**HB 2216** - H AMD

By Representative Van Luven and Veloria

3 Strike everything after the enacting clause and insert the 4 following:

NEW SECTION. Sec. 1. The legislature finds that manufactured homes and mobile homes provide a source of affordable housing for many residents in the state of Washington. The legislature further finds that many mobile home park residents are facing development pressures where mobile home park owners are converting their mobile home parks to other uses. The legislature further finds that closure of these mobile home parks cause the displacement of mobile home residents, many of which are senior citizens.

It is the intent of the legislature to establish incentives designed to preserve existing mobile home parks and to assist in the development of additional mobile home parks by nonprofit organizations and for-profit corporations.

17 PART I

18 FINANCIAL INCENTIVES

#### Subpart A - Mobile Home Park Purchase/Development Account

- **Sec. 2.** RCW 59.22.010 and 1995 c 399 s 154 are each amended to read as follows:
  - (1) The legislature finds:
    - (a) That manufactured housing and mobile home parks provide a source of low-cost housing to the low income, elderly, poor and infirmed, without which they could not afford private housing; but rising costs of mobile home park development and operation, as well as turnover in ownership, has resulted in mobile home park living becoming unaffordable to the low income, elderly, poor and infirmed, resulting in increased numbers of homeless persons, and persons who must look to public housing and public programs, increasing the burden on the state to meet the housing needs of its residents;
- 32 (b) That state government can play a vital role in addressing 33 the problems confronted by mobile home park residents by providing

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assistance which makes it possible for mobile home park residents to acquire the mobile home parks in which they reside and convert them to resident ownership; ((and))

- (c) That state government can also play a vital role in addressing the lack of affordable mobile home lots by providing assistance which makes it possible for nonprofit organizations to develop mobile home parks that will be affordable and occupied primarily by the low-income, seniors, or poor and infirmed; and
- 9 <u>(d)</u> That to accomplish this purpose, information and technical support shall be made available through the department.
- 11 (2) Therefore, it is the intent of the legislature, in order to 12 maintain or increase low-cost housing in mobile home parks to benefit the low income, elderly, poor and infirmed, to encourage and 13 facilitate the conversion of mobile home parks to resident ownership, 14 15 to protect low-income mobile home park residents from both physical and economic displacement, to obtain a high level of private 16 17 financing for mobile home park conversions or development, and to help establish acceptance for nonprofit or resident-owned mobile home 18 19 parks in the private market.
- 20 **Sec. 3.** RCW 59.22.020 and 1995 c 399 s 155 are each amended to 21 read as follows:

The following definitions shall apply throughout this chapter unless the context clearly requires otherwise:

- (1) "Account" means the mobile home affairs account created under RCW 59.22.070.
- (2) "Affordable" means that, where feasible, low-income residents should not pay more than thirty percent of their monthly income for housing costs.
- (3) "Conversion costs" includes the cost of acquiring the mobile home park, the costs of planning and processing the conversion, the costs of any needed repairs or rehabilitation, and any expenditures required by a government agency or lender for the project.
- (4) "Department" means the department of community, trade, and economic development.
- 35 (5) "Development costs" includes the cost of land acquisition,
  36 the costs associated with the mobile home park project planning and
  37 predevelopment, the construction costs associated with development of

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- the mobile home park, and any expenditures required by a government agency or lender for the project.
- 3 (6) "Fee" means the mobile home title transfer fee imposed under 4 RCW 59.22.080.
- 5  $((\frac{(6)}{(6)}))$  "Fund" or "park purchase account" means the mobile 6 home park purchase account created pursuant to RCW 59.22.030.
  - $((\frac{7}{1}))$  (8) "Housing costs" means the total cost of owning, occupying, and maintaining a mobile home and a lot or space in a mobile home park.
  - ((+8)) (9) "Individual interest in a mobile home park" means any interest which is fee ownership or a lesser interest which entitles the holder to occupy a lot or space in a mobile home park for a period of not less than either fifteen years or the life of the holder. Individual interests in a mobile home park include, but are not limited to, the following:
- 16 (a) Ownership of a lot or space in a mobile home park or subdivision;
- 18 (b) A membership or shares in a stock cooperative, or a limited 19 equity housing cooperative; or
  - (c) Membership in a nonprofit mutual benefit corporation which owns, operates, or owns and operates the mobile home park.
  - $((rac{(9)}))$  (10) "Low-income resident" means an individual or household who resided in the mobile home park prior to application for a loan pursuant to this chapter and with an annual income at or below eighty percent of the median income for the county of standard metropolitan statistical area of residence. Net worth shall be considered in the calculation of income with the exception of the resident's mobile/manufactured home which is used as their primary residence.
- (((10))) (11) "Low-income spaces" means those spaces in a mobile home park operated by a resident organization which are occupied by low-income residents.
- (((11))) (12) "Mobile home park" means a mobile home park, as defined in RCW 59.20.030(4), or a manufactured home park subdivision as defined by RCW 59.20.030(6) created by the conversion to resident ownership of a mobile home park.
- (((12))) (13) "Resident organization" means a group of mobile home park residents who have formed a nonprofit corporation,

OPR 3«

- 1 cooperative corporation, or other entity or organization for the
- 2 purpose of acquiring the mobile home park in which they reside and
- 3 converting the mobile home park to resident ownership. The
- 4 membership of a resident organization shall include at least two-
- 5 thirds of the households residing in the mobile home park at the time
- of application for assistance from the department.
- 7  $((\frac{13}{13}))$  (14) "Resident ownership" means, depending on the
- 8 context, either the ownership, by a resident organization, as defined
- 9 in this section, of an interest in a mobile home park which entitles
- 10 the resident organization to control the operations of the mobile
- 11 home park for a term of no less than fifteen years, or the ownership
- of individual interests in a mobile home park, or both.
- $((\frac{14}{14}))$  (15) "Landlord" shall have the same meaning as it does
- 14 in RCW 59.20.030.
- 15 ((<del>(15)</del>)) <u>(16)</u> "Manufactured housing" ((means residences
- 16 constructed on one or more chassis for transportation, and which bear
- 17 an insignia issued by a state or federal regulatory agency indication
- 18 compliance with all applicable construction standards of the United
- 19 States department of housing and urban development)) has the same
- 20 meaning as in RCW 59.20.030.
- (((16))) (17) "Mobile home" shall have the same meaning as it
- 22 does in RCW ((46.04.302)) 59.20.030.
- (((17))) (18) "Mobile home lot" shall have the same meaning as
- 24 it does in RCW 59.20.030.
- 25 ((<del>(18)</del>)) <u>(19)</u> "Tenant" ((means a person who rents a mobile home
- 26 lot for a term of one month or longer and owns the mobile home on the
- 27 <del>lot</del>)) has the same meaning as in RCW 59.20.030.
- 28 **Sec. 4.** RCW 59.22.030 and 1991 sp.s. c 13 s 89 are each amended
- 29 to read as follows:
- The mobile home park purchase <u>and development</u> account is hereby
- 31 created in the state treasury. The purpose of this account is to
- 32 provide loans according to the provisions of this chapter and for
- 33 related administrative costs of the department. The account shall
- include appropriations, loan repayments, and any other money from
- 35 private sources made available to the state for the purposes of this
- 36 chapter. Owners of mobile home parks shall not be assessed for the
- 37 purposes of this account.

OPR 4«

- **Sec. 5.** RCW 59.22.032 and 1993 c 66 s 10 are each amended to 2 read as follows:
  - (1) The department may make loans from the fund to resident organizations for the purpose of financing mobile home park conversion costs. The department may only make loans to resident organizations of mobile home parks where a significant portion of the residents are low-income or infirm.
  - (2) The department may make loans from the fund to low-income residents of mobile home parks converted to resident ownership or which plan to convert to resident ownership. The purpose of providing loans under this subsection is to reduce the monthly housing costs for low-income residents to an affordable level. The department may establish flexible repayment terms for loans provided under this subsection if the terms are necessary to reduce the monthly housing costs for low-income residents to an affordable level, and do not represent an unacceptable risk to the security of the fund. Flexible repayment terms may include, but are not limited to, graduated payment schedules with negative amortization.
  - (3) The department may make loans from the fund to organizations eligible to receive assistance under chapter 43.185 RCW, for the purpose of mobile home park development costs. The department may only make loans to eligible organizations where at least fifty-one percent of the mobile home park residents will be low-income or infirmed.
- **Sec. 6.** RCW 59.22.036 and 1993 c 66 s 12 are each amended to 26 read as follows:
  - (1) Before providing financing <u>for mobile home park conversion</u> <u>costs</u> under this chapter, the department shall require:
- (((1))) (a) Verification that at least two-thirds of the 30 households residing in the mobile home park support the plan for 31 acquisition and conversion of the park;
- ((<del>(2)</del>)) (b) Verification that either no park residents will be involuntarily displaced as a result of the park conversion, or the impacts of displacement will be mitigated so as not to impose a hardship on the displaced resident;
- (((3))) (c) Projected costs and sources of funds for conversion activities;

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- 1  $((\frac{4}{}))$  (d) A projected operating budget for the park during and 2 after conversion; and
- 3 (((+5))) (e) A management plan for the conversion and operation 4 of the park.
- 5 (2) Before providing financing for mobile home park development 6 costs under this chapter, the department shall require:
- 7 (a) Certification by the eligible organization that at least 8 fifty-one percent of the mobile home park will be occupied by 9 residents that are low-income or infirmed;
- 10 <u>(b) Projected development costs and sources of funds for project</u>
  11 development activities;
- 12 <u>(c) A projected five-year operating budget for the park after</u>
  13 completion of development activities; and
- 14 <u>(d) A management plan for the development and operation of the</u> 15 park.
- 16 **Sec. 7.** RCW 59.22.039 and 1993 c 66 s 14 are each amended to read as follows:
  - (1) The department may provide technical assistance to resident organizations who wish to convert the mobile home park in which they reside to resident ownership. Technical assistance does not include details connected with the sale or conversion of a mobile home park which would require the department to act in a representative capacity, or the drafting of documents affecting legal or property rights of the parties by the department.
  - (2) The department may provide technical assistance to nonprofit organizations to assist in the development of new mobile home parks.

    Technical assistance does not include details connected with the acquisition of property which would require the department to act in a representative capacity, or the drafting of documents affecting legal or property rights of the parties by the department.

## Subpart B - Mobile Home Relocation Assistance

- 32 **Sec. 8.** RCW 59.21.021 and 1998 c 124 s 2 are each amended to 33 read as follows:
- 34 (1) If a mobile home park is closed or converted to another use 35 after December 31, 1995, eligible tenants shall be entitled to

OPR 6«

assistance on a first-come, first-serve basis. Payments shall be made upon the department's verification of eligibility, subject to the availability of remaining funds.

- (2) Assistance for closures occurring after December 31, 1995, is limited to persons who maintain ownership of and relocate their mobile home.
  - (3) Persons who maintained ownership of and relocated their mobile homes are entitled to up to seven thousand dollars for a double-wide home and up to three thousand five hundred dollars for a single-wide home, including amounts necessary to cover security deposits, and first and last months rent.
- (4) <u>Persons who demolish their mobile homes are entitled to up</u> to two thousand dollars to cover the cost of demolition of a double-wide or single-wide home.
- (5) Any organization may apply to receive funds from the mobile home park relocation fund, for use in combination with funds from public or private sources, toward relocation of tenants eligible under this section. Funds received from the mobile home park relocation fund shall only be used for relocation, demolition, or move-in costs assistance.

21 PART II

#### MOBILE HOME LANDLORD-TENANT RELATIONS

# Subpart A - Applicability of Consumer Protection Act

NEW SECTION. Sec. 9. A new section is added to chapter 59.20 RCW to read as follows:

The legislature finds that the practices covered by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this chapter is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

# Subpart B - Single-Wide Mobile Homes Not Excluded

OPR 7«

**Sec. 10.** RCW 59.20.070 and 1993 c 66 s 16 are each amended to 2 read as follows:

A landlord shall not:

- (1) Deny any tenant the right to sell such tenant's mobile home within a park or require the removal of the mobile home from the park because of the sale thereof. Requirements for the transfer of the rental agreement are in RCW 59.20.073;
- (2) Restrict the tenant's freedom of choice in purchasing goods or services but may reserve the right to approve or disapprove any exterior structural improvements on a mobile home space: PROVIDED, That door-to-door solicitation in the mobile home park may be restricted in the rental agreement. Door-to-door solicitation does not include public officials or candidates for public office meeting or distributing information to tenants in accordance with subsection (4) of this section;
- (3) Prohibit meetings by tenants of the mobile home park to discuss mobile home living and affairs, including political caucuses or forums for or speeches of public officials or candidates for public office, or meetings of organizations that represent the interest of tenants in the park, held in any of the park community or recreation halls if these halls are open for the use of the tenants, conducted at reasonable times and in an orderly manner on the premises, nor penalize any tenant for participation in such activities;
- (4) Prohibit a public official or candidate for public office from meeting with or distributing information to tenants in their individual mobile homes, nor penalize any tenant for participating in these meetings or receiving this information;
- (5) Evict a tenant, terminate a rental agreement, decline to renew a rental agreement, increase rental or other tenant obligations, decrease services, or modify park rules in retaliation for any of the following actions on the part of a tenant taken in good faith:
- 34 (a) Filing a complaint with any state, county, or municipal 35 governmental authority relating to any alleged violation by the 36 landlord of an applicable statute, regulation, or ordinance;

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- 1 (b) Requesting the landlord to comply with the provision of this 2 chapter or other applicable statute, regulation, or ordinance of the 3 state, county, or municipality;
  - (c) Filing suit against the landlord for any reason;
- 5 (d) Participation or membership in any homeowners association or group;
  - (6) Charge to any tenant a utility fee in excess of actual utility costs or intentionally cause termination or interruption of any tenant's utility services, including water, heat, electricity, or gas, except when an interruption of a reasonable duration is required to make necessary repairs;
  - (7) Remove or exclude a tenant from the premises unless this chapter is complied with or the exclusion or removal is under an appropriate court order; or
  - (8) Prevent the entry or require the removal of a mobile home for the sole reason that the mobile home is a single-wide mobile home or has reached a certain age. Nothing in this subsection shall limit a landlords' right to exclude or expel a mobile home for any other reason provided such action conforms to chapter 59.20 RCW, ((or)) any other statutory provision, or local zoning regulations that impose restrictions on the size of residential structures within specific areas.

# Subpart C - Early Termination of Rental Agreement

- 24 **Sec. 11.** RCW 59.20.090 and 1998 c 118 s 3 are each amended to 25 read as follows:
  - (1) Unless otherwise agreed rental agreements shall be for a term of one year. Any rental agreement of whatever duration shall be automatically renewed for the term of the original rental agreement, unless a different specified term is agreed upon.
- 30 (2) A landlord seeking to increase the rent upon expiration of 31 the term of a rental agreement of any duration shall notify the 32 tenant in writing three months prior to the effective date of any 33 increase in rent.
- 34 (3) A tenant shall notify the landlord in writing one month 35 prior to the expiration of a rental agreement of an intention not to 36 renew.

OPR 9«

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- 1 (4)(a) The tenant may terminate the rental agreement upon thirty 2 days written notice whenever a change in the location of the tenant's 3 employment requires a change in his residence, and shall not be liable for rental following such termination unless after due 4 5 diligence and reasonable effort the landlord is not able to rent the mobile home lot at a fair rental. If the landlord is not able to 6 7 rent the lot, the tenant shall remain liable for the rental specified 8 in the rental agreement until the lot is rented or the original term 9 ends;
- 10 (b) Any tenant who is a member of the armed forces may terminate 11 a rental agreement with less than thirty days notice if he receives 12 reassignment orders which do not allow greater notice.
- (5) The tenant may terminate the rental agreement upon twenty
  days' written notice and shall not be liable for rental following
  such termination if, any time after receiving notice of a change of
  land use of the mobile home park pursuant to RCW 59.20.080(1)(e), the
  tenant either (a) relocates the mobile home to another location, or
  (b) abandons or transfers the mobile home under the provisions of
  section 12 of this act.

# Subpart D - Demolition Costs and Informational Brochures

- NEW SECTION. Sec. 12. A new section is added to chapter 59.20 RCW to read as follows:
- If, after receiving notice of a change of land use of the mobile home park under RCW 59.20.080(1)(e), a tenant abandons the mobile home or provides written notification to the landlord that he or she is relinquishing ownership of the mobile home, the landlord shall be responsible for the costs of demolition or removal of the mobile home.
- 29 **Sec. 13.** RCW 59.20.130 and 1993 c 66 s 20 are each amended to 30 read as follows:
- It shall be the duty of the landlord to:
- 32 (1) Comply with codes, statutes, ordinances, and administrative 33 rules applicable to the mobile home park;

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- (2) Maintain the common premises and prevent the accumulation of stagnant water and to prevent the detrimental effects of moving water when such condition is not the fault of the tenant;
- (3) Keep any shared or common premises reasonably clean, sanitary, and safe from defects to reduce the hazards of fire or accident;
- (4) Keep all common premises of the mobile home park, not in the possession of tenants, free of weeds or plant growth noxious and detrimental to the health of the tenants and free from potentially injurious or unsightly objects and condition;
- (5) Exterminate or make a reasonable effort to exterminate rodents, vermin, or other pests dangerous to the health and safety of the tenant whenever infestation exists on the common premises or whenever infestation occurs in the interior of a mobile home as a result of infestation existing on the common premises;
- (6) Maintain and protect all utilities provided to the mobile home in good working condition. Maintenance responsibility shall be determined at that point where the normal mobile home utilities "hook-ups" connect to those provided by the landlord or utility company;
- (7) Respect the privacy of the tenants and shall have no right of entry to a mobile home without the prior written consent of the ((occupant)) tenant, except in case of emergency or when the ((occupant)) tenant has abandoned the mobile home or relinquished ownership of the mobile home under section 12 of this act. Such consent may be revoked in writing by the ((occupant)) tenant at any time. The ownership or management shall have a right of entry upon the land upon which a mobile home is situated for maintenance of utilities, to insure compliance with applicable codes, statutes, ordinances, administrative rules, and the rental agreement and the rules of the park, and protection of the mobile home park at any reasonable time or in an emergency, but not in a manner or at a time which would interfere with the ((occupant's)) tenant's quiet enjoyment;
- (8) Allow tenants freedom of choice in the purchase of goods and services, and not unreasonably restrict access to the mobile home park for such purposes;

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| L | (9)       | Maintain               | roads | within | the | mobile | home | park | in | good |
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| 2 | condition | n; (( <del>and</del> ) | )     |        |     |        |      |      |    |      |

- (10) Notify each tenant within five days after a petition has been filed by the landlord for a change in the zoning of the land where the mobile home park is located and make a description of the change available to the tenant; and
- (11) Provide tenants with a brochure that explains the tenant's rights and responsibilities under this chapter. This brochure must be made available to the tenant at the time the lease or rental agreement is signed. The department of community, trade, and economic development, in consultation with the office of the attorney general, is responsible for the development of the brochure required under this subsection.

A landlord shall not have a duty to repair a defective condition under this section, nor shall any defense or remedy be available to the tenant under this chapter, if the defective condition complained of was caused by the conduct of the tenant, the tenant's family, invitee, or other person acting under the tenant's control, or if a tenant unreasonably fails to allow the landlord access to the property for purposes of repair.

21 PART III

#### 22 LAND DEVELOPMENT REGULATIONS

NEW SECTION. Sec. 14. A new section is added to chapter 35.63 RCW to read as follows:

Each city that plans and zones under this chapter shall, not later than December 31, 1999, adopt an ordinance providing that no project permit may be issued for converting a mobile home park to another use until all mobile homes in the park have been relocated to other locations or demolished. For purposes of this section, the term "mobile home park" has the meaning set forth in RCW 59.20.030 and the term "project permit" has the meaning set forth in RCW 36.70B.020.

NEW SECTION. **Sec. 15.** A new section is added to chapter 35A.63 RCW to read as follows:

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- Each code city that plans and zones under this chapter shall, 1 2 not later than December 31, 1999, adopt an ordinance providing that 3 no project permit may be issued for converting a mobile home park to 4 another use until all mobile homes in the park have been relocated to other locations or demolished. For purposes of this section, the 5 6 term "mobile home park" has the meaning set forth in RCW 59.20.030 7 and the term "project permit" has the meaning set forth in RCW 8 36.70B.020.
- 9 <u>NEW SECTION.</u> **Sec. 16.** A new section is added to chapter 36.70 10 RCW to read as follows:
- 11 Each county planning under this chapter shall, not later than December 31, 1999, incorporate in their development regulations, 12 13 zoning regulations, or official controls a requirement that no project permit may be issued for converting a mobile home park to 14 another use until all mobile homes in the park have been relocated to 15 16 other locations or demolished. For purposes of this section, the 17 term "mobile home park" has the meaning set forth in RCW 59.20.030 and the term "project permit" has the meaning set forth in RCW 18 36.70B.020. 19
- NEW SECTION. Sec. 17. A new section is added to chapter 36.70B RCW to read as follows:
  - No project permit may be issued for converting a mobile home park to another use until all mobile homes in the park have been relocated to other locations or demolished. For purposes of this section, the term "mobile home park" has the same meaning as set forth in RCW 59.20.030.

# 27 PART IV 28 TECHNICAL PROVISIONS

NEW SECTION. Sec. 18. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

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- 1 NEW SECTION. Sec. 19. Part and subpart headings used in this
- 2 act are not any part of the law."
- 3 Correct the title.

EFFECT: (1) Revises the existing mobile home park purchase fund to allow loans to nonprofits to develop mobile home parks; (2) Revises the mobile home relocation assistance fund to (i) allow costs to cover security deposits, and first and last months rent to tenants that are required to relocate their mobile home due to park closure, or (ii) provide up to \$2,000 to a mobile home owner to cover costs associated with the demolition of a mobile home; (3) Revises the mobile home landlord-tenant act to (i) apply the consumer protection act to violations of the mobile home landlord-tenant act, (ii) prohibit a mobile home park owner from excluding a mobile home from the park based on it being a single-wide mobile home, (iii) allow a tenant to terminate the lease with 20 days notice after the park owner has issued the required 12 month park closure notice, (iv) require the landlord to pay for the cost of demolition of a mobile home if the tenant either abandons or relinquishes ownership of the mobile home after a notice of park closure has been issued, (v) requires the mobile home park owner to provide each tenant an informational brochure that explains the tenant's rights at the time the lease or rental agreement is signed; and (4) Prohibits a local government from issuing a land development permit on property that was converted from use as a mobile home park to another use until all mobile homes are relocated to other locations.

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