



AGENDA
MOBILE HOME PARK RENT REVIEW BOARD
SPECIAL MEETING
Meeting Location: Oxnard City Council Chambers
305 West Third Street, Oxnard, CA 93030

Monday, December 5, 2022, 6:00 p.m.

Zoom details to call-in for public comment during the meeting:

1. Dial Phone Number: (877) 853 5257 or (888) 475 4499
2. Enter Meeting ID: 867 8604 9930
3. Passcode: 712572

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/86786049930?pwd=U1ZZTjQ2Wmw5TnQvY0RiY3FhUjJPUT09>

If you wish to speak during public comments or a particular item on the agenda, please sign-on by following the Zoom call-in steps listed above. Once the Chair calls for public speakers, press *9 to raise your hand, or if online, click the raise hand icon on the Zoom interface the advise that you would like to speak during the public speaking section for that item on the agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. EMAILING COMMENTS OR REQUESTS TO SPEAK BEFORE THE MEETING

- a. Submit an email to karl.lawson@oxnard.org no later than 12:00 PM on the day of the meeting (Please indicate the agenda item number in the subject line). All email correspondence will be forwarded to the Rent Review Board prior to the start of the meeting and made part of the legislative record.
- b. Submit a request to speak by no later than 12:00 PM on the day of the meeting by emailing karl.lawson@oxnard.org. Please indicate the agenda item (or that you wish to speak during public comment).

2. PROVIDING PUBLIC COMMENTS DURING THE MEETING VIA CALL-IN OR ZOOM OPTIONS

- a. Speakers shall have up to three minutes to speak.
- b. To provide public comment during the meeting dial the number and enter the Meeting ID and Passcode listed above, and follow the instructions. Once called on by the Chair, press *6 to unmute your phone.
- c. Public comments on items on the agenda shall be taken following the announcement of the item. After the item is announced, members of the public shall have three minutes to register or otherwise be recognized for the purpose of providing public comment.

(Meeting Agenda begins on next page)

AGENDA: Mobile Home Park Rent Review Board Meeting of December 5, 2022, 6:00 p.m.

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 December 13, 2021

RECOMMENDATION: Approve minutes of Board meeting of December 13, 2021

4. BOARD MEMBER BUSINESS

SUBJECT: Annual Activity Report for 2022

RECOMMENDATION: Receive staff presentation on, review, and adopt Annual Activity Report for 2022; and authorize Chair to submit report to City Council

5. REPORTS FROM CITY STAFF

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 435 South "D" Street (call 805-385-8095 in advance for appointment) and on the City's website at Oxnard.org/city-meetings..

**Mobile Home Park Rent Review Board
DRAFT Minutes of the Special Meeting of December 13, 2021**

On Monday, December 13, 2021, at 5:35 p.m. the Special Meeting of the City of Oxnard Mobile Home Park Rent Review Board convened at the office of the Oxnard Housing Department, 435 South D Street, Oxnard, CA 93030, via Zoom. The following Commissioners were in attendance: Vice-Chair Efrain Jimenez; and Commissioners Cynthia Daniels, Martin Remmen, and Eric Fruth. Chairman Felipe Flores joined the meeting at 5:40 p.m. Vice-Chair Jimenez chaired the meeting. City of Oxnard staff members present were Deputy City Attorney Jason Zaragoza; Housing Department administrative assistant Christian Lopez; and Rent Stabilization Director Karl Lawson, Commission liaison, who acted as Recording Secretary.

1. ROLL CALL AND CALL TO ORDER

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

2. PUBLIC COMMENT

Mr. Richard Bessire, of Bessire and Casenhiser, Inc., addressed the Board. He requested that the City take action to address the concerns he had communicated in previous Board meetings regarding the re-sale prices of mobile homes in the park his firm operates (Oxnard Shores Mobile Estates), and specifically his request that the City limit the re-sale prices for mobile homes and/or increase the permissible rent increase that parks may implement when a mobile home is sold to a new owner. He stated that permitting a 1974 mobile home that had been purchased for \$30,000 to be sold for \$250,000 was inequitable. Mr. Bessire also referred to recent state legislation; inquired whether the City was going to permit residents of mobile home parks to sub-lease their homes; and noted that the City would have to take some action to implement changes to state law regarding installation of water meters in mobile home parks.

Deputy City Attorney Jason Zaragoza stated that the City has addressed the commenter's request in writing, and that the Board does not have the authority to amend the City Code as is being requested. Mr. Zaragoza noted that the Board is not a Citizen Advisory Group that provides policy advice to City Council, but rather is a quasi-judicial body that applies and enforces the City Code as written. As such, the Board must maintain strict neutrality on the matter of what the permissible change-of-occupancy rent increase should be. Mr. Zaragoza also noted that there is no legal authority that would permit a city to regulate the price of homes being sold.

Chairman Flores stated that any requests by members of the public to amend the ordinance should be directed to the City Council, rather than to the Board. Chairman Flores requested that the City Attorney address the matter of the water metering issues. Mr. Zaragoza indicated that that matter can be placed on the agenda for discussion at a future meeting of the Board.

3. INFORMATION/CONSENT AGENDA

SUBJECT: Minutes of Meeting of December 21, 2020

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

4. REPORTS FROM CITY STAFF

SUBJECT: Annual Activity Report

Mr. Lawson directed the Board's attention to the staff report contained in the meeting agenda packet which had been distributed, and provided a verbal presentation highlighting the key points in the Annual Activity Report. Vice-Chair Jimenez invited discussion and comments.

Commissioner Fruth requested clarification on the process by which the government determines the Consumer Price Index and the permissible rent increase. Mr. Lawson indicated that the CPI is calculated each month by the federal Department of Commerce's Bureau of Labor Statistics division. Commissioner Fruth requested a link to the data source, and Mr. Lawson pledged to provide that to the entire Commission following the meeting.

Following additional discussion on the report and the Board's request for additional information on the new state laws that impact the mobile home community, Mr. Lawson advised that the Western Manufactured Housing Communities Association (WMA), a trade organization representing mobile home park operators, presents an annual seminar early each year on such laws. The Board requested information on how to receive that training, and staff pledged to provide such information following the meeting. At the conclusion of the discussion, Commissioner Remmen moved, and Commissioner Jimenez seconded, approval of the report as distributed with the meeting agenda packet. The motion carried with Commissioner Fruth abstaining.

5. BOARD MEMBER BUSINESS

SUBJECT: Selection of Chair and Vice-Chair

Commissioner Flores nominated Commissioner Jimenez to serve as Chair, and Commissioner Fruth seconded the motion. Commissioner Jimenez accepted the nomination, and the motion carried unanimously.

Commissioner Remmen nominated Commissioner Daniels to serve as Vice-Chair, and Commissioner Fruth seconded. Commissioner Daniels accepted the nomination, and the motion carried unanimously.

6. NEW BUSINESS

None.

7. ADJOURNMENT

There being no further business, the meeting stood adjourned at 6:09 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: November 21, 2022

SUBJECT: Mobile Home Park Rent Stabilization System Annual Activity Report for Calendar Year 2022

I. RECOMMENDATION

That the Board review and adopt the Fiscal Year 2022 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, one who was appointed on May 21, 2019; and one who was appointed on March 16, 2021. A Board meeting was conducted on December 15, 2022.

In accordance with Sec. 24-6(C) above, staff has prepared the attached Annual Activity Report for 2021. 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 2022

ANNUAL ACTIVITY REPORT FOR 2022

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; Commissioner Efrain Jimenez, appointed by City Council on May 21, 2019; and Commissioner Eric Fruth, appointed by City Council on March 16, 2021.

2. BOARD MEETINGS

The Rent Review Board met once in 2022, on December 13, 2022.

3. PROCESSING OF RENT INCREASE APPLICATIONS IN 2022

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 2022, as determined by the inflation rate, was 4.0%.

Maximum permissible increases in recent years have been as indicated below:

2021:	2.02%	2015:	1.81%
2020:	2.97%	2014:	0.84%
2019:	3.87%	2013:	2.32%
2018:	2.82%	2012:	2.41%
2017:	1.43%	2011:	0.83%
2016:	1.14%	2010:	No increase

There was no increase permitted in 2010, as 2009 was a deflationary year.

The inflation rate from 2021 to 2022 was the highest in many years. The increase in the CPI for Southern California from August of 2021 to August of 2022 was 7.65%. The City Code provides for an increase of less than the full CPI amount whenever the inflation rate exceeds 4 percent. For calendar year 2023, the permissible increase will be calculated pursuant to section 24-9(A)(1)(b), which states as follows:

(A)(1)(b): If the percentage change in the CPI is greater than 4 percent but less than or equal to 9 percent, the permissible CPI formula adjustment shall be equal to 75 percent of the change in the CPI, or a 4 percent adjustment, whichever is greater.

The calculation of the permissible CPI increase in 2023 is as follows:

$$7.65 \text{ times } .75 = 5.74$$

Thus, the permissible increase in 2023 will be 5.74%

C. Park Applications for C.P.I. Formula Rent Increases in 2022

There are twenty (20) mobile home parks in Oxnard, ranging in size from 39 spaces to 265 spaces. The following nineteen (19) parks applied for 4.0% C.P.I. space rent increases to take effect in calendar year 2022:

Country Club Mobile Estates	Cypress Mobile Home Park
Evergreen R. V. Park	Imperial Oxnard Mobile Estates
Meadowlake Park	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	Silverwheel Mobile Home Park
The Colony Mobile Home Park	Valley Trailer Villa
Villa Capri Mobile Estates	

One park – Kona Kai Mobile Estates -- chose not to apply for a C.P.I. Formula space rent increase in calendar year 2022.

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.

One homeowner protest was filed in 2022, by a group of homeowners in Royal Palms Mobilehome Community. The protest challenging the respective park owners' C.P.I. increase alleged several service level reductions. Following discovery, and an evidentiary hearing at which testimony and documentary and photograph exhibits were introduced, the Hearing Officer ultimately ruled that the homeowners had not met their burden of proof. While there was evidence of certain changes in services and amenities, there was insufficient evidence of any reductions or of cost savings resulting to the park due to any reductions. As a result, the C.P.I. increase applied for by the park was approved.

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%. That park was ultimately granted a Discretionary Rent Increase of 38.05%.

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.

In 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.

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.

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 2022.

5. ADOPTION

Pursuant to Chapter 24-6(C) of the Oxnard City Code, the 2022 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 5, 2022.

Respectfully submitted,

Efrain Jimenez, Chair

Date: December 5, 2022