
Civil Rights & Judiciary Committee

HB 2657

Brief Description: Extending the closure notice period for manufactured/mobile home communities.

Sponsors: Representatives Gregerson, Entenman, Macri, Appleton, Doglio, Dolan, Robinson, Peterson, Duerr, Orwall, Morgan, Walen, Pellicciotti, J. Johnson, Leavitt, Valdez, Chopp, Santos, Davis and Kloba.

Brief Summary of Bill

- Requires, with limited exceptions, that a landlord under the Manufactured/Mobile Home Landlord-Tenant Act provide three years' notice of closure or conversion.

Hearing Date: 1/31/20

Staff: Cece Clynch (786-7195).

Background:

The Manufactured/Mobile Home Landlord-Tenant Act.

The Manufactured/Mobile Home Landlord-Tenant Act (MHLTA) governs the legal rights, remedies, and obligations arising from any rental agreement between a landlord and a tenant regarding a lot within a mobile home park or manufactured housing community where the tenant has no ownership interest in the property or in the association which owns the property. For the MHLTA to apply, the tenant must own or be buying the type of home the MHLTA covers and be using it as his or her primary home, and the tenant must live in a manufactured housing community.

Rental Agreements.

Under the MHLTA, a rental agreement must be for a term of at least one year unless otherwise agreed. The landlord must offer a term of one year and is prohibited from offering better terms, such as a lower monthly rent, for a month-to-month tenancy. A tenant may, however, waive the

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right to a one year tenancy by signing a written waiver. At any anniversary date of the tenancy, the tenant may require that the landlord provide a written rental agreement for a term of one year.

Landlords are prohibited from allowing a mobile home to be moved into a mobile home park until a written rental agreement has been signed by, and is in the possession of, the parties. If the tenant is allowed to move a mobile home into the park absent a written agreement, the term of the tenancy is deemed to be for one year from the date of occupancy.

The agreement must include, among other things:

- a promise by the landlord that, except for acts or events beyond his or her control, the mobile home park will not be converted to a land use that will prevent the lease from continuing for a period of three years after the beginning of the term of the agreement; *or*
- a statement, in large, bold face type, that the park may be sold at any time after the required 12 months' notice with the result that the park may be closed.

Closure or Conversion.

In the case of closure or conversion of a mobile home park, the landlord must provide tenants with 12 months' notice. Additionally, the notice must be given to the director of the Department of Commerce (Commerce) and posted at all entrances. There are three exceptions to the 12 months' closure notice requirement:

1. the mobile home park has been acquired for or is under imminent threat of condemnation;
2. the mobile home park is sold to an organization of park tenants, a nonprofit organization, a local government, or a housing authority for the purpose of preserving the park; or
3. the landlord compensates the tenants for the loss of their homes at their assessed value, as determined by the county assessor, at any point during the notice period and prior to a change of use or sale of the property. At the time compensation is paid, the tenant must be given written notice of at least 90 days in which to vacate, and the tenant must continue to pay rent as long as he or she remains in the park.

The form for the 12-months' closure notice is specified in statute. Commerce must produce and maintain on its website translated versions of the notice in the top 10 languages spoken in the state, as well as other languages at the discretion of Commerce. The notice must be made available upon request in printed form. In addition, information must be posted on Commerce's website regarding where tenants may access legal or advocacy resources, including information on any immigrant and cultural organizations where tenants may receive assistance in their primary language.

A landlord who has complied with the closure notice requirements may provide a short-term rental agreement for a recreational vehicle for a lot that is vacant, and that agreement is not subject to the MHLTA.

Summary of Bill:

The closure notice requirement is extended from 12 months to three years. A rental agreement must include a statement, in large, bold face type, that the park may be sold at any time after the required closure notice with the result that the park may be closed. The alternative three-year covenant language is stricken altogether.

If a closure notice is in effect, a tenant who sells a mobile home within a park must provide the buyer with a copy of a closure notice at least 15 days in advance of the intended sale and transfer. Additionally, if the landlord approves of a sale and transfer of a home from a tenant to a buyer, the landlord must provide the buyer with a copy of any closure notice, if one is in effect, at least seven days in advance of the intended transfer.

The first two exceptions to the closure notice requirement remain in place unchanged; however, changes are made with respect to the third exception. In order for this exception to apply, the landlord must establish a simple, straightforward, and timely process for compensating the tenants for the loss of their homes and actually compensate them at *the greater of* their market value as determined prior to a change of use or sale of the property *or* \$5,000 (rather than at their assessed value as of the date of issuance of the closure notice). Also, the tenant must be given 180, rather than 90, days in which to vacate. This exception does not preclude a tenant from relocating his or her home with assistance from the Office of Mobile/Manufactured Home Relocation Assistance in the Department of Commerce which provides manufactured and mobile home relocation assistance to eligible low-income households on a first-come, first-served basis, with priority given to tenants in parks closed due to health and safety concerns or park-owner fraud. In the event that a home remains in the mobile home park after a tenant vacates, the landlord shall be responsible for its demolition or disposal.

Appropriation: None.

Fiscal Note: Requested on January 29, 2020.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.