2005 MOBILEHOME, MANUFACTURED HOME & RELATED HOUSING BILLS

California State Legislature

Final List - October 12, 2005

HEALTH & SAFETY CODE ENFORCEMENT

<u>SB 40 (Dunn) – Park Receivership</u>: State Housing Law permits local code enforcement agencies and tenants to seek a court appointed receiver to correct serious code citations in buildings which owners refuse to fix, but the Department of Housing and Community Development (HCD) is not authorized to use receivership as a mobilehome park code enforcement tool.

This bill will empower HCD to seek a court receivership of mobilehome parks that have substantial and uncorrected health and safety violations under the Mobilehome Parks Act. Status: Vetoed by the Governor.

<u>SB 106 (Dunn) - Park Inspections</u>: HCD's Mobilehome Park Maintenance (MPM) inspection program, which permits the department to conduct full scale inspections of mobilehome parks with the worst record of code violations and health and safety complaints, expires on January 1, 2007.

This measure extends the MPM sunset by one year, increases the annual per space fee by \$2 to support the program, and requires HCD to render a report to the Legislature on recommendations for permanent extension of the program after 2008. *Status: Vetoed by the Governor.*

<u>SB 253 (Torlakson) – Senate Omnibus Housing Bill:</u> Each year omnibus legislation is introduced to make various non-controversial technical changes in housing laws. Among other provisions, this bill deletes obsolete language relating to HCD's Mobilehome Park Maintenance (MPM) inspection program and makes various minor changes in the Manufactured Home Recovery Fund and the Special Occupancy Parks Act. *Status: Signed by the Governor (Chap. 595).*

<u>SB 765 (Dunn) – Sewage Clean-up</u>: Currently HCD has authority to require a park or mobilehome owner to fix a sewer or septic system leak or clog from a mobilehome and sanitize but not remove any debris from a sewer or septic spill in the park.

This bill expands HCD authority to also order removal of any wastewater or sewage deposited on the ground from leaking plumbing fixtures, including sewage from permanent buildings in the park, in accordance with local environmental health standards. The bill clarifies that a homeowner is responsible for sewage spills from the plumbing on his/her mobilehome or space. Status: Vetoed by the Governor.

<u>AB 1064 (Cogdill) – Mobilehome Snow Load Limits:</u> Currently there is a January 1, 2007 sunset on state snow load roof standards for mobilehome installed at elevations of 5,000 feet or above. After the sunset expires, local standards will govern.

This bill eliminates the 2007 sunset date on state's mobilehome roof snow load regulations, re-establishing a standard of 80 pounds per square foot roof live load and a requirement for an approved snow load maintenance program in parks where the homes are installed. Status: Signed by the Governor (Chap. 325).

MOBILEHOME RESIDENCY LAW/LANDLORD-TENANT

<u>SB 125 (Dutton) – Homeowner Fees & Charges</u>: Under current law, if a homeowner refuses to remove junk from his/her site, such as old refrigerators or piles of lumber, that are in violation of park rules, the park's only remedy is an eviction action. Additionally, upon a termination of tenancy, the park must do a title search of the home in order to notice anyone with a legal interest in the home (lien holder).

This is a two-part bill making changes in the Mobilehome Residency Law (MRL) to authorize park managers to charge homeowners certain fees as follows: 1) to reimburse management for the actual cost of removing personal property, not including the mobilehome and accessories, in violation of park rules, from the homeowner's site where, after reasonable notice, the homeowner has refused to do so; and 2) to recover from the homeowner the cost of a title search on a mobilehome for purposes of notifying parties with a legal interest in the home of a termination of tenancy, where the management obtains a court judgment against the homeowner. Status: Passed by the Governor (Chap. 24).

*SB 227 (Lowenthal) – Mobilehome Owner Evictions: This bill no longer deals with the eviction of homeowners in mobilehome parks but has been amended to deal with solid waste services provided to state agencies and school districts. Status: Held in Senate Rules Committee.

AB 791 (Lieber) – Extending Conventional Tenancy Rights: Conventional landlord-tenant law prohibits: 1) acts of retaliation by a landlord against a tenant because of the tenant's exercise of specified tenancy rights, such as complaining to an enforcement agency about health and safety code violations; 2) rental agreements in which the tenant agrees to modify or waive certain rights, such as the right to sue the landlord for damages; 3) the use of threat or force, or menacing conduct by the landlord which constitutes a pattern of behavior interfering with the tenant's quiet enjoyment of the premises that would create apprehension of harm in a reasonable person; and 4) a requirement by the landlord of cash as the exclusive form of payment of rent or a security deposit, unless the tenant's check bounces.

This bill specifies that these provisions also apply to protect mobilehome owners residing in mobilehome parks and that the bill shall not be construed to limit or deny other conventional landlord-tenant rights to mobilehome owners that are not specifically referenced in this bill. Status: Passed Senate, Assembly fails to concur in Senate amendments (37-34), reconsideration granted – 2-year bill.

<u>AB 954 (Coto) – Park Managers at Homeowner Meetings:</u> Current law provides that homeowners in a mobilehome park have the right to meet in the park club house or common area facilities or their own homes.

This measure prohibits park management or a park employee from attending or monitoring homeowners' association or group meetings except by invitation of the group. Status: Pending Assembly Committee on Housing, 2-year bill.

CERTIFICATION & LICENSING

SB 198 (Lowenthal) – Mobilehome Installation Certification Standards: Federal law requires that by the end of 2005 the federal Department of Housing & Urban Development (HUD) establish and implement a program of installation standards, installation inspections, and installation training and certification for manufactured housing in states in which no such programs exist or which have lesser standards for these programs, including licensing, training and certification of installers of such homes. The state Department of Housing and Community Development (HCD) establishes and regulates standards for the installation of mobilehomes and manufactured homes, which are more stringent than proposed federal standards but does not have training or certification for installers.

This proposal would require HCD to establish a program for certification and training of installers, in addition to current state contractor licensure requirements, and prohibit a person from acting as a contractor for the installation of such homes without certification by HCD. Status: Vetoed the Governor.

<u>AB 1469 (Negrete-McLeod) – Park Manager Licensing</u>: Currently, mobilehome park managers are not required to be certified or licensed by the state. In recent years, home-owner groups have pointed to a number of incidents of manager abuse or incompetence.

This bill requires HCD to establish a mobilehome park licensing and certification program, including a task force of park industry, homeowner and enforcement agency representatives to recommend standards for certification and testing for managers of parks with 50 or more spaces. Park managers would have to be certified by January 1, 2007 and after that date verification would be required upon a park's renewal of its permit to operate. The bill also increases the fee for a park's permit to operate by \$75 to fund this program. Status: Pending in Assembly Housing Committee, 2-year bill.

RIGHT of FIRST REFUSAL

<u>SB 237 (Migden) – Park Right of First Refusal to Buy Homes</u>: Currently, some parks require homeowners to provide the park with the right of first refusal to purchase the homes when homeowners resell them in the park, by including such clauses in park rental agreements or leases that are required for homeowners to sign in order to live in the park.

This bill prohibits park rental agreements entered into in 2006 and thereafter from including a provision or clause giving the park management the right of first refusal to buy a homeowner's mobilehome offered for sale in the park to a third party. Status: Signed by the Governor (Chap. 35).

<u>AB 197 (Umberg) – Homeowner Right of First Refusal to Buy Park</u>: Current law requires park owners who list their mobilehome parks for sale to provide homeowners who have formed an association for the purpose of purchasing the park and have complied with specified requirements, a 30-day notice that the park is for sale.

This bill provides that homeowners in mobilehome parks where 30% of the spaces are occupied by persons of lower income, as defined, who have formed an association to buy the park and complied with other specified requirements, shall have a 30-day right of first refusal to buy the park when the park owner puts it up for sale. Status: Failed passage in Assembly Housing Committee (3-1), granted reconsideration.

PARK CLOSURE & RELOCATION

<u>AB 328 and AB 329 (DeVore) – El Morro Park Closure</u>: Currently, the State Department of Parks & Recreation is closing the El Morro Village Mobilehome Park in Crystal Cove State Park (Orange County), has evicted most of the residents, and is fighting a lawsuit by other residents who don't want to move. The property was purchased by the state a number of years ago for purposes of a state park.

These bills would prohibit Parks and Recreation from converting the Mobilehome Park into a campground and day-use facility and allocates revenue from lease of the park to residents to help reduce the General Fund deficit. Status: Pending Assembly Committee on Water, Parks & Wildlife, 2-year bills.

<u>AB 396 (Lieber) – Park Conversion to Another Land Use</u>: Currently mobilehome park owners must file reports with local agencies on the impact that park closure/conversion will have on displaced residents and requires the local agency to review the report prior to a change of use. The local agency may require the park to mitigate resident displacement (relocation) as a condition of approval of land use change.

This bill makes a number of changes in these requirements, including specifying new notices and what should be included in the impact report. The bill requires, rather than authorizes, a local agency to require a mobilehome park owner to mitigate resident displacement, requires that meetings be conducted on the park premises, and requires the local agency to consider specified factors in determining compensation for resident displacement. Status: Failed passage in Assembly Housing (2-2), reconsideration granted.

HOME RESALES

<u>SB 10 (Dunn) – Resale Home Inspections:</u> Many mobilehomes, once installed on a space in a park, are not moved but bought and sold in place. Current law prohibits parks from requiring that a mobilehome be removed from the park upon resale to a new buyer unless the park disputes that the home meets code. In this case, a code enforcement agency or HCD inspection determines whether the home is up to code, but HCD will no longer perform home resale inspections, and some parks refuse to recognize private home inspections for this purpose. Homeowners who are required by their park to use an HCD inspector therefore cannot sell their home in the park.

This bill provides that a homeowner selling a mobilehome in a park will be able to use a private home inspector, who is a licensed contractor, not just a public code inspector, to substantiate to the park management that the home meets code. Status: Passed Senate, pending Assembly Floor inactive file.

SENIOR PARKS

<u>SB 435 (Hollingsworth) – Density Bonuses</u>: current law requires local government to provide a developer with a density bonus or other incentives for building lower income housing, including setting aside a specified percentage of units in a development for lower income households.

This bill, among other provisions, includes within these incentives the development of a rental or resident-owned mobilehome park that limits residency to older persons, pursuant to federal guidelines (55 or 62 & older). Status: Signed by the Governor (Chap. 496).

*AB 590 (Walters) – Senior Mobilehome Park Zoning: This bill no longer pertains to senior mobilehome parks but has been amended to deal with another issue, prohibiting public agencies from using eminent domain for the purpose of private development. Status: Pending Assembly Housing Committee, 2-year bill.

COMMON INTEREST DEVELOPMENTS (CID's)

Many bills have been introduced this year dealing with CID's, which could affect residentowned mobilehome parks (ROPs) organized as CID's. The most notable include:

<u>SB 61 (Battin) – Elections:</u> requires various procedural safeguards for elections of board members, elections relating to assessments and amendments to governing documents, and other purposes in common interest developments subject to the Davis-Stirling Act. *Status: Signed by the Governor (Chap. 450).*

<u>SB 137 (Ducheny, Dunn & Figueroa) - CID Delinquencies & Foreclosure</u>: would revise procedures for collecting delinquent assessments in common interest developments to provide that for amounts of less than \$1,800 or less than 12 months delinquent the homeowners association cannot use non-judicial foreclosure but must either file a civil action in small claims court or record a lien. The bill requires the association to also provide the delinquent homeowner with a itemized statement of fees delinquent and owing. *Status: Signed by the Governor (Chap. 452).*

*SB 186 (Battin) – Use of Association Funds: This bill no longer deals with prohibition on the use of association funds for campaign purposes (flyers, etc.) but has been amended to deal with relinquishment of certain state highways in Riverside County to local agencies. Status: Signed by the Governor (Chap. 594).

SB 551 (Lowenthal) & AB 770 (Mullin) – CID Ombudsperson: would enact CA Law Revision Commission recommendations that a Common Interest Development (CID) Ombudsperson be established in the Department of Consumer Affairs to take complaints and help resolve resolution of those complaints from a member of a homeowners' association or owner of a separate interest in the association against the association, or from the association against the owner of a separate interest. The Ombudsperson would be empowered to provide information and informal dispute mediation but otherwise would have no enforcement authority. Status: SB 551 - pending Senate Committee on Business, Professions & Econ. Development, 2-year bill; AB 770 - pending Assembly Committee on Business & Professions, 2-year bill.

AB 619 (Leslie) - CID Delinquencies & Foreclosure: would require, for homeowner liens recorded on or after January 1, 2006, the association to give a homeowner the right to require a meeting with the board of directors of the association to dispute the debt, would require the board to meet with the owner, would require the notice of delinquent assessment to include a payment plan request form for the owner to request a payment plan, and would require the association to provide the owner with the standards for payment plans and to offer a payment plan, as specified. The bill would also require the association to send copies of all notices described in these provisions to a secondary address, in care of the owner, upon the written request of the homeowner. The bill would become effective only if SB 137 (above) is enacted. Status: Passed Assembly, pending on Senate floor, 2-year bill.

<u>SB 853 (Kehoe) – Architectural Review</u>: clarifies that decisions of a CID association's architectural review body shall be consistent with state laws and building codes relating to public safety and land use. *Status: Signed by the Governor (Chap. 37).*

<u>AB 1098 (Jones) – Records & Election Procedures</u>: requires a CID association to make available most association records, not just accounting books and records or meeting minutes as under current law, to a member of the association upon request for the current and two previous fiscal years. These provisions would be enforceable in small claims court. The bill also provides that 67% of the association members would have to vote to approve to allow the association to grant exclusive use of any portion of a common area to any member(s). Status: Signed by the Governor (Chap. 458).

MISCELLANEOUS/ RELATED HOUSING: A number of housing related bills have also been introduced that do not specifically address mobilehomes or parks but may have some effect on parks or residents who are tenants, not homeowners in the park, and who rent their homes from the park. Some of the major one's include:

<u>SB 51 (Kuehl) - 60-day Eviction:</u> this measure extends the January 1, 2007 sunset to January 1, 2009 on a current provision of law that requires landlords to give tenants who have resided in a conventional residential rental for more than 1 year a 60-day, rather than 30-day, notice of termination. This bill could affect park residents who rent their homes from the park. *Status: Passed Senate, failed passage Assembly floor (36-32), granted reconsideration, 2-year bill.*

<u>SB 540 (Kehoe) - Signs and Flags</u>: declares that a landlord could not prohibit a tenant from posting or displaying noncommercial signs, posters, flags or banners on or within the premises leased by a tenant. This bill would probably not apply to mobilehome parks. *Status: Pending Senate Judiciary – 2-year bill.*

<u>SB 580 (Escutia) – CARE Utility Program:</u> Current law provides for the California Alternate Rates for Energy (CARE) program, overseen by the California Public Utilities Commission (CPUC) and the Low-Income Oversight Board. CARE requires regulated utilities to provide discounted rates to low-income utility customers.

This bill expands the duties of the Oversight Board to include advising the CPUC on low-income water customer issues and assist the CPUC in complying with certain CARE requirements. The bill would also require the Secretary of the state's Health and Human Services Agency to evaluate, before April, 2006, how use of the agency's databases could be optimized to facilitate automatic CARE enrollment of eligible low-income customers. *Status: Signed by the Governor (Chap. 662).*

<u>AB 769 (Horton) – Local Building Code Abatement</u>: would authorize a local enforcement agency to require an owner of residential rental property to successfully complete 15 hours of education courses or workshops approved by the Department of Real Estate if the owner fails to comply within a reasonable time to correct citations to repair or abate a building code violation which substantially endangers the public or residents. This bill would not apply to mobilehome parks. *Status: Vetoed by the Governor.*

<u>AB 889 (Ruskin) – Weights & Measures</u>: the current authority of county weights and measures (county sealer) offices to test and inspect weighing and measuring devices, including utility meters in master-meter mobilehome parks, and assess annual park (\$60) and space (\$2) fees, as well as other businesses and properties, to support that service sunsets on January 1, 2006. This bill extends the sunset to 1/01/2011 and staggers registration fee increases through 2008. This bill would affect mobilehome parks. *Status: Signed by the Governor (Chap. 529)*.

<u>AB 1439 (Assembly Committee on Veterans Affairs) – Cal Vet Loan:</u> among other changes in California's Cal Vet loan program, this bill would raise the allowable loan limit on a mobilehome in a resident-owned park to 125% of the loan limit annually set by Fannie Mae for a single-family home. *Status: Signed by the Governor (Chap. 459).*

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*no longer a housing or mobilehome bill

This list represents a summary of information available as of 10/12/2005.

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