

RENT REVIEW BOARD

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

Agenda Item No.: 12

Date: January 11, 2012

TO: Honorable Chairman and Members of the Rent Review Board

FROM: Jerry Van Leeuwen, Director of Community Services

SUBJECT: Ponderosa Mobilehome Park Short-form Rent Increase Application, Continued Hearing

RECOMMENDATION:

- Consider the short-form rent increase application submitted by Ponderosa Mobilehome Park.
- If approved, adopt Rent Review Board Resolution No. 2012-01 granting an increase of 75% of the change in the Consumer Price Index, or 3.601% (an average of \$20.32), for the period of June 30, 2009, to June 30, 2011.

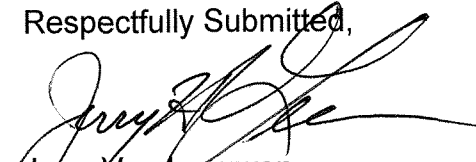
The application meets the eligibility criteria for submittal of a short-form rent increase application.

ADDITIONAL INFORMATION:

On December 5, 2011, resident representative Don Greene requested a continuance of the hearing for Ponderosa Mobilehome Park, originally scheduled for December 7, 2011. Mr. Greene's request was that the short-form rent increase request for Ponderosa Mobilehome Park be presented at 6:30 p.m. at a future date. As agreed upon by the resident representative and the Park owner's representative, and announced at the December 7, 2011 Council Meeting, the hearing was continued to January 11, 2012.

The original Staff Report is attached as Exhibit "A".

Respectfully Submitted,


Jerry Van Leeuwen
Director of Community Services



RENT REVIEW BOARD

For City Clerk's Use:

☐ **APPROVED** ☐ **DENIED**

Reso No. RRB _____ File No. _____

Ord No. RRB _____

Agenda Item No.: _____

Date: December 7, 2011

TO: Honorable Chairman and Members of the Rent Review Board

FROM: Jerry Van Leeuwen, Director of Community Services

SUBJECT: Ponderosa Mobilehome Park Short-form Rent Increase Application

RECOMMENDATION:

- Consider the short-form rent increase application submitted by Ponderosa Mobilehome Park.
- If approved, adopt Rent Review Board Resolution No. 2011-09 granting an increase of 75% of the change in the Consumer Price Index, or 3.601% (an average of \$20.32), for the period of June 30, 2009, to June 30, 2011.

The application meets the eligibility criteria for submittal of a short-form rent increase application.

INTRODUCTION:

Ponderosa 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 staff report have been made available to the Board for review and consideration prior to the hearing.

THE RENT INCREASE APPLICATION:

Ponderosa is an all age mobilehome park located at 1575 West Valley Parkway in Escondido. The Park contains 104 spaces, and 60 spaces are subject to rent control. The Park has requested an increase for 59 spaces, and a zero increase for one space where residents recently moved in. The remaining spaces are either subject to a long-term lease or are vacant.

Common facilities include a clubhouse, swimming pool, and RV parking. Laundry facilities are available to residents for a fee.

PARK OWNER'S REQUEST:

The Park owner is requesting an increase of 75% of the change in the Consumer Price Index for the past two years. The CPI period covered by the application is June 30, 2009, to June 30, 2011. Seventy-five percent (75%) of the change in the CPI for the period of consideration is 3.601%, and \$564.44 is the current average monthly space rent of the spaces affected by the increase request. The average increase requested is approximately \$20.32 per space, per month.

RENT INCREASE HISTORY:

This is the 15th application for a rent increase filed by the Park since the Ordinance was implemented. The Park last came before the Rent Review Board in July 2009. At that time, the Board granted an average rent increase of \$12.85 per space per month, or 2.37% based on an average space rent of \$542.26. The period of consideration for the last rent increase ended as of December 2008.

Ponderosa currently has one resident participating in the City of Escondido Mobilehome Park Space Rent Subsidy Program.

RESIDENT MEETING AND COMMENTS:

The resident meeting was held the evening of November 1st. The meeting was attended by nine residents. The 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 meeting was also attended by the Park owner's representatives, Laura Slobojan and Sue Brown, Park manager, Joe Camacho and consultant Michelle Henderson.

Resident issues and concerns included maintenance of the Park and the need to slow down the vehicle traffic. The presence of rats in the palm trees was also of concern and was discussed during the Health and Safety Code Inspection.

The resident representative, Toni Showerman informed the residents that she had asked Don Greene, of the Coalition of Escondido Mobile/Manufactured Home Voters and a resident of Town and Country Club Park, to assist her as representative for the short-form process. Ms. Showerman indicated that they would hold another meeting for the residents to discuss any other issues and concerns they wanted to express.

This additional meeting was held on November 14, and on November 23, the resident representatives and Laura Slobojan, the Park owner's representative, met to discuss concerns, issues and proposals

voiced by the residents. "Exhibit B" is list of topics discussed at this meeting and the responses from the Park owner's representative.

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's representative, resident manager and resident representatives 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 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: NOVEMBER 16, 2011

TO: HONORABLE CHAIRMAN AND MEMBERS OF THE RENT CONTROL BOARD

FROM: BRIAN GUSTAFSON, CODE ENFORCEMENT MANAGER 

SUBJECT: PONDEROSA MOBILEHOME PARK RENT CONTROL

Ponderosa Mobilehome Park was inspected on November 8, 2011, with the lighting inspection conducted the morning of November 2, 2011, the result of an application for a rent increase having been filed. Three general violations were found and noted in the attached inspection report.

The resident representative for the park was contacted and attended the resident meeting on November 1, 2011 along with eight other residents. She advised the residents were planning an additional meeting to discuss issues in the park.

On November 8, 2011, the Resident Representative Report Form was turned into the code officer. Standing water was indicated by space 48, where a small amount of water was observed. This is being monitored throughout the rainy period to determine if any work is required of the park to expedite the flow of water. The report indicated "lighting could be better in streets away from clubhouse area". The lighting in the park meets the requirement of Title 25 and no enforcement is warranted. The individual lot identification was a concern but this is not an area addressed in the rent control process; it is handled during the state inspections or by the park on a case by case basis. Resident concerns over rodents should be directed to the county of San Diego Vector Control Department; code has addressed overgrown and hazardous vegetation.

Of the five code enforcement cases in this park during the past year, four were the responsibility of the park (three tree issues with one violation found and one involving a deteriorated driveway). The fifth complaint by a resident concerning trees was unfounded. Currently, there are two open violations that remain the responsibility of the park (the deteriorated driveway and dead/hazardous growth on a tree).

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



November 15, 2011

MOBILEHOME PARK RENT CONTROL
CODE ENFORCEMENT INSPECTION REPORT

Park Name: Ponderosa Mobile Home Park
1575 W. Valley Parkway
Escondido, CA 92029

Park Owner: Ponderosa Group L P
924 Westwood Blvd., Ste. 910
Los Angeles, CA 90024

Park Manager: Joe Camacho **Phone:** (760) 746-3041

Inspection Date: 11/08/11 **Inspector:** 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 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 the required screen venting in the water heater enclosure next to the laundry building. 25 CCR 1605 (e)
2. Repair/replace the drainage grate on the roadway near the laundry building. 25 CCR 1102 (a)

3. Repair the cracked/broken roadways where necessary, particularly in the vicinity of spaces 48 and 100. 25 CCR 1116 (a)

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

No lighting violations were found.

MOBILEHOME PARK RENT REVIEW

RESIDENT REPRESENTATIVE REPORT FORM

Park Name: Ponderosa
Date of Inspection: 11/8/2011
Resident Representative Don GREENE

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.

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

Don GREENE
Print Name of Resident Representative

11/8/2011
Date

[Signature]
Signature

619) 645-6426
Space # / Phone Number

City of Escondido
Code Enforcement Division
201 N. Broadway
Escondido, CA 92025
(760) 839-4650

RENT CONTROL INSPECTION CHECKLIST
RESIDENT COMMENTS

Responsible person: There shall be a person available who shall be responsible for the operation and maintenance of the mobile home park. The person or designee shall reside in parks of 50 units or more, and shall have knowledge of emergency procedures of the park facilities.

N/A OK

Rubbish, accumulation of waste material: The park shall be kept clean and free of the accumulation of refuse, garbage, rubbish, excessive dust or debris.

N/A OK

Drainage: The park common areas and roadways shall be graded and sloped to provide storm drainage runoff. Standing water should evaporate within 72 hours.

STANDING WATER ON A CONSISTANT BASES NEAR SPACE #48 AND OTHER
AREAS

Building and park lighting: During hours of darkness, artificial lighting shall be maintained in accordance with requirements of Title 25.

LIGHTING COULD BE BETTER IN STREETS AWAY FROM CLUBHOUSE AREA

Lot address identification: Each lot shall be identified by letters, numbers or a street address mounted in a conspicuous place facing the roadway.

SOME ARE ILLEGIBLE BUT MOST ARE ACCEPTABLE

Permanent park buildings: Park buildings, structures and facilities shall be maintained free from hazards.

OK

Emergency information: Emergency information is to be printed and posted in a conspicuous location and shall contain the following telephone numbers/information:

Fire Department
Police Department
Park office
Responsible person for operation and maintenance
Code Enforcement
Park location – address
Nearest public telephone

OK

Other questions, comments or concerns:

RESIDENTS HAVE DEEP CONCERN FOR RAT INFESTATION. REPORTS OF
RATS IN HOMES, IN TREES ALL OVER PARK - MOSTLY PALM TREES.

ROADS HAVE NOT BEEN SLURRIED OR REDONE IN A NUMBER OF YEARS.

Subject:

Ponderosa MHP - Resident Concerns and Park Responses

I met with Toni Showerman (Resident Representative), Don Greene (Resident Representative and EMPAC) and Joe Camacho (Community Manager) on Wednesday November 23rd at 9:00 a.m. This meeting is in response to a meeting the residents held on November 14th to voice their concerns and issues concerning the park's short form application for a rent increase through the City of Escondido's Rent Control Ordinance. Their concern's are listed below:

Opening Remark - Residents want repairs and upgrades to the park in order to approve the 3.601% increase otherwise they are offering 1%.

Park's Response - The park has not received or requested an increase in over 2.5 years and is confident the City Council will agree that general maintenance and expenses over time have increased as evidenced by the increase in the CPI. Increases include general cost of operations for a park that is over 40 years old and in various insurances. Furthermore, the requested short form increase is not subject to major capital improvements but based upon the acceptance that CPI is an indicator of increasing costs. Additionally, as evidenced by the City's inspection, the park is not in disrepair. Ponderosa is well maintained and in good repair.

Item 1 - Rats in the trees

Park's response - As noted in the City's inspection - "concerns over rodents should be directed to the county of San Diego Vector Control Department". Additionally, we noted the rats are fruit rats and not "sewer" rats. Close proximity to open areas and other habitat invite the rats to the park and surrounding neighborhood. The park will inspect community trees and where necessary will trim or remove to deter rodents. Also noted by the manager is that there have been no prior reports from the residents of rats as a concern.

Item 2 - Utilities - shut off notices

A. Water shut off without sufficient notice.

Park's response - From time to time there arise emergency situations where a water main or pipe is in need of immediate repair. In these instances it would cause greater damage to property if the problem was not promptly fixed upon discovery. Unfortunately this causes a disruption for the residents. It was agreed and understood by all in attendance that a serious water main break should be repaired quickly. It was noted that all repairs that can be scheduled are done so with care given to residents work and home schedules and sufficient notice is given to them as required by law.

B. Broken Pipes

Park's response - The park was not aware of residents who had a trouble with water being turned back on. We encouraged the Representative to have the resident come to the park with their specific problem.

C. Electrical - Ms. Showerman acknowledged that the electrical is better and understands the park is old and therefore more prone to items in need of repairs.

Item 3 - Residents want Capital Improvements

A. Driveways to be replaced

Park's Response - The park had previously surveyed the driveways and determined 20 or so were in need of repair. The park has obtained 3 bids from vendors and will be releasing the job by January after owner approval. The Representative said only 20 was not good and they want the driveways replaced with concrete. So they were not really satisfied with our current action. As most of the driveways are asphalt and are in need of repair only, replacing with concrete is not a prudent financial option. The park did let the representative know that residents can install their own concrete driveway(s) if they choose.

B. Repair Streets / Park Owners in the City of Escondido slurry streets an average of every 3 years

Park's Response - The City of Escondido's inspection noted two minor areas of repair and stated in our walk of the park that the streets are good and well maintained. The two areas noted in the report have since been repaired. The park will keep an eye on a pine tree and root that may cause a problem in the future but is not posing a problem today. As for "repairing" the streets - the streets are not in disrepair and are well maintained. The park routinely and as needed, applies an asphalt crack sealant designed to prevent cracking. The streets may not be pretty but they are well maintained, as confirm by the city.

Item 4 - Poor Communication

Park's Response - Many instances given related to the previous manager who was replaced in October 2010. The management company welcomes concerns from the residents in order to improve communication. The names and contact information for the corporate office are posted in the clubhouse and in the park magazine. We also provide "Resident Concern Forms" as a vehicle for concerns to be voiced, tracked and responded to.

Item 5 - Gophers, Squirrels and Rats

Park's Response - These are wild animals and residents should do their part to not invite them into their yard - i.e. keep trash can lids closed, maintain their skirting to be free of holes and other entrances, and to not leave food outside for pets. As for the gophers, the park believes the affected resident(s) should take steps to eradicate them in an effort to keep them from destroying their landscaping. Everyone did agree that they are universal problem in the Escondido area and it would be hard to get rid of them but that all should do their part to not encourage the critters.

Item 6 - Space 8 not increased - would we waive the increase for the other new move ins in 2011?

Park's Response - The park completed the Short Form correctly and conferred with Michelle Henderson regarding the two columns in question. As for space 8 - they moved in August 2011 and would not have been a resident for more than ten months when the increase went into effect. Therefore, we elected not to request an increase for that space.

Item 7 - Trees - trimming or removal of resident's trees

Park's Response - Based on the conversation with the City of Escondido Inspector there are some trees that the residents are responsible to maintain. There are others that the park is to maintain. The park reviews each space regarding trees and make a determination based on the City's instruction on trimming or removal and whether it is to be done by the park or the resident. The park trims common area trees regularly and has bids in hand for work to be done in January upon owners approval.

General Comments made by Mr. Greene:

-- "The City Inspection is not a Title 25 inspection or an HCD inspection" - The park responded stating it was the only inspection required for the request at hand.

-- The park "shouldn't get more unless they do more" Feels maintenance is "just enough". The park's response is as stated above, the cost to maintain the community and it's facilities is rising. Maintaining the nice appearance of the property is never ending and costly.

Submitted By: Laura Slobojan, Regional Manager
Mobile Community Management Company

RESOLUTION NO. RRB 2012-01

A RESOLUTION OF THE ESCONDIDO
MOBILEHOME RENT REVIEW BOARD MAKING
FINDINGS AND GRANTING A RENT INCREASE
FOR PONDEROSA 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 pursuant to Section 12 of the Rent Review Board Guidelines was filed on October 5, 2011, by Mobile Community Management Co., the representative of the owner of Ponderosa Mobilehome Park ("Park") located at 1575 West Valley Parkway in Escondido. The Application applies to 60 of the 104 spaces, with the Park requesting a zero increase for one space for residents who moved into the Park in August 2011; and

WHEREAS, this is the 15th rent increase application filed by the Park since the Ordinance became effective in 1988. The last rent increase was granted by the Board in Rent Review Board Resolution 2009-05, on July 15, 2009, for 2.37%, or approximately \$12.85 per space, per month; and

WHEREAS, at the time of the current application, the average monthly space rent was \$564.44 for the 59 spaces subject to a 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 June 30, 2009, through June 30, 2011, in accordance with the Rent Review Board short-form policy guidelines. The application estimated this amount to be an average of \$20.32 (3.601%) 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 November 8, 2011, a Mobilehome Park Rent Review Code Enforcement Inspection Report ("Inspection Report") was completed. It noted health and safety code violations in the Park; and

WHEREAS, on January 11, 2012, the Board held its public hearing. 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 3.601%, an average of \$20.32 per space, per month for the 59 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 Consumer Price Index (CPI) for San Diego County from June 30, 2009, through June 30, 2011, would amount to 3.601%, which averages \$20.32 per space, per month, for the 59 spaces that are subject to a rent increase.

4. That the Board concluded that an increase of 3.601%, an average of \$20.32 per space, per month, is consistent with the Guidelines and is a fair, just, and reasonable increase in light of the information presented by all parties.

5. 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.