



CALIFORNIA LEGISLATURE
HEARING OF
THE SENATE SELECT COMMITTEE
ON
MANUFACTURED HOMES AND COMMUNITIES

SENATOR LOU CORREA
CHAIR

TRANSCRIPT AND REPORT:

**HCD MOBILEHOME PARK HEALTH
AND SAFETY CODE ENFORCEMENT**

FEBRUARY 29, 2008

SANTA ANA, CA

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CALIFORNIA LEGISLATURE

Hearing of
THE SENATE SELECT COMMITTEE ON
MANUFACTURED HOMES
AND COMMUNITIES

Senator Lou Correa, Chair
Senator Elaine Alquist
Senator Ellen Corbett
Senator Bob Dutton
Senator Tom Harman
Senator Alex Padilla

TRANSCRIPT AND REPORT:
***“HCD Mobilehome Park Health and
Safety Code Enforcement”***

February 29, 2008
Santa Ana, CA
Sacramento, California

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Senate Select Committee

on

Manufactured Homes and Communities

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CHAIR

Senate Select Committee on Manufactured Homes & Communities
February 29, 2008, 10:30 a.m. – 11:30 a.m.
Rancho Santiago Community College District Board Room
2323 N. Broadway, Santa Ana, CA

HCD Mobilehome Park Health and Safety Code Enforcement

Information Hearing Agenda

10:30 a.m.	Call to Order	Senator Alex Padilla
	Introductory Remarks	Senator Alex Padilla
10:35 a.m.	Testimony & Statements	Tim Sheahan, GSMOL Samii Taylor, Windsor Group Glenn Bell, Neighborhood Friends Gary Gibson, homeowner – Canoga Park Morris Kramer, homeowner – Canoga Park Gloria Hannan, homeowner – Westminster Jolena Voorhis, HCD - Sacramento Kim Strange, HCD - Sacramento Marian Merez, City of Paramount Elito Santarino, City of Carson Shirley Patton, homeowner – San Jacinto Ronald Slater, homeowner – San Jacinto
11:30 a.m. sharp	Adjournment	Senator Alex Padilla
11:35 – Noon	Unofficial Session	Additional Unscheduled Witnesses

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Senate Select Committee on Manufactured Homes & Communities
February 29, 2008, 10:30 a.m. – 11:30 a.m.
Rancho Santiago Community College District Board Room
2323 N. Broadway, Santa Ana, CA

HCD Mobilehome Park Health and Safety Code Enforcement
Hearing Information Paper

Summary

Health and safety code enforcement in mobilehome parks is the responsibility of the Department of Housing and Community Development (HCD), which also has agreements with approximately 70 local agencies to conduct inspections in parks in their jurisdictions. There are two kinds of inspections, the Mobilehome Park Maintenance (MPM) inspections, which involve a full inspection of a park and all spaces, and the complaint inspections that are mainly in response to complaints from park residents, park owners or the public about possible health and safety violations. In recent years, legislators and this Select Committee have received an increasing number of complaints about code enforcement in California's mobilehome parks. Generally speaking, complaints to the committee over the past few years include allegations that HCD is often slow to respond to complaints and that follow-through is not their strong suit. The committee is told that even when enforcement agencies cite park violations, actual enforcement is spotty, resulting in substandard and even dangerous conditions in some parks that may last for years. Some critics say mobilehome park code enforcement is more a matter of ticket writing, with real enforcement authority coming only with the commencement of legal action by city or district attorneys, who in many cases put mobilehome park health and safety violations at the end of the priority list. Homeowners often complain they are singled out by park managers who direct HCD inspectors to possible violations on their spaces and that inspectors do not give advance notice of a complaint inspection of the homeowner's space and seldom contact or follow through with them.

Hearing Purpose & Procedure

The purpose of the hearing is to review allegations and complaints about park health and safety and to seek new ideas or suggestions that could legislatively or administratively improve code enforcement and the correction of citations in parks. Select committees of the Legislature, unlike standing committees, do not hear or vote on bills but research specialized issues and hold hearings that may result in recommendations for future legislation that, if introduced, may later be heard by the standing committees. Following the written agenda, witnesses will be asked to identify themselves and their city of residence and may be asked questions by legislators and committee staff upon completion of their statements. Witnesses should summarize their points in five to eight minutes, not including questions asked of them, and avoid repetitious testimony.

Written information or documentation is also encouraged for the committee's record. The hearing is being recorded, and the committee will publish a transcript and report of the hearing at a later date.

Background

According to January, 2008 figures available from the Department of Housing and Community Development (HCD), there are 4,734 mobilehome parks with a permit to operate (PTO) in California. These parks have a total of 396,663 spaces. Conservative estimates are that more than 700,000 residents live in these parks. Most of these are rental parks, where the residents own their own homes but rent or lease the spaces on which their homes are installed. About 150 parks are owned by non-profit organizations, or are resident-owned subdivisions, condominiums, or cooperatives. The park owner/management is responsible for remedying health and safety code violations in the common areas, including roadways, walkways, utility systems, recreational facilities and the clubhouse (if any). In most cases, homeowners are responsible for repairing code violations with respect to their spaces and homes. Currently, HCD has about 45 inspectors statewide, operating in conjunction with six district offices and two main offices, one in Sacramento and one in Riverside. Inspectors perform a variety of tasks, including inspection of farm worker housing as well as park and manufactured home installation inspections and mobilehome modifications, as well as issue a variety of permits. HCD also has agreements with approximately 70 local jurisdictions to perform park code enforcement in mobilehome parks in their jurisdictions. With an increasing number of local jurisdictions giving up the program and handing it back to HCD in recent years, about 75% of the parks in the state are now inspected by HCD.

Prior to 1968, mobilehome park health and safety code enforcement was totally within city and county jurisdiction, although some state regulations governing auto camps, the predecessors of modern mobilehome parks, date to 1920. In 1967, the Legislature adopted the Mobilehome Parks Act, giving the Commission on Housing (now the Department of Housing and Community Development) authority to regulate the construction, use, maintenance, and occupancy of mobilehome parks and the installation, use, maintenance and occupancy of mobilehomes (and manufactured homes) located in those parks. Soon thereafter, specific requirements, such as set backs for mobilehomes from their lot lines, the height of mobilehome stairway risers, or the length of gas connectors, to give but a few examples, were adopted by department regulations, commonly known as "Title 25" (Chapter 2, Division 1, Title 25 of the California Code of Regulations). Traditionally, these regulations have been enforced by inspection at the time of the construction of the park and as a condition of granting the initial permit to operate the park (PTO).

Some years ago, the basic statutory fee for a park's annual permit to operate was set at \$25 per park, plus \$2 per space. Until 1974, regular inspections of existing mobilehome parks were carried out on a biennial basis, but with the repeal of that provision in 1973 park inspections were thereafter carried out only on the basis of complaints filed with HCD. Due to numerous complaints and questions about the adequacy of doing park inspections on the basis of haphazard complaints, the Legislature enacted AB 925 (O'Connell) in 1990 to provide for regular inspections. Between 1991 and 1999 HCD or local agencies conducted at least one "full" Mobilehome Park Maintenance (MPM) inspection of every mobilehome park in the state. The bill authorized an additional \$4 fee per space per year to support the MPM program. Although the MPM program was originally designed to sunset in 1996, due to delays in implementation the Legislature extended the sunset twice until 2000. Between 1997 and 1999 HCD, park owners, homeowners and local agencies participated in negotiations on whether the program should be renewed and whether fees should be increased. Although some parties argued that the \$4 fee would need to be increased to provide a better level of enforcement, in 1999 the Legislature finally renewed the program for 7 more years (2000-2006) without a fee increase but limited "full" MPM inspections to parks with the worst record of violations during the first 1991-1999 inspection cycle (SB 700, O'Connell). This measure also created an advisory Task Force of park industry, homeowner and local government representatives who meet with HCD bi-annually and receive a briefing on the MPM program's progress. The renewal of the program for a third cycle after 2007 was preceded by 2005 legislation which attempted to increase the \$4 to \$6 per space to provide a modest improvement in the level of inspections, but the bill was vetoed (SB 1231, Dunn). In 2006, the Legislature finally renewed MPM inspections for another 7-year period (2007-2012) but limited full inspections to 5% of the parks per year (SB 1231, Dunn).

How Park Code Enforcement Works

When a code enforcement officer cites a violation in a mobilehome park, the violator, on a complaint citation, has 30 days to correct it. For MPM inspections, violators have 60 days to repair, but if the violation is an imminent hazard requiring immediate correction, a so-called "A" violation, the citation will be issued on the spot and may require disconnection of electrical, gas, or other utilities and immediate repair. Examples are bare or faulty electrical wiring or circuits, leaking sewage, or leaking gas. When the park owner or a homeowner disputes a citation, an informal conference is held at their request with the enforcement agency's supervisory personnel concerning the violation, the failure to correct, or the extension of time to correct the violation. An inspector can also grant a discretionary extension beyond the 30- or 60-day deadline for correction if the violator is making a good faith effort to comply or there is a bona fide reason for the delay, such as weather. Where a park owner or homeowner refuses to correct a violation, after several notices and time to correct the violation, including any extensions, has expired, ultimately the enforcement agency must give the park a 'last chance letter.' The case is then referred to the district attorney for prosecution as a misdemeanor or as a civil abatement action, a

process that can take a number of additional months. Although some D.A.'s or city attorneys have been aggressive about pursuing court enforcement of and fines for park violations, others are not. Many D.A.'s are reportedly overloaded with other criminal cases and cannot devote their resources to these cases.

Legislative Progress or Lack Thereof

Legislative progress in improving health and safety code enforcement in recent years has been mixed. Although there have been some modest successes, such as extension of the MPM program and a requirement for permits to move or change lot lines, in addition to the attempted fee increases mentioned above, many proposals that have come before the Legislature to try to improve park infrastructure problems and park code enforcement have failed. Legislation to authorize HCD to levy administrative fines, not just citations, for failure to remedy a violation within a 30- or 60-day period was proposed by AB 1648 (Salinas, 2001), and although supported by HCD, died in Assembly Appropriations. Legislation to create a park rehabilitation loan fund to provide low-interest loans to parks to fix failing infrastructure – the costs of which could not be passed through to residents - died in Senate Appropriations (SB 495, Dunn, 2001). A bill to make the Mobilehome Ombudsman more responsive by, among other things, requiring follow-through on complaints within a designated time frame was vetoed (SB 122, Dunn, 2001). Other legislation to authorize levying of fines for the most serious type “A” violations was dropped for lack of support (SB 37, Dunn, 2003). A bill to require parks to include a social security or taxpayer I.D. number on park applications or renewals for permits to operate in order to more effectively enforce payment of delinquent park fees, which has been an on-going problem was also dropped (SB 1795, Costa, 2003). Legislation to authorize HCD to use a court receivership process similar to that which local authorities may utilize for conventional “stick-built” properties, as another tool to improve enforcement, was vetoed by the Governor (SB 634 Dunn, 2005).

Some of the Issues

The following are representative of some of the main health and safety code enforcement issues fielded by the committee in the last few years:

Slowness to Respond to Complaints: A consistent refrain heard by the committee for years is that enforcement agencies, both HCD and local government, are often slow to respond to complaints about specific problems in parks. Normally, complaints are received through the Mobilehome Ombudsman by phone or by submitting a complaint form through the mail or online. Complaints of an urgent nature, such as sewer back-ups or overflows, electrical outages, and the like are supposed to be handled ASAP – at least within a matter of days. Lesser priority issues, such as complaints about set-back, lot line, or illegal home or accessory installations, may take

several weeks or more for a response. Some residents claim that response times often exceed a month. Some say they have never heard back from an inspector or the department about what happened to their complaint, while the park condition still exists. However, HCD staff has usually been very responsive to constituent complaints that come through a legislator's office or that are "bird-dogged" by a legislator or the committee.

Failure to Remedy Citations & Lack of Timely Enforcement: Many complaints relate to "excessive time" taken to enforce Title 25 requirements in parks cited for violations. A number of cited violations continue to exist for years according to some complainants. One criticism is that enforcement agencies sometimes try to cut deals with park operators who won't cooperate – allegedly accepting less than full compliance with a citation. Homeowners claim there are few sanctions against park owners who continue to flaunt the law or ignore HCD citations, other than forcing closure of the park. They say HCD is mostly a "ticket writer" and district or city attorneys are often reluctant to pursue misdemeanor or civil actions against a park. Moreover, in the few instances when an enforcement agency does pull the park's permit to operate (PTO) for park violations, it is often the residents who suffer through no fault of their own when the park is closed for health and safety reasons and homeowners are forced to move or abandon their homes.

"Slumlord Parks": Most mobilehome parks in California were built before 1980, and many are now more than 50 or 60 years old with failing infrastructure, such as electrical, gas, water and sewer systems, as well as fire or other health hazards. The committee has had numerous complaints over the years from park residents and neighboring property owners concerning parks with longstanding problems and even citations for violations relating to these issues, parks that may be referred to, for lack of a better term, as "slumlord parks." Despite the fact that all parks were supposed to have been inspected at least once during the first MPM (1991-99) or second MPM (2000-2006) cycles, we are told by critics that some of these parks have somehow escaped detection. The committee has documentation on some of these parks in its files and some "slumlord parks" have been listed on HCD Task Force bi-annual briefing sheets. Although "slumlord parks" probably represent a small number of the total parks in the state, they nevertheless present a major problem for the residents of those parks as well as neighboring property owners when substandard and even dangerous housing conditions continue to exist for months or even years.

No Surprises for Park – One Sided Appearance: Homeowners say enforcement is often not equal. While some parks have consistently dragged their feet in making needed repairs and have frustrated enforcement as above-mentioned, homeowners say when it is the homeowner who fails to correct a citation within the 30- or 60-day window HCD relies on the park owner to do their work for them, since a homeowner may be subjected to eviction by the park when HCD notifies the park of the homeowner violation. Another complaint of homeowners is that while they may not receive prior warning of an inspector's visit on a complaint inspection (MPM inspections require notice by law), the park management usually if not always receives advance

notice when an inspector will be entering the park. Sometimes the manager accompanies the inspector, allegedly, in some cases, pointing out to the inspector homeowner faults or possible violations. This appearance of one-sidedness in code enforcement is a source of considerable irritation to homeowners, who feel in some cases they are being singled out or harassed by the manager as well as the inspector. Some homeowners do not understand why they are subject to “surprise” complaint inspections while the park is not. In all fairness, however, there may be some situations, such as complaints involving emergencies, or where the homeowner is not available, where an advance notice would be impractical.

Bureaucratic Run Around & Lack of Follow Through: Some residents believe they receive the bureaucratic run-around when filing complaints about health and safety complaints, sometimes being referred by HCD's Ombudsman to local agencies or even the Legislature, or by local agencies to other local or state agencies, such as the Department of Real Estate, the Department of Consumer Affairs, or the CPUC. A few have claimed they have been referred to three or four different agencies before reaching the committee and getting headed in the right direction. Many homeowners indicate that HCD inspectors or representatives seldom contact them when responding to their complaints about other violations in the park, or follow-through afterwards. Homeowners say they often never see the inspector in the park and that the condition complained about continues to exist. Homeowners also complain, as mentioned above, about lack of communication at the time the inspector cites the homeowner for a violation. HCD contends that with regard to citations against homeowners, the inspector does make an effort to knock on their doors but residents may not be home and that in any case homeowners receive a written notice of the citation. Some homeowners, however, contend that the notices are sometimes hard to read, are coded, or so generic as to make it difficult for the homeowner to specifically understand the problem. Notices do include phone numbers, but homeowners report that inspectors are often hard to reach by telephone.

HCD Information Outdated: Several complaints have focused on the inadequate or outdated information provided by the Mobilehome and RV Listing on HCD's website - incorrect park names or number of spaces, or incorrect names and addresses for park operators in some cases. Some contend more useful information could be provided if it was required at the time of application or renewal of the permit to operate (PTO). Such information might include room on a form for the address or telephone number of the enforcement agency (state or local) with jurisdiction for each park, the park's status as a senior, resident-owned, or non-profit park, and a listing of park amenities such as a clubhouse or recreational or storage facilities. HCD has made improvements on their park website listing in recent years, such as providing links to maps and locations of each park as well as park telephone numbers, but does not provide as much information as some housing agencies in other states have for mobilehome parks.

#

POSSIBLE HEARING SUGGESTIONS & ISSUES

The following are some ideas or suggestions in the form of questions that have been considered in the past or brought to the committee's attention by various parties to improve or speed up code enforcement in mobilehome parks. Witnesses may wish to comment or offer their own suggestions:

1) Is MPM inspection of 5% of the parks enough? Over the years the effectiveness of the MPM program has diminished due to the fact that the number of parks subject to a full inspection has been reduced each cycle. Currently only 5% of the parks in the state are inspected under the MPM each year. Shouldn't 100% of the parks be inspected over a 5, 7 or even 8 year period – the original reason for enactment of the MPM concept in 1990? If so, are the parties of interest – the park industry and the mobilehome owners – willing to pay higher annual fees for a better level of inspection (see also Q. 2)?

2) PTO Fee Increase? Picking up on the previous question, annual park permit to operate (PTO) fees, \$25 per park per year, plus \$2 per space have not been increased in about 30 years. The additional annual \$4 per space fee for the MPM program that began in 1991 sunsets in 2012. Yet, costs of salaries, benefits, equipment and travel have increased for government as well as the private sector over that 18 to 30 plus year period. Should the Legislature increase statutory annual PTO fees or allow HCD to establish the fees administratively based on the cost of providing the inspections?

3) Return to Local Control More Efficient? Prior to 1968, local governments had direct code enforcement authority over mobilehome parks. Local government building inspectors usually live and work in the community and already conduct inspections of neighboring conventional property, so they have less distance to travel and can make more efficient use of their time than HCD inspectors based in Riverside or Sacramento or other regional cities, who often must drive hundreds of miles to far flung counties or communities to inspect parks. Should the state park inspection program and fee revenue be returned to local government with HCD operating only in an oversight and training capacity?

4) Local Control Option in Serious Cases? Currently, HCD has jurisdiction to inspect about 75% of the parks in the state, and by agreement local governments have jurisdiction over the rest. When all else fails HCD must rely on local district attorneys to prosecute uncorrected park violations. Should local governments have the option to notify HCD and take over jurisdiction in so-called slumlord parks, if conditions are not corrected within a certain timeline, say 120 days, so they can use local enforcement tools, such as fines or receivership, to try to speed up correction of the violations? Would cities and counties have more success in getting their own district attorneys or city attorneys to prosecute these cases than HCD?

5) Dedicated State Inspector Option? Some cities have indicated a willingness to pool the sharing or payment of state costs for a state inspector who would be dedicated to focusing on and inspecting parks only in those jurisdictions that pay or share the costs, not parks in other areas. Would such an option be workable, even on a pilot program basis?

6) Should Bad Guys be Fined? Local building code officials have authority to assess citation fines for violations of local building codes that are not corrected within a certain period of time. HCD has no such authority for park violations of Title 25. Similar to the failed AB 1648 (2001), should the idea of citation fines for both park owner and homeowner violations – or at least serious violations – that go uncorrected after 60, 90, or 120 days be reconsidered?

7) Should Bad Guys be “Red Tagged”? HCD maintains a website with a list of every mobilehome park issued a permit to operate in the state, and maintains records of mobilehome park inspections under the MPM program, which are available for a fee, but the public has to obtain copies by requesting the information under the Public Records Act. Should HCD be required to “red tag” mobilehome parks on their website that have serious “A” violations uncorrected for more than say 120 days or which have failed to pay their PTO fees? Should records of mobilehome park inspections be available on the HCD website? Should local enforcement agencies be encouraged to do the same? Would “red tagging” and possible publicity about such parks as a result really serve to prompt some of them to correct their health and safety problems or pay their fees?

8) HCD Receivership Authority? Local enforcement authorities may, under State Housing Law, go to court and ask that a receivership be created for a slumlord property, as well as establish an impound account for payment of rents to the receiver, rather than the landlord, until the health and safety corrections are made. HCD, while it has primary jurisdiction over mobilehome parks, does not have similar receivership authority as an enforcement tool to speed up enforcement in so-called slumlord parks. SB 634 (2005) would have provided that authority but was vetoed. Is it time to reconsider the HCD receivership option again?

9) PTO pulled quicker? HCD’s last step before going to a district attorney to prosecute uncorrected violations is to pull a park’s permit to operate (PTO). The time may vary but can be as much as 9 months to a year or more in some cases after the violations were first cited. When the PTO is suspended, the park is noticed and the notice posted in the park. The notice indicates that the park is no longer authorized to collect rent from residents because it is no longer a legally operating park. Sometimes this fact spurs the park to correct the problems before a DA gets involved. Should the PTO be pulled more quickly, say within a timeline of 90 or 120 days of a serious citation that is not corrected?

10) Post Bonds? An enforcement agency often expends considerable effort inspecting and re-inspecting mobilehome parks with serious and continuing violations, time and money which often could be spent on responding to complaints in other parks, inspecting new manufactured home installations and issuing certificates of occupancy. Where a park’s PTO is suspended due to failure to correct serious violations, should the park be required to post a bond as insurance for future HCD inspection costs in that park?

###

TRANSCRIPT

**Senate Select Committee on
Manufactured Homes and Communities**

Senator Lou Correa

***HCD Mobilehome Park Health and
Safety Code Enforcement***

**Friday, February 29, 2008
Santa Ana, California**

SENATOR ALEX PADILLA: I want to welcome you all to this morning's hearing and introduce myself.

My name is Alex Padilla, not just a member of the Senate Select Committee but a representative of the 20th Senate District which is in the Santa Fernando Valley of Los Angeles County. I just wanted to upfront, announce, in case you hadn't heard, that the chairman of this committee, Lou Correa, was pulled away at the last minute on other legislative business. As many of you know, we have a big budget deficit facing the state, so we've told Lou he's only in charge for filling half of it and that's what's taken up some time this morning. But as a member of the committee, he asked me to chair and I absolutely said "yes", also recognizing that my district is home to 37 of the 61 mobilehome parks in Los Angeles, so it's a big issue in my district as well as here in Orange County as it is throughout the state. But that's why you see me here and not the chairman of the committee and the senator from this district, Lou Correa.

I want to take just a couple of minutes upfront to explain, how we're going to proceed throughout the course of the hearing. I want to make sure everybody here understands the difference between a select committee and our policy committees in the Senate. We have established a series of select committees that conduct hearings like this for the purposes of -- not considering specific bills -- but having conversations and providing information on certain policy areas and concerns to the state. There aren't

any bills before us for votes. A lot of times outcomes of the hearings and the testimony that we receive relates to legislative proposals and specific legislation that is then later taken up by the standing policy committees. At this point in time, no other members of this Senate select committee are here. If any do show up, we'll introduce them as they get here, but I'm not sure if we're going to see any of our other Senate colleagues today.

I do want to introduce John Tennyson, consultant to the committee, the man to the right, literally the right-hand guy, and our sergeant-at-arms for this hearing, Jodie Barnett and Tim Sonksen. And if any of you misbehave, you're going to have to contend with these gentlemen so I advise that you don't.

The issue we're going to be covering today is park health and safety and we seek new ideas or suggestions that would enable the Legislature to act in a manner that improves the condition of homes, of parks, and the general process for all involved.

Some of the complaints that the select committee has received recently alleged that HCD is slow to respond to complaints and that actual enforcement, once a citation is issued, is hampered by local D.A.s who place a low priority on prosecuting these cases, or that enforcement activity centered around a specific home is only happening as part of a dispute with park ownership. Within in my own district, I know we've recently had issues surrounding park health and safety at Blue Star Mobilehome Park and Woodly Trailer Lodge.

I want to thank appropriately the department [HCD] for their assistance in beginning to resolve these issues, as well as Neighborhood Friends. I know we have some representatives here who will be providing testimony today and thank them for continuing to keep my staff informed on these and other issues. Additionally, my Sacramento staff has scheduled with the department, a meeting in the next couple of weeks, to further the conversation on how to improve the process of this inspection activity.

So with that being said, I just want to again remind you that unfortunately this is a state government, and it's not always as quick to

react as a lot of people would like. There is a legislative process involved, but we hope to accelerate as best we can the idea to action timeframe, and part of that is providing the testimony in the real-world experience that you're all here to provide, so let's go ahead and get started.

I want to talk about a few housekeeping things, particularly a time limit. It is now about 10:37 and you have me until about 11:30, maybe for five more minutes after that, but I do have a plane to catch. I'm returning to the Capitol this afternoon. We have arranged for Mr. Tennyson to be able to continue to take testimony after my departure. But to the extent possible, we'd like anybody who's called forward to provide testimony, to keep their remarks brief and to the point. You know, we appreciate stories and real-world examples. But the sooner we can get to the crux of your testimony, the more efficient we'll be and the better being able to hear from as many of you as possible.

Background materials are available on the table near the entrance. If you haven't picked them up, help yourself. Also, because of our time period here, any of you who are willing to provide written testimony, we can certainly receive that and include that as part of the record.

Today's hearing is being recorded, so those of you who come forward—I understand these mikes are not sensitive enough so you really need to pull that microphone close to your mouth and speak up a little bit so we can get you on tape. We will be providing transcripts of all the testimony provided today.

The agenda is part of the material that's available out there, so we'll go ahead and go to it. The last thing I'll ask before calling up the first presenters is, if you have any cell phones or pagers on, please turn them off or in vibrate mode, not only out of courtesy for me and for others in the audience, but sometimes the interference of that cell phone going off makes the transcript hard to provide.

So with that, let me call forward our first group. Tim Sheahan, Samii Taylor, and Glenn Bell, please come forward and share those microphones

here. And if you'll introduce yourself and identify any organization or agency that you're with for the record, we'd appreciate that.

MR. SHEAHAN: Good morning, Senator Padilla. I want to express my appreciation to you and the committee for providing this hearing.

My name is Tim Sheahan. I'm a resident of Bella Vista Estates in San Marcos and I currently serve as president of Golden State Manufactured Homeowners League. I've been a volunteer homeowner advocate for 11 years. While the following remarks are personal observations without full endorsement of GSMOL, I feel our board would be in general agreement.

First, we encourage greater local authority, especially in rent-control areas. Local officials are in a position to monitor conditions on an ongoing basis and can react to incidents in a more timely way than state officials. There would be a need to provide greater safeguards to ensure proper education and training of these officials and oversight of their performance. We feel a listing of slumlord abusers on the Internet would add an extra level of accountability. We feel that it would be important to provide a homeowner bill of rights and a park owner code of conduct and responsibility with the MRL each year and have them posted in every clubhouse. They should be in English and Spanish and list important websites and contact information. We feel it would be helpful to create a simpler and dedicated HCD website for manufactured housing information and complaint filing. Every effort should be made to educate homeowners as to their rights.

We suggest a survey to monitor the practice of placing oversized homes on lots, which creates a greater hazard for the spread of fire. This is of particular concern for those of us who saw hundreds of manufactured homes lost in recent wildfires in Southern California.

Considering that the utility differential allowance should be adequate to fully replace utility infrastructure every 20 to 25 years, we feel limitations should be placed on the grandfathering of antiquated infrastructure and that all infrastructure should be brought to current codes.

We recommend HCD change its current policy for permits and inspections on the replacement of appliances. We feel that the \$196 fee is excessive and it actually encourages homeowners to seek unskilled and unlicensed labor to do the work. These fees as required by HCD have proven higher than similar work performed in conventional housing as charged by local government. These fees are viewed as bureaucratic gouging for something that seems to be of minimal safety risk. Fees should be waived or greatly discounted if a licensed contractor performs the work. The contractor would feel accountability and able to perform an adequate inspection on the spot without a homeowner having to wait and wonder if and when an HCD inspector might arrive to approve the replacement. Inspector visits should be documented for actual percentage of visits compared to the permits issued and timeliness of the HCD inspections.

Local government should be given more authority, at least for the most common and hazardous work performed, to help ensure a suitable and timely inspection is performed. We feel a law dealing with receivership—pardon me?

MR. TENNYSON: One minute.

MR. SHEAHAN: Okay. We feel a law dealing with receivership, such as proposed by SB 634, should be pursued. We feel it's important to take a regular inventory of all parks under HCD jurisdiction. We would continue to support the idea of an increase in annual MPM fees and encourage a development of a comprehensive program to fine offending parks which would actually generate more operating revenue for HCD.

Finally, we support giving greater authority to the attorney general to investigate and prosecute serious violations of the Health and Safety Codes. Thank you very much.

SENATOR PADILLA: Thank you, and there were a lot of good ideas and information. If you want to submit that in writing, we'd appreciate that.

MS. SAMII TAYLOR: Good morning. Thank you for the opportunity to testify this morning.

My name is Samii Taylor. I work with Windsor Group, an advocate for manufactured homeowners. Glenn Bell and I have been brought into several egregious situations involving mobilehome park condemnation and violations recently in Holtville and also out in the Valley.

One of the things that we noticed when we inspected the Holtville property, even this last Monday, was that there were still Class A violations on the part of the homeowners. The landowners have not been brought into the situation. They have not been cited as of last Monday when I spoke with Laura Fischer, Holtville's city manager. They also have no intention at this point of citing the owners of the property. And clearly, when you have open sewer lines, damaged electrical—we found one meter that was absolutely encrusted with mold from the inside. These are clearly not safe issues.

We would like to know that the owners of the property are going to be held equal to the same standards that you're holding the homeowners to. Holtville condemned 50 properties in one day, in one park, but that park owner has not been brought to bear yet.

Windsor Group supports an increase in the MPM fees in order to improve the quality of inspections, to maintain public protection, and enhance the communities. We also expect the permit-to-operate fees to be increased on a scheduled basis in order to provide enhancement to HCD projects. The permit-to-operate definitely needs a three-strikes rule put on it.

If you have situations where you have to keep going back to an owner—a park owner or a park operator—regarding fees or regarding their violations, then clearly these people do not intend to comply and they should be prevented from continuing substandard conditions. Pulling the permit will help to maintain safe business operations and protect the health and safety of the surrounding community. They should be forced to post a bond once their permit to operate is even issued. That way, there is additional incentive for compliance and actually operating a safe and healthy business, as so many of the park owners say they want to do.

I believe that the citation fines should be able to be written by HCD. Currently it's my understanding that they can write violations but they cannot write fines, excessive fines. A 30-day compliance limit is sufficient, one 30-day extension. On Day 61, fines should be assessed daily and there should be no waiver of fines. These are serious issues. Neither the park owners and operators, nor the homeowners, should be allowed to continue with violations. There's clearly a need for there to be a great deterrent to continue bad behavior.

We also ask that there be no sunset on inspections. Without inspections, these communities cannot continue to operate in the state of California. Without these communities, operating an affordable housing resource is lost. The homeowners already pay all the increased fees, so what we're asking for is value for money. We need the consumer protection to be enforced, and we need you to preserve this type of housing by making an investment in these communities through inspections.

The biggest problem that we have with local control is our fear of abuse. Clearly in Holtville and some other places, there is a sense that something is not equal. If the playing field is not level for all players, then something is not right and we ask that you please investigate that situation and try to ensure that there is a level playing field for homeowners and for business operators.

And lastly, I definitely support red-tagging the bad guys. Knowledge is power. If people intending to purchase in manufactured housing communities are unaware of what's been going on in that community for years, if they're unaware that there are actually infrastructure defects that are under investigation by the HCD, something that no one would be able to see on the surface—and rarely do people in those communities know it—there should be an HCD site where all of these things are known. These guys are not interested in being good business operators, not all of them. There are some good business operators in this industry, not all of them. Let's clean up the bad guys, put a hot list on these guys, put their faces up, put their names up.

The other thing that we definitely plead for you to do is to help break through the LLC and the LP corporate veil. If the attorney general and the district attorneys cannot identify the offenders, they cannot prosecute under the laws that they are already given powers to enforce. If you can't find what you're looking for, you cannot ever enforce the action. Please help break through that.

Lastly, one of the things that I wanted to bring to the attention of the committee was that I recently obtained an estimate to move my home. The installation permit on this estimate was listed at \$675. The HCD fee required is only \$239. It seems highly inappropriate that a contractor is allowed to profit on a state fee. The state isn't getting that money where it needs to go. Contractors are making it. So if you would investigate that, we would appreciate it.

Lastly, please realize that the state has a mandate to protect consumers and consumers have a right to know. Thank you.

SENATOR PADILLA: Thank you.

MR. GLENN BELL: Good job, Samii.

Good morning Alex, John. Name is Glenn Bell, president of Neighborhood Friends, those who don't know me.

First off...

SENATOR PADILLA: For everyone in the audience, clearly we're on a first-name basis here. (Laughter)

MR. BELL: Sorry. Senator Padilla, John, how are you?

The system as it stands is broken. As it stands right now, you could take a show of hands of all the mobile homeowners back here and ask them, How do they make a complaint to HCD? They can't tell you. Only 10 percent—remember, 67 percent of all the people who live in manufactured housing communities are senior citizens. Only 10 percent of them are computer literate. Only 10 percent of that 10 percent are Internet savvy enough to operate a PDF, and this is the only way it's accessible for anybody to make a complaint to HCD.

This is the Ombudsman poster, and almost all of the information tells them what they don't do, not what they do but what they don't do. And then on top of that, the people in the Ombudsman office are highly under-educated. They do not know how to be able to discern the information given to them, i.e., when my blow dryer goes on, my microwave won't work. So the Ombudsman says, well, it sounds like you've got faulty equipment, sends him away. And the fact is, that's a faulty electrical delivery system. However, he's not educated enough to let the people know that. So as it stands right there, there's no way for these people to actually make complaints. Nobody can find a system to do that.

Not only that, Ms. Taylor, from Windsor Group, called one of the managing directors of HCD to have them walk her through the complaint process. She could not, and we can give you the information on that as well.

Authority for inspectors: As it stands right now, I have seen with my own eyes HCD inspectors show up at mobilehome parks, and the park managers, with a background that could be no greater than a fry cook, turns to this highly educated and very qualified individual and says, "what in the F are you doing here? Why are you here?" And so when that HCD inspector does actually go after and start citing the issues, the large operators, like Kort & Scott, or Zell, or Beaumont Investment, the CMPA group, will go after that HCD inspector and have had inspectors fired, removed, and disallowed to come back into their park.

Now my background years ago was a building contractor. When a local building code enforcement officer showed up, he was treated with all due respect, and there is no respect toward these folks from HCD. So that's what I would like to, first off, is give HCD inspectors absolute parity to local health, or code enforcement officers, because if not, what you are saying as the Senate is that people who live in manufactured homes are not as valuable as everybody else.

Intimidation: Inspectors are fired and sued by the park operators if they don't act the way they want them to. This has happened before and continues to happen.

Agreements: I have licensed, respectable electrical contractors who will testify in a court of law that they have seen HCD supervisors make agreement with park operators at Blue Star knowing that the electrical system is not up to code and saying, "it's okay. We'll let it fly for now." Now that is not code enforcement, nor is it acceptable and it is criminal. So anyway, go on.

Blue Star: We have pictures I provided for your office. We have found that the whole park is more or less hot-jumped. Hot-jumped, for those who do not understand, this is a way of taking an antiquated electrical system and making it appear as though it can actually handle your system.

I just had a story of a park out in Perris with a brand new mobilehome, all electrical, that was installed. Fifteen days later, it burnt down. It was called *faulty electrical*. Well, what it really was, was a delivery system that only delivered 30 amps to a home that required 100-amp service. That meant that the wires got so hot within the walls, it actually created a fire, burnt to the ground. Insurance paid for it, but the insurance should never had to pay for it. That's insurance fraud. The fact is, federal law states that if a park owner accepts a mobilehome into their system and its demands are greater than the system, they must improve the system to meet the demands of the home. That is the law. That's federal law and state law, and that is not being complied with. As it stands right now, 85 percent of all parks in the state of California are in this electrical deficiency. Not only that, under PUC rules, as you're aware of, Mr. Padilla, Rule Number D95-02-090, states clearly from the California PUC, it is illegal to do pass-throughs for repairs or upgrades of the infrastructure, bar none. That's the law and it's never been enforced.

Rule Number 04-1111-033, all parts of PUC Rule 18, also states that all of the override, which you're familiar with, the discount system, all of that money must go into an escrow account and it's never been enforced.

All of that money has been taken as profit by the park owners and never declared because, if they declared that money, then it will constitute fraud. So where's the tax dollars on that?

SENATOR PADILLA: If I can ask you to wrap up, please.

MR. BELL: Okay. Kickbacks and graft: It was told to me that there are as many as, on a weekly basis—and this is six different inspectors who told me this—they are offered anywhere from cash, cars, prostitutes, to Laker tickets to turn their eyes in another direction. It happens on a regular basis. Right now, there's an inspector being prosecuted for taking kickbacks and so on.

One of the last suggestions as for fix-it solutions, real power to inspectors and the state to indemnify them, back them up, give them the same protections that regular inspectors have. Do a real inventory, require in one month, you can require all park operators to get the registration sticker code number and the actual homeowner of that particular home, turn it into the HCD. They could then cross-reference it on their database. And if they go back and get not just the fines but the fees, HCD fees, there would be over \$10 million dollars. It is estimated over 30 percent of the homes out there are not registered to the appropriate owner. That's \$10 million.

Then the last couple of things, in one month, you can also have HCD go to the county assessors to find out where their parks are. I've had inspectors tell me that they're sent out on inspections on parks that have been closed for ten years, or they'll be driving down the road and see a park that has never been in the system at all. John and I have had many discussions on how many parks there are, and there are hundreds of them that are not even registered.

Criminal prosecution: For the first time, the state of California, a park operator is now being criminally prosecuted for his neglect and total disrespect to the people out there. The more park operators that are prosecuted and sent to prison, the faster this industry will clean up. But it will not clean up unless you guys actually get the Attorney General involved.

It is stated in the MRL that they are the ultimate authority and they have never once prosecuted a case in the state of California, not once. So it really is that and the complaint process.

Now this is the last suggestion. In every escrow, which is required to buy a mobilehome, there should be a complaint form for HCD put into that actual escrow package required by state and an explanation sheet as to how to fill it out because it is complex. This is something I've done for a long time now, and sometimes I find difficulty finding the appropriate words to actually turn into HCD because they seem to be word hunters. Unless it's the appropriate word, they're going to pass it off.

What is really needed is some real oversight in this industry. There are operators out there who absolutely, day by day, make millions and millions and millions of dollars of profit. They double-dip on taxes. On an infrastructure repair, under the cost of doing business, they get to write it off. Under law, capital improvements, they get to write it off and they quite often double-dip there. Triple-dipping is when they pass-on the cost on top of that, so they make 300 percent off of that one investment and it's allowed every day, and there's nobody for these people to go to. I thank you very much for your time and for your attention.

SENATOR PADILLA: Thank you very much. (Applause) Clearly a mouthful.

MR. BELL: Sorry.

SENATOR PADILLA: No, it's good, a lot of great ideas, and we see the consultant feverishly taking notes.

MR. BELL: Would you like this?

SENATOR PADILLA: Yes, anything in writing is helpful to us as we pursue these ideas after today's hearing.

I'd like to call forward the next group composed of Gary Gibson, Morris Kramer, and Gloria Hannan.

MR. GARY GIBSON: Good morning, gentlemen.

SENATOR PADILLA: Good morning.

MR. TENNYSON: Good morning.

MR. GIBSON: My name is Gary Gibson. I reside in a mobilehome at 24303 Woolsey Canyon Road, Number 43, in Canoga Park. Since August 15, 2000, it has been owned by GJ Park Associates. It is comprised of three principal owners. One of the principal owners is known to have ties with Governor Schwarzenegger.

The testimony I'm about to give to you is a result of my seven years of interaction with HCD and the documents that I have and the information and belief that I have. I have brought just a few of the documents today. I'll give them to you before I leave, and I'll make more documents available to any legitimate legislative body that could investigate.

Our park has been under a continuous Notice of Violation for its electrical system since February 1, 2002, as well as a further Notice of Violation dated September 29, 2006. The electrical system is still not done. Since August 2000, we have experienced over 60 park-wide power outages, over ten park-wide water outages, and many homes had sewage backups. Myself and other residents of our park have filed a class-action suit against the owners of our park for, among other things, the owner's failure to maintain our park. HCD's entire existence is to prevent owners from failing to maintain their park via Title 25 enforcement. If HCD does its job properly, there would never be any failure to maintain lawsuits, law firms like Endeman Lincoln Turek and Heater would never have made the hundreds of millions of dollars in suing park owners for failure-to-maintain, yet it is as just disturbing to learn that HCD is often used in those cases by those attorneys as expert witnesses.

There are two concerns I wish to bring to the committee's attention worthy of investigation. They are, A) a lack of budgetary funding referred to in many higher echelon letters as directly responsible for the following:

1. The failure of HCD to enforce all health and safety issues in Title 25 unless the issue constitutes an immediate risk and /or an unreasonable risk to health and safety pursuant to Health and

Safety Section 18400.3, 18420(d). Even using the above criteria, enforcement has been spotty.

2. There is a diminished and/or almost non-existent MPM park inspection program. In the nine years I've been there, I have not seen such an MPM inspection.
3. There is a lack of properly trained manpower for HCD to operate effectively as a state agency. Now I'm relating all this back to the actual budgetary problems that they do have.
4. There are many lack of responses to residents' formal RFAs for up to several years, if at all. I have brought many such examples to HCD's attention, including RFAs of residents of park-owned homes.
5. There is a lack of follow-through, sometimes for years if at all, after a notice of violation is issued. In 1995 and 1999, HCD issued notices of violation for our park's electrical system without any follow-up. When they were found out, HCD had purged the notice from the system by using an administrative code.
6. Lack of investigation by Registration & Titling regarding investors or unlicensed mortgage lenders who fail to register homes they buy and who sell the same home over and over and over again without changing the registered or legal owner.

Statewide, this illegal activity results in hundreds of thousands of dollars in lost registration fees to HCD. It also results in millions of dollars of lost capital gains taxes to the state of California. I really don't understand why no one is looking into this. If at the end of your investigative efforts into the above, this committee is unable to secure full funding for HCD to enforce Title 25 as mandated by law, then this committee should seriously consider complete return to local control.

Second issue. There should be an immediate investigation into HCD for violating the public's trust and possible criminal wrongdoing for the following:

1. Engaging in secret contracts containing 1542 waivers with park owners in violation of public policy. HCD in our case entered into two such contracts after the owners threatened to sue HCD—one contract in August 2005 and another in October 2005. Afterward, HCD hid the existence of those contracts from me for many months. If HCD does its job under law by enforcing code, there is no need to sign any contract whatsoever or make any agreement unless those contracts would allow park owners to be non-compliant with the code. So HCD should never be entering into any contract with any park owner.
2. Possible collusion with park owners resulting in depriving residents of homeowner's rights. HCD chief counsel, Richard Friedman, stated in a letter, September 1, 2005, that every enforcement agency has the inherent authority to reach a compromise which best serves to ensure health and safety of the public while not insisting on literal compliance with each provision of law. These documents are being supplied to you today. Upon demand of our park owners, HCD reassigned many inspectors away from our park who were writing up notices of violations. Upon demand of our park owners, HCD agreed to have inspectors not talk to me at our park on my complaints.

MR. TENNYSON: One minute, Mr. Gibson, please.

MR. GIBSON: I'm almost there.

HCD did not try to prosecute our park owners for submitting false electrical reports. Even after HCD documented they knew those reports were false. HCD did not try to prosecute or take appropriate action against our park's owners for submitting false certifications on permits even after HCD confirmed those certifications were false.

3. Failure to follow their own inspections or other HCD policies and procedures as a state agency. They do not follow their procedures.

4. Failure to comply with the Federal Freedom of Information Act requesting documents. Despite HCD's legal department having this knowledge, HCD has failed many times to provide those documents; HCD is presently withholding documents from me that were requested over a year ago.

Thank you very much, gentlemen, for listening to this, and I would like to give you the documents and the statement for you to have.

SENATOR PADILLA: Thank you.

MR. MORRIS KRAMER: Take mine as well.

Gentlemen, my name is Morris Kramer. In consideration of the time, I'll make my comments short and direct.

We have been in Mountain View for 27 years. On the day that we moved in, February 1, 1981, there was an electrical outage. We're still involved in upgrading the electrical system which is, I'm going to say, just unsatisfactory. We have had outages more than 60 times in 27 years with many electrical outs, sewage in our home four times due to a stoppage in the main sewer line, water under our house because of poor grading, and we currently have a geological hazard.

This is the result of firefighting in 2006. These are issues which are health and safety and required by law for immediate action. Over the years we have asked the County of Los Angeles, the County of Ventura, and HCD for assistance. Response has been little or nothing.

The sewer line was installed initially without a cleanout at our home. That's against the code. We were forced to install a cleanout. And since the problem is, or was, in the main sewer line, not in our home, we sent in a check valve that doesn't allow the waste to come back into the house. Something needs to be changed in the system, and I'm looking to this committee to see that the action is taken. The code should be enforced. It's that simple. You need to make changes that provide the monies and the people to do it. Thank you.

SENATOR PADILLA: Thank you very much.

MS. GLORIA HANNAN: Thank you for inviting me today. My name is Gloria Hannan, and I'm from the Villa Magnolia Mobilehome Park in Westminster.

My first and largest complaint is dangers. Our streets -- we've been there 13 years -- they were due for refinishing and we were told about three years ago that that was the first thing on their agenda, to redo our streets. We still haven't, do not have it. I called and Mr. Scott Bassire, who is our new housing manufacturing manager—the park was fine until he showed up. Anyway, he tells me now, “oh, you are scheduled. They're going to do it in 2010.” Meanwhile, we have residents who ride bicycles and three-wheel bikes. It's a danger to them. They find the roads like riding on a dirt road with ruts. It's very dangerous.

Sanitation: Pet owners in the park are not obeying the rules, and nobody is enforcing the rules about picking up the droppings.

SENATOR PADILLA: Can I just ask you to hold the microphone just a little bit closer for the recording.

MS. HANNAN: Sorry.

SENATOR PADILLA: Thank you.

MS. HANNAN: Anyway, the sanitation with picking up other dogs' poop. It's not fair.

Also, we have rats in the park, and we believe this is due to the dumpsters being overfilled. The rule says, fill to the top. But the fellas that come in to pick up the dumpsters, they just do this, push off everything over the top, and leave. Now our past managers were there as soon as they left, sweeping and cleaning. We do not have that now. Nobody is enforcing this.

The shower by the pool, us girls, we do our aerobics every day in the summer, and we can't use the shower. It's dirty with mildew. That is a sanitation problem.

Also, we were without hot water for months. They kept telling us they were going to replace the water heaters. It took months to do this. Meanwhile, washing the clothes in the laundry room, most of us do it at home but there is laundry room. Most of that was in cold water. And now

we're told, "oh, the water is hot in the kitchen." It is not. We have the new heaters. But do we have to live with warm water? I think that's so dangerous.

Anyway, dirty, filthy drapes. We complained about hazards to our respiration. They removed them; they've been in the hall for 30 years, full of dust, dirt, never been vacuumed, that I know of. Anyway, they've pulled down the filthy drapes from the main part of the club house and removed them, rolled them up, put them in the closet, promised to replace them. Here it is, two years later, no new drapes. In fact, some of the drapes are still hanging in the card room and the pool room. It's nerve wracking.

Termite droppings. Here's a big one. And you go in our kitchen where we store our baking pans, termite droppings. The main clubhouse is full of termite droppings. Other places, maybe they can ignore them, but it's kind of hard to ignore them in our kitchen.

I appreciate this. Thank you very much.

SENATOR PADILLA: Thank you very much.

MR. TENNYSON: One question. What is the name of your park, please, in Westminster?

MS. HANNAN: Villa Magnolia Mobilehome Park, Westminster and McFadden.

SENATOR PADILLA: You probably had the shortest commute here this morning.

MS. HANNAN: Thank you. (Laughter)

SENATOR PADILLA: Our next panel is Jolena Voorhis and Kim Strange of HCD, Marian Merez from the City of Paramount, and Elito Santarina from the City of Carson.

For those of you obviously watching this, we have two representatives from the Department and then two representatives from local government to, in part, talk about this state responsibility versus local authority issue.

MS. JOLENA VOORHIS: Yes. Thank you, Senator. Thank you so much for inviting us today. We appreciate the time that you're spending here today. My name is Jolena Voorhis. I'm the deputy director for

legislation of HCD. I'm going to defer my time to Kim Strange who's our deputy director for the Division of Codes and Standards and she will give the testimony for HCD.

MS. KIM STRANGE: Senator Padilla and guests, it is an honor for the Department of Housing and Community Development to be asked to provide input at today's hearing on the crucial issues facing the manufactured housing communities and the industry as a whole.

My name is Kim Strange. I am the deputy director for the division of Codes and Standards, which is the division with responsibility for the enforcement of the Mobilehome and Special Occupancy Park Acts, the Manufactured Housing Act, and several other housing-related programs within California. The Mobilehome and Special Occupancy Parks Program develops, administers, and enforces uniform statewide standards with the purpose of assuring owners, residents, and users of mobilehome and special occupancy parks protection from unreasonable risks to their health and safety. The program was adopted and enforced preemptive state regulations for the construction, maintenance, occupancy, use, and design of privately owned mobilehome, and special occupancy parks throughout California.

There are approximately 4,734 mobilehome parks and manufactured housing communities in California providing a little less than 400,000 spaces in which residents may reside. HCD is responsible for inspections in 3,422 of these parks while the remaining 1,312 fall under local jurisdiction to carry out the inspections within parks in their communities. As a statewide department, we have approximately 45 inspectors in the field performing this valuable and needed health and safety function. We also have three vacant inspector positions due to recent retirements that we are currently in the process of backfilling.

In an effort to provide meaningful statistics for those attending this hearing, we would like to focus on specific activities conducted in the counties of Los Angeles and Orange for the past five years. Currently these two counties have a combined total of 848 parks with a little over 83,000 spaces. HCD has eight inspectors working these two counties.

Our handout will show that for Los Angeles and Orange counties, HCD has responded to approximately 1,500 complaint assignments over the past five years, many which required multiple inspections to bring to a close. Currently we have approximately 140 open park complaints under investigation within the two counties.

Under the Mobilehome Park Maintenance, or MPM, Program, as it is commonly known, HCD has conducted 147 full park inspections. In addition, HCD has performed an estimated 23,000 requested inspections for homeowners and park operators who have obtained a permit for some type of home alteration, installation, accessory, structure, or park maintenance item.

SENATOR PADILLA: Let me just interrupt you for a second because I see several pages of testimony there.

MS. STRANGE: A couple more.

SENATOR PADILLA: ...Which we're happy to take in writing. As opposed to this overview of the Department and how many units and how many inspectors and all that stuff, which I would hope is available both, maybe with some flyers in the back and on our website, can you spend just a couple of minutes speaking specifically to some of the concerns or questions that were raised today. I mean, I can kind of consolidate the question and concerns I'm hearing as to enforcement and the power of inspectors—you know, number one, the regularity of non-complaint-driven inspections, and number two, the response time to complaint-driven inspections. Can you give me just a couple of tidbits on how the Department...

MS. STRANGE: Actually, the handout that we have in the back addresses that, and there's quite a few copies for everyone that came today.

In our complaint area, we've been able to respond 55 percent of the time in less than 90 days and actually bring them to a close.

SENATOR PADILLA: So it's 55 percent of the time in less than 90 days?

MS. STRANGE: Yes. In a lot of cases, it takes multiple inspections to be able to do that.

SENATOR PADILLA: So that 55 percent in less than 90 days, that's the problem resolved or is that the first time...

MS. STRANGE: Yes, yes.

SENATOR PADILLA: ...or is that the first time you show up?

MS. STRANGE: No. No, no. That's actually problem resolved.

MR. TENNYSON: So 45 percent take more than 90 days?

MS. STRANGE: Yes, and there's multiple reasons for that, you know. A lot of it can be cost. One of our actual missions as a Department is to try to preserve affordable housing, so we try to work with our residents and park owners and are sensitive to the fact that it may take an effort to complete a project because of the cost. So as long as progress is being made to complete that, we work with them to accomplish that.

SENATOR PADILLA: And can you speak again just for a minute or two specifically on the question of the authority of inspectors? I heard some people testify that HCD inspectors from mobilehome parks don't quite have the same authority, if you will, as maybe a building and safety inspector would for a city or a county.

MS. STRANGE: It is true that we do not have citation authority. We hope to...

SENATOR PADILLA: Has that been something discussed internally?

MS. STRANGE: Well, we haven't discussed it internally and hope to eventually have some legislation that might gain us that authority. But as always, we work with our stakeholders to try to accomplish that.

SENATOR PADILLA: And that's why we're here, to have this conversation.

If there's one or two sort of major points you'd like to conclude with, let me ask you to do that, and then I'm eager to hear from our city representatives.

MS. STRANGE: Okay. One of the areas that I think is of concern to a lot of our stakeholders is our Ombudsman program that is a first-contact

area for many of our residents. And at one time, we had very limited hours due to staffing so we were able recently to increase our staff, and we combined that with our Registration and Titling call center and then cross-trained all of our staff which gave us now about 12 people that are fully trained in our Ombudsman program, which now increased it back to a full nine hours a day for phone service so that people have little or no waiting time, which also eliminates any chance that they can't get through on the phone, which hopefully would address the issue earlier where people who don't have the ability to use the Internet or that type of thing.

We also have been very involved in the wildfires recently down in Southern California in helping victims return to some sense of normal life, and I guess, in summary, I know that we've not met everyone's expectation that's been here today. But as a Department, we do continue to work with our stakeholders and we've been open to new and innovative ideas, as you'll hear from some of the other people, and we will continue in the future to find a better way to serve and protect the public. Thank you.

SENATOR PADILLA: And maybe this is a good transition to our city representatives.

Let me make a comment now about the budget, and then I want to hear from the city representatives. When they conclude, I'll just point out a couple of observations I've had this morning. And at that time, I will likely have to excuse myself, turn it over to Mr. Tennyson to hear the balance of the testimony, but I want to thank you all again for being here.

MS. MARIAN MEREZ: Senator and Mr. Tennyson, thank you very much for the opportunity to be here this morning.

Within the last three years, the city of Paramount has received an increased number of service requests from mobilehome park residents and from residents that are affected by activities in and/or conditions of nearby mobilehome parks. Any criminal issues that have been addressed—that have been expressed—have been addressed with existing law enforcement resources, and the city has never expected the State Department of Housing to address any criminal issues when they arise.

But the concerns and requests are not only law-enforcement-related issues. Many of the concerns are with conditions of the mobilehome parks and have to do with what residents consider unsafe conditions and/or nuisances that result from lax management, the lack of ongoing maintenance, and austere security measures at mobilehome parks.

In an attempt to assist park residents and improve the quality of life for them, the City of Paramount has tried to work with the State Department of Housing and Community Development, but we have had to deal with haphazard efforts and a lack of ongoing communication and long-term involvement.

We recently requested the assistance of Senator Alan Lowenthal to help contact—connect us—with the Department of Housing in an effort to respond to concerns from Paramount residents. Residents have an expectation that the local government address issues within mobilehome parks, no differently than we do throughout the city.

In order to ensure that we are addressing the issues that we can and that we can get the ongoing support of the Department of Housing, we have met with them and they came out and conducted an inspection at a park within the city pointing out what they can and cannot address. Our local fire-prevention office was present as well.

We were in Sacramento in January and still have some concerns. And because from our perspective, park inspections need to occur at least once a year. We feel that at a bare minimum, the annual inspections would assist in addressing a great number of the issues that arise and that the mere presence of any authority would serve to deter many problems. Park owners and residents have become very complacent because they have historically not had the ongoing visits and/or the sense that someone is out there to hold them accountable.

In Paramount, we've always realized that in working with other agencies, they themselves have constraints and other priorities. We seek to provide solutions. And to that end, we have always been very willing to work around the constraints and offer what we can just get the job done.

We've done this, for example, by hiring a part-time county housing inspector with our neighboring city of Bellflower. We've also done this by working with the DA's office and offsetting the cost of a deputy district attorney to have a dedicated DA to the city of Paramount. We have done it with probation, with animal control, and wherever we've been able to do so just to get the job done.

We are very interested in joining with our neighboring city of Bellflower again to help pay for services from the state Department of Housing in the form of a dedicated or semi-dedicated inspector for more inspections and to address complaints within our cities, mobilehome parks, and trailer parks. This is something that the state Department of Housing has said they would look into. And at this point, we would even consider providing a city-employed code enforcement officer with the necessary training and certification through the state Department of Housing just to get the inspections done annually. We did this a while back with the city using community-service officers to supplement the sheriff service by providing trained personnel to handle non-threatening criminal or non-workable report calls for service. These officers are city-employed and they render a county service using county systems and processes.

For this to work, though, we need to be sure that the state has the adequate systems and processes that we can basically run with, and there needs to be a valid program in place. And at this point, we're not really sure that that's the case, and thank you very much for your time.

SENATOR PADILLA: Thank you.

MR. ELITO SANTARINA: Good morning, Senator Padilla and staff. And out of respect, just for the record, I would also like to include in my intro greetings the members of the Senate Select Committee.

My name is Elito Santarina, and I am the elected Mayor pro Tem of the City of Carson, and I appreciate very much the opportunity to share with you and the committee my comments and concerns about this important area of state law. You may be interested to know that Carson has 23 mobilehome parks within our city, with 2,357 individual mobilehome

spaces, and approximately 80 percent of the residents of these mobilehome parks identify themselves as low- or moderate-income households. As a consequence, Carson's mobilehome parks are very important sources of affordable housing in our community.

Historically, the city of Carson, like most other municipalities, was in charge of local mobilehomes and mobilehome park inspections. It wasn't until the early '90s when additional inspection responsibilities and a mandated timetable for inspections were added by state law. However, that law did not afford cities an adequate amount of funding to undertake such a review. As a consequence, Carson and most other California cities reluctantly relinquished their mobilehome park inspection responsibilities to the state, even though I firmly believe—I am firmly convinced that cities are in the best position to conduct such inspections and to ensure mobilehome parks comply with state law.

Currently, the amount of state staff in HCD assigned to the inspection program is minimal at best. State mobilehome park inspections have stretched out further than the mandated five-year cycle. As currently outlined in state law, the state inspection of mobilehome installation and/or rehabilitation has stretched out to as much as a week's time. The inspection of mobilehomes that sell in a park and their worthiness to remain, and/or, the repairs that might have needed to be made, were totally discontinued by HCD in late 2007.

Carson, along with many, if not most other California cities, would prefer to have responsibility for the inspection of mobilehomes and mobilehome parks and hence reestablish local control. However, to do so, the state must increase the yearly fee allocated for the Park Inspection Program to at least allow cities to recover their cost of such inspections. Without a doubt, Senator Padilla, local municipalities are best situated to respond to their own community's needs in a timely fashion.

As an example, in Carson we are able to respond to building-inspection requests normally within 24 to 48 hours, and we have adequate staff available who can add mobilehomes and/or mobilehome park

inspections to their daily routes by driving an extra mile without driving tens of miles to an extra hundred miles for an inspection.

And finally, respectfully, Senator Padilla, local control over mobilehomes and mobilehome parks is clearly the optimum path for state-mandated inspections, as well as a whole host of mobilehome park issues. For example, in addition to returning local oversight of the inspection process through cities, we hope HCD, the state Senate, the state Assembly, and the Governor will all see the wisdom of passing Senate Bill 900 and returning local control to California cities with regards to the conversion of mobilehome parks. Thank you very much, the Honorable Senator Padilla.

SENATOR PADILLA: Thank you.

A couple of comments before I excuse myself. One is, on this point of resources, because I think it is absolutely important and critical that I be honest with all of you. There's a lot of good ideas and a lot of good proposals in my mind on how we can do better from an inspection standpoint to a compliant standpoint, to an accountability standpoint. But you all read the newspapers every day, just like I do, and you know what the budget situation currently is before the state. Well, that shouldn't be an excuse to not do more because there's a lot of room, I think, to do better with the resources that we have from a capacity standpoint of more inspectors, and that leads to the frequency of inspections and the timeliness of response. You know, we're looking at what can we do in the medium-to-longer term there and some innovative ideas on how we can do more with the resources currently available. And I'm particularly excited about some of the combining-resources concepts that the city of Paramount, with your neighboring cities of Bell...

MS. MEREZ: Bellflower.

SENATOR PADILLA: ...Bellflower. Those are the kinds of things that they shouldn't have to come to you to commit those resources, and you shouldn't have to be asked to stretch that way. But clearly, these are all our constituents. There are city constituents—there are state constituents—living in these mobilehome parks that, if that's what we need to do to ensure

the quality of their life and safety, then that's what we do. So I just want to publicly recognize that and thank you for that.

And to be honest with everybody here about the budget situation we're taking feverish notes on all these recommendations and suggestions and, believe me, they will all be followed up on. But for what it's worth, I wanted to comment on a couple of larger observations.

First, that local government is more able to respond. That sure was my experience in the city of Los Angeles when I served on the City Council before my election to the Senate. Now I also understand that every city is different, and sometimes it's in your interest because the city folks are more committed and more able to respond quickly. That doesn't apply to every city in the state. I have heard that from mobilehome park tenants. And so somehow, there has to be a balance of jurisdiction-by-jurisdiction of what's in the best interests of what we're trying to achieve here—local control and response versus state control and response and the resources that come with it.

To the Department, the point of conversation I'd like to follow up with you on is, what sort of data-collection system do we have? I mean, as a senator of 40, I'm sure I hear stories, just like all of my colleagues do, about the timeliness of response, the frequency of inspections, or infrequency of inspections, but I don't know how good we are at collecting all that data from the registry that some people have mentioned to just again, the sheer number of inspections on a regular basis—how many are complaint driven, how many are not. You know, 55 percent resolved within 90 days is a good start, but how do we get that to 65 and 75 and 85? And of the other 45, just some sense of how long it takes to get other issues resolved. The data just helps us in the formulation of policy and of, frankly budgeting. When we know how the Department is in getting things done quickly, we're more eager and happy to give that Department more resources because it's throwing good money after good as opposed to the alternative.

A comment on the efficiency or adequacy of electrical systems in mobilehome parks, it's something that I really haven't heard a whole heck of

a lot about amongst my colleagues, and it just dawned on me this morning. I mean, I know for single-family homes from multi-family dwellings the demands on an electrical system today isn't what it was 20 or 30 years ago. We now have microwave ovens; we have high-speed Internet; we have flat-screen televisions. That's a bigger load on the same home. In a regular community, I can imagine. But some of those additional appliances concentrated in a mobilehome park without an adequate upgraded electrical system is causing deaths, even with a partial upgrade of an electrical system. But I have a sense here that most parks or a lot of parks anyway just aren't keeping up, period.

So those are my main points. I know there are a lot more concepts and suggestions that have been made. Like I said, we'll follow up on all of them. But between that and the budget situation, that we just all need to, you know, be eyes wide open about the context of ongoing consideration of the proposals here today.

One of the handouts in the back has a list of manufactured housing and mobilehome related bills that I'd encourage you all to pick up and read, either during the hearing or as you go home, just so that you know that, yes, the Legislature is on it. It may not be a complete list in your mind, but consider it along with all the other needs of the state that are going through the legislative process.

So at this point, let me do a couple of quick things before I excuse myself.

First of all, introduce Laurie Newman, senior deputy for one of my colleagues, Senator Sheila Kuehl, who's in the audience, and she's happy to stay there and take notes or come up to the dais, if you'd like, but thank you for being here.

Let me call for the next panel—Shirley Patton and Ronald Slater—to provide their testimony and begin at this point in time to turn over the gavel to John Tennyson who will continue to take your testimony. The Rules Committee has authorized him to take official, on-the-record testimony and continue or finalize his report to this committee and the rest of the Senate.

So with that, I'm going to excuse myself. Thank you for your time; and John, here you go.

MR. TENNYSON: Okay. Thank you very much, Senator. (Applause)

We have Shirley Patton, Ronald Slater, and also Milt Burdick had been requested to appear on the panel. I didn't get that message. I guess that was phoned to the local office, so if those representatives could come forward.

Mr. Slater and Ms. Patton, do we have—okay. If there's anyone else who would also like to, who's not scheduled on the panel who would like to come forward at this time, this would be an opportunity to do so.

MR. MILT BURDICK: I just have a brief comment. This is the first time I've...

MR. TENNYSON: Milt, if you'll hold that mike up to you, as close as you can, and state your name and your city of residence, and we'll give you about five minutes.

MR. BURDICK: My name is Milt Burdick. I'm from Hollydale Mobilehome Park in Brea.

Because I was not on the schedule, I'll just briefly go over—I've got a 16-page written report for each one of the people up there that they can have.

MR. TENNYSON: Yes. If you can just summarize that, that would be appreciated, the main points.

MR. BURDICK: Yes, that's what I'm going to do. I'll just go over it kind of briefly in some areas. And one thing is, I noticed that two of the previous speakers are also from the Sierra Management Park, and they're from ones from, the one up at Sylmar, Blue Star; the other one is Lincoln Center, and there's several parks here that I don't see anybody here from—Tustin and some other parks—that are Sierra Management Parks, and there is a statewide problem with that management.

MR. TENNYSON: Milt, you're going to have to speak up a little bit, please.

MR. BURDICK: There's a statewide problem with that management company in the way they manage their parks, and one of them is the fact that there was a hillside collapse at our park. And if you go to the last page, it tells you, it gives you the history of the hillside damage so I'm not going into that.

I had a few other little comments here. Some of the things, like whoever put these together, put together the pages of summary, did an excellent job because that pretty well covers a lot of the problems that we have in these mobilehome parks, as far as problems we have in the park.

Now my testimony on Page 2 I gave an example of our HCD not performing their job and not doing inspections. I had—you know, the way they've got it spelled out there, it sounds good on paper; but in actuality it does not happen that way. Like, for instance, the hillside damage started in March of 2004, and it was a huge safety problem in our park. The city was involved; the state was involved, a lot of people involved. This did not get repaired until 2007. That's three years, four years, before any repairs were made in this park with children in the park and the hillside's about a 100 foot drop almost. I think that that should have been corrected in March during 2004 and not 2007.

MR. TENNYSON: Let me ask you a question on that, Mr. Burdick. The hillside problem, was that an issue that was dealt with by your city or by HCD?

MR. BURDICK: HCD was—the city said they couldn't help because it's private property and they have no jurisdiction over mobilehome parks in Brea and it's a state problem, not theirs. But they did help; they did cooperate with us; they did work with, which I wasn't privileged to—what Sierra Management and the city did—because I was outside of that loop. I was not involved. I was involved with HCD, and I filed a written complaint on Form 419. I never received a reply or never received an inspector to come out and tell me he's out there inspecting this hillside. To this date, I've never seen an inspector talk to me about that hillside damage. The hillside is now repaired. Now they're trying to pass through \$867,000—I

think it's around that figure—to the homeowners and billing them roughly \$27 a month for 15 years, and it's their negligence, and I don't think that's right. But anyway, that's not the issue here.

I have several attachments with my 16-page thing here. I've got some proposals on park management. You know, we say, "well, the park management is not responsible for that." It's true they're not. Well, I have an attachment too that talks about a way it could revise the Health and Safety Code to make the park owners and park management more responsive to complaints when they're filed or when they're violating their willful intent or violations of the code.

MR. TENNYSON: Just give us one example.

MR. BURDICK: Give you one? Okay. The Department shall adopt regulations regarding fines and imprisonment that are commensurate with the violation and whether it was willful or intentional. And then down below it, it says that the following people will be responsible and that the onsite manager won't be the one to pay the fine or won't be the one to serve the jail term. It will be the park owner or the park management company. There's more details if you go to ____.

MR. TENNYSON: That's enough. I've got the idea.

MR. BURDICK: One thing that was never brought up on which I think there should be some special sessions held statewide, or somewhere along the line, is rent increases. The rents in the spaces in the mobilehome parks are atrocious. Rents in a lot of the Sierra Management Parks are at \$1,000 or \$1,500 and they're going up, so we need some kind of rental assistance.

We'll never see rent control in the state of California, whether we have Republicans or Democrats or what kind of governor we have. We'll never see rent control in the state of California. We probably—some of the cities that do have rent control are going to lose them because of the cost involved of being challenged. So we need some kind of rental assistance, and in one of my attachments there I talk about the rental assistance that could help, it's a far-fetched type of proposal, but I think we need some work done to

give people rental assistance, especially low and moderate-income people. The rents are getting so high that people are walking away from their homes. They can't sell them because their rents are too high.

I had a real estate agent talk to me last week and she says, "Milt, I can't sell any spaces in your mobilehome park because your space rents are so high. Can't you do something about it?" I said, "No. They can raise it every 90 days if they choose to."

MR. TENNYSON: Milt, if you can wrap up.

MR. BURDICK: Okay. Well, I have the 16-page report and the attachments along with it, and thank you for the time and I appreciate that. Thank you.

MR. TENNYSON: Next, the gentleman in the green shirt, if you can state your name and city of residence.

MR. VON REESE: My name is Von Reese. I'm the president of our homeowners association in Orange Mobilehome Park in the city of Orange. This is my first experience here, and our homeowners association is relatively new, four or five months old, so we're kind of trying to feel our way through this and find out where we stand. Unfortunately, we have had to hire an attorney, a law firm, to deal with some issues in our park regarding maintenance. But these issues, I'll have to comment in writing since I wasn't prepared here. I just found out about this and ran right over.

MR. TENNYSON: Okay.

MR. VON REESE: My two comments at this meeting are going to be the following: We've received a number of concerns about people stating that they're unable to attend these meetings because they're held during the day. We are requesting that some of these meetings be held on occasion either in the evening or on a weekend so that more residents can come in and express or make their problems better known to our elected officials.

The other issue concerning lot reports, now I don't know if I have to pay to get a copy of the lot report from—or I mean, not the lot report, the park inspection report that the state has done. If I do, it's going to really piss me off—pardon my language—but I think that legislation or law or rules

should require lot owners to post that lot report somewhere in the park so that everybody can see it and read it.

I don't know what the last inspection results were and it's kind of frustrating. Did they do the repairs? I have no idea at this point. That's the two suggestions I have at this point. I'll have more but I'll submit those in writing.

MR. TENNYSON: Okay, sir.

MR. VON REESE: All right. Thank you.

MR. TENNYSON: Thank you for your testimony.

Next gentleman, please state your name and your city of residence.

MR. NORMAN VIGNA: My name is Norman Vigna. I'm a minority here. I'm a manager of a mobilehome park, and I'd like to speak to a couple of things based on the HCD.

MR. TENNYSON: Okay. What city are you from, sir?

MR. VIGNA: I'm from Garden Grove.

MR. TENNYSON: Okay.

MR. VIGNA: HCD expects me to be their cop. I am supposed to turn in any contractor, homeowner, handyman, or whatever that does anything that violates the HCD code as far as a permit. And if I don't and they fine them, they want to hold me responsible with fining me.

Although in talking to Sacramento about a repair permit application, the gentleman at the HCD in Sacramento said, "Where on that application does it call for your signature?"

I said, "There is no space for my signature."

He said, "then how can I, the HCD, hold you responsible for a repair on a mobilehome?"

I said, "Thank you very much."

But then HCD publishes a four-page report in the *WMA Magazine* on the requirements of repairs that require a permit in a mobilehome. And it's ridiculous, you know. And so they're looking at me to do the police work. And then when I police the contractor because the HCD inspector either does not, cannot, or will not show up, right?.... The contractor says, "I am

tired of you nobodies telling me what to do, and I have to pay this \$196 and drive to Riverside and back again. It takes one of my men half a day.”

He says, “If you take this one step farther,” he said, “I’m going to get you.

I said, “Your license is in jeopardy.”

He said, “If you tell anybody what I’ve done, I will sue you personally for defamation of character.”

And he said, “Before we’re done, even if you win, it’s going to cost you \$40,000.”

I said, “If I win and it costs me \$40,000, I’m going to own your company.”

So I don’t think the HCD is doing its job if I have to take this kind of [inaudible] from contractors that are doing repairs in my park, okay? Then when I do a home installation, which I’ve done, like 15 in two years, they come out in two days, they write it off, everything’s fine. And then if you try and corner them to get a little education out of them, each inspector—and I’ve had three who are prominent inspectors in our area—they all have a different attitude on the question I ask about me being the cop.

MR. TENNYSON: So you’re getting a conflict of...

MR. VIGNA: Absolutely. Everybody—and then when I called the supervisor in Riverside, she got so upset with me, she hung up on me.

So here I am, a park manager trying to maintain not only the state law but keep the park in a condition that is, you know, acceptable to my residents because that’s my first concern, okay? I’m in the middle, and all I am is, you know, I’m a flunky that lives in the park. Somebody has to come up with an idea. And I think this gentleman that says, the cities ought to take it over, somebody has to come up with something that’s workable for the proper inspections, the proper use of whatever’s going on in the park, be it the residents or the park, because 99 times out of 100 the resident is doing the weekend warrior work and it’s causing problems.

And this gentleman talking about a house burning down, if a new house comes into my park and it’s rated 100 amp—I have a 50-amp park—I

won't let them park the house in the lot, period. They'll take it off the lot, alright. The house is supposed to be rated when it comes from the factory. And if it burned down, that's the dealer's fault. That's not the park owner's fault. Somebody should have said "no", but nobody wants to because one guy's on the take and somebody else wants a new home, and you know what goes on with all that bureaucratic stuff. But I'm just telling you that HCD needs to sit down not just with GSMOL and not just with politicians. They need to sit down with some of the managers that see this every day, all day long, when the people are at work or doing their retired thing or whatever it is, and we actually get to see the inspectors at work and the contractors at work and how you have to wait and pay and drive and go out of your way for the HCD. There is something radically wrong with their setup.

MR. TENNYSON: Okay. What's the name of your park, sir?

MR. VIGNA: The name of my park is the Magic Lamp.

MR. TENNYSON: Okay.

MR. VIGNA: I'm in Garden Grove.

MR. TENNYSON: Thank you.

MR. VIGNA: I've been there now for five years, and I've seen everything I think a manager's going to see.

MR. TENNYSON: Okay. Thank you for your testimony.

Do we have anyone else who's an unscheduled witness who would like to speak at this time? Lady in the back, okay. Gentleman up front, okay.

Please state your name and city of residence for the record, sir.

MR. KEN FRESHOFF: Ken Freshoff. I'm staff to the Mobilehome Rent Review Board in the city of Carson. And it's very enlightening being here today. I hear a lot of these comments from a lot of the residents in Carson. I've worked there for the last 20 years and probably 15 of the years for the Rent Review Board. And John, I think if there's anything you can take back to the Senate Select Committee, it's that I think they seriously need to consider letting all of these inspections go back to the cities with

some sort of a rate increase, but this is just probably the tip of the iceberg is what you're hearing here today, and I think it's kind of scary what's going on out there. Thank you.

MR. TENNYSON: Okay. Thank you, sir.

Anyone else who's—yes, ma'am.

MS. VICKY TALLEY: This is your schedule for unscheduled?

MR. TENNYSON: Yes, this is the unscheduled speakers that weren't on the original agenda. If you could state your name and city of residence or organization who you represent for the record, please.

MS. TALLEY: Yes. And I have such a hard time hearing, I don't know if people can...

MR. TENNYSON: Hold the mike up to you as close as you can.

MS. TALLEY: Okay. Thank you very much. Vicky Talley. I'm the executive director of the Manufactured Housing Educational Trust representing Orange, Riverside, and San Bernardino County Community Owners.

Just a couple of comments. First off, thank you for this forum and I would like to express the opinion that in the future we'd like to see representation from community-owners as panelists as well because there's always—and the point of this is, of course, education, and I think that we want to gather as much education as possible. In an effort do that, I would like to request copies of all of the written documents submitted today and would like to—and we would like to add to those written comments and we'll provide those.

I think it's important from the comments heard today to realize—and I think everyone here knows—that our mobilehome parks are aging communities. And when we hear comments about utility systems and infrastructure systems failing or having issues, that's true. The systems are aging, and each community is going to be unique in terms of location and circumstance, and it has not always to do with a level of maintenance but the level of the ability of the owner to be able to afford the improvements and, if you will, the replacement of these aging utility systems, and owners'

hands are tied in many jurisdictions where they are unable to recoup the cost of improving and maintaining those systems, and I think the city of Carson is an excellent example in terms of the rent control imposed by that local government which ties the hands of those community owners in terms of being able to afford to maintain the properties.

Regarding HCD inspections, there's also a second side to that. Community owners are very concerned with the safety of the residents living in their communities. And when we talk about HCD inspections and community inspections, the other side to that, what we've heard today, seems to focus on the common-area facilities, the infrastructure and so on. There's another side to those inspections, and that's the inspections of the homes within the parks, and I think that's absolutely critical. HCD has the responsibility of inspecting homes in the parks, very important in terms of health and safety and the units that people are occupying. It is a huge issue, and you heard the tip of the iceberg, the mobilehome park manager that got up to speak. One of the issues is, you cite a resident for problem with a home, and then the enforcement of that has always been an issue for the community owners. We would like to see the enforcement of violations on the homes. We'd like to see that work better in terms of—now it falls back onto the park owner, so I think those are areas that can be improved as well.

Those are the comments that I wanted to make. I also wanted to go on record letting the people in the audience—and, of course, I think, John, you're aware of our program through the Mobilehome Park Owners Association—where we do sponsor a rental assistance program. Mr. Burdick referred to having some type of a formal statewide subsidy for mobilehome park residents. The owners of communities that are involved in the Manufactured Housing Educational Trust in Orange County provide a rental assistance program. So if there's anyone here interested in learning more about that, I'd be happy to share that information. Thank you very much.

MR. TENNYSON: Okay. Thank you very much.

And I might comment, with regard your observation that no park owners were invited, the Western Manufactured Housing Communities Association was invited to testify but they declined to participate because of timing. It's an open, public forum and it's publicized and park owners, managers, homeowners, and the general public are always invited to participate.

MS. TALLEY: And I want to thank you for providing that open forum. In the future, you certainly know how to contact the other associations, and I would suggest that in addition to contacting just one association, that you contact the contact the California Mobilehome Park Owners Alliance and Manufactured Housing Educational Trust.

MR. TENNYSON: I believe they all got press releases on this.

MS. TALLEY: Yes. No invitation to participate. So if you're extending invitations to participate, we'd like to make sure we're there with those invitations. Thank you very much.

MR. TENNYSON: Okay.

At this time, I would like to ask some of the representatives, if they're still here, of the Department of Housing, to come forward for a few last-minute general questions concerning some of the testimony we've heard today, unless there's someone else that I missed who has general observations.

Oh, sir, did you have something you want to say first?

MR. JAMES GREGORY: Yes, I do.

MR. TENNYSON: Okay. Sorry. Just hold off a minute.

Again, if you'll please state your name and city of residence for the record, please.

MR. GREGORY: My name is James Gregory, and I am a resident of Whittier, California.

What my comments are, it's about HCD. I know you've had, probably ad nauseam, some comments that are not favorable to HCD. I had an occasion to call on last Wednesday to Riverside, and that is the governing body of the park that I live in, Riverside HCD.

MR. TENNYSON: Yes, the regional office.

MR. GREGORY: Right. I got an answer out of them that I accepted, a method of turning in a complaint and the proper procedure. I had an occasion to call Sacramento and talk to an HCD person. Both had an 180-degree different opinion about my procedure. I was told I could not submit a complaint to HCD at one location, and I was told I could not get resolution unless I submitted a complaint. I'd like to find out just what the heck am I going to do or a resident here is going to do when they talk to people and get just obviously uneducated—they're wrong answers; they're totally wrong answers. How do you approach that?

I've been given a book from HCD telling me how the park is going to be inspected, why there's notification. There's no notification, I've been told by the park manager that we're going to have an inspection. There hasn't been one in nine years. The people I'm talking to in HCD said they have no intention of coming out and inspecting our park. I asked, "Will the park manager inspect my coach?" One tells me, "no." And as I read, it says, "no." I talked to the other one, he says, "yes—under Title 25, they can inspect my coach."

What's the answer? Who do I go to?

MR. TENNYSON: Well, I don't have the answer for you. Those are hypothetical questions.

MR. GREGORY: Not hypothetical. These are questions that I'm giving you...

MR. TENNYSON: We're going to let the representatives from HCD help answer those in a moment.

MR. GREGORY: Thank you very much.

MR. TENNYSON: So what you're telling us is, the issue here is the lack of uniformity among the different representatives of the Department in the complaint process, the conflicting information. I think the park manager who testified and a few other people alluded to similar problems as well.

So let's have the representatives of the department come forward...

MR. GREGORY: Thank you.

MR. TENNYSON: ...and maybe we can shine some light on it, and we'll start with that issue actually.

MR. TENNYSON: Okay. For the record, why don't you introduce yourselves again, and then the two gentlemen to your right?

MS. STRANGE: My name is Kim Strange. I'm the deputy director for the Division of Codes and Standards.

MS. VOORHIS: Jolena Voorhis. I'm the deputy director for legislation of HCD.

MR. CHRIS ANDERSON: Chris Anderson. I am the chief of field operations for the Division of Codes and Standards.

MR. SAL POIDOMANI: My name is Sal Poidomani. I'm the regional administrator.

MR. TENNYSON: Okay. I guess we'll start out with the first question we have basically that has been brought up a number of times, is that how do we deal with the complaints about conflicting information that some residents and even park managers apparently are receiving from the local office versus offices in Sacramento? Anybody want to tackle that one? How do we address that, if you even concede that's a problem, I suppose, to begin with?

MR. ANDERSON: One comment that was made by a gentleman a few minutes ago concerned the application that did not bare the park's signature, I was the person that made that comment. As soon as I was told that the inspector in the area where his park's located was requiring something additional to the park, I got a hold of the Riverside office and we clarified the issue. Unfortunately, there are times when people have some varying viewpoints on how to get the jobs done. Now our jobs are very, very difficult, technical. And as you can see by our handout, there's a lot of work that's done.

When we have a situation where there is conflicting information, it's very easy to get in touch with me; it's very easy to get in touch with Mr. Poidomani in the Riverside office.

MR. VIGNA: No, it isn't.

MR. ANDERSON: Well, you know, our phones are always on, and I do return my voicemails if I'm away from the office. Honestly, I must say, we spend a lot of time sharing the information with our field staff, with quarterly staff meetings. When there are issues that come up that suggest that the information being given to the public is incorrect, we correct it.

Now one of the issues that I have to face constantly is that the answers often given are not liked, but those are the answers. And some of you that are out in the audience right now know that I have told you on the phone or face to face, you may not like the answer but that is the answer. We're statutorily driven. Our authority comes from the statutes, and that's all our authority is.

MS. STRANGE: But I do think, in fairness to your question, that there are times, due to training issues, everything else, that we are going to have answers that are conflicting. We are always working on educating our staff. Our division is 250 people. It is somewhat of a revolving door at some of our lower, entry-level positions. People who work in the field are probably more knowledgeable and more in touch with actually what happens within a park and have a more hands-on approach than people that maybe work in headquarters and are not actually out in the field and only know technically what they read out of a book. So all I can suggest is that, if you feel you've received two conflicting answers, that you do try to seek out the expertise of someone like Chris in order to resolve that issue.

MR. TENNYSON: Okay. For the benefit of the audience, perhaps one of you could review the procedure for someone, such as the last gentleman, who seeks to file a complaint or seeks to have their space inspected, if that's possible, through the department, be it by telephoning the 1-800 number or over the internet or filing a paper complaint form. Could you go through the mechanics of that? And before you do -- whoever is going to respond -- would you indicate your name for the record because we don't have video here, so that we know who's speaking?

MR. ANDERSON: Chris Anderson. In filing a complaint, complaints can come in, in any form. They do not have to be specifically on the mobilehome park *Request for Assistance* form. It can be filed with our Ombudsman's Office; it can be filed with either our northern area office or southern area office. It can be a letter; it can be a phone call if there is an eminent hazard, eminent hazard—a sewage overflow or power outage that's more than, you know, PG&E or SPG, whoever's down here. It's been a long time since I've lived in Southern California—Edison—Southern California Edison, you know, if it's more than a blink from the power company and there's something wrong with the park and it is posing an eminent problem. All it takes is a phone call, 1-800-925-5275. That's the Mobilehome Ombudsman Complaint Line.

As Kim mentioned earlier in her testimony, we have added staff. Those of you that have been in this mix with us for many years know that at one point we had that Ombudsman line open for one hour a day. That was it. It was all we could staff it. We are now open during the entire business day. That line, when it rings, it very seldom goes over to a voicemail.

People are handled right then when they call for probably 90, 95 percent—Kim, wouldn't you say?

MS. STRANGE: Close to it. (Applause)

MR. ANDERSON: Thank you. Kim is the primary reason for that. She saw that as a very needed activity, and I want to applaud her for that one. Thank you.

When there is an eminent threat, we can get on it immediately. It's not that difficult to do. Our phones are on 24/7. Our cell phones, we have ways of getting in touch with all of our staff, and we can get people—we have gotten people out of bed at 3 o'clock in the morning to drive out to a mobilehome park because the power was gone, the electrical contractor was in there doing some emergency repairs at half speed, inspect it before the power company will turn it back on. We understand the needs that you have as residents and park operators and we respond to those.

MR. TENNYSON: Now to follow up on, you indicate that emergency or immediate issues, such as sewer, leaks, and electrical will be responded to ASAP. What about less-urgent issues...

MR. ANDERSON: Less-urgent ones, we have to prioritize.

MR. TENNYSON: What kind of response time are we looking at, approximately?

MR. ANDERSON: It varies on—you know, are we talking about some potholes in the roads? Now those can be very dangerous at times, and yet they can be just annoyances at other times. If it poses more than an unreasonable risk, we are going to be on it within seven days.

MR. TENNYSON: Who makes that determination, that discretionary determination?

MR. ANDERSON: Normally it's made at the area-office level by the supervisor. As soon as the complaint comes in, if the supervisor doesn't have enough information, we may ask the inspector to stop by in the next day or two. And if it is something that needs to be addressed sooner—it would be higher on the priority—then we would go ahead and do it then. However, keep in mind, we have appointment schedules that we have to keep. Our inspectors are very busy, and we prioritize our work based on several different items that, you know, if someone is moving into a new home, it's pretty important. If they don't have a place to live, they need that home. That's a very high-level inspection, and we try to get those done as soon as possible.

MS. HANNAN: I have a question.

MR. TENNYSON: Hold your question for just a second and we'll get right to you. In fact, if you have a question, why don't you come forward and use the mike because nobody's going to be able to hear you otherwise.

UNIDENTIFIED SPEAKER: ...use the telephone.

MR. TENNYSON: Okay. One at a time.

MR. ANDERSON: Okay. John, may I go ahead and answer the second half of that original question...

MR. TENNYSON: Yes, go ahead.

MR. ANDERSON: ...from the complaints requesting inspections to inspect the homes? There is not a statutory mandate that HCD inspect homes for resale, for someone that just wants an inspection done. That's a very low priority. The comment earlier that we stopped doing that in 2007 is incorrect. We stopped doing that 20 years ago. Now some of our staff, I must admit, have accommodated some people, trying to help them out as a customer-service issue.

Our suggestion is that you use a private inspection agency. It's the same thing that you would do on a site-built house. If you sell your house, if the lender is the one that's kind of insisting that it be inspected, who does it? It's not the city building inspector. No. It's a private inspection agency. There are many around, and many of those do understand mobilehome park and manufactured housing laws and regulations and can speak to the issues being spoken to. For HCD, simply because 45 inspectors, 58 counties in the state of California, we have to prioritize, and we cannot spend valuable resources in those kinds of inspections.

MR. TENNYSON: Okay. I'd like to move on because time again is running short, and we'll get to your question, Ms. Hannan, in a few minutes. If you'll just hold onto that question and remember it, we'll get to you.

MS. HANNAN: Thank you.

MR. TENNYSON: The next issue I'd like to pursue is the issue that's come up several times here at this hearing as well as a frequent issue that comes to us in the committee as a complaint, and that's this issue of park managers being used as code enforcers. We get two sides of this issue.

We have park managers—and the gentleman who spoke earlier is not the first one who has contacted the committee about this—and their complaint is that the inspectors basically tell them that they're on the firing line for enforcing Health and Safety Code requirements in their parks on the homeowners. Then we get the complaints from the homeowners on the flip side of that. They're contending that the park owners, or, rather, the park managers are bringing in the inspectors or when the inspectors come on a

complaint or even on the MPM and they walk around and they point out so-and-so has got the wrong patio furniture here or that they've got a bent carport strut or whatever the case may be.

Could you address this issue, generally speaking, about the use of managers as enforcers for the department?

MR. POIDOMANI: Okay. Sal Poidomani. That's a very common complaint, a very misperceived idea.

The park owners are in business of operating a business. They have an agent who's the park manager. The laws are clear that the manager or the park owner are responsible for the safe operation of the mobilehome park. There's also a statutory law or two that hold the park owner responsible to abetting nuisances or violations ultimately if they're operating a business.

What the law does allow in the Mobile Park Maintenance Inspection Program, it allows the enforcement agency to cite individual residents for the sole purpose of dealing with voluntary compliance, giving the resident enough time to correct whatever violation is bestowed on their lot and to prohibit the park from taking premature civil action to either of the parties. Now if you recall, prior to 1991, we have, every violation that we wrote, we wrote a copy to the park owner. And at that point, the park owner, their decision was to take civil action against the resident immediately which resulted in eviction and class-action lawsuits and so on. But the park manager is the key person that we as the enforcement agency have to speak with.

The statutory law requires that we hold a pre-inspection conference with the park manager prior to conducting a Mobilehome Park Maintenance inspection. The pre-inspection conference consists of meeting with the park manager, discussing the inspection process, what we're going to be looking for. We provide audio or video cassettes and booklets to the park owner and the manager, basically stating what we're going to be looking for or talk about issues that we're going to be looking for. We also provide notification and booklets for all the residents. And that way, it gives the park residents

and the park manager 30 to 60 days advanced notice that HCD is going to be conducting an MPM inspection.

MR. TENNYSON: Okay. If you can hold onto your question, we'll get to you towards the end here of this session.

If you could wrap up.

MR. POIDOMANI: Okay. But ultimately, the park owner, they're operating a business. In the case where a resident fails to comply, the law requires that we provide a copy of that notice of violation to the park. Likewise, if the park owner fails to comply, then we post that notice of violation available to the residents in a central location within the park. The law also allows a park manager to accompany the field inspector during the inspection, but it also allows the resident or a representative of the residents within a park to also accompany the inspector.

Is it true that park managers, when they do accompany the inspector, point out different things? Yes. Likewise, with the residents, when they accompany my field inspectors, they are also pointing out issues concerning the park, common areas. So it's a two-way thing here, but the law does allow compromising, does allow both parties to accompany the code inspector, okay?

MR. TENNYSON: Okay. And to tack onto that, the issue that we constantly hear about, or at least the perception with regard to homeowners who file complaints—we're not talking about MPM—and never hearing another word, they claim the inspectors never contact them. Maybe the inspector knocks on the door if they're not home, whatever. But the contention is that nothing's ever done because the problem's still there and nobody has ever gotten back to them.

Do you have a comment on that and how can a homeowner who files a complaint feel that they're getting some follow through?

MR. POIDOMANI: Well, on issues with complaints, each time we investigate a complaint—first of all, many of the complaints that come in, the complainant wishes to remain anonymous. In that particular case, there's no contact named with complainant at all.

In cases where the complainant provides us with their name and residence, the addresses, we will certainly contact the complainant, advise them of the date that they we're going to be conducting the investigation, and provide a copy of the final investigation. Okay. In many cases, because the resident's probably working, we will leave a little placard that we hang on the doorknobs of the doors just to say that we were here and that we've conducted the investigation, okay?

Every inspection report that we write, we carbon copy a request in the office to send a carbon copy of the inspection report to the complainant, unless they want to remain anonymous. I'm not going to sit here and say that there aren't times where, for whatever reason, the resident did not receive a copy. But in many cases when we do fail to provide that, we usually get a call from the complainant requesting a copy of the inspection report, and we do provide that information to them.

MR. TENNYSON: And how do they go about getting a copy of whether it's a complaint report or inspection report or a full MPM inspection report?

MR. POIDOMANI: They can, if it's a complainant wishing a copy of the investigative report, a phone call or a letter via mail or fax will suffice and we will provide them that copy. Other information, if they're willing to obtain, such as other types of records, they can submit a record-access form for that purpose, and we will provide that information.

MR. TENNYSON: All right. I just have one more question, and then we'll let the one or two people in the audience that had some specific points make theirs, and then we're going to have to wrap up because the hour of 12:30 is rapidly approaching.

One of the big issues that we've heard about, both at this hearing as well as the complaints to this committee and other legislators, such as Senator Padilla and Senator Correa and Senator Alquist, involve this issue of, I guess the 45 percent that Ms. Strange referred to—or I guess I turned it around on her—that seem to be violations that don't seem to get corrected within the 90-day period.

There have been a number of suggestions, and I'm not necessarily expecting you to comment on those as a matter of policy, such as posting 90-day-plus violators on your website or perhaps requiring a bond for parks to get their PTO back once it's been suspended and they've been reinstated, some of these ideas—how can we, because I think this is probably one of the biggest issues, how can we, both as policymakers in the Legislature as well as those who administer the enforcement of code standards, get these problems corrected in a more expeditious manner? How can we get these parks that we hear about, with the electrical problems or the sewage problems and so forth and so on, how can we get these corrected more quickly? What efforts can we make? Do you have any comments on those?

MR. POIDOMANI: Well, as you know, John...

MR. TENNYSON: I know that's a very general question.

MR. POIDOMANI: As you know, John, we, on a daily basis, we run across mobilehome park owners, and residents as well, who, for whatever reason, failed to comply with—and there's a lot of time that is given to comply. Of course, as you know, the immediate hazards of the park, compliance immediately. Other violations that are not categorized as an immediate threat or unreasonable risk, we allow 60 days for compliance. But there are remedies in the law for the enforcement agency, and there's also administrative action that we take. I'm sure you've probably read the newspaper or in the news media concerning a particular park where we had a lot of electrical hazards—we had sewage flowing—and we took immediate action. We cited the park; and in a matter of weeks, we met with the city attorney, filed a case, a complaint with the city attorney for enforcement action.

There are several remedies that are provided to the enforcement agency. One is filing a complaint with the district attorney's office or the city attorney. The other one is taking administrative action against the park. One of the administrative actions that we commonly use is suspension of the Permit to Operate. Once we suspend the Permit to Operate, basically the park cannot operate as a mobilehome park legally,

and we do that on a daily basis. We get to the point where we have exhausted all our efforts to gain voluntary compliance, and those are the remedies that we have to turn to, to get compliance.

MS. STRANGE: I do think, though, that we are looking for innovative ways and legislative ways to try to improve our options, and some were suggested today, and I think that there are possibilities of citation authority and looking at the aging infrastructure that is out there and getting park owners to try to upgrade so that there are less complaints so that—a lot of it is that many parks were built in the '60s and '70s, so we are reaching this. And as many people pointed out, many of the homes have a much higher demand now for electricity than there was in the '60s and '70s.

So these are issues that have to be addressed, and I think that in working with our stakeholders—and we have a large group and we meet on a regular basis—that we can address these issues and come to a better resolution in getting them met. I think everyone sees it as a problem. It's not just the group that's here today. We have heard these same complaints, and there is no easy, quick answer to it, no matter who is enforcing it—whether it is a local jurisdiction, whether it is HCD—these problems will continue, just because that same framework is there so...

MR. TENNYSON: Okay. Very quickly, Ms. Hannan, if you can come forward so we can hear you and you can be recorded on the recording mike. You had a question. And then the gentleman who is the park manager, if you can come forward with your question real quickly.

You had a question.

MS. HANNAN: Chris, the phone number that you gave us, I didn't get it down. May I have it again?

MR. ANDERSON: Certainly. That number is 1-800-952-5275.

MS. HANNAN: Thank you very much.

MR. VIGNA: When it comes to violations in the park or by a resident violating something in the park that I can see or anybody else can see, I don't have a problem taking care of that or doing it with HCD. But when somebody puts a water heater in, a furnace in, some other appliance that's

called for as a permitted thing, okay?, and then I go after him and it's in their house and I know it's there or somebody's witnessed it going in or whatever, what do I do? My name is not on the application for the permit. The contractor didn't come to me and say, I'm putting a water heater in. The homeowner didn't come to me and say, I'm putting the water heater in. And if they do, I say, you need a permit, and then they come back and say, you know it's \$196? I think I'm just going to take my chances, okay?

MR. ANDERSON: That's basically not your responsibility at that point, is take your chances, because it is not the park's responsibility to make sure that they have a permit if they put in a new heater.

MR. VIGNA: It's not?

MR. ANDERSON: It's not the park's responsibility. If you wanted to suggest to the resident that does take a permit from HCD, here's the phone number or here's the website address.

MR. VIGNA: I gave an application.

MR. ANDERSON: You can give them the HCD 415—thank you very much. That's great. But that really is the end of your responsibility and the conversation we had on the phone—that was a month and a half, two months ago, right? I stand by what I told you.

MR. VIGNA: Outside the house.

MR. ANDERSON: Outside the house...

MR. GREGORY: I've inquired it to be done.

MR. ANDERSON: Outside the house, it is the park's responsibility, absolutely.

MR. TENNYSON: All right.

MR. VIGNA: Thank you.

MR. TENNYSON: All right. I'm going to allow one or two more questions, and then we need to wrap it up because we're way past 12:30. So, one question each.

MR. BELL: One quick question, John.

MR. TENNYSON: Just a minute. Now take your turn. You have one question.

MR. BELL: Chris and Sal, you both know me; and the ladies, you do not.

MR. TENNYSON: State your name for the record.

MR. BELL: Glenn Bell, president of Neighborhood Friends. I'm the one that brought this case to you. I want to know why HCD has known about this failing electrical system throughout the whole—it's systemic through the whole state of California. I am told by inspectors it is the rule, not the exception, to see hot jumped either at the actual junction box or in the house themselves because of the faulty electrical coming into the house.

Why has HCD stood by and allowed that to happen for year after year after year? And believe me, I have contracts that your employees have signed disallowing parks from upgrading to current code.

MR. ANDERSON: Then give those to me because that is not acceptable. We have not stood by...

MR. BELL: You know this is with Kort & Scott Financial Group. You know that that's in the Blue Star Park.

MR. ANDERSON: Give me whatever evidence you have. I'll go after the person that is wrongfully doing the job out there.

MR. BELL: Okay.

MR. ANDERSON: But without the evidence...

MR. BELL: I gave all the evidence to Padilla.

MR. ANDERSON: ...I cannot do anything.

MR. BELL: I gave photographic evidence to everybody as for the hot jumping, and you guys know it's going on. And not only that, why is it that you guys do not enforce the PUC Rule 18, the agreement made with the park owners, to take those funds that are overpaid by the homeowners to the park operators...

MR. TENNYSON: That is not HCD's responsibility. You're talking about the PUC.

MR. BELL: I understand that that's the PUC law, is what I'm talking about. But we're talking about the infrastructure inside the park where the park owners are actually—when they are forced by you to do the repairs,

why is it that they are then allowed to go on and pass it on to the homeowners after they've already paid for it for the last 40 years?

MS. STRANGE: Can we just do the code enforcement?

MR. POIDOMANI: If I can clarify something real quickly. Mobilehome parks date back to the early 1940s.

MR. BELL: Thirties.

MR. POIDOMANI: Or '30s, actually. Different parks were constructed under different laws in some cases, okay? A park that was constructed, say, in 1950 is considered in compliance to those regulations that were in effect at that time, even though it doesn't comply with the current regulations.

Infrastructure that was installed back in 1950 is considered in compliance now. For us to have foreknowledge of what's going to break or needs repair, we don't know that until it breaks. We consider those systems in compliance until such time it breaks. When it breaks, then we take action. Then that's when we step in and we require the repairs be made.

So when you make a statement that we have foreknowledge—well, we do have foreknowledge. There are parks up there that are 50 years old, 60 years old. We know that. We don't know what the infrastructure is like because it's considered in compliance until it needs repair. And when we do receive a complaint of a faulty electrical system, we respond. There was a comment made earlier—Mr. Gibson from Mountain View estates in Canoga Park—where the park was constructed for a 150-amp park with gas. For whatever reason, gas was not installed, yet the park moved in 200-amp-plate homes into the park.

We were alerted to the problems of the electrical system. We cited the park; and unfortunately, in this particular case, it has taken so many years to comply because it was just the way the park decided to make the repairs. It started by piecemeal. We depended on a California licensed engineer to come up with a fix. And so any time we fix something, we discover something else, something else. And incidentally, by the end of this month, the electrical system will be completed in that park. We're installing the last

two transformers and cutting over to the new system. But unless we know through a complaint or other form, we can't respond to something that's not broken.

MR. TENNYSON: Okay. Let's move on to one last question and then I need to wrap up.

MR. BURDICK: My quick question is, Can you explain—some parks at HCD does not have jurisdiction over, such as Indian reservations or federal lands, stuff like that; and also there's a whole bunch of parks over here in Temecula that are not covered under the HCD rules of the Mobilehome Residency Law. Could you explain that procedure?

MR. TENNYSON: Well, my understanding is, that if you have a mobilehome park on an Indian reservation, that falls under the Bureau of Indian Affairs and they're exempt from state Health and Safety Code requirements. You also have some parks that are really not parks; they're mobilehome subdivisions and they were not created as parks, to being with, and they fall under local government requirements. There may be some other examples I'm not familiar with.

MR. ANDERSON: The other example that comes to mind, of course, is where a local city or county has assumed enforcement of those responsibilities, such as San Diego County, San Bernardino County, and Riverside County, where they are the enforcement agency for the Mobilehome Parks Act.

MR. TENNYSON: But I think he's talking about parks that aren't...

MR. ANDERSON: Parks that are not parks...

MR. TENNYSON: ...on your list.

MR. ANDERSON: ...where you have subdivisions, would be the example.

MR. TENNYSON: Okay. Well, we need to wrap up.

I appreciate everyone's patience and bearing with us with our changed schedule. The committee will review this testimony. There will be a transcript and report published within the next 30 to 45 days. Those who are witnesses will automatically receive a copy of that; and anyone else who

would like a copy needs to contact the committee. It will also be posted on our website within 45 days as well.

There may be some legislation to follow up on some of these issues, although I can assure you that the fee-increase issue will probably not be addressed this year because of budget problems.

So with that, the meeting is adjourned, and drive home safely.

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STAFF SUMMARY

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COMMENTS

STAFF SUMMARY AND COMMENTS

Summary of Testimony

The litany of complaints at the February 29th hearing concerning code enforcement and inspection of mobilehome parks by the Department of Housing and Community Development (HCD) and responses to those complaints are not new. As in the past, homeowners and residents who testified claim HCD is not responsive enough and is too slow to inspect or penalize substandard parks that don't fix their violations. Some residents believe that older parks should be "brought up" to modern standards and current code. Testimony from the industry side was representative of what has been said in the past as well. Park owners say that park common area infrastructure is expensive to repair and difficult to upgrade because rents, particularly in rent control jurisdictions, are inadequate to cover their costs. Moreover, they contend that the majority of code violations or problems are not with park common areas but with the homeowners, particularly those with older homes that don't meet current code standards. For its part, HCD representatives conceded that there is always room for improvement but appeared to take the position that, given the resources they have to work with, faults with the program are more a matter of perception than reality. Local government representatives, claiming their hands are tied by the state, also cited lack of response by HCD in dealing with "slum-like" parks in their communities, and some would like to see power returned to the locals along with more adequate revenue to do the job.

Comments

"Deal Making" issue: There was testimony that HCD officials do not follow the letter of the law or regulations in making parks comply with Title 25 standards and either drag their feet in requiring compliance or make compromises in order to achieve compliance. Some residents pointed out that if a homeowner is cited and does not comply within the statutory timeframe, HCD then notices the park of the violation, and the park may then take action to evict the homeowner. On the other hand, it is said that in some cases when the park is in violation, such as with an inadequate or faulty electrical system, the enforcement agency may allow the park many months or even years to bring the system up to code, and there are seldom any efforts to revoke a park's permit to operate or prosecute the offending park operator civilly or otherwise. However, HCD has contended, where this issue has arisen before, that the ultimate objective is not to shut parks down but to keep them open while continuing to prod the owners to fix the problems. Closing a park often hurts the residents, who are displaced, more than the park. Moreover, HCD has argued it is difficult in many cases to get district or city attorneys to prosecute park code violations, hence the need to continue to work with recalcitrant parks to try to get them to cooperate. The Legislature has adopted general statutory requirements under the Mobilehome Parks Act and has given HCD authority to adopt the specific code requirements for parks and home installations through regulation. As such, HCD representatives have argued the department has the authority to allow reasonable modifications to the regulations, as long as those modifications are consistent

with achieving a level of compliance that assures that a reasonable level of health and safety for residents is maintained. Some have suggested more specific standards be adopted by statute rather than HCD regulation, but interpretation of a statute by administrators can often lead back to this dilemma as well. The Legislature may wish to consider, as a possible resolution to this problem, giving HCD more authority to get tougher in pursuing violations – tools such as administrative citation fine authority or the power to petition a court for court-ordered receivership of parks with multiple and longstanding violations, as referenced in the background paper for this hearing. However, past attempts to obtain these kinds of enforcement tools have met with opposition from park owners, some homeowners, and even the Governor.

“Grandfathered Code” issue. In the context of the above issue, some homeowners believe parks with older electrical, water, gas, or sewer systems need to be brought up to modern code standards. An HCD representative explained, however, parks are only required under current law to meet the code to which they were built in the ‘50’s, ‘60’s or ‘70’s. As long as the park meets that code, HCD cannot require that it upgrade facilities to that required of a new park built today except in certain circumstances, such as where an existing system totally breaks down and has to be replaced. As an example, where a park has allowed too many new homes to be installed in the park with amperage needs greater than the park can supply with the existing electrical system, HCD could require all or part of the electrical system to be upgraded to avoid outages. But again, HCD inspectors have the discretion to determine at what point such a system is broken beyond repair and needs to be replaced. Legislatively requiring older parks to upgrade infrastructure across the board would be difficult to enact because of the cost to parks, which would no doubt be passed on to residents. The Legislature has looked at a few recent proposals, such as SB 1226 (Alquist, 2008) and SB 753 (Correa, 2007 – later amended out) to provide limited low-interest state loans for infrastructure rehabilitation in mobilehome parks which have low income residents or which are resident-owned, but those bills or provisions have floundered due to opposition from the state Department of Finance because of cost.

Communications issue: Communication problems between homeowners and inspectors and allegedly conflicting information provided by HCD to some parties as to code requirements was a major issue at the committee hearing. Statute already provides that it is the Legislature’s intent that enforcement agencies notify a complainant regarding a violation of the Parks Act in advance of the date the inspector visits the park, and that the enforcement agencies later contact the complainant about the inspector’s findings. Statute also requires the enforcement agency to serve notice upon a park owner or operator or a homeowner to correct a violation cited by an inspector within 10 days of the inspection personally or by first class mail, unless the violation is an immediate risk to life, health and safety requiring immediate correction, in which case the notice shall be issued and served immediately. State law also requires that the enforcement agency to give homeowners and occupants a 30-day notice of an MPM inspection and provide an audio-visual presentation to the park on the upcoming inspection. While these notices

and safeguards were built into the park inspection program, the reality in the field may be another matter. Homeowners claim that some inspectors are reluctant to talk to them. HCD contends that many times complainants are not home but that they do leave notices on their doors, which they believe is sufficient to meet the requirements of the law. With regard to written notices of citations, some homeowners contend the citations are not always clear and the inspector difficult to reach on the phone. Testimony at the hearing by one park manager that he received different answers from department officials to the same code enforcement question regarding permits, depending on what individual or office he spoke to, is reminiscent of complaints received in the past by homeowners that they receive different answers from different representatives or inspectors about violations. The audio-visual presentation given prior to Mobilehome Park Maintenance (MPM) inspections has turned out to be an older 15-minute video tape provided to each park at the initial conference with the manager. It is then up to the manager to provide a copy to residents or show the tape in the clubhouse at a meeting of homeowners. Good communication between HCD and the park management or homeowners is important to achieve better code compliance as well as fairness to both violators and complainants, but due to the human element is an issue difficult to legislate. HCD could do a better job of communicating by sending notices to complainants informing them, if not of the date, of at least the window period an inspector will be in the park, or developing a laundry list of most frequently asked questions concerning code issues that department representatives in different locations contacted by phone can use. HCD could also make the MPM audio-visual presentation available on line from their website or make copies available for a small fee upon request. Although perhaps desirable as an ideal, requiring inspectors to follow-up repeatedly until they make personal contact with every complainant or violator, particularly with limited resources, may hamper actual code enforcement as inspectors spend more time trying to reach people by phone than they spend in the field doing the inspections.

Response and Follow-Through issue: Some homeowners and residents seem to believe lack of response to complaints or follow-through is bureaucratic malaise or that inspectors or higher ups are in cahoots with park owners. Park owners may likewise see HCD as a government institution that is inefficient or not to be trusted and may – as they once suggested in the past – prefer to see the inspection program privatized in the fashion of third-party inspectors of factory built and manufactured housing in the factory. But whether perceived or real, slow response times are in most cases tied to the lack of resources, discussed below under “Fees.” If there were more inspectors and more office staff to provide better communications and follow-through, response times can be improved, just as HCD significantly improved the timeline for processing of mobilehome titles and registrations several years ago by devoting more staff and resources to that job.

Fee issue: Estimates in the recent past have varied from \$13 to \$18 a space in terms of the increase in annual fees necessary to support an “adequate” level of park inspection. There are basically only two options – raise the fees or scale back the program. In view of the fact that most if not all the parties involved with the inspection issue – the

Governor, the park industry, the homeowner groups - opposed any significant fee increases in the past – that is just what the Legislature did in the last two MPM phases, scaled back the program – most recently to 5% of the parks to be inspected per year. Despite arguments by some that HCD is not efficient enough, government agencies must pay increased salaries, benefits, transportation, overhead and other costs like private enterprise. The cost of living is much higher today, particularly with transportation and fuel costs, than when the current fee structure was enacted years ago. Additionally, the vast majority of some 4,800 mobilehome parks in the state are at least 30 years old, and many of them are over 40 to 50 years old. The majority of mobilehomes in those parks are at least 25 years old. As parks and homes age, repairs and rehabilitation of infrastructure become an issue, there are more complaints and more inspections are necessary as a result. Thus, not only are the costs of inspection rising, the need for more inspections is increasing as well, all on a fixed revenue base designed in 1974 and 1990. Despite the fact that neither park owners nor homeowners will like it, there is little question that if HCD is going to operate more than just a token inspection program, policy makers must find the political will to raise fees to cover these costs.

Local control issue: Some local government representatives testified that if authority was returned to them, along with adequate revenue to respond to complaints and perform the inspections, in most cases locals could do a better job. Their contention is that local governments already have staff in place to enforce code in conventional housing and citizens often look to and hold local officials responsible to resolve building code problems, whether in conventional housing or in mobilehome parks that are next door. They say local code enforcement officials are usually more familiar with parks in their community that present problems and can often respond to complaints and follow-through on citations more quickly than state inspectors who are spread thin throughout larger regions of the state. But the history of local government attitudes toward mobilehome parks has been mixed. Officials in some cities are sympathetic to the needs of lower income park residents and the need to preserve mobilehome parks as a form of housing in their communities. Officials in other cities, however, seem to share a NIMBY attitude reflected by some of their more well-healed constituents, that mobilehome parks are a “blight” on the community that need to be phased out. Hence, some fear complete local control over parks would, in some communities, be a license to condemn older parks, rezone the land for higher and better uses that would garner more property tax revenue for the city, and dislocate lower-income residents. The Legislature approved the assumption of state jurisdiction over code enforcement in mobilehome parks in the late 1960’s based on the argument that, with mobilehomes built to state not local code, more uniformity was needed regarding standards for installation and maintenance of the homes and maintenance of the parks in which those homes are installed. Currently, although many local governments would like to have more control over mobilehome parks, the park industry and HCD does not favor such an approach, and homeowners seem to be unsure on this issue. However, HCD can do a better job of working with local governments, particularly in the area of rundown or “problem” parks with numerous code

violations or so-called slum-like conditions. Recently, the City of Paramount requested HCD to consider assigning a “dedicated inspector” to the city – the costs for which would be supplemented by the city jointly with another adjoining city, to focus on park inspections in those cities. HCD is currently in negotiations with Paramount on fleshing out such an agreement. This could set a precedent for other cities to achieve a “stepped-up” level of park code enforcement. The Legislature should consider granting HCD further authority to enter into agreements with local governments to provide other means of better or specialized enforcement, involving perhaps training of local code enforcement officials in the Mobilehome Parks Act and Title 25, the creation of a one-time “task force” or “strike force” of local and state inspectors under the MPM program to focus on particular parks in communities with very serious code violations, sharing arrangements on fees to support such joint programs, and other such ideas.

Conclusion

HCD staff and inspectors have attempted to do what they can with limited resources in responding to health and safety violations in 4,800 MH parks and 600 RV parks, but they have done so with little help from policy makers at higher levels, many of whom have shown little understanding of these issues in recent years. HCD cited their success rate - in terms of responding to complaints and signing off on citations or resolving violations within 90 days – as 55% of the time. But looking at it from the other angle, what happens in the other 45% of the cases. How long does it take to resolve those violations? Are some of them ever resolved? Is a program with a 55% success rate good enough?

As aforementioned, the basic problem is lack of resources – money. To fix some of the problems explored at the hearing and conduct an adequate inspection of all parks over five-to-seven years may require three-to-four times the fee revenue now allocated to the program. Despite the insistence of some that government should be able to squeeze a dime out of a turnip, HCD is trying to run a full inspection program as well as a complaint program on resources that may have been adequate 15 to 30 years ago but are not realistic in terms of salaries and overhead today. Many of the issues complained of – slowness in responding to complaints or follow-through on violations, giving violators too much time to comply with citations, poor communications with parks and residents, or HCD reliance on park managers to police resident violations, for example -- can be traced to lack of resources for an adequate inspection program.

There is now a further complication. To deal with the current budget shortfall, the Governor’s recent May Budget Revision proposes, among other things, to “borrow” from dozens of special fund programs supported by fees to help balance the General Fund, including a \$2.5 million loan from the Mobilehome Park Revolving Fund. Permit to Operate (PTO) and space fees that support the park inspection program are deposited in this fund. This means HCD may have even fewer funds with which to conduct the program in the next few years. It is apparent that with the worst budget crisis the state has experienced to date, there will be few if any changes in the park inspection program

this year or in the immediate future. The best hope at this point is to focus on the future, on a hopefully better program after the current MPM program sunsets at the end of 2011. In the meantime, the MPM Task Force, composed of representatives of local agency enforcement officials, mobilehome park owners, mobilehome owners, and the Legislature, which now meets at the behest of HCD every six months to provide input and make recommendations to the department on the operation of the MPM inspection program, should begin reviewing funding and other issues addressed at this hearing and by this report. The MPM Task Force, already in place and composed of the major players involved with park code enforcement, is the logical body to review these issues and make recommendations to the Legislature for long-range changes in the program to implement by 2012. Otherwise, a return to pre-1991 complaint-based only inspections (with perhaps retention of the \$4 per space fee), or even a return to pre-1968 local control, may begin to look like more viable options.

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APPENDIX

A. Relevant 2008 Legislation

AMENDED IN SENATE MAY 7, 2008
AMENDED IN SENATE APRIL 8, 2008
AMENDED IN SENATE APRIL 2, 2008

SENATE BILL

No. 1226

Introduced by Senator Alquist
(Coauthors: Senators Oropeza and Torlakson)

February 14, 2008

An act to amend Sections 50650.3 and ~~50650.4~~, 50560.4, and 53545 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1226, as amended, Alquist. CalHome Program: *Housing and Emergency Shelter Trust Fund Act of 2006*: mobilehome parks.

Existing

(1) *Existing* law establishes the CalHome Program under the administration of the Department of Housing and Community Development and authorizes funds appropriated for purposes of the program to be used to enable low-income and very low income households to become or remain homeowners.

This bill would authorize program funds to be used for the improvement of infrastructure related to mobilehome parks by local public agencies in joint application with a mobilehome park owner, subject to certain requirements.

(2) *The Housing and Emergency Shelter Trust Fund Act of 2006* authorizes the issuance of bonds in the amount of \$2,850,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds are required to be used to finance various existing housing programs, capital outlay related to infill development,

brownfield cleanup that promotes infill development, and housing-related parks. The act establishes the Housing and Emergency Shelter Trust Fund of 2006 in the State Treasury, requires the sum of \$1,500,000,000 to be deposited in the Affordable Housing Account, which the act establishes in the fund, and requires the amount of \$300,000,000 to be transferred from the account to the Self-Help Housing Fund, to be available to the department for expenditure pursuant to the CalHome Program and the California Self-Help Housing Program.

This bill would authorize the department to expend funds made available for the CalHome Program under the bond act to cover costs associated with the rehabilitation or repair of property owned by a mobilehome park owner.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 50650.3 of the Health and Safety Code
2 is amended to read:
3 50650.3. (a) Funds appropriated for purposes of this chapter
4 shall be used to enable low- and very low income households to
5 become or remain homeowners. Funds shall be provided by the
6 department to local public agencies, local public agencies in joint
7 application with a mobilehome park owner, or nonprofit
8 corporations for any of the following:
9 (1) Grants for programs that assist individual households.
10 (2) Loans that assist development projects involving multiple
11 homeownership units, including single-family subdivisions.
12 (3) Loans for infrastructure improvements and repairs in
13 mobilehome parks.
14 (b) (1) Grant funds may be used for first-time homebuyer
15 downpayment assistance, home rehabilitation, homebuyer
16 counseling, home acquisition and rehabilitation, or self-help
17 mortgage assistance programs, or for technical assistance for
18 self-help and shared housing homeownership.
19 (2) Loan funds may be used for purchase of real property, site
20 development, predevelopment, and construction period expenses
21 incurred on homeownership development projects, permanent
22 financing for mutual housing or cooperative developments, and

1 the improvement of infrastructure related to mobilehome parks.
2 Upon completion of construction, the department may convert
3 project loans into grants for programs of assistance to individual
4 homeowners. Financial assistance provided to individual
5 households shall be in the form of deferred payment loans,
6 repayable upon sale or transfer of the homes, when they cease to
7 be owner occupied, or upon the loan maturity date. ~~Financial~~

8 (3) *Financial* assistance may be provided in the form of a
9 secured forgivable loan to an individual household to rehabilitate,
10 repair, or replace manufactured housing located in a mobilehome
11 park and not permanently affixed to a foundation. The loan shall
12 be due and payable in 20 years, with 10 percent of the original
13 principle to be forgiven annually for each additional year beyond
14 the 10th year that the home is owned and continuously occupied
15 by the borrower. Not more than 10 percent of the funds available
16 for the purposes of this chapter in a fiscal year shall be used for
17 financial assistance in the form of secured forgivable loans.

18 (3)

19 (4) Loan funds may also be used for the improvement of
20 infrastructure for mobilehome parks if the park owner can
21 demonstrate both financial need and that 50 percent or more of
22 the mobilehome owners are lower income. Loans to mobilehome
23 park owners for infrastructure shall be allocated based on the
24 proportional percentage of lower income persons residing in the
25 mobilehome park who are seeking funding. A recorded
26 affordability restriction shall ensure that the spaces in the
27 mobilehome park will be available to, and occupied by, lower
28 income households for not less than 55 years. Any portion of the
29 loan may be deferred, if necessary to achieve financial feasibility
30 for the mobilehome park.

31 (c) All loan repayments shall be used for activities allowed
32 under this section, and shall be governed by a reuse plan approved
33 by the department. Those reuse plans may provide for loan
34 servicing by the grant recipient or a third-party local government
35 agency or nonprofit corporation.

36 SEC. 2. Section 50650.4 of the Health and Safety Code is
37 amended to read:

38 50650.4. To be eligible to receive a grant or loan, local public
39 agencies, nonprofit corporations, or local public agencies in joint
40 application with a mobilehome park owner, shall demonstrate

1 sufficient organizational stability and capacity to carry out the
2 activity for which they are requesting funds, including, where
3 applicable, the capacity to manage a portfolio of individual loans
4 over an extended time period. Capacity may be demonstrated by
5 substantial successful experience performing similar activities, or
6 through other means acceptable to the department. In administering
7 the CalHome Program, the department may permit local agencies
8 and nonprofit corporations to apply their own underwriting
9 guidelines when evaluating CalHome rehabilitation loan
10 applications, following prior review and approval of those
11 guidelines by the department. The local agency or nonprofit
12 corporation may not subsequently alter its underwriting guidelines
13 with respect to the use of CalHome funds without review and
14 approval by the department. In allocating funds, the department
15 shall utilize a competitive application process, using weighted
16 evaluation criteria, including, but not limited to, the extent that the
17 program or project utilizes volunteer or self-help labor, trains youth
18 and young adults in construction skills, creates balanced
19 communities, involves community participation, or whether the
20 program or project contributes toward community revitalization.
21 To the extent feasible, the application process shall ensure a
22 reasonable geographic distribution of funds.

23 *SEC. 3. Section 53545 of the Health and Safety Code is*
24 *amended to read:*

25 53545. The Housing and Emergency Shelter Trust Fund of
26 2006 is hereby created in the State Treasury. The Legislature
27 intends that the proceeds of bonds deposited in the fund shall be
28 used to fund the housing-related programs described in this chapter
29 over the course of the next decade. The proceeds of bonds issued
30 and sold pursuant to this part for the purposes specified in this
31 chapter shall be allocated in the following manner:

32 (a) (1) One billion five hundred million dollars (\$1,500,000,000)
33 to be deposited in the Affordable Housing Account, which is
34 hereby created in the fund. Notwithstanding Section 13340 of the
35 Government Code, the money in the account shall be continuously
36 appropriated in accordance with the following schedule:

37 (A) (i) Three hundred forty-five million dollars (\$345,000,000)
38 shall be transferred to the Housing Rehabilitation Loan Fund to
39 be expended for the Multifamily Housing Program authorized by
40 Chapter 6.7 (commencing with Section 50675) of Part 2. The

1 priorities specified in Section 50675.13 shall apply to the
2 expenditure of funds pursuant to this clause.

3 (ii) Fifty million dollars (\$50,000,000) shall be transferred to
4 the Housing Rehabilitation Loan Fund to be expended under the
5 Multifamily Housing Program authorized by Chapter 6.7
6 (commencing with Section 50675) of Part 2 for housing meeting
7 the definitions in paragraphs (2) and (3) of subdivision (e) of
8 Section 11139.3 of the Government Code. The department may
9 provide higher per-unit loan limits as necessary to achieve
10 affordable housing costs to the target population. Any funds not
11 encumbered for the purposes of this clause within 30 months of
12 availability shall revert for general use in the Multifamily Housing
13 Program.

14 (B) One hundred ninety-five million dollars (\$195,000,000)
15 shall be transferred to the Housing Rehabilitation Loan Fund to
16 be expended for the Multifamily Housing Program authorized by
17 Chapter 6.7 (commencing with Section 50675) of Part 2, to be
18 used for supportive housing for individuals and households moving
19 from emergency shelters or transitional housing or those at risk of
20 homelessness. The Department of Housing and Community
21 Development shall provide for higher per-unit loan limits as
22 reasonably necessary to achieve housing costs affordable to those
23 individuals and households. For purposes of this subparagraph,
24 “supportive housing” means housing with no limit on length of
25 stay, that is occupied by the target population, as defined in
26 subdivision (d) of Section 53260, and that is linked to onsite or
27 offsite services that assist the tenant to retain the housing, improve
28 his or her health status, maximize his or her ability to live, and,
29 when possible, work in the community. The criteria for selecting
30 projects shall give priority to:

31 (i) Supportive housing for people with disabilities who would
32 otherwise be at high risk of homelessness where the applications
33 represent collaboration with programs that meet the needs of the
34 person’s disabilities.

35 (ii) Projects that demonstrate funding commitments from local
36 governments for operating subsidies or services funding, or both,
37 for five years or longer.

38 (C) One hundred thirty-five million dollars (\$135,000,000) shall
39 be transferred to the fund created by subdivision (b) of Section

1 50517.5 to be expended for the programs authorized by Chapter
2 3.2 (commencing with Section 50517.5) of Part 2.

3 (D) Three hundred million dollars (\$300,000,000) shall be
4 transferred to the Self-Help Housing Fund created by Section
5 50697.1. These funds shall be available to the Department of
6 Housing and Community Development, to be expended for the
7 purposes of enabling households to become or remain homeowners
8 pursuant to the CalHome Program authorized by Chapter 6
9 (commencing with Section 50650) of Part 2, except ten million
10 dollars (\$10,000,000) shall be expended for construction
11 management under the California Self-Help Housing Program
12 pursuant to subdivision (b) of Section 50696. *Notwithstanding any*
13 *other provision of law, the department may expend funds made*
14 *available for the CalHome Program under this subparagraph to*
15 *cover costs associated with the rehabilitation or repair of property*
16 *owned by a mobilehome park owner pursuant to paragraph (4) of*
17 *subdivision (b) of Section 50650.3.*

18 (E) Two hundred million dollars (\$200,000,000) shall be
19 transferred to the Self-Help Housing Fund created by Section
20 50697.1. These funds shall be available to the California Housing
21 Finance Agency, to be expended for the purposes of the California
22 Homebuyer's Downpayment Assistance Program authorized by
23 Chapter 11 (commencing with Section 51500) of Part 3. Up to one
24 hundred million dollars (\$100,000,000) of these funds may be
25 expended pursuant to subdivision (b) of Section 51504.

26 (F) One hundred million dollars (\$100,000,000) shall be
27 transferred to the Affordable Housing Innovation Fund, which is
28 hereby created in the State Treasury, to be administered by the
29 Department of Housing and Community Development. Funds shall
30 be expended for competitive grants or loans to sponsoring entities
31 that develop, own, lend, or invest in affordable housing and used
32 to create pilot programs to demonstrate innovative, cost-saving
33 approaches to creating or preserving affordable housing. Specific
34 criteria establishing eligibility for and use of the funds shall be
35 established in statute as approved by a $\frac{2}{3}$ vote of each house of
36 the Legislature. Any funds not encumbered for the purposes set
37 forth in this subparagraph within 30 months of availability shall
38 revert to the Self-Help Housing Fund created by Section 50697.1
39 and shall be available for the purposes described in subparagraph
40 (D).

1 (G) One hundred twenty-five million dollars (\$125,000,000)
2 shall be transferred to the Building Equity and Growth in
3 Neighborhoods Fund to be used for the Building Equity and
4 Growth in Neighborhoods (BEGIN) Program pursuant to Chapter
5 14.5 (commencing with Section 50860) of Part 1. Any funds not
6 encumbered for the purposes set forth in this subparagraph within
7 30 months of availability shall revert for general use in the
8 CalHome Program.

9 (H) Fifty million dollars (\$50,000,000) shall be transferred to
10 the Emergency Housing and Assistance Fund to be distributed in
11 the form of capital development grants under the Emergency
12 Housing and Assistance Program authorized by Chapter 11.5
13 (commencing with Section 50800) of Part 2 of Division 31. The
14 funds shall be administered by the Department of Housing and
15 Community Development in a manner consistent with the
16 restrictions and authorizations contained in Provision 3 of Item
17 2240-105-0001 of the Budget Act of 2000, except that any
18 appropriations in that item shall not apply. The competitive system
19 used by the department shall incorporate priorities set by the
20 designated local boards and their input as to the relative merits of
21 submitted applications from within the designated local board's
22 county in relation to those priorities. In addition, the funding
23 limitations contained in this section shall not apply to the
24 appropriation in that budget item.

25 (2) The Legislature may, from time to time, amend the
26 provisions of law related to programs to which funds are, or have
27 been, allocated pursuant to this subdivision for the purpose of
28 improving the efficiency and effectiveness of the program, or for
29 the purpose of furthering the goals of the program.

30 (3) The Bureau of State Audits shall conduct periodic audits to
31 ensure that bond proceeds are awarded in a timely fashion and in
32 a manner consistent with the requirements of this subdivision, and
33 that awardees of bond proceeds are using funds in compliance with
34 applicable provisions of this subdivision. The first audit shall be
35 conducted no later than one year from voter approval of this part.

36 (4) In its annual report to the Legislature, the Department of
37 Housing and Community Development shall report how funds that
38 were made available pursuant to this subdivision and allocated in
39 the prior year were expended. The department shall make the report
40 available to the public on its Internet Web site.

1 (b) Eight hundred fifty million dollars (\$850,000,000) shall be
2 deposited in the Regional Planning, Housing, and Infill Incentive
3 Account, which is hereby created in the fund. Funds in the account
4 shall be available, upon appropriation by the Legislature, and
5 subject to such other conditions and criteria as the Legislature may
6 provide in statute, for the following purposes:

7 (1) For infill incentive grants for capital outlay related to infill
8 housing development and other related infill development,
9 including, but not limited to, all of the following:

10 (A) No more than two hundred million dollars (\$200,000,000)
11 for park creation, development, or rehabilitation to encourage infill
12 development.

13 (B) Water, sewer, or other public infrastructure costs associated
14 with infill development.

15 (C) Transportation improvements related to infill development
16 projects.

17 (D) Traffic mitigation.

18 (2) For brownfield cleanup that promotes infill housing
19 development and other related infill development consistent with
20 regional and local plans.

21 (c) Three hundred million dollars (\$300,000,000) to be deposited
22 in the Transit-Oriented Development Account, which is hereby
23 created in the fund, for transfer to the Transit-Oriented
24 Development Implementation Fund, for expenditure, upon
25 appropriation by the Legislature, pursuant to the Transit-Oriented
26 Development Implementation Program authorized by Part 13
27 (commencing with Section 53560).

28 (d) Two hundred million dollars (\$200,000,000) shall be
29 deposited in the Housing Urban-Suburban-and-Rural Parks
30 Account, which is hereby created in the fund. Funds in the account
31 shall be available upon appropriation by the Legislature for
32 housing-related parks grants in urban, suburban, and rural areas,
33 subject to the conditions and criteria that the Legislature may
34 provide in statute.

O

AMENDED IN SENATE APRIL 30, 2008

AMENDED IN SENATE MARCH 24, 2008

SENATE BILL

No. 1122

Introduced by Senator Correa

January 28, 2008

~~An act to add Section 18308 to, and to amend Sections 18400.3, 18407, and 18506 of, the Health and Safety Code, relating to mobilehomes: act to amend Sections 18400.3 and 18506 of, and to add Section 18308 to, the Health and Safety Code, relating to mobilehomes.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1122, as amended, Correa. Mobilehome parks.

(1) The Mobilehome Parks Act requires certain local enforcement agencies to enter and inspect all mobilehome parks, with a goal of inspecting at least 5% of the parks per year to ensure enforcement of the act and regulations adopted under the act. The act requires the local enforcement agency to issue a notice to correct any violation of the act.

This bill would ~~require~~ *authorize* the Department of Housing and Community Development to establish, as specified, a specialized effort to provide a stepped-up level of enforcement to resolve violations that are an imminent threat to health and safety constituting an immediate risk to life, health, and safety, as defined, in mobilehome parks within the local agency's jurisdiction that makes the request, as specified.

~~This bill also would require the enforcement agency responding to a complaint of a violation of this act to make every effort to notify the complainant in advance of the date when the agency's inspector or representative is scheduled to investigate the complaint, to give the complainant an opportunity to be present to speak to the inspector or representative, and that following an inspection of the complaint, to~~

~~contact the complainant in person, by telephone, or electronic mail to advise him or her of the inspector's or representative's findings concerning the complaint. An enforcement agency, when issuing a notice of violation of this act regarding his or her home or space, would be required to make every effort to contact the registered owner, in person, by telephone, or electronic mail at the time of issuance of the citation, or within a reasonable time thereafter, to discuss the violation or answer any questions from the registered owner regarding the violation. The bill thereby would establish a state-mandated local program by imposing additional duties on local enforcement agencies.~~

(2) Existing law requires the department to convene a task force of representatives of mobilehome owners, mobilehome park operators, local enforcement agencies that conduct mobilehome park inspections, and the Legislature, at least once a year, to provide input to the department on the conduct and operation of the mobilehome park maintenance inspection program.

~~This bill would revise the task force by requiring that it include to include local enforcement agencies or officials instead of local enforcement agencies that conduct mobilehome park inspections. The task force, on or before January 1, 2010, would also be required *authorized* to review the mobilehome park maintenance inspection program as well as the department's complaint inspections, and report to the Legislature recommendations for improving the level of future mobilehome park code enforcement, as specified.~~

(3) The Mobilehome Parks Act requires an annual operating permit fee of \$25 and an additional \$2 per lot or camping party, as specified. Operating permit applications returned to the enforcement agency 30 days after the due date are subject to a penalty fee, as specified.

This bill would allow the department to require that after 60 days, in addition to payment of penalties, a mobilehome park delinquent on the payment of the annual operating permit to operate, or for which the permit to operate has been suspended due to code violations, post a bond in an amount sufficient to assure payment of future permit to operate fees and the cost of code enforcement in that mobilehome park for a specified period of time.

(4) ~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state,~~

reimbursement for those costs shall be made pursuant to these statutory provisions:

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~yes~~no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 18308 is added to the Health and Safety
2 Code, to read:

3 18308. (a) Notwithstanding Sections 18300 and 18307, the
4 department ~~shall~~ may establish, upon a 60-day notice of request
5 by a local agency, a specialized effort to provide a stepped-up level
6 of enforcement to resolve violations that are an imminent threat
7 to health and safety constituting an immediate risk to life, health,
8 and safety, as described in Section 18402, in mobilehome parks
9 within the local agency's jurisdiction that makes the request. The
10 effort may include, but not be limited to, a coordinated state-local
11 strike force of inspectors or assignment of specific state or
12 deputized local agency inspectors.

13 (b) The local agency request pursuant to this section shall be in
14 the form of a resolution approved by the governing body of the
15 local jurisdiction.

16 (c) The department shall determine which is the appropriate
17 local building department, health department, or other local
18 enforcement agency that possesses the knowledge and expertise
19 necessary to carry out enforcement in mobilehome parks in
20 accordance with this part.

21 (d) If the department determines that the local agency does not
22 meet the requirements of subdivision (c), the department may
23 provide specialized training to local agency enforcement officials
24 to assist the department with code enforcement in parks within the
25 local agency's jurisdiction.

26 (e) The period of time established for the stepped-up level of
27 code enforcement effort pursuant to this section shall be agreed
28 upon by the department and the local agency.

29 (f) The stepped-up level of code enforcement pursuant to this
30 section may be limited to specific geographic areas or specific
31 mobilehome parks as agreed upon by the department and the local
32 agency.

1 (g) Where a local agency provides a stepped-up level of code
2 enforcement in parks pursuant to this section, the department may
3 assign any or all revenue collected from fees pursuant to Section
4 18502 to the local agency for the period of time the stepped-up
5 level of code enforcement is in effect. The department may
6 additionally assess a reasonable fee to the local agency for the cost
7 of providing department training and oversight to local code
8 enforcement officials.

9 SEC. 2. Section 18400.3 of the Health and Safety Code is
10 amended to read:

11 18400.3. (a) The department shall convene a task force of
12 representatives of mobilehome owners, mobilehome park operators,
13 local enforcement agencies or officials, and the Legislature, every
14 six months, to provide input to the department on the conduct and
15 operation of the mobilehome park maintenance inspection program,
16 including, but not limited to, frequency of inspection, program
17 information, and recommendations for program changes. The
18 department shall submit a report to the task force semiannually
19 that shall include, but not be limited to, all of the following:

20 (1) The amount of fees collected and expended for the inspection
21 program.

22 (2) The number of parks and spaces that were inspected.

23 (3) The number of violations identified and progress on
24 correcting those violations.

25 (4) The most common park violations and the most common
26 homeowner violations.

27 (b) The Senate Committee on Rules and the Assembly
28 Committee on Rules shall each designate a member of its respective
29 house to be a member of the task force. Each legislative member
30 of the task force may designate an alternate to represent him or
31 her at task force meetings.

32 (c) With the input of the task force, the department may
33 reorganize violations under this part and the regulations adopted
34 pursuant to this part into the following two categories:

35 (1) Those constituting imminent hazards representing an
36 immediate risk to life, health, and safety and requiring immediate
37 correction.

38 (2) Those constituting unreasonable risk to life, health, or safety
39 and requiring correction within 60 days.

1 (d) Any matter that would have constituted a violation prior to
2 January 1, 2000, that is not categorized in accordance with
3 subdivision (c) on or after January 1, 2000, shall be of a minor or
4 technical nature and shall not be subject to citation or notation on
5 the record of an inspection conducted on or after January 1, 2000.

6 (e) (1) The Legislature finds and declares *that* there is an
7 increasing number of complaints about and a public interest in the
8 health and safety of mobilehome parks that provide housing for
9 hundreds of thousands of homeowners and residents in the state.

10 (2) On or before January 1, 2010, the task force ~~shall~~ *may* review
11 the mobilehome park maintenance inspection program as well as
12 the department's complaint inspections, and report to the
13 Legislature recommendations for improving the level of future
14 mobilehome park code enforcement. The report ~~shall~~ *may* include,
15 but not be limited to, the program's fee structure, the effectiveness
16 of citation fines and receivership authority, the need for better
17 communication with park operators and homeowners, notice
18 requirements, the role of local government in enforcement, and
19 the need to reorganize Part 2.1 (commencing with Section 18200)
20 of Division 13 for better clarity and understanding.

21 ~~SEC. 3. Section 18407 of the Health and Safety Code is~~
22 ~~amended to read:~~

23 ~~18407. (a) The Legislature finds and declares that the health~~
24 ~~and safety of mobilehome park occupants is a matter of public~~
25 ~~interest and concern.~~

26 ~~(b) Pursuant to a complaint about a violation of this part to the~~
27 ~~enforcement agency, the enforcement agency shall make every~~
28 ~~effort to notify the complainant in advance of the date when the~~
29 ~~agency's inspector or representative is scheduled to investigate~~
30 ~~the complaint, to give the complainant an opportunity to be present~~
31 ~~to speak to the inspector or representative, and that following an~~
32 ~~inspection of the complaint, the agency contact the complainant~~
33 ~~in person, by telephone, or electronic mail to advise him or her of~~
34 ~~the inspector's or representative's findings concerning the~~
35 ~~complaint.~~

36 ~~(c) Pursuant to the issuance of a citation of a homeowner for a~~
37 ~~code violation regarding his or her home or space, the enforcement~~
38 ~~agency shall make every effort to contact the registered owner of~~
39 ~~the manufactured home or mobilehome in person, by telephone,~~
40 ~~or electronic mail at the time of issuance of the citation or within~~

1 a reasonable time thereafter to discuss the violation or answer
2 questions from the registered owner regarding the violation:

3 ~~SEC. 4.~~

4 *SEC. 3.* Section 18506 of the Health and Safety Code is
5 amended to read:

6 18506. (a) Permits to operate shall be issued by the
7 enforcement agency. A copy of each permit to operate shall be
8 forwarded to the department. No permit to operate shall be issued
9 for a park when the previous operating permit has been suspended
10 by the enforcement agency until the violations which were the
11 basis for the suspension have been corrected.

12 (b) No park that was in existence on September 15, 1961, shall
13 be denied a permit to operate if the park complied with the law
14 that this part supersedes.

15 (c) Permits to operate shall be issued for a 12-month period and
16 invoiced according to a method and schedule established by the
17 department.

18 (d) Permit applications returned to the enforcement agency 30
19 days after the due date shall be subject to a penalty fee equal to 10
20 percent of the established fee. The penalty fee for submitting a
21 permit application 60 or more days after the due date shall equal
22 100 percent of the established permit fee.

23 (e) After 60 days, the department may require that, in addition
24 to payment of penalties, a park delinquent on the payment of the
25 annual permit to operate, or for which the permit to operate has
26 been suspended due to code violations, post a bond in an amount
27 sufficient to assure payment of future permit to operate fees and
28 the cost of code enforcement in that park for a period of time to
29 be determined at the discretion of the department.

30 (f) Penalties, any bond required, and the established permit fees
31 shall be paid or posted prior to issuance of the permit, and the fee
32 and 100 percent penalty shall be due upon demand of the
33 enforcement agency for any park which has not applied for a
34 permit.

35 ~~SEC. 5.~~ If the Commission on State Mandates determines that
36 this act contains costs mandated by the state, reimbursement to
37 local agencies and school districts for those costs shall be made

1 pursuant to Part 7 (commencing with Section 17500) of Division
2 4 of Title 2 of the Government Code.

O

B. HCD Statement

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF CODES AND STANDARDS**

1800 Third Street, Room, 260, P.O. Box 1407
Sacramento, CA 95812-1407
From TDD Phones 1 (800) 735-2929
(916) 445-9471 FAX (916) 327-4712
www.hcd.ca.gov



Background

The Department of Housing and Community Development's Division of Codes and Standards has responsibility for developing and administering seven major housing related programs implemented statewide. Our Division's field inspectors have direct enforcement responsibilities in four of the seven statewide programs. The information herein focuses on two of those programs; the Mobilehome and Special Occupancy Park Program and the Manufactured Housing Program.

The Mobilehome and Special Occupancy Parks Program develops, administers and enforces uniform statewide standards with the purpose of assuring owners, residents, and users of mobilehome and special occupancy parks (RV parks), protection from unreasonable risks to their health and safety. The Program has adopted and enforces preemptive state regulations for the construction, maintenance, occupancy, use, and design of privately owned mobilehome and special occupancy parks throughout California.

The Manufactured Housing Program develops and administers standards for the construction and alteration of manufactured homes and multi-unit manufactured homes. Program office staff members and field inspectors also performs activities on behalf of the U.S. Department of Housing and Urban Development (HUD), as a State Administrative Agency within the Manufactured Housing Program.

The information on the following pages represents an analysis covering 5-year of the Division of Codes and Standards' field activities conducted on assignments in Los Angeles and Orange Counties between January 1, 2003 and December 31, 2007. These activities only include mobilehome and special occupancy parks construction type inspections; complaint investigations; manufactured housing installation inspection; park maintenance inspections; manufactured housing alteration inspections.

During the 5-year reporting period, HCD has responded to approximately 10,700 mobilehome accessory structure (AS) and park (MP) construction inspections; 1,644 park type complaint assignments, many of which require multiple inspections to bring to a close. Additionally, our field inspectors conducted approximately 5,800 manufactured home installation inspections; 7 mobilehome park maintenance inspections (MPM-PI) with 433 reinspections (MPM-PIR); and 6,300 mobilehome alteration type inspections.

Los Angeles Co. Activities**Orange Co. Activities****Mobilehome Park Complaint Activities**

Closed Assignments	1,150	Closed Assignments	351
Open Assignments	125	Open Assignments	15
Assignment complete within:		Assignment complete within:	
24 Hours (92 Assignments)	8%	24 Hours (26 Assignments)	7%
1 to 7 days (96 Assignments)	8%	1 to 7 days (28 Assignments)	8%
8 to 30 day (145 Assignments)	13%	8 to 30 day (100 Assignments)	28%
31 to 60 days (199 Assignments)	17%	31 to 60 days (43 Assignments)	12%
61 to 90 days (97 Assignments)	8%	61 to 90 days (27 Assignments)	7%
Total % Closed within 90 days:	55%	Total % Closed within 90 days:	64%

Mobilehome Park and Accessory Structure Construction Activities

Closed Assignments	5,902	Closed Assignments	4,710
Open Assignments	329	Open Assignments	126
Assignment complete within:		Assignment complete within:	
24 Hours (907 Assignments)	15%	24 Hours (805 Assignments)	17%
1 to 7 days (400 Assignments)	7%	1 to 7 days (516 Assignments)	11%
8 to 30 day (1228 Assignments)	21%	8 to 30 day (1325 Assignments)	28%
31 to 60 days (857 Assignments)	14%	31 to 60 days (658 Assignments)	14%
61 to 90 days (526 Assignments)	9%	61 to 90 days (346 Assignments)	7%
Total % Closed within 90 days:	66%	Total % Closed within 90 days:	77%

Manufactured Home Installation Activities

Closed Assignments	3,477	Closed Assignments	2,335
Assignment complete within:		Assignment complete within:	
24 Hours (565 Assignments)	16%	24 Hours (412 Assignments)	17%
1 to 7 days (911 Assignments)	26%	1 to 7 days (877 Assignments)	38%
8 to 30 day (1,201 Assignments)	35%	8 to 30 day (811 Assignments)	35%
31 to 60 days (369 Assignments)	11%	31 to 60 days (143 Assignments)	6%
61 to 90 days (119 Assignments)	3%	61 to 90 days (50 Assignments)	2%
Total % Closed within 90 days:	91%	Total % Closed within 90 days:	98%

Manufactured Home Alteration Inspection Activities

Closed Assignments	2,751	Closed Assignments	3,174
Open Assignments	244	Open Assignments	121
Assignment complete within:		Assignment complete within:	
24 Hours (169 Assignments)	6%	24 Hours (190 Assignments)	6%
1 to 7 days (226 Assignments)	8%	1 to 7 days (383 Assignments)	12%
8 to 30 day (727 Assignments)	26%	8 to 30 day (1,038 Assignments)	33%
31 to 60 days (518 Assignments)	19%	31 to 60 days (578 Assignments)	18%
61 to 90 days (308 Assignments)	12%	61 to 90 days (323 Assignments)	10%
Total % Closed within 90 days:	71%	Total % Closed within 90 days:	77%

Mobilehome Park Maintenance Inspection Activities

Number of Parks Inspected:	115	Number of Parks Inspected:	32
Number of Reinspections:	321	Number of Reinspections:	112
No. of Notice of Violations issued:		No. of Notice of Violations issued:	
Parks	104	Parks	25
Resident	2,709	Resident	1,344

Senate Select Committee on Manufactured Homes and Communities Hearing

HCD Draft Testimony

Santa Ana – February 29, 2008

Senator Padilla, members of the Committee, and guests, it is an honor for the Department of Housing and Community Development to be asked to provide input at today's hearing on the crucial issues facing the manufactured housing communities and the industry as a whole. My name is Kim Strange. I am the Deputy Director for the Division of Codes and Standards which is the division with responsibility for enforcement of the Mobilehome and Special Occupancy Park Acts, the Manufactured Housing Act and several other housing related programs within California.

The Mobilehome and Special Occupancy Parks Program develops, administers and enforces uniform statewide standards with the purpose of assuring

owners, residents, and users of mobilehome and special occupancy parks (RV parks), protection from unreasonable risks to their health and safety. The Program has adopted and enforces preemptive state regulations for the construction, maintenance, occupancy, use, and design of privately owned mobilehome and special occupancy parks throughout California.

There are approximately 4,734 mobilehome parks and manufactured housing communities in California providing a little less than 400,000 spaces in which residents may reside. HCD is responsible for inspections in 3,422 of these parks while the remaining 1,312 fall under local jurisdictions to carry out the inspections within parks in their communities. As a statewide department we have approximately 45 inspectors in the field performing this valuable and needed health and safety function. We also have three vacant inspector positions, due to recent

retirements, that we are currently in the process of backfilling.

In an effort to provide meaningful statistics for those attending this hearing, we would like to focus on specific activities conducted in the counties of Los Angeles and Orange for the past 5 years. Currently these 2 counties have a combined total of 848 parks with a little over 83,000 spaces. HCD has 8 inspectors working these 2 counties.

Our handout will show that for L.A. and Orange Counties, HCD has responded to approximately 1,500 complaint assignments over the past 5 years, many of which require multiple inspections to bring to a close. Currently, we have approximately 140 open park complaints under investigation within the 2 counties. Under the Mobilehome Park Maintenance or MPM program as it is commonly known, HCD has conducted 147 full park inspections. In addition, HCD has performed an estimated 23,000 requested

inspections for homeowners and park operators who might have obtained a permit for some type of home alteration, installations, accessory structure or park maintenance item. This combines for more than 25,000 inspections and reinspections having been addressed by our field staff during the past 5 years in L.A. and Orange Counties alone.

Recently HCD has increased the Ombudsman staff by 2 employees centralizing them in the Registration and Titling Call Center then cross-training all staff to perform both functions. This has now enabled us to return to a full 9 hours of phone service each working day for the Ombudsman program with little or no waiting time. It has also ensured we will be able to provide the necessary phone coverage needed should illness and/or vacation arise when you have such a small staffed program. We have made a few other internal changes in an effort to triage these calls quicker and get them to the appropriate program for resolution.

HCD makes a diligent effort to respond to any imminent health and safety risk in 24 hours or less. On many occasions our inspectors have been called in the middle of the night or on weekends due to a sewage spill and/or power outage to work with local enforcement agencies and utility companies to assure the safety of the residents. Most recently the Southern California Wild Fires required weekends, holidays and long hours of HCD expertise to help victims piece their lives back together. It is important for reasons like these that HCD prioritize our calls as well as our inspections and investigations. Due to the budgetary times that California is facing it is imperative that HCD make the best use of travel and inspection time.

As a Department it is also our mission to preserve all forms of housing so we work very hard with both residents and park owners to have violations corrected in as timely a manner as possible. HCD is

sensitive to the amount of time and expense it may take to complete a project or make necessary repairs following the issuance of a Notice of Violation and Correction Order. Therefore, providing continuous positive progress is being made to correct the violations, we work with both the residents and park owners alike to achieve the goal of a safer and healthier community for everyone.

In summary, I know we may have not met the expectation of every interested party here today. However, as a Department we continue to work with our stakeholders to improve our process. We have been open to new and innovative ideas and will continue in the future to find better ways to serve and protect the public.

Thank You

C. Statements and Information

Submitted by Residents

SENATE SELECT COMMITTEE ON MANUFACTURED HOMES & COMMUNITIES

SENATOR LOU CORREA, CHAIR

Hearing date: February 29, 2008

Testimony of: Gary Gibson

To the honorable Senator Correa and other distinguished committee members,

My name is Gary Gibson. I reside in a mobile home at 24303 Woolsey Cyn Rd. #43 in Canoga Park, Ca. 91304 in a mobilehome park named Mountain View Estates. Since August 15, 2000 it has been owned by G.J. Park Associates. It is comprised of three principle owners. One of the principle owners is known to have ties with Governor Schwarzenegger.

The testimony I am about to give is a result of my seven years of interaction with the Department of Housing and Community Development (HCD), the documents I have and on information and belief. I have brought just a very few of the extensive documents I have for the Committee's review and will make available whatever other documents this Committee or other legitimate investigative body may be interested in.

Our Park has been under a continuous Notice of Violation for its electrical system since February 01, 2002 as well as a further Notice of Violation dated September 29, 2006. The electrical system is still not done. Since August 2000 we experienced over 60 parkwide power outages, over 10 parkwide water outages and many homes had sewage back-ups.

Myself and other residents of our park have filed a class action suit against the owners of our park for among other things, the owners Failure to Maintain our park. HCD's entire existence is to prevent owners from failing to maintain their parks via Title 25 enforcement. If HCD does its job properly there would never be any Failure to Maintain lawsuits. Law firms like Endeman Heater would never have made the hundreds of millions of dollars in suing park owners for Failure to Maintain. Yet, it is just as disturbing to learn that HCD is often used as these lawyers paid Expert Witnesses.

There are 2 concerns I wish to bring to this Committee's attention worthy of investigation. They are as follows:

- A) The lack of budgetary funding referred to in many higher echelon letters is directly responsible for the following:
1. The failure of HCD to enforce all Health & Safety issues in Title 25 unless the issue "***constitutes an immediate risk and/or unreasonable risk to health and safety pursuant to H&S code section 18400.3 and 18420(d).***"
Even using the above criteria enforcement has been spotty at best.
 2. There is diminished or almost non-existent MPM park inspection program enforcement.
In the 9 years I have lived at Mountain View there has not been such an inspection.
 3. There is a lack of properly trained manpower for HCD to operate effectively as a State Agency.
 4. There are many lack of responses to a resident's formal Request for Assistance for up to several years if at all.
I have brought many such examples to HCD's attention including RFA's of residents of Park owned homes
 5. There is a lack of follow thru, sometimes for years if at all, after a Notice of Violation is issued.
In 1995 and 1999 HCD issued Notices of Violation for our Park's electrical system without any follow up. When they were found out,, HCD has purged the Notice from the system by using an Administrative Code.

6. Lack of investigation by Registration and Titling regarding investors or unlicensed Mortgage Lenders who fail to register homes they buy and who sell the same home over and over and over without changing the registered or legal owner.

Statewide, this illegal activity results in hundreds of thousands of dollars in lost registration fees to HCD. It also results in millions of dollars of lost capital gains taxes to the State of California.

If, at the end of your investigative efforts into the above, this committee is unable to secure full funding for HCD to enforce Title 25 as mandated by law, then this committee should seriously consider complete return to Local control.

- B)** There should be an immediate investigation into HCD for violating the Public's trust and possible criminal wrongdoing for the following:

1. Engaging in secret contracts containing 1542 waivers with park owners in Violation of Public Policy. *HCD entered into 2 such contracts after the owners threatened to sue HCD. One contract in August 2005 and another in October 2005. Afterward HCD hid the existence of those contracts from me for many months. Note! If HCD does its job under law by enforcing code there is no need to sign any contract or make any agreement unless those contracts would allow Park owners to be non-compliant with code.*

2. Possible collusion with park owners resulting in depriving residents and homeowners of their rights. *HCD Chief Counsel Richard Friedman stated in a letter dated September 1, 2005 that "every enforcement agency has the inherent authority to reach compromises which best serve to ensure Health and Safety of the public while not insisting on literal compliance with each provision of law."*

Upon demand of our Park owners, HCD reassigned many HCD inspectors away from our Park who were writing up valid Notices of Violation.

Upon demand of our Park owners HCD agreed to have inspectors not talk to me at our park on my complaints.

HCD did not try to prosecute our Park owners for submitting false electrical reports even after HCD documented they knew those reports were false.

HCD did not try to prosecute or take appropriate action against our Park's owners for submitting false certifications on permits even after HCD confirmed those certifications were false..

3. Failure to follow their own inspections or other HCD Policies and Procedures as a State Agency.
4. Failure to comply with the Federal Freedom of Information Act requesting documents. *Despite HCD's Legal Dept. having this knowledge, HCD has failed many times to provide those documents. HCD is presently withholding documents that were requested over a year ago.*

Respectfully Submitted;



Gary Gibson

LACK OF BUDGET

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF CODES AND STANDARDS**

1800 Third Street, Room 260, P.O. Box 1407
Sacramento, CA 95812-1407
From TDD Phones 1 (800) 735-2929
(916) 445-9471 FAX (916) 327-4712
www.hcd.ca.gov



July 22, 2003

Gary Gibson
24303 Woolsey Canyon Road #43
West Hills, CA 91304

Dear Mr. Gibson:

I am receipt of your facsimile cover sheet dated July 21, 2003, with an attached letter addressed to Administrator Sal Poidomani. I apologize that I could not send you back an immediate response via facsimile but your facsimile number does not appear on the transmittals.

The facsimile cover sheet is addressed to me and asks why I have not responded to your letters. You have previously sent me several copies of letters by facsimile, most addressed to Administrator Sal Poidomani, with cover sheets addressed to me. I apologize that when we last spoke I apparently did not communicate to you clearly the divisions of workload as organized in this Department.

Administrator Poidomani, whom you communicate with frequently, is the field administrator for Southern California for this Department. As such he is responsible for day to day activities in Southern California, including the investigation of complaints, overseeing correction activities, and regular communication with our customers. Mr. Poidomani and his staff respond to about 500 written complaints per year, conduct over 9,000 inspections, and are responsible for activities with 1900 manufactured housing parks throughout Southern California. Our Northern California Area Office has similar volumes. Mr. Poidomani is the primary contact for the Division of Codes and Standards in Southern California.

Mr. Gibson, please know that this Department is fully determined to see to the correction of all violations of the Mobilehome Parks Act at the Mountain View Mobile Estates where you reside. While I certainly have enjoyed the several conversations you and I have had, I unfortunately can not expend the amount of time requested through your facsimiles. It is truly a matter of division of workload and available resources.

Mr. Poidomani is charged with the responsibility of day to day communication in Southern California and he and his staff will continue their regular communications with you. However, please feel free to continue sending me copies of your correspondence and other pertinent information relative to Mountain View Mobile Estates.

Sincerely,

A handwritten signature in cursive script that reads "Dan Rivers".

Dan Rivers
Field Operations Manager

FAILURE TO COMPLY WITH
FREEDOM OF INFORMATION ACT

See below. This is the second time this request that been sent. Notably, we are a little puzzled as to why it is taking so long, considering you are required by law to have retained a copy of the documents sent to Mr. Casparian back in December 2006, after he requested same in October 2006. Moreover, Gary Gibson first requested these same documents in or around November 2007. Please forward price information, which should be the same as that charged Mr. Casparian. Thanks for your cooperation.

----- Original Message -----

From:

To:

Sent: Wednesday, January 09, 2008 3:05 PM

Subject: Gibson Request

Lenora,

Can you please forward me the price for the Gibson request pertaining to Oct. 2006 request from Casparian. Thanks.

Darren

***** This email and any files attached are intended solely for the use of the individual or entity to which they are addressed. If you have received this email in error, please notify the sender immediately. This email and the attachments have been electronically scanned for email content security threats, including but not limited to viruses.

2/27/2008

Sal Poidomani
Administrator II
Dept. of HCD
Riverside, Ca.
951-320-6277

NO RECORDS YET
2/25/08

February 5, 2008

Re: Lack of Response
Geologic Issues

SENT VIA FAX

Dear Sal,

Once again you have failed to call me as promised forcing me to write this letter.

On 1/28/08, after I sent you a letter on your last lack of response, you called. You stated, at your request, you had a meeting with County employees D'Antonio and Montgomery putting forth your and the owners idea which essentially allows the owners to get around the 1994 Unsecured Agreement requirements and the recorded 23993 Parcel Map agreements. The idea you said was to come up with new Ninyo & Moore geologic reports that would replace or supercede those 1994 requirements. You stopped the conversation saying you had something that needed your immediate attention and would call me right back. However, you never called back.

After last weeks storm, on 1/28 in the morning, pictures were taken of the mud and flooding cause by and left behind from the storm. You have not seen these photos yet.

HCD has consistently failed to respond to Requests for Assistance for years on these issues (Karla Toll 2006, Maury Kramer 2005 and others). HCD also failed to look into any of these problems despite your having detailed documented proof of these issues.

About a year ago, at your request, I sent you a copy of the July 19, 2006 Park owner agreement with the HOA. It is signed by park owner Robert Goldman. In the agreement, at paragraph 1(e) it specifically states: ***"Prior to completion of the Conversion, owner will complete all geologic requirements imposed upon the Park by the Tract Map and Parcel Map which requirements are attached hereto as Exhibit A and pursuant to the requirements of the Unsecured Improvement Agreement dated September 21, 1994 attached hereto as Exhibit B."*** The map is PM 23993.

You have all the above requirements. However, it appears that what you are trying to broker, apparently with the park owners, are new reports to get around the 1994 requirements. Anyone could easily assume that HCD is in collusion with the owners to breach the 2006 agreement and the 1994 agreement. And the owners could possibly state they were willing to keep all their 1994 and 2006 contractual requirements but that HCD ordered the new reports. Therefore, HCD forced the owners to breach the contracts. And since the owners know that you knew all about the 1994 and 2006 requirements and contracts before you ordered new reports, that it is all HCD's fault.

All this could have been avoided if HCD, apparently in concert with the owners, had not orchestrated the new reports to replace all of the 1994 requirements. It could also have been avoided if HCD had just acted on the 11/22/94 L.A. County letter to Art Stillwell after 1 year had passed. But as you have acknowledged HCD did nothing since then and thru 2006.

It is my own belief that HCD is possibly facing huge legal ramifications by proceeding this way especially when HCD is keenly aware that we have a class action lawsuit filed against our park owners for failing to perform all the 1994 requirements. I think this letter places HCD on notice.

I have also enclosed (2) Requests for Documents regarding your discussions with L.A. County and the owners of this park. They are:

- 1) All communications between any member of HCD and the County of L.A. from September 2006 thru the present. This includes all legal communications, all E-Mails, letters and notes.
- 2) All communications between any member of HCD and this parks owners or Reps since 01-18-07 thru present. This includes all legal communications, all E-Mails, letters and notes. Please Note! This is my 5th or 6th request for these documents.

Please provide these documents right away. If you have any questions or concerns just call me.

Thank You,



Gary Gibson
818-703-7007

CC: Lynn Jacobs Director of HCD
Dennis Beddard Chief Counsel HCD Legal Affairs
John Tennyson Principle Consultant to the Senate Select Committee



Dept. of H.C.D.

Division of Codes & Standards
3737 Main Street, Suite 400
Riverside, CA 92501

ATTN: DENNIS BENDARD
SAL POIDOMANI

APPLICATION FOR RECORD ACCESS/COPIES PAGE 1 OF 2

SECTION 1 - APPLICANT INFORMATION (Optional)

Applicant Name GARY GIBSON Telephone (88) 703-7007 Date 02-5-08

Mailing Address 24303 WOOLSEY CYN RD, #43 CANOGA PARK CA 91304
Number and Street City State Zip

MOUNTAIN VIEW

SECTION 2 - EXPLANATION OF REQUEST (Check Appropriate Box) IN RESPONSE REFER TO TRACKING # 020508-1

- I wish to examine department records
- I wish copies of department records
- I wish to examine and obtain copies of department records

Describe the records you wish to examine or have copied PLEASE PROVIDE COPIES OF ALL COMMUNICATIONS BETWEEN ANY MEMBER OF H.C.D AND THE COUNTY OF L.A. FROM SEPTEMBER 2006 TILL PRESENT. THIS INCLUDES ALL LEGAL COMMUNICATIONS ALL E-MAILS & NOTES & LETTERS.

SECTION 3 - NOTICE TO APPLICANT

1. Depending on the required resources and nature of your request, it may be necessary for you to be assigned an appointment (date and time) to examine the requested records. It may be necessary to mail the requested copies to the mailing address provided above.
2. You will be assessed a fee for each requested copy as specified in the California Code of Regulations, or at a rate of 10 cents for each page when not specified.
3. The department may refuse access to certain records. Employee personnel files, matters relating to Attorney-Client relationships and records which could create an unfair business atmosphere may be refused unless written justification or a subpoena is provided.

DEPARTMENTAL ACTION (TO BE COMPLETED BY THE DEPARTMENT)

Action Taken

1. Records examined as requested
2. Record copies provided as requested
3. Examination request exceeds the time and work force available at this time. An appointment is set for _____ Date
at _____ (AM)(PM).
Time
4. The records requested exceed the time and work force available at this time. The records ___ will be mailed. ___ will be available at _____
Time and Date
5. Request denied. Explanation _____

Name of Department Representative _____ Date _____

Staff Instructions

1. Provide the applicant a copy of the completed application whenever No's. 3, 4 or 5 are checked above.
2. All applications and actions must be reviewed by an Administrator. Reference FOM, Article 60.

Administrator's Name _____ Date _____



Dept. of H.C.D.
Division of Codes & Standards
3737 Main Street, Suite 400
Riverside, CA 92501

ATTN: DENNIS REDDARA
SAL POLICIMANI

APPLICATION FOR RECORD ACCESS/COPIES PAGE 2 OF 2

SECTION 1 - APPLICANT INFORMATION (Optional)

Applicant Name EARY BIRSON Telephone (715) 703-7007 Date 02-05-08
Mailing Address 24303 WOOLSEY CYN RD #43 CANOGA PARK CA. 91304
Number and Street City State Zip

SECTION 2 - EXPLANATION OF REQUEST (Check Appropriate Box)

- I wish to examine department records
- I wish copies of department records
- I wish to examine and obtain copies of department records

IN RESPONSE REFER TO TRACKING # 020508-2

Describe the records you wish to examine or have copied

PLEASE PROVIDE COPIES OF ALL COMMUNICATIONS BETWEEN ANY MEMBER OF HCD AND THE PARKS OWNERS SINCE 01-18-07 THRU PRESENT. THIS INCLUDES ALL LEGAL COMMUNICATIONS ALL E-MAILS LETTER & NOTES. NOTE! THIS IS MY 5TH OR 6TH REQUEST FOR THESE DOCUMENTS.

SECTION 3 - NOTICE TO APPLICANT

1. Depending on the required resources and nature of your request, it may be necessary for you to be assigned an appointment (date and time) to examine the requested records. It may be necessary to mail the requested copies to the mailing address provided above.
2. You will be assessed a fee for each requested copy as specified in the California Code of Regulations, or at a rate of 10 cents for each page when not specified.
3. The department may refuse access to certain records. Employee personnel files, matters relating to Attorney-Client relationships and records which could create an unfair business atmosphere may be refused unless written justification or a subpoena is provided.

DEPARTMENTAL ACTION (TO BE COMPLETED BY THE DEPARTMENT)

Action Taken

1. Records examined as requested
2. Record copies provided as requested
3. Examination request exceeds the time and work force available at this time. An appointment is set for _____ Date at _____ (AM)(PM). Time
4. The records requested exceed the time and work force available at this time. The records ___ will be mailed. ___ will be available at _____ Time and Date
5. Request denied. Explanation _____

Name of Department Representative _____ Date _____

Staff Instructions

1. Provide the applicant a copy of the completed application whenever No's. 3, 4 or 5 are checked above.
2. All applications and actions must be reviewed by an Administrator. Reference FOM Article 60.

Administrator's Name _____ Date _____

HIDDEN CONTRACTS

2005

Mr. Richard Friedman Esq.
Chief Counsel-Deputy Director
Dept. of H.C.D.
Sacramento, Ca. 95814
916-323-2815

August 19, 2005

Re: Mountain View
Estates

SENT VIA FAX

Dear Mr. Friedman,

This letter seeks written responses from you relating to Electrical and Density issues here at Mountain View. Since these issues have been outstanding for some time and with the owners trying to condo convert this park, it is imperative that you respond quickly before residents are saddled with these infrastructure problems.

Also, please be advised that although HCD has refused to allow me to meet with the State's E.E. and has also refused to allow me attend Electrical resolution meetings between HCD and the owners/ reps of Mountain View; I must insist that I be allowed to attend any such future meetings. If for not other reason, to eliminate the controversy over what HCD says is to be done or agreed on and the park owners disputing what was to be done and agreed on. Please advise in writing of this umpteenth request. After all this, is my complaint that you are acting on.

ISSUE 1 ---- LETTERS TO STAACK

When you placed Mr. Staack in the position of dealing with my concerns; He asked for certain information and questions I had in writing. In turn, he promised written responses back to me. These dealt with electrical and density issues.

I went to a great deal of trouble and costly time in researching, writing them up and in bringing him up to speed on what the issues are and whats been going on. He never responded in writing and has left HCD. Therefore, I expect you to provide that written response. We can start with 2 letters sent to him dated 11/01/04 and 02/07/05. These letters are attached to this fax.

ISSUE 2 ----RECENT LETTER TO SAL

On Jul 11, 2005 I wrote a letter to Sal on these same subjects and 3 mobile homes have been removed for the park and are being replaced by larger units. This letter is also attached with this fax. In speaking with Sal, I reminded him of the restrictions he placed on the park and residents, on more than one occassion, when he met with residents here at the park. Those restrictions were. No jacuzzis or cabana's could be allowed in the park and that replacement homes were restricted to being replaced with the same square footage home that had been removed. This was because of Mr. Kono's typical use chart and calcs he used which HCD accepted. Sal told me when he received this letter that it was accurate and that HCD would not lift those restrictions.

The reason I would like that in writing is because the person replacing all 3 homes claims HCD inspector Ti-San Li informed him that he could go with larger homes. Mr. Li does not know about the restrictions HCD has placed on this park. Whereas inspectors Sam Hasso and Carlos do know.

Sal and I had also discussed that the density issues (I.E. set back violations and other HCD requirements not previously met) which had been grandfathered in previously would not be allowed to happen when installing replacement homes. In another words the grandfathering would go away and the new home would have to meet all HCD rules and regulations upon installation. This is also something Mr. Li did not know about.

ISSUE 3 ----- ELECTRICAL MAINS

There is information coming out that your office specifically made a deal with the park owners at the one of the last 2 meetings with them; That they would not have to replace the Electrical Mains for larger units under any circumstances. Is it true? And if it is true, I don't know how that determination could be made before the work is complete and we find out there are or are not continued problems. I must remind you that Unit 143 failed even Kono's test despite the fact it has a new secondary. Maybe my contention is correct that these circuits should have only one house per 180amp secondary vs Kono's calcs saying 2 or 3 on a circuit is allowed. We all know that if every circuit goes to 1 or 2 homes on a circuit the existing mains will not be able to handle the load.

ISSUE 4 ----- The Feb. 2002 NOTICE OF VIOLATION (Electrical)

The Park is now putting out written disclosure statements that say there are no citations or notices of violation on this park's electrical system. I am again asking for a letter stating the parks remains in violation until all this work is complete. Since, the Feb. notice of violation was a direct result of my complaint and my complaint has not be resolved yet I don't see how it is possible that the Notice was eliminated or closed without my problem being resolved. Write to me about this. For the above reasons and if this notice was closed in any way and is not still pending I demand that it be re-instated.

Respectfully,



Gary Gibson
818-703-7007
#43

W/Attachments

11/01/04 letter to Staack (5 pgs)
02/07/05 letter to Staack & Sal (2pgs)
07/11/05 Letter to Sal (1 pg)

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

LEGAL AFFAIRS DIVISION

1800 Third Street, Room 440

Sacramento, CA 95814

(916) 323-7288

Fax (916) 323-2815

www.hcd.ca.gov

September 1, 2005

Mr. Gary Gibson
24303 Woolsey Cyn Rd #43
Canoga Park, CA 91304

Re: Your August 19, 2005 Fax

Dear Mr. Gibson:

I am in receipt of your August 19, 2005 letter in which you make several demands of the department. I apologize for the brevity of this letter, but I will be out for a week and did not want your letter to go without a response.

As I have discussed with you before, our enforcement efforts with the management of Mountain View Mobilehome Park constitutes an investigation currently in-progress between the department and a private party. The negotiations related to that investigation and possible enforcement actions by the department are not a public participation matter in which other parties may demand participation.

Most mobilehome parks in California are older and it is inevitable that certain components within these parks may never be brought to the specific building standards that would be required were a new construction permit to be issued. When seeking to resolve problems in existing parks every enforcement agency has the inherent authority to reach compromises which best serve to ensure the health and safety of the public while not insisting on literal compliance with each provision of law. Our efforts may be imperfect and health and safety must never be compromised. But an enforcement agency must balance demands for perfect solutions against the economic reasonableness of the demands made when something less than the resident's health and safety are at stake.

I would be more specific except that in the course of drafting this letter we had a 21 minute phone conversation in which we, sometimes heatedly, discussed many of the issues. During this call, I will acknowledge I became more animated than I would have liked and I trust you will accept my apologies. We've been candid in the past and trust we will continue to be so in the future. During the call you acknowledged that you had received, in February, much of the testing materials you had previously requested. I also informed you that the park had agreed to specified repairs within specified timeframes. You clearly indicated that you did not believe that the repairs negotiated would resolve the problems. Unfortunately, whether either of us likes it, we will be obligated to agree to disagree.

Gary Gibson
September 1, 2005
Page 2

As a courtesy, you informed me that you would be seeking an independent investigation. As a citizen and a taxpayer I encourage you to do whatever you feel is appropriate. I can assure you that HCD will cooperate in any responsible outside effort to look into the situation. As always, I appreciate your candor and understand your frustrations.

Sincerely,



Richard L. Friedman

cc: Kim Strange
Sal Poidamoni
Dennis Beddard

ELECTRICAL SYSTEM WORK AGREEMENT

This Agreement ("AGREEMENT") by and between G.J. Park Associates, LLC, a California limited liability company ("OWNER") and the California Department of Housing and Community Development, a *Department of the State of Cal.*, ("HCD") is entered into and effective as of October 20, 2005 (the "EFFECTIVE DATE").

RECITALS

- A. OWNER owns Mountain View Estates, a 156 site manufactured housing community with a street address of 24303 Woolsey Canyon Road, Canoga Park, California 91304 (sometimes referred to as the "Community").
- B. HCD is the State of California Agency which has jurisdiction for the operation of mobile and manufactured home communities within the State of California, including without limitation whether such communities comply with applicable health and safety codes and regulations.
- C. OWNER and HCD have had a dispute over whether the Community's electrical system complies with all applicable state health and safety laws and regulations.
- D. In an effort to resolve that dispute, OWNER and HCD entered into certain Letter Agreements, copies of which are attached hereto as Exhibit 1 (the "Letter Agreements").
- E. It is HCD's position that Mountain View Estates' existing electrical system is inadequate to service the homes currently in the Community. OWNER disagrees with HCD's position.
- F. HCD and OWNER (collectively sometimes referred to as the "Parties") have determined to resolve their differences regarding the condition of the Community electrical system by agreeing to the terms and conditions found herein.

In consideration of the following promises and covenants and other good and valuable consideration which the Parties hereby acknowledge, the Parties agree as follows:

1. **Electrical Work:** OWNER agrees to undertake work on the Community electrical system (hereinafter referred to as the "Work"). The Work shall be undertaken subject to the permit(s) issued by HCD. The Work is described as follows: OWNER shall reconfigure and upgrade the Community electrical system such that:
 - (a) No more than two (2) homes shall be on one circuit breaker;

- (b) All circuit breakers shall be upgraded to 225 amps;
- (c) Any secondary circuits which have not previously been replaced by OWNER shall be replaced with new circuitry;
- (d) Any circuitry which has been previously replaced shall be reconfigured to comply with subsection 1(a) above.
- (e) All circuitry will meet all applicable NEC and California Code of Regulations Title 25 requirements for cable size, voltage drops and load calculations; and
- (f) OWNER shall install new secondary distribution transformers as necessary in order to complete items (a)-(e) above;

2. **Timeframe for Completion of the Work.** OWNER shall complete the Work within one (1) year from the date the permit for the Work is issued by HCD. OWNER shall diligently pursue completion of the Work, however OWNER shall not be deemed in default of this AGREEMENT if the Work completion is delayed due to delay in review and/or approvals of any portion of the Work by HCD. HCD may review or inspect the Work at anytime during normal business hours Monday-Friday. In the event that HCD believes that OWNER is not diligently pursuing completion of the Work it shall notify OWNER of that finding with specific detail regarding what action it believes OWNER must take to be in compliance with this AGREEMENT.

The Work is scheduled to be completed in phases, meaning all work will be completed for portions of the Community homesites prior to the one-year project completion date. Upon notice from OWNER that it has completed a phase of the Work, HCD shall inspect the Work completed within fifteen (15) days of receipt of the notice of completion. Within ten (10) days of the inspection, HCD shall provide a written acknowledgment that the Work is satisfactorily completed or provide specific written insufficiency regarding the Work and what action HCD believes needs to be undertaken to remedy the problem(s). OWNER acknowledges that all the Work must be performed under permit with inspections performed, as per regulation, prior to covering any part of the Work. HCD shall perform such inspections within a reasonable period of time. In the event HCD exceeds the timeframe for inspection of the Work or providing written approval or deficiencies listed above, in addition to any other remedies available to OWNER, the one year period to complete the Work shall be extended by each day that HCD exceeds such timeframe.

3. **Compromise No Admission.** This AGREEMENT is a compromise of a dispute by the Parties and no agreement or action taken pursuant to this AGREEMENT shall be deemed an admission of liability by any party; specifically by undertaking the Work, OWNER is not admitting that the Community electrical system is currently not compliant with the law. Nothing in this AGREEMENT shall be used against OWNER as admission of liability related to the Community or the operation of the Community.

4. **No Other Work Is Required.** HCD agrees and acknowledges that other than related to the Community electrical system, there are no known outstanding violations or actions required to be taken by OWNER. All previously issued action reports or notice of violations on matters other than the electrical system, have been satisfied by OWNER.

GJP00760

5. The Work Will Satisfy the Electrical Issue. Upon successful completion of the Work, HCD acknowledges and agrees that the Community electrical system will be fully compliant with all legal requirements and that no further action related to the electrical system will be required. Upon successful completion of the Work, all outstanding action items or notices of violation issued by HCD related to the Community electrical system shall be deemed satisfied and HCD shall provide OWNER with writings evidencing such satisfaction.

6. Non-Compliance with Timeframe. Should the Work not be completed in compliance with the agreed timeframes HCD may, in its sole discretion, take those enforcement actions it deems necessary including but not limited to: suspending the issuance of installation permits; suspending the Permit to Operate; filing a complaint with the District Attorney; and imposing those administrative penalties authorized by law. Owner reserves the right to oppose any such actions by HCD and nothing in this Agreement shall be construed to be a waiver or limitation on Owner's rights to defend itself and oppose any such action taken by HCD.

7. No Moratorium. Provided that OWNER is diligently pursuing completion of the Work, HCD shall continue to review applications for other work at the Community, including but not limited to the placement of new homes, decks remodeling or repair to existing homes and other similar work, whether the applicant is OWNER or Community residents. The current condition of the Community electrical system shall not be a basis for denying any such permit.

8. Release. The Parties hereby release the other party, including their heirs, successors, officers, directors, shareholders, partners, members, employees, agents, affiliates, attorneys and assigns from any claim, cause of action the party has against the other of any kind, or type other than obligations arising out of this AGREEMENT.

The Parties understand and agree that this Release covers and includes all claims of every kind or nature, past, present or future, known or unknown, suspected or unsuspected, and all claims or rights pursuant to Section 1542 of the Civil Code of the State of California are hereby expressly waived. The undersigned understands that said Section 1542 provides:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

The Parties, and each of them, acknowledge that they may hereafter discover facts different from, or in addition to, those which they now know or believe to be true with respect to the Released Claims and agree that this Release and the releases contained herein shall be and remain effective in all respects notwithstanding such different or additional facts or the discovery thereof. The Parties further

GJP00761

acknowledge and agree that these waivers of rights under Section 1542 of the Civil Code have been separately bargained for and are essential and material terms of this Release and, without such waivers, this Release would not have been entered into. The Parties' respective counsels have explained to their clients the consequences of such a waiver.

9. Miscellaneous.

A. Supersedes Prior Agreements. This AGREEMENT supersedes any and all prior agreements, understandings, arrangements and discussions, whether written or oral between the Parties, including without limitation the Letter Agreements, and this AGREEMENT constitutes the entire agreement between the Parties pertaining to the subject matter described herein.

B. Venue. Venue for any dispute or action arising out of or relating to this AGREEMENT shall be in the City of Los Angeles.

C. Savings Clause. The validity, legality or enforceability of the remainder of this AGREEMENT will not be affected even if one or more of the provisions of this AGREEMENT will be held to be invalid, illegal or unenforceable in any respect.

D. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument binding on the Parties hereto.

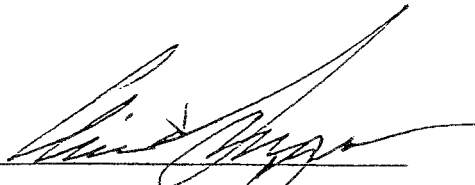
E. Deemed Drafted by both Parties. The Parties have negotiated the terms and conditions contained herein, cooperated in the drafting and preparation of the AGREEMENT, and have had the opportunity to have independent legal counsel review this AGREEMENT. If, for any reason, the terms of this AGREEMENT require enforcement by any Party to this AGREEMENT, the terms shall not be construed for or against any Party, but shall be interpreted as though it was jointly drafted.

F. Authorized to Sign. All persons who execute this AGREEMENT, covenant, warrant and promise that they have the necessary authority to do so on behalf of that Party.

IN WITNESS WHEREOF, the Parties have executed this AGREEMENT effective the date first above written.

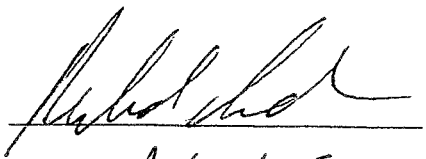
G.J. Park Associates, LLC
a California limited liability
company

Department of Housing and
Community Development, a
Department of the State of California

By: 

Print name: William T. McGregor

Its: Manager

By: 

Print Name: Richard Friedman

Its: Chief Counsel

Additional materials submitted by
home owner witnesses

Maury & Mildred W. Kramer

24303 Woolsey Cyn. Rd. #95 Canoga Park, CA. 91304-1117 Telephone (818) 884-0881

December 7, 2000

Mr. James Murdock
La Cumbre Management Co.
100 N. Hope Ave. Suite 1
Santa Barbara, CA. 93110-1686

No response from Owners

Dear Mr. Murdock:

I am writing to apprise you of a recurring Park problem effecting our health and our home.

Due to four recent stoppages in the main sewer drain we have had sewage back into our home on three occasions in the past two and one half years. These incidents are a Park responsibility and have caused untold damage and subjected us to potentially dangerous health problems.

Prior to outlining the problems I would like commend the on site Park Management who have responded to each of these incidents in a timely and effective manner. They have not only helped us through the immediate emergency but have provided us with sensitive caring support and advice.

In late May of 1998 we returned home from a short holiday to find our home flooded with sewage. Our plumbing system had been operating normally prior to our departure four days earlier. On being advised of the problem Mrs. Bordeau immediately contacted McDermott Plumbing. The sewage continued to flow into our home as our neighbors flushed their toilets and washed their dishes indicating that the problem was not in the house plumbing, but in the Park system.

McDermott Plumbing arrived approximately two hours after being called. They could find no way to get into the Park's main drain so they were forced to break the concrete pedestal slab under our home and cut the sewer line promptly flooding the space under our home with sewage. By this time it was after 10:00 PM. Nothing more could be done that night..

Neighbor's sewage continued to flow into the area under our home all night. McDermott Plumbing returned the next morning and using a power snake, starting in the cut sewer line under our home, cleared the stoppage which was about 80 feet down stream in the Park's sewer line. McDermott then installed a clean out fitting under our home. The damage to our home was such that the carpeting had to be replaced for both esthetic reasons and health considerations.

About two month's later we were at home and heard a gurgling noise. Upon investigation we found sewage in both bath tubs, the stall shower, and both toilets. There was no overflow. We had not been using our facilities. We called Mrs. Bordeau who contacted a plumber (Leo Levitt), who was then living in the park. Mr. Levitt opened the clean out under our home promptly flooding the space under our home with sewage again. Then, using the clean out installed previously under our home, snaked out the drain, again finding the stoppage about 80 feet down steam of our home. Same location..

In September of 1998 Bond Mobilehome Specialists installed a one way sewer line check valve at our home. This device is designed to keep waste material from flowing back up into the house from the sewer line.

Some time after this there was another stoppage in the main sewer line which resulted in flooding the house in Space #94. We were not effected by this stoppage. Apparently our check valve had functioned as designed The stoppage was again found to be in the main sewer line at approximately the same location as the two incidents previously detailed. This time the plumbers had to snake down about 20-30 feet since they started in the clean out between spaces #93 and #94. By this time we had located a sewer clean out between spaces #93 and #94.

On November 24, 2000 we again heard a gurgling in our home and found liquid sewerage in the bathtubs, the toilets, and the stall shower. I opened the clean out between spaces #93 and #94 flooding the drive way and backyard of Space # 94.. I advised Mrs. Bordeau and she contacted McDermott plumbing who cleared the drain. The stoppage was at approximately the same location as the stoppages previous noted. Space #94 was not effected. They had had a check valve installed

We contacted Bond Mobilehome Specialists who opened the check valve in our home and found a build up of waste on the valve which caused it to experience a partial failure. Bond has serviced the valve and will continue to service it on a regular basis in the future. We are making every reasonable effort to protect our home from sewer backups due to a Park problem.

Based on this letter you have been advised of the following:

- There is a recurring Park problem which needs to be addressed.
- We have been fortunate to have been at home when there were two incidents which could have again flooded our home. None of the four reported incidents were of our making. We have been incredibly lucky. The odds are against our being at home and detecting every future impending disaster.
- This is a Park responsibility which you must address and correct immediately.

This letter is meant to place the Management and Owners of Mountain View Estates on notice that we will hold them liable for any future damage to our home, it's furnishings, and our health that are attributable to this defective sewer system.

The courtesy of an early response to this letter will be appreciated.

Your's truly,:

PC Pam Bordeau, Park Manager-Mountain View Estates
Junior Erickson, President - Mountain View Home Owners Association
File

M. Maury Kramer

24303 Woolsey Canyon Road #95 - Canoga Park, CA. - 91304 - Voice and Fax (818) 884-0881

December 20, 2005

Mr. James Myers
Ventura County
800 S. Victoria Ave.
Ventura, CA. 93009-1600

No response

Good Day Mr. Myers:

Thank you for telephone response to my call to the Ventura County Department of Public Works on December 16th. However, I am less pleased by the Ventura County's position and don't believe that it is reasonable.

This letter is meant to place the County on notice of a potential hazard to my wife and me, and to a possible liability to the County of Ventura.

The enclosed Certified letter to the McGregor Company outlines the situation. To date the McGregor Company has not responded. The letter was received on December 6th and I am holding a receipt showing that the letter was signed for.

It is my belief that the boulder in question, is a danger, and could be located on either McGregor owned land or on Public Land belonging to the County of Ventura. If it is Ventura County Land you have a liability potential. I believe that as a responsible public Agency it is your duty to determine if our concerns are warranted and if the boulder is, in fact, in Ventura County. I do not mean to be sarcastic, but does it take an accident to get your organization to respond? I am not walking away from this.

I want to outline a similar situation which has probably happened. Natural events, earthquake, lightning, wind, rain, damage a tree to the point that it has a major damaged branch hanging over a residential street where the people living on that street feel it is a danger. You'd have a crew out there to determine if it really is a danger and take the necessary action. How is my situation any different from my example.

I would appreciate a written response to this letter outlining Ventura County's position; a document which will inform me of the structure of Government in Ventura County; and the name, title, mailing address, telephone number, and Field Office address of the elected Supervisor/Council Person for the area of Box Canyon where it dead ends into Valley Circle.

Again, I thank you for your response, your friendly attitude ,but not for your County's position

Cordially,

M. Maury Kramer

PC: Mountain View Home Owner's Association
State of California - HCD - Sal Poidomani

Maury Kramer

24303 Woolsey Canyon Road #95 - Canoga Park, CA. - 91304 - Voice and Fax (818) 884-0881

COPY

October 16, 2003

Mr. Sal Poidomani
California Department of Housing and Community Development
(Hand Carried)

Good Day Mr. Poidomani

Please accept this letter as a Request for Assistance.

The attached documents identify a problem in the Sewer System at Mountain View Estates as it applies to our home located in Space #95.

The solution to the problem, as offered by the park, is to pressure flush the sewer line on a quarterly basis until such time as they can arrange for the repair of the system. The problem has been identified as a sag in the sewer line under the house in Space #93.

I have observed the flushing in progress a number of times in the past, but not in recent months. I have questioned the On-Site Park Manager who has assured me that the flushing is on going.

The repair of the sewer line has been pending for years and flushing periodically is not an acceptable solution for this HEALTH AND SAFETY matter.

Your assistance is requested.

Cordially,

PC: Bea Samuel

BC: Tish Gillenson
Patricia Brown
Barbara Frost

Maury & Mildred W. Kramer

24303 Woolsey Canyon Road #95 - Canoga Park, CA. - 91304 - Voice and Fax (818) 884-0881

May 1, 2001

Pam Bordeau, Manager
Mountain View Estates Mobile Home Park

**No Meeting
arranged**

Good Day Pam:

This will confirm our discussion of this morning.

At that time I asked that you arrange a meeting between James Murdock of La Cumbre Management Company and me. The purpose of this meeting is to discuss the problem in the Park's sewage system which affects our home located at Mountain View.

I wrote to Mr. Murdock on December 6, 2000 outlining the problem. Your investigation confirmed that the problem, a sag in the sewer line under #93, is a reality, a Park problem, and needs to be addressed immediately.

This is a Health and Safety matter and the code governing mobile home park management specifies that Health and Safety matters cannot be put off. At your urging, Millie and I have been patient for the past five months. This matter concerns us greatly and correction must be made expeditiously.

Please arrange the meeting as soon as possible. I am available to meet with Mr. Murdock as follows:

- May 7, and May 14 (After 1 PM)
- May 8, 9, 15, 21, 22, 23, 24 (At any time)

Although it is more convenient to meet at Mountain View I will travel to Santa Barbara if necessary.

Please advise me when the meeting has been arranged. Your early attention to this matter will be appreciated.

Cordially,

Maury Kramer

The six page summary pretty well explains mobilehome issues, except one major issue is left out – The most serious I got in on the high speed rents and the huge early increases – Homeowners need rental assistance during a Rent Mobilization state wide is our regulations if it is a republic or a democracy – Also not mentioned is because of the high speed rents the inability to sell your mobilehome – An increasing number of seniors and low to moderate income are walking away – This is a national disaster.

1) Is MPM inspection of 5% of the parks enough? Over the years the effectiveness of the MPM program has diminished due to the fact that the number of parks subject to a full inspection has been reduced each cycle. Currently only 5% of the parks in the state are inspected under the MPM each year. Shouldn't 100% of the parks be inspected over a 5, 7 or even 8 year period – the original reason for enactment of the MPM concept in 1990? If so, are the parties of interest – the park industry and the mobilehome owners willing to pay higher annual fees for a better level of inspection (see also Q. 2)?

Homeowner pay more with the overall higher fees in the private sector than do not have a fee while the \$1.00 fee is for a good business. Questions such as in a laboratory a house and filled the state after that it is another park rip off. HCD park management advisory groups including HCD is on a price job of informing Homeowners on issues that need a side job for all parties.

2) PTO Fee Increase? Picking up on the previous question, annual park permit to operate (PTO) fees, \$25 per park per year, plus \$2 per space have not been increased in about 30 years. The additional annual \$4 per space fee for the MPM program that began in 1991 sunsets in 2012. Yet, costs of salaries, benefits, equipment and travel have increased for government as well as the private sector over that 18 to 30 plus year period. Should the Legislature increase statutory annual PTO fees or allow HCD to establish the fees administratively based on the cost of providing the inspections?

3) Return to Local Control More Efficient? Prior to 1968, local governments had direct code enforcement authority over mobilehome parks. Local government building inspectors usually live and work in the community and already conduct inspections of neighboring conventional property, so they have less distance to travel and can make more efficient use of their time than HCD inspectors based in Riverside or Sacramento or other regional cities, who often must drive hundreds of miles to far flung counties or communities to inspect parks. Should the state park inspection program and fee revenue be returned to local government with HCD operating only in an oversight and training capacity?

This would be a huge mistake – a hodge-podge of rules and enforcement. This would be word that breaking up HCD into provinces.
4) Local Control Option in Serious Cases? Currently, HCD has jurisdiction to inspect about 75% of the parks in the state, and by agreement local governments have jurisdiction over the rest. When all else fails HCD must rely on local district attorneys to prosecute uncorrected park violations. Should local governments have the option to notify HCD and take over jurisdiction in so-called slumlord parks, if conditions are not corrected within a certain timeline, say 120 days, so they can use local enforcement tools, such as fines or receivership, to try to speed up correction of the violations? Would cities and counties have more success in getting their own district attorneys or city attorneys to prosecute these cases than HCD?

Might be worth a 3 or 5 year trial period – state that we have local jurisdiction should be audited for performance and handling of complaints – Some local jurisdictions are not doing their job, such as San Bernardino County.

5) Dedicated State Inspector Option? Some cities have indicated a willingness to pool the sharing or payment of state costs for a state inspector who would be dedicated to focusing on and inspecting parks only in those jurisdictions that pay or share the costs, not parks in other areas. Would such an option be workable, even on a pilot program basis?

State answer to question 4
6) Should Bad Guys be Fined? Local building code officials have authority to assess citation fines for violations of local building codes that are not corrected within a certain period of time. HCD has no such authority for park violations of Title 25. Similar to the failed AB 1648 (2001), should the idea of citation fines for both park owner and homeowner violations – or at least serious violations – that go uncorrected after 60, 90, or 120 days be reconsidered?

Yes – what we got a Democratic Governor
7) Should Bad Guys be “Red Tagged”? HCD maintains a website with a list of every mobilehome park issued a



permit to operate in the state, and maintains records of mobilehome park inspections under the MPM program, which are available for a fee, but the public has to obtain copies by requesting the information under the Public Records Act. Should HCD be required to “red tag” mobilehome parks on their website that have serious “A” violations uncorrected for more than say 120 days or which have failed to pay their PTO fees? Should records of mobilehome park inspections be available on the HCD website? Should local enforcement agencies be encouraged to do the same? Would “red tagging” and possible publicity about such parks as a result really serve to prompt some of them to correct their health and safety problems or pay their fees?

Yes null

8) **HCD Receivership Authority?** Local enforcement authorities may, under State Housing Law, go to court and ask that a receivership be created for a slumlord property, as well as establish an impound account for payment of rents to the receiver, rather than the landlord, until the health and safety corrections are made. HCD, while it has primary jurisdiction over mobilehome parks, does not have similar receivership authority as an enforcement tool to speed up enforcement in so-called slumlord parks. SB 634 (2005) would have provided that authority but was vetoed. Is it time to reconsider the HCD receivership option again?

Yes since we are in dominant position

9) **PTO pulled quicker?** HCD’s last step before going to a district attorney to prosecute uncorrected violations is to pull a park’s permit to operate (PTO). The time may vary but can be as much as 9 months to a year or more in some cases after the violations were first cited. When the PTO is suspended, the park is noticed and the notice posted in the park. The notice indicates that the park is no longer authorized to collect rent from residents because it is no longer a legally operating park. Sometimes this fact spurs the park to correct the problems before a DA gets involved. Should the PTO be pulled more quickly, say within a timeline of 90 or 120 days of a serious citation that is not corrected?

Yes

10) **Post Bonds?** An enforcement agency often expends considerable effort inspecting and reinspectng mobilehome parks with serious and continuing violations, time and money which often could be spent on responding to complaints in other parks, inspecting new manufactured home installations and issuing certificates of occupancy. Where a park’s PTO is suspended due to failure to correct serious violations, should the park be required to post a bond as insurance for future HCD inspection costs in that park?

2/20/08

Yes

San Jose School District

NON-TRADITIONAL HOMES & COMMUNITIES



by Milt Burdick
Chapter 955
Hollydale MHP
5700 Carbon Canyon Rd # 131
Brea CA 92823
714-572-0253 milters2000@yahoo.com

Senate Select Committee on Manufactured Homes and Communities

Reference:

SELECT COMMITTEE ON MANUFACTURED HOMES AND COMMUNITIES

Lou CORREA, Chairman

Date and Time: FRIDAY, **FEBRUARY 29, 2008** 10:30 a.m. to 12:30 p.m.

Location: Rancho Santiago Community College District (Board Room)
2323 N. Broadway Santa Ana

INFORMATIONAL HEARING

SUBJECT: HCD Mobilehome Park Health and Safety Code Enforcement

I would like to thank Senator Correa and John Tennyson for holding this meeting today. Also I would like to thank Senator Dunn and Senator Correa and especially John Tennyson on all the work that was put into converting the MRL to Vietnamese.

I have been bugging people do this and it is finally a reality.

I know the title of this meeting is H & S Code enforcement, but a majority of Mobilehome Owner (Residents) problems are with willful and intentional violations of the Civil Code, better known as the Mobilehome Residency Law (MRL) which HCD does not ENFORCE, but requires court action to resolve disputes. Some parts of the MRL should be transferred to Title 25 or some other code that would give the Agency (HCD, Counties and Cities) the right to enforcement action, and not require low income and seniors to hire lawyers to enforce their rights through the courts. A suggestion would be non-binding mediation service where a Homeowner can use as an option rather than going to court. Pattern it after mediation service as used by the courts.

This service could also be used when a park owner increase monthly rents in excess of 6 percent or CPI in **non rent** control counties or cities and long term leases.

What Happens In Mediation? (Conflict Resolution)

Parties are asked to complete and sign an information form. The information form may be obtained and completed in advance. The mediator reviews this form to obtain basic information.

- The mediator may meet with the parties together and/or individually. Individual sessions are available. The mediator will ask questions to develop an understanding of the issue(s).
- The mediator and parties determine the issues needing to be resolved. When safe and appropriate, the mediator will assist the parties to temporarily set aside their adult disputes and focus on developing arrangements that are in the best interests of both parties
- The mediator will share information that he receives from the parties.
- Options will be considered that may help resolve all, some or none of these issues.
- This process is non-binding.
- These settlements will not set precedence on any future interpretation of the MRL by the courts.
- Either party will retain the right to seek court action if no agreement is reached.

Now back to my report or testimony depending on how you see it.

As it seems to stand now if a Homeowner files an H&S complaint on Form HCD-OL-419 with the Ombudsman's office in Sacramento. The Ombudsman's office reviews the complaint and sends a letter to the Homeowner that agrees with the Homeowner that it is an H&S issue. If it appears it is not H&S or it's a violation of the MRL, the Ombudsman tells the Homeowner this issue may require court action. Sounds pretty simple—right, **well not exactly**—HCD sometimes don't answer complaints at all, sometimes they send the complaint to the District office and the District claims they did not receive it or they just file it (I guess) with no action taken. Most of the time if it seems valid an inspector is sent out to investigate the problem and seek a solution. The Inspector goes to the park office to talk to management about the problem

(I guess). The Inspector contacts the Homeowner to review his/her complaint.

Sounds great Hu? **Well that's not exactly the way it goes.** The Homeowner files form 419 in January, Ombudsman sends answer in March, around April or May a letter is sent to the district office. Around June an Inspector is sent to the park (if that is even done half of the time). The Inspector meets with management, never contacts the Homeowner, files a report at the District office, end of case. Homeowner who filed the 419 complaint has no idea how his issue was resolved if at all.

You want an example: I live at Hollydale MHP and we had a hill side slippage (cave in) on March 1, 2004 during our seven year HCD inspection (old code). Two HCD Inspectors and a HCD Supervisor witness the damage. From March 1 through the end of the year nothing was done by any party to make repairs. This includes HCD, the City of Brea and park owners Kort and Scott Realty Group, managed by Sierra Management. The rains of December 2004 and January 2005 came and with the rain so went the hill side and two streets in Hollydale. On January 31, 2005 I filed a complaint on Form 419 about the very unsafe condition. On March 17, 2005 I received a letter from HCD Sacramento office that said that it appears this may be a safety issue and the Riverside office will send an Inspector to investigate and will contact you. Mind you this was March 2005 over a year since this unsafe condition. As of today February 29, 2008 I have yet to be contacted by an HCD Inspector. To make a long story short this unsafe condition was not corrected until 2007---That is 3 years. Most of you sitting here are or were aware of this condition. I have a complete written file on this from March 1, 2004 to January 2008. Now Sierra Management is billing the Homeowners \$673,854 for the repair over 15 years. So, you see this area needs a lot of work.

To the defense of HCD, a lot of this is not their fault. How can HCD do a decent job if it's staff and on site Inspectors are way under staffed. Ombudsman under Gray Davis would try to handle all complaints including MRL (Info only) but they would answer, now they don't—"Lack of Funds" and Inspectors are not replaced, parks are not being inspected, complaints are not being investigated (lack of Inspectors) some complaints are total ignored. If you do not have the funds or the staff to properly do the job, who gains? Who Loses? You be the Judge. With budget short falls, things can only get worst—maybe a new Governor would help?

See **H&S code 18400.1** in reference to park inspection on a regular basis---there is none---HCD only inspects parks that have numerous Health and Safety violations on file and even at that only 5 percent of those parks. Old code under Governor Davis was once every 7 years—now a majority of parks are never inspected unless Homeowners file numerous H&S complaints within a year or so. Park owners get a free ride under Governor **Schwarzenegger**.

Along this same line is how to implement Senator Correa's bill, SB 589 (2007) on sewer spills. H&S code Sections 18554 (c) and 18871.4 (c). Both sections state that "as determined by the Enforcement Agency" . According to item (d) in both sections the Agency may adopt rules to carry out the purpose of these sections. Sewer spills can't wait for the Enforcement Agency (HCD or the County or City if they have jurisdiction) to decide---Homeowners need guide lines to correct within four hours or less and solve responsibility later. **(See attachment # 1)**

The Senate Select Committee should set up a sub-committee to audit HCD files (Ombudsman and each district) on all HCD Forms HCD-OL-419 complaints and the disposition by HCD. Also, an audit of County and Cities who have Jurisdiction over MHPs in their areas.

Another issue important to Mobilehome Owners is the lack of training of on-site managers. With the refusal of the Governor to sign AB 1469 we need to look in a different direction. We need enforcement on the people who hire and fire managers and give the directions on how to run the park. I suggest we revise the Health and Safety Code Section 18700. Make Park Owners responsible for the actions of their employees, which would include on-site Managers, Management Companies the owners, hire to run their parks. Section 18700 has a \$400.00 fine or 30 days in jail or both. For a park owner this is chump change.

Revise H&S Code Section 18700 per **Attachment# II.**

We all receive the greatest number of complaints on; RENT INCREASES
With space rents approaching \$1,000 or more per month and little hope of any new rent stabilization at the county or city level, or even less of a chance at the state level. Advocacy groups need to think outside the box for help. If Mobilehome Advocacy groups can not get rent control. We should be looking for **RENTAL ASSISTANCE PROGRAMS** at all levels including federal earmarks on Community Development Block Grant (**CDBG**) and **HOME** Funds and how States and local Government spending our tax \$ dollars.

(<http://www.hud.gov/offices/cpd/communitydevelopment/programs/entitlement/index.cfm>)

CDBG and HOME funds are the taxpayer's money, not the politician's money to spend on special projects to make them look good. According to HUD rules 70 percent of these grant funds are to be for low and moderate income assistances programs, which should include some special earmarks for Mobilehome Rehabilitation and Mobilehome space **Rental Assistances**. Anyway enough of that.

See **Attachment III. And Attachment IV**

The last item is the one that advocacy groups will probably cringe about. Another important item that Advocacy groups bury their heads in the sand on is responsibility of the Homeowners, their family, their guest and last but not least their children.

When and if HCD does a park inspection (H&S Code 18400.1) 80 to 90 percent of the violations are against Homeowners. Usually very few violations are against common areas. See California Code of Regulations Title 25, Article 10, Section 1606 and 1608 (h) (i) and (j) which cause most Homeowner violations.

I will list a few items that advocacy groups seem to ignore.

- Parking in the street when all lanes are fire lanes
- Not supervising their children
- Trash in the driveway or using driveway for storage
- Lot looks like jungle or a desert
- Barking dogs
- Not picking up dog poop
- Speeding on park streets
- Unruly behavior
- Refusal to follow Rules and Regulations of the park

A minority of MHPs ends up in court for failure to maintain and or poor business practices.

ATTACHMENT # 1

Government Code Title 2, Division 3, Part 1, Chapter 3.5. Articles 1 thru 10

(Web site: www.oal.ca.gov/apa_link_to_leg_counsel.htm)

(click on; Administrative Procedures Act-Office of Administrative Law)

CHAPTER 3.5.ADMINISTRATIVE REGULATIONS AND RULEMAKING (41 pages)

Article 1. General	<u>11340-11342.4</u>
Article 2. Definitions.....	<u>11342.51011342.610</u>
Article 3. Filing and Publication	<u>11343-11343.8</u>
Article 4. The California Code of Regulations, the California Code of Regulations Supplement, and the California Regulatory Register	<u>11344-11345</u>
Article 5. Public Participation: Procedure for Adoption of Regulations	<u>11346-11348</u>
Article 6. Review of Proposed Regulations	<u>11349-11349.6</u>
Article 7. Review of Existing Regulations	<u>11349.7-11349.9</u>
Article 8. Judicial Review	<u>11350-11350.3</u>
Article 9. Special Procedures	<u>11351-11361</u>
Article 10. California Taxpayers' Right to Self-Governance and Participation	<u>11364-11365</u>

The above Government Code sections are part of the Administrative Procedure Act and contains the required procedures for state agencies to make changes to California Code of Regulations (CCRs). The California Code of Regulations, Title 25, Chapter 2 applies to Mobilehome Parks.

This is a very small part of the Government Codes. For more information go to the WEB site listed above.

These Government Code laws are the laws that govern how state agencies and the Office of Administrative Law (**OAL**) performs their duties in accordance with Administrative Procedure Act (**APA**) in order to adopt, amend, or repeal regulations.

OAL ensures that Agency regulations are clear, necessary, legally valid, and available to the public. OAL is responsible for reviewing Administrative Regulations proposed by over 200 state Agencies for compliance with the standards set forth in **California's Administrative Procedure Act (APA)**, also, for transmitting these regulations to the Secretary of State and for publishing regulations in the California Code of Regulations.

Lets see how this works— (example)

The Legislature passes a bill to change a section of the Health and Safety Code (That applies to Mobilehome Parks). After the Governor signs the bill it becomes a law. After review by the appropriate Agency (in our case the Agency would be the Department of Housing and Community Development (**HCD**) under the Business, Transportation and Housing Agency), if the law or statute (same thing) is not clear on what or how to implement the change or revision it may require the Agency (**HCD**) to adopt regulations to clarify the text. The law may also tell the Agency to draft regulations to explain the Legislature's intent. The purpose of regulations, according to the Administrative Procedure Act, is to "implement, interpret, and make specific or otherwise carryout the provisions of the statute." OAL's function in their review of proposed regulations is to make sure that the proposed regulation follows those requirements.

A specific example is HSC section 18554. It states very clearly that it is unlawful to dump wastewater on the ground. Because it is so clear, there is no regulation that says the same thing. However, because the rest of the section says the Department may adopt regulations to carry out the purposes of this section; this is the section HCD has referenced in adopting the regulations governing sewage disposal and septic systems in parks.

This process of developing regulations is called "RULEMAKING". If you are interested in how this procedure works, and have an interest in becoming involved you can go to;

www.oal.ca.gov/index.html, click on the red tab (at top of window)"Publications", click on the listing "How to Participate in the Rulemaking Process" and download the 25 page pdf document file.

This is a complex procedure and all of the above is only a birds eye view. I have left out parts of the process, but at least now you may have a better understanding of how a bill gets from being passed to being applied to the CCRs. (continued next page)

(Continued) Attachment # 1

As you can see from the above this can be long drawn out procedure. This is not a simple procedure and is not taken lightly by all parties concerned. OAL can not make changes to the law as passed and signed by the Governor, only how it is applied in the field (simplify the law in common terms) These applications will show up in Sections of the CCRs. For Mobilehome purposes these would probably be in Title 25.

A simple breakdown from the Department (HCD in our case)-side of regulation adoption follows;
(This is by no means the complete process:)

The 13 steps below are a very brief simplified outline of a complex process.

1. The Legislature gives a Department the authority to adopt regulations. For example, look at Health and Safety Code (HSC) sections 18300 or 18670. You'll see the words "the Department may adopt regulations" or "the Department shall adopt regulations". Actually, 18300(a) gives HCD the authority to adopt regulations for all of the Mobilehome Parks Act contained in HSC 18200 through 18700.
2. A preliminary draft of proposed changes is created and presented at focus groups of affected parties to create the actual regulation text. These focus groups are represented by members of resident groups, park owner groups, affected industry people (awning, tie-down, support system manufacturers, etc.), and legislative and local government representatives.
3. Based on the original needs and the focus group, the Department creates the proposed regulation text along with an Initial Statement of Reasons (ISOR) stating the reasoning and need for each change that is proposed. This is necessary even if it is a grammatical fix or to correct a previous error.
4. Notices of the proposed changes are sent to all interested parties. For the Mobilehome Park regulations it is the parks, resident groups, owner groups, interested party's, and depending on the proposed change, industries affected by the changes, i.e. tiedown, awning, support system manufacturers.
5. The proposed text or EXPRESS TERMS and ISOR are published. It is permissible to post it on a website, which is the method of publishing used by HCD. It is also available for viewing, along with the entire rulemaking file, at HCD's headquarters office in Sacramento and anyone can request a copy of the proposed text. You cannot receive a copy of the actual rulemaking file.
6. A 45-day public comment period starts and anyone may comment, in writing, on the proposed changes.
7. A public hearing is conducted near the end of the 45 days for any additional comments.
8. The Department considers the comments received and responds to all the comments within the regulatory rulemaking record. HCD does not respond to the individual that made the comment.
9. All comments are reviewed and if a comment necessitates a change in the proposed text, the text is amended.
10. Changed text to the proposed regulations are published and an additional 15-day public comment period begins. This process can repeat if there continues to be changes. Note: only the changed sections of the proposed regulations are open for comment during the 15-day comment period.
11. A final statement of reasons is created that incorporate the changes and the reasons for the changes.
12. The completed package is sent to OAL for review. They have 30 working days to review it (usually about 45 calendar days). The Department initially opened a rulemaking record with OAL in the beginning; this is basically to ensure the proper timelines and procedures are followed.
13. At the end of the 30 days, the rulemaking package is sent to the Secretary of State. When he or she signs it, it becomes effective.

Along with the text and ISOR many other documents are supplied to OAL to include all the comments, forms relating to the impact on the state or local governments, and the economic impacts of the changes to the public, businesses and small business. Additionally, signoffs are required by the Business, Transportation and Housing Agency, Department of Finance and if the proposed regulation impacts fire safety, the State Fire Marshall.

.....

ATTACHMENT # II
Proposal for 2009 legislative session

Revise Health and Safety Code Section 18700

(a) Any person who willfully violates this part, building standards published in the State Building Standards **Code** relating thereto, or any other rules or regulations adopted by the department pursuant to this part is guilty of a misdemeanor. Any permit holder who willfully violates this part, building standards published in the State Building Standards **Code** relating thereto, or any other rules or regulations adopted by the department pursuant to this part shall be subject to suspension or revocation of his or her permit to operate.

(b) The department shall adopt regulations regarding fines and imprisonment that are commensurate with the violation and whether it was willful and or intentional violations. (**see bullets below** for suggested regulations)

.....

Examples ;

- Park Owners including Mobilehome Parks owned or managed by multi Corporations, Limited Law Corporations (LLC), Limited Partnerships (LP) or individual ownership.

- Park Owners (including all of the above) shall be held liable and responsible for the actions of Management Companies and onsite managers hired by these entities' to run, manage or operate Mobilehome parks on their behalf, The above group will pay the fines and serve the jail time, not the on-site manager.

CALIFORNIA CODES
HEALTH AND SAFETY CODE

SECTION 18700

Any person who willfully violates this part, building standards published in the State Building Standards Code relating thereto, or any other rules or regulations adopted by the department pursuant to this part is guilty of a misdemeanor, punishable by a fine not exceeding four hundred dollars (\$400) or by imprisonment not exceeding 30 days, or by both such fine and imprisonment.

Any permit holder who willfully violates this part, building standards published in the State Building Standards Code relating thereto, or any other rules or regulations adopted by the department pursuant to this part shall be subject to suspension or revocation of his or her permit to operate.

Any person who willfully violates this part, building standards published in the State Building Standards Code relating thereto, or any other rules or regulations adopted by the department pursuant to this part, shall be liable for a civil penalty of five hundred dollars (\$500) for each violation or for each day of a continuing violation. The enforcement agency shall institute or maintain an action in the appropriate court to collect any civil penalty arising under this section.

NOTE

The first and last paragraph seem to contradict one another, which is right?

ATTACHMENT # III

I think Advocacy groups should look at ways to provide Local, State and Federal funds for assisting Mobilehome Owners for rental assistance for seniors. Section 8 Housing rental assistance in Orange, LA and San Bernardino Counties is **very, very under funded and** have at least a 2 year waiting list, and even at that it only covers very low or low income Homeowners. This is a **National disgrace** when the US spends billions on the WAR to kill people in foreign lands while US Seniors and low income citizens are losing their homes **by greedy park owners** and the refusal of the state legislator and the Governor to pass any type of rental control.

Lets go for rental assistance to help pay the high rents,

How about holding state wide hearings, **not on RENT CONTROL**, but on **\$\$\$** for RENTAL ASSISTANCE PROGRAMS at all levels----local, State, Federal (**CBG and HOME** funds), and maybe even the Park Owners could help.

See **Attachment # 5** for a list of cities and counties and the funding for CDBG and HOME funds for 2008. **70 percent of these funds are to be geared towards low and medium income programs.**

We should be asking all Presidential Candidates to support this----Emails and phone calls and letters.

Suggestion: (This would require "Ear Marks" on Federal legislation) + Lobbying at the federal and state level.

Suggested new legislation

Any Mobilehome Owner who rents a space in a park will receive rental assistance if the space rent is more 80 percent of the **total family income** which must be verified.

This would apply to all, no income limits (this would be based on your space rent).

Examples:

- Single Homeowner (living alone) makes \$15.00 an hour.
 $\$15 \times 173.3 = \29995.50 income $\times .80 = \$2079.00$ ---- no assistance until rents exceed \$2079.
- Social Security only (Living alone) $\$919.00 \times .80 = \735.00 Max rent with no government assistance. Once rent exceeds the 80 percent (\$735.00) that person would get 100 percent assistance for any amount over \$735.00 --- Rent increases to \$800.00, that person would receive \$65.00 per month assistance if their income is still the same at the time rent increases to \$800.00 per month.

ATTACHMENT III A

Sent to Barack Obama and Hillary Clinton on February 22, 2008

Seniors and low income people who own a Mobilehome and rent the dirt beneath the home are losing their homes at an alarming rate in California and across the country because of the likes of a friend of yours from Chicago (Sam Zell).

Zell is one of many park owners who gouge Seniors and low income with rents as high as \$1500.00 a month for space rent (the dirt beneath the Mobilehome) These homeowners are in a worst position than the over extended mortgage problem, WE ARE ALSO LOSING OUR HOMES. Some Homeowners only have \$900.00 income.

Neither of you Democrats have never mentioned our plight nor do you seem to care. If you want to find out about the problems that 5,000 parks in California has, come to a meeting called by a long time Democrat State Senator Lou Correa.

SELECT COMMITTEE ON MANUFACTURED HOMES AND COMMUNITIES

- Senator Lou Correa , Chairman
- INFORMATIONAL HEARING , Friday February 29, 2008
- SUBJECT: HCD Mobilehome Park Health and Safety Code Enforcement Californian .

Rancho Santiago Community College District

Board Meetings Board Room

2323 N. Broadway , Santa Ana ..

- 10:30 am. to 12:30 p.m. 714-558-4400 For more info.

I have contacted HUD for help through **CDBG** and **HOME** funds, but no help--need to change the CDBG rules to allow funds to be used for rental assistance. The justice department should investigate the way cities spend these funds. The city of Brea uses **CDBG** funds for redevelopment and claim the housing is for medium income, BS--How can a 2B loft selling for \$720,000 be medium income, another one **CDBG** were used to buy Trolleys for use by seniors--the Trolleys are running empty, and the city answer it's not Brea tax money???

Just like everyone else I contact, I don't expect this E-mail to you will be any different

Remember "**THESE ARE ONLY WORDS**"

Sent: Thursday, February 21, 2008 5:15 PM

To: Kedda, Claudia (HUD)

Cc: milt Burdick

Subject: CDBG funds

Can **CDBG** funds be used to help pay rents in Low Income and moderate income in Mobilehome Parks---Space rents are skyrocketing and Seniors and low income on fixed incomes are losing their homes.

Section 8 housing is of little help (over two year waiting period)

If you do not have an answer would you send this on to a person who may be able to help?

milters2000@yahoo.com

CDBG cannot be used for rent assistance. **HOME** funds can be used for rent assistance for up to two years. You might check with your local jurisdiction

ATTACHMENT # IV

42 USC, Section 5301

TITLE 42- THE PUBLIC HEALTH AND WELFARE CHAPTER 69- COMMUNITY DEVELOPMENT (CDBG)

§ 5301. Congressional findings and declaration of purpose

(a) Critical social, economic, and environmental problems facing Nation's urban communities

The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising in significant measure from—

- (1) the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities;
- (2) inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight and the marked deterioration of the quality of the urban environment; and
- (3) increasing energy costs which have seriously undermined the quality and overall effectiveness of local community and housing development activities.

(b) Establishment and maintenance of viable urban communities; systematic and sustained action by Federal, State, and local governments; expansion of and continuity in Federal assistance; increased private investment; streamlining programs and improvement of functioning of agencies; action to address consequences of scarce fuel supplies

The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and require—

- (1) systematic and sustained action by Federal, State, and local governments to eliminate blight, to conserve and renew older urban areas, **to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity;**
- (2) substantial expansion of and greater continuity in the scope and level of Federal assistance, together with increased private investment in support of community development activities;
- (3) continuing effort at all levels of government to streamline programs and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts; and
- (4) concerted action by Federal, State, and local governments to address the economic and social hardships borne by communities as a consequence of scarce fuel supplies.

(c) Decent housing, suitable living environment, and economic opportunities for persons of low and moderate income; community development activities which may be supported by Federal assistance

The primary objective of this chapter and of the community development program of each grantee under this chapter is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than 70 percent of the aggregate of the Federal assistance provided to States and units of general local government under section 5306 of this title and, if applicable, the funds received as a result of a guarantee **or a grant under section 5308 of this title, shall be used for the support of activities that benefit persons of low and moderate income, and the Federal assistance provided in this chapter is for the support of community development activities** which are directed toward the following specific objectives—

- (1) the elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income.

Thank you for your help.
milters2000@yahoo.com

"*Rivera, Dora I*" <Dora.I.Rivera@hud.gov> wrote:

Mr. Burdick:

Sorry for the delay to respond to your e-mail. There are **certain rules** applicable to mobilehome owners and renters, however, before I give you a final answer, I would like to do more research on it. Please be clear that even if the jurisdiction (State, county, city or consortium) where you reside participates in the **HOME** program, they may or may not carryout tenant based rental assistance (TBRA) projects. Each jurisdiction is free to design their **HOME** program and the activities they will undertake with the funds they receive at their own discretion and priority needs. I suggest you look for information about whether or not they provide this type of assistance in the jurisdiction's Action Plan. Most jurisdictions have their Action Plan posted on their websites. Also, it may be available to the public in the Public Libraries of their respective areas or the last resource, it in the jurisdiction's administrative office, (Public Information).

I just wanted to write you to acknowledge receipt of your e-mail and will respond to your inquiry as soon as possible.

Thank you,

Dora Rivera
Affordable Housing Specialist
U.S. Department of Housing and Urban Development

From: Milt Burdick [<mailto:milters2000@yahoo.com>]

Sent: Saturday, February 23, 2008 4:24 PM

To: Rivera, Dora I; milters2000@yahoo.com

Subject: HOME Consortia

February 23, 2008

Dear Ms. Rivera,

I am an advocacy group member and live in a Mobilehome Park, we own our homes, but rent the dirt beneath the home. So in essence we are Homeowners and Renters.

Mobilehome Park Owners are rasing our space at an alarming rate with space rents exceeding \$1500.00 a month. Seniors and low and medium income homeowners are losing their homes because of the high space rents. Also, because of the high rents people are unable to sell and are walking away and going homeless.

My question is can HOME funds be used for rental assistants in Mobilehome Parks if a City, County or the state has HOME Consortia agreement?

I tried to download the guide (pdf) on how to set one up, but only the cover page showed up . (1 of 94).

Milt Burdick
President of Chapter 955
Hollydale MHP
5700 Carbon Canyon Rd #131
Brea CA 92823
714-572-0253
milters2000@yahoo.com

ATTACHMENT # 5

HUD FUNDING

Dollar Amounts---Entitlement and Non-Entitlement Communities for 2008

	<u>CDBG</u>	<u>HOME fund</u>		<u>CDBG fund</u>	<u>HOME fund</u>
ALAMEDA	\$1,329,612	0	FAIRFIELD	\$816,448	0
ALHAMBRA	1377329	\$781,788	FONTANA	\$1,886,229	\$599,309
ANAHEIM	4928562	2011168	FOUNTAIN VALLEY	\$349597	0
ANTIOCH	719670	0	FREMONT	\$1642923	0
APPLE VALLEY	630805	625484	FRESNO	\$7,538,236	\$3,566,961
BAKERSFIELD	3304357	1520921	FULLERTON	\$1499366	\$722628
BALDWIN PARK	\$1468174	486822	GARDENA	\$ 918522	442585
BELLFLOWER	1183634	568540	GARDEN GROVE	\$ 2573242	\$1021349
BERKELEY	3209492	1244315	GILROY CITY	465402	0
BUENA PARK	1002366	0	GLENDALE	3268345	2086614
BURBANK	1163808	783209	GLENDORA	336854	0
CAMARJILLO	35370	0	GOLETA	265966	0
<i>CARLSBAD</i>	499044	0	HANFORD	533249	0
CARSON	1094743	0	HAWTHORNE	1706508	885952
CERRITOS	380522	0	HAYWARD	1693512	0
CHICO	871312	680552	HEMET	695652	0
CHINO	615031	0	HESPERIA	727339	0
CHINO HILLS	423291	0	HUNTINGTON BEACH	1364291	747168
CHULA VISTA	1973771	899494	HUNTINGTON PARK	1591830	821202
CITRUS HEIGHTS	637847	0	INGLEWOOD	2228408	1140031
CLOVIS City	632798	0	IRVINE	1301795	562913
COMPTON	2058966	781061	LAGUNA NIGUEL	335396	0
CONCORD	1014998	0	LA HABRA	799640	0
CORONA	1191464	459330	LAKE FOREST	478551	0
COSTA MESA	1348944	685233	LAKELWOOD	722646	0
CUPERTINO	386580	0	LA MESA	433203	0
DALY CITY	1228151	498727	LANCASTER	1370043	604045
DAVIS	796863	520596	LIVERMORE	454781	0
DELANO CITY	814667	0	LONG BEACH	8654215	4670784
DOWNEY	1484663	712852	LOS ANGELES	\$71,453,145	\$38,823,291
EL CAJON	1234449	759051	LYNWOOD	1568954	603548
EL CENTRO	665626	0	MADERA	957730	0
ELKOROVE	492958	0	MERCED	1240510	601267
EL MONTE	2694695	1374565	MILPITAS CITY	579009	0
ENCINIIS	396456	0	MISSION VIEJO	488869	0
ESCONDIDO	1709019	818509	MODESTO	2325981	1183828
MONTEBELLO	1047372	493213			
ROSEMEAD	1138481	496123			
ROSEVILLE	506396	0			
SACRAMENTO	5718848	3131021			
SALINAS	2441464	902171			

<u>City</u>	<u>CDBG funds</u>	<u>HOME fund</u>
SAN BERNARDINO	3503520	1504092
SAN CLEMENTE	394641	0
SAN BUENAVENTURA	\$862,439	\$507,686
SAN DIEGO	14851609	8177066
SAN FRANCISCO	21087052	7687006
SAN JOSE	9941268	4192037
SAN LEANDRO	720922	0
SAN MARCOS CITY	690388	0
[SAN MATEO	780521	495921
SANTA ANA	\$6,818,885	\$2,367,488
SANTA BARBARA	1065002	777402
SANTA CLARA	1070172	595604

COUNTIES

	<u>CDBG funds</u>	<u>HOME funds</u>
ALAMEDA	\$1,933,264	\$3,911,719
CONTRA COSTA	3422822	2906546
FRESNO	3935876	1529796
KERN	4999821	2023869
LOS ANGELES	29600107	12399531
MARIN	1587000	1111694
ORANGE	\$3,746,13	\$1,579,138
RIVERSIDE	10297953	3445697
SACRAMENTO	5770968	3621636
SAN BERNARDINO	320656	4052731
SAN DIEGO	4637376	3838595
SAN JOAQUIN	3516890	1610506
SAN LUIS OBISPO	2059120	1295173
SAN MATEO	2808770	1617521
SANTA BARBARA	1996104	1592060
SANTA CLARA	1727563	779986
SONOMA	1968556	1122102
STANISLAUS	2463579	0
VENTURA	1989075	803088

NON-ENTITLEMENT COMMUNITIES (50,000 or less)

	CDBG	HOME
CALIFORNHA STATE PROGRAM	\$39,262,869	\$54,081,953

History of Storm Drain cement collector from March 2004

This issue started around March 1, 2004 when the storm drain cement collector broke loose from the drain lines that comes down the center of Beryl St and enters the collector at Topaz St. Also, a line from Olinda Village that is under ground (under spaces 7, 9 and 3) connects to the same cement collector. A few months ago Hollydale (2003 or early 2004) replaced the storm drain pipe down the center of Beryl Street from Ruby to Topaz and installed a larger pipe into the cement collector. HCD was performing its seven year inspection the day after the collector broke loose, HCD inspection team saw the damage (Adrian Perez Supervisor and two inspectors). The managers at this time was Bill and Mary Roberts. I told Mr. Roberts he should contact the City of Brea and rope this area off. Mr. Roberts said he would, but I do not think he did. I called Brea Building and Street department and the city sent out two workers that yellow taped the area and said this is a Hollydale problem. HCD said this is out side of fenced and was not a concern of there's. I contacted Roy Moore on this because he was on the County flood control board and this was storm drain water. He told me this was not a county problem, but it was Hollydale's problem. (private property) I contacted Richard Mitchell of Brea Building Depart. (Mr. Mitchell is the Manager of the Building Depart. He came out and looked at the damage and said it will be repaired, HA, HA

I contacted Amy Miller (Sierra Management Asset Manager) and walk over to the site and showed her the damage. I said I know this is outside of Hollydale, but it affects Hollydale. Amy said actually Hollydale property line is three feet beyond the fence, which places the cement collector on Hollydale property. **I told Amy and Mr. Roberts that if this is not repaired before the rains come that Topaz and Beryl may end up in the canyon caused by rain erosion.**

This continued on for months with no action on Hollydale Managements part. A few months (June 2004) after this On-Site Managers Mr. and Mrs. Roberts were removed and Amy Miller was transferred to a another assignment (or fired) Norma Rose became the new manager around August 2004. Sierra Regional Manager Eric Molengraft took over Amy Miller's duties. Mr. Molengraft took over around mid 2004. I have photos of the cement collector laying down in the canyon (March 2004) If repairs had been made between March 2004 and December 2004 when the only damaged area was out side of fence and little or no damage to Beryl and Topaz St. also, little damage to the hill side (see photos taken in early 2004). The \$\$ cost would have been minimum.

Well, low and behold in December 2004 and early January 2005 the rains came with a vengeance and even more rain and the Hill side, Topaz and Beryl Streets and the cement culvert stated sliding down into the canyon and are still sliding today (September 21, 2005) (see photos 2005 taken from the top at Beryl and from the canyon floor). Damage is now extensive to Beryl and Topaz Streets and the hill side has slid down into the canyon. Hollydale fence in ready to fall into the canyon. The rains are going to be here soon and that should finish the hill side and probably Topaz St. Hopefully space 3 Mobilehome does not follow Topaz down into the canyon.

GSMOL Chapter 955 filed a complaint with HCD on January 31, 2005 (see attached copy) As of September 26, 2005 We have not been contacted by HCD in reference to the complaint on this unsafe condition. The only request we had was to install a temporary construction site type fence until repairs are made, before a child is injured or killed by this land slide.

I will try to go over this month by month on the steps GSMOL Chapter 955 has taken on this issue. Many, many E-mails and photos have been sent to all of the following; HCD, Mayors of Brea (Beauman and Lantini), the rest of the city council, Brea city manager, Richard Mitchell Brea building, Eric Molengraft (Sierra Management), Norma Rose (on site manager) State Senator Dunn, and his aid John Tennyson, Assemblywomen Doucher, GSMOL President Steve Gullage, file, plus Chapter 955 members.

During the months of February and March we waited for HCD to answer the Complaint. On March 17, 2005 HCD Sacramento sent a letter that a local Inspector from Riverside would contact me to investigate the complaint, I said above HCD has yet to contact me. Again we waited a couple of months for an investigation by HCD----NOTHING. So we contacted the City of Brea for help (we are now into the summer months) we asked Brea to intervene on Hollydale residents behalf as permitted by the Civil Code (Mobilehome Residency Law) 798.87 (C) (2). The city reviewed its options, but took no action except a few E-mails to Sierra Management. I kept asking Norma R. about twice a month what was going on in reference to the Beryl/Topaz damage. All sides gave us the run around each blaming the other for no action. Hollydale Management holding up the repair plans, could not contact the adjoining property owner, HCD was the hold up, the city would not review the plans, Hollydale is holding the plans and not giving the plans to Brea, Brea will not send plans to Sierra Management, HCD can't find the plans, HCD said they will not review until Brea and Hollydale sign off on the plans. This has been going on for about four months and the unsafe condition is allowed to continue with no one except GSMOL Chapter 955 being concerned about the safety of the children of Hollydale Homeowners. This appears to be negligence on all parties, Kort/Scott Reality (Hollydale MHP Owners) Sierra Management,(Eric Molengraf) California Housing and Community Development (HCH) for not enforcing Health and Safety Code Section .

Notice to Homeowners (December 20, 2007) on the \$27.94 per month Cap Imp.

Mr. & Mrs. Milt Burdick
5700 Carbon Canyon Rd., #131
Brea, CA 92823

**HOLIYDALE MOBILEHOME PARK 5700 Carbon Canyon Road
Brea, CA 92823**

**90-DAY NOTICE OF RENT INCREASE NOTICE
BASED ON CAPITAL IMPROVEMENTS**

December 20, 2007

Dear Resident(s):

As you know, capital expenditures have recently been made in the park for the improvement and preservation of the facilities and services provided as part of the tenancy. Renovation of clubhouse areas available to the residents, and the storm drain project all have been made. Such expenditures also add to the attractiveness of the community and may have a positive reflection on mobilehome property values as well.

Pursuant to your lease agreement, capital expenditures "capital improvements" and "capital replacements" are a factor which may be used to increase rents. We have determined the total cost of the recent expenditures and the useful expected life over time, the lease calls for reimbursement. Accordingly, this notice is to notify you that effective April 1, 2008, rents will increase to account for the capital expenditures over the expected life of the work performed.

The total adjustment to monthly rent, for a period of 180 months, will be an increase of \$27.94 per month. The calculation of this increase, based on the records of the capital expenditures (copies of the records are on file in the management office for review and verification) which are as follows:

- Total capital expenditure cost: \$673,854.61 .
- Total Expected Life of the work: 15 years.
- Total Number of Park Spaces: 134.

Total cost is spread over the time period of expected useful life in years, then divided by the number of spaces in the park to obtain the pro-rata share for each homeowner, then divided by 12 (to obtain monthly increase amount of rent): \$673,854.61 divided by 15 (years) equals \$44,923.64 per year, divided by 134 total number of park spaces (to determine individual homeowner share), then divided by 12 to obtain the amount for the monthly increase, equals \$27.94 per month.

(Over 15 years this = \$5,029.20) Once this payment has been made for the life of the expenditure it will be deleted from monthly rent.

Accordingly, please be advised that a monthly capital improvement /replacement charge will appear on your rent statement of \$27.94 per month beginning April 1, 2008 for a period of 180 months only as further rent. All other charges will continue to apply. Copies of the invoices are on file in the management office in the event you would like to inspect the figures.

We know that the notification of any rental increase is not welcomed news, but we hope that the reflection of the actual improved appearance of the park, and the likelihood that the connection between appearance and property values will be a positive one will prove to be a apt reason for understanding the need for this adjustment.

As always, we welcome any questions or comments regarding this notice or any other matters pertaining to tenancy in Hollydale Mobilehome Park.

Very Truly Yours , Abe Arrigotti
Hollydale Mobilehome Park

*****k

Electrical Issues
Blue Star Mobile Home Park
12401 Filmore St.
Sylmar CA.

Known Wire Terminal's Jumped: 517, 520, 522, 524, 526, and 529

531: Official complaints made by this date: September 20, 2007. #531 Pat and Lena, Fluctuating lights, washer and dryer running slowly, refrigerator not keeping food cold on very hot days, wires are getting extremely hot to touch. Concerned about fire hazards. Pat (a electrical test engineer, professionally) tested his power. The test results showed an extreme swing in voltage. Ranging from 90-126 volts, the expectable swing allows 3 volts only plus or minus, for safety reasons, this is a 120 volt service, so acceptable norms would be 117-123 volts. When electricity service drops below 117 volts, this creates a tremendously dangerous situation and will start a fire. Pat has metered the voltage as low as 96 volts. This is dangerous, un- healthy and NOT SAFE.

529: Francisco (Santiago) Perez, hired a contractor to install an accepted and approved central A/C unit, his action was approved by the park. After the install, the electrician tried to start the unit and found that his stated service 120 volts was not accurate that he was actually receiving roughly 70-75 volts. So he effectively lost all the monies he paid the contractor, he lost the monies for the unit and he still does not have Air conditioning. He also notices that when anything kicks on like, washer/dryer the lights dim, food does not stay cold in the fridge on hot days, his wiring gets hot to the touch.

539: Diaz family (Mirrella, translated through her son) lights dim when major appliances kick on, household Fans slow down when outside temp. rises, central air will not cool the house.

541: Perez, Barbaro, 818-441-8160 Lights Dim, with use of major appliances. Television will dim and fuzz when appliances kick on.

528: Coria, Adrianna 818-834-8492, lights dim, when using major appliances are on washer/dryer or central A/C

519: Carter, Gloria and Dennis (mother and son, sons home) mother is disabled and requires specialized equipment e.g. motorized lift chair. She states "there have been many times that the park has turned off their electric, while she was in her chair without notice; she has been trapped in the chair without the capability of getting herself out to go to the bathroom." The park routinely turns off power without the required 72 hour notice, The park also repaired an under ground water leak, a number of times, in the neighbors house #521, the house had a weed barrier and decorative stone. After they did the repair the barrier was ruined and weeds grow and the home owner has been sited for weed abatement in the area where the ground run is. The park to date has not repaired or

replaced the weed block and is requiring the home owner to replace the system at his cost. The contractor, hired by the park took the decorative pavers from next door (the Carter residence) to use for a concrete form, without permission.

Neighborhood Friends has also learned that:

8th Street has 30 homes and the parks laundry room (an industrial water heater, industrial window A/C unit 5 washing machines, 5 dryers.) all of this is being serviced with a 200 amp service. I believe that the max legal limit is 13-14 homes at 30-50 amp service each is the cap. That means that 15-16 homes and the laundry facility are illegal.

7th Street, there approx. 40 homes on 1, 400 amp service. The legal max on a 400 amp service is roughly 25 homes. This means that there are at least 15 homes that are illegal on that service.

5th Street, has 40 homes on 1, 400 amp panel and the rec. center as well as all the pool equipment this situation in Blue Star mobile home park is extremely dangerous and does not meet even the bare minimum required by CA. health and safety law. The electricity system is rapidly approaching systemic failure, or even worse will cause loss of life and homes.

If HCD requires more information to proceed please let me know.

Sincerely,
Glenn Bell
President
Neighborhood Friends
818-890-1113

www.neighborhoodfriends.us

Bell Gardens Trailer Park Residents Seek Relief from State Crackdown

Irantzu Pujadas
EGP Staff Writer

"The state is asking me to correct the violations, but I don't have the resources or time to fix them," says Luis Argomaniz, a resident of a trailer park in the 5600 block of Clara Street in Bell Gardens.

Argomaniz is one of 27 trailer park residents who must make modifications to his trailer, or face eviction for violations of California's Health and Safety Code.

Residents at the trailer park say they have banded together to call attention to their plight, and to seek assistance from their local elected officials, including the Bell Gardens City Council.

The residents have written letters to Bell Gardens council members and their local state representatives to request financial assistance to pay for the repairs they say will cost between \$11,000 and \$16,000 to get their mobile homes up to code; an amount the low-income residents say they cannot afford.

On Sunday, residents of the mobile home park told EGP that they are in a strange and difficult situation, and don't understand why the state is now taking punitive action against them.

For years we have remodeled our trailers, made additions to them, without the state ever notifying us that there are restrictions to what we could do, said the residents, who added they were surprised to learn they had violated any codes.

But now, after years of looking the other way, the state is forcing them to comply with the current health and safety code.

Their problems began following a January 2007 fire that destroyed a mobile home at another Bell Gardens area trailer park. Residents involved in that fire, and other residents at that trailer park were found to be living in overcrowded and dilapidated conditions and in violation of state code, factors authorities say contributed to an unsafe situation.

Those violations prompted state officials to start a series of inspections

at other trailer parks in the southeast city, resulting in the state citing 27 of the Clara Street trailer park units for being out of code.

The majority of the Department of Housing and Community Development violations are for un-permitted additions that have resulted in inadequate clearance space between water heaters or vents and combustible materials, such as clothes and stoves.

Other violations include lean-tos and makeshift awnings constructed with non-fire retardant materials that are within three feet of the lot line for adjoining units. The minimum separation should be 6 feet, according to the department of housing and community development division of codes and standards.

The city of Bell Gardens has no jurisdiction to intervene on behalf of the trailer park residents, but the city's mayor, Jennifer Rodriguez, told EGP she believes that is necessary to find a way of protect the city as well as its residents.

[But] "If we give the money to the trailer park residents on Clara Street, we need to make sure that that money is going to return to the city somehow," Rodriguez told EGP.

The mayor said the city has no financial obligation in the matter, adding that the best way to help the residents is by working with the state and the county to find a solution to the residents' dilemma.

But Bell Gardens Councilman Mario Beltran says the city has enough funds to help the residents.

"The crisis is not about funds, it is about leadership and sensitivity," he said, adding that the city should invest in a trailer park rehabilitation program.

Some of the families at 5656 Clara Street have already started some of the required repairs to their homes: repairs they say are significantly changing their lives.

Families like that of Consuelo Montoya, who says she had to reduce the size of her trailer by getting rid of the extra space they added on in violation of the housing code. Now, she says, the trailer is too small and very uncomfortable for the 6 people who call the trailer home.

"I don't even have a closet for clothes anymore, we have been living

here for 10 years and it is becoming really difficult to accommodate my family now," said Montoya, who finds herself in the middle of remodeling the trailer but still doesn't know how she is going to pay all her bills.

Bell Gardens Councilman Daniel Crespo told EGP he wants to help the trailer park residents, and says the city should use its financial resources to help the Clara Street families.

"There is a lot of waste of money, if the city restructures certain departments, expenses can be reduced considerably and we can use funds to help the people in real need," said Crespo.

The city of Bell Gardens says it is looking into what funding might be available to help the residents, including programs like Cal Home (HCS) or help from City of Industry Affordable Housing Fund, said the city's director of community development, Carmen Morales, in a written statement to the Council.

But for now, the future of the 27 families already struggling to make ends meet, remains uncertain. Where they will find the money to make the repairs to their modest, cramped homes, some housing a many as nine people, is a challenge they don't know if they will be able to overcome.

But if they don't, residents worry they could soon find themselves out on the street looking for a new place to live.

Mobilehome and RV Parks Listing

All California Mobilehome and RV parks

[Restart New Search](#)**ACE TP(19-0006-MP)**

Location (Map)
6508 FLORENCE PL
BELL GARDENS, CA 90201-3258
213-927-2868
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 8
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

MYRON CRIST
6508 FLORENCE PL
BELL GARDENS, CA 90201-3258

BUSCH TRAILER CT(19-0086-MP)

Location (Map)
7916 JABONERIA RD
BELL GARDENS, CA 90201
310-806-9284
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 6
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

DONALD JERVIS
CRAIG & MARY WALL PO BOX 39970
DOWNEY, CA 90239

THE COACHMAN(19-0432-MP)

Location (Map)
5919 E FLORENCE AVE
BELL GARDENS, CA 90201
213-771-6928
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 25
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

DOLORES STOCKTON
1875 CENTURY PARK EAST STE 600
LOS ANGELES, CA 90067

MARLOW PARK(19-0465-MP)

Location (Map)
6818 MARLOW AVE
BELL GARDENS, CA 90201
562-928-6617
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 8
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

SALVADOR LARIOS
8438 6TH ST
DOWNEY, CA 90241

BELL GARDENS TRAILER PARK(19-0717-MP)

Location (Map)
5943 CECILA
BELL GARDENS, CA 90201
310-927-4972
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 20
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

BARBARA SAVANT
135 NORTHSTAR MALL
MARINA DEL REY, CA 90292

COLMAR TRAILER PARK LLC(19-1475-MP)

Location (Map)
6632 COLMAR ST
BELL GARDENS, CA 90201
562-927-6416
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 7
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

TERRY MORALES

MID CITY MHP(19-0210-MP)

Location (Map)
5656 CLARA ST
BELL GARDENS, CA 90201
310-928-2392
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 25
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

BARBARA SAVANT
135 NORTHSTAR MALL
MARINA DEL REY, CA 90292

JAY COR TP(19-0229-MP)

Location (Map)
5540 QUINN ST
BELL GARDENS, CA 90201
310-792-1660
Local Fire Authority

Park Information

Jurisdiction: HCD
MobileHome Spaces: 30
RV Spaces with Drains: 0
RV Spaces w/o Drains: 0

Operated By

JOE GRAHAM
C/O IRMA ORTIZ (PROP MGR) P.O.
BOX 1007
TORRANCE, CA 90505

GARDEN TP(19-0244-MP)**Park Information****Operated By**

Donna Matthews
 10961 Desert Lawn Dr. #109
 Calimesa CA, 92320
 909-795-4557

February 27, 2008
 FAX (916)327-4480

Dear Senator Correa:

Thank you for holding a hearing on mobilehome park inspections. I have attended and participated in many of such hearings in my position as GSMOL Assistant Manager for Region Nine, but due to age, gas prices and traffic conditions I am sorry to say I will be unable to attend. I do want my personal testimony concerning lack of enforcement and a HCD opinion in contrast to a Superior Court Motion to be part of the record.

I am a senior citizen who has lived and paid rent on a lot in the Plantation on the Lake Mobilehome Park for over 22 years. A lot that is in violation of Title 25, 1610, a lot that was graded and the manufactured home installed without the proper permit or any drainage provided. This has caused years of unhealthy conditions with standing water on the lot and beneath the home.

My contract for installation in the park was with the park owner who received a letter from Riverside Dept. of Health, on August 1986, stating there was a violation of #1610 and nothing was done. The property was sold in January 1987. And there have been numerous park inspections with the same violations cited and nothing was done, (all documented and available).

Finally a few of the residents who were not intimidated filed a suit in the Riverside Superior Court, NO.200054. The case was settled, but the park owners would not put up their portion of the money until the residents signed a document stating it was their responsibility to correct the violations. It went back into court for a decision.

The park owner had a HCD hearing, unknown to the residents, on **October 16, 1991**, at which time he testified because of the rent agreement it was the resident's (lots numbered in the suit) responsibility to correct the lot violations. HCD decision **November 4 1992** made by was that because of the lease it was the residents responsibility to correct the violations. (Tape of the hearing available). There are valuable points that were ignored.

- The residents had no say in the decision, either at the time of the hearing or later when they found out there had been a HCD decision in contrast to the Superior Court decision.
- The decision was discriminatory as other residents not in the suit, with the same leases, were not held responsible for correction of the code violations on their lots.
- The lease agreement was a part of the suit No.200054 and the Court had not made the final judgment at the time of the HCD hearing.
- **October 18, 1991**, the Court made the decision, an "Order on Motion to Enter Judgment" stating plaintiffs were not responsible for the correction of the code violations on the land owner's property.

HCD has given numerous citations of code violations and the park owner has just ignored them, NO ENFORCEMENT, and this senior, and many others have had to lived in unhealthy conditions for years, and had to paid full rent for the privilege.

Respectfully Submitted

Donna Matthews
 Donna Matthews

D. Proposed

HCD-City of Paramount

Agreement

***The Proposal for Services, By and Between
The California Department of Housing and Community Development
and the City of Paramount for the Service
of a Contract Inspector.***

This Proposal is made and entered into this ___ day of ___, 2008, by and between the California Department of Housing and Community Development (hereinafter "the "HCD" or "the Department") and the City of Paramount (the "City") for the provision of contract inspection services for mobilehome parks and contract occupancy parks in the City of Paramount for one year from the Department's execution of a final Agreement according to all State general terms and conditions for a total amount of \$62,400.00.

IT IS AGREED, between the parties hereto, that the following PROPOSAL terms and conditions are as follows:

1. Inspection Activities

This PROPOSAL shall provide for a contract inspector, employed by the Department, to coordinate with City staff and provide prompt and comprehensive inspection services in the City's mobilehome parks and special occupancy parks; to ensure, to the extent feasible, that follow-up on any violations noticed is timely; and to provide technical expertise in any judicial actions necessary for enforcement of the mobilehome park and special occupancy park notices of violation. This is in addition to the services provided by the Department pursuant to its normal Mobilehome Parks Act ("MPA") and Special Occupancy Parks Act ("SOPA") authority and responsibilities.

2. Term

This PROPOSAL shall commence as of the day and year first above written and shall remain in full force, unless and until, the parties terminate the PROPOSAL as provided herein.

The operating terms are as follows: the contract HCD inspector shall work up to 24 hours per week (three eight-hour days, which shall include one-half hour each way of commute time to and from the City), with a maximum of 960 hours before June 30, 2009, and 960 hours in any fiscal year (July 1-June 30) thereafter.

3. Termination

Either party may terminate this PROPOSAL, with or without cause, upon twenty-four (24) hour written notice. Upon such notice, the Department may withhold, from the advance payment, any costs reasonably encumbered in advance, which cannot be terminated on such short notice. In the event that the City requires access to the contract inspector or any Department documents after expiration or termination of this PROPOSAL, the City may request such documents and pay those fees charged to other public entities, or subpoena the contract inspector and pay fees as prescribed by applicable laws for private persons.

4. Department's Responsibilities

- a) The Department shall select and provide one contract HCD inspector (District Representative I or II) for up to 24 hours per week (three eight-hour days, which shall include one-half hour each way of commute time to and from the City), with a maximum of 960 hours before June 30, 2009, and 960 hours in any fiscal year (July 1-June 30) thereafter, to the City.
- b) The Department is responsible for selecting the general conditions of employment and benefits (e.g. "retired annuitant") for the HCD contract inspector, and such a selection shall be within the sole discretion of the Department. The Department's obligation to supply the contract HCD inspector shall be subject to the availability of an inspector meeting the Department's employment conditions and experience qualifications.
- c) The Department shall provide the contract HCD Inspector with the following to assist in the performance of his/her duties pursuant to this PROPOSAL:
 - Standard HCD inspector equipment, including but not limited to a vehicle, laptop computer with HCD forms, a cellular telephone, a vehicle printer, appropriate code books, and other technical support;
 - Direct supervision of the contract inspector, including training and job performance oversight;
 - Management-level staff to undertake any informal conferences or formal appeals of any notices or final compliance notices.

5. HCD's Contract Manager

The contract manager shall be Sal Poidomani, manager of the Southern Area Office of HCD Division of Codes and Standards.

Southern Area Office
3737 Main Street, Suite 400
Riverside, CA
92501-3337
(951) 782-4415 (wk)
(951) 830-1109 (cell)

6. Role of Contract HCD Inspector

- a) The role of the contract HCD inspector shall be to provide enhanced MPA and SOPA inspections and perform violation notice services in coordination with city officials; these duties shall be in addition to normal MPA and SOPA services provided by the Department. The contract HCD inspector shall work as part of a city team and shall perform inspection and technical services for park owners, residents and public officials.
- b) The contract HCD inspector's investigation scope and authority pursuant to the PROPOSAL shall be limited to inspections for **serious violations** of the physical MPA and SOPA operating requirements by both park owners and residents. The definition of "serious violation" the contract HCD inspector shall rely on will be violations that represent an imminent hazard representing an immediate risk to life, health, and safety and requiring immediate correction; or those that constitute an unreasonable risk to life, health, or safety and requiring correction within 60 days.
- c) The contract HCD inspector shall not issue violation notices in any other matters, which are violations of city ordinances (e.g., planning and zoning violations), or other laws (e.g., violations of the Mobilehome Residency Law or other civil laws).
- d) The contract HCD inspector shall not be responsible for identifying and citing general dilapidations and deterioration that are not violations of the MPA and SOPA; conduct violations that are not violations of the MPA and SOPA; and any other similar ambiance or life style conditions that are not violations of the MPA and SOPA.
- e) The contract HCD inspector shall identify violations through two types of inspections:
 - 1) The performance of full-park inspections ("Mobilehome Park Maintenance Inspections" or "MPM's"), or
 - 2) In response to complaints from residents, park owners, public agencies, or other sources, which the Department's supervisor believes, are appropriate for the contract inspector's response.
- f) The contract HCD inspector services also shall include the following:
 - 1) Technical assistance normally performed prior to MPM inspections and the follow-up compliance inspections for both complaint-based violations and MPM-based violations.
 - 2) Authority to issue violation notices, perform re-inspections, and write subsequent violation notices. The notices and compliance with them will be subject to statutory and regulatory requirements related to MPM inspections or complaint inspections, as applicable.

- 3) Emergency field permits for construction or repairs; all other permits for construction and repairs will be issued by the Area Office.
- 4) In the event that the Area Office Manager determines that a complaint or an MPM inspection is the responsibility of the Department in the ordinary course of business, the contract inspector will coordinate the necessary inspection with Department staff and coordinate with the City.
- g) In the event that one or more violations are not corrected, the contract inspector will coordinate with the HCD area office as to appropriate further action. It shall be at the sole discretion of the HCD area office whether to proceed with a request for criminal or civil prosecution by the City Attorney or Los Angeles County District Attorney, and/or to proceed with an administrative suspension of the park's permit to operate. However, the contract inspector shall be available to both HCD staff and a city or county prosecutor, within reason, to discuss and/or pursue judicial or administrative remedies.

7. City Responsibilities

For the services of the contract HCD inspector provided by the Department, identified in Paragraph 6 of this PROPOSAL, the City shall pay to the Department as follows:

1) The payment provisions are as follows:

- (a) Ten percent (10%) of the contract amount shall be paid by the City in advance. Subsequent payments shall be made in arrears, based on approved invoices.
- (b) The Department's hourly rate for the contract inspector service is \$65.00 an hour.
- (c) The Department shall bill the City monthly at the hourly contract inspector rate, which includes all costs related to the use of Department equipment (vehicle, laptop computer, cellular telephone, etc.), Division overhead (for Area Office supervision and support), and Department overhead.

2) The City shall also provide the following to the contract HCD inspector:

- (a) A local office, including a telephone with voicemail, receptionist support for drop-in visitors, and access to City email.
- (b) Direct contact with management authority within the health department, land use and zoning department, police department, fire department, and city attorney's office, as needed.

(c) Assistance in prioritizing the parks for MPM inspections, based on number of complaints related to the MPA or SOPA, and past history of violations of MPA and SOPA.

(d) A dedicated deputy in the City Attorney's Office for prosecution of any MPA or SOPA violations approved for referral by the contract inspector.

8. Amendments

The PROPOSAL may be amended or extended by written amendment duly executed by the parties and are not effective until executed by the Department.

9. Notices

Notices provided for in this PROPOSAL shall be in writing and shall be addressed to the person intended to receive the same, at the following addresses:

Kim Strange, Deputy Director
The Department of Housing &
Community Development:
1800 Third Street
Sacramento, California 95814

_____, City Manager
City of Paramount
16400 Colorado
Paramount, California 90723

Notices addressed as above provided shall be deemed delivered three (3) business days after mailed by U.S. mail or when delivered in person with written acknowledgment of the receipt thereof. The Department and the City may designate a different address or addresses for notices to be sent by giving written notice of such changes of addressee to all other parties entitled to receive notice.

10. Other terms and provisions

(a) The contract inspector is entitled to 5 unpaid vacation days every three months, and unpaid sick leave as necessary, subject to approval by his contract Manager who shall coordinate approvals with the City's contract manager or such other person as the City's contract manager designates.

(b) Each of the parties represents and warrants that the person entering into this PROPOSAL on behalf of such party is duly authorized to enter into this PROPOSAL on behalf of the party. In addition, the City warrants that funding for this PROPOSAL is authorized by applicable laws, ordinances, and regulations.

(c) After the written approval of the Department the City may subcontract with another City and utilize the hours and services of the Contract HCD inspector, in this Proposal with that other City.

11. Indemnification

The City agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, contract HCD inspector, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work services, materials or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by the Contractor in the performance of the terms of this PROPOSAL.

12. Counterparts

This PROPOSAL may be executed by the parties in counterparts, which counterparts shall be construed together and have the same affect as if all of the parties had executed the same instrument.

IN WITNESS WHEREOF, this PROPOSAL of terms and conditions is agreed upon, and is executed by the parties hereto, by their respective officers thereunto duly authorized as follows:

13. Other Relevant Terms

This PROPOSAL is required under California law to contain general terms and conditions. When the PROPOSAL is finalized, the terms attached herein in "Exhibit A" shall also be incorporated with the foregoing terms as stated herein.

CALIFORNIA DEPARTMENT
HOUSING AND COMMUNITY
DEVLEOPMENT

CITY OF PARAMOUNT

By: _____

By: _____

APPROVED AS TO FORM:
Lisa R. Campbell
Staff Counsel

APPROVED AS TO FORM:
Office of the City Attorney

By: _____
Lisa R. Campbell

By: _____
City Attorney

1423-S

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