
SENATE COMMITTEE ON HOUSING
Senator Scott Wiener, Chair
2021 - 2022 Regular

Bill No: SB 869 **Hearing Date:** 3/24/2022
Author: Leyva
Version: 2/22/2022
Urgency: No **Fiscal:** Yes
Consultant: Andrew Dawson

SUBJECT: Housing: mobilehome parks: recreational vehicle parks: manager training

DIGEST: This bill requires managers and assistant managers of mobilehome and recreational vehicle (RV) parks to complete an online training and renew the training every year.

ANALYSIS:

Existing law:

- 1) Governs the terms and conditions of mobilehome tenancies, including rental agreements between homeowners and the management of the mobilehome park and park rules and regulations through the Mobilehome Residency Law.
- 2) Establishes requirements for the construction, maintenance, occupancy use, and design of mobilehome parks. It creates the Mobilehome Parks and Special Occupancy Parks Revolving fund in the State Treasury through the Mobilehome Parks Act.
- 3) Governs the terms and conditions of RV park tenancies with the Recreational Vehicle Park Occupancy Law.
- 4) Establishes requirements for the construction, maintenance, occupancy, use, and design of special occupancy parks and creates the Special Occupancy Parks Revolving Fund through the Special Occupancy Parks Act.
- 5) Gives the California Department of Housing and Community Development (HCD) authority over mobilehome, special occupancy, and RV parks established by the aforementioned acts and laws. HCD's main enforcement is over the Mobilehome Parks Act and not the Mobilehome Residency Law.

This bill:

- 1) Requires HCD to:
 - a) Adopt regulations to require each person employed as or acting in a managerial role on behalf of a mobilehome or a RV park to receive appropriate training.
 - b) Issue a certificate, effective for one year, for people who successfully complete the training or renew their training.
 - c) Give written notice to certificate holders 90 days prior to the renewal date.
 - d) Offer the initial training and yearly renewal training. HCD may consult with the Department of Consumer Affairs.
 - e) Review complaints it has received since July 1, 2020 to develop the training.
 - f) Establish a fee-based structure to cover HCD's costs.
- 2) Requires the training to be 18 hours with an annual online examination. Every year there will be follow-up coursework and examination. The training shall be offered in an online format and may be offered in other formats.
- 3) Requires the training to include, at minimum:
 - a) Provisions of the Mobilehome Residency Law including the rental agreement, rules and regulations, fees and charges, utilities, homeowner communications and meetings, termination of tenancy, and transfer of mobilehome or mobilehome park.
 - b) Provisions of the Recreational Vehicle Park Occupancy Law.
 - c) Rights and responsibilities of homeowners and management.
 - d) Addressing emergencies and emergency preparedness and procedures.
 - e) Communication with homeowners.
 - f) Mobilehome parks and installations regulations.
 - g) Mobilehome title and registration.
 - h) Applicable vehicle code provisions.
 - i) Any changes or updates to the Mobilehome Residency Law and Recreational Vehicle Park Occupancy Law.
- 4) Establishes the Mobilehome and Recreational Vehicle Park Training Fund in the State Treasury for HCD to carry out the provisions, upon appropriation by the Legislature.
- 5) Requires management of a mobilehome or RV park to post a copy of the certificate in a conspicuous location onsite.

- 6) Impose an unspecified civil penalty and suspend the management's permit to operate if deemed out of compliance.

COMMENTS:

- 1) *Author's Statement.* According to the author, "Currently, California has no requirements for the training or education of mobilehome park managers. Senate Bill 869 would final create a mobilehome park manager training and certification program for any person who is responsible for managing a mobilehome park. In many instances, the park manager is responsible for the safety of over 200 residents and sometimes in remote locations of the state. Many Californians who own or rent mobilehomes are low-income residents or seniors who rely on the management of their mobilehome parks to ensure that residents live in safe and quality housing. The current lack of park manager training has led to cases of discrimination, unlawful evictions, and overall poor living conditions for residents. Other states – such as Arizona, Oregon and Nevada – already mandate mobilehome park management to undergo training and licensing to ensure the health and safety of residents living in mobilehome parks. By properly training managers, SB 869 can reduce decrease violations by park managers and complaints by residents, making it is a key step in providing the quality of life that California's mobilehome residents deserve."
- 2) *Mobilehomes as Naturally Occurring Affordable Housing (NOAH).* According to the 2017 Manufactured Housing Opportunity Profile: Data Snapshot¹, there are nearly 520,000 mobilehomes and manufactured homes in California, which accounts for nearly 4% of the total housing stock in the state. Nearly half of mobilehomes and manufactured homes are affordable to very-low income households, compared to just 18% of the state's overall housing stock. Mobilehomes and manufactured homes are a significant source of affordable housing in a state with a desperate need for housing affordable in this affordability range.
- 3) *Informational Hearing.* The Select Committee on Manufactured Home Communities had an informational hearing: *Improving Mobilehome Parks through Education and Licensure of Onsite Property Managers in 2016*. The report² from the hearing recommends that California institute a manager

¹ Prosperity Now. *2017 California Manufactured Housing Data Snapshot*. December 2017. https://prosperitynow.org/sites/default/files/resources/California_Metro%20Opportunity%20Data%20Snapshot_December2017_0.pdf

² California State Senate Select Committee on Manufactured Home Communities. *Report on Information Hearing Improving Mobilehome Parks through Education & Licensure on Onsite Property Managers*. September 2016. https://mobilehomes.senate.ca.gov/sites/mobilehomes.senate.ca.gov/files/improving_mobilehome_parks_through_education.pdf

training program. Witnesses included mobilehome owners, park owners, police officers, among others.

The report has an extensive list describing the need for regulation including, but not limited to, unexplained charges on rent, unsafe conditions, illegal evictions, and park rule changes without proper notice. The report also highlights that managers and owners call committee staff seeking information regarding their obligations under state law. This includes calls about conducting legal evictions, enforcing park rules, shutting off utilities, legal responsibilities to assist needy residents, managing subleasing tenants, procedures for warehouse liens and abandonment declarations, among others. This suggests that many resident and managers do not fully know what is legal.

- 4) *Tenants' Rights*. The management of a park is required to send a notice to all homeowners before February 1st of every year listing homeowner and park management rights and responsibilities, which include: 90 day notices before rent increases, the inability for purchasers or homeowners to waive their rights, reasons for termination of tenancy, the right to peacefully assemble and communicate, homeowners selling their home, management entering the home for maintenance and inspection, improvements following the rules of the park, and mobilehome property tax.

Additionally, HCD's website provides links to the Mobilehome Residency Law Handbook, Mobilehome Residency Law Protection Program, Rights and Obligations of Mobilehome Park Homeowners, Tenants, and Management FAQ's, and other resources for tenants to know their rights and take steps to mitigate issues.

As a point of clarification, HCD does not have authority to enforce Mobilehome Residency Law. These provisions are enforced by the courts. However, for some issues, HCD can impose financial penalties or take away a park's permit to operate. These instances are mainly for health and safety violations. In 2015, HCD's Mobilehome Ombudsman, an official appointed to investigate complaints, received over 2,000 complaints: 1,600 were mobilehome park complaints, 250 were related to the Mobilehome Residency Law, and 200 were related to licenses. HCD does not generally have jurisdiction over the 250 complaints related to the Mobilehome Residency Law. HCD released a report on the complaints it has received through the the Mobilehome Residency Law Protection Program. HCD's expenditure for the program is less than half of its revenue, and there were over 2500 complaints, about 1700 were processed, and 370 were referred to outside HCD from July 2020 to December 2021.

- 5) *Existing Training Programs.* HCD has experience developing trainings. Specifically, HCD provides occupational licenses for people involved with business transactions related to mobilehomes, manufactured homes, and multifamily manufactured homes. This also includes a 2-year renewal and continuing education requirements. Some private entities provide trainings. A common training course is offered by the Western Manufactured Housing Communities Association, which includes continuing education requirements. In 2016, around 600 people have had this training. However, different entities will likely provide different curriculum and may not cover all the material included in this bill. It is worth noting that it is not a required training.

There are over 5,000 mobilehome parks in California, of which there might be more than one manager for a park, and this bill will require training for all managers, not all parks have manager. Thus, this would be a large program training thousands of people per year. For context, HCD has over 2000 current licensees for their occupational program. This program will likely be about double the size. Neighboring states of Oregon, Nevada, and Arizona have required trainings in statute for managers. It is unclear at this time whether these programs have had an impact on mobilehome parks. *Moving forward, the author may wish to consider modeling parts of this training off of other states' programs, including number of training hours and setting standards which allow some flexibility.*

- 6) *Front-end cost.* The author will be considering how much funding is needed to start the program in the fiscal committee, but at present there is no funding allocation provided for in this bill.
- 7) *Amendments.* **In working with HCD and committee staff, the author's office has agreed to extend the amount of time HCD has to develop the training from one year to 16 months.** Instead of January 1st, 2024, HCD is now required to have the training developed by May 1, 2024. Managers will still have one year after HCD develops the training to take it.
- 8) *Opposition.* Western Manufactured Housing Association and California Mobilehome Parkowners are opposed for three reasons. First, opponents argue that the large majority of parks follow the law and area are subject to punitive damages if they violate the law. Second, the definition of manager is broad and may force people who do not interact with residents to have this training. Lastly, the cost burden is on the park owners and cannot be shared with residents even though residents are depicted as the primary beneficiaries.

9) *Double-Referral*. This bill is also referred to the Senate Public Safety Committee.

RELATED LEGISLATION:

AB 2150 (Atkins, Chapter 478, Statutes of 2012) — required park management to distribute statutory notices every year.

AB 869 (Mendoza, 2009) — would have created a volunteer training program for park managers. If a park was found in violation of the Mobilehome Parks Act and the violation is uncorrected after 120, the training is mandatory. *This bill failed passage in the Assembly Housing and Community Development Committee.*

AB 1469 (Negrete McLeod, 2006) — would have required mobilehome park managers to complete educational requirements every year. *This bill was vetoed by the Governor.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

POSITIONS: (Communicated to the committee before noon on Thursday, March 17, 2022.)

SUPPORT:

Golden State Manufactured-home Owners League, INC. (GSMOL) (Sponsor)
County of Contra Costa

OPPOSITION:

California Mobilehome Parkowners Alliance
Western Manufactured Housing Communities Association

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