

Ventura County Mobile Home Park Rent Review Board February 8, 2023 Meeting Agenda

County of Ventura • Resource Management Agency 800 S. Victoria Avenue, Ventura, CA 93009-1740 • (805) 654-2478 • www.vcrma.org/divisions/planning

Wednesday, February 8, 2023 at 1:00 p.m.

All interested persons are invited to attend and be heard at a public meeting to be held by the Ventura County Mobile Home Park Rent Review Board (RRB) at the date and time noted above at the Ventura County Government Center, Hall of Administration, 800 S. Victoria Avenue, Ventura, CA 93009, 3rd Floor, Multi-Purpose Conference Room.

<u>AGENDA</u>

Consideration will be given only as noted to the following:

- 1. Call to Order
- 2. Roll Call and Determination of a Quorum
- 3. Pledge of Allegiance to the Flag of the United States of America
- 4. Public Comment on Concerns within the Authority of the County Rent Control Ordinance

This time is set aside for public comment on items not otherwise on this agenda which are within the purview of the Rent Review Board. Speakers wishing to address the Board shall be allowed a maximum of five minutes for their comments. The Board is prohibited from taking action on any item that is not part of the printed and published agenda.

- 5. Approval of Minutes RRB Meeting held on November 16, 2022
- 6. Introduction of Mr. John Brooks to the RRB
- 7. Approval of 2023 Meeting Schedule May 24, 2023 August 23, 2023 November 15, 2023
- 8. Approval of, and Authorization to file, the 2020-2022 Tri-Annual Status Report of the Ventura County Mobile Home Park Rent Control Program with the Board of Supervisors Presentation by Staff
- 9. Receive a Training on Rent Increase Applications Presentation by Staff
- 10. Comments from Rent Review Board Members

11. Comments from Planning Staff

12. Meeting Adjournment

Next regularly scheduled meeting: Wednesday, May 24, 2023 at 1:00 p.m.

In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Dillan Murray, Program Planner, at 805-654-5042 or Dillan.Murray@ventura.org. Reasonable advance notification of the need for accommodation prior to the meeting (48 hours advance notice is preferable) will enable us to make reasonable arrangements to ensure accessibility to this meeting.



Ventura County Mobile Home Park Rent Review Board November 16, 2022 Draft Meeting Minutes – Item 5

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Note: The following is a summary of actions taken by the RRB at their public hearing and not a verbatim transcription.

- 1. <u>1:00 P.M. HEARING CALLED TO ORDER</u> By Chair Francis
- 2. ROLL CALL AND DETERMINATION OF A QUORUM

Board Members Present:	Richard Francis, Chair Jill Martinez, Vice Chair
	Brent Rosenbaum
	Tom Hundley (arrived late)

Board Members Absent: None

County Staff Present: Dillan Murray, Staff Tricia Maier, Planning Programs Manager

Board Member Hundley arrived at the meeting at this time.

- 3. <u>PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF</u> <u>AMERICA</u>
- 4. DISCLOSURES AND EX-PARTE COMMUNICATION

Board Member Rosenbaum disclosed that he received a phone call from Glenn Berry of Golden State Manufactured-Home Owners League (GSMOL) soliciting mediation services for a service reduction petition. Board Member Rosenbaum stated that he left a voicemail for Mr. Berry declining the request due to the apparent conflict of interest and referred him to additional mediation services.

Board Member Martinez disclosed that due to her previous contact with representatives of GSMOL regarding potential service reduction petitions at mobile home parks in the Ojai area, she would recuse herself from those matters when they are brought to the RRB.

5. <u>PUBLIC COMMENT ON CONCERNS WITHIN THE AUTHORITY OF THE</u> <u>COUNTY RENT CONTROL ORDINANCE</u>

Public comment was given by the following:

Glenn Berry (GSMOL) Deane Brock (GSMOL) Liz Cole (GSMOL) Thomas Haugh (GSMOL) Dale Ross (GSMOL) Peter Marshall

Chair Francis noted in response to public comment that the RRB cannot act on concerns at the Casitas Springs Mobile Home Park until that item is agendized in the future.

Dillan Murray, Staff, noted in response to public comment that Staff is currently evaluating how Senate Bill 940 may affect Oak Haven Mobile Home Park, which is currently exempt from the Ventura County Mobile Home Park Rent Control Ordinance due to its date of construction having occurred after 1982. A response to the residents' legal representative regarding this matter is anticipated prior to January 1, 2023 and will also be reported at the February 8, 2023 RRB hearing.

6. <u>APPROVAL OF MINUTES</u>

Board Member Martinez made a motion to approve the August 17, 2022 meeting minutes. Board Member Rosenbaum seconded the motion. Motion passed by consensus.

7. <u>COMMENTS FROM BOARD MEMBERS</u>

None

8. <u>COMMENTS FROM PLANNING STAFF</u>

Tricia Maier, Staff, reported that District 1 is nominating John Brooks to the RRB to fill the current vacancy, which is anticipated to be filled by the Board of Supervisors in the near future.

Dillan Murray, Staff, reported that the Planning Division approved 17 ministerial rent increase applications for 2022 with one currently pending for 2023. Next, Mr. Murray reported that the Social Security Cost of Living Adjustment (COLA) is 8.7 percent for 2023. The Ventura County Mobile Home Park Rent Control Ordinance provides for an annual ministerial rent increase between 2 and 8 percent, tied to the COLA. Therefore, the maximum allowable ministerial rent increase for 2023 will be 8 percent.

Chair Francis inquired about the ability to limit the collection of rent at parks with reduced services. Tricia Maier, Staff, stated that the service reduction petition is a request to reduce rent commensurate with reduced services. It would be up to the RRB to determine which services rise to that level and the commensurate rent reduction. As provided in the Ventura County Mobile Home Park Rent Control

Ordinance, while a service reduction petition is being processed, the park owner is not able to get a ministerial rent increase application approved.

Chair Francis requested training on this portion of the ordinance at an upcoming hearing.

Board Member Hundley inquired whether, when evaluating a service reduction petition, the RRB can look back retroactively at periods when a service may have been reduced. Tricia Maier, Staff, noted that this question can be covered in the future training on service reductions in general.

9. ADJOURNMENT

At 1:43 p.m., the RRB was adjourned.

Chair Mobile Home Park Rent Review Board

ATTEST:

Dillan Murray, Staff Coordinator

Date



SUSAN CURTIS Assistant Planning Director

MEMORANDUM

DATE:February 2, 2023TO:Mobile Home Park Rent Review Board (RRB)EDD Of (10)Filler Mark Rent Review Board (RRB)

FROM: Dillan Murray, RRB Staff Coordinator Ventura County Planning Division

SUBJECT: Agenda Item #7, Regular Meeting Schedule for the Year 2023

Unless otherwise specified, all of the RRB Regular Meetings will be held at 1:00 PM in the County of Ventura Government Center, Hall of Administration Building, Multi-Purpose Room, 800 S. Victoria Avenue, Ventura, CA 93009.

For the Year 2023, the remaining RRB Regular Meetings will be held on the following dates:

- Wednesday, May 24, 2023
- Wednesday, August 23, 2023
- Wednesday, November 15, 2023



Staff Report and Recommendations, Item 8 Meeting of February 8, 2023

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I. **PROJECT INFORMATION:**

- A. Subject: The County of Ventura's Mobile Home Park Rent Control Ordinance (Ordinance) specifies that the Mobile Home Park Rent Review Board (RRB) shall prepare a "tri-annual comprehensive written report to the Board of Supervisors concerning its activities, holdings, actions, results of hearings, and all other matters pertinent to this Ordinance which may be of interest to the Board of Supervisors." (Section 81004 (e) of Ordinance No. 4462).
- **B. Request:** Planning Division staff requests the RRB review this staff report and the attached Tri-Annual Status Report (Report) for the period January 1, 2020 through December 31, 2022 (Exhibit 1), and direct Planning Division staff to forward the Report to the County of Ventura Board of Supervisors to receive and file.
- **C. Project Location:** Countywide, at mobile home parks within unincorporated Ventura County that are subject to the Mobile Home Park Rent Control Ordinance (Attachment 1 of Exhibit 1).
- D. Discussion: The attached Tri-Annual Report in Exhibit 1 provides an overview of the Ventura County Mobile Home Park Rent Control Program for the period of January 1, 2020 through December 31, 2022. Pursuant to Section 81004(e) of the Mobile Home Park Rent Control Ordinance No. 4462, the Mobile Home Rent Review Board shall render a tri-annual comprehensive written report to the Board of Supervisors concerning its activities, holdings, actions, results of hearings, and all other matters pertinent to the ordinance which may be of interest to the Board of Supervisors.

II. <u>MOBILE HOME PARK RENT REVIEW BOARD HEARING NOTICE AND</u> <u>PUBLIC COMMENTS:</u>

The Planning Division provided public notice regarding the RRB hearing in accordance with Government Code §54954.2 (a)(1), which requires 72 hours' notice prior to the hearing. As of the date of this staff report, Planning Division staff has not received any public comments.

III. <u>RECOMMENDED ACTIONS:</u>

Planning Division staff recommends that the Mobile Home Park Rent Review Board take the following actions:

- 1. **CERTIFY** the RRB has reviewed and considered the Mobile Home Park Rent Review Board staff report and all exhibits thereto, and has considered all comments received during the public comment process; and
- 2. **DIRECT** Planning staff to forward the Mobile Home Park Rent Review Board staff report and all exhibits thereto to the County of Ventura Board of Supervisors to receive and file.

If you have any questions concerning the information presented above, please contact Dillan Murray at (805) 654-5042 or via e-mail at <u>Dillan.Murray@ventura.org</u>.

Prepared by:

Dillan Murray, Assistant Planner Ventura County Planning Division (805) 654-5042

Reviewed by:

RICIA AIER

Tricia Maier, Manager Planning Programs Section (805) 654-2464

Attachments:

Exhibit 1: Tri-Annual Status Report for the Period January 1, 2020 to December 31, 2022 Attachment 1 – Map of Mobile Home Parks in the Unincorporated Area

EXHIBIT 1

VENTURA COUNTY MOBILE HOME PARK RENT CONTROL PROGRAM

TRI-ANNUAL STATUS REPORT JANUARY 1, 2020 TO DECEMBER 31, 2022



Ventura County Resource Management Agency – Planning Division

Dillan Murray, Mobile Home Park Rent Review Board Staff Administrator Tricia Maier, Manager – Planning Programs Section Dave Ward, AICP, Planning Director

Report Prepared: January 2023 Mobile Home Park Rent Review Board Approved: TBD

TRI-ANNUAL STATUS REPORT VENTURA COUNTY MOBILE HOME PARK RENT CONTROL PROGRAM (January 2020 – December 2022)

Authority

The County of Ventura's Mobile Home Park Rent Control Ordinance (Ordinance) specifies the Mobile Home Park Rent Review Board (MHPRRB) shall prepare "*a tri-annual comprehensive written report to the Board of Supervisors concerning its activities, holdings, actions, results of hearings, and all other matters pertinent to this Ordinance which may be of interest to the Board of Supervisors.*" (Section 81004 (e) Ordinance No. 4462).

Background

The Ordinance was originally adopted by the Ventura County Board of Supervisors (BOS) in February 1983. The purpose of the Ordinance is to protect the owners and residents of mobile homes, trailers, and other mobile dwelling units from unreasonable space rental increases while simultaneously recognizing and providing for the need of the park owners to receive a just and reasonable return on their property. The Ordinance also established the MHPRRB and designated it as the body to receive, investigate, and hold hearings on issues related to mobile home park rent stabilization, and to review discretionary rent increases for mobile home spaces subject to the Ordinance.

Since the adoption of the Ordinance, the Ventura County Mobile Home Park Rent Control Program has reviewed approximately 758 annual ministerial rent increase applications, pursuant to Section 81005 (Annual Social Security Cost of Living Adjustment (SSCOLA) Ministerial Rent Increases) of Ordinance No. 4462. Currently, there are approximately 1,368 mobile home spaces in 24¹ mobile home parks subject to rent control in the unincorporated areas of Ventura County.

Current Board Member	Appointment Date	Term
Richard Francis – Chair	2/5/2013	3/22/2022 - 2/4/2025
Jill Martinez – Vice Chair	7/27/2021	7/27/2021 – 7/26/2024
Henry (Tom) Hundley	6/9/2015	3/22/2022 – 2/4/2025

MHPRRB Members and Staff

¹ There are 25 mobile home parks located in the unincorporated Ventura County. One of those mobile home parks was built after the adoption of the 1983 Ordinance and, thus, is entirely exempt from the provisions of the Ordinance pursuant to Section 81002 (b).

Current Board Member	Appointment Date	Term
Brent Rosenbaum	5/19/2015	3/22/2022 - 2/4/2025
John Brooks	12/6/2022	12/6/2022 - 12/5/2025
Staff Member	Title	
Dillan Murray, Associate Planner	Resource Management Agency – Planning (Planning) MHPRRB Staff Administrator	
Tricia Maier, Planning Programs	Planning	
Section Manager	MHPRRB Program Manager	
Dave Ward, AICP	Planning Director	

Past MHPRRB Members²

During the reporting period, Chuck Eskew resigned effective August 17, 2020. In addition, Steve Cass was appointed on July 7, 2021. Mr. Cass resigned effective June 10, 2022.

Mobile Home Park Rent Control Program Applications

Section 81007 Discretionary Rent Increase Applications

During the reporting period, there were no Section 81007 Discretionary Rent Increase Application submitted to the MHPRRB.

Section 81005 Annual Ministerial SSCOLA Rent Increase Applications

During the three year reporting period, 49 applications for a Section 81005 Annual Ministerial SSCOLA Rent Increase were received and processed by Planning staff. Some mobile home park owners did not apply for annual increases. In some cases, this is because they parks were not subject to the Ordinance (e.g. when the mobile home park owner purchases the coaches and rents them out, the leased coaches are no longer subject to rent control). In other cases, the mobile home park owner chose not to exercise their right to increase the rent collected (See Table 2).

Pursuant to Section 81001 (Definitions) of the Ordinance, the SSCOLA rent adjustment is based on increases in the Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (CPI-W), United States City Average, as determined by the United States Bureau of Labor Statistics, Department of Labor. The CPI is a measure of the average change in prices over time in a fixed market of goods and services. The annual CPI, as determined by the U.S. Bureau of Labor Statistics, ranged from 2.0% to 5.9% over the reporting period.

Pursuant to Section 81005(b) of the Ordinance, an Annual Ministerial SSCOLA space rent increase shall be determined to be the same as the SSCOLA (for values between

² This list only represents those MHPRRB members who resigned during the reporting period.

2% and $8\%)^3$ for the mobile home parks in the unincorporated area, as shown in Table 1 below. For this reason, the minimum increase allowed for this type of rent increase is 2% and the maximum is 8%.

YEAR	PERCENTAGE
2020	2.00%
2021	2.00%
2022	5.90%

Table 1 – SSCOLA

Service Reduction Applications

When a permanent or extended reduction in significant housing services occurs, either because services are permanently eliminated or not provided at all for an unreasonable length of time, without a corresponding decrease in space rent, an indirect rent increase occurs. It is the specific intent of the Ordinance to prohibit such indirect rent increases. In situations, such as these, a majority of the affected mobile home park tenants may petition the MHPRRB for a decrease in rent by means of a Service Reduction Application/Petition.

During the reporting period, there was one Service Reduction Application/Petition submitted to the MHPRRB. It is anticipated that the MHPRRB will review this petition in the next reporting period (early 2023).

Utility Separation Applications

A mobile home park owner may elect to bill a mobile home park tenant separately for utility service fees and charges assessed by the utility services provided to or for spaces in the park. Under the Ordinance, separately billed utility fees and charges may not be included in the rent charged for a space that is rent controlled under the Ordinance. At the time the utility bills are separated from the rent, the base rent chargeable under the Ordinance is simultaneously reduced by an amount equal to the fees and charges separately billed. This reduction in space rent is considered the new base rent that the tenant must pay monthly, which does not include the charges and fees of the separately billed utility. The real cost of the separated utility (e.g.: water) then becomes the responsibility of the tenant. Fees and charges associated with the separated utility will be separately listed on a monthly or other periodic billing statement to the tenant. A Utility Separation Application must be submitted to, and approved by, the MHPRRB prior to the effective date of the utility separation. Utility services that apply to this

³ Lowest is 2%; when the SSCOLA is greater than 8%, the maximum rent increase allowed is 8%.

section of the Ordinance are natural gas or liquid propane, electricity, water, cable television, garbage and refuse service, and sewer service.

Planning staff received no Utility Separation Applications during the reporting period.

Completely New Capital Improvement Rent Increase Applications

Space rent may not be increased to cover completely new capital improvements, as defined in Section 81001 of the Ordinance, unless written consent of a majority of affected spaces in the park is obtained prior to making the expenditure.

Planning staff received no Completely New Capital Improvement Rent Increase Applications during the reporting period.

ACTIVITY	YEAR		
	2020	2021	2022
Annual Ministerial SSCOLA Rent Increase Applications	19	15	15
Utility Separation Applications	0	0	0
Service Reduction Applications	0	0	1
Completely New Capital Improvement Application	0	0	0
Discretionary Rent Increase Applications	0	0	0

Table 2 – Mobile Home Park Rent Control Program Applications Submitted

MHPRRB Hearings

The MHPRRB hearings are held quarterly, typically on the third Wednesday of the month (February, May, August, and November) or as needed, at the Ventura County Government Center, Hall of Administration. Due to the COVID-19 pandemic, and based on the recommendation of the Ventura County Public Health Officer to promote social distancing, the MHPRRB met virtually using teleconference and videoconference formats pursuant to Government Code section 54953, subdivision (e). The MHPRRB met virtually from early 2020 to early 2022 and resumed in-person meetings in May 2022. A total of 14 MHPRRB hearings were held during the reporting period. (See Table 3, below.)

ACTIVITY	YEAR		
	2020	2021	2022
Number of Hearings	6	4	4

Mobile Home Park Rent Control Ordinance Review

During the reporting period, no amendments to the Mobile Home Park Rent Control Ordinance were adopted by the Board of Supervisors. However, during this reporting period, three resolutions clarifying procedures related to the Ordinance were adopted (see Table 4).

Resolution Number	Resolution Description
RRB20-001	A resolution clarifying the applicability of the rent control re-entry calculation (Section 81005(g) of the Ordinance) to mobile home spaces that were previously exempt from rent control and that re- enter a residential rental situation, for any reason not expressly provided in the Ordinance, except as otherwise provided by state or federal law. (8/19/20)
RRB20-002	A resolution clarifying how to implement the rent control re-entry calculation (Section 81005(g) of the Ordinance) when a base rent is unavailable. (8/19/20)
RRB20-003	A resolution clarifying that the method for determining space rent in situations wherein a park owner has purchased a unit, replaced the unit with a new mobile home, and sold the unit to a new buyer, shall follow the rent control re-entry provisions identified in Section 81005(g) of the Ordinance in addition to the decontrol provision identified in Section 81005 (c). (9/23/20)

Table 4 – Adopted Resolutions

Program Administration Fee

Section 81008 of the Ordinance states, in pertinent part, "the Board of Supervisors finds that the County incurs certain costs administering this Ordinance. [...] The Board concludes that a fee that bears a reasonable relationship to the services provided is necessary." Once every three years, the program administration fee is reviewed and adjusted to ensure the costs associated with program administration are recovered.

On June 9, 2020, the fee was changed from \$24.35 per space annually to \$24.41 per space annually. The methodology used to determine the fee is as follows:

- Through the use of billing data, the total number of hours associated with administering the program during the reporting period is determined;
- The total number of hours associated with administering the program is multiplied by the hourly staff time rate adopted by the Board of Supervisors (BOS) which provides the total cost for administering the program;

- Through the use of permitting data, the total number of spaces subject to rent control are determined;
- Through the use of billing data, the number of staff hours spent administering the program for tenants and the hours spent administering the program for park owners is determined;
- The cost of administering the program is divided by the number of spaces subject to rent control to determine the three-year per space cost of administering the program. The three-year cost is divided by three to determine the annual cost per space;
- The percentage of cost for tenants and park owners is determined by dividing the number of hours attributed to each by the total number of hours staff used to administer the program. For the 2020-2022 reporting period, the percentages were as follows: 36% for residents and 64% for owners; and,
- To determine the cost per space for tenants and park owners, the annual per space price is multiplied by the percentages derived for tenants and park owners.

Based on this methodology, the annual program administration cost per space for the next three-year reporting period has been calculated to be \$20.65. The percentage of staff time devoted to tenants has been identified as 46% and the percentage of staff time devoted to park owners is 54%. This new rate is approximately \$4.00 less per space annually though the percentage to be covered by tenants has increased by 10% leading to an approximately 71 cent annual increase for residents/tenants. These percentages and the reduced program fee will be presented to the Board of Supervisors for inclusion in the Fee Schedule to be adopted by the Board of Supervisors as part of the Fiscal Year 2023-24 budget.

Decontrolled Spaces

Decontrol of a space occurs when a coach transfers ownership from one private tenant/owner to another private tenant/owner, excluding park-owned spaces transferred to private tenants/owners. At the time of decontrol, the park owner may increase the rent 15% of the average space rent in their park or \$72.00, whichever is less. Approximately 1,809 spaces have been decontrolled since December 1989. Table 5 below provides a summary of decontrolled spaces during the reporting period.

YEAR	NUMBER OF DECONTROLLED SPACES
2020	44
2021	41
2022	38
TOTAL	123

Table 5 – Decontrolled Spaces

Mobile Home Park Rent Ranges

Of the mobile home parks that requested a rent increase during the reporting period, the Ventura Oaks Mobile Home Park had the lowest rent range (\$231.08-\$801.23/month). The Ojai Oaks Village had the highest rent range (\$815.01-\$1,480.40/month) during the reporting period.

Distribution of Mobile Home Parks Countywide

There are a total of approximately 1,390 spaces in the County's 25 mobile home parks (Attachment 1). The majority of the mobile home parks in unincorporated Ventura County (18 of 25) are located in Supervisorial District 1; the remaining seven mobile home parks are located in Districts 3 and 5. Districts 2 and 4 have no mobile home parks subject to the Ventura County Rent Control Ordinance. Only the Oak Haven Mobile Home Park, located in District 1, is entirely exempt from the Ordinance due to its date of construction having occurred after 1982 (Section 81002 (b) – Exemptions of Ordinance No. 4462).

Attachments:

Attachment 1 – Map of Mobile Home Parks in the Unincorporated Area

