
SENATE COMMITTEE ON HOUSING
Senator Nancy Skinner, Chair
2023 - 2024 Regular

Bill No: SB 1108 **Hearing Date:** 3/19/2024
Author: Ochoa Bogh
Version: 2/13/2024 Introduced
Urgency: No **Fiscal:** Yes
Consultant: Mehgie Tabar

SUBJECT: Mobilehome parks: notice of violations

DIGEST: This bill: (1) increases the allotted time for a mobilehome owner to cure a non-imminent health and safety violation from 60 to 90 days; (2) requires an enforcement agency to mail a copy of the mobilehome owner’s notice to correct the violation to the mobilehome park owner or operator in addition to the responsible person—the homeowner and occupant; (3) prohibits an enforcement agency from revoking a park’s permit to operate based on uncorrected violations; and (4) indefinitely extends mobilehome park enforcement responsibilities.

ANALYSIS:

Existing law:

- 1) Establishes the Mobilehome Residency Law (MRL), which regulates the rights, responsibilities, obligations, and relationships between mobilehome park management and park residents.
- 2) Establishes the Mobilehome Parks Act (Act), governing mobilehome parks, and the Special Occupancy Parks Act, governing Special Occupancy Parks (such as RV parks), which establish requirements for the permits, fees, and responsibilities of park operators and enforcement agencies, including the Department of Housing and Community Development (HCD).
- 3) Gives HCD authority over mobilehome, special occupancy, and RV parks established by the aforementioned acts and laws. HCD’s main enforcement is over the Act and not the MRL.
- 4) Requires, until January 1, 2025, an enforcement agency, within 10 days after conducting an inspection and determining that a non-imminent violation exists, to issue a notice (*i.e.*, a Notice of Violation) to correct the violation to the

registered owner of the manufactured home or mobilehome and provide a copy to the occupant thereof, if different from the registered owner.

- 5) Specifies, until January 1, 2025, that mobilehome owners are provided 60 days to correct the violation. For serious violations that present an imminent hazard, resident violation notices are sent to both the homeowner and the park operator and immediate correction is required.
- 6) Requires HCD, until January 1, 2025, to issue and serve upon a mobilehome park owner or operator a notice setting forth what provisions of the permit or statute have been violated, and notify the permittee (*i.e.*, the mobilehome park owner or operator) that unless these provisions have been complied with within 30 days after the date of notice (*i.e.*, after HCD's 3rd reinspection, the permittee receives a Notice of Intent to Suspend the Permit to Operate), the permit will be subject to suspension.

This bill:

- 1) Extends specific mobilehome park enforcement responsibilities indefinitely (currently scheduled to sunset on January 1, 2025).
- 2) Requires an enforcement agency, after conducting an inspection and determining that a violation exists, to mail a copy of the notice to correct the violation to the owner or operator of a mobilehome park and to the responsible person.
- 3) Requires the enforcement agency to be responsible for exhausting all administrative and legal recourse against a resident before corrective action is required by a mobilehome park owner or operator.
- 4) Requires an enforcement agency to provide 90 days from the date of service of the notice of violation upon the tenant and park operator for the purpose of voluntary remediation, except as provided.
- 5) Authorizes an enforcement agency to give reasonable time necessary for the termination of tenancy, or to secure injunctive relief.
- 6) Prohibits an enforcement agency from revoking a permit to operate based on uncorrected violations.

COMMENTS:

- 1) *Author's statement.* “A 2023 study by Harvard University’s Joint Center for Housing Studies found that mobilehomes present an opportunity for homeownership for low-income households due to their “greater efficiencies in purchasing, production, and installation” in comparison to traditionally-built housing. These units are often the most affordable alternative – and last resort – for many facing homelessness. In the event a resident fails to correct a cited violation issued by the Department of Housing and Community Development (HCD), a mobilehome parkowner has almost no other option than serving an eviction notice since the park operator is only notified of the failure to correct after 60 days and then has only 30 days to ensure the violation is corrected. A park owner’s Permit to Operate – and their ability to collect rent – can be revoked for uncured violations, which jeopardizes the housing of every resident. SB 1108 will reduce the number of mobilehome evictions by extending the allotted time for a mobilehome owner to cure a violation from 30 days to 90 days and providing a copy of any violation notice to the park owner so they can better assist residents in curing violations.”
- 2) *Background on Mobilehomes.* According to HCD, California has 4,656 mobilehome parks which contain 363,415 spaces for mobilehomes or manufactured homes. Mobilehomes make up nearly 4% of all housing in the state.

Mobilehome owners do not own the land the unit sits on and instead pay rent and fees to mobilehome park management, who see the property as an investment. These can be small, local enterprises or larger corporations that own multiple communities.

Unlike traditional single-family homes, mobilehomes are considered chattel (personal) property and not real property. As such, purchasing a mobilehome is often much less expensive than traditional site-built housing and mobilehomes represent an important source of affordable housing in the state, especially for seniors and low-income households who are increasingly priced out of traditional rental housing. However, the underlying reality of mobilehome ownership reveals a potential vulnerability. Much like conventional lease agreements, the costs associated with occupying a space in a mobilehome park are subject to increases over time, posing financial challenges for residents.

When land values increase or when infrastructure maintenance becomes too costly, investors may choose to close the community and sell the property for another use. Despite their name, mobilehomes are not truly mobile and it is often cost prohibitive (up to \$20,000) to relocate them. Additionally, some older homes may not be able to be moved at all due to structural concerns and

often parks will not accept older mobilehomes. Homeowners in this predicament are sometimes forced to abandon their homes when a community closes. The loss of scarce locations for manufactured and mobilehomes depletes this important housing resource.

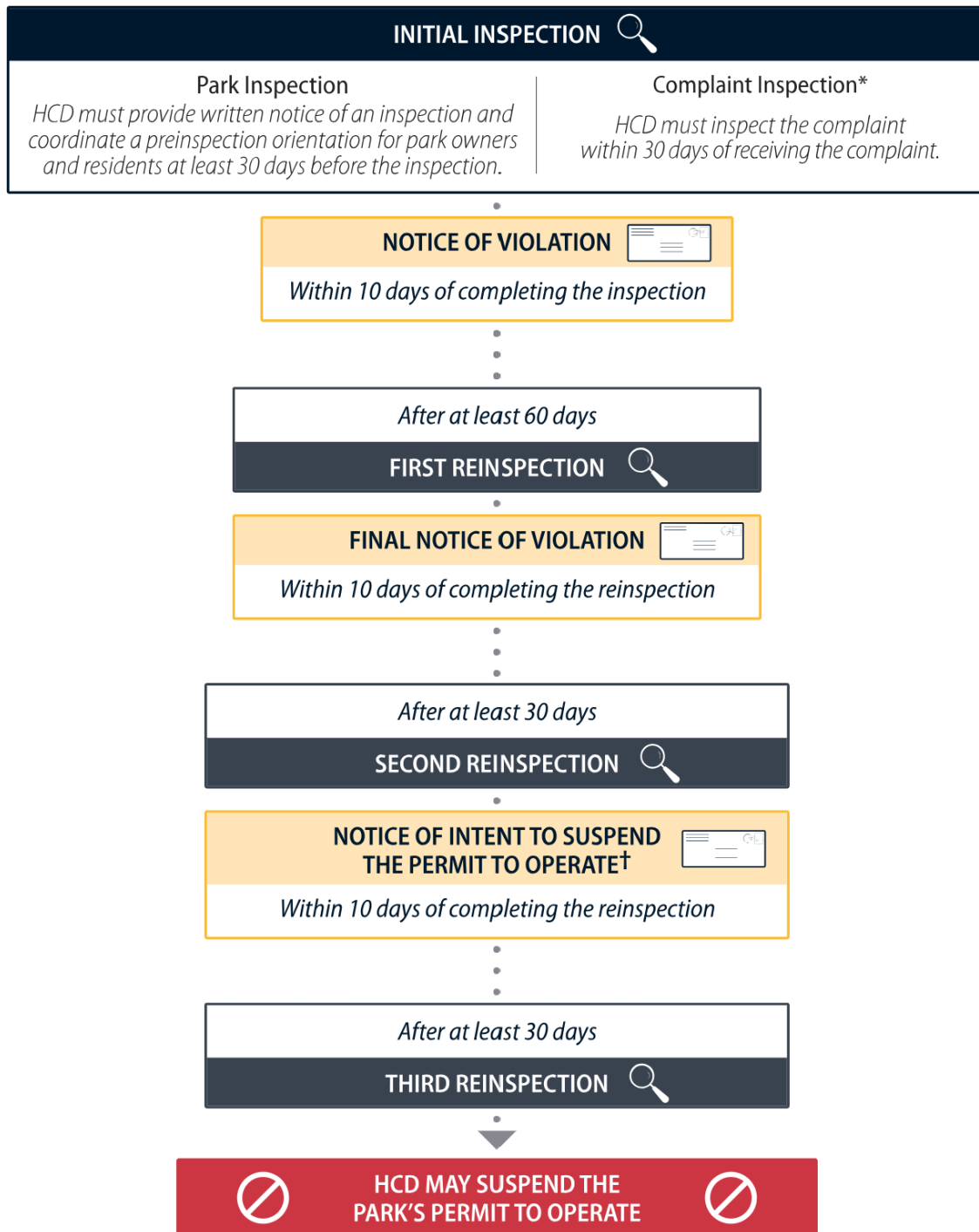
Recognizing this, the state has passed several laws governing the relationship between mobilehome owners and park management. For example, under California's MRL, mobilehome owners have protections against "no cause" evictions and can only be evicted from a park for a limited set of reasons including non-payment of rent, violation of park rules, or specified criminal activities.

- 3) *Inspections of mobilehome parks.* Every year HCD is required to inspect at least 5% of the mobilehome parks it oversees. These inspections are intended to ensure that the park and homeowners are in compliance with the state's health and safety laws. In some parts of the state a local government handles mobilehome park inspections instead of HCD.

If an issue is found during a park inspection, or if HCD receives a health and safety complaint, a notice of violation is sent either to the mobilehome owner, the park's management, or both. In cases where correcting the violation is the responsibility of the park, mobilehome park management is sent a notice detailing the violation. Such violations would include common area issues that are not on a lot with a mobilehome on it. When a resident violation is cited (*e.g.*, loose handrail, a shed located too close to a lot line, etc.) HCD then sends a notice to the homeowner and provides 60 days to correct the issue. For serious violations that present an imminent hazard, resident violation notices are sent to both the homeowner and the park operator, and immediate correction is required.

Park inspections and complaint inspections share most key statutory time frames, as shown in Figure 2, but the nature and timing of each inspection type creates a few notable differences.

Figure 2. Timing Requirements for Park and Complaint Inspections



Source: [California State Auditor, Mobilehome Park Inspections, July 2020](#)

In a 2020 audit of mobilehome park inspections, the State Auditor concluded that HCD had “not adequately communicated with residents during park inspections...HCD did not consistently notify residents of violations within required time frames, nor did it share all required information about the rights, responsibilities, and resources available to park residents. As a result, some

residents may have missed opportunities to obtain help in correcting violations before parks initiated steps to evict them.¹”

When park operators or residents have not corrected violations after HCD conducts the reinspections, HCD may generally pursue enforcement by suspending the park’s permit to operate. Because mobilehome park operators are legally prohibited from charging residents rent when park permits are suspended, park operators have a financial incentive to address any outstanding violations. If HCD suspends a park’s permit to operate because of outstanding resident violations, the park operator can take legal action, such as eviction, against the noncompliant resident. When the park demonstrates that it has remedied all outstanding violations, HCD either reinstates the permit to operate or issues a new one. However, if the park fails to address outstanding health and safety violations, HCD may move to revoke the park’s permit to operate. HCD has an incentive to maintain a park’s permit to operate otherwise they lose their enforcement responsibility over non-permitted parks—HCD currently maintains enforcement responsibility for 82% of mobilehome parks and 76% of mobilehome park lots across the state.²

As of December 31, 2023, there were 36 mobilehome parks with a suspended permit to operate, compared to 37 parks in 2022.³

- 4) *Proposed changes to enforcement.* This bill proposes to extend specific mobilehome park enforcement responsibilities currently planned to sunset on January 1, 2025 indefinitely, and makes the following changes:
 - a) Requires an enforcement agency, after conducting an initial inspection and determining that a violation exists, to mail a copy of the notice to correct the violation to the owner or operator of a mobilehome park, in addition to the responsible person. Unless the violation is the direct responsibility of the park operator, notifying the park operator when a resident violation first occurs could put the resident at risk of retaliation. Although nothing in this provision would allow a park operator to evict a resident earlier in the process, the threat of eviction or other retaliatory actions could put the resident at risk of displacement.

¹ California State Auditor. *Mobilehome Park Inspections: The Department of Housing and Community Development Must Improve Its Inspection Processes to Better Protect Park Residents.* (July 2020)
<https://www.auditor.ca.gov/reports/2019-111/index.html>

² Mobilehome Park Maintenance Inspection Task Force, March 15, 2024, [Member Briefing Document](#)

³ Ibid. Note: HCD does not track the number of permit to operate suspensions attributable to uncorrected resident violations vs. park violations.

To address committee concerns about potential retaliation against residents, the author has agreed to remove this provision from the bill to maintain the current notification process—park operators are notified once a resident fails to cure the violation after the 2nd reinspection.

- b) Requires the enforcement agency to be responsible for exhausting all administrative and legal recourse against a resident before corrective action is required by a mobilehome park owner or operator. The Author has stated that part of the bill's intent is to codify provisions from an HCD Information Bulletin (*i.e.*, IB MP 1991-03) relating to the duties of enforcement agencies, however the current bill language states that corrective action against a resident is required. HCD does not evict residents in mobilehome parks, nor do they require park operators to evict. Eviction is a corrective action the park operator may take to abate the cited violations. HCD has an incentive to preserve mobilehome parks, and takes every opportunity to help the resident and park operator cure the violation before more serious corrective actions are necessary.

To address committee concerns about putting mobilehome tenants at risk of eviction, the author has agreed to accept an amendment to match the bill language to the HCD Information Bulletin to maintain original intent.

- c) Authorizes an enforcement agency to give reasonable time necessary for the termination of tenancy, or to secure injunctive relief. As stated above, HCD does not evict residents in mobilehome parks, nor do they require park operators to evict. Leasing a space in a mobilehome park and rent collected for that space is a civil agreement between the resident and park operators.

To address committee concerns about putting mobilehome tenants at risk of eviction, the author has agreed to remove the termination of tenancy language from the mobilehome park enforcement responsibilities.

- d) Prohibits an enforcement agency from revoking a permit to operate based on uncorrected violations. Inspections of mobilehome parks are intended to ensure that the community and individual homeowners are able to live in a safe, habitable park. There are many reasons why a homeowner or resident may fail to correct a violation that an inspection agency cites on their home or recreational vehicle. For example, language barriers may make it difficult for residents with limited or no English proficiency to understand the written

notice of violation, particularly in cases where the homeowner is not present during the inspection and there is no translation of the notice. Other barriers to timely correction of resident violations include lack of financial resources or uncertainty about how to find appropriate assistance with correcting the violation (*e.g.*, hiring an electrician or hauling company). In other cases, a homeowner may simply be unwilling to make the necessary repairs or changes to satisfy the inspection agency's requirements. Taking away the enforcement agency's ability to suspend a park operator's permit to operate could endanger health and safety if the violation is a serious one. As noted above, mobilehome park operators have an incentive to assist homeowners with correcting resident violations since any violations that remain unaddressed could mean the park's permit to operate gets suspended. While resident violations are, by definition, due to conditions attributable to a homeowner or resident, park management still owns the land on which mobilehomes are located.

To address committee concerns about resident protections, the author has agreed to remove this prohibition on an enforcement agency to revoke a park's permit to operate.

5) *Double-referral.* This bill is double-referred to the Senate Judiciary Committee.

RELATED LEGISLATION:

AB 2002 (Villapudua, 2022) — would have required HCD to establish a new program, upon appropriation, to provide grants or other funding to homeowners or occupants of mobilehomes or manufactured homes for making required repairs as identified by an enforcement agency. *This bill was held in the Senate Appropriations Committee.*

SB 915 (Leyva, 2020) — would have prohibited mobilehome parks from evicting residents who notify park management of COVID-19 impacts to their ability to pay rent and requires parks to provide those residents with extra time to repay outstanding rent, utilities or other charges, or cure violations of park rules. *This bill died in the Senate.*

SB 1176 (Dunn, Chapter 622, Statutes of 2004) — reduced the time allowed to correct specific health and safety code violations of the Mobilehome Park Maintenance Program, and makes changes in the notice provisions for mobilehome park rule changes.

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

POSITIONS: (Communicated to the committee before noon on Wednesday,
March 13, 2024.)

SUPPORT:

Western Manufactured Housing Communities Association (WMA) (Sponsor)

OPPOSITION:

None received.

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