

**MINUTES
CHICOPEE MOBILEHOME RENT CONTROL BOARD
OCTOBER 31, 2018 @ 6:00 P.M.
M&S BLUEBIRD, INC.**

MEMBERS PRESENT

Robert Hopkins, Joshua Clark, Fides Ushe

ALSO PRESENT

Christine Pikula, Attorney to the Board
Chantal Paul, Secretary

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CITY CLERK'S OFFICE
CITY OF CHICOPEE

OLD BUSINESS

Robert Hopkins: Motion to approve minutes of the June 27, 2018 meeting.

Board: All in favor. *Motion passes unanimously.*

Robert Hopkins: Other item for old business is getting a new recorder to record meetings. Do we have a motion to approve to purchase a new recorder?

Board: All in favor.

NEW BUSINESS

Robert Hopkins: Is anyone recording? You can record, but we need to know. Bob reads Rule 3... tonight is the hearing for M&S Bluebird, Inc.

Marc Dugre: My name is Mark Dugre and I represent M&S Bluebird, Inc. The park has 170 units, tenants are paying \$241.00, exclusive of the \$6.00 to the City of Chicopee. The rent has been \$241.00 since June 1, 2013. We prepared a package which we provided to the Board and to the tenants. We are requesting an increase of \$55.00 per month which would raise the rent from \$241.00 to \$296.00, exclusive of that \$6.00. How did we arrive at this \$296.00. We follow the ordinance of the Mobilehome Rent Control Board. Basically, it is saying that the park owner is able to charge a rent which would cover the reasonable operating expenses of the park and also provide the park owner with a fair return of investment into that park. The investment value considered and what that is is the assessed value of the real estate in which that park is located. There are three factors for the Board to consider the increase:

1. What are the reasonable operating costs;
2. Assessed value of the real estate; and
3. What is the current fair rate of return.

Marc continues to read the proposal.....

What you need to know is that we removed all interest, depreciation or loan repayments. They are not asking tenants to pay any of those costs.

Back in 2013 they had sold the park and the new owner was an absentee owner and the park suffered maintenance. Owner defaulted on payments so Mark and Stan had to take the park back. They are losing money, they had to personally take from their retirement to make this park run. Either there will be an increase, or if not, they will try and sell the park again, and if that doesn't work, they will have to close the park and sell land for some other use.

Fides Fushe: My question is: usually, when we are looking at expenses we (inaudible) I am just seeing 2017, you say that it's all from 2013, but all I see is 2017.

Robert Hopkins: I think the park was sold in 2013 and the figures they're using for us to consider are based on the operating costs at 2013.

Joshua Clark: Last time that we had a rent increase for this park, there was a lot of controversy I think it's import that there should be an extravagant effort to make it as fair as possible.

Josh Clark: I move to approve the proposal as submitted.

Robert Hopkins: Any discussion? Move to approve? All those in favor?

Board: Yes. *Motion passes unanimously.*

Robert Hopkins: The rent increase effective date will be January 1, 2019. Do we want to consider to let them come back in a year or not...

Josh Clark: There are future projects that we cannot discuss. The question can we let them come back in a year? The question is: can I ask a question related to the project that will help make that decision.

Christine Pikula: I would advise the Board not to.

Robert Hopkins: They can come back anytime.

Motion to adjourn at 7:00.