

DATE: September 3, 2009

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

FROM: Neighborhood Services Department

SUBJECT: SEPARATION OF WATER FROM SPACE RENT FOR WESTWINDS MOBILE LODGE

### SYNOPSIS

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

### 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

Westwinds Mobile Lodge filed an application to separate water charges from space rent on August 6, 2009.

The park is requesting to separate the cost of water from the current space rents. The cost of water is currently built into the rents. Westwinds management has installed a water sub-meter for each mobile home space. The base rate for a sub-meter is \$5.88. Therefore, on a separate billing, the water cost for each space will be \$5.88 plus the cost of water consumption for the space.

### FISCAL IMPACT

The average monthly cost of water per space at Westwinds for the last twelve months is \$20.74; as such, upon separation of the water from the space rents, the regulated rents must be reduced by \$20.74 per space, per month.

**CONCLUSION**

Staff recommends that the Manufactured Home Fair Practices Commission adopt a resolution approving the separation of water charges from space rent in Westwinds Mobile Lodge, 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 water is a base rate of \$5.88.
- C) The average cost of water per month, per space at Westwinds for the last twelve months is \$20.74.

**DECISION**

- 1. All the month-to-month space rents shall be decreased by \$20.74 per month, per space.
- 2. The base rate for each sub-meter shall not exceed the amount established by the City (currently \$5.88 per space, per month).
- 3. The effective date for separation shall be October 1, 2009.
- 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:**

**SUBMITTED BY:**

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