

# **Petition for Review of the Mobile Home Rent Control Arbitration Opinion and Award on Remand**

## **Nomad Village Mobilehome Park**



**Skip Grey, Assistant Director  
General Services Department**



# **Petition for Review of the Mobile Home Rent Control Arbitration Opinion and Award on Remand**

- On February 7, 2017, your Board held a hearing pursuant to a petition for review by the Homeowners to review the Arbitrator's Opinion and Award (Revised and Remanded) dated August 28, 2016 as to Awards 5, 6, 7, 8, 9, 12, and 13 (Previously known as Awards 4, 5, 6, 7, 8, 11, and 12).
- At that February 7, 2017 hearing, your Board affirmed Awards 6, 9, and 12. At that same hearing your Board found that the Arbitrator abused his discretion and remanded Awards 5, 7, 8, and 13.
- On March 2, 2017, the Arbitrator held a hearing on remand and on March 13, 2017 executed the Opinion and Award (Revised on Remand).

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- The Arbitrator’s Opinion and Award (Revised on Remand) addressed, among other things, the Board’s previously affirmed Awards 6, 9, and 12. The only Awards remanded to the Arbitrator were Awards 5, 7, 8, and 13.
- On April 22, 2017, the Homeowners filed a petition for review of the Arbitrator’s Opinion and Award (Revised on Remand) dated March 13, 2017 and cited objections to Awards 4, 5, 6, 7, 8, 11, and 12 (now Awards 5, 6, 7, 8, 9, 12, and 13).
- Today’s review of the Arbitrator’s Opinion and Award occurs pursuant to the Mobilehome Rent Control Rules for Hearing.

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## **County Code Chapter 11A (Mobilehome Rent Control)**

Creates an arbitration process for rent control disputes in mobilehome parks within the unincorporated area whenever a proposed rent increase exceeds 75% of the Consumer Price Index as described within Chapter 11A.

### **The Parties**

*Park Management:* Lazy Landing, LLC and Waterhouse Management, Inc.

*Homeowners:* Residents of Nomad Village Mobilehome Park.

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## **Mobilehome Rent Control Rules for Hearings**

Under Rule 23, Board reviews the Arbitrator’s Opinion and Award under an “abuse of discretion”, which is established only if the Arbitrator:

- Failed to proceed in the manner required by law;
- Made a finding not supported by substantial evidence; or
- Made a decision not supported by the findings.

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## Arbitrator's Awards and Staff's Recommendations:

Award #5 (previously Award #4) on Remand: “All of the granted temporary increases are to be amortized at 9% for seven years.”

Staff's Recommendation: Find that the Arbitrator did not abuse his discretion and affirm Award #5.

Award #7 (previously Award #6) on Remand: “The original request of \$50,973 in professional fees for payment by the Homeowners is reduced to \$25,000, which is a reasonable amount for services associated with the capital expenses and improvements.”

Staff's Recommendation: Find that the Arbitrator did not abuse his discretion and affirm Award #7.

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**Award #8** (previously Award #7) on Remand: “The Homeowners are to pay \$40,000 for A&E fees associated with the capital improvements.”

**Staff’s Recommendation:** Find that the Arbitrator did not abuse his discretion and affirm Award #8.

**Award #13** (previously Award #12) on Remand: “The Permanent Increase is to be \$25.59 and the Temporary Increase \$39.44.”

**Staff’s Recommendation:** Find that the Arbitrator did not abuse his discretion and affirm Award #13.

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## **CEQA Recommendation:**

Determine that the proposed action is an administrative activity of the County which will not result in direct or indirect physical changes in the environment and is therefore not a “project” as defined for purposes of the California Environmental Quality Act (CEQA) under State CEQA Guidelines Section 15378(b)(5).



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Nomad Village Arbitration					
Award		Homeowners Position	Park Management Position	Board Alternatives	
5	"All of the granted temporary increases are to be amortized at 9% for seven (7) years."	Disagree	Agree	Affirm the Award	Remand the Award to the Arbitrator
7	"The original request of \$50,973 in professional fees for payment by the Homeowners is reduced to \$25,000, which is a reasonable amount for services associated with the capital expenses and improvements."	Disagree	Agree	Affirm the Award	Remand the Award to the Arbitrator
8	"The Homeowners are to pay \$40,000 for the A&E fees associated with the capital improvements."	Disagree	Agree	Affirm the Award	Remand the Award to the Arbitrator
13	"The Permanent increase is to be \$25.59 and the temporary increase \$39.44 as supported by the attached."	Disagree	Agree	Affirm the Award	Remand the Award to the Arbitrator

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## **Recommended Procedural Motion:**

In accordance with Rules 13 and 23(b) of the Mobilehome Rent Control Rules for Hearings, the Board limits its review of the Arbitrator's decision to the paper record alone attached to the Board Agenda Letter dated October 17, 2017 as further detailed in that Board Agenda Letter, which consists of portions of Attachments 1 through 5. The Board will not consider any new evidence, and receives oral argument and Brown Act public comment as argument that focuses on evidence that is already contained in the record, rather than as new evidence.

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## **The order for today's hearing will be as follows:**

Ex parte disclosures

Staff presentation (7-8 min)

Presentation by Homeowners (10 min)

Presentation by Park Management (10 min)

Public Comment

Staff response to public comment

Rebuttal by Homeowners (5 min)

Rebuttal by Park Management (5 min)

Board deliberation and vote