



**AGENDA
SPECIAL MEETING**

**Mobile Home Park Rent Review Board
Monday, November 25, 2019, 5:30 p.m.**

Oxnard City Council Chambers, 305 West Third Street, Oxnard CA 93030

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

A person may address the Commission only on matters on the Special Meeting agenda. The presiding officer shall limit public comments to three (3) minutes per speaker. Public Comments will be heard during the Commission consideration of the item on the agenda.

3. INFORMATION/CONSENT AGENDA ITEM

SUBJECT: Minutes of Meeting of June 12, 2019 (001)

RECOMMENDATION: Approve minutes of Board meeting of June 12, 2019

4. REPORTS FROM CITY STAFF

SUBJECT: Rosenberg's Rules of Order

RECOMMENDATION: Receive a presentation from staff on the City Code requirement related to the use of Rosenberg's Rules of Order for the Conduct of Rent Review Board meetings.

SUBJECT: Recent Hearing Officer Decisions (020)

RECOMMENDATION: Receive staff report on Hearing Officer's Decisions on (a) Imperial Oxnard Mobile Estates' application for modification of water and sewer utility passthrough billing Methodology, and (b) Homeowners' Protest of CPI Rent Increase Application submitted by Oxnard Pacific Mobile Estates.

5. BOARD MEMBER BUSINESS

SUBJECT: Dispute Regarding Permissible Rent Upon Purchase of Unit (077)

RECOMMENDATION: Receive presentation regarding dispute of Permissible Rent upon sale of unit (Space #82, Villa Capri Mobile Estates); and determine whether to refer case to Hearing Officer for evidentiary proceeding.

6. NEW BUSINESS

7. ADJOURNMENT

In accordance with the Americans with Disabilities Act and City of Oxnard policy, if you need special assistance to participate in a meeting, please call 385-8095 (TDD 487-2850). Notification 72 hours prior to the meeting will assist the City in making reasonable arrangements to ensure meeting accessibility.

**Mobile Home Park Rent Review Board
DRAFT Minutes of the Special Meeting of June 12, 2019**

On Wednesday, June 12, 2019, at 5:35 p.m. the Special Meeting of the City of Oxnard Mobile Home Park Rent Review Board convened in the Council Chambers at 305 West Third Street, Oxnard, CA 93030. The following Commissioners were in attendance: Cynthia Daniels; Felipe Flores; Efrain Jimenez and Martin Lee Remmen. City of Oxnard staff members present were Deputy City Attorney Ken Rozell; Housing Director Emilio Ramirez; and Rent Stabilization Director Karl Lawson, Commission liaison, who acted as Recording Secretary. Commissioner Remmen chaired the meeting.

1. ROLL CALL AND CALL TO ORDER

Chairman Remmen called the meeting to order at 5:35 p.m. Roll was called and a quorum was deemed present.

2. OATH OF OFFICE OF NEW COMMISSIONER

City Clerk Michelle Ascension administered the oath of office to newly-appointed Commissioner Efrain Jimenez, who then took his seat at the dias with the other Commissioners.

3. PUBLIC COMMENT

None.

4. INFORMATION/CONSENT AGENDA

SUBJECT: Minutes of Meeting of October 29, 2018

Commissioner Daniels moved, and Commissioner Flores seconded, a motion to approve the minutes as presented. The motion carried without opposition.

5. REPORTS FROM CITY STAFF

SUBJECT: Presentation from Housing Department Director

Rent Stabilization Director Karl Lawson presented Mr. Emilio Ramirez, the new Director of the City of Oxnard Housing Department. Mr. Ramirez introduced himself, provided background on his previous work in the City of Riverside, and discussed his focus on affordable housing and housing production.

SUBJECT: Water and Sewer Utility Passthrough Billing Methodology

Mr. Lawson provided a verbal report to the Board on the process by which mobile home park owners may apply for utility passthroughs, which allows for certain utilities to be charged directly to individual homeowners. The processing of such applications requires the cost of any utilities that are not directly charged to homeowners, and which are included as part of the space rent, to be calculated and then removed from space rent. Subsequent thereto, the actual cost of utilities may then be directly charged to homeowners, as metered to the individual homesites.

Mr. Dick Bessire, representing the firm of Bessire and Casenhiser, addressed the Board and informed them that he had been advising a State Senate Select Committee on this. Mr. Bessire advised the Board that there is a state law which requires all parks, by 2025, to separately sub-meter and charge space residents for water consumption.

Commissioner Daniels inquired as to how the park owners are able to recover the cost of the installation of sub-meters. Mr. Lawson indicated that in the case that is currently in process, the park has indicated that it will be filing an application for a discretionary rent increase in the future in order to recover the capital investment cost of sub-metering. Vice-Chair Flores asked about how the shift to sub-metering impacts a park's incentive to limit water usage in common areas in a park. Staff clarified that each park owner still pays for water consumed in its common areas, and thus has an incentive (and increased ability to) control its water cost through conservation measures.

Ms. Pat Brown, a resident of Royal Palms Mobile Home Park, described issues related to water consumption in that park, commenting specifically on water usage in laundry areas, car wash areas, and landscaping. Ms. Brown expressed support for sub-metering that will eliminate the fact that homeowners who consume less water are in essence paying for water consumption of those who utilize more water.

Chairman Remmen noted that park owners had already gained experience in sub-metering cost allocation methodology as it relates to provision of natural gas to park residents. Mr. Bessire concurred with this assessment.

SUBJECT: Rent Stabilization Ordinance

Mr. Lawson directed the Board's attention to the staff report at page 006 of the meeting agenda packet, and delivered a slide presentation to the Board. A copy of that presentation is included as Attachment No. 1 to these minutes. Mr. Lawson and Deputy City Attorney Ken Rozell also responded to questions from Commissioners.

Mr. Bessire elaborated on the position of his park as set forth in his letter of June 10, 2019, which was distributed to the Board (Attachment No. 2 to these minutes). He indicated that mobile homes in Oxnard Shores Mobile Home Park were being sold for anywhere from \$200,000 to over \$800,000, while the park is limited to an \$80 per month rent increase upon sale. Mr. Bessire requested that the Board consider recommending a change in the ordinance that would increase the change of occupancy cap above the current \$80 increase.

Chairman Remmen suggested that the Board read and digest the proposals prior to taking any action. Mr. Rozell recommended that the Board receive input from both park owners and homeowners at this meeting, and only take action at a future meeting.

Commissioner Daniels asked Mr. Bessire to clarify what his proposal was. He stated that if the objective of the System is to preserve affordability of housing, that the City must control not just the space rents, but also the sales prices of mobile homes. Mr. Bessire also requested that the park owners be allowed the opportunity to read and review any proposals for amendments to the ordinance that are being offered by homeowners, and that no such proposals had been received.

Housing Director Ramirez addressed the Board and offered to have the City re-examine the ordinance if such was the desire of the Board, and that the City would consult with all affected parties. With respect to the affordability of housing, Mr. Ramirez noted that the objective of a rent stabilization system is not necessarily that of an affordable housing program, and is aimed more at protecting an investment. He also commented on the need to examine the total housing cost, including both the purchase price/mortgage cost and the space rent.

Mr. Lawson indicated that the documents presented by Mr. Bessire would be included in the agenda packet and disseminated to all, for possible consideration by the Board at a future meeting.

Mr. Mark Kupperman, a resident of Oxnard Shores, addressed the Board regarding the proposal to tie the sales price to permitted space rent. He purchased his house over 20 years ago for \$75,000, and noted that he could sell it for many times that now, but disputed the assertion that the future sales price of the house should be limited because the land rent increase is limited.

6. BOARD MEMBER BUSINESS

SUBJECT: Annual Activity Report for 2018-19

Mr. Lawson directed the Board's attention to the staff report beginning at page 010 of the agenda packet, and provided a brief summary of the draft Annual Activity Report set forth therein. Mr. Lawson noted that, in accordance with that report, no homeowner protests of CPI rent increases had been submitted as of the date of the staff report (June 5). He further noted that just prior to the convening of the meeting, a homeowner protest had been filed for one application, and that a hearing would be conducted in the upcoming fiscal year, which begins on July 1, 2019. Following discussion, Commissioner Daniels moved, and Vice-Chair Flores seconded, a motion to approve the report as submitted, and authorize the Chair to submit the report to City Council. Without opposition, the motion carried unanimously.

7. NEW BUSINESS

None

8. ADJOURNMENT

There being no further business, the meeting stood adjourned at 6:46 p.m.

(Minutes prepared by Karl Lawson)

Mobile Home Park Rent Stabilization Program

Presentation to
*Mobile Home Park Rent Review Board June
12, 2019*

Oxnard's Mobilehome Community

- 20 Mobilehome Parks
- 2816 Total Spaces (nearly all owner-occupied)
- 10,000 – 11,000 Total Residents (about 5% of Oxnard's total population)
- 91% of Oxnard's mobilehome owners are under jurisdiction of Oxnard's Rent Stabilization Ordinance

Rent Stabilization in Oxnard

- First adopted in 1983
- Ordinance amended four times
- Current ordinance resulted from a negotiated agreement between park owners and elected representatives of homeowners (1998 Task Force)

What is "Rent Stabilization"?

Rent Stabilization is not:
a government subsidy for low-income persons or senior citizens

What is "Rent Stabilization"?

Rent Stabilization is:

A system of administrative law adopted by the City Council

Rent Stabilization is:

government regulation of the price that a business may charge for a product (i.e., increases in space rent)

What is "Rent Stabilization"?

A key element in preserving the affordability of housing for approximately 5% to 6% of families in the City of Oxnard

Enactment of Chapter 24

- Previous 1991 Settlement Agreement sunsetted in 1999
- In 1998, City Council created a Tri-Partite Rent Stabilization Ordinance Review Task Force to bring parties to the table with the goal of re-negotiating mutually agreeable amendments to the rent stabilization system

Ordinance Review Task Force

- Nine member Task Force
- Three represented park owners
- Three represented homeowners
- Three neutrals appointed by City Council

Selection of Task Force Members

- Parks owners selected three individuals to represent the 21 park owners
- Homeowner meetings were held in each of the 21 parks to elect a representative from each park
- Those 21 representatives then met and elected 3 persons to represent the entire group

Selection of Task Force Members

- City Council appointed the three neutral members of the Task Force
- One of those neutrals was a former Chair of the Rent Review Board, who was designated to serve as Chair of the Task Force; acted as a non-voting member of the Task Force

Task Force Process

- Nine public meetings over an eleven month period
- Meetings conducted as public meetings in accordance with the Brown Act
- City staff acted as Task Force Secretary; City Attorney and staff attended all meetings

Negotiations on Amendments

- During Task Force meetings, Homeowners and Park Owners each presented lists of proposed amendments to the 1991 Settlement Agreement
- All proposals were discussed, and both parties pared down list of proposed amendments during course of negotiations

Negotiations on Amendments

- Final result: parties ultimately agreed on a package settlement consisting of 14 amendments to the ordinance and resolution
- Exact wording of each amendment agreed upon for presentation to City Council

Scope of Amendments

- Major amendments: modifications to formula for calculating CPI rent increases and rent increase upon change-of-occupancy of a space; changes to passthrough provisions; and ability of park to require new residents to sign a long-term lease
- Established independent Hearing Officer to conduct evidentiary hearings on disputes

Rent Review Board

- Ordinance establishes Rent Review Board as a quasi-judicial body, to hear appeals of decisions issued by independent Hearing Officer in cases regarding rent disputes and utility passthrough applications
- Board members must be neutral, have no financial interest in mobile homes, parks, or real estate business

Votes on Amendments

- Task Force: all amendments except one were unanimously approved by all park owner representatives and all homeowner representatives
- Entire package was endorsed and recommended for adoption, as a package, by the Task Force.
- Two Neutral members of Task Force did not vote for all amendments

Adoption by City Council

- Task Force presented full package to City Council at a public meeting
- Homeowner Representatives and Park Owner Representatives from the Task Force spoke and urged Council to adopt entire package of amendments
- City Council unanimously adopted Task Force recommendation

Task Force Process – Meetings and Staff Resources

- Public Meetings: 24 homeowner meetings; 4 City Council meetings; 9 Task Force meetings.
- Staff time: over 570 hours of City staff time dedicated to Task Force process
- Also: 168 hours of City Attorney time, and 14 hours billed by Special Counsel

Rent Stabilization Ordinance

- Has not been amended since 1999
- City's objective: faithfully administer the Rent Stabilization System in an objective manner
- Since 1999, only one court challenge to a City action related to rent stabilization; no "facial challenges" or other litigation
- Contrast with previous decade

Current Report

- On March 26, 2019, a member of the public appeared before the City Council's Housing and Economic Development Committee and requested that the City consider amending the ordinance
- Staff disseminated notice to all parks and homeowner associations

Questions?

Thank you!

Rent Stabilization Program
805-385-8095

Karl Lawson
karl.lawson@oxnard.org



June 10, 2019

City of Oxnard
Rent Review Board
438 S. "D" Street
Oxnard, CA 93830

RE: Oxnard Shores – Rent Control / Vacancy Controls

To Whom It May Concern:

Once again, we are asking for a change to the current City of Oxnard Rent Control / Vacancy Control provisions that basically limit an increase of \$80 upon a turnover resale of a home, once every five (5) years.

As can be seen by the attached Santiago Financial Inc. Comparable Sales Report and the pending sales information yet to hit the state registration computer reports, you can see homes worth \$20,000, are selling for \$300,000 plus, because of the \$80.00 restricted rent increase limitation to a new buyer.

If in fact, you are limiting the rents in Oxnard to help maintain affordable low-cost housing you also need to control what the homes are sold for since it is the combination of rent and home price that dictate what a Buyer is willing to pay for "the package."

We can also show by the two new spaces we built that rents should be at a minimum of \$1,500 a month because we sold a new home for over \$500,000 on a new space with a rent of \$1,500 on an interior lot.

Thus, to allow residents to sell their older homes on ocean view lots for over \$500,000 is truly a transfer of wealth, taking money out of the original developers pocket who took the chance to build and maintain this community.

If you have never visited Oxnard Shores, we request you do so. It is a very clean, gated community (at night) that has direct beach access, plus a large clubhouse and rec area with a pool, spa, and exercise room.



June 10, 2019

City of Oxnard Rent Review Board - Oxnard Shores -- Rent Control / Vacancy Controls

Page Two

As can be seen by looking at the attachments, the current application of the Oxnard Rent Control Ordinance does not even meet the intended purpose of protecting affordable housing, but does unfairly cause a "transfer of wealth."

We understand the residents need for stabilized rents, so would suggest full Decontrol/Recontrol and/or a new, voluntary Long-Term Lease with the park.

The current ordinance does protect the existing resident by restricting current rents to annual CPI increases. However, allowing a new Buyer the same controlled rents without a current market rate adjustment upon turnover is just not fair to the property owners of this park or any other park in the city of Oxnard

NOTE: *We have no problem with Vacancy Decontrol/Recontrol.*

Please consider recommending a change to the City Council in the Vacancy Control provision of the current ordinance to stop this unfair "transfer of wealth."

Sincerely,



R. C. Bessire
President
BRE #00483337

DB/ksp
db061019ksp

cc: Karl Lawson

OXNARD SHORES
July 2019 – Rents

The current rents at Oxnard Shores are substantially below market rates, as can be seen in the attachments with 109 spaces with rents below \$900 per month.

Current posted market rents are \$1,500, \$1,050 and \$2,400 for the full ocean view lots. All of these rents are far below rents charged for similar communities up and down the coast.

As stated before, we understand the need to protect the EXISTING residents/homeowners, but to continue allowing residents and their heirs to benefit at the cost of ownership just does not make sense and we feel it is an illegal taking.

Thus, we are requesting that the lid of \$80± on resale be removed and allow the market to dictate what the value of a home is really worth.

Again, as you can see the delta between "market" and actuals is over \$100,000 per month.

DB/ksp
db061119ksp

Oxnard Shores MHP
 5540 W. 5th Street
 Oxnard
 CA
 93035

B and C

Rent Roll

FOR PRINTED ON 6/2019
 06/10/2019

CR #	Site #	Status	Resident	Account Summary		Prior No. Ent'd Bal.	Current Month Chg	Current Charge Detail			Other Move In Credits	Security Deposit	Base Rent	Market Rent
				Total Amount Due	Current Month Pay			Utilities	Other Changes	Move In Date				
1	1	MH: Resident Occupied	1	\$0.00	-\$1,148.63	\$0.00	-\$1,148.63	\$73.63	\$20.33	\$0.00	\$0.00	\$4,100.00	\$1,500.00	
2	2	MH: Resident Occupied	1	\$0.00	-\$1,157.72	\$0.00	-\$1,157.72	\$3.27	\$21.50	\$0.00	\$0.00	\$1,062.86	\$1,500.00	
3	3	MH: Resident Occupied	1	\$0.00	-\$781.66	\$0.00	-\$781.66	\$5.41	\$21.50	\$0.00	\$0.00	\$750.98	\$1,500.00	
4	4	MH: Resident Occupied	1	\$0.00	-\$1,354.23	\$0.00	-\$1,354.23	\$24.13	\$20.33	\$0.00	\$0.00	\$1,350.00	\$1,500.00	
5	5	MH: Resident Occupied	1	\$0.00	-\$1,004.81	\$0.00	-\$1,004.81	\$64.81	\$20.33	\$0.00	\$0.00	\$970.00	\$1,500.00	
6	6	MH: Resident Occupied	1	\$0.00	-\$910.00	\$0.00	-\$910.00	\$53.11	\$21.50	\$0.00	\$0.00	\$866.70	\$1,500.00	
7	7	MH: Resident Occupied	1	\$0.00	-\$1,008.68	\$0.00	-\$1,008.68	\$43.24	\$21.50	\$0.00	\$0.00	\$984.17	\$1,500.00	
8	8	MH: Resident Occupied	1	\$0.00	-\$768.75	\$0.00	-\$768.75	\$51.77	\$21.50	\$0.00	\$0.00	\$743.71	\$1,500.00	
9	9	MH: Resident Occupied	1	\$0.00	-\$695.34	\$0.00	-\$695.34	\$48.61	\$21.50	\$0.00	\$0.00	\$666.46	\$1,500.00	
10	10	MH: Resident Occupied	1	\$0.00	-\$780.36	\$0.00	-\$780.36	\$47.73	\$21.50	\$0.00	\$0.00	\$784.36	\$1,500.00	
11	11	MH: Resident Occupied	1	\$0.00	-\$653.96	\$0.00	-\$653.96	\$56.63	\$21.50	\$0.00	\$0.00	\$797.06	\$1,500.00	
12	12	MH: Resident Occupied	1	\$0.00	-\$1,253.88	\$0.00	-\$1,253.88	\$74.35	\$21.50	\$0.00	\$0.00	\$1,219.26	\$1,500.00	
13	13	MH: Resident Occupied	1	\$0.00	-\$809.59	\$0.00	-\$809.59	\$37.32	\$21.50	\$0.00	\$0.00	\$800.00	\$1,500.00	
14	14	MH: Resident Occupied	1	\$0.00	-\$806.86	\$0.00	-\$806.86	\$40.97	\$21.50	\$0.00	\$0.00	\$792.92	\$1,500.00	
15	15	MH: Resident Occupied	1	\$0.00	-\$1,103.00	\$0.00	-\$1,103.00	\$40.76	\$21.50	\$0.00	\$0.00	\$1,091.00	\$1,500.00	
16	16	MH: Resident Occupied	1	\$0.00	-\$855.01	\$0.00	-\$855.01	\$49.88	\$20.33	\$0.00	\$0.00	\$815.03	\$1,500.00	
17	17	MH: Resident Occupied	1	\$0.00	-\$850.38	\$0.00	-\$850.38	\$67.74	\$21.50	\$0.00	\$0.00	\$811.37	\$1,500.00	
18	18	MH: Resident Occupied	1	\$0.00	-\$956.52	\$0.00	-\$956.52	\$61.37	\$21.50	\$0.00	\$0.00	\$934.28	\$1,500.00	
19	19	MH: Resident Occupied	1	\$0.00	-\$954.04	\$0.00	-\$954.04	\$76.23	\$21.50	\$0.00	\$0.00	\$906.54	\$1,500.00	
20	20	MH: Resident Occupied	1	\$0.00	-\$754.64	\$0.00	-\$754.64	\$40.63	\$21.50	\$0.00	\$0.00	\$742.74	\$1,500.00	
21	21	MH: Resident Occupied	1	\$14,233.50	\$0.00	\$13,591.66	\$731.84	\$31.63	\$21.50	\$0.00	\$0.00	\$728.74	\$1,500.00	
22	22	MH: Resident Occupied	1	\$0.00	-\$587.50	\$0.00	-\$587.50	\$56.31	\$21.50	\$0.00	\$0.00	\$569.92	\$1,500.00	
23	23	MH: Resident Occupied	1	\$0.00	-\$1,101.08	\$0.00	-\$1,101.08	\$30.98	\$20.33	\$0.00	\$0.00	\$1,100.00	\$1,500.00	
24	24	MH: Resident Occupied	1	\$0.00	-\$729.80	\$0.00	-\$729.80	\$75.42	\$21.50	\$0.00	\$0.00	\$685.11	\$1,500.00	
25	25	MH: Resident Occupied	1	\$0.00	-\$916.34	\$0.00	-\$916.34	\$59.80	\$21.50	\$0.00	\$0.00	\$895.27	\$1,500.00	
26	26	MH: Resident Occupied	1	\$0.00	-\$1,061.21	\$0.00	-\$1,061.21	\$73.83	\$21.50	\$0.00	\$0.00	\$1,032.11	\$1,500.00	
27	27	MH: Resident Occupied	1	\$0.00	-\$806.40	\$0.00	-\$806.40	\$52.89	\$21.50	\$0.00	\$0.00	\$782.24	\$1,500.00	

B and C

Rent Roll

FOR PRINTED ON 6/2019
 06/10/2019

CR #	Site #	Status	Resident	Account Summary		Prior No. Ent'd Bal.	Current Month Chg	Current Charge Detail			Other Move In Credits	Security Deposit	Base Rent	Market Rent
				Total Amount Due	Current Month Pay			Utilities	Other Changes	Move In Date				
28	28	MH: Resident Occupied	1	\$0.00	-\$395.19	\$0.00	-\$395.19	\$3.27	\$21.50	\$0.00	\$0.00	\$945.63	\$1,500.00	
29	29	MH: Resident Occupied	1	\$0.00	-\$680.82	\$0.00	-\$680.82	\$45.94	\$21.50	\$0.00	\$0.00	\$643.61	\$1,500.00	
30	30	MH: Resident Occupied	1	\$0.00	-\$725.47	\$0.00	-\$725.47	\$71.76	\$21.50	\$0.00	\$0.00	\$682.44	\$1,500.00	

Oxnard Shores MHP
 5540 W. 5th Street
 Oxnard
 CA
 93035

5540 W. 5th Street
Oxnard
CA
93035

FOR PRINTED ON
6/2019
06/10/2019

CS#	Site#	Status	Resident	Total Amount	Account Summary			Prior Mo End Bal	Current Month Chg	Base Rent	Current Charge Detail			Other Charges	Other Move In Credits	Security Deposit	Base Rent	Market Rent
					Current Month Pay	Current Month Pay	Utilities				Utilities	Charges	Market Rent					
108	108	MH: Resident Occupied	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$879.35	\$879.35	\$40.54	\$21.50	\$21.50	\$0.00	\$1,400.00	\$879.35	\$1,500.00	
109	109	MH: Resident Occupied	1	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$812.39	\$812.39	\$44.37	\$21.50	\$21.50	\$0.00	\$1,400.00	\$812.39	\$1,500.00	
110	110	MH: Resident Occupied	1	\$0.00	\$2,700.00	\$0.00	\$0.00	\$0.00	\$2,700.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,800.00	\$0.00	\$1,500.00	
111	111	MH: Resident Occupied	1	\$0.00	\$1,060.29	\$0.00	\$0.00	\$0.00	\$1,060.29	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,060.29	\$1,500.00	
112	112	MH: Resident Occupied	1	\$0.00	\$885.34	\$0.00	\$0.00	\$0.00	\$885.34	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$885.34	\$1,500.00	
113	113	MH: Resident Occupied	1	\$0.00	\$1,157.67	\$0.00	\$0.00	\$0.00	\$1,157.67	\$1,231.01	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,157.67	\$1,500.00	
114	114	MH: Resident Occupied	1	\$0.00	\$777.99	\$0.00	\$0.00	\$0.00	\$777.99	\$741.22	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$741.22	\$1,500.00	
115	115	MH: Resident Occupied	1	\$0.00	\$787.78	\$0.00	\$0.00	\$0.00	\$787.78	\$751.21	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$751.21	\$1,500.00	
116	116	MH: Resident Occupied	1	\$0.00	\$1,064.45	\$0.00	\$0.00	\$0.00	\$1,064.45	\$1,028.17	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$1,028.17	\$1,500.00	
117	117	MH: Resident Occupied	1	\$0.00	\$649.30	\$0.00	\$0.00	\$0.00	\$649.30	\$642.50	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$642.50	\$1,500.00	
118	118	MH: Resident Occupied	1	\$0.00	\$714.16	\$0.00	\$0.00	\$0.00	\$714.16	\$694.51	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$694.51	\$1,500.00	
119	119	MH: Resident Occupied	1	\$0.00	\$977.38	\$0.00	\$0.00	\$0.00	\$977.38	\$963.37	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$963.37	\$1,500.00	
120	120	MH: Resident Occupied	1	\$0.00	\$609.34	\$0.00	\$0.00	\$0.00	\$609.34	\$578.87	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$578.87	\$1,500.00	
121	121	MH: Resident Occupied	1	\$0.00	\$558.33	\$0.00	\$0.00	\$0.00	\$558.33	\$543.81	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$543.81	\$1,500.00	
122	122	MH: Resident Occupied	1	\$0.00	\$1,194.73	\$0.00	\$0.00	\$0.00	\$1,194.73	\$1,150.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$1,150.00	\$1,500.00	
123	123	MH: Resident Occupied	1	\$0.00	\$789.79	\$0.00	\$0.00	\$0.00	\$789.79	\$765.04	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$765.04	\$1,500.00	
124	124	MH: Resident Occupied	1	\$0.00	\$943.61	\$0.00	\$0.00	\$0.00	\$943.61	\$931.81	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$931.81	\$1,500.00	
125	125	MH: Resident Occupied	1	\$0.00	\$721.33	\$0.00	\$0.00	\$0.00	\$721.33	\$694.39	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$694.39	\$1,500.00	
126	126	MH: Resident Occupied	1	\$0.00	\$771.95	\$0.00	\$0.00	\$0.00	\$771.95	\$740.95	\$0.00	\$0.00	\$0.00	\$0.00	\$1,400.00	\$740.95	\$1,500.00	
127	127	MH: Resident Occupied	1	\$0.00	\$983.15	\$0.00	\$0.00	\$0.00	\$983.15	\$962.09	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$962.09	\$1,500.00	
128	128	MH: Resident Occupied	1	\$0.00	\$981.78	\$0.00	\$0.00	\$0.00	\$981.78	\$977.42	\$0.00	\$0.00	\$0.00	\$0.00	\$1,700.00	\$977.42	\$1,500.00	
129	129	MH: Resident Occupied	1	\$0.00	\$1,399.22	\$0.00	\$0.00	\$0.00	\$1,399.22	\$1,360.70	\$0.00	\$0.00	\$0.00	\$0.00	\$2,600.00	\$1,360.70	\$1,500.00	
130	130	MH: Resident Occupied	1	\$0.00	\$965.79	\$0.00	\$0.00	\$0.00	\$965.79	\$931.81	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$931.81	\$1,500.00	
131	131	MH: Resident Occupied	1	\$0.00	\$784.54	\$0.00	\$0.00	\$0.00	\$784.54	\$771.40	\$0.00	\$0.00	\$0.00	\$0.00	\$1,100.00	\$771.40	\$1,500.00	
132	132	MH: Resident Occupied	1	\$0.00	\$795.91	\$0.00	\$0.00	\$0.00	\$795.91	\$777.54	\$0.00	\$0.00	\$0.00	\$0.00	\$1,100.00	\$777.54	\$1,500.00	
133	133	MH: Resident Occupied	1	\$0.00	\$796.22	\$0.00	\$0.00	\$0.00	\$796.22	\$772.90	\$0.00	\$0.00	\$0.00	\$0.00	\$1,400.00	\$772.90	\$1,500.00	
134	134	MH: Resident Occupied	1	\$0.00	\$761.96	\$0.00	\$0.00	\$0.00	\$761.96	\$711.41	\$0.00	\$0.00	\$0.00	\$0.00	\$1,400.00	\$711.41	\$1,500.00	

Oxnard Shores MHP
5540 W. 5th Street
Oxnard
CA
93035

B and C

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CS#	Site#	Status	Resident	Total Amount	Account Summary			Prior Mo End Bal	Current Month Chg	Base Rent	Current Charge Detail			Other Charges	Other Move In Credits	Security Deposit	Base Rent	Market Rent
					Current Month Pay	Current Month Pay	Utilities				Utilities	Charges	Market Rent					
135	135	MH: Resident Occupied	1	\$0.00	\$835.32	\$0.00	\$0.00	\$0.00	\$835.32	\$765.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$765.51	\$1,500.00	
136	136	MH: Resident Occupied	1	\$0.00	\$905.24	\$0.00	\$0.00	\$0.00	\$905.24	\$869.25	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$869.25	\$1,500.00	
137	137	MH: Resident Occupied	1	\$0.00	\$927.31	\$0.00	\$0.00	\$0.00	\$927.31	\$904.45	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$904.45	\$1,500.00	
138	138	MH: Resident Occupied	1	\$0.00	\$800.00	\$0.00	\$0.00	\$0.00	\$800.00	\$780.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$780.00	\$1,500.00	
139	139	MH: Resident Occupied	1	\$0.00	\$687.72	\$0.00	\$0.00	\$0.00	\$687.72	\$665.46	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00	\$665.46	\$1,500.00	
140	140	MH: Resident Occupied	1	\$0.00	\$1,227.81	\$0.00	\$0.00	\$0.00	\$1,227.81	\$1,200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00	\$1,200.00	\$1,500.00	

Unit #	Status	Occupancy	Total Amount Due	Account Summary	Prior Mo. End Bal	Current Month Chg	Current Base Rent	Utilities	Other Charges	Other Credits	Move In Date	Security Deposit	Base Rent	Market Rent
141	MH: Resident Occupied	1	\$0.00	-\$777.44	\$0.00	\$777.44	\$760.54	\$46.63	\$21.50	-\$50.23	1-Oct-10	\$1,200.00	\$760.54	\$1,500.00
142	MH: Resident Occupied	1	\$0.00	-\$1,056.19	\$0.00	\$1,056.19	\$1,011.78	\$46.14	\$21.50	-\$50.23	20-Apr-13	\$1,500.00	\$1,011.78	\$1,500.00
143	MH: Resident Occupied	1	-\$5,313.95	-\$850.00	-\$5,238.95	\$775.40	\$741.26	\$70.87	\$21.50	-\$50.23	1-May-95	\$0.00	\$741.26	\$1,500.00
144	MH: Resident Occupied	1	\$0.00	-\$1,310.05	\$0.00	\$1,310.05	\$1,170.36	\$93.42	\$56.50	-\$50.23	13-Jun-16	\$0.00	\$1,170.36	\$1,500.00
145	MH: Resident Occupied	1	\$0.00	-\$857.32	\$0.00	\$857.32	\$819.15	\$66.50	\$21.50	-\$50.23	1-Sep-05	\$0.00	\$819.15	\$1,500.00
146	MH: Resident Occupied	1	\$0.00	-\$901.96	\$0.00	\$901.96	\$868.31	\$31.69	\$21.50	-\$50.23	11-Mar-98	\$0.00	\$868.31	\$1,500.00
147	MH: Resident Occupied	1	\$0.00	-\$950.38	\$0.00	\$950.38	\$944.34	\$6.77	\$21.50	-\$50.23	1-Dec-97	\$0.00	\$944.34	\$1,500.00
148	MH: Resident Occupied	1	\$0.00	-\$700.55	\$0.00	\$700.55	\$666.46	\$33.62	\$21.50	-\$50.23	5-Sep-75	\$0.00	\$666.46	\$1,500.00
149	MH: Resident Occupied	1	\$0.00	-\$779.47	\$0.00	\$779.47	\$742.26	\$38.94	\$21.50	-\$50.23	1-May-05	\$0.00	\$742.26	\$1,500.00
150	MH: Resident Occupied	1	\$0.00	-\$853.48	\$0.00	\$853.48	\$741.56	\$85.66	\$96.50	-\$50.23	25-Mar-12	\$0.00	\$741.56	\$1,500.00
151	MH: Resident Occupied	1	\$0.00	-\$789.66	\$0.00	\$789.66	\$751.23	\$37.18	\$21.50	-\$50.23	25-Oct-12	\$0.00	\$751.23	\$1,500.00
152	MH: Resident Occupied	1	\$0.00	-\$854.67	\$0.00	\$854.67	\$764.71	\$85.69	\$96.50	-\$50.23	15-Apr-18	\$0.00	\$764.71	\$2,025.00
153	MH: Resident Occupied	1	\$0.00	-\$1,386.57	\$0.00	\$1,386.57	\$1,354.07	\$62.40	\$20.33	-\$50.23	15-Apr-16	\$0.00	\$1,354.07	\$2,025.00
154	MH: Resident Occupied	1	\$0.00	-\$1,154.90	\$0.00	\$1,154.90	\$1,091.58	\$92.05	\$21.50	-\$50.23	1-Nov-08	\$0.00	\$1,091.58	\$2,025.00
155	MH: Resident Occupied	1	\$0.00	-\$1,197.19	\$0.00	\$1,197.19	\$1,163.96	\$31.69	\$21.50	-\$50.23	28-May-13	\$0.00	\$1,163.96	\$2,025.00
156	MH: Resident Occupied	1	-\$58.07	\$0.00	-\$58.07	\$1,509.19	\$1,469.48	\$40.44	\$21.50	-\$50.23	1-Apr-16	\$2,750.00	\$1,469.48	\$2,025.00
157	MH: Resident Occupied	1	\$0.00	-\$958.72	\$0.00	\$958.72	\$931.63	\$65.82	\$21.50	-\$50.23	1-Jun-10	\$0.00	\$931.63	\$2,025.00
158	MH: Resident Occupied	1	\$2,271.80	-\$1,900.00	\$371.80	\$1,404.94	\$1,391.74	\$44.10	\$20.33	-\$50.23	1-Oct-09	\$0.00	\$1,391.74	\$1,500.00
159	MH: Resident Occupied	1	\$0.00	-\$1,027.92	\$0.00	\$1,027.92	\$971.35	\$56.30	\$21.50	-\$50.23	4-Dec-07	\$1,532.00	\$971.35	\$1,500.00
160	MH: Resident Occupied	1	\$0.00	-\$930.99	\$0.00	\$930.99	\$987.80	\$77.82	\$21.50	-\$50.23	9-Feb-18	\$1,700.00	\$987.80	\$1,500.00
161	MH: Resident Occupied	1	\$0.00	-\$1,021.43	\$0.00	\$1,021.43	\$973.95	\$176.30	\$21.50	-\$50.23	30-Nov-09	\$0.00	\$973.95	\$1,500.00

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Band C

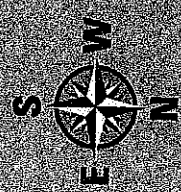
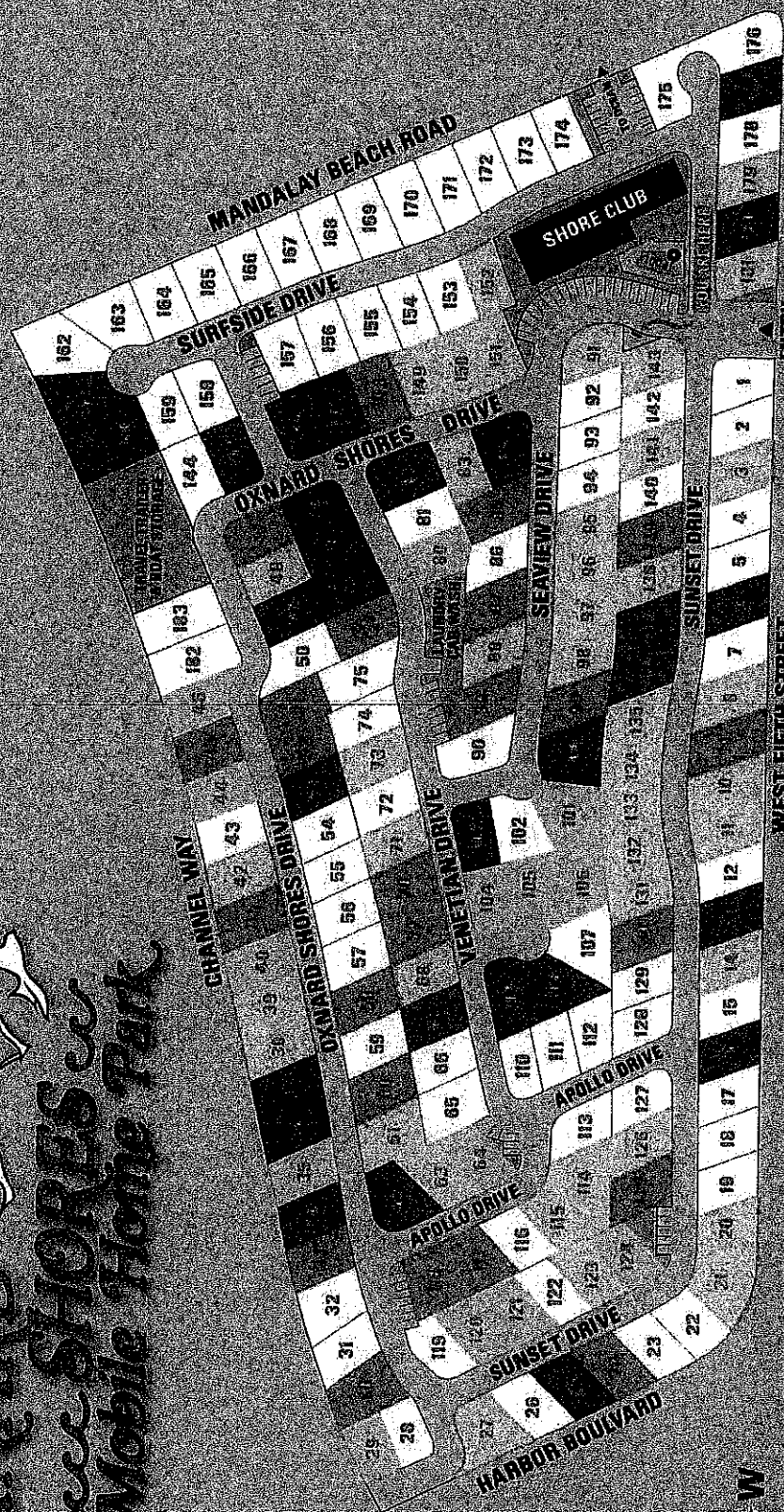
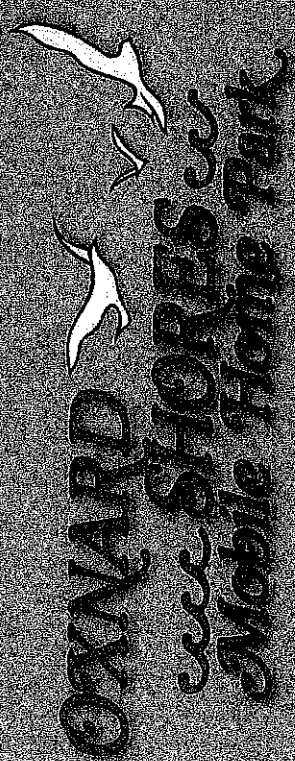
Dxnard Shores MHP
 3540 W. 5th Street
 Dxnard
 CA
 930035

Unit #	Status	Occupancy	Total Amount Due	Account Summary	Prior Mo. End Bal	Current Month Chg	Current Base Rent	Utilities	Other Charges	Other Credits	Move In Date	Security Deposit	Base Rent	Market Rent
62	MH: Resident Occupied	1	\$0.00	-\$1,594.02	\$0.00	\$1,594.02	\$1,616.55	\$56.09	\$21.50	-\$50.23	1-Oct-11	\$0.00	\$1,616.55	\$2,400.00
63	MH: Resident Occupied	1	\$0.00	-\$998.87	\$0.00	\$998.87	\$951.20	\$46.60	\$21.50	-\$50.23	1-Sep-03	\$1,299.18	\$951.20	\$2,400.00
64	MH: Resident Occupied	1	\$0.00	-\$1,026.56	\$0.00	\$1,026.56	\$1,010.89	\$44.80	\$21.50	-\$50.23	29-Aug-07	\$1,594.00	\$1,010.89	\$2,400.00
65	MH: Resident Occupied	1	\$0.00	-\$1,064.38	\$0.00	\$1,064.38	\$1,056.18	\$56.93	\$21.50	-\$50.23	1-Jul-97	\$0.00	\$1,056.18	\$2,400.00
66	MH: Resident Occupied	1	\$0.00	-\$997.94	\$0.00	\$997.94	\$976.81	\$46.26	\$21.50	-\$50.23	1-Dec-05	\$0.00	\$976.81	\$2,400.00
67	MH: Resident Occupied	1	\$0.00	-\$1,026.94	\$0.00	\$1,026.94	\$1,003.62	\$51.05	\$21.50	-\$50.23	25-Jul-12	\$1,700.00	\$1,003.62	\$2,400.00
68	MH: Resident Occupied	1	\$0.00	-\$1,000.06	\$0.00	\$1,000.06	\$956.87	\$33.52	\$21.50	-\$50.23	4-Jun-15	\$0.00	\$956.87	\$2,400.00
69	MH: Resident Occupied	1	\$0.00	-\$1,034.08	\$0.00	\$1,034.08	\$1,010.70	\$52.11	\$21.50	-\$50.23	5-Oct-07	\$0.00	\$1,010.70	\$2,400.00
70	MH: Resident Occupied	1	\$0.00	-\$1,003.55	-\$14.07	\$1,017.62	\$1,014.78	\$51.56	\$21.50	-\$50.23	7-May-19	\$2,200.00	\$1,014.78	\$2,400.00
71	MH: Resident Occupied	1	\$0.00	-\$1,114.96	\$0.00	\$1,114.96	\$1,086.52	\$57.17	\$21.50	-\$50.23	1-Dec-09	\$0.00	\$1,086.52	\$2,400.00
72	MH: Resident Occupied	1	\$0.00	-\$1,053.25	\$0.00	\$1,053.25	\$1,040.75	\$44.23	\$21.50	-\$50.23	15-Sep-95	\$1,175.02	\$1,040.75	\$2,400.00
73	MH: Resident Occupied	1	-\$208.15	-\$1,300.00	-\$1,091.85	\$1,277.79	\$1,269.58	\$53.60	\$21.50	-\$50.23	28-Aug-17	\$2,300.00	\$1,269.58	\$2,400.00
74	MH: Resident Occupied	1	\$0.00	-\$1,213.25	\$0.00	\$1,213.25	\$1,204.38	\$32.60	\$21.50	-\$50.23	4-Jun-18	\$2,225.00	\$1,204.38	\$2,400.00
75	MH: Resident Occupied	1	\$0.00	-\$952.96	\$0.00	\$952.96	\$945.63	\$51.07	\$21.50	-\$50.23	29-May-97	\$0.00	\$945.63	\$2,400.00
76	MH: Resident Occupied	1	\$0.00	-\$1,095.41	\$0.00	\$1,095.41	\$1,072.46	\$49.65	\$21.50	-\$50.23	4-Nov-11	\$0.00	\$1,072.46	\$2,400.00
77	MH: Resident Occupied	1	\$0.00	-\$879.77	\$0.00	\$879.77	\$855.80	\$61.70	\$21.50	-\$50.23	1-Jun-00	\$1,114.44	\$855.80	\$1,500.00

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Oxnard Shores
June 2019
 RENTS

14 spaces at \$500 to \$600 / 24 spaces at \$600 to \$700 / 42 spaces at \$700 to \$800 / 29 spaces at \$800 to \$900




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178	MH: Resident Occupied	1	\$0.00	-\$997.59	\$0.00	\$997.59	\$60.50	\$21.50	-\$50.23	1-Sep-09	\$0.00	\$975.82	\$1,500.00
179	MH: Resident Occupied	1	\$0.00	-\$805.29	\$0.00	\$805.29	\$47.74	\$21.50	-\$50.23	2-Jul-79	\$0.00	\$786.28	\$1,500.00
180	MH: Resident Occupied	1	\$0.00	-\$879.77	\$0.00	\$879.77	\$48.88	\$21.50	-\$50.23	1-May-05	\$0.00	\$858.62	\$1,500.00
181	MH: Employee	1	\$0.00	\$0.00	\$0.00	\$63.45	\$0.00	\$0.00	-\$792.32	18-Apr-11	\$0.00	\$742.09	\$1,500.00
182	MH: Resident Occupied	1	\$0.00	-\$4,156.18	\$0.00	\$4,156.18	\$106.09	\$20.33	-\$60.23	31-Aug-16	\$4,000.00	\$4,080.00	\$1,600.00
183	MH: Resident Occupied	1	\$0.00	-\$1,537.71	\$0.00	\$1,537.71	\$67.61	\$20.33	-\$50.23	28-Sep-16	\$3,000.00	\$1,500.00	\$1,600.00
			\$11,807.26	-\$4,074.82	\$4,074.82	\$11,013.73	\$6,230.77	\$0.00	-\$10,313.49		\$128,192.7	\$164,710.70	\$291,350.00
	TOTAL												

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TO: Honorable Members of the Mobile Home Park Rent Review Board
FROM: Karl Lawson, Rent Stabilization Director 
DATE: November 15, 2019
SUBJECT: Report on Hearing Officer Decisions (Imperial Oxnard Mobile Estates Water and Sewer Utility Passthrough; and Homeowners' Protest of C.P.I. Rent Increase Application, Oxnard Pacific Mobile Estates)

I. BACKGROUND

The City's Mobile Home Rent Stabilization System, codified in Chapter 24 of the Oxnard City Code, establishes the procedures whereby owners of mobile home parks may apply for space rent increases under either the C.P.I. Formula Rent Adjustment procedures, or the Discretionary Rent Increase application procedures. Those are set forth in Sections 24-9 and 24-10, respectively, of the Code. The Rent Stabilization System also contains provisions for park owners to apply for passthroughs of certain utility costs, in Section 24-12 of the Code.

The Guidelines for Implementation of the Rent Stabilization System are set forth in City Council Resolution No. 11,468. Pursuant to those Section III of those Guidelines, homeowners may trigger an evidentiary hearing upon the filing of a formal Protest of a park owner's application for a C.P.I. Formula Rent Adjustment. Section VIII of the Guidelines establishes the requirement to conduct a mandatory evidentiary hearing whenever a park files for a Utility Passthrough.

In both cases, the evidentiary hearings are conducted by an independent professional Hearing Officer, Mr. David B. Hart, who is not a City employee. Mr. Hart conducts hearings, affords parties due process, and issues written findings and decisions. The decisions of the Hearing Officer may be appealed to the Rent Review Board in accordance with Section 24-15 of the City Code. Any appeal must be submitted within 15 days of the mailing of the Hearing Officer's decision in any given case.

II. RECENT HEARING OFFICER DECISIONS

Each year the Housing Department staff receives and processes an average of one utility passthrough application, and twenty C.P.I. Formula rent adjustment applications. Applications for Discretionary Rent Increases are rarer, with only three filed since the year 2000 (the most recent in 2016).

While processing of utility passthrough applications always requires an evidentiary hearing, hearings on C.P.I. Formula rent adjustment applications are only triggered when a group of homeowners in a particular park submit a formal Protest, as defined in Section 24-2 of the City Code. In calendar year 2019, nineteen of the twenty mobile home parks in the City submitted applications for C.P.I. increases, and a homeowners' protest was only filed in one park. In addition, as previously reported to the Board, the management of one park submitted a utility passthrough application.

Thus, in 2019, evidentiary hearings and rulings by the Hearing Officer were conducted in two cases: the Utility Passthrough Methodology Modification Application submitted by Imperial Oxnard Mobile Estates, and a homeowner group's petition challenging a C.P.I. Formula Rent adjustment application submitted by Oxnard Pacific Mobile Estates.

The Guidelines provide that the Hearing Officer may avail himself of City staff and legal counsel to aid him in reviewing applications and drafting proposed findings. The role of staff in the Utility Passthrough Hearing is considerable, as that is a non-adversarial process which requires a substantial review of and analysis of utility reports and financial documents. In most C.P.I. protest cases, staff plays only a minimal administrative role, focusing on logistics and providing administrative assistance to the Hearing Officer. However, an unusual set of facts presented itself in this recent C.P.I. protest hearing which required performance by staff of significant work to enable the Hearing Officer to have the necessary information to render his decision.

Decisions of Hearing Officer Hart were issued recently in both cases. Copies of both Decisions are appended hereto, along with the Exhibit list for each case. However, the complete exhibit packets are not included, as those run to more than 200 pages. This report shall provide a brief summary of the highlights of those cases.

III. UTILITY PASSTHROUGH, IMPERIAL OXNARD MOBILE ESTATES

On October 18, 2019, Hearing Officer Hart issued a Decision in the matter of Imperial Oxnard Mobile Estates' application for a Modification of Passthrough Methodology. The park installed water meters at each of the 186 individual home sites, and the purpose of the application was to determine the proper method for future allocation of water and sewer costs. The park is switching from a flat rate for water and sewer, whereby each homeowner is charged the same regardless of household size or consumption, to a consumption-based billing methodology, based on the installation of sub-meters.

The fact-finding process in this case was extensive. The initial evidentiary hearing was conducted on January 24, 2019; a preliminary Order was issued by the Hearing Officer on April 29, 2019 (Exhibit No. 29); and a final hearing on October 17, 2019. Over the course of the intervening months, an extensive compilation of data was required, followed by statistical analysis and presentation by staff of periodic reports to the parties.

The October 17, 2019 "Findings of Fact, Conclusions of Law, and Order" of the Hearing Officer is attached to this staff report, along with a list of 54 documentary Exhibits. The Board's attention is specifically direct to the following paragraphs in the Hearing Officer's ruling: paragraphs 3-5, 21-22, 24-25; 31; 32-34; 37-39; and Attachments "A" and "B".

The complete Exhibit packet comes to well over 200 pages, and is not being copied or disseminated with this staff report. The Hearing's Officer's preliminary Order of April 29, 2019 is attached, along with two significant documentary Exhibits are included in order to provide an illustration of the methodology applied in this case. Those two Exhibits, No. 52 and No. 53, are specifically referenced in the Hearing Officer's Order.

At the Board meeting of November 25, 2019, staff will provide a verbal report on the key findings and rulings in this case. Inasmuch as California state law will require all park owners to install sub-metering systems in future years, the impact of this case, and the methodology adopted, may affect other parks in addition to Imperial Oxnard.

IV. HOMEOWNERS' PROTEST OF C.P.I. FORMULA ADJUSTMENT APPLICATION SUBMITTED BY OXNARD PACIFIC MOBILE ESTATES

The other recent decision was issued by the Hearing Officer on November 8, 2019, involving the application submitted by the owners of Oxnard Pacific Mobile Estates for a C.P.I. Formula Rent Adjustment for that park, the largest park in the City.

Oxnard Pacific applied for a 3.87% C.P.I. rent increase to take effect on July 1, 2019. As required, City staff reviewed the application and sent a Notice of the rent increase application to the 196 affected homeowners in the park. That Notice advised homeowners of their right to challenge the rent increase based upon any claimed reductions in services, and seek a hearing before the Hearing Officer.

A group of homeowners drafted a petition alleging four specific service level reductions, and collected signatures. Under the City Code, an evidentiary hearing can be triggered provided that signatures representing at least 25% of the affected homeowners in the park are submitted.

While the petition had 80 signatures, staff determined that those 80 signatures represented only 69 spaces, as in some cases two persons from the same address had signed the petition. Further, an analysis of those 69 spaces determined that eighteen of those spaces were not covered by the park's rent increase application, or were otherwise exempt from the jurisdiction of the City Code, and could not be counted towards the 25% minimum total needed.

This left a balance of signatures representing fifty-one (51) spaces, whose validity needed to be determined in order to trigger an evidentiary protest hearing. The park owner accepted the validity of signatures representing only forty-two (42) of the spaces

in the park, while the homeowners asserted that at least seven of the remaining signatures were valid, and thus would reach the required 25% threshold (49 signatures would be necessary, since 49 is 25% of 196).

Given this controversy, Hearing Officer Hart had to rule on the jurisdictional question of whether or not at least 49 spaces were represented by valid signatures, thus triggering the need for an evidentiary hearing on the allegations of service level reductions.

The legal issues presented by the signatures in dispute involved whether the signatures of the following individuals could be deemed valid for the purpose of a protest petition:

- A homeowner's roommate
- The spouse of a homeowner
- A sibling of a homeowner
- A signature which appears visibly distinct from the signature which appears on the lease for that homeowner's space
- Signatures from individuals whose names do not match those of the registered homeowner or any family member thereof
- A non-family member who is a sub-tenant of a homeowner

The homeowners' representative and the park owner were invited by the Hearing Officer to submit evidence and written briefs on the issues presented. The facts and the related correspondence are summarized in the Hearing Officer's Decision at paragraphs No. 9 through No. 24.

The case ultimately hinged upon the determination of the validity of the signature of the non-family member of the homeowner who is a sub-tenant of the homeowner. The Hearing Officer determined that a sub-tenant did not have the authority to sign the protest petition on behalf of the homeowner; see paragraphs No. 37 through No. 40. Thus, the Hearing Officer ruled that no Protest, as defined in the City Code, had been legally submitted, and that he therefore lacked jurisdiction to convene an evidentiary hearing.

This is the first ruling on the validity of signatures on a protest that has been issued by any Hearing Officer, or by the Board itself, since mobile home rent stabilization was first enacted in the City in 1982.

A copy of the Decision in this case, along with some key Exhibits, is attached to this staff report.

Attachments

1. Decision of 10/18/19 (Imperial Oxnard Mobile Estates Water Passthrough)
2. Exhibits Nos. 29, 52, and 53 from the Imperial Oxnard Decision
3. Decision of 11/8/19 (Oxnard Pacific Mobile Estates, CPI Protest)
4. Exhibits Nos. 4, 5, 15, 17 and 18

DAVID B. HART ARBITRATOR
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FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER
DATE: October 18, 2019

I. FINDINGS OF FACT

1. Imperial Oxnard Mobile Estates (hereinafter “the Park”) is a 186-space mobile home park located in South Oxnard, at 4010 Saviers Road. The Park is subject to Chapter 24 of the Oxnard City Code, the Mobilehome Park Rent Stabilization System.

2. On January 31, 1985, the Park submitted an application for a Utility Passthrough. The application sought authorization from the City to reduce space rents in an amount to be determined by the City’s Mobile Home Park Rent Review Board, and thereafter charge park residents a separate line-item for the actual cost of the provision of water and sewer services. On March 20, 1985, the Board approved that application, as set forth in Resolution No. 45. That Resolution has been identified in the record as Exhibit No. 3.

3. At the time that the 1985 water and sewer passthrough application was approved, there were no sub-meters measuring water consumption to any of the 186 spaces in the park, or to the clubhouse, pool, or any common areas of the park. From the record it appears that the 1985 application designated six (6) space-equivalents to account for the common-area water consumption.

4. Since then, and as of 2018, the park has been permitted to charge each of the 186

homeowners the same amount each month. The approved methodology for calculation of the amount is performed by dividing the bill for water and sewer by 192 (the sum of 186 spaces plus 6 space-equivalents), and charging each space; see Exhibit No. 5.

5. In 2018, the park installed individual sub-meters at each of the 186 homesites, in order to measure water consumption. Beginning in July of 2018, the park began reading the sub-meters on a monthly basis in order to establish a record of the space-by-space water consumption.

6. On December 3, 2018, the park submitted a Utility Passthrough Methodology Modification Application (Exhibit No. 7). In its application, the park included three sheets entitled "Page 5 of 5", one each for the months of July, August and September 2018.

7. Those three sheets were supplemented by Exhibits Nos. 9, 10, and 11, which were submitted together with the application. Exhibit No. 9 consists of a copy of the City of Oxnard bill to the park for water and sewer service for the month of July 2018; a copy of the check written by Imperial Oxnard to the City for payment of that bill; and a four-page printout entitled "Water Usage Report." The Water Usage Report lists each of the 186 spaces in the park, with the corresponding consumption as measured by the spaces' sub-meters. The consumption is recorded in Hundred Cubic Feet units, which are captioned "CCF" on the Water Usage Report. Exhibits 10 and 11 contain the same information and documents for the months of August and September 2018, respectively.

8. By its application, the park seeks authorization to begin charging each of the 186 homeowners for water and sewer in accordance with each space's water consumption.

9. As set forth in Imperial Oxnard's application, the park presented its estimate of what it believes to be a fair approximation of the park's common-area share of the charges, for the three-month period, as equivalent to approximately 11.15% of the total cost paid by the park. Pursuant to this estimate, the aggregate total for the 186 residents would constitute the remaining 88.85% of the total cost.

10. The Utility Passthrough Methodology Modification Application was received and reviewed by Mr. Karl Lawson, Director of the Mobile Home Park Rent Stabilization System for the City of Oxnard. On December 5, 2018, Mr. Lawson notified the undersigned Hearing Officer of the filing of the application, and provided a written response to the park, in the form of a letter of that date. That letter from Mr. Lawson to Mr. Jim Allen, the park owner representative, and to Ms. Judith Linzey, the park's manager, has been identified as Exhibit No. 12. In that letter the City offered January 24 or 25, 2019, as possible dates for an evidentiary hearing on the application.

11. On January 10, 2019, following confirmation discussions with the parties, the undersigned Hearing Officer calendared the matter for hearing to take place on January 24, 2019, at the Oxnard City Hall. All homeowners in the park were sent a "Notice of Hearing" in English and Spanish (see Exhibit No. 13). On January 12, 2019, Mr. Lawson submitted a comprehensive staff report to the undersigned Hearing Officer, which was also provided to the park representatives; that staff report is Exhibit No. 15.

12. Having been properly noticed, hearing was conducted before the undersigned Hearing Officer on January 24, 2019. Mr. Lawson provided the report of City staff. Oxnard City Attorney Ken Rozell was present to provide counsel to the Hearing Officer.

Mr. Allen and Ms. Linzey represented the park management. Mr. Guillermo Olivares, Ms. Maria Esperanza Caballero, Mr. Ron Reischel, and Ms. Christie Reischel, all of whom are homeowners residing in Imperial Oxnard, were present and participated in the hearing. Following presentation of a staff report and questioning by the Hearing Officer, the park owner and the homeowners were all provided with an opportunity to ask questions, and/or to present any alternative calculations.

13. During the hearing, the undersigned Hearing Officer noted that data from three months out of the year, while useful, might not be sufficient to draw conclusions about average common-area consumption. The park provided data for two more months (October and November 2018), which were accepted into the record and marked as Exhibits Nos. 16 and 17.

14. In response to my inquiry, the park's representatives indicated that they would be able to provide data for the month of December within two weeks or so after the January 24, 2019 hearing date. Pursuant to this representation, the undersigned directed that park to submit that additional data to Mr. Lawson, who in turn would provide it to the participating homeowners.

15. Mr. Lawson was further directed to review the data from what would now be a total of six months, and perform necessary calculations, in order to produce a written report with analysis and recommendations to the Hearing Officer on an approximation of common-area consumption, for the purpose of deriving a methodology for cost allocation going forward; see Exhibit No. 18.

16. On February 19, 2019, the City received the December 2018 data for the

consumption as measured by the sub-meters (and subsequently, the water bill for the entire park) for December 2018, which was forwarded to the participating homeowners; see Exhibits No. 19 and No. 21.

17. In accordance with the undersigned Hearing Officer's request, Mr. Lawson analyzed the data for the six months from July through December of 2018. He was unable to reconcile the water consumption figures set forth on the park's monthly "Water Usage Report" sheets with the park-wide consumption as measured by the City's master meter. To be specific, for five of the six months, the total aggregate water consumption measured by the 186 sub-meters exceeded the total water consumption for the entire park, as measured by the City's master meter. Mr. Lawson set forth his analysis in a letter dated March 12, 2019, in which he requested assistance from the park to help identify the source of the discrepancy. The letter of March 12 to the park has been marked as Exhibit No. 24; and the letter to the Hearing Officer of the same date is Exhibit No. 25.

18. On March 15, 2019, Mr. Allen and Ms. Linzey provided an additional set of data to Mr. Lawson, for the month of January 2019 (Exhibit No. 22). In addition, on that same date, a conference call with the park's utility billing service representative allowed Mr. Lawson to obtain facts regarding how the utility billing service reads the meters and records the data, specifically with respect to rounding (see Exhibit No. 26).

19. On April 3, 2019, following the receipt of additional documentation, Mr. Lawson prepared an updated analysis, now covering eight months' worth of consumption and billing data (Exhibit No. 27). As set forth therein, the data indicates that over the eight month period, the aggregate total water consumption as measured through the 186 spaces' sub-meters exceeds, by 4.4%, the amount of water for the entire park as measured

by the Master Meter.

20. When apprised of this information, the City of Oxnard Water Utility division concluded that it was possible that the Master Meter might be faulty, and directed that a new Master Meter be installed to replace the old one. The old Master Meter was removed on May 15, 2019, and a new Master Meter was installed on that same date.

21. On April 29, 2019, the undersigned Hearing Officer issued Findings of Fact and Orders to the parties. Those directives can be summarized as follows:

- (a) The City Water division was directed to provide the billings and consumption figures, as measured by the new Master Meter;
- (b) The park was directed to provide the monthly Water Usage Reports going forward;
- (c) Mr. Lawson was directed to submit written reports for future months, including the calculations of the comparison between the total park consumption measured by the Master Meter and the aggregate consumption as measured by the sub-meters;
- (d) The park was directed to provide certification of the calibration of the sub-meters.

22. The City and the park have complied with the directives set forth in the Order of April 29, 2019. From that date through October 15, 2019, data was provided reflecting the water consumption for the months of May, June, July, August, and September of 2019. The data for those months are set forth in Exhibits No. 37 through No. 50, and demonstrate that the old Master Meter was not accurately measuring the total amount of

water consumption to the park. In contrast with the readings from July 2018 through April 2019, which showed an impossible conclusion (i.e., that the total consumption for the entire park as being less than the amount of water consumed by the 186 sub-meters combined), the data from May 15, 2019 forward shows that the total consumption for the 186 sub-meters indeed comes to less than the total amount of water consumed by the park, thereby allowing for a calculation of the common-area consumption. Exhibit No. 49 laid out the calculations up through September 5, 2019.

23. Following the periodic submission of the analyses prepared by Mr. Lawson, including specifically Exhibit No. 49, the undersigned Hearing Officer directed that a hearing be convened on October 17, 2019, in order to give the parties the opportunity to provide any additional evidence, and to present their interpretations and analyses of the data to the Hearing Officer in open session. Pursuant thereto, a Notice of Hearing was issued on September 26, 2019 (Exhibit No. 51), which was properly served on all parties and sent to each homeowner in the park.

24. At the hearing of October 17, 2019, two additional exhibits were introduced. Exhibit No. 52 provides the sub-meter data for the period from 9/5/19 through 10/3/19, and Exhibit No. 53 provides the Master Meter consumption from 9/5/19 through 10/2/19 (a difference of only one day). When combined with the data from Exhibit No. 49, the aggregate data covers a period of five months that is almost entirely overlapping. The data, with a calculation of the percentage apportionment, is as follows:

	Master Metered <u>Consumption</u>	Sub-metered <u>Consumption</u>	As percent <u>of Total</u>
Period ending 6/5/19:	1082.1 HCF	805.0 HCF	74.4%
Period ending 7/2/19	946.8	779.0	82.2%
Period ending 8/5/19	1064.0	1017.0	95.6%
Period ending 9/5/19	1354.5	1011.0	74.6%
<u>Period ending 10/2/19</u>	<u>1077.2</u>	<u>906.0</u>	<u>84.1%</u>
From 5/4/19 – 10/2/19:	5524.6 HCF	4518.0	81.8%

25. The undersigned notes that there is not exact correspondence in all elements of the above data, for two reasons. First, the Master Meter readings cover the period from 5/4/19 through 10/2/19, while the sub-metered readings cover the period from 5/7/19 through 10/3/19 (four fewer days). The three days on the front end were days when the Master Meter was under-measuring water consumption. Second, and more important, the Master Meter readings for the period ending 6/5/19 include eleven days measured by the old, defective Master Meter, and twenty-one (21) days measured by the newly-installed and more accurate Master Meter. The impact of these is that the percent that is actually attributable to sub-metered consumption should be fractionally more than 81.7% .

26. At the hearing of October 17th the park was represented by Tracy Cederoth and Jim Allen. Several homeowners participated as individuals. Mr. Lawson represented the Housing Department, Assistant City Attorney Rozell represented the City Attorney, CSR Melina Homan made a stenographic record of the proceedings, and Ms. Lourdes Campbell provided interpretation into Spanish of the proceeding for homeowners present for whom Spanish was the preferred language.

27. Following the close of the hearing of October 17, 2019, the undersigned Hearing Officer took this matter under consideration. Following a review of all of the testimony and the evidence presented to date, and of the applicable sections of the Oxnard City Code, I issue the following findings and Order.

II. RELEVANT LANGUAGE FROM THE CITY CODE

28. Chapter 24 of the Oxnard City Code sets forth the City's Mobilehome Park Rent Stabilization System. City Council Resolution No. 11,468 sets forth the Guidelines for Implementation of the System. The Hearing Officer is guided by the language and principles contained in Chapter 24 and Resolution No. 11,468.

29. Section 24-12 of the City Code reads in pertinent part as follows:

SEC. 24-12: PASS-THROUGH ITEMS

(B) **Eligible Items** – Subject to the requirements of State law, guidelines adopted by City Council Resolution, and disclosure to residents of total billing and method of allocation, an owner may remove from the monthly space rent and separately itemize on the monthly rental statement the cost of any utilities not metered to the resident's mobile home. The owner may pass on to residents any increase or decrease in utilities as they occur.

30. Section VIII of City Council Resolution No. 11,468 reads in pertinent part as follows:

D. Utility Passthroughs

1. In the event an owner does not separately charge of utilities, then initiates a segregated charge to the residents, such a change shall be reviewed by the Director for accuracy in calculation and thereafter by the Hearing Officer. The owner shall deduct the approved amount from

the rent.

2. Upon review of an owner's application to segregate any passthrough utility charges, the Hearing Officer shall determine the space designations to be added to the number of spaces for park-provided services and amenities normally covered by rent (pools, clubhouse, laundry rooms, car wash racks) in determining the passthrough amount and the future proration of the utility charges.

III. ISSUES BEFORE THE HEARING OFFICER

31. The issues to be decided in this proceeding are:

- A. What percentage of the water consumption shall be apportioned as common-area consumption, which shall be the responsibility of and paid for by the park?
- B. What methodology shall be utilized for the calculation of the volumetric cost of water (per Hundred Cubic Feet) for future water billing to the park's 186 spaces?
- C. How shall the charges for sewer service be apportioned?
- D. What shall be the effective date of implementation of the new cost apportionment system?

IV. KEY DOCUMENTS AND EVIDENCE

32. At the outset, I note that passthrough hearings are distinct from hearings conducted under the City's rent stabilization ordinance that involve determination of rent levels. The matter before me is non-adversarial in nature. It is my duty to make certain factual determinations, which in turn generate mathematical calculations that are intended to lead

all parties toward the answers to the first three questions set forth in the previous section. Unlike what frequently occurs in rent disputes that come before me, in this matter I am not called upon to make any credibility determinations. There are objective facts and documents, and I rely upon the parties and upon City staff to assist in performing and verifying the mathematical calculations. The essential documents necessary to answer first three questions above are set forth in Exhibits No. 3 through Exhibit No. 28.

33. The park has made the very commendable decision to install sub-meters at each of the 186 homesites. This encourages water conservation, and individual homeowners' responsibility and accountability for the water consumption. Because of this, unlike the proceeding in 1985, in the case before me it is not necessary nor desirable to make any determination regarding space-equivalents for common area water consumption. It is only necessary to utilize the data presented in order to derive a coherent methodology for the future apportionment of water costs, on a volumetric (per HCF) basis. Once such a methodology is determined, it is a simple matter to charge each homeowner for his or her water consumption by multiplying the cost/HCF by the number of HCF utilized, as measured by the sub-meter. The park is responsible for the remainder of the consumption (that which is not utilized by the 186 homeowners), and for a corresponding share of the sewer charges.

34. The evidence in the record indicates that sewer charges for the park, in any given month, vary between 80% and 92% of the cost of water (see Exhibits No. 38, 44, 48, 51). Attachment "B" to this decision sets forth the calculations which yield the month-by-month ratio of sewer to water cost. Once the ratio is calculated each month, the prospective apportionment of water costs will in turn dictate the apportionment of sewer costs, by applying a simple mathematical formula. This can be illustrated by a hypothetical example. For the purpose of this hypothetical example, let us suppose that the cost of water in a given month is exactly \$4.00 per HCF, and the sewer:water ratio is

90%. If a homeowner utilizes 10 HCF, at a cost of \$4.00/HCF, then the homeowner will be charged \$40.00 for water, and \$36.00 for sewer service (since 36 = 90 percent of 40).

35. The status of the evidentiary record in this matter, as of April 29, 2019, was articulated in the undersigned's Decision of April 29, 2019 (Exhibit No. 29). The evidence and data which has been adduced and entered into the record subsequent to April 29, 2019, as summarized in paragraphs 20 through 24 above, constitute a solid basis upon which the undersigned Hearing Officer can base a defensible decision in this matter.

V. CONCLUSIONS

36. The undersigned Hearing Officer has an obligation to arrive at a legally defensible, evidence-based calculation of how much of the water consumption in the park is attributable to the park's common area usage. The determination of this apportionment is a prerequisite for the establishment of the billing methodology going forward, for both water and sewer costs. The data which has been introduced into evidence, specifically for the months of May 2019 to October 2019, are sufficient to permit me to make such an apportionment.

37. The data derived following the installation of the new Master Meter on May 15, 2019 remedied the defects that were present in the data for the months from July 2018 through April of 2019. The old Master Meter was defective, and was significantly under-measuring the total water consumed by the park as a whole.

38. Based on the evidence in the record, I conclude that, on average, aggregate sub-metered water consumption to the 186 spaces constitutes approximately 82% of the consumption for the park as a whole, and common-area consumption is 18%.

VI. ORDERS

39. Future water and sewer charges in the park shall be calculated and apportioned each month utilizing the following methodology:

- a. The total water portion of the City's water bill to the park shall be multiplied by 18 percent. That resulting dollar figure shall represent the park's share of that month's water consumption, to account for common-area water consumption.
- b. That dollar figure shall be subtracted from the total water charges portion of the City's water bill, to yield the gross aggregate water cost for the 186 spaces (equal to 82% of the total water cost). That gross aggregate water cost for the 186 spaces shall be divided by the total number of HCF measured by the sub-meters for the 186 spaces combined, yielding a per-HCF cost for that month's billing period.
- c. Each homeowner's water consumption charge shall be calculated by multiplying that per-HCF cost by the sub-meter measurement of water consumption for that homeowner's space.
- d. That resulting dollar figure shall be multiplied by that month's sewer-to-water cost ratio to yield that homeowner's sewer cost for that month's billing period.
- e. Each month the park shall post in a visible place, and make available upon request to any homeowner or the City, a written explanation of the above calculations which were utilized that month to derive the per-HCF cost for sub-metered water. Attachment A to this Order provides a sample, utilizing data for September 2019.

40. The effective date of the implementation of this new system shall be as soon as the park can set up the necessary software with its utility billing service, after which homeowners shall be billed based on their sub-metered consumption, rather than being billed identical flat monthly charges for utilities. If for some reason this cannot be done within 60 days of the date of this Decision, the park shall notify the City in writing of the reasons, and of the projected date by which the new billing system will be implemented, and the City shall notify the undersigned Hearing Officer.

41. The undersigned Hearing Officer retains jurisdiction over any dispute regarding the implementation of the water and sewer billing methodology.

It is so ordered on this 18th day of October 2019.

A handwritten signature in black ink, consisting of a stylized 'D' and 'H' followed by a long horizontal line extending to the right.

David B. Hart, Hearing Officer

ATTACHMENT "A"

Example of Monthly Calculation Methodology

(Note: this example utilizes the actual figures as billed to the park for September 2019, and the total HCF measured by sub-meters in the same month; Exhibits No. 52 and 53)

Calculation of Sewer-to-water cost ratio for the month of September 2019:

Total sewer cost billed by City to park this month:	\$4031.81
Divided by Total water cost for the entire park this month:	<u>/\$4604.55</u>
Equals Sewer-to-Water cost ratio for this month:	87.6%

Calculation of per-HCF cost for water for September 2019:

Total cost of water consumption for the entire park, as billed by the City Oxnard Water Utility division:	\$4604.55
Multiplied by 18% (for common area water consumption)	<u>x .18</u>
Equals share of water cost paid by park:	\$828.82

Total water cost minus Park's share of water cost (\$4604.55 – 828.82) equals total water cost to 186 spaces:	\$3775.73
Divided by total HCF consumed by 186 spaces:	<u>/906 HCF</u>
Equals cost per HCF of water this billing period:	\$4.17/HCF

This figure of \$4.17/HCF water consumption cost is multiplied by the number of HCF measured by your individual sub-meter. Example, if your sub-meter showed 5.0 HCF consumed, your water cost for the month will be 5.0 x \$4.17, which comes to \$20.85.

That total water cost of \$20.85 is then multiplied by this month's Sewer-to-Water cost ratio to yield your share of the sewer cost:

$$\$20.85 \times 87.6\% = \$18.26$$

To calculate total amount billed, add water cost plus sewer cost. In this example, a mobile home owner consuming 5.0 HCF in the month of September would be billed the sum of \$20.85 plus \$18.26, which comes to \$39.11 for water and sewer combined.

(end)

ATTACHMENT "B"

Calculation of Sewer: Water Cost Ratio for June-September 2019

(Note: this example utilizes the actual figures as billed to the park for the months of June through September 2019, as set forth Exhibits No. 38, 44, 48 and 51)

	June (Ex. 38)	July (Ex. 44)	August (Ex. 48)	September (ex. 51)
Total sewer cost billed by City to park:	\$3825.27	\$4010.92	\$4492.71	\$4031.81
Divided by park's water cost:	<u>/\$4128.59</u>	<u>/\$4556.37</u>	<u>/\$5616.70</u>	<u>/\$4604.55</u>
Equals Sewer-to-Water cost ratio	92.7%	88.0%	80.0%	87.6%

(end)

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Fax 760-729-9478 Home Phone 760-729-5391

FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER
DATE: April 29, 2019

I. FINDINGS OF FACT

1. Imperial Oxnard Mobile Estates (hereinafter "the Park") is a 186-space mobile-home park located in South Oxnard, at 4010 Saviers Road. The Park is subject to Chapter 24 of the Oxnard City Code, the Mobilehome Park Rent Stabilization System.
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Hearing Officer on January 24, 2019. Mr. Lawson provided the report of City staff. Oxnard City Attorney Ken Rozell was present to provide counsel to the Hearing Officer. Mr. Allen and Ms. Linzey represented the park management. Mr. Guillermo Olivares, Ms. Maria Esperanza Caballero, Mr. Ron Reischel, and Ms. Christie Reischel, all of whom are homeowners residing in Imperial Oxnard, were present and participated in the hearing. Following presentation of a staff report and questioning by the Hearing Officer, the park owner and the homeowners were all provided with an opportunity to ask questions, and/or to present any alternative calculations.

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sub-meters exceeds, by 4.4%, the amount of water for the entire park as measured by the Master Meter.

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21. The undersigned Hearing Officer has taken this matter under consideration. Following a review of all of the testimony and the evidence presented to date, and of the applicable sections of the Oxnard City Code, I issue the following findings and Order.

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(B) Eligible Items -- Subject to the requirements of State law, guidelines adopted by City Council Resolution, and disclosure to residents of total billing and method of allocation, an owner may remove from the monthly space rent and

16. On February 19, 2019, the City received the December 2018 data for the consumption as measured by the sub-meters (and subsequently, the water bill for the entire park) for December 2018, which was forwarded to the participating homeowners; see Exhibits No. 19 and No. 21.

17. In accordance with the undersigned Hearing Officer's request, Mr. Lawson analyzed the data for the six months from July through December of 2018. He was unable to reconcile the water consumption figures set forth on the park's monthly "Water Usage Report" sheets with the park-wide consumption as measured by the City's master meter. To be specific, for five of the six months, the total aggregate water consumption measured by the 186 sub-meters exceeded the total water consumption for the entire park, as measured by the City's master meter. Mr. Lawson set forth his analysis in a letter dated March 12, 2019, in which he requested assistance from the park to help identify the source of the discrepancy. The letter of March 12 to the park has been marked as Exhibit No. 24; and the letter to the Hearing Officer of the same date is Exhibit No. 25.

18. On March 15, 2019, Mr. Allen and Ms. Linzey provided an additional set of data to Mr. Lawson, for the month of January 2019 (Exhibit No. 22). In addition, on that same date, a conference call with the park's utility billing service representative allowed Mr. Lawson to obtain facts regarding how the utility billing service reads the meters and records the data, specifically with respect to rounding (see Exhibit No. 26).

19. On April 3, 2019, following the receipt of additional documentation, Mr. Lawson prepared an updated analysis, now covering eight months' worth of consumption and billing data (Exhibit No. 27). As set forth therein, the data indicates that over the eight month period, the aggregate total water consumption as measured through the 186 spaces'

separately itemize on the monthly rental statement the cost of any utilities not metered to the resident's mobile home. The owner may pass on to residents any increase or decrease in utilities as they occur.

24. Section VIII of City Council Resolution No. 11,468 reads in pertinent part as follows:

D. Utility Passthroughs

1. In the event an owner does not separately charge of utilities, then initiates a segregated charge to the residents, such a charge shall be reviewed by the Director for accuracy in calculation and thereafter by the Hearing Officer. The owner shall deduct the approved amount from the rent.
2. Upon review of an owner's application to segregate any passthrough utility charges, the Hearing Officer shall determine the space designations to be added to the number of spaces for park-provided services and amenities normally covered by rent (pools, clubhouse, laundry rooms, car wash racks) in determining the passthrough amount and the future proration of the utility charges.

III. ISSUES BEFORE THE HEARING OFFICER

25. The issues to be decided in this proceeding are:
 - A. What percentage of the water consumption shall be apportioned as common-area consumption, which shall be the responsibility of and paid for by the park?
 - B. What methodology shall be utilized for the calculation of the volumetric cost of

water (per Hundred Cubic Feet) for future water billing to the park's 186 spaces?

- C. How shall the charges for sewer service be apportioned?
- D. What shall be the effective date of implementation of the new cost apportionment system?

IV. KEY DOCUMENTS AND EVIDENCE

26. At the outset, I note that passthrough hearings are distinct from hearings conducted under the City's rent stabilization ordinance that involve determination of rent levels. The matter before me is non-adversarial in nature. It is my duty to make certain factual determinations, which in turn generate mathematical calculations that are intended to lead all parties toward the answers to the first three questions set forth in the previous section. Unlike what frequently occurs in rent disputes that come before me, in this matter I am not called upon to make any credibility determinations. There are objective facts and documents, and I rely upon the parties and upon City staff to assist in performing and verifying the mathematical calculations. I find that the essential documents necessary to attempt to ascertain the answers to the first three questions above are set forth in Exhibits No. 3 through Exhibit No. 28.

27. The park has made the very commendable decision to install sub-meters at each of the 186 homesites. This encourages water conservation, and individual homeowners' responsibility and accountability for the water consumption. Because of this, unlike the proceeding in 1985, in the case before me it is not necessary nor desirable to make any determination regarding space-equivalents for common area water consumption. It is

only necessary to utilize the data presented in order to derive a coherent methodology for the future apportionment of water costs, on a volumetric (per HCF) basis. Once such a methodology is determined, it is a simple matter to charge each homeowner for his or her water consumption by multiplying the cost/HCF by the number of HCF utilized, as measured by the sub-meter. The park is responsible for the remainder of the consumption (that which is not utilized by the 186 homeowners).

28. The evidence in the record indicates that sewer charges for multi-family residential developments (such as this mobile home park) are fixed at 90% of the cost of water (see Exhibit No. 28). Thus, the prospective apportionment of water costs will in turn dictate the apportionment of sewer costs, by applying that simple mathematical formula. This can be illustrated by a hypothetical example. For the purpose of this hypothetical example, let us suppose that the cost of water in a given month is exactly \$4.00 per HCF. If a homeowner utilizes 10 HCF, at a cost of \$4.00/HCF, then the homeowner will be charged \$40.00 for water, and \$36.00 for sewer service (since 36 is 90 percent of 40).

29. The challenge that the trier of fact faces in this case is precisely as articulated by Mr. Lawson in his analyses of the data (set forth in Exhibit No. 24 and, more recently, in Exhibit No. 27). Logic and physics dictate that the aggregate consumption of water utilized by the 186 homesites must, *en toto*, be less than the amount of water utilized by the entire park, inasmuch as that latter (entire-park) amount also must include common-area water consumption. Unfortunately, the data as presented by what is now eight months' worth of sub-meter readings indicates that the aggregate total water consumption, as measured to the 186 spaces, shows more consumption than for the park as a whole, rather than less (which it should show).

30. The data in the eight months of sub-meter readings (Exhibits 9 through 27) illustrate the discrepancy as follows:

Total HCF consumed by entire park	6188.2 HCF
From 7/3/18 through 3/5/19: (covering 245 days)	
Total HCF consumed by the 186 Spaces from 7/6/18 through 3/7/19: (covering 244 days)	6460.0 HCF
Excess water consumption as a percent of whole:	+4.4%
Difference in number of days in the two data sets:	0.41%

31. If there was no common-area water consumption, then the above figures might be technically possible (albeit not likely). It is technically possible, but not likely, that there was much lower water consumption in the park from 7/3/18 through 7/5/18, and much higher water consumption on 3/6/19 and 3/7/19. However, in order to account for the 4.4% higher consumption, the days from 7/3/18 to 7/5/18, and 3/6/19 and 3/7/19, would have had to have evidenced staggeringly different consumption patterns than any of the other 240 days. It is simply inconceivable that this is the case.

32. Moreover, I conclude that even if it were the case that the reason for the discrepancy is due to the fact that a total of five days at each end of the eight months do not overlap exactly, it still would not account for any common-area water consumption (for the park's pool, clubhouse, median and common-area landscaping, etc.). As an exercise, let us go

back to the 1985 Board decision, in which the common-area usage was set at 6/192 (or approximately 3.13%) of the total park consumption, and apply that to the data before us:

Total HCF as measured by Master Meter, 7/3/18 through 3/5/19:	6188.2
Minus imputed 3.13% for common-area water consumption:	-193.7
Equals aggregate consumption by the 186 homesites:	5994.5

The aggregate sub-metered consumption was 6460 HCF for the 244 days from 7/6/18 through 3/7/19. If 6460 HCF were consumed by 186 homesites, and if common-area consumption of 3.13% of the whole is added to this amount, then the total water consumption measured by the Master Meter for the entire period should be approximately 6662.2 HCF -- and not the 6188.2 that was measured by the Master Meter.

33. Since that 6662 HCF is about 7.7% higher than that 6188.2 HCF that were measured as passing through the Master Meter, something about our data is amiss. The possible explanations are:

- A. The Master Meter is defective, and measures less water than the amount that actually passes through the meter.
- B. In the aggregate, the sub-meter readings are actually over-stating the amount of water usage at the individual homesites. This could be due to the sub-meters measuring, collectively, more water than is actually passing through the sub-meters; or it could be due to a sub-meter-reading methodology which consistently over-states water usage in the aggregate.

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V. CONCLUSIONS AND ORDER

34. The undersigned Hearing Officer has an obligation to arrive at a legally defensible, evidence-based calculation of how much of the water consumption in the park is attributable to the park's common area usage. The data which has been introduced into evidence to date does not permit me to make such an apportionment.

35. The installation of the new Master Meter may resolve this discrepancy. However, it is likely that we will need two or three months' worth of readings from the newly-installed Master Meter to provide sufficient data to compare with those same months' sub-meter readings to be able to ascertain if this is true or not.

36. Thus, in order for me to issue a Decision on the apportionment for future water and sewer charges to the park and to the homeowners, this additional data is essential. Therefore, the undersigned Hearing Officer issues the following orders to the City and to the park, and I shall retain jurisdiction over the disposition of this case regarding the implementation of the water and sewer billing methodology. The orders are as set forth hereinbelow:

VI. ORDERS

1. The City Water Utility division shall provide to the parties the monthly billings for the park on a regular basis, upon being generated, for at least a three-month period following installation of the replacement water meter; and shall notify of the exact date that the replacement water meter was installed.

12


IMPERIAL OXNARD MOBILE ESTATES
UTILITY PASSTHROUGH METHODOLOGY MODIFICATION APPLICATION

Attachment to Order of Hearing Officer David B. Hart of April 28, 2019

EXHIBIT PACKET AS OF APRIL 25, 2019
Exhibits No. 1 through No. 28

2. The park shall promptly forward to Mr. Lawson the monthly Water Usage Reports as soon as said reports are generated, for all months beginning with March 2019 (for water consumption from 3/7/19 forward).
3. Mr. Lawson shall perform and forward to all parties, including the undersigned Hearing Officer, the comparison calculations for each month's billing.
4. The park shall provide, within 30 days of this Order, a written report describing the method by which the sub-meters were calibrated or certified, including copies of any reports verifying the calibration and certification of the sub-meters by the vendor, installer, or other third party.
5. Within ten days of the issuance of this Order, Mr. Lawson shall prepare and disseminate to all homeowners a notification, in English and Spanish, advising homeowners of the status of this proceeding. Said notice shall explain that the Hearing Officer will issue a final decision upon receipt of sufficient evidence to make a reasonable calculation of the apportionment of common-area water usage by the park.

It is so ordered on this 29th day of April 2019.



David B. Hart, Hearing Officer

LIST OF EXHIBITS AS OF APRIL 25, 2019

Imperial Oxnard Mobile Estates

Water Utility Methodology Modification Passthrough Application
Page One: Exhibits No. 1 through No. 14

- No. 1 Chapter 24 of the Oxnard City Code
- No. 2 Oxnard City Council Resolution No. 11,468 (Guidelines for Implementation of Mobile Home Park Rent Stabilization System)
- No. 3 Oxnard Mobile Home Rent Review Board Resolution No. 45, adopted March 20, 1985
- No. 4 Letter from Ms. Judy Linzey, Manager of Imperial Oxnard Mobile Estates, to Karl Lawson, dated September 16, 2016
- No. 5 Letter from Mr. Lawson to Ms. Linzey, dated September 20, 2016
- No. 6 Letter from Lawson to Jim Allen, Owner Representative for Imperial Oxnard, dated August 17, 2017
- No. 7 Utility Passthrough Methodology Modification Application submitted by Imperial Oxnard Mobile Estates, dated November 30, 2018
- No. 8 Receipt for application fee check dated December 3, 2018
- No. 9 Water bill and consumption data for July 2018
- No. 10 Water bill and consumption data for August 2018
- No. 11 Water bill and consumption data for September 2018
- No. 12 Letter from Lawson to Mr. Allen and Ms. Linzey, December 5, 2018
- No. 13 Notice of Hearing of January 24, 2019, dated January 10, 2019 (two pages, one in English, one in Spanish)
- No. 14 Letter from Lawson to Mr. Allen, dated January 11, 2019

LIST OF EXHIBITS AS OF APRIL 25, 2019
Page Two: Exhibits No. 15 through No. 28

- No. 15 Pre-Hearing Staff Report of Karl Lawson, dated January 12, 2019, with transmittal letters of same date to Mr. Hart and Mr. Allen
- No. 16 Water bill and consumption data for October 2018
- No. 17 Water bill and consumption data for November 2018
- No. 18 Letter from Lawson to Mr. Allen, dated January 25, 2019
- No. 19 Consumption data for December 2018
- No. 20 Letter from Lawson to Mr. Allen, Ms. Linzey, Mr. Guillermo Ochoa, Ms. Maria Esperanza Caballero, and Mr. Ron and Ms. Christie Reischel dated February 19, 2019
- No. 21 Water bill for December 2018
- No. 22 Water Bill and consumption data for January 2019
- No. 23 Water Bill and consumption data for February 2019
- No. 24 Letter from Lawson to Mr. Allen, dated March 12, 2019, with attachments
- No. 25 Letter from Lawson to Mr. Hart, dated March 12, 2019
- No. 26 Notes of Meeting of March 15, 2019
- No. 27 Letter from Lawson to Mr. Hart, dated April 3, 2019, with attached "Analysis of Aggregate Sub-Metered Water Consumption" of same date
- No. 28 City of Oxnard Water and Wastewater Rates Effective January 1, 2018

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CODE: imperialox
ACT: 855

IMPERIAL OXNARD ME
WATER USAGE REPORT

T	NAME	PRVDT	CURDT	PRVDR	CURDR	USG	BU	AMOUNT
55	D. DANSON	09/05/19	10/03/19	76	82	6	CCF	40.10
56	RUTH ENGLE	09/05/19	10/03/19	201	214	13	CCF	72.53
57	DAVID DEAN	09/05/19	10/03/19	106	112	6	CCF	40.10
58	P. PEREZ	09/05/19	10/03/19	57	61	4	CCF	33.24
59	CHARLOTTE LUKHEKICH	09/05/19	10/03/19	21	23	0	CCF	19.52
60	LARRY LASHAM	09/05/19	10/03/19	12	13	2	CCF	26.38
61	JILL WALSH	09/05/19	10/03/19	51	53	2	CCF	26.38
62	DEANIS SHIVLIS	09/05/19	10/03/19	40	44	4	CCF	19.52
63	D. SMOTHERS	09/05/19	10/03/19	51	54	3	CCF	19.52
64	A. ESTERON	09/05/19	10/03/19	7	7	0	CCF	29.81
65	MARIA CLEVELAND	09/05/19	10/03/19	76	86	10	CCF	56.75
66	AGNES WILLIS	09/05/19	10/03/19	67	72	5	CCF	36.67
67	ALAN REYES	09/05/19	10/03/19	17	18	1	CCF	22.95
68	JUDIE GIBBERT	09/05/19	10/03/19	28	30	2	CCF	26.38
69	RITA AMARO	09/05/19	10/03/19	32	34	0	CCF	26.38
70	BARBARA MONACO	09/05/19	10/03/19	1	1	0	CCF	19.52
71	RONNIE ESTERIN	09/05/19	10/03/19	201	215	14	CCF	77.77
72	FERNANDO VILLALPAN	09/05/19	10/03/19	19	20	1	CCF	22.95
73	JESS DOMINGUEZ	09/05/19	10/03/19	63	66	3	CCF	29.81
74	STEPHEN CRUCK	09/05/19	10/03/19	25	27	2	CCF	26.38
75	SCOTT OLIVER	09/05/19	10/03/19	79	83	4	CCF	33.24
76	LINDA RENKOWSKI	09/05/19	10/03/19	170	173	3	CCF	29.81
77	DOC HELMS	09/05/19	10/03/19	28	30	2	CCF	26.38
78	WODESITT	09/05/19	10/03/19	203	214	11	CCF	62.01
79	DAVID FRIEL	09/05/19	10/03/19	71	73	2	CCF	26.38
80	P. LITTLE	09/05/19	10/03/19	107	112	5	CCF	36.67
81	JAMES BOLAND	09/05/19	10/03/19	54	58	4	CCF	33.24
82	MICHAEL KAUFMAN	09/05/19	10/03/19	45	47	2	CCF	26.38
83	JOSE DE JUAN PERE	09/05/19	10/03/19	44	47	3	CCF	29.81
84	HECTOR COLON	09/05/19	10/03/19	129	138	9	CCF	51.49
85	EVELINA HARB	09/05/19	10/03/19	26	28	2	CCF	26.38
86	LORENZO MADRID	09/05/19	10/03/19	13	13	0	CCF	19.52
87	ROSALBA	09/05/19	10/03/19	113	120	7	CCF	43.53
88	BETSY ALBERTIS	09/05/19	10/03/19	31	33	2	CCF	26.38
89	JOAN RIBDELL	09/05/19	10/03/19	26	28	2	CCF	26.38
90	JOYCE SIMMONS	09/05/19	10/03/19	19	21	2	CCF	26.38
91	J. KIRFER	09/05/19	10/03/19	30	32	2	CCF	26.38
92	D. DITTMANN	09/05/19	10/03/19	151	161	10	CCF	56.75
93	ERIC CLARK	09/05/19	10/03/19	47	51	4	CCF	33.24
94	VERLON WALES	09/05/19	10/03/19	48	51	3	CCF	29.81
95	C. HUGHES	09/05/19	10/03/19	69	71	2	CCF	26.38
96	F. DOWLER	09/05/19	10/03/19	34	36	2	CCF	26.38
97	R. GARCIA	09/05/19	10/03/19	82	87	5	CCF	36.67
98	IMPERIAL OXNARD LP	09/05/19	10/03/19	32	36	4	CCF	26.38
99	J. CHUMINGS	09/05/19	10/03/19	198	209	11	CCF	33.24
100	JOSIE ARANA	09/05/19	10/03/19	49	52	3	CCF	62.01
101	ANGEL LARIOS	09/05/19	10/03/19	67	70	3	CCF	29.81
102	J. DENRUI	09/05/19	10/03/19	137	143	6	CCF	29.81
103	ED BROWN	09/05/19	10/03/19	174	190	16	CCF	90.31
104	C. NICKERSON	09/05/19	10/03/19	79	79	0	CCF	40.10
105	W. BURR	09/05/19	10/03/19	84	87	3	CCF	19.52
106	R. ARELIANO	09/05/19	10/03/19	108	115	7	CCF	29.81
107	E. BORJAS	09/05/19	10/03/19	66	70	4	CCF	43.53
108	M. HARGRADE	09/05/19	10/03/19	34	36	2	CCF	26.38

Exhibit No. 52

T	NAME	PRVDT	CURDT	PRVDR	CURDR	USG	BU	AMOUNT
1	JAIME CARMONA	09/05/19	10/03/19	79	83	4	CCF	33.24
2	G RAVES	09/05/19	10/03/19	178	190	12	CCF	67.27
3	BULALIO AYLLA	09/05/19	10/03/19	46	49	3	CCF	28.81
4	VAZQUEZ	09/05/19	10/03/19	112	124	12	CCF	67.27
5	D. BEQUILLA	09/05/19	10/03/19	87	94	7	CCF	43.53
6	ANTONIO SOLLA	09/05/19	10/03/19	56	60	4	CCF	33.24
7	ALICE POOLE	09/05/19	10/03/19	56	60	4	CCF	33.24
8	A. BOYD	09/05/19	10/03/19	71	75	4	CCF	33.24
9	K. SOSVA	09/05/19	10/03/19	74	77	3	CCF	29.81
10	F. KASVEL	09/05/19	10/03/19	79	85	6	CCF	40.10
11	CAROLE STEELE	09/05/19	10/03/19	114	118	4	CCF	33.24
12	J. MEDINA	09/05/19	10/03/19	27	29	2	CCF	26.38
13	EVELYN STOUT	09/05/19	10/03/19	44	46	2	CCF	26.38
14	ANGEL GUZMAN	09/05/19	10/03/19	153	164	11	CCF	62.01
15	LORRAINE O'LEARY	09/05/19	10/03/19	100	106	6	CCF	40.10
16	K. ANDREWS	09/05/19	10/03/19	54	56	2	CCF	26.38
17	MAXY FORRIGER	09/05/19	10/03/19	44	48	4	CCF	33.24
18	DAVID CORRIGER SR	09/05/19	10/03/19	151	166	15	CCF	84.05
19	JAYME ESTEVA	09/05/19	10/03/19	61	64	3	CCF	29.81
20	R. G ESCOBAR	09/05/19	10/03/19	73	78	5	CCF	36.67
21	PEDRO MARTINEZ	09/05/19	10/03/19	50	54	4	CCF	33.24
22	C. IHANES	09/05/19	10/03/19	69	73	4	CCF	33.24
23	YOKO MCCURRY	09/05/19	10/03/19	22	23	1	CCF	22.95
24	FRANCIS ROBY	09/05/19	10/03/19	51	51	0	CCF	19.52
25	JOSE CRUZ PRECIADO	09/05/19	10/03/19	23	25	2	CCF	19.52
26	M. MCCAIN	09/05/19	10/03/19	66	70	4	CCF	26.38
27	MELIA VALDELLON	09/05/19	10/03/19	3	4	1	CCF	33.24
28	G. MARTELLO	09/05/19	10/03/19	22	23	1	CCF	22.95
29	K. IAME	09/05/19	10/03/19	18	18	0	CCF	19.52
30	SALLY BURBOA	09/05/19	10/03/19	85	91	6	CCF	40.10
31	DANIEL VARGAS	09/05/19	10/03/19	95	98	3	CCF	29.81
32	R. BENAVENTE	09/05/19	10/03/19	80	86	6	CCF	36.67
33	A. MILLER	09/05/19	10/03/19	74	79	5	CCF	40.10
34	DAVID RICH	09/05/19	10/03/19	34	40	6	CCF	40.10
35	F. HAIGHT	09/05/19	10/03/19	28	29	1	CCF	22.95
36	G. MONOZ	09/05/19	10/03/19	72	80	8	CCF	46.96
37	J. POWIT	09/05/19	10/03/19	62	67	5	CCF	36.67
38	ANTOINETTE MESTA	09/05/19	10/03/19	47	50	3	CCF	29.81
39	SCOTT & HARVEY CRA	09/05/19	10/03/19	57	61	4	CCF	33.24
40	HAVI CANTON	09/05/19	10/03/19	66	68	2	CCF	26.38
41	JD CHIVERTSON	09/05/19	10/03/19	109	122	13	CCF	72.53
42	T. BARBER	09/05/19	10/03/19	313	349	36	CCF	215.51
43	D. THOMAS	09/05/19	10/03/19	32	41	9	CCF	51.49
44	T.J. ZAMORA	09/05/19	10/03/19	73	77	4	CCF	33.24
45	H. MARTINEZ	09/05/19	10/03/19	62	77	15	CCF	84.05
46	S. ARELLANO	09/05/19	10/03/19	92	95	3	CCF	29.81
47	J. JACOBSON	09/05/19	10/03/19	136	143	7	CCF	43.53
48	BETTY BAXTER	09/05/19	10/03/19	26	28	2	CCF	26.38
49	EVELYN STEWART	09/05/19	10/03/19	175	227	52	CCF	315.67
50	SHIRLEY MARCUS	09/05/19	10/03/19	102	108	6	CCF	40.10
51	GUADALUPE MENTA	09/05/19	10/03/19	128	136	8	CCF	46.96
52	M. WATSON	09/05/19	10/03/19	15	15	0	CCF	19.52
53	GUILHERMO OLIVARES	09/05/19	10/03/19	134	140	6	CCF	40.10
54	E. CABALERO	09/05/19	10/03/19	47	50	3	CCF	29.81

Exhibit No. 52

T	NAME	PRVDT	CURDT	PRVDD	CURDD	USG	BU	AMOUNT
109	GABRIEL YAP	09/05/19	10/03/19	94	100	6 CCF	CCF	40.10
110	J. MARRON	09/05/19	10/03/19	98	103	5 CCF	CCF	36.67
111	DAVID LEWIS	09/05/19	10/03/19	73	80	7 CCF	CCF	43.53
112	ROSELO MOREMO	09/05/19	10/03/19	77	80	3 CCF	CCF	29.81
113	JUNE HAYNES	09/05/19	10/03/19	39	41	2 CCF	CCF	26.38
114	ARBA LUBKE	09/05/19	09/30/19	34	38	4 CCF	CCF	29.99
115	M. LONG	09/05/19	10/03/19	44	47	3 CCF	CCF	29.81
116	WALTER GARRISON	09/05/19	10/03/19	157	167	10 CCF	CCF	56.75
117	P. RIFFERTO	09/05/19	10/03/19	30	32	2 CCF	CCF	26.38
118	ESTABE OF JAMA MILL	09/05/19	10/03/19	68	84	16 CCF	CCF	90.31
119	R. DAVILA	09/05/19	10/03/19	52	55	3 CCF	CCF	29.81
120	J. PARDEE	09/05/19	10/03/19	60	61	1 CCF	CCF	22.95
121	DIVINIA LAVARLAS	09/05/19	10/03/19	132	147	15 CCF	CCF	84.05
122	JUDY LINZEY	09/05/19	10/03/19	90	94	4 CCF	CCF	33.24
123	BARBARA RYVELES	09/05/19	10/03/19	72	76	4 CCF	CCF	33.24
124	HELEN NAVARRO	09/05/19	10/03/19	97	97	0 CCF	CCF	19.52
125	ROSA ROMO	09/05/19	10/03/19	75	81	6 CCF	CCF	40.10
126	R. KELLY	09/05/19	10/03/19	14	15	1 CCF	CCF	22.95
127	JULIE TARDIFF	09/05/19	10/03/19	52	55	3 CCF	CCF	29.81
128	FRANCIS WERNIG	09/05/19	10/03/19	72	76	4 CCF	CCF	33.24
129	DAVID FRYER	09/05/19	10/03/19	57	61	4 CCF	CCF	33.24
130	BEVERLY DUNN	09/05/19	10/03/19	75	89	14 CCF	CCF	77.79
131	SALLY STAIR	09/05/19	10/03/19	49	50	1 CCF	CCF	22.95
132	B. SPADIN	09/05/19	10/03/19	29	29	0 CCF	CCF	19.52
133	JUAN FAROYA	09/05/19	10/03/19	68	72	4 CCF	CCF	33.24
134	ALICE ORDONEZ	09/05/19	10/03/19	77	81	4 CCF	CCF	33.24
135	T. GODIN	09/05/19	10/03/19	100	100	0 CCF	CCF	19.52
136	FLORENTINO VELAZCO	09/05/19	10/03/19	39	43	4 CCF	CCF	33.24
137	SAMUEL SUMNER	09/05/19	10/03/19	70	73	3 CCF	CCF	29.81
138	WAYNE LENNOX	09/05/19	10/03/19	13	14	1 CCF	CCF	22.95
139	FIDEL AVILA	09/05/19	10/03/19	97	104	7 CCF	CCF	43.53
140	J. HAUGEN	09/05/19	10/03/19	92	98	6 CCF	CCF	40.10
141	RONALD REISCHL	09/05/19	10/03/19	41	44	3 CCF	CCF	29.81
142	L. VILLANUEVA	09/05/19	10/03/19	87	96	9 CCF	CCF	51.49
143	CHARMIAN REDWOOD	09/05/19	10/03/19	45	49	4 CCF	CCF	33.24
144	LILA MILLER	09/05/19	10/03/19	38	41	3 CCF	CCF	33.24
145	R. WERRAWONTES	09/05/19	10/03/19	70	74	4 CCF	CCF	33.24
146	R. DURAN	09/05/19	10/03/19	84	90	6 CCF	CCF	40.10
147	T. REIGERT	09/05/19	10/03/19	170	175	5 CCF	CCF	36.67
148	J. LACHANCE	09/05/19	10/03/19	64	68	4 CCF	CCF	33.24
149	JAMES ALLEN	09/05/19	10/03/19	61	64	3 CCF	CCF	29.81
150	K. JACQUES	09/05/19	10/03/19	173	182	9 CCF	CCF	51.49
151	ALBERT ALVARADO	09/05/19	10/03/19	42	46	4 CCF	CCF	33.24
152	LINDA KNOWLTON	09/05/19	10/03/19	32	33	1 CCF	CCF	22.95
153	P. MIHALIC	09/05/19	10/03/19	50	53	3 CCF	CCF	29.81
154	NOELIA DAVILA	09/05/19	10/03/19	58	62	4 CCF	CCF	33.24
155	M. PRINGLE	09/05/19	10/03/19	113	124	11 CCF	CCF	62.01
156	JOSFINA MONTANO	09/05/19	10/03/19	53	56	3 CCF	CCF	29.81
157	R. BRAZA	09/05/19	10/03/19	56	59	3 CCF	CCF	29.81
158	ROBERT DRUMMET	09/05/19	10/03/19	55	58	3 CCF	CCF	29.81
159	WILDA RAMOS	09/05/19	10/03/19	73	77	4 CCF	CCF	33.24
160	WILLIAM CASPERS JR	09/05/19	10/03/19	52	52	0 CCF	CCF	19.52
161	JERRY WELLS	09/05/19	10/03/19	70	74	4 CCF	CCF	33.24
162	STEPHEN CAMPBELL I	09/05/19	10/03/19	31	32	1 CCF	CCF	22.95

T	NAME	PRVDT	CURDT	PRVDD	CURDD	USG	BU	AMOUNT
163	CLARE ENOS	09/05/19	10/03/19	21	22	1 CCF	CCF	22.9
164	M. GARCIA	09/05/19	10/03/19	32	33	1 CCF	CCF	22.9
165	L.A. TRINIDAD	09/05/19	10/03/19	82	86	4 CCF	CCF	33.2
166	MEL IAN WILLIAMS	09/05/19	10/03/19	73	76	3 CCF	CCF	29.8
167	MARIA SCHUBERT	09/05/19	10/03/19	68	72	4 CCF	CCF	33.2
168	R. ROQUE	09/05/19	10/03/19	93	98	5 CCF	CCF	36.6
169	SUSAN EVELER	09/05/19	10/03/19	53	56	3 CCF	CCF	29.8
170	DENNIS ZULS	09/05/19	10/03/19	43	46	3 CCF	CCF	29.8
171	R. FORSBERG	09/05/19	10/03/19	51	54	3 CCF	CCF	29.8
172	ANNA MARQUEZ	09/05/19	10/03/19	184	192	8 CCF	CCF	46.9
173	SONIA HOLBROOK	09/05/19	10/03/19	71	80	9 CCF	CCF	51.4
174	A.C. DICK	09/05/19	10/03/19	46	47	1 CCF	CCF	22.9
175	S. RODRIGUEZ	09/05/19	10/03/19	87	93	6 CCF	CCF	40.1
176	JAVIER SANDOVAL	09/05/19	10/03/19	47	51	4 CCF	CCF	33.2
177	R. CHAWSON	09/05/19	10/03/19	114	120	6 CCF	CCF	40.1
178	F. FRANCO	09/05/19	10/03/19	68	73	5 CCF	CCF	36.6
179	ADALBERTO BLANCO	09/05/19	10/03/19	156	162	6 CCF	CCF	40.1
180	J. IBARRA	09/05/19	10/03/19	108	114	6 CCF	CCF	40.1
181	G. MORENO	09/05/19	10/03/19	110	117	7 CCF	CCF	43.5
182	I. A ARAGON JR	09/05/19	10/03/19	85	85	0 CCF	CCF	19.5
183	FAIGOFIE ALMA	09/05/19	10/03/19	100	105	5 CCF	CCF	36.6
184	D. COON	09/05/19	10/03/19	65	69	4 CCF	CCF	33.2
185	ALBERT JOHANSEN	09/05/19	10/03/19	111	115	4 CCF	CCF	33.2
186	PENNY AMUNDSEN	09/05/19	10/03/19	54	56	2 CCF	CCF	26.3

YEARLY HISTORY

MON	USAGE	CCF	AMOUNT
JAN	748		6225.91
FEB	691		6036.23
MAR	616		5772.31
APR	648		5840.55
MAY	810		6478.57
JUN	797		6453.47
JUL	805		6461.93
AUG	779		6445.50
SEP	1017		7258.45
OCT	1011		7430.54
>>>	906		7053.88
DEC	965		7050.31



UTILITY BILLING

4010 SAVIERS RD
22880 SAVI RANCH PKWY
YORBA LINDA CA 92887

WATER REFUSE
OX SEWER

17250-117510 02-10 10/10/19 10/31/19
Total Current Charges 8,636.37
Balance Forward .00
Total Amount Due 8,636.37

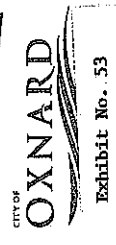
IMPERIAL OXNARD LP
22880 SAVI RANCH PKWY
YORBA LINDA CA 92887



1

17250-117510		02-10	10/10/19	10/31/19	OX	Last Bill Amount	10,109.41
						Payments	10,109.41
						Adjustments	.00
						Balance Forward	.00
Last payment amount/date:		10,109.41	9/23/19			Current Previous Usage	1077.20
WA	9/05/19	10/02/19	27	86670998	HCF	USAGE FOR 10/18	968.50
Service						Charge	4,604.55
WA	WATER MULT - 6"					Total	4,604.55
SW	SEWER-MULTI						4,031.82

Total Current Charges	8,636.37
Balance Forward	.00
Total Amount Due	8,636.37



City of Oxnard utility billing
214 South C Street, Oxnard, CA 93030-5712
For Billing Inquiries Call 805.385.7816
For Refuse Services Call 805.385.6060
Visit us at www.ci.oxnard.ca.us

Exhibit No. 53

DAVID B. HART ARBITRATOR
3597 TRIESTE DR.
CARLSBAD, CA 92010-2804
Fax 760-729-9478 Phone 760-729-5391

**In the Matter of:
Oxnard Pacific Mobile Estates
Homeowner Protest of 2019 C.P.I. Rent Increase Application**

**FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER
DATE: November 8, 2019**

I. FINDINGS OF FACT

1. Oxnard Pacific Mobile Estates (hereinafter "the Park") is a 267-space mobile home park located in South Oxnard, at 4010 Saviers Road. The Park is subject to Chapter 24 of the Oxnard City Code (Exhibit No. 1) and City Council Resolution No. 11,468 (Exhibit No. 2), which together constitute the City's Mobilehome Park Rent Stabilization System.
2. On April 30, 2019, the Park submitted an application for a C.P.I. Formula Adjustment by which it sought a rent increase of 3.87 percent, effective July 1, 2019. That application has been identified in the record as Exhibit No. 3. On the first page of that application, the park indicated that it was seeking approval for the rent adjustment for 196 of the spaces in the park.
3. As required by Section III.A of City Council Resolution, the park's application that is Exhibit No. 3 included a list of the 196 spaces affected by the proposed rent increase. That attached list consists of a spreadsheet of six (6) pages, each with the heading "Schedule of Spaces Subject to Ordinance."

4. Exhibit No. 3 also included another two-page spreadsheet, entitled "Schedule of Spaces Subject to Leases," with a listing of sixty (60) spaces that in the park that are not covered by the rent adjustment application. That two-page spreadsheet is followed by another one-page list entitled "Schedule of Spaces Exempt from Ordinance," which included ten additional spaces that were not covered by the rent adjustment application, due to the status of the units on those spaces as being either "Speculator Homes" or "Park Oxnard Homes."

5. The park's application was reviewed for accuracy by City of Oxnard Rent Stabilization Director Karl Lawson. On May 17, 2019, a Notice of C.P.I. Formula Adjustment was sent to the 196 homeowners in the park who were covered by the proposed rental adjustment; see Exhibit No. 4.

6. That Notice, which was sent out in both English and Spanish, states in pertinent part as follows:

"Pursuant to the City of Oxnard's Mobilehome Park Rent Stabilization System, notice is hereby given that the owners of OXNARD PACIFIC MOBILE ESTATES have filed a request for administrative approval of rent increases under the Combined Consumer Price Index (C.P.I.) Formula. The requested increase will be authorized to go into effect on July 1, 2019, as noticed by the park, unless residents *representing 25 percent or more of the spaces under the jurisdiction of the Rent Stabilization System in the park* file a protest asserting that the application is in error, or that services have been reduced since the most recent rent increase (identifying the specific services claimed to have been reduced since July of 2018), and requesting that the application be reviewed in accordance with the Mobilehome Park Rent Stabilization ordinance..." (*emphasis added*)

7. The Notice goes on to advise homeowners that:

"Copies of the C.P.I. Formula rent increase application are available to any resident requesting same from the City or at Oxnard Pacific Mobile Estates, 4130 Maulhardt Road, Oxnard CA 93033."

8. The cover letter of May 17, 2019 from Mr. Lawson to Mr. Mike Cirillo, General Manager for the park, states in pertinent part as follows:

“Attached please find copies of the Notice of CPI Formula Adjustment which is being mailed on May 17, 2019 to homeowners in Oxnard Pacific Mobile Estates for whom the park seeks authorization to increase rents pursuant to the CPI Formula.”

9. On June 12, 2019, a group of homeowners from Oxnard Pacific Mobile Estates delivered to the City office a five-page document. That submission consisted of two one-page cover letters (one in Spanish and one in English), followed by three pages bearing a total of eighty (80) signatures of homeowners in the park. The document has been identified as Exhibit No. 5.

10. The cover letter in Exhibit No. 5 reads in pertinent part as follows:

“We the residents at Oxnard Pacific Mobile Estates have received the Notice of C.P.I. Formula Rent Increase that may go in effect on July 01, 2019. We are writing this letter in protest asserting that our services in deed have been reduced. not only last year, but for a few years now. We have seen in the past years more and more services vanish and our rent space continuing to increase.

“The reduction in services includes:

- No access to the game rooms
- Main gate has been damaged for months
- Not enough staff in main office
- Evening staff members have been eliminated

“Please take this information in consideration as we would like to bring our rent increase to a halt and request a reimbursement on our prior rent increases.”

11. On June 14, 2019, Mr. Lawson sent a letter to Mr. Cirillo, accompanied by a copy of Exhibit No. 5. That letter, which has been identified as Exhibit No. 6, was also sent to the undersigned Hearing Officer and to Ms. Maria Verdin, the representative of the group of homeowners who submitted the petition with signatures. Exhibit No. 6 states in pertinent part as follows:

“There are a total of eighty (80) signatures on the petition. I have reviewed this list and compared each signature to the rent roster for the 267 spaces in the park, as submitted with the park’s application. When the duplicate signatures for the same space are removed, a total of sixty-nine (69) different spaces are represented. Of these 69 spaces, eighteen spaces are exempt from the park’s application for a CPI rent increase, and thus must be discounted. Those spaces are 17, 22, 29, 42, 43, 48, 59, 63, 65, 73, 93, 108, 109, 180, 188, 190, 204, and 260.

“The result is that the petition contains signatures representing fifty-one (51) spaces covered by the park’s rent increase application. In its application, the park sought rent increases for 191 spaces. Fifty-one represents 26.7% of 191, so the petition does meet the 25% threshold required for a protest (absent any challenge by the park to the validity of any signatures).”

12. On June 17, 2019, Mr. Lawson wrote a letter to Ms. Verdin in which additional detail was provided about the discrepancies in the signatures appearing on the petition. That letter, which has been identified as Exhibit No. 7, was transmitted electronically to Ms. Verdin, with copies to the undersigned Hearing Officer and to Mr. Cirillo. The letter reads in pertinent part as follows:

“The comparison of the names and space numbers reveals that the protest petition contains signatures for fourteen (14) spaces where the signature does not match the name of the homeowner on the roster submitted by the park...

“... We respectfully request that you please clarify the status of each of the fourteen signators listed on the next page. Please submit a written response by 3:00 p.m. on Friday, June 21, 2019 and provide a clarification or explanation for each of the fourteen spaces.”

The second page of Exhibit No. 7 sets forth the list of fourteen spaces where the name of the person who signed the petition does not match either the first name or last name of the homeowner from the rent roster. Those spaces are: #23, #24, #58, #64, #71, #100, #122, #126, #128, #145, #162, #187, #195, and #207.

13. Later that same day, on June 17, 2019, the undersigned Hearing Officer responded to the parties, via a letter which has been identified as Exhibit No. 8. That letter reads in pertinent part as follows:

“The Oxnard City Code, at Chapter 24, Section 24-2(G), provides that for a homeowner petition to qualify as a protest, it must contain signatures representing 25% of the spaces subject to the jurisdiction of the rent stabilization system in the park. The Code does not require that a signature on a petition be that of a homeowner, and it is conceivable that some of the signatures for the 14 spaces are those of individuals who are not homeowners, but who are nonetheless permitted tenants in the park. Neither the City nor the Hearing Officer have any way of knowing the status of the individuals who signed for these fourteen spaces; however, it is clear that if four or more of those fourteen signatures are determined to not represent authorized residents, then there would be insufficient signatures to meet the 25% threshold required for the petition to qualify as a "protest" which would trigger a hearing.

“The undersigned Hearing Officer looks forward to receiving the response from the homeowners. In addition, I request that the park management advise the City whether it wishes to challenge the legitimacy of any of the signatures (and if so, for which spaces), and submit to the City whatever information it has in its possession in support of such a challenge. I request that the park submit its information to the City by this Friday, June 21, 2019, via delivery or e-mail transmission to Mr. Lawson (just as the homeowners have been requested to do).”

14. In response to the City request of June 17, three days later the protesting homeowners' representatives submitted a one-page document which addressed each of the fourteen signatures in question. That document (Exhibit No. 9) indicates that the signators for ten of the fourteen spaces were either spouses or domestic partners of the homeowner. The status of the other four spaces was described as follows:

Space #126: Unable to locate signator
Space #145: Signator is roommate of homeowner
Space #162: Unable to locate signator
Space #195: Signator is the brother of the homeowner

The protesting homeowners' response was transmitted the same day by Mr. Lawson to Mr. Cirillo and to the undersigned Hearing Officer by e-mail (see Exhibit No. 10).

15. On June 24, 2019, at 4:49 p.m., Ms. Maryann Tran responded by email on behalf of the park

(Exhibit No. 11). In that email, Ms. Tran noted that the number of spaces for which the park's application sought an increase was 196 as of the date the application was submitted, and not 191; and that from among the eighty signatures submitted, the park agreed that signatures representing forty-two (42) of the spaces in the park were valid. The park contested the validity of the "Disputed Signatures" and grouped those 38 signatures into the following categories:

- 10 Signatures of individuals who are not homeowners
- 4 Duplication signatures from spaces already counted
- 24 Signatures from spaces exempt from the rent increase application

16. In an email of June 24, 2019, 11:51 p.m. (Exhibit No. 12), Mr. Lawson summarized the status of the disputed signatures as follows:

- The park's application covers 196 spaces, and 25% of 196 is 49.
- The parties agree that at least 42 spaces are represented by valid signatures
- In order to reach the 49-space threshold that would constitute a valid Protest triggering an evidentiary hearing, signatures representing another seven (7) spaces would have to be deemed valid. There are ten still-disputed signatures
- Those ten disputed signatures, categorized as "Disputed signatures -- signer not a homeowner", are spaces #30, #58, #100, #119, #122, #126, #128, #145, #162, and #195.

17. In Exhibit No. 12, the City provided further detail on several of those ten outstanding disputed signatures, as follows:

- Space #30: Signature on Petition differs from signature on the rental agreement.
- Space #145: Signature is that of a roommate of the homeowner
- Space #195: Signature is that of the brother of the homeowner
- Spaces #126 and #162: There is no claim or information that the individuals signing for these spaces are co-owners, spouses, or other family members of the homeowner.
- Spaces #58, #100, #122, and #128: Signer purports to be spouse of homeowner.
- Space #119: Signer is the homeowner of the unit at Space #194, but erroneously wrote in the street address of the mobilehome, which is 119 Benicia Way.

18. On June 25, 2019, the undersigned Hearing Officer sent a communication to the parties (Exhibit No. 13) addressing the specifics of four of the ten spaces, and deferring any determinations on the other six spaces. For Spaces #126 and #162, the signatures were deemed invalid, as there is no evidence or claim that the persons signing were homeowners, spouses of homeowners, co-owners, family members, or in any way legal representatives of the homeowners of the mobile homes in those spaces.

19. With respect to two other signatures (representing Spaces #145 and #195), the Hearing Officer wrote to the parties as follows:

“For Spaces #145 and #195, I request that the park advise whether it has any information about the persons signing; specifically, whether those signing are on title to the mobile home, or whether the park has been advised that the persons signing are spouses or registered domestic partners of homeowners.”

20. On June 25, Ms. Trans responded by email (Exhibit No. 14), writing as follows:

“The Park has no knowledge of a Daniel Guillen occupying Space #145. The submission from the homeowner representative indicates that Daniel Guillen is a roommate of the Homeowner, which would make his signature ineligible.

“Giovanni Hernandez is subleasing Space #195 from the Homeowner, pursuant to the attached sublease agreement signed with the park, that is exempt from the Mobilehome Residency Law. He is not a Homeowner, meaning his signature is also ineligible.”

21. On August 15, the undersigned Hearing Officer issued a letter setting forth Preliminary Determinations on Spaces #126, #162, and #145. That letter, which has been identified as Exhibit No. 15, states in pertinent part as follows:

“1. Preliminary Determination #1 (Spaces #126 and #162): Based on the information and documentation which has been presented to me, I have made a preliminary determination that the signatures for Spaces #126 and #162 cannot be counted toward the total number of signatures that are necessary to meet the definition of a ‘protest’, as there is no evidence or claim that they individuals who signed are homeowner, spouses of homeowners, co-owners, or in any way legal representatives of the homeowners.

“2. Preliminary Determination #2 (Space #145): In addition, I have reached a preliminary determination that the signature for Space #145 also cannot be counted toward the required total. The signator for Space #145 has been identified by the homeowners’ representative as a roommate of the individual who owns the mobile home in that space, and there is no evidence that the roommate is on title as co-owner. The park has no knowledge of this individual. The absence of any property interest or tenancy interest in the mobile home, or agent authorization from the homeowner of the mobile home, leads me to the conclusion that this roommate has no authority to sign a protest petition on behalf of the homeowner.”

“3. Remaining signatures at issue (#30, #58, #100, #122, #126, #128, #195): If the three signatures representing Spaces #126, #145, and #162 are held to be invalid, then there would remain seven spaces’ signatures whose status will determine the sufficiency of the protest petition. Six of those seven spaces present an issue of whether the signature must be that of the homeowner whose name appears on the park’s rent roster or who signed the rental agreement... The seventh signature still at issue represents Space #195, and presents a distinct issue: whether the signature of a sub-tenant who rents and resides in a mobile home owned by someone else, pursuant to a written agreement, can constitute a valid signature on a protest petition which challenges the space rent increase charged to the homeowner...

“The math in this case is unambiguous. I order for a protest hearing to be triggered I would need to determine that all seven of the spaces identified in the previous paragraph (including Space #195) are indeed valid...”

“To this end, I offer the parties the opportunity to present written submission on the following question: Can a sub-tenant’s signature be deemed valid for the purpose of a protest of space rents under the Oxnard City Code?”

22. The protesting homeowners were directed to present their written submission by September 4, 2019, with the Park’s response due by September 18, 2019.

23. On September 4, 2019, the protesting homeowners’ representative submitted a letter, which has been identified as Exhibit No. 17, stating as follows:

“The sub-tenant living in space #195 has many years living in Oxnard Pacific Mobile Estates. The address in question is the sub-tenant’s primary residence. They share the same responsibilities as a resident, they pay monthly rent, they have access to the laundry room, key to the game room and pool, vehicle parking in the carport, and knowledge of

all rules and regulations all park residents must follow. Star Management was aware, prior to the protest, that a sub-tenant was residing in space #195 and for that same purpose Star Management should deem valid the sub-tenant's signature on our protest."

24. On September 18, 2019, the Park's legal counsel, Chris Chapman, submitted a reply on behalf of the Park (Exhibit No. 18). In its response, the Park cites the language of Oxnard City Code Section 24-1(A) and 24-1(E) as protecting the rights of mobile home owners, stating that "it would be inconsistent with the purpose and intent of the ordinance for the City of Oxnard to count sub-tenant signatures for the purpose of the requisite 25 percent [requirement]. The homeowner of space #195 must be protesting the rent increase, since it is the homeowner that was intended to be protected by the Ordinance....not the sub-tenant."

25. Following receipt of the two parties' submissions, the undersigned Hearing Officer took this matter under consideration. Following a review of all of the testimony and the evidence presented to date, and of the applicable sections of the Oxnard City Code, I issue the following findings and Order.

II. RELEVANT LANGUAGE FROM THE CITY CODE

26. Chapter 24 of the Oxnard City Code sets forth the City's Mobilehome Park Rent Stabilization System. City Council Resolution No. 11,468 sets forth the Guidelines for Implementation of the System. The Hearing Officer is guided by the language and principles contained in Chapter 24 and Resolution No. 11,468.

27. Section 24-2 of the City Code reads in pertinent part as follows:

SEC. 24-2. DEFINITIONS.

For the purpose of this chapter, the following words shall have the following meanings:

(B) **HEARING OFFICER** - The person designated by the city council to conduct evidentiary hearings on the various matters assigned to the hearing officer by this chapter.

...
(G) **PROTEST** - A written statement signed by residents representing 25 percent or more of the spaces in a park specifically setting forth the grounds for disputing an owner's decision or application for a space rent increase and containing a suggested resolution of the dispute.

28. Section 24-4 of the City Code reads in pertinent part as follows:

SEC. 24-4. EXEMPTIONS.

The provisions of this chapter shall not apply to the following:

(A) A mobile home park space rented for nonresidential purposes;

...
(E) Mobile home park tenancies for which any federal or State law or regulation specifically prohibits rent regulations;

(F) Mobile home park tenancies established by leases which provide for a term of more than a year, but only for the duration of such lease. Upon the expiration of any such lease, this chapter shall immediately be applicable to the tenancy.

29. Section 24-9 of the City Code reads in pertinent part as follows:

SEC. 24-9. CPI FORMULA ADJUSTMENT.

...
(B) **Review** - The hearing officer shall conduct a hearing to review a CPI formula adjustment application only on receipt of a protest. The hearing officer shall decide the issues in dispute.

III. ISSUES BEFORE THE HEARING OFFICER

30. The issues to be decided in this proceeding are:

- A. How many signatures constitute a sufficient number to qualify as a "Protest" under Section 24.2(G) of the City Code?
- B. How many valid signatures have been presented by the protesting homeowners in this case?

IV. DISCUSSION

31. At the outset, I note that this is a matter of first impression for the undersigned Hearing Officer. In over twenty years of conducting hearings under the City Code, this is the first time I have been called upon with determining the validity of a protest petition based on the status of a person who signed a protest petition.

32. The park's application seeks authorization from the City to increase the space rents of 196 of the park's spaces. Twenty-five percent of 196 is 49, so 49 valid signatures are required for a petition to meet the City Code's definition of a Protest.

33. Section 24-2(G) of the Code requires a petition to contain signatures of "residents representing 25 percent or more of the spaces in a park" in order to meet the definition of a "Protest" which would trigger an evidentiary hearing on the allegations set forth in the petition. Neither the City Code nor the City Council Resolution specifically task the Hearing Officer with ascertaining the validity of the signatures.

34. Despite the absence of express authority to do so, I find that a full reading of the City Code and Resolution require the Hearing Officer to make determinations regarding the validity of signatures in those cases where a dispute exists between the parties. As shown by the evidence and correspondence in this case, the City staff is able, in the vast majority of cases, to determine administratively whether signatures should be deemed valid or not. Mr. Lawson has done an

admirable job of doing the detail-oriented work to achieve agreement between the parties on most of the matters presented. Specifically, he began with the list of 80 signatures, and has winnowed it down to fewer than a dozen where any controversy remains. This was accomplished by first, discounting signatures in those instances where two persons had signed for the same space; second, discounting signatures representing spaces that were clearly exempt from the jurisdiction of the ordinance; and third, seeking clarification and evidence about the signatures for the outstanding spaces.

35. Once those have been narrowed down to the ten spaces where the parties did not agree, it then falls to the Hearing Officer to make a determination. We are at that point.

36. As set forth in my letter of August 15 (Exhibit No. 15), summarized in the previous pages at Paragraph 21, simple math dictates that it would be necessary for at least seven of the ten signatures to be deemed valid in order to allow me to determine that Exhibit No. 5 constitutes a "Protest" that would trigger a hearing.

37. My preliminary determination with respect to three of those ten spaces (#126, #145, and #162) stands. There is insufficient evidence to conclude that the signatures for those three spaces represent homeowners, spouses of homeowners, co-owners, or other authorized agents of the homeowners. Those three signatures cannot count towards the total.

38. The two parties have submitted, and I have considered, their respective arguments regarding the validity of the signature of the sub-tenant of Space #195. I have carefully considered this matter, and find that it is the language of the City Code which tips the scales in this case. Specifically, the clear intent of Chapter 24 of the Code is to establish a system which balances the interests of the owners of mobile home parks and the owners of mobile homes. The latter phrase appears several times throughout Chapter 24, a fact to which I must give great weight. Had the City Council wishes to extend protections to sub-tenants of mobile homes, it presumably could have done so; but there is nothing in the Code which indicates that Council so intended, and I have no authority to expand the scope of the Code by a de facto expansion of the Code.

39. I thus determine that the signature for Space #195 cannot be counted for the purpose of meeting the 25% threshold to constitute a Protest.

40. This determination with respect to Space #195 is dispositive. Given that the number of remaining outstanding signatures is six, it is not necessary for me to render any decision on the validity of those outstanding signatures. Even if I were to determine that all six were valid, it would only bring the total number of valid signatures to 48. Since 49 signatures are required for a Protest, there is no point in making any determination about these remaining six signatures; no determination with respect to any of those signatures could bring the total number of valid signatures up to 49.

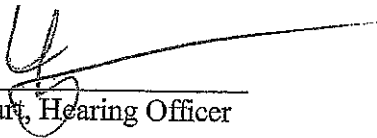
V. CONCLUSIONS

41. The answer to the question posed in Issue #1 is 49 signatures. The answer to the question posed in Issue #2 is "somewhere between 42 and 48 signatures."

42. There are insufficient signatures on the Homeowners petition to meet the 49-signature requirement that would render that petition a legal "Protest" under the City Code. Thus, the undersigned Hearing Officer has no jurisdiction or authority to conduct an evidentiary hearing on the various allegations set forth in the homeowners petition. The petition is dismissed, and the rent adjustment of 3.87% is approved, effective July 1, 2019. Inasmuch as the park has already been authorized to collect that increase during the pendency of this proceeding, there is no remedial action required by the homeowners, the park, or the City.

43. The undersigned Hearing Officer retains jurisdiction over any dispute regarding the implementation of this Decision.

It is so ordered on this 8th day of November 2019.



David B. Hart, Hearing Officer

LIST OF EXHIBITS AS OF NOVEMBER 7, 2019
(Exhibits No. 1 through 12; Exhibits Nos. 13 through 19 on Next Page)

CPI Rent Increase Application
Submitted by Oxnard Pacific Mobile Estates, April 2019

- No. 1 Oxnard City Code, Chapter 24: Mobile Home Parks
- No. 2 Oxnard City Council Resolution No, 11468 (Guidelines for Implementation of the City of Oxnard Mobilehome Park Rent Stabilization Ordinance), effective December 10, 1998
- No. 3 C.P.I. Formula Adjustment Application submitted by Oxnard Pacific Mobile Estates, dated 4/30/19
- No. 4 Letter from Karl Lawson to Mike Cirillo, dated 5/17/19; with attached Notice of C.P.I. Formula Adjustment (six pages total, English and Spanish), also dated 5/17/19
- No. 5 Cover letter dated 6/6/19 from Oxnard Pacific Mobile Estates Residents, with attached three-page Protest Petition, received 6/12/19
- No. 6 Letter from Lawson to Cirillo, dated 6/14/19
- No. 7 Letter from Hearing Officer David B. Hart to Mr. Cirillo and to Ms. Maria Verdin, dated 6/17/19
- No. 8 Letter from Lawson to Ms. Verdin, with attached "List of Signatures from the June 2019 Protest Petition", dated 6/17/19
- No. 9 List submitted by Oxnard Pacific Homeowners, 6/20/19
- No. 10 E-mail from Lawson to Mr. Hart, dated 6/20/19
- No. 11 E-mail from Maryann Tran to Mr. Lawson, dated 6/24/19, with attached three-page list of Valid and Disputed signatures
- No. 12 E-mail from Lawson to Ms. Tran, Mr. Cirillo, Ms. Verdin, Mr. Hart, Mr. Kenneth Rozell, and Mr. Emilio Ramirez, dated 6/24/19, 11:51 p.m.

LIST OF EXHIBITS AS OF NOVEMBER 7, 2019
(Exhibits No. 13 through 19)

- No. 13 E-mail from Mr. Hart to parties, dated 6/25/19, 10:18 a.m.
- No. 14 E-mail from Ms. Tran to Hart and Lawson, dated 6/25/19, 5:54 p.m.
- No. 15 Letter from Hart to Mr. Cirillo, Ms. Tran, and Ms. Verdin, dated 8/15/19
- No. 16 Letter from Lawson to Mr. Cirillo, Ms. Tran, and Ms. Verdin, dated 8/20/19
- No. 17 Letter from Ms. Lilia Zepeda, dated 8/31/19
- No. 18 Letter from Chris Chapman, Esq., dated 9/18/19
- No. 19 Consent to Sub-lease Agreement for Space #195

Housing Department
435 South 7th Street
Oxnard, California 93030
(805) 385-8095
Fax (805) 385-7416



May 17, 2019

Mr. Mike Cirillo
For Oxnard Pacific Mobile Estates
Star Management
1400 East Fourth Street
Santa Ana CA 92701


RE: CPI Rent Increase Application for Oxnard Pacific Mobile Estates

Dear Mr. Cirillo:

Attached please find copies of the Notice of CPI Formula Adjustment which is being mailed on May 17, 2019 to homeowners in Oxnard Pacific Mobile Estates for whom the park seeks authorization to increase rents pursuant to the CPI Formula. I am sending extra copies to Park Manager Martha Diaz, and I respectfully request that copies of the notice be posted in a visible place in the park office.

If you have any questions or require any additional information, please feel free to contact our office. Thank you very much for your attention in this matter.

Sincerely,


Karl Lawson, Director
Mobilehome Park Rent Stabilization

Attachment

cc: Martha Diaz, Park Manager
Emilio Ramirez, Housing Director
Mary Chappel

NOTICE OF C.P.I. FORMULA RENT INCREASE
(Date of this Notice: May 17, 2019)

Pursuant to the City of Oxnard's Mobilehome Park Rent Stabilization System, notice is hereby given that the owners of OXNARD PACIFIC MOBILE ESTATES have filed a request for administrative approval of rent increases under the Combined Consumer Price Index (C.P.I.) Formula. The requested increase will be authorized to go into effect on July 1, 2019, as noticed by the park, unless residents representing 25 percent or more of the spaces under the jurisdiction of the Rent Stabilization System in the park file a protest asserting that the application is in error, or that services have been reduced since the most recent rent increase (identifying the specific services claimed to have been reduced since July of 2018), and requesting that the application be reviewed in accordance with the Mobilehome Park Rent Stabilization ordinance. Petitions should be delivered within 30 days of this notice (that is, no later than 5:00 p.m. on Monday, June 17, 2019) to the Rent Stabilization office at the following address:

Mobilehome Park Rent Stabilization System
Oxnard Housing Department
435 South "D" Street
Oxnard CA 93030

Notwithstanding the above, any resident who makes an objection, based on an error in calculation, to the proposed CPI Formula increase for his/her space rent, prior to the increase being approved, may contact Karl Lawson of City staff, at 385-8095 (or by e-mail to karl.lawson@oxnard.org), who shall determine the accuracy and the amount of the allowable increase for that resident's space.

Copies of the C.P.I. Formula rent increase application are available to any resident requesting same from the City or at:

Oxnard Pacific Mobile Estates
4130 Maulhardt Road, Oxnard CA 93033

OXNARD PACIFIC MOBILE ESTATES' application for a combined C.P.I. Formula increase has been reviewed and found to be in compliance with the Mobilehome Park Rent Stabilization System. Information pertinent to the application is summarized below.

DETERMINATION OF INCREASE

1. C.P.I. Adjustment period: August 2017 to August 2018
2. Permissible C.P.I. Adjustment: 3.87%
3. Individual Space Rent Increases, as proposed by the park, would go into effect on July 1, 2019, and will remain in effect unless successfully protested in accordance with the above procedure. Proposed increases appear in the enclosed six-page packet accompanying this notice.

CALCULATION OF PERMISSIBLE RENT INCREASE: The inflation rate for Southern California for the base period from August 2017 to August 2018 was 3.87%. Pursuant to Ordinance No. 2475, the permissible C.P.I. rent increase for calendar year 2019 will be 3.87%.

(ESPAÑOL AL OTRO LADO DE ESTA HOJA)

Exhibit No. 4

AVISO DE UNA SOLICITUD PARA AUMENTAR LAS RENTAS EN CONFORMIDAD CON LA FORMULA C.P.I. (INDICE DE PRECIOS CONSUMIDORES)
(Fecha de este Aviso: 17 de Mayo, 2019)

En conformidad con el Sistema de Estabilización de Rentas en Parques de Casas Móviles de la Ciudad de Oxnard, se les avisa que los dueños de OXNARD PACIFIC MOBILE ESTATES han solicitado una solicitud para que se apruebe administrativamente un aumento de rentas de acuerdo con la Fórmula del Índice de Precios Consumidores (C.P.I., por sus iniciales en Inglés). El aumento entrará en vigor automáticamente el día primero de Julio de 2019, como notificado por el parque, a menos de que residentes representando 25% o más de las unidades en el parque que están sujetos al sistema de estabilización de rentas entreguen una petición sosteniendo que la solicitud del dueño está en error, o que el nivel de los servicios en el parque se haya reducido desde el aumento de rentas previo (indicando las reducciones específicas desde Julio del 2018), y pedir que la solicitud sea revisada de acuerdo con la ordenanza de Estabilización de Rentas en Parques de Casas Móviles. Las peticiones se deben entregar dentro de 30 días después de la fecha de este anuncio (o sea, antes de la 5:00 p.m. el día lunes, 17 de junio de 2019) a la oficina de Estabilización de Rentas al domicilio que sigue:

Programa de Estabilización de Rentas en Parques de Casas Móviles
Departamento de Viviendas, Ciudad de Oxnard
435 South "D" Street, Oxnard CA 93030

Además de lo ya mencionado, cualquier residente oponiendo el aumento de renta basado en un error en la calculación de la fórmula C.P.I., propuesta para aumentar la renta de su espacio, puede comunicarse con Karl Lawson al número 385-8095 (o por correo electrónico al karl.lawson@oxnard.org) antes del día 14 de Julio, y Sr. Lawson determinará la exactitud y la suma total que se permite en el aumento de renta del espacio.

Copias de la solicitud para aumentar las rentas están disponibles sin ningún cobro de la Ciudad o en:

Oxnard Pacific Mobile Estates
4130 Maulhardt Road, Oxnard CA 93033

La solicitud de OXNARD PACIFIC MOBILE ESTATES para aumentar las rentas de acuerdo con la Fórmula C.P.I. ha sido revisada y se encuentra en cumplimiento con el programa de Estabilización de Rentas en Parques de Casas Móviles. Información pertinente a la solicitud sigue:

DETERMINACION DEL AUMENTO

1. Período para calcular el aumento en el Costo de Vida basado en el C.P.I.: desde agosto de 2017 hasta agosto de 2018.
2. Cantidad del aumento C.P.I. permitido: 3.87%
3. Los aumentos de renta para espacios individuales, como propuestos por el parque, entrarán en vigor el día primero de Julio de 2019 a menos que se proteste de acuerdo con las provisiones explicadas arriba. Aumentos propuestos se encuentran en la segunda página de este aviso.

CALCULO DEL AUMENTO DE RENTA: La tarifa de inflación en la región del sur de California durante el período de base (desde Agosto 2017 al Agosto 2018) fue 3.87%. De acuerdo con la Ordenanza No. 2475, el aumento de rentas C.P.I. permitido este año será el 3.87%.

(ENGLISH ON OTHER SIDE OF THIS NOTICE)

Exhibit No. 4

Current rent level (approved as of July 2018)	Plus 3.87% C.P.I. Increase	Equals New Rent Effective Month of July 2019
710.99	\$27.52	738.51
711.20	\$27.52	738.72
712.09	\$27.56	739.65
717.46	\$27.77	745.23
718.01	\$27.79	745.80
720.78	\$27.89	748.67
721.52	\$27.92	749.44
721.89	\$27.93	749.82
722.73	\$27.97	750.70
723.16	\$27.99	751.15
723.62	\$28.00	751.62
727.87	\$28.16	755.83
729.71	\$28.24	757.95
730.14	\$28.26	758.40
730.52	\$28.27	758.79
732.45	\$28.35	760.80
739.69	\$28.63	768.32
743.71	\$28.78	772.49
744.32	\$28.81	773.13
745.48	\$28.85	774.33
745.62	\$28.86	774.48
745.88	\$28.87	774.75
746.80	\$28.90	775.70
747.05	\$28.91	775.96
748.85	\$28.98	777.83
749.37	\$29.00	778.37
750.95	\$29.06	780.01
752.04	\$29.10	781.14
759.37	\$29.38	788.44
760.80	\$29.39	788.76
766.08	\$29.44	790.24
771.47	\$29.61	794.69
772.24	\$29.86	801.33
772.30	\$29.89	802.13
772.34	\$29.89	802.19
773.95	\$29.89	802.23
776.10	\$29.95	803.90
	\$30.04	-806.14

(more rent levels on attached page)

Current rent level (approved as of July 2018)	Plus 3.87% C.P.I. Increase	Equals New Rent Effective Month of July 2019
517.91	\$20.04	537.95
593.78	\$22.98	616.76
604.50	\$23.39	627.89
616.31	\$23.85	640.16
617.09	\$23.88	640.97
617.24	\$23.89	641.13
622.58	\$24.09	646.67
622.65	\$24.10	646.75
624.55	\$24.17	648.72
628.51	\$24.36	653.87
631.41	\$24.44	655.85
633.79	\$24.53	658.32
643.99	\$24.92	668.91
647.04	\$25.04	672.08
649.14	\$25.12	674.26
650.00	\$25.16	675.16
650.50	\$25.17	675.87
651.84	\$25.22	676.86
654.28	\$25.32	679.60
658.74	\$25.49	684.23
661.41	\$25.60	687.01
664.24	\$25.71	689.95
664.82	\$25.73	690.55
674.76	\$26.11	700.87
679.20	\$26.29	705.49
679.85	\$26.31	706.16
681.50	\$26.37	707.87
682.32	\$26.41	708.73
685.26	\$26.52	711.78
695.30	\$26.83	720.13
695.00	\$26.90	721.90
695.84	\$26.93	722.77
695.15	\$26.94	723.09
695.38	\$26.95	723.33
695.83	\$27.04	725.87
700.27	\$27.10	727.37
705.05	\$27.40	735.45
708.63	\$27.42	736.05
709.28	\$27.45	736.71
710.82	\$27.51	738.38

(more rent levels on other side of this page)

Current rent level (approved as of July 2018)	Plus 3.87% C.P.I. Increase	Equals New Rent Effective Month of July 2019
777.15	\$30.08	807.23
781.00	\$30.22	811.22
783.68	\$30.33	814.01
784.78	\$30.37	815.15
785.88	\$30.41	816.29
791.23	\$30.62	821.85
792.28	\$30.66	822.92
795.21	\$30.77	825.98
795.23	\$30.78	826.01
797.77	\$30.87	828.64
808.03	\$31.27	839.30
809.53	\$31.33	840.86
810.63	\$31.37	842.00
811.90	\$31.42	843.32
812.03	\$31.43	843.46
813.75	\$31.48	845.24
814.16	\$31.51	845.67
816.51	\$31.60	848.11
816.63	\$31.60	848.23
817.72	\$31.65	849.37
819.66	\$31.72	851.38
819.91	\$31.73	851.64
820.89	\$31.77	852.66
821.39	\$31.79	853.18
822.94	\$31.85	854.79
824.01	\$31.89	855.90
825.17	\$31.97	858.14
830.61	\$32.14	862.75
833.00	\$32.24	865.24
836.63	\$32.38	869.01
845.68	\$32.73	878.41
851.05	\$32.84	883.89
854.57	\$33.07	887.64
858.28	\$33.22	891.50
863.01	\$33.40	896.41
867.39	\$33.57	900.96
867.66	\$33.56	901.24
871.93	\$33.74	905.67

(more rent levels on other side of this page)

Current rent level (approved as of July 2018)	Plus 3.87% C.P.I. Increase	Equals New Rent Effective Month of July 2019
873.25	\$33.79	907.04
874.77	\$33.85	908.62
884.24	\$34.22	918.46
886.59	\$34.31	920.90
886.88	\$34.32	921.20
888.19	\$34.37	922.56
889.96	\$34.44	924.40
891.59	\$34.50	926.09
900.35	\$34.84	935.19
904.25	\$34.99	939.24
904.66	\$35.01	939.67
909.35	\$35.19	944.54
910.01	\$35.22	945.23
910.70	\$35.24	945.94
913.96	\$35.37	949.33
918.20	\$35.58	953.73
918.63	\$35.55	954.18
919.80	\$35.60	955.40
924.04	\$35.76	959.80
925.58	\$35.82	961.40
925.81	\$35.83	961.64
927.59	\$35.90	963.49
929.62	\$35.98	965.60
929.77	\$35.98	965.75
931.07	\$36.03	967.10
931.58	\$36.05	967.63
934.86	\$36.18	971.04
935.39	\$36.20	971.59
938.68	\$36.33	975.01
941.54	\$36.44	977.98
947.80	\$36.68	984.48
948.54	\$36.71	985.25
953.82	\$36.91	990.73
956.79	\$37.03	993.82
959.34	\$37.13	996.47
961.01	\$37.19	998.20
963.69	\$37.29	1,000.98
978.70	\$37.88	1,016.58
982.68	\$38.03	1,020.71
988.83	\$38.27	1,027.10
1,001.99	\$38.78	1,040.77
1,007.46	\$38.99	1,046.45
1,028.85	\$39.82	1,068.67
1,031.75	\$39.93	1,071.68
1,036.55	\$40.11	1,076.66
1,061.04	\$41.06	1,102.10

Verified by: Karl Lawson

Date: May 17, 2019

Oxnard Pacific
Mobile Estates
Residents

4130 Maulhardt Road, Oxnard, CA. 93033

06/06/2019

RECEIVED

JUN 12 2019

BY: *Kel Jan*
1:45 P.M

Dear Oxnard Housing Department,

We, the residents, at Oxnard Pacific Mobile Estates have received the NOTICE OF C.P.I. FORMULA RENT INCREASE that may go in effect on July 01, 2019.

We are writing this letter in protest asserting that our services in deed have been reduced. Not only last year, but for a few years now. We have seen in the past years more and more services vanish and our rent space continuing to increase.

The reduction in services includes:

- no access to the game rooms
- main gate has been damaged for months
- not enough staff in main office
- evening staff members have been eliminated.

Please take this information in consideration as we would like to bring our rent increase to a halt and request a reimbursement on our prior rent increases.

Warm regards,

Oxnard Pacific Mobile Estates Residents

Homeowners Rep.

Mania Verdin

805-816-1829

mverdin_2405@yahoo.com

132 Benicia Way

Sp. 184



Exhibit No. 5

Oxnard Pacific
Mobile Estates
Residents

4130 Maulhardt Road, Oxnard, CA. 93033

06/06/2019

Estimado departamento de viviendas,

Nosotros, los residentes de Oxnard Pacific Mobile Estates hemos recibido el aviso DE UNA SOLICITUD PARA AUMENTAR LAS RENTAS que puede entrar en vigencia el día 01 de julio del 2019.

Estamos escribiendo esta carta en protesta afirmando que nuestros servicios han reducido. No sólo el año pasado, sino por unos años atrás. Hemos visto en los últimos años más y más servicios desaparecer y nuestro espacio de alquiler continúa aumentando.

La reducción en los servicios incluye:

- no hay acceso a las salas de juego
- la puerta principal ha sido dañada durante varios meses
- no hay suficiente personal en la oficina principal
- los miembros del personal de la tarde han sido eliminados

Por favor, tome esta información en consideración, ya que nos gustaría poner un alto a nuestro aumento de alquiler y solicitar un reembolso en nuestros aumentos de alquiler previos.

Sinceramente,

Residentes de Oxnard Pacific Mobile Estates



Exhibit No. 5

Space #.

Date

Name & Last Name

34	Armando Villalongo	6/10/19	204
35	Mertha Aguilera	06/10/19	207
36	Josna Yolanda Lopez	06/10/19	188
37	Carolina Onofre	06/10/19	173
38	José Magro	06/10/19	17
39	Antonio Oliveros	6/10/19	17
40	Antonio Oliveros	6/10/19	153
41	Isabella Navarro	6/10/19	15
42	Estelita Morales	6/10/19	15
43	Minerva Sosa	6/10/19	15
44	Alma Rini Ortiz	6-10-19	14
45	Rosalia Ortiz	6-10-19	14
46	Octavio Alvarado	6-10-19	260
47	Ernesto Ortega	6-10-19	150
48	Arbela Ortega	6-10-19	150
49	Isabella Mendez	6-10-19	77
50	Carolina Suarez	6-10-19	73
51	Lucia Perez	6-10-19	72
52	José Constantes	6-10-19	65
53	Mario Fernandez	6-10-19	67
54	Jorge Hdez.	6-10-19	63
55	Eudacio Lopez	6-10-19	59
56	Diana Torres	6-10-19	58
57	Maria Gabriela Topia	6-10-19	97
58	Carolina Perez	06-10-2019	102
59	José Luis Romero	06-10-2019	103
60	Veronica Galant	6/10/19	57
61	Isabella Jimenez	6/10/19	105
62	Rosario Rivera	6/10/19	108
63	Marilu Hernandez	6/10/19	109
64	Erica Alvarez	6/10/19	93
65	José Luis Mendez	6-10-19	93
66	Maria H. Pérez	6-10-19	100
67	Mariela Serrín	6-10-19	61

Exhibit No. 5

Space #.

Date

Name & Last Name

1	Maria Arroyo	6/10/19	184
2	Carolina T. Peña	6/10/19	183
3	Mario Cortés	6/10/19	12
4	Rosalinda Lopez	6-10-19	185
5	Araceli Huerta	6/10/19	187
6	Isabel Ortega	6-10-19	128
7	Maria Mercedes	6-10-19	189
8	Mario Pérez	6-10-19	190
9	Carlos Galant	6-10-19	180
10	Tamara Abadía	6-10-19	180
11	David Rosas	6-10-19	179
12	Maria Mercedes	6-10-19	179
13	Maria Luisa Martinez	6-10-19	193
14	Julia Cruz	6-10-19	119
15	Guillermo Hernandez	6-10-19	195
16	Ang C Gallardo	6-10-19	177
17	Luis Angel Ortega	6-10-19	176
18	Luis Melena	6-10-19	#22
19	Luis Melena	6-10-19	#22
20	Luis Melena	6-10-19	#71
21	Hilario Morán	6-10-19	#23
22	Marlen Ballesteros	6-10-19	#24
23	Johana Estrada	6-10-19	#26
24	Rebeca Plasencia	6/10/19	#27
25	Ornella Mueller	6-10-19	#28
26	Ornella Mueller	6-10-19	#29
27	Luis Perez	6/10/19	#30
28	Georgina Alvarez	6/10/19	132
29	José Luis Torres	6-10-19	199
30	Luis Perez	6-10-2019	32
31	Peggy Heeth	6-10-2019	122
32	Adriana Lopez	6-10-2019	33
33	Marlene Castellón	6-10-2019	126

Exhibit No. 5



Housing Department
 435 South 7th Street
 Oxnard, California 93060
 (805) 385-8095
 Fax (805) 385-7416

May 17, 2019

Mr. Mike Cirillo
 For Oxnard Pacific Mobile Estates
 Star Management
 1400 East Fourth Street
 Santa Ana CA 92701

RE: CPI Rent Increase Application for Oxnard Pacific Mobile Estates

Dear Mr. Cirillo:

Attached please find copies of the Notice of CPI Formula Adjustment which is being mailed on May 17, 2019 to homeowners in Oxnard Pacific Mobile Estates for whom the park seeks authorization to increase rents pursuant to the CPI Formula. I am sending extra copies to Park Manager Martha Diaz, and I respectfully request that copies of the notice be posted in a visible place in the park office.

If you have any questions or require any additional information, please feel free to contact our office. Thank you very much for your attention in this matter

Sincerely,

Karl Lawson
 Karl Lawson, Director
 Mobilehome Park Rent Stabilization

Attachment

cc: Martha Diaz, Park Manager
 Emilio Ramirez, Housing Director
 Mary Chappell

Exhibit No. 4

Name & Last Name

Date

Space #

Name & Last Name	Date	Space #
67 Samuel Tapia	06/10/19	40
68 Juan Carlos Medina	6-10-19	42
69 Eddie A. Cervantes	6-10-19	43
70 Eric Santana	6-10-19	44
71 Angel Rodriguez	6/10/19	46
72 Augustin, Racho	6/10/19	48
73 Guillermo Sanchez	6-10-19	54
74 Dga Medina	6-10-19	162
75 Rocio Sorens	6-11-19	166
76 Didi Atgometre	6-11-19	200
77 Marcela Alvarez	6-11-19	25
78 Francisca Padilla	6-11-19	130
79 Yolanda Torres	6-11-19	131
80 Daniel Sullivan	6-11-19	175
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- 073 -

Exhibit No. 5

DAVID B. HART
3597 TRIESTE DR
CARLSBAD, CALIFORNIA 92010-2840
760-729-5391
CELL-760-217-0022
FAX-760-720-9478

August 15, 2019

Mr. Michael Cirillo and Ms. Mary Lou Tran
Star Mobilehome Management
P. O. Box 11427, Santa Ana CA 92711-1427
Mike@starmanagement.com; Marylou@starmanagement.com

Ms. Maria Verdin
132 Beutia Way, Oxnard CA 93033
Mverdun_2405@yahoo.com

RE: CPI Rent Adjustment Application, Submission of Points and Authorities

Dear Ms. Verdin, Ms. Tran, and Mr. Cirillo:

I am writing to both parties as a follow-up to our previous communications. As I indicated therein, the threshold determination I must make is whether the signatures on the petition are sufficient to meet the definition of a "protest" that would trigger a hearing before me. As summarized in my letter of June 25, the status is as follows: (a) signatures representing 49 spaces are necessary to constitute a valid protest; (b) for 42 spaces, the parties agree that the signatures are valid; and (c) there are ten (10) other signatures whose validity is disputed by the park, for a variety of reasons. In order to reach the necessary amount of 49 signatures, at least seven of the ten disputed signatures would have to be determined to be valid.

The ten spaces' signatures which are in dispute present issues which are not directly addressed in the wording of the City Code. Chapter 24-2(G) of the Code sets forth the definition of a "protest", refers only to signators "representing 25 percent or more of the spaces in the park," and is silent on precisely whose signature can count as valid for a protest. After consultation with legal counsel, I have determined that it is within the scope of my authority as Hearing Officer to rule on the validity of any signatures which are in dispute. To that end, I request that the parties please note the following:

1. **Preliminary Determination #1 (Spaces #126 and #162):** Based on the information and documentation which has been presented to me, I have made a preliminary determination that the signatures for Spaces #126 and #162 cannot be counted toward the total number of signatures that are necessary to meet the definition of a "protest", as there is no evidence or claim that the individuals who signed are homeowners, spouses of homeowners, co-owners, or in any way legal representatives of the homeowners.

2. **Preliminary Determination #2 (Space #145):** In addition, I have reached a preliminary determination that the signature for Space #145 also cannot be counted toward the required total. The signator for Space #145 has been identified by the homeowners' representative as a roommate of the individual who owns the mobile home in that space, and there is no evidence that the roommate is on title as a co-owner. The park has no knowledge of this individual. The absence of any property interest or tenancy interest in the mobile home, or agent authorization from the homeowner of the mobile home, leads me to the conclusion that this roommate has no authority to sign a protest petition on behalf of the homeowner.

3. **Remaining signatures at issue (#30, #58, #100, #122, #126, #128, #195):** If the three signatures representing Spaces #126, #145, and #162 are held to be invalid, then there would remain seven spaces' signatures whose status will determine the sufficiency of the protest petition. Six of those seven spaces present an issue of whether the signature must be that of the homeowner whose name appears on the park's rent roster or who signed the rental agreement (for example, would the signature of the spouse of a homeowner count?). The seventh signature still at issue represents Space #195, and presents a distinct issue: whether the signature of a sub-tenant who rents and resides in a mobile home owned by someone else, pursuant to a written agreement, can constitute a valid signature on a protest petition which challenges the space rent charged to the homeowner. In the interest of economy of time, I shall address this issue first.

The math in this case is unambiguous. In order for a protest hearing to be triggered, I would need to determine that all seven of the spaces identified in the previous paragraph (including Space #195) are indeed valid. Notably, the fact situation presented by Space #195 is distinct from that posed by the other outstanding six spaces. Space #195 presents an issue of first impression for the undersigned Hearing Officer, and it is my responsibility to arrive at a correct and defensible determination in this matter.

To this end, I offer the parties the opportunity to present written submissions on the following question: Can a sub-tenant's signature can be deemed valid for the purpose of a protest of space rents under the Oxnard City Code? I propose the following schedule:

The protesting homeowners, as the moving party in this case, have the right to present a written submission with Points and Authorities to address the question, in a letter or brief not exceeding five pages. Any such submission must be transmitted no later than 5:00 p.m. on September 4, 2019. It should be forwarded to Mr. Lawson, who will then in turn transmit it to my office and to the Park's representatives. The Park's response is due to Mr. Lawson's office by 5:00 p.m. on September 18, 2019, and should also be limited to no more than five pages.

Thank you very much for your diligence and consideration in this matter.

Very Truly Yours,

David B. Hart, Hearing Officer

cc: Karl Lawson, Housing Department; Ken Rozell, Deputy City Attorney

Exhibit No. 15

Exhibit No. 15

RECEIVED

08/31/19

SEP X 4 2019

BY: DONALD HOSKINS DEPT.

Dear Housing Department,

We would like to thank you for your time and effort in assisting us with the rent control petition still ongoing. We would also like to address the issue for space #195. The committee members have reviewed the letter and has given plenty thought as to why the subtenant's signature should be valid for the purpose of a protest of space rents under the Oxnard City Code.

The sub-tenant living in space #195 has many years living in Oxnard Pacific Mobile Estates. The address in question is the sub-tenant's primary residence. They share the same responsibilities as a resident, they pay monthly rent, they have access to the laundry room, key to the game room and pool, vehicle parking in the carport, and knowledge of all rules and regulations all park residents must follow.

Star Management was aware, prior to the protest, that a sub-tenant was residing in space #195 and for that same purpose Star Management should deem valid the sub-tenant's signature on our protest.

Regards,

Lilia Zepeda
Lilia Zepeda
Homeowner's Representative

Exhibit No. 17

A PROFESSIONAL LAW CORPORATION
Rudderow Law Group

September 18, 2019

VIA EMAIL, FACSIMILE AND U.S. MAIL
Email: karl.lawson@cl.oxnard.ca.us
Fax: 805-385-7416

City of Oxnard-Housing Department
ATTN: Karl Lawson
435 South "D" Street
Oxnard, CA 93030

Re: Oxnard Pacific Mobile Estates
PL Rent Adjustments Application; Submission of Points and Authorities

Dear Mr. Lawson,

Our office represents Oxnard Pacific Mobile Estates and Star Mobilehome Park Management ("Star") with respect to the protest petition involving Oxnard Pacific Mobile Estates. Please direct all future correspondence for Star regarding this petition to this office. This letter is in response to the August 15, 2019 letter from Mr. David B. Hart wherein he requests a submission of points and authorities in response to the following question:

"Can a sub-tenant's signature can [sic] be deemed valid for the purpose of a protest of space rents under the Oxnard City Code?"

We have reviewed the protesting homeowners' response dated August 31, 2019. The homeowners argue that a sub-tenant's signature should be counted towards the requisite number of signatures because (1) the address is the sub-tenant's primary residence, (2) the sub-tenant shares the same responsibilities of the homeowner such as "they pay monthly rent, they have access to the laundry room, key to the game room and pool, vehicle parking in the carport, and knowledge of all rules and regulations all park residents must follow" and (3) Star was aware, prior to the protest, that the sub-tenant was residing in space #195.

Notably, the homeowners' response does not directly apply their arguments to the Oxnard City Code as requested which, when applied, provide that a sub-tenant's

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Oxnard Law Offices, APC, Of Counsel

Exhibit No. 18

signature should not be counted along with other homeowners' signatures for the purpose of a protest petition pursuant to express purpose and intent of the Oxnard City Code.

The purpose and intent of the Oxnard Mobile Home Park Rent Stabilization System can be found in Section 24-1. Section 24-1(A) states that the City of Oxnard adopted the rent stabilization because the "city council...found that the **mobile home owners** who rented spaces for the mobile homes they owned made a substantial investment in the homes and their spaces" and that the ordinances were adopted "to protect the **mobile home owners** in the city from excessive rents and to protect their investment in their homes while at the same time providing a fair return for park owners." Thus, the City council's sole purpose in adopting this ordinance was to protect **mobile home owners**, not sub-tenants with no risk of loss of investment in the mobile home.

This is confirmed by reviewing section 24-1(E) which indicates the City Council wanted to protect the rights of **mobile home owners** and not non-owners such as sub-tenants because "it is expensive to move a mobile home, requires a special permit, and involves tearing down the home...[t]here is a risk of damage to the home when the mobile home is moved." "These facts make it almost impossible for **mobile home owners** to move their homes." "Further, the **homeowners** make significant investments in their homes...if the **mobile home owners** cannot afford to pay rent increases, they must attempt to sell their homes and move elsewhere." "Excessive rents can severely impair or destroy the ability to sell a mobile home at a price sufficient to cover the investment in the home." "Further, excessive rent increases and lost investment fall with particular harshness on the significant segment of the **mobile home owners** in the city who are seniors on fixed incomes and the segment of **mobile home owners** in the city who have low to moderate incomes."

Hence, there is nothing in the intent and purpose section of the ordinance that even vaguely references protecting non mobile homeowners or sub-tenants. This is because, according to the City of Oxnard, the mobile homeowner has all the risk, not a sub-tenant. Thus, it would be inconsistent with the purpose and intent of the ordinance for the City of Oxnard to count sub-tenant signatures for the purpose of the requisite "25 percent or more of the spaces in the park." The homeowner of space #195 must be protesting the rent increase since it is the homeowner that was intended to be protected by the Ordinance adopted by the City of Oxnard, not the sub-tenant.

Thus, the homeowners' arguments that because the sub-tenant resides at the address, pays rent to the office, and that Star is aware of the sub-tenant are all entirely

immaterial and do not support counting the sub-tenant's signature. The intent and purpose of the ordinance does not even remotely consider such a non-interested party such as a sub-tenant for the requisite signature threshold. It is ultimately the protesting homeowners' burden to show that the City council intended for sub-tenant's signatures to be counted towards a protest of space rents under the Oxnard City Code since they are the petitioners but they have not met their burden.

If you need anything further from Star on this issue please do not hesitate to contact our office. I can be reached by phone at 949-565-1337 and by email at chris@rudderowlaw.com.

Very truly yours,

RUDDEROW LAW GROUP

Chris C. Chapman

Chris C. Chapman, Esq.

CCC/ld

Housing Department
435 South "D" Street
Oxnard, California 93030
(805) 385-8095
Fax (805) 385-7416



TO: Honorable Members of the Mobile Home Park Rent Review Board

FROM: Karl Lawson, Rent Stabilization Director (KL)

DATE: November 14, 2019

**SUBJECT: Dispute Regarding Permissible Rent Upon Purchase of Unit
(Space #82, Villa Capri Mobile Estates)**

I. BACKGROUND

The Mobile Home Rent Stabilization Ordinance, codified in Chapter 24 of the Oxnard City Code, establishes the City's Mobile Home Rent Stabilization System. There are twenty (20) privately-owned mobile home parks in the City, ranging in size from 39 spaces to 267 spaces. More than 95% of the spaces in the City are subject to the jurisdiction of the City's Rent Stabilization System.

In broad terms, the System regulates the amount and frequency of space rent increases in mobile home parks. The most frequent implementation of the System involves the processing of applications submitted by park owners for space rent increases that apply to all spaces within a given park that are subject to the City's jurisdiction. Those are governed by the provisions of Chapter 24-9 (for C.P.I. Formula Rent Adjustment applications) and Chapter 24-10 (Discretionary Rent Increase applications).

In addition to regulation of across-the-board space rent increases, the Rent Stabilization System also regulates the rent of individual spaces in certain circumstances. Section 24-11 of the Code limits the dollar amount of the rent increase that a park owner may impose upon a "change of occupancy" of a mobile home when ownership passes from one homeowner to another. That increase is limited to 15% of the average space rent in the park, or \$80.00, whichever is higher.

II. STATEMENT OF FACTS

The matter being presented to the Rent Review Board meeting of November 25, 2019, relates directly to the Change-of-Occupancy provisions of the City Code, as it applies to the purchasers of a mobile home in Villa Capri Mobile Estates. This report shall lay out the facts about a dispute that has arisen between the purchasers of the mobile home and the management of the park.

Villa Capri Mobile Estates, located in the southern part of the City, is a community with 136 spaces, which has been owned by the Muhlstein family for over fifty years. The mobile home in Space No. 82 in the park was formerly owned by a man and wife, both of whom are now deceased. The surviving spouse passed away in late 2018.

On November 28, 2018, the park submitted an application for a CPI Formula Rent Adjustment, covering all of the spaces in the park. Pursuant to that application, the rent for Space #82 was \$431.50. By its application, the park sought to increase space rents by 3.87%. On January 31, 2019, the City approved the 3.87% increase, and granted authorization for the rent for Space #82 to be increased from \$431.50 to \$448.00.

At some point subsequent thereto, the adult heirs of the decedents, acting on behalf of the Estate, arranged for the mobile home to be sold. The home was sold through ReMax Gold Coast Realtors, by agent Israel Magaña.

In April of 2019, Mr. Gustavo Morales and Ms. Mariela Morales reached agreement with the Estate on a purchase price for the mobile home, and submitted an application for residency to the park management. Following approval for residency, and the parties' satisfaction of the escrow requirements, the sale closed on June 18, 2019. Upon closure of the sale, the park management presented Mr. Morales with a month-to-month Rental Agreement, which included an initial rent for Space #82 of \$795.00.

Following move-in, the purchasers became aware, by speaking to their new neighbors, that the standard practice was to increase space rents by \$80.00 when an in-place mobile home was purchased. Had the rent been increased by this \$80.00 amount, the initial space rent would have been no more than \$528.00. They presented this to the park management, and engaged in some back and forth conversations. Upon determining that there would apparently be no change in the park's position, they submitted a request to the City. On October 29, 2019, Morales submitted a written request for the matter to be presented to the Rent Review Board. A copy of that request is Attachment No. 1 to this report.

III. APPLICABLE SECTIONS OF THE CITY CODE

The section of the City Code which establishes the limitations on space rent increases upon a change of occupancy is found in Section 24-11(A), as follows:

Chapter 24-11(A) CHANGE OF OCCUPANCY

(1) Upon a change of occupancy of a space, the owner may increase the rent for such space up to an amount equivalent to 15 percent of the average space rent for those spaces within the park with rents regulated by this chapter and not exempted from the provisions of this chapter, or \$80 whichever is less...

(2) Any transfer of rights to a space by a resident to any joint tenant or blood relation by gift, devise, or operation of law shall not constitute a change of occupancy.

The Mobile Home Park Rent Review Board is a quasi-judicial body established pursuant to Chapter 24-5 of the Oxnard City Code. The Powers and Duties of the Board are set forth in Section 24-6 of the Code, which reads in Sub-sections (A) and (B) as follows:

SEC. 24-6. POWERS AND DUTIES OF THE BOARD

Within the limitations provided by state law, the Board shall have the following powers and duties:

(A) Reasons for Meetings – To meet from time-to-time to discharge the Board’s duties as set forth in this Chapter.

(B) Powers – To collect evidence and information to implement this chapter, initiate investigations, schedule and conduct hearings or appeals, and issue written findings and decisions regarding the implementation of this Chapter.

Another function of the Board is set forth in the Code at Section 24-15, which reads in pertinent part as follows:

24-15. APPEALS FROM HEARING OFFICER DECISIONS

(A) Institution of appeal process.

(1) Any written decision of the hearing officer may be appealed to the Board by either the owner or by residents...

IV. ISSUES PRESENTED

The substantive issue presented in this matter is whether the initial space rent should or should not have been subject to the \$80.00 change-of-occupancy increase cap that is set forth in Chapter 24-11(A). The immediate procedural matter that is before the Rent Review Board relates to the Powers of the Board, and calls upon this Board to decide whether or not this controversy should be referred to the independent Hearing Officer for an evidentiary hearing.

In the more than thirty years of implementation of the Rent Stabilization System, there has never been a similar case adjudicated by a previous Board or by any Hearing Officer. Staff is unaware of any prior instance in which a purchaser of a mobile home from an Estate of a deceased homeowner has challenged the permissibility of the initial space rent, or of any case in which a mobile home park owner has asserted that such a purchase would be exempt from the change of occupancy provisions of the Rent Stabilization System. There is thus no previous case law or decision history to draw upon.

The City Code requires that the independent Hearing Officer conduct evidentiary hearings, and issue written findings and decisions, in controversies related to homeowner protests of CPI Formula Adjustment applications, Discretionary Rent Increase Applications, and utility passthroughs (in those matters, any party adversely impacted by the Hearing Officer’s decision may appeal that decision to the Rent Review Board, which then conducts a formal appeal hearing).

There is, however, no such specific delegation to the Hearing Officer for the adjudication of disputes in any other matters, and the Code is silent on what mechanism is to be used, and by who, in controversies related to individual space rents charged upon changes in ownership of a mobile home.

V. DISCUSSION AND ANALYSIS

Section 24-6(B) of the City Code, includes among the Powers of the Rent Review Board the power to include "initiate investigations, schedule and conduct hearings or appeals, and issue written findings and decisions regarding the implementation of this chapter."

Staff believes that there are at least two ways that this can be exercised. The Board could refer the matter to the independent Hearing Officer, who will conduct an evidentiary hearing, receive argument, and issue written findings and a decision. Pursuant to Section 24-15(A), that decision could be appealed to the Board if either party were dissatisfied with the Hearing Officer's decision. Staff believes that if this option were to be selected, the Hearing Officer could conduct a hearing and render a ruling within one month.

The second option would be for the Board to schedule and conduct the evidentiary hearing itself (staff does not recommend that the Board conduct such an evidentiary hearing at the Board meeting of November 25th, as parties must be provided with due process, including advance notice, of any quasi-judicial proceeding). If the Board were to select this method, the Board's ruling would constitute the City's final administrative decision in the matter, and the sole mechanism for any challenge to the Board's ruling would be for the adversely affected party to file a writ in Superior Court.

VI. RECOMMENDATION

Staff recommends that the Board receive a verbal report from staff, and from the City Attorney, on the advantages and disadvantages of the two possible approaches outlined in the previous section; discuss the two possible methods; and determine what approach best serves the objectives of the Rent Stabilization System.

ATTACHMENT

No. 1: Letter to the Board from Mariela and Gustavo Morales, October 29, 2019