

## **Reconsideration Process**

### **Mobile Home Rent Stabilization Capital Improvement Pass-through**

*The City of San Buenaventura Mobile Home Rent Stabilization ordinance does not contain a formal appeal process of a capital improvement pass-through for residents. This document describes the steps that staff takes when in receipt of a reconsideration request of a capital improvement based on new information presented by a resident.*

#### **INITIAL PROCESS OF APPROVING A CAPITAL IMPROVEMENT**

When a rent increase application is received by the Rent Administrator from a Park Owner, or Manager, which contains a request for an adjustment based on capital improvements, the Rent Administrator first confirms the following:

- Each capital improvement request is accompanied by an invoice from the vendor/contractor, plus copies of cleared checks.
- The useful life of such improvement is at least 3 years and the minimum cost is \$2,000.
- If the capital improvement did not previously exist in the park, it has been approved by the majority of rental spaces in the park unless it is under \$10,000 or is required by law.

The Rent Administrator then reviews the description of the work, according to submitted invoices, and determines whether the project falls within the definitions of capital improvements as found in the Capital Improvement Policy which states that the costs must be incurred for a **substantial betterment** of the property; or to **restore** the property; or to **adapt** the property to a new or different use.

- If more information is needed about any of the projects, the Rent Administrator contacts the Park Owner, or Manager, for additional details and documentation.
- If any capital improvement request requires further review as to whether the item meets the Policy, the Rent Administrator consults the Finance & Technology (F&T) Director, Assistant F&T Director and/or the City Attorney's Office.

Once the Rent Administrator has made a determination regarding the projects, the projects are either approved as capital improvements, or denied. This status is indicated on the processed rent increase application which is distributed to the Park Owner, or Manager, as well as the park's Resident Representatives.

The capital improvements are amortized using the five-year U.S. Treasury Note rate, plus one percent, and the useful life provided in the Policy. If the capital improvements are financed, the interest rate shall be the prime rate.

#### **RECONSIDERATION BASED ON NEW EVIDENCE FROM A MOBILE HOME RESIDENT**

When correspondence is received by the Rent Administrator from a mobile home resident requesting a reconsideration of a capital improvement pass-through, the Rent Administrator will reply to the resident within 2 business days notifying them that the request has been received. The request must contain new evidence regarding the project and must be made within 90 days of approval of the project as a capital improvement.

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**If no new evidence is submitted, or if it has been more than 90 days since approval of the project as a capital improvement, the resident will be notified within 2 business days that the project will not be reconsidered.**

Within 5 business days, a copy of the reconsideration request will be forwarded to:

- the Park Owner to notify them of the reconsideration request.
- the Mobile Home Rent Review (MHRR) Board, for information purposes only. No action is required of the Board as there is no appeal process in the ordinance to the Board under these circumstances.

The projects will be reviewed to determine whether any of the additional facts provided would cause the item to fall outside of the Capital Improvement Policy. The Rent Administrator will notify the park resident about whether additional information is required within 14 business days from the submission of the request.

- The Rent Administrator may request additional information be provided by the Park Owner, or Manager, regarding the newly presented evidence.
- If more information is required from the resident, it will be requested.

*Circumstances outside of the Rent Administrator's control may cause delays in obtaining additional information.*

Once all requested additional information has been received, the Rent Administrator will review the reconsideration request to make a determination. As in the original process of approval, if there are any projects which require further review, the Rent Administrator will consult the F&T Director, Assistant F&T Director, and/or the City Attorney's Office.

The Rent Administrator will reply to the resident with any appropriate and relevant correspondence regarding the determination of the reconsideration. Correspondence will also be forwarded to the Park Owner, or Manager, and the MHRR Board.

**A capital improvement pass-through decision may be modified or reversed only with the consent of the Park Owner or the Park Owner's authorized agent.**

#### **SUBMITTING A REQUEST FOR RECONSIDERATION BASED ON NEW INFORMATION**

Please include the following information with your request.

1. Name of requestor.
2. Contact information including: address, phone number, and email.
3. Please indicate the best method of communication: mail or email.
4. Name of mobile home park.
5. Description of the approved capital improvement(s) which you would like to have reconsidered, the date it was approved, and the reason for the reconsideration.
6. Additional evidence about the project which justifies reconsideration of the approval as a capital improvement.