



AGENDA
MOBILE HOME PARK RENT REVIEW BOARD
SPECIAL ZOOM MEETING
Oxnard, CA 93030
Monday, December 21, 2020, 5:30 p.m.

This meeting is held pursuant to the State Emergency Services Act, the Governor’s Emergency Declaration, and Governor’s Executive Order N-29-20 to allow members of the Executive Board or staff to participate via teleconference. Pursuant to the Ventura County Public Health Official’s order and Governor’s Executive Order N-33-20, all city buildings are temporarily closed to the public. Contact Karl Lawson, the Executive Secretary of the Mobile Home Park Rent Review Board, at (805) 385-8095 or by email at karl.lawson@oxnard.org for information on participating in this Zoom meeting; please contact no later than 3:00 p.m. on the day of the meeting. The Meeting Link for the Zoom meeting is:

<https://zoom.us/j/91002868326?pwd=VndQVDFYUmcwTmhHZ1F4K05zeIRTdz09>

A telephone option for public comments is also available at this time due to the State of California “Stay At Home” order. Requests to speak must be submitted no later than 3:00 p.m. on the day of the meeting. Use the form on the city’s website to submit your request: Oxnard.org/city-meetings, or call the City Clerk’s Office at (805) 385-7803, or email your request to cityclerk@oxnard.org.

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 November 25, 2019

RECOMMENDATION: Approve minutes of Board meeting of November 25, 2019

4. BOARD MEMBER BUSINESS

SUBJECT: Annual Activity Report for 2020

RECOMMENDATION: Receive staff presentation on, review, and adopt Annual Activity Report for 2020; and authorize Chair to submit report to City Council

5. REPORT FROM CITY STAFF

SUBJECT: Impact of COVID-19 Pandemic on Mobile Home Rent Stabilization System

RECOMMENDATION: Receive staff Presentation on how the COVID-19 pandemic has impacted the administration of the Mobile Home Rent Stabilization System, and possible impact on processing of calendar year 2021 C.P.I. rent increase applications.

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Meeting Agenda for December 21, 2020
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6. NEW BUSINESS

SUBJECT: Selection of Chair and Vice-Chair

RECOMMENDATION: That the Board, by majority vote, select a Chair and a Vice-Chair

7. ANNOUNCEMENTS OF UPCOMING EVENTS

8. 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.

Written materials relating to an item on this agenda that are distributed to the Mobile Home Park Rent Review Board will be made available for public inspection at 300 West. 3rd Street, 4th Floor, during customary business hours and on the City's website at Oxnard.org/city-meetings..

Mobile Home Park Rent Review Board
DRAFT Minutes of the Special Meeting of November 25, 2019

On Monday, November 25, 2019, at 5:38 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; 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 5:38 p.m. Roll was called and a quorum was deemed present.

2. PUBLIC COMMENT

None.

3. INFORMATION/CONSENT AGENDA

SUBJECT: Minutes of Meeting of June 19, 2019

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

4. REPORTS FROM CITY STAFF

SUBJECT: Rosenberg's Rules of Order

Mr. Lawson distributed to the Board a copy of, and presented a verbal report to the Board on, Rosenberg's Rules of Order, which are to be used for the conduct of City public meetings, including those of the Rent Review Board. Staff responded to questions from the Board. No Board action was taken.

SUBJECT: Recent Hearing Officer Decisions

Mr. Lawson directed the Board's attention to the staff report found at page 020 of the Agenda Packet, and provided a verbal report on two recent decisions of Hearing Officer David Hart, in the cases of the Utility Passthrough Application of Imperial Oxnard Mobile Estates and the Homeowner Protest of the C.P.I. Rent Increase Application submitted by Oxnard Pacific Mobile Estates. Mr. Lawson responded to questions from the Board members on the two cases.

5. BOARD MEMBER BUSINESS

SUBJECT: Dispute Regarding Permissible Rent Upon Purchase of Unit

Mr. Lawson presented the Board with a report on the dispute related to the permissible rent that the owner of Villa Capri Mobile Estates could charge a new purchaser of a homeowner, and directed the Board's attention to the staff report and information found at pages 077 through 082 of the agenda packet.

Chairman Remmen identified that the determination that the Board must make related to which entity would conduct the evidentiary hearing in a dispute such as this. Following discussion by the Board, Commissioner Jimenez moved, and Commissioner Daniels seconded, that where the Code is silent on a specific type of dispute, the Board refer the matter to the Hearing Officer to conduct an evidentiary hearing in this case, with the Board to act as an appellate body in the event that the Hearing Officer's decision is appealed. The motion carried unanimously.

6. NEW BUSINESS

None.

7. ADJOURNMENT

There being no further business, Commissioner Daniels moved that the Board adjourned. Commissioner Jimenez seconded the motion, which carried unanimously, and the meeting stood adjourned at 6:41 p.m.

(Minutes prepared by Karl Lawson)



TO: Honorable Members of the Mobile Home Park Rent Review Board
FROM: Karl Lawson, Rent Stabilization Director 
DATE: December 8, 2020
SUBJECT: Mobile Home Park Rent Stabilization System Annual Activity Report for Calendar Year 2020

I. RECOMMENDATION

That the Board review and adopt the Fiscal Year 2020 Annual Activity Report to City Council, and authorize the Chair to submit the reports to City Council

II. DISCUSSION

The Mobile Home Park Rent Review Board is a quasi-judicial body established pursuant to Chapter 24-5 of the Oxnard City Code. Section 24-6 of the Oxnard City Code states in its entirety 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.*

- (C) Annual Report – To prepare, at least annually, a comprehensive written report to the City Council concerning Board activities, decisions, findings, and actions, and all other matters governed by this Chapter.*
- (D) Administrative rules – Within the limitations provided by law or by rules adopted by the City Council, and after a public hearing, with due notice to owners and residents and/or their representatives, associations and councils, to adopt, amend and rescind administrative rules to effectuate the purposes and policies of this chapter.*

The current Board consists of three members who were appointed by City Council on January 23, 2018, and one who was appointed on May 21, 2019. A Board meeting was conducted on November 25, 2019, and another on December 21, 2020.

In accordance with Sec. 24-6(C) above, staff has prepared the attached Annual Activity Report for 2020. Staff presents this report to the Board for your review, input and discussion. Upon finalization, staff requests that the Board approve the report and authorize the Chair to transmit the reports to the City Council.

Attachment

Draft Annual Activity Report for Fiscal Year 2020

ANNUAL ACTIVITY REPORT FOR 2020

CITY OF OXNARD MOBILE HOME PARK RENT REVIEW BOARD

1. THE BOARD

The Mobile Home Park Rent Review Board consists of three Commissioners who were appointed to three-year terms at the City Council meeting of January 23, 2018: Cynthia Daniels, Felipe Flores, and Martin Lee Remmen; plus Commissioner Efrain Jimenez, appointed by City Council on May 21, 2019.

2. BOARD MEETINGS

The Rent Review Board met once in 2020, on December 21, 2020.

3. PROCESSING OF RENT INCREASE APPLICATIONS IN 2020

A. Types of Space Rent Increases

Chapter 24 of the City Code establishes two mechanisms by which owners of mobile home parks in the City may apply for general space rent increases. Chapter 24-9 of the Code defines the procedure for C.P.I. (Consumer Price Index) Formula Adjustment increase applications, and Chapter 24-10 creates the mechanism for applying for Discretionary Rent Increases.

B. Calculation of C.P.I. Space Rent Increases

The formula by which the maximum permissible C.P.I. space rent increase for which a park may apply is set forth in Chapter 24-9(A)(1), and is based on the change in the C.P.I. from August of one year to August of the next year. Whenever that change is 4 percent or less, the maximum permissible space rent increase for the next calendar year is equivalent to 100% of that August-to-August percentage change. The C.P.I. change has not exceeded that 4% threshold since 2008.

The permissible C.P.I. space rent increase for rent increases applied for in 2020, as determined by the inflation rate, is 2.97%. For calendar year 2021, the permissible increase will be 2.02%. Maximum permissible increases in recent years have been as indicated below:

2019:	3.87%
2018:	2.82%
2017:	1.43%
2016:	1.14%
2015:	1.81%
2014:	0.84%
2013:	2.32%
2012:	2.41%

2011: 0.83%
2010: No increase (2009 was a deflationary year)

C. Park Applications for C.P.I. Formula Rent Increases in 2020

There are twenty (20) mobile home parks in Oxnard, ranging in size from 39 spaces to 265 spaces. The following eighteen (18) parks applied for 2.97% C.P.I. space rent increases to take effect in calendar year 2020:

Country Club Mobile Estates	Cypress Mobile Home Park
Evergreen R. V. Park	Imperial Oxnard Mobile Estates
Kona Kai Mobile Estates	Oxnard Mobile Home Lodge
Ocean-Aire Mobile Estates	Oxnard Shores Mobile Home Park
Oxnard Pacific Mobile Estates	Royal Palms Mobile Estates
Pleasant Valley Mobile Home Park	Royal Duke Mobile Estates #2
Royal Duke Mobile Estates #1	Sunny Acres Park
Sunshine Manor Mobile Home Park	Valley Trailer Villa
Villa Capri Mobile Estates	Meadowlake Park

One other park, Silverwheel Mobile Home Park, which was eligible for a rent increase in August of 2020, chose not to apply for a C.P.I. Formula space rent increase in calendar year 2020. The park owner stated that he would voluntarily waive his right to a 2020 rent increase because of the hardships that homeowners faced due to the onset of the COVID-19 pandemic.

Another park, The Colony Mobile Home Park, was eligible for its annual increase in the month of September. The park management voluntarily opted to seek a 1.5% increase, rather than the full 2.97% to which the park was entitled, and postponed the effective date of the rent increase from September to November of 2020.

D. Homeowner Association Protests of C.P.I. Rent Increase Applications

The Rent Stabilization System permits associations or groups of homeowners to challenge C.P.I. formula rent increase applications by filing a protest as defined in Chapter 24-2 of the City Code. When a protest is filed, the independent Hearing Officer conducts an evidentiary hearing, in accordance with Chapter 24-9(B) and 24-13 of the Code. If the Hearing Officer determines that the homeowners have presented evidence of a reduction in services by the park owner, and a monetary savings, the Hearing Officer may reduce the pending rent increase by the amount saved by the park owner due to the deletion of reduction in services provided to homeowners.

No homeowner protests were filed in 2020. The most recent year when protests filings resulted in evidentiary hearings was in 2017, when Homeowners Associations in two parks (Kona Kai and Ocean-Aire) filed formal protests challenging their

respective park owners' application for C.P.I. increases, alleging service level reductions. Hearings were conducted in those cases, and the Hearing Officer ultimately ruled that the homeowners had not met their burden of proof. As a result, the C.P.I. increases applied for by both parks were approved. In 2019, homeowners in Oxnard Pacific Mobile Estates submitted a protest of that park's C.P.I. rent increase application, but the Hearing Officer determined that the protest petition did not have the required number of valid signatures to trigger an evidentiary hearing.

E. Discretionary Rent Increase Applications

The Rent Stabilization System provides an avenue for parks to apply for space rent increases in amounts greater than the C.P.I. Formula Adjustment method. When a park believes that it is not receiving a fair return on its investment, it may apply for a Discretionary Rent Increase. Such an application requires presentation of an audit; a review of the park's application by City staff; a review of the park's income and expenses by an independent Certified Public Accounting firm hired by the City; a report by that CPA to the Hearing Officer; a public hearing on the findings during which representatives of the affected homeowners and of the park owner present their evidence and arguments; and ultimately a written Decision with Findings of Fact, issued by the Hearing Officer. The requirements for the processing of Discretionary Rent Increase applications are set forth in Chapter 24-10 of the City Code, and City Council Resolution No. 11,468.

The most recent Discretionary increase application was processed in 2016, when the owner of Sunshine Manor Mobile Home Park submitted an application for a Discretionary Rent Increase, seeking an increase in the amount of 68.1%. It was the first rent increase sought by the owner of that park since the year 2002. Following review and analyses, presentation of the findings of the CPA, and testimony and cross-examination in the evidentiary hearing, the independent Hearing Officer issued written Findings and Decision, in which Sunshine Manor was granted a Discretionary Rent Increase of 38.05%, which the park began collecting in December of 2016.

There was one Discretionary Rent Increase application in 2015 (Silverwheel, which was granted a 9.87% increase). No parks applied for Discretionary increases in calendar years 2017, 2018, 2019, or 2020.

F. Utility Passthrough Applications

The City Code also permits park owners to apply for approval to pass through utility costs when segregated out or separately metered to individual homesites within a mobile home park.

As of October of 2019, Hearing Officer David B. Hart issued a decision in the matter of a water and sewer utility passthrough application submitted by Imperial Oxnard Mobile Estates.

The Imperial Oxnard case required two evidentiary hearings, and involved a prior passthrough approved for water, sewer and trash charges more than 30 years ago. Since then, each homeowner in the park has been billed a flat monthly charge for water and sewer charges.

In 2018, the park owner installed individual meters at each space in the park. The 2019 application submitted by the park sought a modification of the methodology by which the monthly charge is calculated, in order to provide for each homeowner to be charged for water and sewer according to their water consumption as measured by the meter at that homeowner's space.

The calculation of the monthly volumetric cost for water required the Hearing Officer to determine what percentage of the total water consumption in the park should be apportioned for common-areas (such as landscaping, clubhouse, streets, and swimming pool). After two hearings and various written submissions and statistical analyses, Hearing Officer Hart issued a Decision in which he set forth a formula which the park implemented in early 2020, under which the common-area consumption is paid by the park, and a per-volumetric unit cost is calculated every month and utilized to determine the charge that each homeowner pays for water consumption as measured by their individual sub-meters.

Apart from the Imperial Oxnard case, the most recent utility passthrough application processed by the City involved water consumption and sewer costs in Meadowlake Park. The decision in the Meadowlake case became effective in 2016, following submission by that park of a Utility Passthrough Application, a hearing before Hearing Officer Hart, and analysis of post-hearing data and exhibits.

Prior to 2016, the cost of the provision of water and sewer services to the 181 homesites in Meadowlake were included as part of the rent. In 2014, the park owners installed individual water meters at each space in the park, along with separate water meters for water consumption in the park's common areas (pool, clubhouse, median strips, grounds, etc.). Under the Utility Passthrough Application provisions of the City Code, the park applied to the City for permission to institute a separate, consumption-based charge to each homesite, based on metered consumption. In order to institute such a segregated charge, the park owner is required to remove from the space rent structure the cost of the previously-included utilities. The passthrough application process required review by the City of both common-area and individual consumption, application of a formula for allocation of sewer costs, an evidentiary hearing with presentation of findings, and ultimately a Decision of the Hearing Officer. In his ruling, the Hearing Officer reduced space rents by \$43.10 per space per month; adopted a staff recommendation for future apportionment of sewer costs, and for apportionment of common-area utility costs.

G. Hearings conducted by Independent Hearing Officer

Evidentiary hearings are required for the implementation of the rent stabilization ordinance. Rent increase, and change-of-occupancy determination hearings are adversarial in nature; passthrough hearings are investigative and non-adversarial. All hearings are conducted by an independent professional hearing officer, selected through the City's formal procurement policies. Mr. David B. Hart serves the City as hearing officer for all matters related to mobile home rent stabilization.

Rulings issued by the Hearing Officer in recent years are as listed below:

- (1) Sunshine Manor Mobile Home Park, 2016 Discretionary Rent Increase
- (2) Meadowlake Park, 2016 Water and Sewer Utility Passthrough
- (3) Kona Kai Mobile Estates, Homeowners Protests of 2017 CPI Application:
 - (a) Ruling on Homeowners' Request for Issuance of Subpoena for Production of Records (April 24, 2017)
 - (b) Decision on Allegations of Service Level Reductions (Dec. 4, 2017)
- (4) Ocean-Aire Mobile Estates, Homeowners' Protest of 2017 CPI Application:
 - (a) Decision on Park Owners' Objection to Subpoena for Production of Records (November 14, 2017)
 - (b) Decision on Allegations of Service Level Reductions (April 26, 2018)
- (5) Villa Capri Mobile Estates, determination of permissible change-of-occupancy rent increase upon change of ownership of mobile home located in Space #82 (December 23, 2019)
- (6) Imperial Oxnard Mobile Estates, Water and Sewer Utility Passthrough Methodology Modification Application (October 18, 2019)

4. APPEALS TO THE RENT REVIEW BOARD

Pursuant to Chapter 24 of the City Code, either party may appeal a Decision of the Hearing Officer if that party is dissatisfied with the ruling. Unlike appeals of rulings by the City's Planning Commission, however, appeals under the rent stabilization system do not go to the City Council. Any Hearing Officer decision which is appealed is presented to the full Mobile Home Park Rent Review Board, which conducts a review of the record in open session, in accordance with Section 24-15 of the City Code. The Board reviews the record, and entertains arguments from the parties, but does not receive testimony nor conduct a de novo hearing on the matter in dispute. No Hearing Officer decisions have been appealed to the full Rent Review Board in any of the cases decided from 2016 through 2019.

5. ADOPTION

Pursuant to Chapter 24-6(C) of the Oxnard City Code, the 2020 Annual Activity Report of the Mobile Home Park Rent Review Board is hereby presented to the Oxnard City Council, having been adopted by a majority vote of the Commission at the Special Meeting of December 21, 2020.


Respectfully submitted,

Martin Remmen, Chair

Date: December 21, 2020



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

FROM: Karl Lawson, Rent Stabilization Director 

DATE: December 8, 2020

SUBJECT: Impact of COVID-19 Pandemic on Oxnard's Mobile Home Community and the administration of the Mobile Home Park Rent Stabilization System

The onset of the COVID-19 pandemic began having a major impact all sectors of our City's population beginning in the second quarter of calendar year 2020. Those impacts continue to this day, and include impacts on the approximately 5% of Oxnard's population that resides in manufactured housing and mobile home park communities.

At the Rent Review Board meeting of December 21, 2020, staff will present a report to the Board on how the pandemic has affected park residents, park managements, and the City's administration of the Mobile Home Park Rent Stabilization system. This will include a slide presentation and discussion of the challenges that the pandemic has posed to this sector of our community.

**THE 2020 COVID-19 PANDEMIC
AND ITS IMPACT ON
OXNARD'S MOBILE HOME PARK
RENT STABILIZATION
PROGRAM**

**PRESENTATION BY
CITY OF OXNARD HOUSING DEPARTMENT
DECEMBER 2020**

WHAT THIS REPORT WILL COVER

1. **Basic overview: What is Mobile Home Rent Stabilization?**
2. **The COVID-19 Pandemic: How it impacts Mobile Home Parks in Oxnard**
3. **Annual CPI Rent Increases in Calendar Year 2020: how the pandemic has impacted the rent increase process**
4. **Effect of Pandemic on 2021 Rent Increases and possible homeowner protests of those rent increase**
5. **How the Rent Increase Protest Process Works**
6. **Impact of Pandemic on City's Administration of MHRM Program**

SECTION ONE:

*Basic overview of the City of
Oxnard's Mobile Home Rent
Stabilization Program*

**WHAT IS "MOBILE HOME RENT
STABILIZATION"?**

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

**THEN EXACTLY WHAT IS
OXNARD'S RENT STABILIZATION SYSTEM?**

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

RENT STABILIZATION IS ALSO....

- *A system of administrative law under which the City is a neutral party*
- *Administered by City Housing Department staff with assistance from the City Attorney*
- *Paid for, half and half, by the 2900 homeowners and the 20 park owners in the City*

SECTION TWO:

***The 2020 COVID-19
Pandemic and How it has
Impacted Mobile Home
Parks in Oxnard***

COVID-19 PANDEMIC

- **First impacts of pandemic began in mid-March of 2000**
- **By mid-April, severe impacts felt throughout California: business shutdowns, emergency stay-at-home orders**

**COMMON IMPACTS OF PANDEMIC
ON MOBILE HOME PARK
OPERATIONS**

- **Group activities curtailed**
- **Clubhouses, community rooms,
exercise rooms closed**
- **Swimming pools closed**
- **Contact between residents limited**
- ***And of course, health impacts***

**LEGAL EFFECT OF STATE AND LOCAL
EMERGENCY ORDERS ON CITY'S RENT
STABILIZATION SYSTEM**

- **Emergency Orders have limited the ability of landlords to evict tenants who are unable to pay rent due to loss of income resulting from the pandemic**
- **Emergency orders apply to mobile home owners who are unable to pay their full space rent**
- **City has no role in eviction process or in proceedings related to park owners' efforts to collect delinquent rent**
- **Legal right of park owners to apply for rent increase is not affected by Emergency Orders**

SECTION THREE:

***Annual CPI Rent Increase
Applications in Calendar
Year 2020: How the
pandemic has impacted the
rent increase process***

**C.P.I. RENT INCREASE
APPLICATIONS IN 2020**

- **Each of Oxnard's 20 mobile home parks has an established eligibility month for its annual CPI rent increase**
- **Eighteen parks have eligibility months which fall in the first half of the calendar year**
- **Applications must be filed at least 60 days before increase date (15 filed before 4/20/20)**

2020 CPI APPLICATIONS

- State law requires parks to give 90-day notice to homeowners of rent increase
- Pre-pandemic: all parks except three had given this notice by April 1, 2020
- After duration and severity of pandemic became clear, one park decided not to file; one applied for a smaller rent increase; and one delayed its increase date

RELATIONSHIP BETWEEN TIMING OF RENT INCREASE APPLICATIONS AND ONSET OF THE PANDEMIC

- Sole mechanism for homeowners to challenge a CPI rent increase is by filing a formal protest alleging a reduction in services provided by park
- Filing a protest requires homeowners to draft a petition and collect signatures within a limited period of time after Notice of increase is given
- In all parks except three, the signature-gathering period had passed by mid-April

THE RESULTS:

- The impact of pandemic-related closures was not felt in most parks until after the 2020 CPI rent increase were in process
- No protests were filed
- Protest hearing would have had to show cost savings accruing to park in prior year in order to reduce 2020 rent increase

SECTION FOUR:

Effect of Pandemic on 2021 rent increases and possible homeowner protests of park applications for 2021 CPI rent increases

**NEXT YEAR:
CALENDAR YEAR 2021 C.P.I. RENT
INCREASE APPLICATIONS**

- As of December 1, 2020, City had processed rent increase applications for 2021 for two smaller parks which have few amenities (no pools, tennis courts, clubhouses, etc.)
- Applications have been received from four other larger parks which do have significant amenities; applications currently in process

**FORECAST FOR 2021 C.P.I.
RENT INCREASES**

- Hundreds of calls received from park residents asking whether parks can increase rents while homeowners are impacted by pandemic
- Staff anticipates some parks may forego or delay 2021 rent increase applications
- Possibility that homeowner groups in some parks which do seek 2021 CPI rent increases will file formal homeowner protests on basis of closures of amenities due to pandemic

SECTION FIVE

***How the Rent Increase
Protest Process Works***

**PROCEDURAL REQUIREMENTS FOR
HOMEOWNERS FILING A C.P.I. RENT
INCREASE PROTEST**

- Homeowners must draft petition specifying which services or amenities have been eliminated/reduced by the park
- Signatures must be collected from homeowners representing at least 25% of the mobilehome spaces in the park which are subject to the proposed C.P.I. rent increase
- Signatures should appear on same page as the petition which lists the alleged service reductions, and petition should be in a language that the signators understand

PROTEST PETITION AND DESIGNATED REPRESENTATIVE

- The protest petition must designate one person to act as the representative of the homeowners for the purpose of the evidentiary hearing
- That person represents protestors in pre-hearing discovery and motions; may file requests for Subpoenas for Production of Records; and presents the homeowners' case during the evidentiary hearing before the Hearing Officer

THE PROTEST HEARING

- An evidentiary hearing is conducted by an independent Hearing Officer
- Protesting homeowners have the burden of presenting evidence, through testimony, documents, photographs. Protesters' designated representative presents case, determines who testifies, and questions witnesses.
- Park management may cross-examine witnesses and present rebuttal evidence

THE TWO THINGS THE PROTESTING HOMEOWNERS MUST PROVE IN THE PROTEST HEARING

In order to prevail, the protesting homeowners must present persuasive evidence in the hearing on two points:

1. Since the last rent increase the park owner has reduced or eliminated services that were previously provided by the park; *and*
2. The amount of dollar savings which accrued to the park as a result of the service level reductions

COLLECTING AND PRESENTING EVIDENCE

- Evidence of reductions in services: usually presented through eyewitness testimony, documents, photographs.
- Evidence of cost savings accruing to park: usually obtained through discovery process. Homeowners representative may file, prior to the hearing, Motions for Hearing Officer to issue a Subpoena for Production of Records.
- Example from a prior hearing: Hearing Officer ordered park to present prior years' bills for pool service, water, heater, etc., to show amount saved when pool was out of operation

ROLE OF CITY STAFF IN C.P.I. PROTEST HEARING PROCESS

- **City is neutral; staff provides information, but cannot help either party present case**
- **Staff assists Hearing Officer, coordinates exchange of documents, hearing logistics**
- **City Attorney provides legal counsel to independent Hearing Officer**

RESPONSIBILITIES OF THE HEARING OFFICER

- **Determine whether the homeowners proved that a specific service or amenity was reduced or eliminated**
- **If the Hearing Officer finds that a park did reduce or eliminate a specific service, he then must determine whether the homeowners presented persuasive evidence that a cost savings was enjoyed by the park due to the service reduction, (and if so, what is the dollar value of that savings)**

AUTHORITY OF THE HEARING OFFICER

- **If the Hearing Officer finds that the protesting homeowners have met their burden of proof on both issues, the sole remedy he can impose is this: *reduce the prospective rent increase by a dollar amount equal to the savings enjoyed by the park due to the service level reductions***
- **Hearing Officer has no authority to reduce rents below current levels, and has no authority to order a park to restore a service that has been reduced to eliminated.**

SECTION SIX:

Impact of the Pandemic on the City's administration of the Mobile Home Park Rent Stabilization program

EFFECTS OF PANDEMIC ON CITY'S ADMINISTRATION OF THE RENT STABILIZATION PROGRAM

- City offices remain closed to public for most purposes
- Nearly all contact with park owners, park management firms, homeowners, and HOAs conducted via phone, computer, or Zoom meeting technology
- December 15th Board meeting conducted via Zoom
- Possibility of conducting future evidentiary hearings via Zoom or other remote-location connection technology


SUMMARY

- Mobile Home Park Rent Stabilization system regulates the amount and frequency of space rent increases
- Homeowners may challenge a park's right to receive full CPI rent increase by filing a protest. Protests are adjudicated by a neutral Hearing Officer
- Impacts of COVID-19 pandemic may or may not affect the number of protests filed in 2021, and how those protests are decided

QUESTIONS?



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

FROM: Karl Lawson, Rent Stabilization Director 

DATE: December 8, 2020

SUBJECT: Selection of Rent Review Board Chair and Vice-Chair

Pursuant to the By-laws of the Mobile Home Park Rent Review Board, the term of office of the Chair and Vice-Chair expire at the end of the year. The agenda for the meeting of December 21, 2020 has as the last business item the selection of a new Chair and Vice-Chair.

Staff recommends that the Board conduct the selection as two separate decisions, selecting a Chair first, and then a Vice-Chair. The proper procedure calls for the current Chair to declare the floor open for nominations for the position of Chair. Any Commissioner may nominate any other Commissioner for the position of Chair. It is customary for the Chair to allow Commissioners the opportunity to make nominations before the Chair himself or herself makes any nomination.

Nominations require a second from another Commissioner; that second can be made by the nominee himself or herself. The Chair should inquire as to whether the nominee accepts the nomination. At any time after at least one person has been nominated, a motion may be made to close the floor to additional nominations.

Once nominations are closed for the position of Chair, the selection of the Chair takes place. If there are two or more nominees, then the roll is called and a vote is taken to determine which nominee will assume the position of Chair. The decision may be made by a voice vote, or by secret ballot, should a majority of the Board choose that method.

Following the selection of the Chair, the process is repeated for the selection of the Vice-Chair. The newly-selected Board officers may then immediately assume their positions as new Chair and Vice-Chair.

(end)