

RENT REVIEW BOARD

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

Agenda Item No.: 15

Date: June 23, 2010

TO: Honorable Chairman and Members of the Rent Review Board

FROM: Roni Keiser, Housing Division Manager

SUBJECT: Short-Form Rent Increase Application for Carefree Ranch Mobilehome Park

RECOMMENDATION:

- Consider the short-form rent increase application submitted for Carefree Ranch Mobilehome Park.
- If approved, adopt Rent Review Board Resolution No. 2010-03 granting an increase of seventy-five percent (75%) of the change in the CPI, or .455% (an average of \$2.02) for the period of December 31, 2008, through December 31, 2009. The application meets the eligibility criteria for submittal of a short-form rent increase application.

INTRODUCTION:

Carefree Ranch Mobilehome Park ("Park") has filed a short-form rent increase application. The Board is asked to consider the application, accept the staff report, hear public testimony, and make a determination concerning the request in accordance with the Escondido Rent Protection Ordinance and the short-form procedures as outlined in the Rent Review Board Guidelines (Section 12). The application and the staff report have been made available to the Board for review and consideration prior to the hearing.

THE RENT INCREASE APPLICATION:

Carefree Ranch is a senior Park located at 211 N. Citrus Avenue. The Park contains 184 spaces, and 123 of the spaces are subject to rent control. The remaining spaces are a combination of Park rentals, residents on long-term leases or are spaces that are currently vacant. The average space rent for the spaces subject to a rent increase is \$444.36.

Common facilities of the Park include a furnished clubhouse with a kitchen, a heated swimming pool and spa, covered shuffleboard courts and a guest house. There are laundry facilities available for a fee, as well as a vehicle storage area.

PARK OWNER'S REQUEST:

Under the short-form policy guidelines, the Park owner is requesting an increase of seventy-five percent (75%) of the change in the Consumer Price Index (CPI) covering the period of December 31, 2008, through December 31, 2009. The average increase requested is \$2.02 per space, per month, which is a .455% increase for the twelve month period.

The last increase for the Park was granted on July 8, 2009, after a continuance from the original hearing date of June 3, 2009. The Rent Review Board granted an increase equal to 75% of the change in the CPI for the period of December 31, 2007, through December 31, 2008, for an average increase of \$10.30, or 2.37%.

RESIDENT MEETING AND COMMENTS:

All residents subject to rent control were invited to a meeting in their clubhouse on May 27, 2010, at 5:00 p.m. Approximately 20 residents attended the meeting. The meeting was also attended by the Park Manager, Margi Gold, the Property Manager for the Park Owner, Jim Younce, and Code Enforcement Manager, Brian Gustafson. The application and the short-form hearing procedures were reviewed with the residents in attendance. Residents stated that a meeting was held recently, and they had established a Homeowners Association. The residents discussed a variety of maintenance issues regarding individual spaces. It was stated by several residents that some of their neighbors are unable to perform the landscape upkeep and other maintenance required by the Park and could use assistance. The Property Manager offered to walk with the Resident Representative and determine which residents could benefit from assistance and would possibly provide some help where needed. The removal of stumps and tree trimming issues were discussed, and will be addressed by management.

Also discussed was the fact that the Rent Increase Application lists the Guest House as an amenity without additional charge. The Management confirmed that there is a cost of \$20.00 when the guest house is occupied, which covers utilities and cleaning of the unit.

Residents asked if the monthly cable charge would be eliminated from their bill if they wanted to install a satellite dish, and management confirmed the residents have that option.

According to Park Management, the pool was originally scheduled in late April for maintenance and the replacement of the skimmer, but the work was moved up to March when the contractor had availability.

There was a discussion about the City of Escondido Rent Subsidy Program, and the residents were provided with information on that program. Carefree Ranch currently has 27 residents who participate in the City of Escondido's Rent Subsidy Program.

CODE INSPECTION REPORT:


An inspection by the Code Enforcement Division noted some violations of the Health and Safety Code. A copy the Code Enforcement Report is attached as "Exhibit A". The applicant and resident representative each received a copy of the Report. If approved, the requested increase cannot be implemented until after the health and safety code violations noted in the Inspection Report have been corrected, signed off and are in compliance with the various state and local code sections as noted in the Inspection.

ADDITIONAL FACTORS EFFECTING THE APPLICATION:

In conformance with the Rent Review Board Guidelines, a decision of the Board granting the requested increase will be finalized by adoption of a Resolution confirming the findings of the public hearing. The Notice of Determination will be mailed to the applicant and residents immediately upon the decision of the Board.

The Park owner immediately upon the adoption of the Resolution, if granted, may send the 90-day notice of a rent increase to the residents.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Roni Keiser". The signature is stylized with a large, looped "R" and a cursive "Keiser".

Roni Keiser
Housing Division Manager



DATE: JUNE 10, 2010

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: BRIAN GUSTAFSON, CODE ENFORCEMENT MANAGER

SUBJECT: CAREFREE MOBILEHOME PARK RENT CONTROL

Carefree Mobilehome Park was inspected on June 10, 2010, with the lighting inspection conducted that morning. This inspection was a result of an application for a rent increase having been filed. The inspection report is attached.

The resident representative for the park was contacted and he advised there were no health and safety concerns at this time.

There were no open or closed cases in this park in the past six months.

CC: Barbara Redlitz, Director of Community Development
Michelle Henderson, Rent Control Administration



Code Enforcement Division
201 North Broadway, Escondido, CA 92025
Phone: 760-839-4650 Fax: 760-839-4313

June 10, 2010

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Carefree Ranch Mobilehome Park

Park Management Co: Bart Thomsen Properties
Attn: Katie Morris
301 East 17th Street, #208
Costa Mesa, CA 92627

Park Manager: Margie Gold

Phone: (760) 722-1689

Inspection Dates: 06/10/10

Inspector: B.D. Gustafson

The following report is based on inspection of the mobile home park conducted under provisions outlined in the California Health & Safety Code, Division 13, Part 2.1; the California Code of Regulations, Title 25; the Escondido Zoning Code, Article XLV; and the Escondido Municipal Code, Section 6-480 Property Maintenance. This inspection report only addresses health and safety issues related to the common facilities and areas in the mobile home park for which maintenance, repair and operations is the responsibility of the owners and managers of the park.

General Violations:

1. Replace missing "J" box cover on fire suppression system conduit in the kitchen. **25 CCR 1605 (f).**
2. Overhead light in the swimming pool storage area requires a cage to protect the bulb. **25 CCR 1605 (f).**
3. Repair or replace termite damaged wood bench supports in the shuffleboard area. **25 CCR 1605 (b) (1).**
4. Repair or replace the termite damaged main support for the well pump controller box. **25 CCR 1605 (b) (1).**

Electrical Violations:

1. Repair or replace non-working emergency "EXIT" sign over door in the old sales office. **25 CCR 1605 (d) (1).**
2. Replace missing electrical "J" box cover plate on the south side of the guest house (#63). **25 CCR 1605 (d) (1).**
3. Repair or replace damaged electric pedestal on the north side of the guest house (#63). **25 CCR 1605 (d) (1).**

**Areas of the park needing illumination per 25 CCR 1612
(Lighting Inspection; 06/10/10, 0400)**

1. Repair or replace the non-working light on the south side of the park between spaces 5 & 7.

RESOLUTION NO. RRB 2010-03

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD
MAKING FINDINGS AND GRANTING A RENT
INCREASE FOR CAREFREE RANCH
MOBILEHOME PARK

WHEREAS, Article V of Chapter 29 of the Escondido Municipal Code is a codification of the Escondido Mobilehome Rent Protection Ordinance ("Ordinance") and provides for mobilehome space rent regulation; and

WHEREAS, the City of Escondido Mobilehome Park Rental Review Board ("Board") is charged with the responsibility of considering applications for rent increases; and

WHEREAS, a short-form Rent Increase Application was filed pursuant to Section 12 of the Rent Review Board Guidelines on April 22, 2010, by Bart Thomsen, the owner of Carefree Ranch Mobilehome Park ("Park"). The Park is located at 211 N. Citrus in Escondido. The rent increase applies to 123 of the 184 spaces in the Park; and

WHEREAS, this is the fourteenth rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the board at a continued Rent Review Board Hearing held on July 8, 2009, and formerly adopted by Rent Review Board Resolution 2009-04 (R). The increase requested was for 2.37%, or approximately \$10.30 per space, per month; and

WHEREAS, at this time, the average monthly space rent is approximately \$444.36 for the 123 spaces subject to the rent increase. The Park owner requested a rent increase in the amount of 75% of the change in the Consumer Price Index (CPI) for the period of December 31, 2008, through December 31, 2009, in accordance with the

Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$2.02 (.455%) per space, per month; and

WHEREAS, a notice of the Park's Rent Increase Application was sent to all affected homeowners. All parties were given notice of the time, date and place of the rent hearing before the Board; and

WHEREAS, on June 10, 2010, a Mobilehome Park Rent Review Code Enforcement Inspection Report ("Inspection Report") was completed. The Inspection Report noted Health and Safety Code violations in the Park; and

WHEREAS, on June 23, 2010, the Board held its public hearing. After an initial presentation, the Board invited testimony from Park ownership, residents of the Park and other residents of the community at large; and

WHEREAS, after all present had been given an opportunity to speak, the hearing was closed. Following an opportunity for discussion among the Board members and clarifying questions to the parties and Staff, the Board voted to grant an average rent increase of \$2.02 per space, per month, for the 123 spaces, which are subject to rent control,

NOW, THEREFORE, BE IT RESOLVED by the Rent Review Board of the City of Escondido, as follows:

1. That the above recitations are true.
2. That the Board has heard and considered all of the reports and testimony presented, and has considered the facts as outlined in the short-form Guidelines ("Guidelines").
3. That following the Guidelines, an increase based on 75% of the change in

the Consumer Price Index (CPI) for San Diego County from December 31, 2008, through December 31, 2009, amounted to .455%, which averaged \$2.02 per space, per month, for the 123 spaces that are subject to rent control.

4. The Board concluded that an increase of \$2.02 per space, per month, is consistent with the Guidelines, and is fair, just, and a reasonable increase in light of the information presented by all parties.

5. That the increase may not be implemented until after the health and safety code violations noted in the Inspection Report have been corrected, signed off, and are in compliance with the various state and local code sections as noted in the Inspection.

6. That the increase may be implemented upon the expiration of the required 90-day notice to the residents, which may be issued upon the adoption of this Resolution.