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APPROVED

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DENIED

Reso No. RRB _____

File No. _____

Ord No. RRB _____

RENT REVIEW BOARD

Agenda Item No.: 7

Date: August 24, 2011

TO: Honorable Chairman and Members of the Rent Review Board

FROM: Jerry Van Leeuwen, Director of Community Services

SUBJECT: Casa Grande Mobile Estates Short-form Rent Increase Application

STAFF RECOMMENDATION:

- Consider the short-form rent increase application submitted by Casa Grande Mobile Estates.
- If approved, adopt Rent Review Board Resolution No. 2011-07 granting an increase of 75% of the change in the Consumer Price Index, or 1.393% (an average of \$6.31), for the period of December 31, 2008, to December 31, 2010. The application meets the eligibility criteria for submittal of a short-form rent increase application.

INTRODUCTION:

Casa Grande Mobile Estates Mobilehome Park ("Park") has filed a short-form rent increase application. The Board is asked to accept the staff report, hear public testimony, and make a determination concerning the request in accordance with the Escondido Rent Protection Ordinance ("Ordinance") and the short-form procedures as outlined in the Rent Review Board Guidelines. 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:

Casa Grande is a senior park located at 1001 S. Hale Avenue, Escondido, California. The Park contains 102 spaces, and 95 spaces are subject to rent control. The remaining six spaces are either rentals, occupied by management staff, subject to a long-term lease or vacant.

Common facilities include a recreation hall with a kitchen, a swimming pool and sauna. There are laundry facilities available for a fee, and the Park maintains a storage parking area.

PARK OWNER'S REQUEST:

The Park owner is requesting an increase of 75% of the change in the CPI for the past year. The CPI period covered by this application is December 31, 2008, to December 31, 2010. Seventy-five percent (75%) of the change in the CPI for the period of consideration is 1.393%, and \$452.96 is the current average monthly base rent per space of the spaces affected. The average increase requested is approximately \$6.31 per space, per month.

RENT INCREASE HISTORY:

This is the 14th application for a rent increase filed by the Park since the Ordinance was implemented. The Park last came before the Rent Review Board in August 2009, for a hearing on a short-form application where the Board granted an increase based on 75% of the one-year change in CPI, an average of \$9.92 per space, per month.

Casa Grande currently has 12 residents participating in the City of Escondido's Mobilehome Park Space Rent Subsidy Program.

RESIDENT MEETING AND COMMENTS:

The Resident meeting was held July 26, 2011, at 7:00 p.m. in the Park's clubhouse. Approximately 25 residents attended the meeting. Residents were briefed on the short-form procedures and the process, including their need to appear at the hearing and sign-in if they wish to protest the short-form application. The resident representatives are Joan de Vries and Jose Jacinto. The meeting was also attended by the Park owner, the Park managers, and consultant Michelle Henderson.

Prior to the resident meeting, the Board members of the Homeowners Association met with the Park managers to discuss the rent increase. The HOA Board had several proposals for consideration by the Park owner. The Board indicated that they would like to have designated hours for children to use the pool, and the Park owner has agreed to this request. The pool is now heated from Memorial Day to Labor Day, and as requested the Park owner said that time frame could be extended, weather permitting. The Park owner agreed to continue to replace trees that are removed due to root damage, to consider providing an additional dumpster for the residents, and to have STOP signs posted at the intersection of La Puerta and Pio Vista Dr., as requested by the Board. The Board asked that consideration be given to converting the Park's Green Belt into a park-like area and Management will pursue this and ask for resident suggestions. The Board also requested that the Park install a spa (Jacuzzi) but the Park owner indicated this amenity was too costly. One of the residents inquired at the meeting if the Park would accept a lesser rent increase, but the Park owner indicated the request would remain at 75% of the change in the Consumer Price Index.

Staff was informed by the resident representative that the residents would not protest the short-form rent increase request.

CODE ENFORCEMENT ISSUES:

The Code Enforcement Division conducted a health and safety inspection of the common areas of the Park and noted a few existing code violations. A copy of the Code Inspection Report is attached as Exhibit "A." The Park owner, resident manager, and resident representative received a copy of the report and are aware that no increase, if granted, may be implemented until the health and safety code violations have been cleared.

ADDITIONAL FACTORS AFFECTING THE APPLICATION:

The decision of the Rent Review Board will be finalized by adoption of the Resolution confirming the findings of the Public Hearing, and 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: AUGUST 2, 2011

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: BRIAN GUSTAFSON, CODE ENFORCEMENT MANAGER 

SUBJECT: CASA GRANDE MOBILE ESTATES

Casa Grande Mobile Estates was inspected on August 2, 2011, with the lighting inspection conducted the morning of July 28, 2011, as a result of an application for rent increase having been filed. There were two general violations found during the August 2nd inspection and no lighting violations were noted during the July 28th inspection. The inspection report is attached.

A resident meeting was held on July 26, 2011 (attended by approximately twenty-five residents) at which time the resident representative identified no specific concerns. The resident representative was also present during the August 2 inspection.

There have been 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



August 2, 2011

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Casa Grande Mobile Estates

Park Owner: Casa Grande Mobile Estates LLC
c/o Sue Bergman
54 La Senda
Laguna Beach, CA 92651

Park Managers: Clyde & JoAnn Spencer **Phone:** (760) 746-7366

Inspection Date: 08/02/11 **Inspector(s):** S. Moore, B. Cline

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. 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. Repair or replace the deteriorated wood bench support(s) on the east side of the shuffleboard court. **25 CCR 1608 (a) (6), 25 CCR 1608 (b) (4)**
2. Remove the non-permitted portable carport in the RV storage lot. **25 CCR 1424 (a), 25 CCR 1432 (a)**

Areas of the park needing illumination per 25 CCR 1108
(Lighting Inspection; 07-28-11)

No lighting violations were found.

MOBILEHOME PARK RENT REVIEW

RESIDENT REPRESENTATIVE REPORT FORM

Park Name: CASA GRANDE MOBILE ESTATES

Date of Inspection: 2 AUG 2011

Resident Representative JOSE JACINTO

This park will be inspected as a result of an application having been filed for a rent increase. The Code Enforcement Division will base their inspection under provisions outlined in the California Health and Safety Code, Division 13, Part 2.1; California Code of Regulations – Title 25, the Escondido Zoning Code, Article XLV; and the Escondido Municipal Code, Section 6-480 Property Maintenance.

The report compiled by the Code Enforcement Division will address the health and safety issues related to the common areas of the mobile home park and those items for which the repair and maintenance is the responsibility of the owners and managers of the park. The attached list is to assist you and the residents in noting your current concerns so that they can be addressed as part of the process.

At the time of the inspections, each item on this list will be discussed with the participants. If it is a violation of Title 25 it will be made part of the Inspection Report.

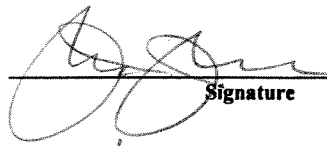
Occasionally there are no concerns noted by park residents. If that is the case, we ask that you check the appropriate statement below, sign the form and return it to the Code Enforcement Division.

☒ The residents have expressed no specific concerns or issues at this time.

☐ The residents have expressed the specific issues and concerns that are noted on the accompanying pages of this report.

JOSE JACINTO
Print Name of Resident Representative

8-2-11
Date


Signature
8817607408722
Space # / Phone Number

RESOLUTION NO. RRB 2011-07

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD
MAKING FINDINGS AND GRANTING A RENT
INCREASE FOR CASA GRANDE MOBILE
ESTATES

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 pursuant to Section 12 of the Rent Review Board Guidelines was filed on June 6, 2011, by Walt Powers, the representative for the Park Owner of Casa Grande Mobile Estates, located at 1001 S. Hale in Escondido. The short-form rent increase application applies to 95 of the 102 spaces; and

WHEREAS, this is the 14th rent increase application filed by the Park since the Ordinance became effective in 1988. The last short-form rent increase for 2.37%, or approximately \$9.92 per space, per month, was granted at a Rent Review Board Hearing held August 2009, and formally adopted by Rent Review Board Resolution 2009-06 (R); and

WHEREAS, at the time of the current short-form rent increase application, the average monthly space rent was \$452.96 for the spaces 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 December 31, 2008, through December 31, 2010, in accordance with the Rent Review Board short-form policy guidelines. The short-form rent increase application estimated this amount to be an average of \$6.31 (1.393%) per space, per month; 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 August 2, 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 August 24, 2011, the Board held its public hearing and after an initial staff 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 increase of 1.393%, an average of \$6.31 per space, per month, for the spaces which are subject to a 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 short-form Guidelines ("Guidelines").

3. That following the Guidelines, an increase based on 75% of the change in the CPI for San Diego County from December 31, 2008, through December 31, 2010, would amount to 1.393%, which averages \$6.31 per space, per month, for the spaces that are subject to a rent increase.

4. That the Board concluded that an increase of approximately \$6.31 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 short-form rent 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 Report.

6. That the short-form rent 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.