2ESHB 3133 - S COMM AMD

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By Committee on Consumer Protection & Housing

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "Sec. 1. RCW 59.20.060 and 2006 c 296 s 2 are each amended to read 4 as follows:
- 5 (1) Any mobile home space tenancy regardless of the term, shall be 6 based upon a written rental agreement, signed by the parties, which 7 shall contain:
- 8 (a) The terms for the payment of rent, including time and place, 9 and any additional charges to be paid by the tenant. Additional 10 charges that occur less frequently than monthly shall be itemized in a 11 billing to the tenant;
- 12 (b) Reasonable rules for guest parking which shall be clearly 13 stated;
 - (c) The rules and regulations of the park;
- (d) The name and address of the person who is the landlord, and if such person does not reside in the state there shall also be designated by name and address a person who resides in the county where the mobile home park is located who is authorized to act as agent for the purposes of service of notices and process. If no designation is made of a person to act as agent, then the person to whom rental payments are to be made shall be considered the agent;
 - (e) The name and address of any party who has a secured interest in the mobile home, manufactured home, or park model;
 - (f) A forwarding address of the tenant or the name and address of a person who would likely know the whereabouts of the tenant in the event of an emergency or an abandonment of the mobile home, manufactured home, or park model;
- 28 (g) A written disclosure that must be printed on the first page of 29 the rental agreement, in bold type, and in a font at least three times 30 larger than the text of the rental agreement, that reads: "The growing

trend in many urban areas of the state is for mobile home parks and 1 2 manufactured housing communities to close. If this park or community closes, the park owner will provide you with a one-year written notice 3 of closure. When the park closes, you will be responsible for 4 relocating your home. A manufactured/mobile home lot in another park 5 or community may not be available. If you are unable to move your home 6 to another park, community, or other location, you are still 7 responsible for removing it from the park or community, selling it for 8 removal, and demolishing your home. If you owe money for the purchase 9 of your home, you will still be responsible for that debt. The state 10 provides income eligible tenants with some limited relocation 11 assistance calculated on the size of your home, but there may be a wait 12 13 list. If the park or community closes and you qualify for relocation 14 assistance but that assistance is not yet available or the assistance does not cover your full moving expenses, you are still responsible for 15 the cost of moving your home out of the park or community." Any person 16 receiving this notice shall initial the disclosure statement confirming 17 its receipt, and the landlord shall keep a copy of the initialed 18 disclosure statement; 19

(h)(i) A covenant by the landlord that, except for acts or events beyond the control of the landlord, the mobile home park will not be converted to a land use that will prevent the space that is the subject of the lease from continuing to be used for its intended use for a period of three years after the beginning of the term of the rental agreement;

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(ii) A rental agreement may, in the alternative, contain a statement that: "The park may be sold or otherwise transferred at any time with the result that subsequent owners may close the mobile home park, or that the landlord may close the park at any time after the required <u>one-year closure</u> notice." The covenant or statement required by this subsection must: (A) Appear in print that is in bold face and is larger than the other text of the rental agreement; (B) be set off by means of a box, blank space, or comparable visual device; and (C) be located directly above the tenant's signature on the rental agreement (\cdot, \cdot)

36 (((h))) <u>(i) A copy of a closure notice, as required in RCW</u>
37 59.20.080, if such notice is in effect;

(j) The terms and conditions under which any deposit or portion thereof may be withheld by the landlord upon termination of the rental agreement if any moneys are paid to the landlord by the tenant as a deposit or as security for performance of the tenant's obligations in a rental agreement;

- $((\frac{1}{2}))$ (k) A listing of the utilities, services, and facilities which will be available to the tenant during the tenancy and the nature of the fees, if any, to be charged;
- 9 (((j))) <u>(l)</u> A description of the boundaries of a mobile home space 10 sufficient to inform the tenant of the exact location of the tenant's 11 space in relation to other tenants' spaces;
- $((\frac{k}{k}))$ (m) A statement of the current zoning of the land on which the mobile home park is located; and
 - $((\frac{1}{1}))$ (n) A statement of the expiration date of any conditional use, temporary use, or other land use permit subject to a fixed expiration date that is necessary for the continued use of the land as a mobile home park.
 - (2) Any rental agreement executed between the landlord and tenant shall not contain any provision:
 - (a) Which allows the landlord to charge a fee for guest parking unless a violation of the rules for guest parking occurs: PROVIDED, That a fee may be charged for guest parking which covers an extended period of time as defined in the rental agreement;
 - (b) Which authorizes the towing or impounding of a vehicle except upon notice to the owner thereof or the tenant whose guest is the owner of the vehicle;
 - (c) Which allows the landlord to alter the due date for rent payment or increase the rent: (i) During the term of the rental agreement if the term is less than one year, or (ii) more frequently than annually if the term is for one year or more: PROVIDED, That a rental agreement may include an escalation clause for a pro rata share of any increase in the mobile home park's real property taxes or utility assessments or charges, over the base taxes or utility assessments or charges of the year in which the rental agreement took effect, if the clause also provides for a pro rata reduction in rent or other charges in the event of a reduction in real property taxes or utility assessments or charges, below the base year: PROVIDED FURTHER,

1 That a rental agreement for a term exceeding one year may provide for 2 annual increases in rent in specified amounts or by a formula specified 3 in such agreement;

- (d) By which the tenant agrees to waive or forego rights or remedies under this chapter;
- (e) Allowing the landlord to charge an "entrance fee" or an "exit fee." However, an entrance fee may be charged as part of a continuing care contract as defined in RCW 70.38.025;
- (f) Which allows the landlord to charge a fee for guests: PROVIDED, That a landlord may establish rules charging for guests who remain on the premises for more than fifteen days in any sixty-day period;
- (g) By which the tenant agrees to waive or forego homestead rights provided by chapter 6.13 RCW. This subsection shall not prohibit such waiver after a default in rent so long as such waiver is in writing signed by the husband and wife or by an unmarried claimant and in consideration of the landlord's agreement not to terminate the tenancy for a period of time specified in the waiver if the landlord would be otherwise entitled to terminate the tenancy under this chapter; or
- (h) By which, at the time the rental agreement is entered into, the landlord and tenant agree to the selection of a particular arbitrator.
- **Sec. 2.** RCW 59.20.080 and 2003 c 127 s 4 are each amended to read 23 as follows:
 - (1) A landlord shall not terminate or fail to renew a tenancy of a tenant or the occupancy of an occupant, of whatever duration except for one or more of the following reasons:
 - (a) Substantial violation, or repeated or periodic violations of the rules of the mobile home park as established by the landlord at the inception of the tenancy or as assumed subsequently with the consent of the tenant or for violation of the tenant's duties as provided in RCW 59.20.140. The tenant shall be given written notice to cease the rule violation immediately. The notice shall state that failure to cease the violation of the rule or any subsequent violation of that or any other rule shall result in termination of the tenancy, and that the tenant shall vacate the premises within fifteen days: PROVIDED, That for a periodic violation the notice shall also specify that repetition of the same violation shall result in termination: PROVIDED FURTHER,

That in the case of a violation of a "material change" in park rules with respect to pets, tenants with minor children living with them, or recreational facilities, the tenant shall be given written notice under this chapter of a six month period in which to comply or vacate;

- (b) Nonpayment of rent or other charges specified in the rental agreement, upon five days written notice to pay rent and/or other charges or to vacate;
- (c) Conviction of the tenant of a crime, commission of which threatens the health, safety, or welfare of the other mobile home park tenants. The tenant shall be given written notice of a fifteen day period in which to vacate;
- (d) Failure of the tenant to comply with local ordinances and state laws and regulations relating to mobile homes, manufactured homes, or park models or mobile home, manufactured homes, or park model living within a reasonable time after the tenant's receipt of notice of such noncompliance from the appropriate governmental agency;
- (e) Change of land use of the mobile home park or manufactured housing community including, but not limited to, conversion to a use other than for mobile homes, manufactured homes, or park models or conversion of the mobile home park or manufactured housing community to a mobile home park cooperative or mobile home park subdivision: PROVIDED, That the landlord shall give the tenants twelve months' notice, which may be referred to as a closure notice meeting the requirements of RCW 59.21.030, in advance of the effective date of such change((, except that for the period of six months following April 28, 1989, the landlord shall give the tenants eighteen months' notice in advance of the proposed effective date of such change));
- (f) Engaging in "criminal activity." "Criminal activity" means a criminal act defined by statute or ordinance that threatens the health, safety, or welfare of the tenants. A park owner seeking to evict a tenant or occupant under this subsection need not produce evidence of a criminal conviction, even if the alleged misconduct constitutes a criminal offense. Notice from a law enforcement agency of criminal activity constitutes sufficient grounds, but not the only grounds, for an eviction under this subsection. Notification of the seizure of illegal drugs under RCW 59.20.155 is evidence of criminal activity and is grounds for an eviction under this subsection. The requirement that any tenant or occupant register as a sex offender under RCW 9A.44.130

is grounds for eviction under this subsection. If criminal activity is alleged to be a basis of termination, the park owner may proceed directly to an unlawful detainer action;

- (g) The tenant's application for tenancy contained a material misstatement that induced the park owner to approve the tenant as a resident of the park, and the park owner discovers and acts upon the misstatement within one year of the time the resident began paying rent;
- (h) If the landlord serves a tenant three fifteen-day notices within a twelve-month period to comply or vacate for failure to comply with the material terms of the rental agreement or park rules. The applicable twelvementh period shall commence on the date of the first violation;
- (i) Failure of the tenant to comply with obligations imposed upon tenants by applicable provisions of municipal, county, and state codes, statutes, ordinances, and regulations, including this chapter. The landlord shall give the tenant written notice to comply immediately. The notice must state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within fifteen days;
- (j) The tenant engages in disorderly or substantially annoying conduct upon the park premises that results in the destruction of the rights of others to the peaceful enjoyment and use of the premises. The landlord shall give the tenant written notice to comply immediately. The notice must state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within fifteen days;
- (k) The tenant creates a nuisance that materially affects the health, safety, and welfare of other park residents. The landlord shall give the tenant written notice to cease the conduct that constitutes a nuisance immediately. The notice must state that failure to cease the conduct will result in termination of the tenancy and that the tenant shall vacate the premises in five days;
- (1) Any other substantial just cause that materially affects the health, safety, and welfare of other park residents. The landlord shall give the tenant written notice to comply immediately. The notice must state that failure to comply will result in termination of the

- tenancy and that the tenant shall vacate the premises within fifteen days; or
 - (m) Failure to pay rent by the due date provided for in the rental agreement three or more times in a twelve-month period, commencing with the date of the first violation, after service of a five-day notice to comply or vacate.
 - (2) Within five days of a notice of eviction as required by subsection (1)(a) of this section, the landlord and tenant shall submit any dispute to mediation. The parties may agree in writing to mediation by an independent third party or through industry mediation procedures. If the parties cannot agree, then mediation shall be through industry mediation procedures. A duty is imposed upon both parties to participate in the mediation process in good faith for a period of ten days for an eviction under subsection (1)(a) of this section. It is a defense to an eviction under subsection (1)(a) of this section that a landlord did not participate in the mediation process in good faith.
- 18 (3) Chapters 59.12 and 59.18 RCW govern the eviction of 19 recreational vehicles, as defined in RCW 59.20.030, from mobile home 20 parks. This chapter governs the eviction of mobile homes, manufactured 21 homes, park models, and recreational vehicles used as a primary 22 residence from a mobile home park.
- 23 **Sec. 3.** RCW 59.21.030 and 2006 c 296 s 1 are each amended to read as follows:
- 25 (1) The closure notice required by RCW 59.20.080 before park closure or conversion of the park((, whether twelve months or longer,)) shall be given to the director and all tenants in writing, and posted at all park entrances.
- 29 (2) The closure notice shall be in substantially the following 30 form:

31 CLOSURE NOTICE

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NOTICE IS HEREBY GIVEN on the day of , of a potential conversion of this mobile home park or manufactured housing community to a use other than for mobile homes, manufactured homes, or park models, or of a potential conversion of the mobile home park or manufactured housing community to a mobile home park cooperative or a

- mobile home park subdivision. This change of use may become effective 1
- 2 on the day of , . . . , which shall be the date
- one year after the date this closure notice is given. 3

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- 5 PARK OR COMMUNITY MANAGEMENT OR OWNERSHIP INFORMATION:
- For information during the period preceding the effective change of use 6
- 7 of this mobile home park or manufactured housing community on the . .
- . . . day of , . . . , contact: 8
- 9 Name:
- Address: 10
- Telephone: 11

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- 13 PARK PURCHASE BY TENANT ORGANIZATIONS, if applicable:
- 14 The owner of this mobile home park or manufactured housing community is
- willing to entertain an offer of purchase by an organization or group 15
- consisting of park or community tenants. Tenants should contact the 16
- park owner or park management with such an offer. For assistance in 17 forming an organization to purchase the park or community and for
- possible financial resources to assist with such a purchase, contact 19
- the Office of Manufactured Housing within the Department of Community, 20
- 21 Trade, and Economic Development.

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- RELOCATION ASSISTANCE RESOURCES: 23
- 24 For information about the availability of relocation assistance,
- 25 contact the Office of Manufactured Housing within the Department of
- Community, Trade, and Economic Development. 26
- 27 The <u>closure</u> notice required by RCW 59.20.080 must also meet
- the following requirements: 28
- (a) A copy of the closure notice must be provided by the landlord 29
- 30 with all ((month to month)) rental agreements signed after the original
- 31 park closure notice date as required under RCW 59.20.060, and must be
- 32 provided to buyers of mobile homes or manufactured homes within mobile
- home parks or manufactured home communities by the tenant selling the 33
- home as required by RCW 59.20.073; 34
- 35 (b) Notice to the director must include: (i) A good faith estimate
- of the timetable for removal of the mobile homes; (ii) the reason for 36
- 37 closure; (iii) the length of time that the newest tenant in the park
- has resided in the park at the date the notice was provided; and 38
- (((iii))) <u>(iv)</u> a list of the names and mailing addresses of the current 39

registered park tenants. Notice required under this subsection must be sent to the director within ten business days of the date notice was given to all tenants as required by RCW 59.20.080; and

- (c) Notice must be recorded in the office of the county auditor for the county where the mobile home park is located.
- $((\frac{(2)}{2}))$ (4) The department must mail every tenant an application and information on relocation assistance within ten business days of receipt of the notice required in subsection (1) of this section.
- (5) Beginning July 1, 2008, landlords and park owners who have issued a notice of closure will begin collecting information on how park closures affect tenants. By November 1, 2008, and November 1, 2009, landlords and park owners shall provide the department the following information, if known:
 - (a) The date the notice was issued to park residents;
- (b) The number of homes relocated to another park and the dates on which each of the homes was moved, reported in the following three-month increments, zero to three months, three to six months, six to nine months, or nine to twelve months;
- (c) The number of homes demolished and the date on which each of the homes left the park to be demolished, reported in the following three-month increments, zero to three months, three to six months, six to nine months, or nine to twelve months;
 - (d) The number of homes abandoned in the park; and
- (e) A report on any relocation assistance provided to tenants by the landlord, property buyer, or any other party other than the department.
- (6) Regardless of whether or not a tenant is eligible for relocation assistance from the department, if a tenant receives a park closure notice within two years of his or her initial tenancy, the buyer shall compensate the tenant either: Half of the amount of the relocation assistance that an income eligible tenant would be eligible for paid by the park owner, without impacting an income eligible tenant's eligibility for the full amount of relocation assistance; or the assessed fair market value of the home prior to a change of use, whichever is less. However, the tenant is not entitled to any compensation if the mobile home park or community is sold to an organization comprised of mobile home park or manufactured housing community tenants to a nonprofit organization that will preserve the

- 1 mobile home park or manufactured housing community, or to a local
- 2 government or housing authority for the purpose of preserving the
- 3 mobile home park or manufactured housing community.

- **Sec. 4.** RCW 59.22.050 and 2007 c 432 s 9 are each amended to read 5 as follows:
 - (1) In order to provide general assistance to mobile home resident or tenant organizations, park owners, and landlords and tenants, the department shall establish an office of ((mobile home affairs)) manufactured housing.

This office will ((provide an ombudsman service to mobile home park owners and mobile home tenants with respect to problems and disputes between park owners and park residents and to)) provide technical assistance to resident organizations or persons in the process of forming a resident organization pursuant to chapter 59.22 RCW. The office will keep records of its activities in this area.

- (2) The office shall administer the mobile home relocation assistance program established in chapter 59.21 RCW, including verifying the eligibility of tenants for relocation assistance. By December 31, 2008, and December 31, 2009, based on the information provided by landlords or park owners, the department shall report to the legislature the activities and outcomes of the mobile home relocation assistance program, including the following information:
- (a) The number of park or communities that have closed or are closing or being converted to another use and the reasons for those closures or conversions;
 - (b) The results of park closures or conversions on the fate of manufactured homes or mobile homes, including the numbers of homes successfully moved to other communities, the number of homes that are demolished, and the number of homes that are abandoned;
- 30 (c) Information regarding when tenants moved out of the park after
 31 receiving a closure notice in the following increments: During the
 32 first three months, three to six months, six to nine months, or nine to
 33 twelve months; and
- 34 <u>(d) The length of time that the newest tenants in closing parks</u> 35 have resided in the parks at the date the notice was provided.

Sec. 5. RCW 59.20.073 and 2003 c 127 s 3 are each amended to read 2 as follows:

- (1) Any rental agreement shall be assignable by the tenant to any person to whom he or she sells or transfers title to the mobile home, manufactured home, or park model.
- (2) A tenant who sells a mobile home, manufactured home, or park model within a park must provide the buyer with a copy of any closure notice provided by a landlord, as required under RCW 59.20.080, and a copy of the written disclosure to be provided by the landlord, as described in RCW 59.20.060(1)(g), at least seven days in advance of the intended sale and transfer.
- (3) A tenant who sells a mobile home, manufactured home, or park model within a park shall notify the landlord in writing of the date of the intended sale and transfer of the rental agreement at least fifteen days in advance of such intended transfer and shall notify the buyer in writing of the provisions of this section. The tenant shall verify in writing to the landlord payment of all taxes, rent, and reasonable expenses due on the mobile home, manufactured home, or park model and mobile home lot.
- $((\frac{3}{3}))$ (4) The landlord shall notify the selling tenant, in writing, of a refusal to permit transfer of the rental agreement at least seven days in advance of such intended transfer.
- ((4))) (5) The landlord may require the mobile home, manufactured home, or park model to meet applicable fire and safety standards if a state or local agency responsible for the enforcement of fire and safety standards has issued a notice of violation of those standards to the tenant and those violations remain uncorrected. Upon correction of the violation to the satisfaction of the state or local agency responsible for the enforcement of that notice of violation, the landlord's refusal to permit the transfer is deemed withdrawn.
- ((+5))) (6) The landlord shall approve or disapprove of the assignment of a rental agreement on the same basis that the landlord approves or disapproves of any new tenant, and any disapproval shall be in writing. Consent to an assignment shall not be unreasonably withheld.
- 36 (((6))) <u>(7)</u> Failure to ((notify the landlord in writing,)) provide 37 notice as required under subsection (2) or (3) of this section; or 38 failure of the new tenant to make a good faith attempt to arrange an

- 1 interview with the landlord to discuss assignment of the rental
- 2 agreement; or failure of the current or new tenant to obtain written
- 3 approval of the landlord for assignment of the rental agreement, shall
- 4 be grounds for disapproval of such transfer.
- 5 **Sec. 6.** RCW 59.21.070 and 1995 c 122 s 10 are each amended to read 6 as follows:
- 7 If the rental agreement includes a covenant by the landlord as
- 8 described in RCW 59.20.060(1)($(\frac{g}{(i)})$) (h), the covenant runs with the
- 9 land and is binding upon the purchasers, successors, and assigns of the
- 10 landlord."

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By Committee on Consumer Protection & Housing

- On page 1, line 2 of the title, after "communities;" strike the
- 12 remainder of the title and insert "and amending RCW 59.20.060,
- 13 59.20.080, 59.21.030, 59.22.050, 59.20.073, and 59.21.070."

EFFECT: (1) The intent section is deleted.

- (2) The provision that notice of a park closure increase from one year to two years is deleted.
- (3) If a tenant receives notice that the park is closing within 2 years of initial tenancy, the park owner is to either pay the tenant half of what the tenant would otherwise qualify for under relocation assistance (regardless of whether or not he or she does qualify for relocation assistance), and this payment may not be considered when applying for relocation assistance, or the assessed fair market value of the home prior to a change in park use, whichever is less.
- (4) New tenants are provided with a written disclosure notifying them that park closures are on the rise, parks close and while they may be eligible for relocation assistance there is often a wait list, and if they still owe money on that home, they will continue to owe such money even if the home is demolished.
 - (5) CTED is to report annually to the legislature the following

information which shall be provided to them by landlords of closing parks:

- (a) The number of parks or communities that are closing and why;
- (b) Where homes are moved to (another park, demolished, or other);(c) Upon receiving notice of a park closure, at what point a tenant moves out based on a quarterly basis; and
- (d) Upon providing notice of a park closure, how long has the most newest tenant lived in that park or community.

--- END ---