hope that we will work out fair and equal solutions that may not require the initiation of a rent review board. We ask that other emergency rulings be mandated to handle the problems resulting from the space shortage to ellivate the hardship of the mobile home people. We are ~~asking~~ not asking for an immediate rent control, but we are asking that ^{we} be given the bargaining strength to negotiate the resolving of these problems. We believe it is fair, and gives a balance of bargaining to both the mobile home tenant and the landlord.

We ask that serious consideration of ^{our} proposals be given and hope that we will be given your approval of our bill AB 525.

Thank you.

We the Undersigned hereby petition the Board of Zoning Adjustment and the Board of City Commissioners, that a special use permit or variance, whichever is applicable, be granted for the following portion of Las Vegas:

THE HUNTRIDGE SUBDIVISION

TRACT 3 BLOCKS 4 & 5

Said special use permit or variance, whichever is applicable, shall permit residential hookup, one trailer per lot, provided the said trailer shall be occupied only by persons related by marriage or blood to the persons occupying the main residence and shall be considered an extension of the main residence rather than a second residence. This will enable senior citizens to have with them children and grandchildren for their comfort and assistance without overcrowding of the main residence.

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EXHIBIT "N"

1113-70

Dist. case no 1114