



# STAFF REPORT

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March 20, 2024

File Number 0697-20-10225

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## SUBJECT

**SHORT-FORM RENT INCREASE APPLICATION FOR GREENCREST MOBILE HOMEPARK (FILE NO. 0697-20-10225)**

## DEPARTMENT

Development Services; Housing & Neighborhood Services Division

## RECOMMENDATION

Request the City Council

- 1) Review and consider Greencrest Mobilehome Park's Short-Form Application
- 2) Adopt the Rent Review Board Resolution No. RRB 2024-33

Staff Recommendation: Approval (Development Services: Chris McKinney)

Presenter: Danielle Lopez, Housing and Neighborhood Services Manager

**ESSENTIAL SERVICE – No**

**COUNCIL PRIORITY –**

## FISCAL ANALYSIS

Staff time and resources were expended to process the short-form application. Staff reviewed the application, evaluated the mobilehome park for code enforcement violations and conducted public outreach with the affected park residents, park manager and owners. No additional fiscal impact was incurred by the City.

## PREVIOUS ACTION

On January 11, 2023, a short-form application was considered and approved. An increase of 8 percent was approved, resulting in an average space increase of \$39.04 per space, per month.

## BACKGROUND

On June 8, 1988, the Escondido residents voted to approve Proposition K to enact Mobilehome Rent Control in the City of Escondido ("City"). Under Proposition K, if a park owner wants to increase the rent on a mobilehome rent control space, they must file an application with the City and obtain approval from



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the Mobilehome Park Rent Review Board (“Board”). This Board is an independent body comprised of the City of Escondido Councilmembers.

In 1997, the Board adopted changes to the Mobilehome Rent Review Board Guidelines to allow for the acceptance of a “short-form” application. The short-form is an abbreviated and less administrative burdensome application process for park owners and City staff. A park owner can request a rent increase based solely on the change in the San Diego Metropolitan Area’s Consumer Price Index (“CPI”), All Items/All Urban Consumers component since the last increase was granted by the Board. The requested increase may not exceed ninety percent (90%) of the increase in CPI since the last application was granted by the Board, or 8 percent of the current rent, whichever is less, subject to a two-year limit. Park owners are allowed to apply one-year from the date the last application was deemed complete.

Greencrest Mobilehome Park is an all-age park, located at 541 W 15th Avenue. The Park has a total of 129 spaces, of which 69 spaces are subject to rent control. The Park is requesting an increase for the 69 rent-controlled spaces. The amenities available for the residents include a clubhouse, pool, playground, and laundry facilities

Greencrest submitted a short-form application on November 7, 2023. (Attachment “1”). City staff reviewed the final application and deemed it to be complete on February 5, 2024. City staff mailed a letter, written in both English and Spanish, on February 14, 2024, notifying the affected park residents of the application and proposed rent increase, upcoming residential meeting, and public hearing date (Attachment “2”).

Greencrest’s short-form application was available for review at the Park office, and the Housing & Neighborhood Services Division counter at City Hall.

Housing & Neighborhood Services and Code Compliance staff facilitated an in-person meeting for the affected residents on February 26, 2024, at 6:30 p.m. Code Compliance conducted a lighting inspection on February 26, 2024, and completed an inspection of the common areas on February 27, 2024.

City staff mailed a 10-day notice written in both English and Spanish to residents on March 8, 2024, reminding them of the March 20, 2024 City Council Meeting (Attachment “4”).

### THE RENT INCREASE APPLICATION:

The application meets all the eligibility criteria for submittal of a short-form rent increase.

### PARK OWNER’S REQUEST:

The Park is requesting an increase of 90 percent of the change in CPI for the period of July 2022, to July 2023. A park is allowed to request up to 90 percent of the current CPI. Under Section 12(E) of the Guidelines, it states, “The Board must presume that up to ninety percent (90%) of the Consumer Price



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Index is a fair, just, and reasonable rent increase. However, the Board may consider any of the other Ordinance factors at the request of either the park owner or the affected residents in determining that a lesser increase is fair, just, and reasonable.” These factors are referenced in Chapter 29, Article 5, Section 29-104(g) of the Escondido Municipal Code. Ninety percent of the change in the CPI is 3.87 percent for the period of consideration. Currently, the average monthly rent for the residents that are affected by this application is \$548.24. The average monthly increase requested for the 69 spaces is \$20.45 per space, per month. This increase ranges from to \$13.74 - \$27.51 per space, per month.

### RESIDENT MEETING AND COMMENTS:

All residents affected by this request were invited to attend a meeting in their clubhouse on February 26, 2024, at 6:30 p.m. The meeting was attended by two residents, the Park manager, and City staff. The application and the short-form hearing procedures were reviewed with the residents. One resident expressed that it was a nice family park and she enjoyed living there. She asked if the pool could be open longer and if the fence along the property could be repaired. It was explained that the pool is not heated, but depending on the weather, the pool dates could potentially be expanded. Regarding the fence, it is on Caltrans property and management has reached out to them several times. No other concerns were brought forward.

No resident representative was identified.

### CODE COMPLIANCE INSPECTION:

On February 26, a lighting inspection was performed by the Code Compliance Division; one lighting violation was identified. On February 27, an inspection of the common areas was conducted by the Code Compliance Division and Park Management. One general park violation was identified. The Park address was not posted on the park sign or at the office.

A notice was mailed to the park manager and owner informing them of the violations. (Attachment “3”). A reinspection was conducted and as of March 12, 2024, all violations were corrected (Attachment “5”). According to the Mobilehome Rent Review Board Guidelines, no increase granted for any park shall go into effect until any existing code violations are corrected.

### ADDITIONAL FACTORS AFFECTING THE APPLICATION:

In conformance with the Rent Review Board Guidelines, the decision of the Board will be finalized by adoption of the Resolution confirming the findings of the Public Hearing. The Notice of Determination will be mailed to the applicant and residents immediately upon adoption of the Resolution. Park owners and management must give a 90-day notice of any rent increase to affected residents upon the adoption of the Resolution.



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### RESOLUTION

- a. RRB Resolution No. 2024-33

### ATTACHMENTS

- a. Attachment "1"-Greencrest Mobilehome Park Application
- b. Attachment "2"-Resident Short-Form Letter Notification
- c. Attachment "3"-Code Inspection
- d. Attachment "4"-10-Day Public Hearing Notice
- e. Attachment "5"-Code Letter Clearing Violations