

FRESNO MUNICIPAL CODE FINDINGS
LA HACIENDA MOBILE ESTATES
RENT INCREASE APPLICATION FINDINGS

Section 12-2011 of the Fresno Municipal Code (FMC) provides that, upon request by the owner of a mobilehome park, the Mobilehome Park Rent Review and Stabilization Commission (Commission) may review and conduct a hearing regarding the rent increase application (Application), and approve the amount of rent increase that it determines to be just, fair, and reasonable.

Findings per Fresno Municipal Code Chapter 12, Article 20	
<p><i>Automatic CPI Rent Increase:</i> "In addition to any other rent increase allowed by this ordinance, an owner may increase mobilehome space rents once annually by a factor not to exceed seventy-five (75) percent of the previous year's Consumer Price Index for the period between November 1 and October 31..." (FMC § 12-2014.)</p>	
<p><u>Finding 1 – OPTION 1:</u></p> <p>The Automatic CPI Increase is Approved, with a Base Rent of \$377.58</p>	<p>Pursuant to Fresno Municipal Code section 12-2014, La Hacienda Mobile Estates, LLC may increase the mobilehome space rents at La Hacienda Mobile Estates by 6.6%. This is the factor of 75% of 8.8%, the previous year's Consumer Price Index (CPI) for the period between November 1 and October 31.</p> <p>After review of the Application, the Residents' Committee's Opposition, and all other relevant evidence submitted to the Commission, the Commission has determined by preponderance of the evidence that the base rent at La Hacienda Mobile Estates is \$377.58.</p> <p>La Hacienda Mobile Estates may increase its space rents by \$24.92 per month.</p>
<p><u>Finding 1 – OPTION 2:</u></p> <p>The Automatic CPI Increase is Approved, with a Base Rent of \$300</p>	<p>Pursuant to Fresno Municipal Code section 12-2014, La Hacienda Mobile Estates, LLC may increase the mobilehome space rents at La Hacienda Mobile Estates by 6.6%. This is the factor of 75% of 8.8%, the previous year's Consumer Price Index (CPI) for the period between November 1 and October 31.</p> <p>After review of the Application, the Residents' Committee's Opposition, and all other relevant evidence submitted to the Commission, the Commission has determined by preponderance of the evidence that the base rent at La Hacienda Mobile Estates is \$300.00.</p> <p>La Hacienda Mobile Estates may increase its space rents by \$19.80 per month.</p>
<p><i>Just, Fair, and Reasonable Rent Increase:</i> "...the Commission shall make its decision on the rent increase application. The decision shall approve the amount of rent increase, if any, the Commission determines to be just, fair, and reasonable according to the factors set forth in Section 20-2012..." (FMC § 12-2011(e).)</p>	
<p><u>Finding 2 – OPTION 1:</u></p> <p>An Additional Rent Increase Is Just, Fair,</p>	<p>La Hacienda Mobile Estates, LLC has identified three relevant "just, fair, and reasonable" factors to substantiate their rent increase application.</p> <p>" ...</p> <p>(c) Rent lawfully charged for comparable mobilehome spaces in comparable mobilehome parks.</p> <p>...</p>

<p>and Reasonable</p>	<p>(e) The completion of any capital improvements or rehabilitation work related to or benefiting the mobilehome spaces specified in the rent increase application and the cost of such improvements or work, including but not limited to costs for materials, labor, construction interest, permit fees and other items.</p> <p>...</p> <p>(k) A just and reasonable rate of return on the owner's investment in the mobilehome park. A just and reasonable rate of return shall be one high enough to encourage good management, reward efficiency, discourage flight of capital from the mobilehome park and enable the owner to maintain its credit, shall be commensurate with returns in enterprises comparable to the subject mobilehome park, but shall not be so high as to defeat the purpose of this article to protect residents against excessive rent increases."</p> <p>After review of the Application, the Residents' Committee's Opposition, and all other relevant evidence submitted to the Commission, the Commission has determined that in addition to the Automatic CPI Increase in Finding 1, a rent increase in addition to the Automatic CPI Increase in Finding 1 would be just, fair, and reasonable.</p>
<p><u>Finding 2 –</u> <u>OPTION 2:</u></p> <p>No Additional Rent Increase Is Just, Fair, and Reasonable</p>	<p>La Hacienda Mobile Estates, LLC has identified three relevant "just, fair, and reasonable" factors to substantiate their rent increase application.</p> <p>"</p> <p>...</p> <p>(c) Rent lawfully charged for comparable mobilehome spaces in comparable mobilehome parks.</p> <p>...</p> <p>(e) The completion of any capital improvements or rehabilitation work related to or benefiting the mobilehome spaces specified in the rent increase application and the cost of such improvements or work, including but not limited to costs for materials, labor, construction interest, permit fees and other items.</p> <p>...</p> <p>(k) A just and reasonable rate of return on the owner's investment in the mobilehome park. A just and reasonable rate of return shall be one high enough to encourage good management, reward efficiency, discourage flight of capital from the mobilehome park and enable the owner to maintain its credit, shall be commensurate with returns in enterprises comparable to the subject mobilehome park, but shall not be so high as to defeat the purpose of this article to protect residents against excessive rent increases."</p> <p>After review of the Application, the Residents' Committee's Opposition, and all other relevant evidence submitted to the Commission, the Commission has determined that no amount in addition to the Automatic CPI Increase in Finding 1 would be just, fair, and reasonable.</p>

Based upon the Application, the Residents' Committee's Opposition, and all other relevant evidence submitted to the Commission:

Finding 1: The Commission adopts Option 1 and approves a rent increase of \$ 24.92 pursuant to Fresno Municipal Code Section 12-2014.

Finding 2: The Commission adopts Option 2 and approves a rent increase of \$ 0 pursuant to Fresno Municipal Code Sections 12-2011(e) and 12-2012.

It is the Commission's determination that La Hacienda may increase its mobilehome space rent in the total amount of \$ 24.92.

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

The foregoing Hearing Decision of the Mobilehome Park Rent Review and Stabilization Commission of the City of Fresno was adopted by Resolution of the Mobilehome Park Rent Review and Stabilization Commission upon a motion by Commissioner Wilbur, seconded by Commissioner McCulligh.

VOTING: AYES: Moncada, Wilbur, Zuniga, McCulligh
NOES: None
NOT VOTING: None
ABSENT: None

DATED: 11/21/2023

 Secretary
Fresno City Mobilehome Park Rent Review
and Stabilization Commission

APPROVED AS TO FORM:
ANDREW JANZ
City Attorney

By:  11/27/23
Name Brandon M Collet Date
Title Supervising Deputy

MPRRSC Hearing Decision No. 2023-01