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With Uncertainty Surrounding Mobile Home Park, Novato Must Close Information Gap

Novato's nagging budget problems and a suggestion that selling the 315-home Marin Valley Mobile Country Club could be a solution raises questions that deserve careful and public deliberation.

The city's budget problems are not new. The city's finances have been problematic for many years.

What the recent report by the 2022-23 Marin County Civil Grand Jury shined a light on is management of the city's books, record keeping and regular audits have been a problem at City Hall.

In fact, conflicting numbers are flying around the debate over the city selling the mobile home park, which Novato bought in 1997 to protect the complex as affordable housing for seniors.

The foundation of the city's purchase – using bond and loan debt service payments – was that rents would cover repayment of the city's investment and needed repairs and maintenance.

According to the city, the loan is scheduled to be paid in full in December 2026. But city staff also says it has spent money on capital and maintenance work at the park and estimates millions more are needed at the park and its aged infrastructure over the next 30 years.

That doesn't include the city staff time that its stewardship of the park has required.

In the meantime, the grand jury, quoting city figures, says the park is not self-sustaining and could become a major budget problem.

One Novato resident has offered to buy the park for \$30 million and the City Council has been discussing the offer in closed-door meetings.

Though state laws allow for such meetings when considering issues regarding the purchase or sale of real estate, this is an issue that deserves transparency, not closed doors.

For the more than 400 residents of the park, those private sessions are about their and their neighbors' homes.

That they feel uneasy about those talks is understandable.

Given the local need for affordable housing and the state's housing quotas, selling a prime example of a complex that has met the need would be counterintuitive.

Given the 1997 partnership struck to acquire the park, its residents should be included in any real estate negotiations.

Complicating matters, the city's head of its finance division has advised the council not to use unaudited financial data in responding to the grand jury's recommendations.

Its response is due Sept. 8.

While yearly audits are the norm, Novato's last completed audit is the fiscal year of 2019-20. Continuity of audited finances is important.

The city needs to get its books in order and stakeholders involved in any decisions need to be working with the same numbers.

This is going to take time. City leaders, taxpayers and park residents are going to need that time and a foundation of financial data on which they all can agree.

There should be no information divide in this issue.