Petaluma mobile home residents panicked by massive proposed rent increases

PETALUMA -- Residents at a North Bay mobile home park say their landlord is retaliating against them for helping get new rent control ordinances passed in Petaluma. The tenants--all senior citizens--say they are terrified they could end up out on the streets.

The story begins in 2020 when the Youngstown Mobile Home Park was sold to new owners. Despite being a rent-controlled property, residents soon got a notice of rent increases of up to 40 percent.

They fought the rent hike in arbitration and won, and then resident Jodi Johnson began lobbying for new city ordinances that would strengthen the rules around rent control. To her amazement, they won again and the ordinances were passed.

"We were just simply elated that they understood the complexity of it, because it is complex," said Johnson. "We own the properties, but we have to pay for the ground."

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But Johnson said shortly thereafter, the notices began coming. First there was an advisory that the park might change its seniors-only status. Then residents got a letter saying the park could close altogether, with a consultant going door to door to inquire about the real estate value of each home. Finally, the real bombshell hit.

"On Wednesday morning, in the mail, came a 200-page -- 200 page! -- notice of rent increase. Depending where your ground rent was, anywhere from 109% to 159%," said Johnson.

She said Petaluma's current rent control policy caps increases at 70% of San Francisco's June Consumer Price Index, or about 2 percent for this year. So for the residents -- most on fixed incomes and many in their 80s and 90s -- the prospect of having to pay an additional \$923.41 is out of the question.

"Everyone is terrified," said homeowner Kay Poland. "They're like, 'This is my life savings, I don't have anything after this.' Um, I don't know where I would go. We can't move these units."

"It puts them in a down spell. I mean, it's depressing a lot of people and they're going into a shell and into a shock," said Rudy Maglenty. "And a lot of these people are not mobile. I mean, they're...old."

Maglenty got his packet saying his rent would be raised from \$1,300 to nearly \$2,300 per month. The 81-year-old just moved in two years ago and said he has received a constant stream of threatening letters.

"This is just overwhelming!" he said. "I have a next-door neighbor, she's panicking. She's worried about the fact that she's going to be thrown out on the streets."

KPIX contacted the property owners' lawyer late Monday afternoon. Larissa Branes said the park is a private business, not receiving any government funds and the owners consider the rent control law to be unconstitutional.

In a statement, Branes said: "Petaluma's mobile home rent control ordinance cannot act as an unconstitutional taking of private property, because all property owners in the U.S. are constitutionally entitled to earn a fair and reasonable return on the capital they invested to buy their property."

Even though the proposed rent hikes are clearly above the cap, the issue must still go to arbitration, which should happen within the next 60 days. The attorney and expert witnesses who helped the homeowners in the previous arbitration case have offered to help them again, this time, free of charge.

This may be shaping up as a legal challenge to the concept of rent control in general. But instead of suing the city over it, the property owners are forcing a group of senior citizens to defend it.

See the video and full article at:

https://www.cbsnews.com/sanfrancisco/news/petaluma-mobile-home-residents-panicked-by-massive-proposed-rent-increases/