

Judge Tells Mobile Home Park Owners to Pay Up



Justice

By Katharine Russ (Posted first at NorthValleyReporter.com)

On the heels of an eight-day trial in April, Judge Gregory C. O'Brien, the arbiter employed by the County of Los Angeles, ruled in favor of homeowners from Mountain View Mobile Estates who sued the owners of the Park alleging dangerous conditions where they lived.

Gary Gibson et al alleged, in their lawsuit of March 2007, concerns with the electrical utility system, water outages, improper maintenance of the clubhouse, pool and spa, maintenance of swales, prevention of mud and water run-off, non lit street lamps, rodent control, bullying, passive-aggressive behavior directed towards resident "troublemakers", and a widespread disregard for written and oral complaints.

The owner, G.J. Park Associates, and the Park's management, M.A. Cirillo & Associates (dba Star Mobile Home Park Management) maintained that the Park was well kept and the company had spent millions of dollars to make repairs in the Park.



Homeowner after homeowner testified to the atrocious conditions that existed in the Park, the loss of appliances from power surges, trenches throughout the Park with no lighting to see the holes, and extended power outages that meant no heat or air conditioning.

One resident testified that tree roots had raised a 12 inch mound in his drive causing water to run under his home and stagnate. It created a stench that lasted four years.

O'Brien cited, "Disgorgement of rent is an attractive remedy. The Landlord collected the tenant's money for which the tenants received in return endless insults to their sensibilities: Years of noise, mud, dangerous conditions, a studied neglect of simple services, a clubhouse with no furniture, a badly maintained pool and spa, and inexcusably rude, petty and bullying behavior." O'Brien described expectations by the witnesses as "hardly extravagant.

Gary and Deborah Gibson and three other tenants were awarded \$350,000.00, collectively, for four years back rent and 10% interest with punitive damages and attorneys fees do be decided at a later date.

Attorney Dale B. Goldfarb, who represents the park owner and management company, could not be reached for comment.

A second lawsuit filed by twenty four other mobile home owners in the same Park alleges the almost identical conditions and asks for \$1.9 million in addition to punitive damages and emotional distress.

In San Diego, a settlement between Rancho Mesa Residents, Inc. and Equity Lifestyle Properties (ELS), formerly Manufactured Home Communities, Inc (MHC), a Sam Zell owned company, was reached between the parties on July 24, 2009. (Zell is also the owner of the LA Times and KTLA TV in Los Angeles.)

The settlement is to include a \$205,000.00 initial payment to Rancho Mesa Residents, Inc., and will include a rent roll-back for seven years along with structured rent increase caps for nine years.

In addition, The San Diego Department of Environmental Health must conduct an inspection of the gas meters on the property. Owners of the Park will abide by the inspection and repair or replace all that is needed to bring the Park up to code.

While 5.10 of the Settlement Transcript says, "In reaching this settlement, Defendant does not admit fault," Judge Jay M. Bloom will maintain jurisdiction to enforce the settlement.

Dianne Jacob, District 2, San Diego County Supervisors Office, sued by Zell, had much to say about his business tactics in her Op-ed titled, "I Won't Be Sued Into Silence" and published in the San Diego Business Journal.

"In my district, Zell's customers are my constituents. In 2002, when MHC raised their rents some 25 percent, my constituents came to me in fear. Many were fixed-income seniors petrified of losing their homes in an already tight housing market.

I did my homework and learned a great deal about the landlord behind the increase, a billionaire real estate titan with a deep disdain for bureaucracy, well known to the financial world as a 'vulture investor'." Jacob further stated, "I am convinced that Zell is using our judicial system to bully me and intimidate those who dare question how MHC treats its customers.

MHC's doctrine of death-by-a-thousand-legal-appeals especially exploits the limited financial resources of cities and counties." Jacobs prevailed over Zell in March 2009.

Glenn Bell, President- Neighborhood Friends, commended the Loftin Law Firm-Carlsbad for their dedication to their clients. "Sue Loftin, at great personal expense, has carried this lawsuit for nine years against one of the richest men in the country, according to Forbes Magazine, to bring justice for this brave group of senior citizens. For years the elderly and the poor have been manhandled by Park owners all over the country. It's a huge win for the 'little guys' all over the state."

Zell owns an estimated 300 parks, nationwide, including one in Sylmar.

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