



DATE: April 7, 2011

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

FROM: Neighborhood Services Department

SUBJECT: SEPARATION OF WATER FROM SPACE RENT FOR LAGUNA VISTA MOBILE ESTATES

SYNOPSIS

Staff recommends that the Manufactured Home Fair Practices Commission adopt a resolution approving the separation of water from space rent in Laguna Vista Mobile Estates.

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.

Laguna Vista Mobile Estates filed an application to separate water charges from space rent on January 26, 2011. The park has requested to make the change effective July 1, 2011.

The park reviewed usage for common space and residents over a six-month period and determined that residents were responsible for 90 percent of the usage. The park uses a significant amount of recycled water from its lakes to irrigate the common areas.

ANALYSIS

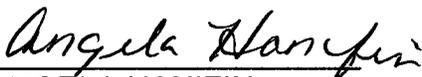
The park is requesting to separate the cost of water from the current space rents. The park currently bills the residents \$15.61 for water. All additional water costs are included in the rent. Laguna Vista management has installed a water sub-meter for each mobile home space. The average cost of water per space and rent reduction has been determined as follows:

D) Residents are currently being billed a flat rate of \$15.61 for water.

DECISION

1. All the month-to-month space rents shall be decreased by \$15.07 per month, per space.
2. The base rate for each sub-meter shall not exceed the amount established by the City (currently \$17.72 per space, per month).
3. The effective date for separation shall be July 1, 2011.
4. No rents or other charges shall be imposed upon the month-to-month regulated spaces, other than those charges approved by the Commission.
5. 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:



ANGELA HANIFIN,
Housing Program Manager,
Neighborhood Services Department

SUBMITTED BY:



MARGERY M. PIERCE,
Director,
Neighborhood Services Department

12 Months Park Water Bills			Park Usage vs. Res Usage = % Res		
	Units	Cost			
2/23/2010	3/24/2010	1224	2252.16		
3/24/2010	4/27/2010	1454	2675.36		
4/27/2010	5/25/2010	1208	2222.72		
5/25/2010	6/22/2010	1359	2500.56		
6/22/2010	7/27/2010	1689	3107.76		
7/27/2010	8/25/2010	1392	2561.28		
8/25/2010	9/28/2010	1570	2888.80	1570	91%
9/28/2010	10/26/2010	1156	2127.04	1156	91%
10/26/2010	11/23/2010	1220	2244.80	1220	88%
11/23/2010	12/27/2010	1485	2732.40	1485	84%
12/27/2010	1/26/2011	1191	2191.44	1191	89%
1/26/2011	2/23/2011	1149	2114.16	1149	97%
		16097	29618.48		
		x 90%	x 90% Average Resident % of Total Park Usage		
		14487.3	26656.63		
			÷ 12 ÷ 272 spaces		
			8.17 Average Resident Monthly Water Bill		

Average Resident % of Total Park Usage	6 Months
91	
91	
88	
84	
89	
97	
540 divided by 6 mos = 90%	

Summary of Water Rates/Charges

8.17 Average Resident Monthly Water Bill (Consumption)	14487.3	(1) SDCWA Water Surcharge = 1.01 per each unit used
13.71 Water Service Fee ½ inch meter	x 1.01	
1.52 MWD Ready to Serve Charge	14632.17 ÷ 12 ÷ 272 = \$4.48	
2.49 Infrastructure Charge		
4.48 SDCWA Surcharge = 1.01 per each unit of water used		(2) Clean Water Program = 0.07 per each unit used
0.31 Clean Water Program = 0.07 per each unit of water used	14487.3	
30.68	x 0.07	
	1014.11 ÷ 12 ÷ 272 = \$0.31	
-15.61 Current water charge for each space is dropped on 7-1-11		
15.07 Rent Reduction (in addition to the dropped water charge of 15.61)		

1 RESOLUTION NO. _____

2 A RESOLUTION OF THE OCEANSIDE MANUFACTURED HOME
3 FAIR PRACTICES COMMISSION APPROVING THE
4 SEPARATION OF WATER CHARGES FROM SPACE RENT FOR
LAGUNA VISTA MOBILE ESTATES

5 WHEREAS, an application to separate the cost of water from space rent was filed by
6 Laguna Vista Mobile Estates on January 26, 2011;

7 WHEREAS, on April 7, 2011 the Commission did hold a public meeting and
8 considered all evidence and testimony offered by interested parties concerning the
9 application; and

10 WHEREAS, based on the last twelve months, the average cost of water that is
11 included in the rents at Laguna Vista Mobile Estates is \$30.68 per space, per month and;

12 WHEREAS, the park is current charging residents \$15.61 per month for water..

13 NOW, THEREFORE, based upon the foregoing facts, the Oceanside Manufactured
Home Fair Practices Commission hereby resolves as follows:

- 14 1. All the current rents of month-to-month spaces shall be decreased by \$15.07
15 (average monthly cost of water that is included in the rents) per month, per space.
- 16 2. All the month-to-month residents shall receive an itemized monthly bill for net rent
17 and utilities.
- 18 3. The base rate for a sub-meter shall not exceed the amount established by the City
19 (Currently \$17.72 per space per month)

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4. The effective date for the separation of water charges from the rents shall be July 1, 2011. .

APPROVED AND ADOPTED by the Manufactured Home Fair Practices Commission of the City of Oceanside, California this _____ day of _____, 2011, by the following vote:

AYES:
NAYS:
ABSENT:
ABSTAIN:

Chairman

ATTEST:

Secretary

APPROVED AS TO FORM

General Counsel