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AGENDA
MOBILE HOME PARK RENT
REVIEW BOARD
Regular Meeting
City Council Chambers, 305 West
Third Street, Oxnard, CA 93030
April 10, 2024
6:00 PM



To join remotely, click on the link below:

<https://us06web.zoom.us/j/81260064985?pwd=M9JIneMmmzdnUeF0IUaPY6CEJhmVHH.1>

Or telephone (toll-free): 877-853-5257

Meeting ID: 812 6006 4985

Passcode: 850730

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 in the Zoom interface to inform the Chair you would like to speak during the public speaking section for that particular item on the agenda.

YOU MAY PARTICIPATE IN THE MEETING IN THE FOLLOWING WAYS:

1. ATTEND THE MEETING AT THE LOCATION LISTED ABOVE OR VIA ZOOM
2. EMAIL COMMENTS OR REQUESTS TO SPEAK BEFORE THE MEETING
 - a. Submit a request to speak no later than 1 PM on the day of the meeting by contacting the Commission Secretary Christian Lopez at christian.lopez@oxnard.org. Please indicate the agenda item number in the subject line.
3. PROVIDING PUBLIC COMMENTS REMOTELY DURING THE MEETING
 - a. To provide a public comment during the meeting dial 877-853-5257 and enter the Meeting ID and Passcode listed above as the Zoom details for this meeting. When the Chair announces the particular item on the agenda you want to speak on, press *9 to raise your hand. Once called on, press *6 to unmute your phone.
 - b. Public comments on agenda items will 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.

A. ROLL CALL/PLEDGE OF ALLEGIANCE

B. APPROVAL OF MINUTES

1. SUBJECT: Minutes of the meeting of December 5, 2022.
RECOMMENDATION: Approve.

C. PUBLIC COMMENTS

At a regular meeting, a person may address the Mobile Home Rent Review Board only on matters within the subject matter jurisdiction of the Commission. The presiding officer shall limit public comments to three minutes. The Commission cannot enter into detailed discussion or take action on

any item presented during public comments not on the agenda. Such items may only be referred to the Commission Secretary for administrative action or scheduled on a subsequent agenda for discussion. Unless otherwise approved by the Commission, persons wishing to speak on items not on the agenda should do so during public comments.

D. REPORTS

1. SUBJECT: Mobile Home Park Rent Stabilization System Annual Activity Report for Calendar Year 2023
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.

E. COMMISSION BUSINESS

1. SUBJECT: Election of Chair and Vice-Chair
RECOMMENDATION: That the Board elect a Chair and Vice-Chair to serve for 2024.

F. REPORT OF THE COMMISSION SECRETARY

The Commission Secretary shall report on items of interest to the Commission occurring since the last meeting. The Commission cannot enter into detailed discussion or take action on any items presented during this report. Such items may only be referred to the Secretary for administrative action or scheduled on a subsequent agenda for discussion.

G. COMMISSIONER COMMENTS

Commissioners may individually report on items of interest or concern outside of Ad Hoc Committee reports. The Commission cannot enter into detailed discussion or take action on any item presented during these reports. The Commissioner's report shall not exceed three minutes.

H. ITEMS FOR FUTURE CONSIDERATION

Commissioners may request that items be placed on future agendas for extended discussion.

I. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you require special assistance to participate in a meeting, please contact (805) 200-5941. Notification at least 72 hours prior to the meeting will enable the City to reasonably arrange for your accessibility to the meeting.



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

FROM: Albert Ramirez, Assistant Housing Director

DATE: April 10, 2024

SUBJECT: Mobile Home Park Rent Stabilization System Annual Activity Report for Calendar Year 2023

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.

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 hearing 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 council, to adopt, amend and rescind administrative rules to effectuate the purposes and policies of this Chapter.*

The current 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 II, appointed by City Council of May 21, 2019; and Commissioner Yukio Okano, appointed by City Council on February 20, 2024.

In accordance with Sec. 24-6 (C) above, staff has prepared the attached Annual Activity Report for 2023. 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 report to the City Council.

Attachments:

1. Draft Annual Activity Report for Calendar Year 2023

**ANNUAL ACTIVITY REPORT FOR 2023
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 Yukio Okano, appointed by City Council on February 20, 2024.

2. BOARD MEETINGS

The Rent Review Board did not meet in 2023, but met on April 10, 2024.

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 2023, as determined by the inflation rate, was 5.74%.

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

2022:	4.0%		
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 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 2024 is as follows:

August 2023 C.P.I.:	324.050
Minus August 2022 C.P.I.:	- 313.608
Equals Net Change in C.P.I.	10.442
Divided by August 2022 C.P.I.:	/313.608
Equals decimal change in C.P.I.:	.0332

The maximum permissible CPI rent increase for calendar year 2024 shall be 3.32%

C. Park Applications for C.P.I. Formula Rent Increases in 2023

There are twenty (20) mobile home parks in Oxnard, ranging in size from 39 spaces to 265 spaces. All twenty (20) parks applied for 5.74% C.P.I. space rent increases to take effect in calendar year 2023:

- | | |
|----------------------------------|--------------------------------|
| 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 | Kona Kai Mobile Estates |

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(8) 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.

Two Homeowner Association Protests of C.P.I. Rent Increase Applications were filed in 2023.

One homeowner protest was filed by a group of homeowners that reside in Country Club Mobile Estates. The protest challenged the respective park owners' C.P.I. increase alleged several service level reductions. Based on the findings of the protest hearing, the petition filed alleging service level reductions was dismissed with prejudice. The Hearing Officer ruled that the homeowners had not met their burden of proof. As a result, the C.P.I. increase applied for by the park was approved. At the same meeting, a second hearing was held, as the park owners filed a protest challenging the effective date of the C.P.I. Rent Increase Application submitted by the park owners for 2023, March 1, 2023 instead of April 1, 2023. The Hearing Officer ruled that the City's determination to process the C.P.I. Rent Increase Application for an increase date of April 1, 2023 (rather than March 1, 2023) was upheld. As a result of the decision, the park was directed to refund the homeowners the 5.74% rent increase that was collected for the month of March 2023, within thirty (30) days of the Hearing Officer's Decision becoming final.

The second homeowner protest was filed by a group of homeowners in Kona Kai Mobile Estates. The protest petition challenges the legitimacy of Kona Kai's 2022 C.P.I. Rent Increase Application which enacted a 4.0% rent increase imposed on April 1, 2022 and its potential impact on their 2023 C.P.I. Rent Increase Application which proposes a 5.74% rent increase effective April 1, 2023. Based on the findings of the protest hearing, the Hearing Officer ruled that the park owners shall, within thirty (30) days of this Decision, refund or credit to homeowners the full amount of the 2023 rent increase increment that as collect from homeowners beginning in the month of April of 2023, for all months from April 2023 forward. The "full amount of the 2023 rent increase increment" is defined as the difference between the space rent for each that was approved effective April 1, 2021, and the amount of rent charged beginning in April of 2023; and the park owners must, within thirty (30) days of this Decision, returned space rents to levels which reflect the approved rent as of April 1, 2021, for each space. Any future applications for rent increase shall be calculated using the approved rent levels as of April 2021 as the basis for said future rent increases.

On October 3, 2023, the park owners of Kona Kai Mobile Estates filed an appeal to the decision by the Hearing Officer, which would require a hearing by the Mobilehome Park Rent Review Board. Since the submission of the appeal, the owners of Kona Kai and its homeowners have been in active discussions trying to reach a settlement and avoid a hearing. A tentative hearing date has been scheduled for April 25, 2024, wherein which the Mobilehome Park Rent Review Board will either conduct a hearing in response to the appeal or confirm the settlement agreement.

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.

No Discretionary Rent Increase Applications were submitted in 2023.

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.

No Utility Passthrough Applications were submitted in 2023.

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 nova 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 2023.

5. ADOPTION

Pursuant to Chapter 24-6(C) of the Oxnard City Code, the 2023 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 Meeting of April 10, 2024.

Respectfully submitted,

, Chair

Date: April 10, 2024