



Golden State Manufactured-Home Owners Education Fund

**VIRTUAL TOWNHALL**

Saturday, October 23, 2021

Featuring BRUCE STANTON, GSMOL Corporate Counsel

Topic: Review of 2021 GSMOL bills and Audience Q&A

HCD, Housing and Community Development, held their semi-annual MPM, Mobilehome Park Maintenance task force briefing on Friday, October 22, 2021 to report on their mobilehome park and inspection program and provide some statistics. A recent audit indicated some changes were needed and since then the program has been re-energized. Since the audit, over 200 parks have been inspected that had not been inspected in over 10 years.

HCD is unable to give the exact time and day of an inspection but do try to provide parameters of when they will visit. Neither residents nor management are allowed to accompany the inspectors on their inspection to avoid the appearance of bias towards either party. Also, resident violations are submitted to residents confidentially with an opportunity to cure the violation. Only if the violation is not cured, is management informed.

Most common park violations were lots not being identified and problems with gas meters. Most common resident violations were accumulation of garbage around a home, and the location of storage sheds in relation to the lot line. There were 1056 park violations and 4045 resident violations, the majority of which were remedied.

Kyle Krauss is the new department head and Mitch Baker is the Deputy under him. There are 56 Inspectors in the field and 7 Codes and Standards Administrators. The MPM meeting also provided statistics on the categories of complaints in the MRLPP, Mobilehome Residency Law Protection Program.

In preparation for answering questions submitted in advance by residents, Bruce reviewed three important bills sponsored by GSMOL that passed into law.

**AB 861 (Bennett): Subleasing bill** allows residents to rent their mobilehome if the park owner rents homes in the park. Note, this bill does not guarantee or prohibit subleasing. It simply states that park owners must follow the same rules they set for their residents and allow residents to sublease if the park continues to rent out homes that it owns: what is “good for the goose is good for the gander”! This law goes into effect January 1, 2022.

**AB 1061 (Lee)** addresses problem of **excessive charges for sub-metered water** in parks. It prohibits management from collecting a separate charge for the provision of sub-metered water service, above and beyond the amount of water consumed by the homeowner, if the charge is not authorized by the servicing water provider. It goes into effect January 1, 2022.

**AB 2782 removes the exemption of long-term leases from rent control** or a Rent Stabilization Ordinance/RSO. Any new lease signed after 2/13/2020 is no longer exempt from RSOs. Note that the rest of the provisions of such lease are still enforceable: this law does not blow up the lease. If a lease was signed *before* 2/13/2020 (the date the bill was introduced in the legislature), the exemption will continue until January 1, 2025, at which time, *all* long-term leases will be exempt.

Bruce reminded us that we NEVER have to sign a new lease or lease addendum or amendment after the initial lease expires (unless it is advantageous to you, which is seldom). You automatically become a month-to-month tenant when a fixed term expires and cannot be evicted for not signing a new agreement. There are only 7 just-cause reasons a person can be evicted - and not signing a new lease is *not* one of them. Those reasons are: 1) Failure to pay rent, 2) Conduct that constitutes a substantial annoyance to other residents, 3) Failure to comply with a reasonable rule of the park, 4) Failure to comply with local and state laws that relate to mobilehomes, 5) Conviction of prostitution or possession of a felony controlled substance offense that was committed on the park premises, 6) Condemnation of the park, and 7) Change of use of the park.

## Questions and Answers

**Q#1: *Now that we are allowed to rent our homes if the Park owner does, can an owner interfere with my rental or qualify the renter?*** A: He cannot interfere unreasonably such as regulating the amount of rent you collect or demanding a portion of it, but the bill does not prevent him from making “reasonable” rules such as requesting names, ages (in an age-restricted park), number of people, number of cars. It is also reasonable for management to require the tenant to agree to follow the

park rules. ***Can the park owner place stipulations on my rental, such as requiring only short-term leases or Airbnb?*** A: Only reasonable requirements may be imposed. Usually, management does not want short term rentals or Airbnb due to problems with parties and noise. He might restrict such rentals. He cannot restrict long-term rentals. ***My Park owner subleases short term. Can he require a permit for me to sublease?*** A: That would be an illegal charge. The Park owner can only charge you for rent, utilities or a reasonable charge for a service actually rendered (such as a dog run) pursuant to Civil Code 798.31.

***Q#2: Is it legal for an owner to help an elderly resident by offering no/low rent and money to help with expenses in exchange for a deed to the home?*** A: Not without adequate disclosure and a voluntary agreement by the resident. Without that this could be elder abuse. Contact the DA.

***Q#3: If my park owner owns enough homes (over 50% etc.), will we lose rent control?*** A: It depends on what your RSO, rent stabilization ordinance says. Each ordinance is different. If there is no provision to lose rent control, then no. It is the RSO that dictates what happens: this is not an MRL issue.

***Q#4: Some residents have installed a privacy gate or lattice work at the end of their driveway. Management has issued a 7-day notice to remove it/them. Can they?*** A: It depends. Is there a park rule or a local/state health and safety rule that it violates? Did the construction of the gate require park approval which they did not get? Residents can be evicted if they do not comply with reasonable park rules and if they do not respond to the 7-day notice. A key question is whether gates are being used to shield potentially illegal storage outside of the home.

***Q#5: How do I keep up a “neat” appearance of my home as per the rules?*** A: The definition of “neat” is subjective and might be too ambiguous to be enforced unless it is obvious. If you get a 7-day notice with specific language in the complaint, always respond. Respond in writing one of three ways. 1) Yes, I will correct the violation. 2) I object. I do not think this is an issue; or (3) I request more information as I do not understand the notice. Please clarify **or** give me more information.

***Q#6: I live in a hybrid park that contains mobilehomes, RVs and small park model homes. Our jurisdiction has a RSO. Management says some homes are not under the RSO. Is this right?*** A: Usually an RSO covers a park and not individual spaces (exception might be the space was built after 1990 or is owned by the government). An RV that is in place for 9 months is treated like an MH. Decisions about RSOs are made by your city or county RSO administrators. Contact them.

**Q#7: *If a park shuts off utilities to make a repair, is there a time limit to make the repairs?*** A: There is no law regarding this, but the time frame should be reasonable.

**Q#8: *Can a park owner randomly pass through an expense without itemizing the cost? Can he charge residents different amounts?*** A: No. A pass through must be itemized and the fee should be uniform for each resident unless there are special circumstances. Ask the owner to show in writing the pass through and how it was calculated. The final amount should be amortized and divided by number of spaces, so all residents pay an equal amount.

**Q#9: *How to proceed if park owner subleases in opposition to the new law?*** A: Hire an attorney to make a demand. File a complaint with the MRLPP.

**Q#10: *Can the park owner buy and resell units?*** A: Yes. AB 861 does not change that.

**Q#11: *I did not get my annual California Climate Credit. What can I do?*** A: Ask your park manager for an explanation in writing? Contact the **utility** service provider (ex: SoCalGas or SDGE) and explain you did not get your credit, how much is it, and what should I do. You can also report it to CPUC, so they are aware of potential violators. You can go to small claims court. Go online for more information: [www.cpuc.ca.gov/climatecredit](http://www.cpuc.ca.gov/climatecredit).

**Q#12: *Oceanside has announced that water bills are going up next year. How will this affect MH owners?*** A: If rates increases, you will pay for your consumption. AB 1061 now regulates extra customer charges.

**Q#13: *Our recreation room has been locked for years except for pre-planned events. Is this proper?*** A: No. MRL 798.24 clearly says that each common area facility shall be open and available at all reasonable hours and the hours shall be posted in the facility. It is illegal to lock it. ***Can I get part of my rent back?*** A: You can go to court. There is a statute of limitations (usually 3 years) so there is a limit on the amount you could collect in court.

**Q#14: *I live in a family-owned park with a difficult manager. We recently got a letter stating the park will not restore amenities to pre-pandemic hours and terms. Park owner says that only the residents board can complain and not an individual. What can I do?*** A: If any individual has a concern, he can submit a complaint to management. Under MRL 798.53, one or more residents can request a meeting with management. But it is helpful if the resident board confirms it is a legitimate concern.

If management continues a “willful” violation, it is subject to a \$2000 penalty. You can file a complaint with the MRLPP.

Q#15: *How does Covid-19 affect MRL codes?* A: It depends on your county regulations. Currently there are few county restrictions.

Q#16: *We sued our property owners for an illegal contract. They settled out of court. What now?* A: Follow the terms of the settlement terms to know what is legal. You are not required to sign a new contract.

Q#17: *If my onsite manager is replaced, must the owner inform the residents there is a new manager?* A: I am not aware of such a law, although notification of such would make good business sense. Make sure there really is a new manager. State law requires a manager or his/her designee to reside in parks with 50 or more spaces.

Q#18: *A park resident gave management a 60-day notice of intent to sell. In turn, management gave him a 7-day fix-it notice and told him if he doesn't comply, he will be evicted.* A: That sounds like retaliation - or perhaps the home is in very bad shape. *The Park owner cut trees on the property and wants to deduct the cost from escrow.* A: No, he can't do that unless the resident caused damage to the trees.

Q#19: *Is lattice 3 feet from the ground, illegal?* A: Check with HCD and your local fire department.

Q#20: *Transfer of MH upon death?* A: HCD has a Form for non-probate transfer of a MH which is filed after death. In California, probate is required if the estate has more than \$150,000 in assets, but the value of the MH is not counted toward that. Talk to a lawyer regarding estate planning. Maybe add a joint owner **to title**.

Q#21: *What happens when a park has its operations suspended by HCD?* A: If a park loses its PTO or Permit to Operate, it means you live free for a while! The Park cannot collect rents while its permit is suspended.

Q#22: *Can the park owner increase rents during the pandemic?* A: Yes. He can raise rents per the RSO.

Q#23: *My utilities, sewer, water, and trash, are going up. Can I be evicted for not paying the utilities?* A: Yes. You are not safe from eviction even if you pay part of the rent.

**Q#24: *Park management requires us to submit a written proposal detailing the purpose of any meeting in the clubhouse subject to their approval.*** A: A park owner can request the purpose of a meeting. Ex: Is it an Amway meeting or a wedding reception that brings in outsiders, as opposed to a meeting re: mobilehome issues?

**Q#25: *If management wants to change the rules, do they have to inform us?*** A: Yes. MRL 798.25 gives the process for changing or amending rules. Owner must give residents a minimum 10-day notice of a meeting to discuss the changes. Rules must be in writing. They go into effect 6 months later unless it is an emergency rule or concerns recreation facilities and then it goes into effect in 60 days.

**Q#26: *Are long-term leases rewritten after AB 2782?*** A: No.

**Q#27: *How does AB 978, the Quirk Silva bill affect MH my space rent?*** A: That bill places a cap on MH rents for a single park that is in a split jurisdiction (i.e. Anaheim and Fullerton). There is no statewide RSOs – only local ones.

**Q#28: *A home in my park burned because fire hydrants were not working. Do fire hydrants need to be tested annually?*** A: Hydrants are governed by your local fire department so check with them.

**Q#29: *Can residents buy their park to gain leverage on rents, use of facilities etc.?*** A: Yes. Organize in a GSMOL chapter or HOA: a chorus is more effective than one voice. Form a Park Purchase Committee. There is information on the GSMOL website provided by GSMOL VP of Resident Owned Parks, David Loop. MRL 798.80 provides information on sale of a park. Residents have no “right of first refusal”. Residents can request the park owner inform them of his/her intent to sell the park. You do not know if you can afford the buy the park until you try. Many people who live in owner owned parks are happy!

**Q#30: *Our Park owner wants our lake front space and wants us to sell him our home when our 5-year lease is up. He says it is his space. Must we renew our lease?*** A: Park owner cannot force you to sell to him. It is a restraint on trade and anti-trust. His threat cannot be enforced. If your home is an RV, you might not be able to sell in place – but you can live there if you want. You NEVER have to sign a lease after your initial lease expires. You automatically become a month-to-month tenant. You cannot be evicted! Failure to renew or sign a lease is not one of the “just cause” reasons for eviction.

**Q#31: *Our Park has cameras in the Clubhouse, RV parking etc. Does there have to be a sign that says you are being filmed?*** A: Cameras are permissible unless they

invade the privacy of a resident such as being focused on their living room or back yard. You can ask the manager to turn off the tape when you are having a meeting in the clubhouse. If he doesn't then choose your words carefully. I do not know if there needs to be signage, but he cannot use it in a court of law without notice.

**Q#32: *Can the Park run its utilities off my space's utility line?*** A: Park cannot run utilities off a resident's line or bill. If he does, he must disclose that and financially compensate you as per Civil Code 798.43. Do not sign anything unless you understand it completely. You might seek legal advice. This might have to be taken up in small claims court which has a limit of \$10,000.

**Q#33: *Can a park owner give me a 7-day notice to fix something and after I fix it, give me another 7-day notice for another violation?*** A: Yes. Be vigilant if this is harassment. Are the violations legitimate violations? Are there actual rules in place that are being violated? ***What if I get multiple notices for the same violation?*** A: If the same violation occurs three times in 12 months, the park owner can go directly to a 60-day notice of termination with no opportunity for you to cure the violation.

**Q#34: *To get around an RSO, can a park owner sell his rental to a new buyer and keep the same higher rent? Or does the space revert to the RSO amount?*** A: AB 861 does not prevent a park owner from buying and renting homes in his park. Rent control does not apply to units the park owns. Park-owner owned units are exempt from rent control.

**Q#35: *If a park has a clubhouse and library and the library is open 24/7, does that constitute reasonable access to the clubhouse?*** A: I would need to know more about the configuration of the clubhouse. The MRL says that a clubhouse should be open reasonable hours and does not mention only one room.

**Q#36: *We are fighting for rent control and are having a meeting that our Assemblywoman is attending. How can I explain the difference rent control is for MHs versus apartments?*** A: Contact your Zone VP. There is much information on the gsmol.org on how to establish a RSO. The EdFund also can assist.

**Q#37: *Does a resident have the right to know about pending sales of individual homes in the park?*** A: No.

**Q#38: *What are rules regarding selling my MH in place in the park?*** A: Management may require repairs to the outside of the house, but not the inside. HCD does not do an inspection unless it is a Health and Safety problem. The MRL allows

older homes to be sold in place if they are not a health and safety violation. See MRL 798.73 & 73.5.

**Q#39: *Our Park owner built a ditch under our patio to fix a flooding problem, which puts us in violation of HCD. We cannot replace our existing deck which has termites because HCD will not allow structures to be built over waterways.***

A: Seek legal advice. The Park owner is responsible for drainage issues (unless the resident caused it). Park owner might have liability if he caused damage to your patio because of his ditch to fix the flooding problem.

**Q#40: *I live in an RSO park. If my home, which was built before 1990, sells after 1990, are the new owners under the RSO?*** A: Yes, unless the space was constructed before and is exempt “new construction” pursuant to Civil Code 798.7.

**Q#41: *I am trying to find out which units my park owner owns. HCD wants to charge me \$25 for a title search which will cost thousands of dollars. What can I do?*** A: Instead of going to HCD, first ask your city for their records. Go to your City Manager or Rent Board Administration. Also, you can request a meeting with your management and simply ask.

**Q#42: *I live in a resident owned park/ROP. Some residents own their homes but rent their space. How are they impacted by AB 861?*** A: In a resident owned park, some residents do not buy into the Corporation to become “owners”, and instead continue to rent their space. AB 861 does not apply to them since they are different than normal renters.

**Q#43: *The city of Bell owns 2 MH parks that they want to sell. How long do homeowners have to wait for their decision? Can a resident sell their MH while this is pending?*** A: There is no time limit to sell. Yes, you can sell your home while this is pending, but you must disclose the potential park sale to your buyer. The city might buy the parks and convert the land to another purpose. You can request the city give you a timeline due to this problem.

**Q#44: *What is the CPUC program?*** A: CPUC has a program to upgrade gas and electric utilities in mobilehome parks. The cost is born by all utility users in the state – not just the park owner and park residents. It makes sense for the park owner to apply to the program if they have failing utilities. There is minimum cost to a park owner for the portion of the system between the meter and the home. It gets him out of the utility business to avoid liability for failed gas and electric service in his park.

**Q#45: A buyer has completed a purchase application and submitted it to park management who has 15 days to approve it. Is the manager required to tell the buyer when the documents are completed and submitted so that the 15 days begins to run?** A: There is no such requirement, but your real estate agent should know.

**Q#46: How can I determine if I am being charged for only my actual usage of gas and electric services?** A: Read your own meter readings. Contact your utility service provider for the charge per unit and any service charges.

**Q#47: Our HOA failed to hold timely elections. A board member has been censured and excluded from meetings.** A: That is a corporation question and not an MRL question. A censure is like a slap of the hand: its only damage is to reputation. Board members cannot be excluded from meetings. Seek legal assistance re: a situation such as this.

Anne Anderson concluded the Townhall meeting by thanking the attendees for their questions and participation and reminding them that it is their GSMOL membership fees that provides such information and support. 105 mobilehome residents attended this 2 ½ hour Townhall.

**GSMOEF, The Golden State Manufactured-home Owners Education Fund educates mobilehome owners on their rights! Your rights are spelled out in the Mobilehome Residency Law (MRL), found at California Civil Code 798, et. seq., which contains the tenant-landlord laws governing mobilehomes. You can download the MRL at <https://mobilehomes.senate.ca.gov/publications>. The online version makes it easy to search and find articles by key words. You can also request a newsprint copy of the MRL Civil Code from your park manager who is required to make it available to you at the start of each new year. For the price of shipping and handling, you can request this MRL Handbook from California Senator Connie Leyva's office in San Bernardino. Phone: 909-469-1110.**

**Visit the Ed Fund website at <https://edfundacademy.blogspot.com>**