

DATE: November 5, 2009

TO: Chairman and Members of the Manufactured Home Fair Practices Commission

FROM: Neighborhood Services Department

SUBJECT: SEPARATION OF UTILITIES FROM SPACE RENT FOR SANDY SHORES TRAILER PARK

### SYNOPSIS

Staff recommends that the Manufactured Home Fair Practices Commission adopt a resolution approving the separation of sewer and trash services from space rent in Sandy Shores Trailer Park.

### BACKGROUND

The California Mobilehome Residency Law (Civil Code 798.41) states that parks may elect to bill a homeowner separately for utility service fees and charges assessed by the utility for services provided to or for spaces in the park. The law also requires that for spaces regulated under a local rent control provision, the park must simultaneously reduce rents by an amount equal to the average amount charged to the park management for that utility service for that space during the twelve months immediately preceding notice of the commencement of the separate billing for that utility service.

### ANALYSIS

Sandy Shores Trailer Park filed an application to separate sewer and trash charges from space rent on September 10, 2009.

The park is requesting to separate the cost of sewer and trash services from the current space rents. Upon separation of the sewer and trash utilities, the rents will be decreased by \$22.90.

### FISCAL IMPACT

The average monthly cost of sewer per space at Sandy Shores Trailer Park for the past twelve months is \$11.06. (\$5,175.43 total charges divided by 12 months divided by 39 spaces equals \$11.06).

The average monthly cost of city waste services and trash per space at Sandy Shores Trailer Park for the past twelve months is \$11.84. (\$5,541.24 total charges divided by 12 months divided by 39 spaces equals \$11.84).

Upon separation of the sewer, city waste and trash from the space rents, the regulated rents must be reduced by \$22.90.

## CONCLUSION

Staff recommends that the Manufactured Home Fair Practices Commission adopt a resolution approving the separation of sewer, city waste and trash from space rent in Sandy Shores Trailer Park, according to the following findings and decision.

## FINDINGS

- A) The subject park is within the jurisdiction of the City.
- B) The City's monthly service charge for sewer is a base rate of \$10.28 per manufactured home. The monthly sewer service fee for the park based on a one-inch meter is currently \$34.93.
- C) The average cost of sewer per month, per space at Sandy Shores for the last twelve months is \$11.06.
- D) The City's monthly service charge for city waste services is a base rate of \$3.77 per manufactured home. The park's current monthly charge for trash removal and recycling fees is \$307.20.
- E) The average cost of city waste and trash services per month, per space at Sandy Shores for the last twelve months is \$11.84.

## DECISION

1. All the month-to-month space rents shall be decreased by \$22.90 per month, per space.
2. The base rate for sewer shall not exceed the amount established by the City (currently \$10.28 per space, per month).
3. The base rent for city waste and trash services shall not exceed the amount established by the City (currently \$3.77 per space, per month).

4. The effective date for separation shall be January 1, 2010.
5. No rents or other charges shall be imposed upon the month-to-month regulated spaces, other than those charges approved by the Commission.
6. Nothing herein shall authorize any increase or change in any rent or other charge imposed on the residents not in compliance with State Law.

**PREPARED BY:**

**SUBMITTED BY:**

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