

RENT REVIEW BOARD

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

Agenda Item No.: 17

Date: June 22, 2011

TO: Honorable Chairman and Members of the Rent Review Board

FROM: Jerry Van Leeuwen, Director of Community Services

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

RECOMMENDATION:

- Consider the short-form rent increase application submitted by Carefree Ranch Mobilehome Park.
- If approved, adopt Rent Review Board Resolution No. 2011-05 granting an increase of seventy-five percent (75%) of the change in the Consumer Price Index, or .932% (an average of \$4.20) for the period of December 31, 2009, to December 31, 2010. 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 115 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 rent control is \$451.15.

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,

2009, through December 31, 2010, The average increase requested is \$4.20 per space, which is a .932% increase for the 12 month period.

RESIDENT MEETING AND COMMENTS:

All residents affected by this request were invited to attend a meeting in their clubhouse on May 24, 2011 at 4:00 p.m. Approximately 18 residents attended the meeting. The meeting was also attended by the Park Manager, Margi Gold, the Regional Manager for the Park Owner, Jim Younce, Code Enforcement Officer Sandra Moore, and consultant Michelle Henderson. The application and the short-form hearing procedures were reviewed with the residents in attendance.

Resident issues and concerns were discussed. One resident indicated he thought there was a need for more cameras in the trash bin areas as people other than residents sometimes use them. It was also suggested that the Park provide vehicle stickers for residents to help monitor people who come into the Park who are not residents. The resident representative, Wayne Louth, asked if the park would accept an increase less than 75% of the change in the CPI, and in response, the Park has declined to adjust the amount of the rent increase requested. The resident representative said there were maintenance issues he wanted to discuss with Jim Younce, and they decided to review those issues during the inspection with Code Enforcement.

In Carefree Ranch, there are 29 residents who participate in the City of Escondido Rent Subsidy Program

The last rent increase for the Park was granted in June of 2010 for an average amount of \$2.02 per space per month covering a 12-month period of consideration.

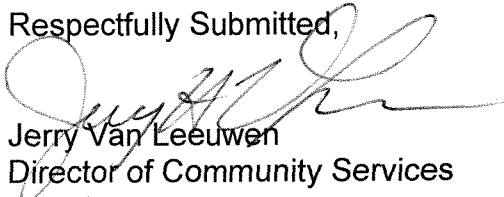
CODE INSPECTION REPORT:

An inspection of the Park's common areas by the City's Code Enforcement Division was completed on June 2, 2011. A copy of the Code Enforcement Inspection 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 AFFECTING THE APPLICATION:

In conformance with the Rent Review Board Guidelines, the decision of the Board will be finalized by adoption of the Resolution confirming the findings of the Public Hearing. The Notice of Determination will be mailed to the applicant and residents immediately upon adoption of the Resolution. The 90-day notice of any rent increase granted may be sent to the residents upon the adoption of the Resolution.

Respectfully Submitted,




Jerry Van Leeuwen
Director of Community Services



DATE: JUNE 7, 2011

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: BRIAN GUSTAFSON, CODE ENFORCEMENT MANAGER 

SUBJECT: CAREFREE RANCH MOBILE HOME PARK

Carefree Ranch Mobile Home Park was inspected on June 2, 2011, with the lighting inspection conducted that morning, as a result of an application for a rent increase having been filed. There were four minor violations found during the site inspection and one violation found during the lighting inspection; the inspection report is attached.

A resident meeting was held on May 24, 2011 (attended by approximately 18 residents) and there were no health and safety concerns raised.

There were no resident complaints and no open code enforcement cases in this park during the past year.

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

June 6, 2011

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Carefree Ranch Mobile Home Park

Park Owner: Bart Thomsen Properties
Attn: Katie Morris
301 E. 17th Street, #208
Costa Mesa, CA 92627

Park Manager: Margi Gold

Phone: (760) 745-4851

Inspection Date: 06/02/11

Inspector(s): S. Moore

The following report is based on the 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 45; and the Escondido Municipal Code. This inspection report only addresses health and safety issues that are related to areas for which maintenance, repair and operations is the responsibility of the owners and managers of the park.

General Violations:

1. Cover the exposed electrical wiring at the jet pump in the spa equipment room. **25 CCR 1102 (a), 25 CCR 1436 (a)**
2. Repair the drywall behind the toilet in the unisex bathroom for the swimming pool. **25 CCR 1102 (a), 25 CCR 1608 (b) (4)**

3. The handrail on the spa is loose and unstable. **25 CCR 1608 (a) (6), 25 CCR 1608 (i)**
4. Repair the termite damaged framing on the door of the storage/workshop building. **25 CCR 1102 (a), 25 CCR 1605 (g) (2), 25 CCR 1605 (i)**

**Areas of the park needing illumination per 25 CCR 1108
(Lighting Inspection; 06-02-11)**

1. Trim the vegetation away from the street light fixture adjacent to space 201.

RESOLUTION NO. RRB 2011-05

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 May 2, 2011, 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 115 of the 184 spaces in the Park; and

WHEREAS, this is the fifteenth 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 Rent Review Board Hearing held on June 23, 2010, and formally adopted by Rent Review Board Resolution 2010-03. The increase requested was for .455%, or approximately \$2.02 per space, per month; and

WHEREAS, at this time the average monthly space rent is approximately \$451.15 for the 115 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, 2009, through December 31, 2010, in accordance with the

Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$4.20 (.932%) 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 2, 2011, a Mobilehome Park Rent Control Code Enforcement Inspection Report ("Inspection Report") was completed. The Inspection Report noted Health and Safety Code violations in the Park; and

WHEREAS, on June 22, 2011, 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 \$4.20 per space, per month, for the 115 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, 2009, through December 31, 2010, amounted to .932%, which averaged \$4.20 per space, per month, for the 115 spaces that are subject to rent control.

4. The Board concluded that an increase of \$4.20 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.