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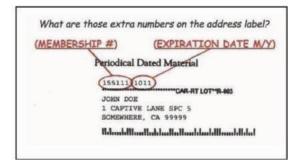
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(See map on page 15 for Zone boundaries)

BOARD OF DIRECTORS QUARTERLY MEETING

Thursday, July 25, 2013

RANCHO HUNTINGTON MOBILE ESTATES

19361 Brookhurst St., Huntington Beach, CA (714) 826-4071 or (800) 888-1727 • gsmol@sbcglobal.net

Board Meeting will run from 10:00 AM until 3:00 PM, Join the Board members and advisors for a free lunch

NO WORRIES? THINK AGAIN

By David Loop Vice President, Resident Owned Parks

I was chatting the other day with the president of a HOA in a large MH park in Southern California. The park is owned by a real estate investment company. I asked him (as I always do) "have you written to your park owners, telling them the homeowners are interested in buying the park?"

He replied, "No, we haven't written to our park owner. We don't plan to. The property is kept up, the owners and management are nice, and our rents are stabilized through a local ordinance. We're happy with the way things are."

The problem with such thinking is, "the way things are" could change at any time, and for the worse. Much worse.

Investor-owned MH parks are bought and sold all the time. Usually, they're sold by one investor to another. And the homeowners have absolutely no choice as to who the "next" park owner will be.

So what could go wrong? Many things, if your park is sold to a predatory owner. A startling example is De Anza M.E. in the City of Santa Cruz. De Anza is a big, beautiful MH community that overlooks the Pacific Ocean. In 1994, it was purchased by a predatory corporation. The corporation found a flaw in the City's rent stabilization ordinance and dragged the City into court. Defending the RSO in court was expensive for the City of Santa Cruz. A settlement was forced upon De Anza's homeowners. They had rent stabilization until they sold their home. But then, their home buyer would have to pay "market" space rent. According to the park owner, "market" rents were \$2,000 to \$3,000+ per month. Today, homes in De Anza sell for about 1/10 of their previous value.

Or, you might get a new owner who wants to do a "sham conversion" of your park. This is a scheme to subdivide the park into individual lots, then offer them for sale to you at an inflated price. At first, this looks like a way you can become a landowner. In fact, for most residents it's a ploy to break local rent control, while stealing your equity in your manufactured home.

A third scenario is actually the most common: the new owners do less to maintain the property, while doing everything they can to raise rents – substantially and quickly. This way, they maximize their profit while they own the park and when they sell it. Remember, for real estate investors it's all about profit. And the source of that profit is you.

So what can you do? It's really pretty simple.

DO NOT assume the park where you live will never be sold.

DO NOT assume that because things are great today, they'll stay that way forever.

COMMUNICATE with your park owner by letter, saying (1) the park's homeowners are interested in buying the park, and (2) notify us if you put it up for sale (MRL 798.80).

If you contact me, I can send you a template for this letter.

The basic message? Plan Ahead, to protect your home value and quality of life, as best you can.

As the saying goes, It wasn't raining when Noah built the ark.

CAPITOL REPORT

GSMOL LEGISLATION CONTINUES TO MOVE FORWARD

By Brian Augusta GSMOL Legislative Advocate

GSMOL's top priority this year in the Legislature is to provide protections to homeowners facing forced "condo conversions." **SB 510 (Jackson)** would clarify that the survey of support in current law can be considered by the local government and can be used to turn down a conversion if a majority of residents do not support the conversion.

The bill has been fiercely lobbied on both sides, with park owners fighting hard to stop the bill, and homeowners galvanizing to build support and win votes. The grassroots effort around the bill has been one of the largest GSMOL has built in recent years.

As a result of that effort, the bill passed the Senate in May and has now passed the Assembly Housing Committee on a party line vote with all 5 Democrats in support and the committee's 2 Republican members voting no. The bill was scheduled to be heard June 27 in the Assembly Local Government Committee. However, the author agreed to put the bill over to August 14.

With a close vote expected on this bill in both the Local Government Committee and on the Assembly floor, GSMOL is urging its members and supporters to get involved in the campaign to pass this critical bill. Here are a few things you can do to help:

Write your Assembly member and urge them to vote "Aye" on the bill. If you don't know who your Assembly-member is, you can contact the GSMOL home office (800-888-1727) or look it up at: findyourrep.legislature.ca.gov. Ask your friends and neighbors to write their Assemblymember

Contact GSMOL's field organizer, Darrow Sprague, at dlsprague@gmail.com to find out how you can help pass this important bill.

AB 692 (Torres) - MPROP

The State Mobilehome Park Resident Ownership Program (MPROP) is funded by an annual fee charged to some manufactured home-owners in California. The program was created to assist homeowners in purchasing their parks, but there have been few such purchases in recent years. AB 692 (Torres) would provide additional authorization for the MPROP fund to be used to help fund critical repairs to keep parks open and affordable. The bill passed the Assembly with bi-partisan support and is pending in the Senate.

Be Aware of Door-to-Door Salespersons Laws

The Federal Trade Commission provides regulations for door-to-door sales practices. If you purchase an item for \$25 or more from a door-to-door salesperson, the FTC's

"cooling-off" rule says you have 3 days to cancel the purchase and receive a full refund. This Federal law also states that the salesperson must tell you of your cancellation rights at the time you purchase the item.

In order to make use of this law, be sure to get the full name, phone number and local address of any door-to-door sales-people before purchasing anything from them.

QUESTIONS & ANSWERS

SUMMER 2013 ROUNDUP: LEGAL QUESTIONS AND ANSWERS

By: Bruce Stanton, Attorney

ABOUT THE AUTHOR: MR. STANTON IS A SAN JOSE ATTORNEY WHO HAS REPRESENTED MOBILEHOME RESIDENTS AND HOME- OWNERS ASSOCIATIONS AS A SPECIALTY FOR OVER 20 YEARS., AND IS CORPORATE COUNSEL FOR GSMOL

As we head into the Summer months, it's time to once again answer a few questions from members:

Question: Does a park Rule prohibiting street parking apply to non-resident contractors or service providers who have been hired by a Homeowner to work at their space?

Park owners have a right to enact rules and regulations governing parking in the streets, including keeping fire lanes clear for emergency vehicles. Such a rule is generally reasonable, since it is primarily enacted for safety. A secondary reason would be for aesthetic purposes. Such a rule would clearly apply to all resident vehicles, which would need to park in designated parking areas, and would not apply to emergency vehicles such as police, fire or ambulance, which require access to all spaces and to park in the street while providing essential emergency services.

Contractors, installers or service providers, such as trucks delivering appliances, roofing or plumbing materials, bottled water or the like, might commonly have a need to park in front of the space they are servicing. Making room in the carport for such vehicles would not only be inconvenient, but often times impossible. Being unable to park in front of a space to dispense services might make it impossible for the services to be rendered. A park owner could not enforce a rule that would unreasonably prevent these third party service providers from having close proximity access to the home site. Thus, since Civil Code sec. 798.56 (d) states that a rule or regulation must be "reasonable" to be enforceable, any rule that prohibits all street parking would be overbroad to the extent that contractors and service providers are also excluded. As long as the contractor or vendor is required to park near the home to provide the service or materials, and as long as the parking is temporary in nature, it would not violate the spirit and true purpose of the rule. Any resident should thus be able to instruct a contractor to park in the street for this limited purpose.

It is doubtful any court would evict a resident for allowing the Sears truck to park in the street to unload a new water heater in front of their home, which is a necessity for the resident. Any 7-day notice citing such a violation would border on the extreme, and could be considered as harassment. But rather than risk a legal confrontation over the issue, a more reasonable approach to the issue would be as follows:

- 1. Parks should include a provision in the rules which exempt contractors or service providers from street parking restrictions as long as the parking is essential and is temporary whenever possible.
- 2. If such an exception is not stated, a resident can assume that the law implies such an exemption, since it is a reasonable interpretation of the rule, and can allow limited contractor street parking accordingly.
- 3. But in doing so, residents should in good faith notify management in advance whenever possible that a delivery truck or contractor's vehicle will be entering the park and parking in the street at a designated time. This puts the park on notice of the vehicle's presence and purpose, and would further establish the unreasonableness of any rule which is overbroad and without exception.
- 4. Residents are also encouraged to sit down with management as an HOA or GSMOL Chapter if possible, to discuss enforcement of the rule and to work out a mutually agreeable policy. If residents express their pledge to support the "no street parking" rule as it applies to resident vehicles, and to assist the park in reporting chronic violators, then management should reciprocate by allowing contractors and delivery vehicles to park without objection, especially when prior notice is given.

Question: Can park management disallow ownership of multiple homes by park residents while allowing ownership of multiple homes by outsiders?

Unless there is a stated park rule that does not permit multiple ownership of home by one resident, the only way that a park owner could prohibit same would be if the purchasing resident does not financially qualify to pay 2 simultaneous rents. Otherwise, the park cannot disallow the purchase of a second home. A park can have legitimate concerns about illegal sub-leasing, and may well police the situation very carefully to make certain that not more than one home is actually occupied. And that might well be a reasonable requirement of the process; i.e. that the homeowner can own more than one home in the park, but can only live in one of them. Otherwise, there would be no difference between a private investor buying a home or a resident of the park.

But there is another twist to this. HCD defines a "dealer" as anyone who purchases a home with an intent to resell, rather than occupy it. Thus, a resident might technically be found to be a "dealer" if they are purchasing with such intent, and would need to obtain a dealer license from HCD. The way around this would be that the resident could state an intention to only purchase the second home to occupy it (rather than re-sell it) after it is ready for occupancy, and then refurbish and sell the prior home (which was not originally acquired with an intent just to re-sell it). A park owner could raise the dealer's license issue as an excuse, but it could be neutralized in this manner. To deny a resident what any other person might have an opportunity to purchase does not seem to be legally defensible. Paying two rents, the resident would obviously have an incentive to fix up and sell the old home ASAP, which means that there would be a limited duration to the twohome ownership.

(Continued on Page 6)

QUESTIONS & ANSWERS (Continued)

(Continued from Page 5)

If disallowing ownership of more than one home without exception is in the park rules, then the rule may be "unreasonable" and thus not enforceable, if the homeowner could otherwise qualify to rent two spaces. Either way, there must be proper justification for denying the second home purchase.

Question: Do residents have a right to know who owns the vacant homes in the park?

Probably not. But the real issue is not who owns vacant homes, but rather whether they are being maintained in a safe manner. Ramshackle homes with broken windows or doors are targets for vagrants or criminals, and an attractive nuisance which could entice children into a dangerous condition. The park has an absolute duty to enforce the rules against those spaces, and should have a policy that vacant homes cannot be maintained in the park except where there is a legitimate reason, such as a bank foreclosure.

Question: Is discontinuing security guard service not mentioned in rental agreements but which has been provided for many years, a "reduction in services" that requires reduction in rent?

If security services are not mentioned in the rules or rental agreement, then there is no reduction of services that can be legally enforced by the residents. There is no legal obligation for a park owner to provide private security, and if it is provided without a contractual obligation to do so, it is voluntary and the park would thus have ability to take it away. Ethical or moral is not a ground that can be pursued in court, of course, but if the service was provided for many years the residents could approach the park owner as a united GSMOL Chapter or HOA and seek a meeting under the MRL on the issue.

Perhaps management could be convinced that there is good reason to reinstitute the service, or the residents can emphasize that its removal may have other consequences; i.e. residents less cooperative with management on other issues. But the park's response might be to offer to reinstitute the service as long as rent is increased, which is probably not a good "trade off" for residents to make.

Question: Civil Code 798.28 states park residents have a right to know the name and contact info of the park owner. How do we determine the name and contact info for park owners in the following cases:

- The park owner on record died and other family members are presumed to be the new owners;
 - A large management company lists their business address as

contact info for multiple parks that it manages for the actual park owner(s); or

• A park is owned by a Municipal Utility District or located in a Recreation Area.

If the residents request the name of the park owner under 798.28 and are refused, then a violation of the MRL can be pursued, with a \$2,000.00 penalty attached. A park owner can list a management company's office as the business telephone and address for the park. But if you know the name of the owner otherwise, and do not want to wait for a Judge's ruling, then you can look up direct contact information for any California business entity by going to the Secretary of State's website and using the "business portal" to look up the name of the entity (i.e. corporation, LLC, etc.) and find address and contact information for the agent for service. Direct communication with the owner can be attempted.

A park owned by a Public Utility District is not exempt from either Title 25 or the MRL in any respect. Since it is still located within State jurisdiction, State laws apply regardless of who owns the park. The only exception is where the park is located on Federal land, which means Federal law would apply.

RESIDENTS OF WESTWIND ESTATES MOBILEHOME PARK SETTLE LAWSUIT AGAINST PARK OWNER

By Endeman, Lincoln, Turek & Heater Law Firm, San Diego

CASE: Aguilar, et al. v. Westwind Mobile Home Park, LLC Yolo County Superior Court Case No. CV09-1604
The residents of Westwind Estates knew there was a problem with the park's drainage but could not convince the park management or the State Department of Housing and Community Development (HCD) to fix the park's drainage.

Every winter after a heavy rain, water would pond under their homes. The water remained under their homes until the summer heat would evaporate the water. As a result of this water the residents' wooden skirtings, sidings, and subfloors were rotting at an alarming rate. When the residents complained about the ponding water and damage to their homes, the management refused to correct the drainage stating it was not their responsibility.

The residents organized and hired the San Diego law firm of Endeman, Lincoln, Turek & Heater, LLP to represent them. "The first thing I noticed when I entered the park was all the damage done to the homes. There was dry rot throughout the park," said attorney James Allen. "Our investigation showed that when the park was built, it was improperly graded causing the water to flow underneath residents' homes. Further, the current owner of the park was also the developer of the park."

"The residents had very good case; however, many of the residents were afraid. One of the biggest challenges in the case was for the residents to overcome their fear and assert their rights.

(Continued on Page 12)

LAW AND ORDER

VICTORY IN SAN RAFAEL!

U.S. NINTH CIRCUIT UPHOLDS CITY'S MOBILEHOME RENT ORDINANCE

By Bruce Stanton **GSMOL** Corporate Counsel

After more than 12 years of litigation involving the City of San Rafael's Rent Ordinance, the U.S Ninth Circuit Court of Appeal announced on April 17, 2013 its long- awaited decision in the consolidated Federal court cases known as MHC Financing Limited Pship v. City of San Rafael. A three-judge panel of the Court ruled that the City's "mobilehome rent regulation passed constitutional muster", and reversed a 2008 District Court ruling that had struck down the San Rafael ordinance. This is essentially a companion decision for the same court's ruling in the case of Guggenheim V. City of Goleta, where the park owner brought a similar "facial" challenge against the City of Goleta's mobilehome rent control law. Viewed together, these decisions form a powerful combination which should discourage continuation of facial constitutional attacks against mobilehome rent control in Federal court.

The San Rafael park known as Contempo Marin was acquired by MHC (now known as Equity Lifestyle Properties, Inc. "ELS") following a 1993 amendment to the original 1989 ordinance which added "vacancy control" protection for residents at time of resale. Similar to the theory argued in Goleta, MHC argued that the San Rafael ordinance caused a significant "economic loss" and interfered with its "investment-backed expectations", phrases which courts see as "primary factors" in determining the validity of a "takings" claim. This is known as the "Penn Central" analysis, named after a 1978 U. S. Supreme Court decision. The District Court Judge found there was a "taking" of the park owner's property in violation of the Fifth Amendment, permanently enjoined the City from enforcing the ordinance, and phased out its enforcement when each home transferred. Residents of Contempo Marin have thus been living under a four-year scourge where no one can sell his or her home without losing virtually all of their equity, since the park owner routinely quotes a space rent of more than \$1,500.00 to new buyers.

On appeal, the Ninth Circuit panel has now ruled that because MHC had acquired the park after the enactment of vacancy control, it did not suffer a sufficient "economic loss" or interference with its reasonable "investmentbacked expectations". Further, the Court found that MHC could not have expected when it purchased the park that the City would amend its ordinance, or that "the rent control regime would disappear altogether". Thus, the Court found no Penn Central taking. The Court went on to state that the ordinance "is much more an adjustment of the benefits and burdens of economic life to promote the common good", and that when "the legislature's purpose is legitimate and its means are not irrational, our cases make clear that empirical debates over the wisdom of takings – no less that debates over the wisdom of other kinds of socioeconomic legislation – are not to be carried out **in the federal** courts." The Court thus held that the San Rafael ordinance "is rationally related to a conceivable public purpose" and that it "does not amount to a private taking".

GSMOL was honored to participate in the appellate process in this case, having filed an Amicus Curiae Brief before the panel with assistance from the San Francisco law firm of Cooley Godward Kronish LLP. It is unknown if the park owner shall request en banc review by the entire Ninth Circuit panel. But since it was that same panel that upheld the rent ordinance in Guggenheim, the odds would appear against it. The only remaining remedy would be an appeal to the United States Supreme Court, which rejected a similar request for review by the park owner in Guggenheim. Needless to say, GSMOL shall continue to monitor the matter, and to stand with the City and our Contempo Marin homeowners.

HCD Contact Numbers:

Fresno County and areas to the south – 909-782-4420 (Riverside Office)

Madera County and areas to the north – 916-255-2501 (Sacramento Office)

Registration and Titling Call Center – 916-323-9224 or 800-952-8356

Registration and Titling District Offices:

El Cajon (619-441-2326); Redding (530-224-4815); Riverside (951-782-4431): Sacramento (916-255-2532); San Luis Obispo (805-549-3373); Santa Ana (714-558-4974); Winnetka (818-717-5267)

Manufactured Housing Section – 916-445-3338

Mobilehome Ombudsman (Complaints) – 916-323-9801 or 800-952-5275

(Hours 9 - 11:30 AM, 1:30 - 4 PM)

ZONE/REGION REPORT

Region 4 Report

By Margo Chapell Region 4 Region Manager

Region 4 Manager, Margo Chappell, congratulates newly elected Chapter 1767 President Pat Dallara.

We are happy to welcome our newest Chapter 1767 to GSMOL! Yreka's Oakridge Retirement Community, formerly known as (Oakridge Mobile Estates), Chapter 1767, was officially reactivated on April 13, 2013 during a party-like reactivation meeting

Officers Pat Dallara, President; Pam Keller, Vice President; and Kathy Barnes, Sec'y/Treasurer were installed, and a delicious cake was served. Zone A Vice President, Norma Bohannan, also attended the event, and her support was much appreciated.

B-1 Buzz – Southern Santa Barbara County

By Anne Anderson Region 8 Associate Manager

As an Associate Manager, one of my priorities is promoting GSMOL membership in my area. It is so rewarding to see new members appearing on the rosters of "my" parks! However, I'm not patting myself on the back - most of the new members in my area have come through the efforts of devoted volunteers in the parks! This is essential, because there are 23 parks in my area of responsibility, and I only live in one of them. In order to help bring GSMOL's benefits to the homeowners in the other 22 parks, I depend upon the people who live there. This is true of all of us who are Regional and Associate Managers... we can't be everywhere at once, so we try to find representatives in the parks who can be our eyes, ears, arms and legs, so to speak.

As you know, the more members we have and the better they are organized and networked, the stronger GSMOL will be. It's not just about those membership dues, although that's what supports a lot of our activities - it's about people. We seek to build a community of well-informed, well-connected homeowners who have the ability to carry out our work in their parks and in their communities. And of course, our work is all about helping them, so it is a mutually beneficial mission. To accomplish this mission, we need three things: more members, more leaders, and more chapters.

An increase in any of these can help lead to increases in the other two, but we have to start somewhere. In my area there are several parks in which there are no GSMOL members. I call these Tier One parks. Obviously the goal is to find a contact for each park. One of my hopes is that some folks who live in those

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- Why you need at least 3 days of emergency supplies and what they should be.
- Where the real danger of gas leaks lies in a mobile home park.
- · What to do when they tell you to evacuate.

If you wait until your area is hit by a major earthquake, fire or flood, you won't have time to prepare. What you do now may save your life, your home and your belongings.

For details on these facts, plus **special information for GSMOL members**, visit our website at :



www.EmergencyPlanGuide.org.

It's full of information to help you and your Park prepare for major emergencies.

Joe Krueger & Virginia Nicols

ZONE/REGION REPORT

(Continued from Page 8)

parks will get their hands on a copy of The Californian, become interested in finding out more about GSMOL, and contact me. It's a bit of a catch-22 because I'm not allowed to go into a park and leave Californian magazines or flyers lying around unless a resident is with me. I'm looking for other ideas to reach out to homeowners in the Tier One parks.

I also have several parks which have a small number of GSMOL members; I call these Tier Two. The goal for these parks is to increase the membership. I decided to try a variation on the "Each One Teach One" idea, except I call it "Each One Reach One". I send the GSMOL members a letter and enclose a flyer with a membership form, and I ask each person to give the flyer to a friend or neighbor in the park and encourage them to join. This has had good results in two of the Tier Two parks in my area, and is looking promising in a third.

It is not easy, though. The biggest obstacle to membership growth is apathy. Many MH owners don't think there is any reason to join GSMOL if there is no crisis going on in the park or the community. We need to spread the word that GSMOL is not just about helping parks in trouble and passing good MH laws at the state level. Among other things, we also help MH owners learn what their rights are so they are less likely to be taken advantage of; we work with city and county governments to enact ordinances; and we provide numerous resources for our members, including our MRL Road Shows, our Conventions, our website, our Legislative Action Team's (LAT) email network bringing upto-the-minute updates on the bill campaigns to members who have email, our various funds, referrals to attorneys and agencies that help MH owners, our network of volunteer GSMOL leaders, and the magazine that you're holding in your hands.

(Speaking of *The Californian*, you too can play "Each One Reach One" – just take off the back cover with the membership form and give it to a friend in the park. If they give you the "we don't have any problems here" response, perhaps you could tell them about some of the "peacetime" benefits I mentioned in the paragraph above.)

The Tier Three parks in my area are the ones with enough GSMOL members to have a chapter. My hope for these parks is that I can help them reactivate their chapter. Since there are already enough members, we just need to find at least three of them who are willing and able to serve on the chapter Board.

I wrote in a previous issue about the advantages of having a chapter in your park (November / December 2012), so I won't repeat all of that here, but I'll summarize two of the best reasons: One is that your residents are organized, which has benefits that go beyond GSMOL (you can also make use of your organizational structure for emergency preparedness, for example). Another is that all your GSMOL business is done by people who live in the park. This is as it should be, because people who live in the park are the best equipped to do things like managing membership, getting the word out about bills to support, and so

on. If these tasks are left to the nearest Associate Manager, who may live in the next town or the next county, a lot of it might not get done, and that means that your GSMOL members may not be getting all the benefits they could be getting.

In any park, even one willing volunteer can make a big difference in getting things turned around. (I've been very blessed by finding several of these in my area!) So as you are reading this, you might want to consider if that person could be YOU, or someone you know. There may be some overworked Associate or Regional Manager out there right now, looking to find a good contact in your park. (If you live in southern Santa Barbara County, it's me!) This is how we become a truly "grassroots" operation. I invite you to turn to the "Who's Who" page in this magazine, find your nearest GSMOL leader, and let us hear from you!

CORRECTION May/June 2013 ZONE/REGION REPORT

For clarification, the ZONE B – 1 REPORT was written by Mardi Brick, Region 10 Associate Manager, and not by Marie Pounders, Region 8 Region Manager - Editor



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- Increases Resale Value
- No Maintenance Required
- · In Most Cases No Tear-Off is Required
- ASTM Tested
- U.L. Rated (Class A Fire Rating)
- Non Prorated Lifetime Transferable Warranty
- Cool Roof Rebate Approved
- PG&E Rebates may also be Available
- Saves Money Every Month on Heating and Cooling Costs

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is not a coating or another metal/aluminum roof, but a complete roofing system, with a blanket of rigid foam insulation covered by a heat reflective cool roof, all vulcanized together to form a complete covering over the entire roof. There are no leaky seams, and no need for any caulking, mastic or sealants to waterproof your new roof, and it's completely maintenance free.

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we can restore and waterproof your aftermarket aluminium roof, rubber roof, single ply roofs and other re-roofing systems without requiring a "tear-off" and we offer a 5 year to lifetime guarantee.

HCD UPDATE

OWNERSHIP AND SALES: PART 3

By Ron Javor. (Ronald Javor is the former Assistant Deputy Director for HCD's Division of Codes and Standards and is a former HCD Chief Counsel who provides assistance regarding mobilehome park matters.)

My last two "CALIFORNIAN" articles on whether you really own your mobilehome or manufactured home emphasized the importance of researching your ownership title to see if you really own your home—is the title in your name—and how you own your home—is it intentionally or accidentally in your name and a family member's name? These are questions that become critical at the time you want to sell your home, or not sell it if someone else accidentally is legally authorized to sell it, or you want to allow a specific person to receive it on your death. It also is important if you want to purchase homeowners insurance, receive a permit for repairs to your home, and not accrue hundreds or thousands of dollars in back fees, penalties, and interest.

As these issues and problems were discussed, we also provided information on how to find out the status of your ownership and how to correct any mistakes. Your most important asset is your ability to make a free call to the toll-free number of the HCD Registration and Titling ("R&T") Call Center, at 800-952-8356. They R&T staff can provide you with information and forms to correct your title status to fit what you intended.

Before we finish talking about your home's title, and your ability to sell or transfer your home, there are several other issues of importance to consider.

If you purchased your home with a loan from a commercial or private lender, you were the "registered owner" and the lender who had security in your home was the "legal owner". That lender recorded lien documents with HCD's R&T Program to be sure that you could not sell the home without paying the lender off first. When you finished paying off the loan, the lender is supposed to file a "satisfaction" with HCD to remove the lien. Otherwise, at the time of sale, you will have to spend extra time and effort, and maybe even have to prove full repayment, in order to remove the lien and allow the sale.

This becomes a major problem if the lender is out of business or has been sold to another lender and the paperwork is lost, misfiled, or otherwise missing. At that point, HCD cannot record the sale with the lender's lien still on title. [Debbie, can you explain what can be done?]

A number of critical issues arise at the time of sale with respect to the physical condition of the mobilehome. It is important that any seller comply with these physical condition issues, and any buyer be sure that the seller has done so by demanding the information necessary for proof. The bottom line: it is illegal to sell any mobilehome or manufactured home that is defective and violates state and federal laws and regulations related to physical condition (CA Health & Safety Code section 18025). There are no legal "as-is" sales of manufactured homes or mobilehomes!

The consequences of violating this law are significant. The sale may be cancelled; and the seller may be liable for damages for the cost of repairs, loss of value, and/or even personal or property injury resulting from the defect, such as harm resulting from a fire. In addition, the sale of a defective home may result in a misdemeanor conviction, with fines up to \$2,000 and jail for up to 30 days, or both, for each violation.

How do the buyer and seller protect themselves from accidental or intentional efforts to sell a defective home? The primary means is to be sure that the "Manufactured Home and Mobilehome Transfer Disclosure Statement" required by CA Civil Code section 1102.6d is properly filled out and provided to the buyer. [A copy of this form may be obtained from ????]

This is different from, and in addition to, the disclosure form that a park owner must provide to a prospective purchaser in a park pursuant to Civil Code section 798.75.5. This also is different than the possible list of required repairs that a park owner provides to a home seller pursuant to Civil Code section 798.73.5. The form provides a convenient checklist for the seller to ensure everything is in order, and for the buyer to confirm this information. There are more requirements than the best-known ones fire/smoke alarms, carbon monoxide alarms, and water heaters properly strapped to protect them during an earthquake.

The seller must make the repairs prior to sale, or the buyer and seller may agree that the repairs are made prior to escrow closing, if an escrow is used. Many repairs require a building permit from HCD, even if a local government enforces the Mobilehome Parks Act in the jurisdiction. It is illegal to make many repairs, alterations, or improvements to a manufactured home without an HCD permit (Health & Safety Code section 18029), with the same potential penalties for each violation as we discussed above.

A list or matrix of the types of repairs, alterations, and improvements requiring an HCD building permit and inspections can be found on-line at:

http://www.hcd.ca.gov/codes/mhp/HCDMH604.pdf.

More information can be obtained through the Mobilehome Ombudsman by calling (916) 323-9801 or (800) 952-5275 or via e-mail at ombudsman@hcd.ca.gov . Or you can contact the HCD/Codes & Standards Area Offices directly for forms, fees, and questions by calling these offices: Fresno County and areas to the south, contact the HCD Southern Area Office in Riverside at (909)782-4420; from Madera County to the north, contact the HCD Northern Area Office at (916) 255-2501.

(Continued on Page 12)

NEWS AROUND THE STATE

By Tom Lockhart GSMOL State Secretary

Zone A-1 Region 1

Residents of Colonial Mobile Manor MHP, one of 58 MHP's in the City of San Jose, recently received a rent increase notice for an amount they believe is above the maximum allowed under the City's 1986 Rent Stabilization Ordinance (RSO). The raise is \$85 above the 3% limit allowed under the RSO. It is the second consecutive yearly rent raise notice for an amount exceeding the limit of the RSO. Residents also are now paying for sewage, water and garbage services. Those costs had been part of the monthly rent payment.

Under the terms of the RSO, park owners are allowed to petition the City for a raise above the RSO limit. The last petition for an above-the-limit raise was filed in 2002.

The City considers the almost 10,000 homes in those parks to be a large stock of affordable housing in Silicon Valley, a part of the State with very high housing costs.

Rent raise amounts in San Jose MHP's have been consistently within the RSO limits for many years. In the last several years, however, some MHP owners have attempted to impose increases above the RSO limit. Such an action results in a review before the City's rent control hearing officer.

Results of the rent raise review will likely impact rent increases throughout San Jose's MHP's.

Concerned officials at the City's Housing Department told the City Council that some of the raises could put low-income residents in a difficult financial position.

Residents have hired an attorney to represent them at the hearing. GSMOL has provided funds to the residents to help defray the legal costs involved in the hearing.

Zone A-1 Region 1

On May 7 the City of Hayward City Council unanimously approved an ordinance that prohibits changing park resident age requirements from the current 55+ limit to all-age. The ordinance applies to the five 55+ parks in Hayward, New England Village, Georgian Manor, Hayward Mobile Country Club, Eden Gardens and Spanish Ranch II. They contain over 1200 homes with about 3000 residents. The remaining four parks in the City are already all-age.

Zone A-1 Region 2

Recent rent raises for MHP residents in Lake County have prompted citizens groups to begin a campaign to enact a Rent Stabilization Ordinance (RSO) in both the City of Lakeport and Lake County. The RSO's will be separate, but similar in language. The RSO's would limit rent raises to affordable amounts in senior's-only MHP's.

The City effort is being led by Nelson Strasser, and the County signature gathering effort is being led by the Save Our Seniors Committee, and ballot initiative titles and summaries have been provided by City and County officials.

Each RSO would roll back all rental rates to those in effect on Jan. 1, 2012, and include penalties for violations of the RSO. They would also prohibit a rental increase if there is no increase in Social Security benefits. Any rent increase would be limited to the percentage amount of the Social Security increase.

Capital improvement costs, including reasonable financing costs, can be passed through to residents. However, those improvements must be approved by a majority of homeowners affected by the improvements.

Both RSO's would include vacancy rent control, which limits rent increases at time of transfer of ownership of a mobilehome, but would not apply to space rent leases over 12 months. Also, they would not apply to spaces constructed after 1991 or to mobilehomes that are not a primary residence.

The County measure requires that space rentals decrease proportional to any reduction in Social Security benefits.

The soonest the measures can go on the ballot is the June 2014 State Primary election.

Nelson Strasser can be reached at nelsstrasser@yahoo.com.

HCD UPDATE (continued)

(Continued from Page 11)

In conclusion, while owning a manufactured home and living in a mobilehome park creates many rights and obligations under the Mobilehome Residency Law which many of you are familiar with, buying and selling a manufactured home has many more rules which are less familiar but equally critical: You may not really own the home you have made payments on for many years, and may not be able to sell it or protect it without considerable effort, much of which could have been avoided with the proverbial "ounce of protection" and knowledge. Next in this series: how to avoid some illegal sales/purchases, and what to do if you have been cheated in a sale or purchase.

RESIDENTS OF WESTWIND ESTATES MHP (continued)

(Continued from Page 6)

Once we started trial it was clear the residents were going to win," said Allen. The defense, reaching the same conclusion, agreed to settle the case and pay for the damages shown at trial in October 2012.

"The amount of the settlement is confidential," said Allen. "However, it was a very large sum of money."

TIME TO START GETTING READY FOR THE 2014 CONVENTION!!!

Yes, it's time to start thinking about the GSMOL 2014 Biennial Convention. This year the location will be in southern California and the month is again April. The exact dates and city and hotel will be announced in the next CALIFORNIAN, but it's not too early to start planning to attend. The Convention will feature guest speakers, training "breakout sessions" Friday and Saturday morning with a Q&A for each one, election of the Board of Directors, Legacy Awards, Exemplary Park Owner Awards and many, many opportunities for all of us to meet with old friends, make new acquaintances, and exchange valuable information on how to make GSMOL a more effective advocate for our manufactured home owner rights. Also, there will be a Saturday luncheon where you will meet other attendees, and a banquet Saturday night with many interesting speakers.

DEADLINES FOR 2014 CONVENTION ACTIVITIES

There are several activities at our 2014 Convention that **require** action by interested members within certain time frames. Below is the list of these activities and the deadlines for each:

1. Elections for Board of Directors positions, as follows:

President, Zone A-1 VP, Zone B VP, Zone B-1 VP, Zone D VP, ROP VP, and At Large VP.

The filing of candidates' statements (experience and platform) and petition signature pages for election to GSMOL Board of Directors positions involves a specific nominating process and schedule, as described in Section 3.10 of the GSMOL Bylaws. To qualify for election to a Board position, each candidate's nominating paperwork must be received at the GSMOL Cypress office on or before February 18, 2014.

The candidate nomination items required are:

- Declaration of Candidacy
- Statement of Willingness to Serve
- Nominating Signature Petition (signatures of 10 current GSMOL members)
- Resume

The candidate's Resume shall consist of two parts:

Experience - 100 words or less

Platform - 100 words or less

No photograph of the candidate is needed.

2. Registration of Delegates –

To qualify as a Delegate to the Convention, per Section 5.08 of the GSMOL Bylaws, each Delegate's registration paperwork must be received at the GSMOL Cypress office on or before February 18, 2014.

3. Reservation at hotel -

The reservation must be received by the hotel by March 15, 2014 to ensure GSMOL Convention discounts.

4. Submission of proposed changes to GSMOL Bylaws –

Proposed Bylaws changes must be emailed to the GSMOL Bylaws Committee Chair Ray Downing (Zone C VP), raydowning957@gmail.com by February 1, 2014

5. Requests for Breakout Session topics -

Topics must be emailed to the GSMOL office at **gsmol@sbcglobal.com** by January 15, 2014

6. Recommendations for GSMOL Legacy awards – Recommendations must be emailed to the GSMOL office at **gsmol@sbcglobal.com** by January 15, 2014

7. Recommendations for GSMOL Exemplary Park Owner awards –

Recommendations must be emailed to Zone B-1 VP Craig Hull at motorcopboy@gmail.com by January 15, 2014
We're looking forward to a very productive and exciting 2014 Convention.

Hope to see you there.

The GSMOL LDF – Valuable Source of Legal Assistance Funds

In the January / February 2013 CALIFORNIAN we announced the creation of the GSMOL Legal Defense Fund (LDF). The LDF is a combination of the three previous GSMOL legal funds: Legal Fund, Homeowners Defense Fund, and Enforcement Legal Fund (ELF). That move allowed us to make more efficient use of donations from our members.

We encourage all our members to consider applying for funds from the LDF if they need financial assistance with a legal action they are taking to defend their rights as mobilehome owners. The uses of the LDF funds include expenses incurred in an action against a park owner and/or manager violating provisions of the Mobilehome Residency Law (MRL), protesting an illegal or exorbitant rent raise, and for legal representation at city and county hearings on rent control and subdivision issues.

If you feel you are involved in an effort that would benefit from LDF funds, please contact your Region Manager or Zone Vice President or the GSMOL office to get the appropriate application forms and instructions.

LDF funds have been dispersed to GSMOL Chapters and members in recent cases in Santa Monica, San Jose and Carson, and in an appeal to the CA Supreme Court. GSMOL is ready to support our members' legal efforts to protect their quality of life.

Trials and Tribulations of Retaining Rent Control in Chula Vista

Penny Vaughn

President, Chula Vista Mobile Home Residents Association

In Chula Vista there are 31 mobile home parks with over 3500 spaces (30 space rent parks and 1 Resident Owned Park). Two years ago the state took away Redevelopment Funds it had been sending to cities. Part of this money was being used to pay for our Rent Stabilization Ordinance (RSO). The City of Chula Vista informed us it would no longer be able to support our RSO. If we wished to keep rent control, we would be required to pay the City a Fee for Service once a year. The City also added several changes to our RSO (City funded since the early '90's). With these changes came a multitude of challenges both for residents and the City.

Some O & A's

- Q. How much would the City need to continue our rent control?
- A. They estimated \$ 120,000, which equates to \$60 per unit per year, for qualified mobile home residents but may be reduced in the future depending on the activity of our Rent Review Commission.
 - Q. What expenses will this fee cover?
- A. It is a "locked fund" and can only be used for rent control and mobile home issues. It cannot be absorbed into the General Fund of the City. Its purpose is to cover the hiring of rent control experts in the event a park owner tries to raise rents over the allowed CPI (Consumer Price Index) limit.
 - Q. How will we be able to track our fees?
- A. The fees Fund will be transparent and audited every May and then presented to City Council for approval.
- Q. How to inform all mobile home park residents of the changes?
- A. The City decided to mail postcards to all spaces, addressed to "Resident", with just a space number.
 - Q. How did that work?
- A. Not very well, the first postcard had several errors both in substance and translation.
 - Q. How was this problem addressed?
- A. First mailings were recalled and voided, then reprinted and mailed again to "Resident" in a space number. Resident response was marginal at best.
 - Q. How did you get the information to all residents?
- A. The Chula Vista Mobile Home Residents Association (CVM-HRA) members stepped up and volunteered to assist the City in contacting residents.
 - Q. What did CVMHRA do for residents and city?
- A. Acquired a list from the City to identify residents that had not responded. With list in hand we embarked on the task of contacting everyone possible. We went door to door, made phone calls, spoke at HOA meetings and accompanied City staff at their outreach meetings.
 - Q. How long did all this take?
 - A. Deadline was postponed four times over a period of 6 months.

This was due to so many residents not understanding the importance of these changes in our RSO.

- Q. Were there particular parks that had a high number of residents not responding?
- A. Several parks had only a few respondents and some had zero responses. These were targeted by CVMHRA volunteers and City staff. CVMHRA distributed notices for the City informing residents that on a certain date and time City staff would be in their park to answer questions and accept the fee payment. All of these meetings had minimal attendance.
- Q. Not really a question, but comments from residents: "Our rents are reasonable and have not been raised but once a year by a small percentage or our park owner has never increased our rents more than a small amount at a time."
- A. That is because you have been protected by our RSO, which simply means they are not allowed to increase rents above the CPI once a year. Some still insist their park owners will not raise their rents substantially. So they choose not to pay the Fee for Service and thus are not being covered by the RSO. This would allow a park owner to increase space rent as often and as much as he/she wanted and the resident could either pay it or move.
 - Q. In Chula Vista who is covered by Rent Control?
 - A. 1. You own your home but rent the lot
 - 2. It's your primary residence
- 3. You DO NOT have a long-term lease but a month to month rental agreement.
 - 4. You pay the \$60 to the City once a year
- Q. What is the status of Chula Vista's funds for rent control at this time?
- A. At the end of the first year we still have a small reserve left and that amount will increase after the fees for FY 13-14 are received by the city.

In my opinion the Fee for Service is NECESSARY.

- Q. Why you ask?
- A. It insures the continuation of our Rent Control. Without it we would have to hold our breath every year when it comes time for the City Council to set the budget. At that point they could choose not to allocate the monies needed to support our RSO and thereby cancel our protection.

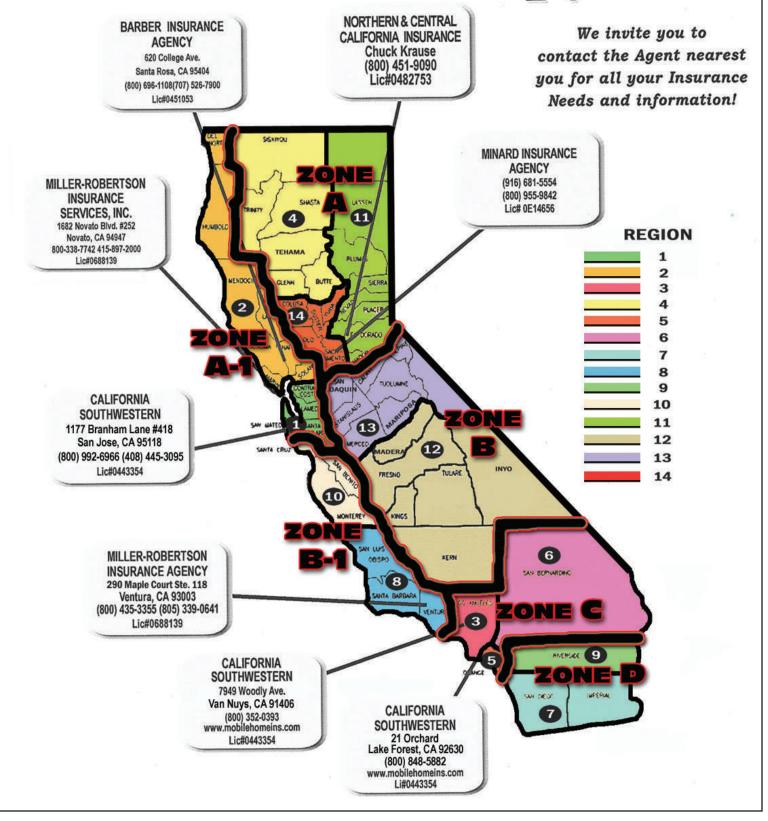
We have to look at this fee as payment toward an "insurance policy" to protect our homes and lifestyle.

U.S. GOVERNMENT HELPFUL PUBLICATIONS

To review and order free and low cost US Government publications on a large number of very useful subjects, go to www.usa.gov/pueblo.shtml

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FIVE FOR FIVE REWARDS PROGRAM

APPLICATION FOR REWARD

(New members only - no renewals) Mail or fax completed form to the home office, Fax No. (714) 826-2401

Please fill in new members' names, park, space number, and when they joined, below and mail or fax to the home office. After verifying by the home office, a \$5 reward check will be mailed to the individual or chapter named at the bottom of this form. Please send in all new membership applications as soon as you receive them. Do not hold them for this program. This program only requires that you keep track of who they are, and list them on this form.

(More than one person living in the same home and paying one membership dues count as one member for this program.)

PLEASE PRINT LEGIBLY

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NEW MEMBERS' NAMES	PARK NAME	SPACE NO. MONTH AND YEAR JOINED
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Please send \$5 reward check to:		
name		address

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- **ONE-YEAR GSMOL SPOUSAL/PARTNER MEMBERSHIP for \$10**
- **THREE-YEAR GSMOL MEMBERSHIP for \$70**
- **ONE-YEAR ASSOCIATE MEMBERSHIP for \$50**

(Associate members do not own manufactured homes. They do not have voting rights and cannot hold office in GSMOL)

First Name	Initial	Last Name		☐ New Member☐ Renewing Member	
Spouse/Second Occupant				GSMOL Chapter #	
Park Name	Park Owner		MGMT. Co.	Check # / CASH	
Street Address			Space Number	You can also contribute to any o	
City		State	Zip Code	the following GSMOL dedicated	Juna
Daytime Phone Number		Alternate P	hone Number	Legal Defense Fund	\$_
Email Address				Disaster Relief Fund	\$_
Signature	Me	embership Recr	uiter (if applicable)	Political Action Committee (PAC	c) \$_

FILL OUT AND RETURN THIS FORM ALONG WITH YOUR CHECK TO GSMOL, 6101 BALL ROAD, SUITE 202, CYPRESS, CA 90630

Thank you DETACH AND KEEP FOR YOUR RECORDS

