

## RENT REVIEW BOARD

For City Clerk's Use:

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APPROVED

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DENIED

Reso No. RRB \_\_\_\_\_

File No. \_\_\_\_\_

Ord No. RRB \_\_\_\_\_

Agenda Item No.: 15

Date: August 10, 2011

**TO:** Honorable Chairman and Members of the Rent Review Board

**FROM:** Jerry Van Leeuwen, Director of Community Services

**SUBJECT:** Town & Country Club Park Short-form Rent Increase Application

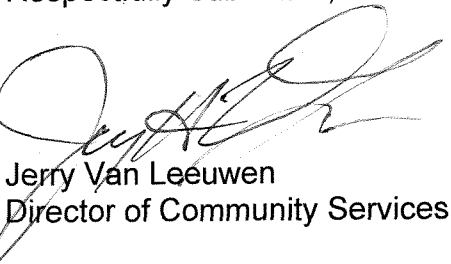
**RECOMMENDATION:**

- Adopt Rent Review Board Resolution No. 2011-6 (R), approving a rent increase of 50% of the change in the Consumer Price Index for the period of December 31, 2008, through December 31, 2010.

**BACKGROUND**

On July 13, 2011, the Rent Review Board voted 3 to 2 (Councilmembers Waldron and Gallo voting no) to approve a rent increase request equal to 50% of the change in the Consumer Price Index for the period of December 31, 2008, to December 31, 2010. In addition, the Board voted that the public accommodation issues related to accessing the Park Clubhouse must be corrected and in compliance with State Law prior to implementing any rent increase.

Respectfully Submitted,



Jerry Van Leeuwen  
Director of Community Services

RESOLUTION NO. RRB 2011-06 (R)

A RESOLUTION OF THE ESCONDIDO  
MOBILEHOME PARK RENT REVIEW BOARD  
MAKING FINDINGS AND GRANTING A SPACE  
RENT INCREASE FOR THE TOWN AND  
COUNTRY CLUB 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 park space rent regulation; and

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

WHEREAS, on April 25, 2011, a short-form application was filed by the H.N. and Frances C. Berger Foundation ("Berger Foundation") on behalf of the Town and Country Club Mobilehome Park ("Park"). The Park is located at 2280 East Valley Parkway in Escondido. It is a "senior park" and all residents are required to be 55 years or older. The Park was acquired by the Berger Foundation in a tax-structured charitable donation on December 28, 1988. The Park consists of 155 spaces (148 spaces are subject to rent control, two spaces are occupied by the management staff and five spaces are vacant); and

WHEREAS, this is the tenth rent increase application filed for the Park since the Ordinance became effective July 8, 1988. The last short-form application was filed by the Park in July 2009. The Board granted a rent increase of \$12.36 per space, per month, which equaled 75% of the change in the Consumer Price Index, (CPI) for the period of December 31, 2007, through December 31, 2008 (2.37%); and

WHEREAS, at the time of the current application, the average monthly space rent was \$546.39 for the 148 spaces made subject to the rent increase. The 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, 2010; and

WHEREAS, a notice of the Park's short-form 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 14, 2011, a Mobilehome Park Rent Review Code Enforcement Inspection Report ("Inspection Report") was completed, and it noted Health and Safety Code violations in the Park; and

WHEREAS, on July 13, 2011, the Board held its public hearing. After an initial staff presentation, the Board invited testimony from Park ownership, the resident representative, 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 a lengthy discussion among the Board members and clarifying questions to the Parties and Staff, the Board voted 3 to 2 to grant an average increase of \$5.07, which equals 50% of the change in the Consumer Price Index for a period of consideration beginning December 31, 2008, and ending December 31, 2010, or .929% for the 148 spaces now subject to the short-form rent increase.

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 Mobilehome Rent Review Board Guidelines ("Guidelines").

3. That following the Guidelines, an increase based on 50% of the change in the Consumer Price Index (CPI) for San Diego County from December 31, 2008, through December 31, 2010, would amount to .929%, which averages \$5.07 per space, per month, for the 148 spaces subject to the rent increase request.

4. That the Board concluded an increase of \$5.07 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 public accommodation issues related to accessing the Park Clubhouse have been corrected and are in compliance with State Law.

6. That the increase may be implemented upon the expiration of the required 90-day notice to the residents, effective on or after July 13, 2011, the date of Council decision.