

CALIFORNIA STATE SENATE

Select Committee on  
Manufactured Home Communities

Report on  
*Informational Hearing*

*Improving Mobilehome Parks  
through Education & Licensure  
of Onsite Property Managers*



September 16, 2016  
San Bernardino, California

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## Senate Select Committee on Manufactured Home Communities

SENATOR CONNIE M. LEYVA, CHAIR

Senate Select Committee on Manufactured Home Communities  
September 16, 2016, 1:00 p.m. – 4:00 p.m.  
County of San Bernardino Government Center - Covington Chambers  
385 North Arrowhead Avenue, San Bernardino, CA

### INFORMATIONAL HEARING

#### **Improving Mobilehome Parks Through Education and Licensure of Property Managers**

#### AGENDA

Call to Order & Introductory Remarks	Senator Connie M. Leyva, Chair Senate Select Committee on Manufactured Home Communities
Welcome Statement	James Ramos, Chair, Board of Supervisors County of San Bernardino
<u>Witness Testimony:</u>	
Local Jurisdictions	Steve Davis, Sergeant City of Colton Police Department
Statewide Mobilehome Owner Association	Bruce E. Stanton, Attorney Golden State Manufactured-home Owners League
Statewide Mobilehome Park Owners Associations	Catherine Borg, Legislative Advocate Western Manufactured Home Communities  Vickie Talley, Advisory Board Member CA Mobilehome Parkowners Alliance
CA State Dept. of Housing and Community Development	Ben Metcalf, Director
Public Comment	Open Mic
Closing Remarks & Adjournment	Chair and Members



California Senate Select Committee on  
Manufactured Home Communities

Chair, Senator Connie M. Leyva

**“Improving Mobilehome Parks  
through Education and Licensure  
of Onsite Property Managers”**

November 2016  
Sacramento, California

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## **OVERVIEW**

In the 1980's the California State Senate, responding to concerns from mobile and manufactured home park residents regarding unprofessional or untrained property managers, established a research committee that would study the problem. For nearly 30 years, committee staff has gathered facts, held informational hearings, staffed legislation, coordinated free public forums, and published a comprehensive guide to the Mobilehome Residency Law (MRL).

Three decades of legislative response and educational outreach, however, has not significantly improved the professional behavior of many park managers. Committee staff continues to receive phone calls, letters, emails and walk-ins from park residents who complain that park managers threaten eviction without cause, violate park rules, discriminate against select residents, bully defenseless tenants, or allow residents to be harassed by other park residents. Residents have also reported that some managers refuse to explain unusual charges on rent statements, refuse to publish the park rules, declare that park rules prevail over state law, and change park rules without proper legal notification.

Of the nearly 4,600 mobile and manufactured home parks in California, some of those parks' owners are members of the Western Manufactured Housing Communities Association (WMA). Part of WMA's successful membership program is its effective park manager education and certification program. However, there remains a significant number of park owners who are not members, and whose managers are not offered the benefit of such a program.

Committee staff regularly disappoints – and even angers – constituents who call the committee demanding enforcement of the law and investigations of landlord-tenant conditions. Staff has even been asked to recommend mobilehome parks that employ “good” managers.

While the Senate committee's educational handbooks, hearings and conferences have uplifted the awareness of many residents, there is continued pressure on the committee to enforce the law and regulations. Over and over again, the public is dismayed to learn that the Senate does not have enforcement authority.

## **BACKGROUND**

The history of problems caused by untrained park managers has been documented by the Committee. Select Committee hearings in 1992 and 2004 aired the issue for public testimony and debate. In 2005 and 2009 legislation was introduced but neither was enacted.

In recognition of the need for professionally trained park managers, WMA provides certification classes for managers – an endorsement of the importance of education as a component of a successful business model.

The state Department of Housing and Community Development's (HCD) Mobilehome Ombudsman's Office regularly receives complaints from residents about unprofessional behavior of park managers. In its mission statement however, the Ombudsman's Office declares frankly "We cannot assist you with unfair or illegal management practices by mobilehome park management."

It is interesting to note that Oregon and Nevada have statutorily mandated mobilehome park management training and licensing programs. The State of Nevada requires managers and assistant managers to complete six hours of training every year, and the State of Oregon requires at least one manager of each park to complete four hours of training every two years.

The lack of professional training requirements in California code, in comparison to its neighboring states, is perplexing, given the fact that California has been on the leading edge of consumer advocacy, not to mention the fact that California has significantly more mobile and manufactured home parks and trailer parks than its neighboring states. The committee has found that the absence of state mandated training has caused a culture of at-will abuse.

## **EVIDENCE OF NEED FOR REGULATION**

A significant portion of the committee's daily staff work has been assisting residents, from all over California, with problems or questions regarding their rights and protections under the Mobilehome Residency Law and the Mobilehome Parks Act. A partial list of constituents' problems and complaints are as follows:

- Unexplained charges on rent bills
- Home businesses that receive customers even though park rules clearly prohibit it
- Discriminatory rules, in an all-age park, that require children to stay inside mobilehomes unless they are going to/from the car
- Managers who regularly sell homes in the park without a realtor's license
- Managers who sell homes in the park and fail to transfer title
- Manager disallows resident to remove home from park, even though resident has secured proper permits and legal clearance
- Manager allows tow truck to remove coach while tenant is still in the coach
- Manager enforces park rules on non-English speaking tenants, but not on others
- Poorly maintained park utility systems causing unsafe conditions
- Residents not allowed to contact park owner directly
- Park emergency evacuation plans not posted
- Street crime invading park through broken perimeter fences
- Drugs deals and other crimes by other residents

- Feral animals roaming the park
- Park rules changed without proper 6-month notice
- Rents raised without proper 90-day notice
- Illegal and retaliatory evictions
- Managers, hired from out-of-state, who don't know California law
- Managers moving lot lines without State permit
- Manager's family and friends violate park rules without consequences
- Manager will not let residents see list of park rules
- Manager is hostile and belligerent to meek or non-confrontational residents
- Elder residents being forced by manager to put manager's name on the home title
- Manager towing residents' vehicles without proper 7-day notice
- Manager blocking sales of residents' homes
- Resident evicted over violation of park rules that are not in writing
- Suspiciously high utility meter readings
- Rent demanded in cash with no receipt given
- Unexplained fees demanded in cash
- Manager coerces residents to sign petition that would ban HOAs in park
- Manager unresponsive to residents; will not answer door, phone, email, etc.
- Manager demands rent even though park has lost its state permit to operate
- Manager allows some residents to keep aggressive and attack dogs
- Manager's inability to keep residents safe from other threatening tenants
- Manager closes clubhouse so that their family can live there

Committee staff has also received calls from mobilehome park owners and managers who are seeking information on their obligations under state laws and regulations. A partial list includes:

- Request for committee's Mobilehome Residency Law handbooks
- Request for information on how to conduct a legal eviction
- Seeking information on how to enforce park rules
- Inquiring if it is legal to shut off utilities to coach where tenants have not paid rent
- Request info on procedures for warehouse liens and abandonment declarations
- Inquiring about the requirement for issuing the MRL annually
- Inquiring how to manage a tenant who is a sublessee of a resident
- Inquiring about legal responsibilities to assist very needy, frail or dying residents

This report is careful to point out that managers, who have called the committee office for information, express their deep appreciation for the time that staff spends on the phone with them and for the generous distribution of the Senate's MRL handbooks.

Two other states have codified programs to deal with the problems caused by untrained park managers. Nevada's Department of Business and Industry's Manufactured Housing Division, and Oregon's Housing and Community Services program both regulate park manager training by mandating professional training and issuing certificates.

## **PRIOR LEGISLATION AND COMMITTEE HEARINGS**

Assembly Bill 869 (Mendoza; 2009) would have established a voluntary program of certification for mobilehome park managers specifying the subject matter and hours of instruction, and requiring a competency examination and a certificate of completion. The bill would have also required that notice be provided to homeowners and prospective homeowners regarding whether the park is managed by a Certified Mobilehome Park Manager. Arguments in support of the bill included the point that such a program would ensure more consistent application of the MRL. Arguments in opposition challenged the notion that park managers be singled out for training and certification whereas there is no requirement for apartment managers. AB 869 failed passage out of the first policy committee.

Four years prior, Assembly Bill 1469 (Negrete-McLeod; 2005) would have required an onsite mobilehome park manager to complete a specified number of hours of educational programs to be approved by the Department of Housing and Community Development; would have required the park manager to post proof of completion and compliance with the educational program requirements in a conspicuous place within the mobilehome park; and would have authorized the department to assess a civil penalty against an owner if the department finds that the owner or operator has not made a good faith effort to comply with the requirements. AB 1469 was vetoed by the Governor.

The Committee conducted two informational hearings on this subject, in 1992 and 2004, in response to residents' requests to the Legislature for a solution. At both hearings, testimony confirmed that most of the problems between managers and residents is a result of untrained managers.

## **THE ROLE OF REGULATORY BODIES**

The landlord-tenant relationship in a mobilehome park is more complex than in a standard rental situation. A mobilehome park resident typically owns their home, which in itself expresses a commitment to a stable and settled lifestyle. As a consumer, the resident's investment is situated in a mobilehome park. When viewed in this perspective, the rights of the resident-consumer should be protected under California law.

The California Consumer Affairs Act states

It is the intent of the Legislature and the purpose of this chapter to promote and protect the interests of the people as consumers. The Legislature finds that vigorous representation and protection of consumer interests are essential to the fair and efficient functioning of a free



enterprise market economy. The Legislature declares that government advances the interests of consumers by facilitating the proper functioning of the free enterprise market economy through (a) educating and informing the consumer to insure rational consumer choice in the marketplace; (b) protecting the consumer from the sale of goods and services through the use of deceptive methods, acts, or practices which are inimical to the general welfare of consumers; (c) fostering competition; and (d) promoting effective representation of consumers' interests in all branches and levels of government. (Business and Professions Code Sec. 301)

The Department of Consumer Affairs (DCA) website declares, in its mission statement, "DCA helps consumers learn how to protect themselves from unscrupulous and unqualified individuals"; and further, "We are committed to honesty, ethical conduct, and responsibility."

DCA's functions are listed (in part) as "licensing, education [and] enforcement..." It also proclaims that it "...issues licenses in more than 100 business and 200 professional categories..." Within these parameters, the inclusion of a mobilehome park manager licensing program would be logical.

The landlord-tenant relationship in a mobilehome park is a consumer-to-business arrangement in which the mobilehome owner cannot immediately relocate his/her investment elsewhere when the park employee consistently acts in an unprofessional manner.

A regulatory board that would oversee the education and licensing of mobilehome park managers would protect the investment values of both park residents' and park owners'.

## **A PROPOSED MOBILEHOME PARK MANAGER LICENSURE AND ENFORCEMENT PROGRAM**

The committee recognizes the obvious need for mobilehome park managers to be trained and licensed. The body of knowledge that a manager must be aware of to effectively manage a park is tremendous. The Mobilehome Residency Law, the Mobilehome Parks Act, and Title 25 make up the foundation that governs mobilehome park tenancy and health and safety on a daily basis. Add to this, the Americans with Disabilities Act and the federal Housing and Urban Development Department's fair housing standards. Currently there is no provision that requires park managers to know any of this.

An education and licensing program would ensure law-abiding park employees, which would result in reduced crime and enhanced safety in mobile and manufactured home parks.

## **CONCLUSION AND RECOMMENDATION**

Years of research, fact-finding, legislation, hearings, and constituent casework by the Senate Select Committee on Manufactured Home Communities has unequivocally proven the need for professional park manager training and an obvious need for consumer protection. A public hearing on this issue will determine if the people of California concur with the findings of the committee.

The importance of employee training, as part of a sound business model, is already acknowledged by Western Manufactured Housing Communities Association which has, for years, provided an annual education program for their members' park managers.

California should consider joining Nevada and Oregon by instituting a similar professional training program.

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## **HEARING TESTIMONY**

A complete video file of the hearing held on September 16, 2016 in San Bernardino, CA can be viewed at [senate.ca.gov/media-archive](http://senate.ca.gov/media-archive).

## **HEARING SUMMARY**

The Chair of the Senate Select Committee on Manufactured Home Communities, Senator Connie M. Leyva, convened the hearing at 1:00 p.m. in the San Bernardino County Supervisors public meeting chamber on Friday, September 16. After Supervisor James Ramos, Chair, issued a Welcome Statement to the Senator and the crowd, Senator Leyva began taking testimony from panelists representing state and local government agencies, nonprofit membership associations and individuals during the public comment section of the hearing.

Senator Leyva continued with her opening remarks with the following:

The purpose of this fact-gathering hearing is to determine how make many of the mobilehome and trailer parks in California – many, many of those in my own district – code compliant. And further, how to decrease the burden of some of those that they have caused on the city, the county and state services. Today, witnesses will be sharing opinions, experiences and solutions for improving the current system. The focus of this hearing -- a training and licensing program for onsite mobilehome park managers – is suggested as one of those solutions.

Senator Leyva displayed to the audience three prominent volumes that profoundly affect the management duties of a mobilehome park employee: the Civil Code, which contains the Mobilehome Residency Law; the Health and Safety Code, which contains the Mobilehome Parks Act; and Title 25 of the California State Building Code enforcement regulations. Senator Leyva said, “These are significant sets of laws that create a foundation for a well-run mobilehome park. However, since it is not required for an onsite property manager to be trained, we hear of many violations and many of them have never even seen these books.”

Acknowledging the state-authorized mobilehome park manager training certification programs in Oregon and Nevada, Senator Leyva said, “We think that it is time for California to do the same thing and have our own professional code of ethics.”

Sergeant Steve Davis of the Colton Police Department was the first to give testimony. He reported on the health and safety violations he witnessed in some of the parks in his jurisdiction, specifically the problem of feral animals in many parks.

Representatives from the Golden State Manufactured Home Owners Association (GSMOL) spoke next. Corporate Counsel Bruce Stanton introduced two GSMOL regional vice presidents who were with him, Tim Sheahan and Ray Downing. Mr. Stanton concurred with the findings in the Committee report, specifically citing the list of Civil and Health and Safety Code violations by untrained park managers. In his view, the list of violations of the “complex overlay of different laws” stems “from either a lack of understanding of the Mobilehome Residency Law or an unwillingness to follow it.” Speaking for park owners, Stanton said that a state-authorized park manager training program would seem to be obvious; that “happy residents make a better investment.”

Mr. Downing, making the point that park manager training was vital, read aloud a letter from a park manager to a GSMOL regional leader that denied a gathering of GSMOL members in the park, a specific violation of the MRL. He said that currently some park managers use their autonomy to create a climate of fear and intimidation in some parks. He reported that at a mobilehome park near him, “the manager of that park walks around with a pistol in her belt.”

Mr. Tim Sheahan mentioned the MRL’s required notice of the rights and responsibilities, and the low compliance he has seen. He expressed hope that there would be further requirement that this notice be posted in the parks’ clubhouses. He added, “Our goal is to reach a level of mutual respect between homeowners and managers.” He concluded by urging a proposal that would create an easier mechanism to file elder abuse and exploitation claims with district attorneys.

When Senator Leyva asked the panel, “If we’re going to have training for park managers, should we also have training for park residents?”, the panelists responded affirmatively, adding that GSMOL already has such an educational program for their members.

The next group of panelists who spoke were representatives from statewide associations of manufactured home park owners. Catherine Borg, lobbyist for the Western Manufactured Housing Communities Association (WMA). Ms. Borg reported that WMA's manager training program awards certificates, but not licenses, to managers who pass the coursework. WMA's "premiere" training program is comprised of a 60-unit session, each unit is approximately one hour of instruction. The program is available to member and non-members and costs about \$200 per training. Ms. Borg mentioned, that in spite of their extensive professional training, complaints arise not because their property managers don't know the law, it is because "sometimes relations are not good on both sides." Ms. Borg further stated, "Our program is really good, but I would say that it's probably not the most important thing that could be done to help improve mobilehome parks" in reference to the park manager in a very small but well-run park who would be inclined to retire than drive four hours to Sacramento for training.

Ms. Borg added a request for "giving us the tools that are necessary to evict bad residents", specifically amending the Mobilehome Residency Law to allow witnesses to publicly verify that a bad resident has been a "substantial annoyance".

Vickie Talley, on behalf of the Mobilehome Park Owners Alliance (CMPA) and the Manufactured Housing Educational Trust (MHET), reported that there has been "a lot of miscommunication and misunderstanding" and that her groups' dispute resolution program has seen much success. Ms. Talley noted that when she asked the Oregon mobilehome park owners association if training reduced the number of complaints there, the response was "no." She conveyed that the real difficulty for park owners is park residents complaining about other residents. "That's not a management training issue," she said, but a lack of ability under current law to evict.

Mr. Dick Bessire, President of Bessire and Casenhiser, a park ownership and property management firm, conveyed his solution for landlord-tenant conflicts. Referencing the Select Committee's Mobilehome Residency Law handbook, he said "If people would just read this it would stop about half the problems." He also strongly recommended the use of a complaint resolution form that was designed by his firm (see Appendix 1) and is used in all of his parks and in those owned by his colleagues. He said "If people would just use that to start with" it would "resolve a lot of the things we are talking about here today." Mr. Bessire said that one of the most important aspects of his firm's manager training program is its emphasis on public relations. Yet he disagreed with the concept of a mandatory manager certification program, doubting the efficiency of a program where the student studies and takes a test independently without the benefit of a classroom format. Mr. Bessire also doubted the efficiency of a park manager training program where, within California, the law currently allows there to be no onsite manager for parks with less than 50 spaces.

Mr. Bessire echoed the concern of his co-panelists' – the need for the legislature to strengthen the "substantial annoyance" criteria for eviction and its effect on removing dangerous tenants from parks – by asking "Why does it take so long to take care of this?"

Ms. Borg and Ms. Talley had concurring closing points, and that was the need for more enforcement of the Health and Safety Code. Senator Leyva agreed but countered with the statement that training would help the managers in parks who do not even know about the Health and Safety Code. “The health and safety [of the park] ties directly back to whether or not the manager is trained”, she said.

In Mr. Bessire’s final comments, he urged the Legislature to strengthen the laws regarding the annual distribution of the Mobilehome Residency Law by park managers. He suggested that HCD’s Permit to Operate form be amended to include a checkbox that owners and managers must check, acknowledging that they distributed the MRL.

[In 2012, Senator Lou Correa authored Senate Bill 149 amending the Mobilehome Parks Act to include a provision that the park’s permit to operate invoice “shall provide notice of the Mobilehome Residency Law.” SB 149 was signed by the Governor and became law on January 1, 2013. (See Appendix 2)]

After the park-owner representatives concluded their testimony, Senator Leyva then called Brian Metcalf, Director of the State Department of Housing and Community Development (HCD) to the table. Mr. Metcalf explained that the role of HCD as “the primary state agency responsible for physical maintenance and operation of mobilehome parks throughout the state” as authorized by the Mobilehome Parks Act and the Special Occupancy Parks Act. Under this program, HCD develops, administers and enforces statewide standards “for the benefit of park residents and users to provide a decent living environment, to protect their investments in manufactured homes, mobilehome, multi-unit manufactured homes, and recreational vehicles.” Where HCD has enforcement authority (some local jurisdictions retain their authority in their own districts), HCD’s 60 inspectors statewide -- who performed over 24 thousand inspections in 2015 -- are working out of two field offices. Mr. Metcalf described in some detail the enforcement process: when a violation is discovered, a Notice of Violation is issued. This provides the responsible party 60 days to correct the violation. In the case of an imminent health and safety hazard, HCD requires that the violation be fixed immediately. For 2015, the most prominent health and safety violations were faulty gas meters supports, undefined lot lines, electrical hazards, and uncapped drains. Violations that are not imminent health and safety, and tend to be resident violations, are: accumulation of trash/combustible materials on lots, unsafe stairways, extension cords in lieu of permanent wiring, appliances outside the home, and storage sheds too close to the lot line.

HCD also administers a licensing program for manufactured home and commercial modular dealers, salespersons and businesses, as well as handle complaints against those licensees. In 2015, HCD handled 200 consumer complaints against HCD licensees or unlicensed activity. In that year, HCD issued \$10,000 in citations for illegal or unlicensed sales activity.

HCD also service the public with their Ombudsman’s program. (Mr. Richard Weinert reported that the Ombudsman program is unfunded.) Last year, the program received over 2,000 complaints – 1,679 were mobilehome park complaints, 257 related to the Mobilehome Residency Law, and 209 were related to illegal or unlicensed sales activity. The top complaints they typically receive are: poorly maintained park utility systems, unpermitted installations, illegal evictions, inappropriate rent increases, substandard mobilehomes, accumulation of rubbish, fire hazards, and utility billings. Other calls include information on how to obtain copies of the MRL, and inquiries about title and registration. Mr. Metcalf reported that HCD does not have enforcement authority over all of the complaints that the Ombudsman receives. If the violations occur under their authority, they will follow-up with an investigation. All other callers are referred to appropriate sources, including legal services providers.

Mr. Metcalf also reported that when park owners or park onsite staff fails to maintain the health and safety protocols in a park, HCD has certain enforcement mechanisms under the law, including civil financial penalties, as well as a threat of losing a Permit to Operate, which results in the suspension of monthly rent collections. Mr. Metcalf reported that to-date there are 36, out of 4,500 mobilehome parks, that have suspended operating permits.

In his summary, Mr. Metcalf said that HCD believes that all parties – park operators and residents – work together to maintain parks in decent and safe condition. “We stand by ready to help in any way we can to make sure that as we move forward with any possible legislative changes that we can provide the technical assistance to make sure it works with HCD” he said.

When asked by Senator Leyva “Does HCD feel that having a park manager education and licensing program would help with these issue and violations?” Metcalf: We don’t have a formal position on that right now but there is unambiguously a correlation between residents how have the training and the expertise and folks who don’t. Where we see folks who are knowledgeable, we get better outcomes.

After invited panelists presented their observations and recommendations, Senator Leyva invited the public to approach the microphone and add their comments to the record. Ms. Kimberley Clarkson, resident of Lancaster Estates Mobilehome Park and regional leader of GSMOL, urged that manager training is a “dire necessity.” Ms. Eloise Reyes, candidate for California State Assembly District 47, thanked Senator Leyva for holding the hearing and said that mobilehome park residents “don’t want words, they want action.” Ms. Clementine Estrada, a mobilehome park resident in El Cajon, expressed her frustration that there has been no mandatory training for park managers, yet there are government agencies and communities colleges already “in place”. Mr. Ken Meng, a mobilehome park resident and president of the Coalition of Mobilehome Owners of California, read a list of suggestions to the Committee, which, in summary, urged enforcement of the MRL rather than manager training. Ms. Carrie McKuen, resident of Rancho Vallecitos Mobilehome Park, took the podium to express her frustration with Civil Code 798.56(b) and appealed for it to be amended. Mr. David

Martin, a mobilehome park resident from Escondido, urged that it be mandatory that the Select Committee's MRL handbook be handed out to residents annually, and suggested that mobilehome park managers be screened for a criminal background. Mr. Sam Meng, board member of Como-Cal, reported on cases of fear and intimidation by the park managers in his park, and stressed the importance of a statewide dispute resolution program and enforcement of the MRL before a manager licensing program. Mr. Lloyd Rochambeau, president of San Marcos Mobilehome Park Residents Association, told Senator Leyva that park manager licensing was "one small step toward enforcement" of the Civil Code. Ms. Sylvia Proctna (sp?) explained that her parents, who are mobilehome park residents, are living in a park where the manager applies the rules differently to different residents, and for this reason she supports a manager training and licensing program. Ms. Darlene Morales, who lives in a mobilehome park as a caregiver to her parents, supports manager training because, she reports, there is a group of residents who make management decisions on behalf of the timid, elderly and frail park manager.

Senator Leyva closed by thanking those who participated in the hearing and said that she looked "forward to working with everyone to improve the situation in mobile and manufactured home parks.

## **LEGISLATIVE CONSIDERATIONS**

Which state agency has the proper jurisdiction to administer a licensing and training program for mobile and manufactured home park managers?

What are the funding requirements for a statewide program?

How long would it take for a program to go from study and development to actual training and enforcement?

Should in-class manager training be required for mobilehome parks manager of parks with fewer than 50 spaces?

# APPENDICES

1. Resident Suggestion/Complaint Form
2. Senate Bill 149 (Chapter 307, Statutes of 2012)
3. Testimony submitted to the Select Committee on  
Manufactured Home Communities



WITNESSES/SPEAKERS

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Connie M. Leyva, Chair Senate Select Committee on Manufactured Home Communities	
James Ramos, Chair Board of Supervisors, County of San Bernardino	
Steve Davis, Sergeant City of Colton Police Department	
Bruce E. Stanton, Attorney Golden State Manufactured-home Owners League	
Ray Downing Golden State Manufactured-home Owners League	
Tim Sheahan Golden State Manufactured-home Owners League	
Catherine Borg, Legislative Advocate Western Manufactured Home Communities	
Vickie Talley, Advisory Board Member California Mobilehome Parkowners Alliance	
Dick Bessire Casenhiser and Bessire	
Ben Metcalf, Director California State Department of Housing and Community Development	

Informational Hearing of the  
SENATE SELECT COMMITTEE ON MANUFACTURED HOME COMMUNITIES

on the subject of

“Improving Mobilehome Parks through Education and Licensure of Onsite Property Managers”

September 16, 2016  
San Bernardino, California

TESTIMONY

SENATOR CONNIE M. LEYVA: Good afternoon. We will call the meeting together. This is the Select Committee on Manufactured Homes and Communities. This is a little bit of a different set-up. I think you guys are kind of looking at each other. So, we'll turn a little bit and make sure it works for all of us. I'd like to welcome all of you, and thank you very much for taking time out of your busy day to be here. We have four very distinguished panels that are going to provide up with some expert testimony. This is a fact-finding hearing that will focus on the need for training and licensing of mobilehome park onsite managers. We will hear from prominent state and local representatives from California's mobile and manufactured housing communities. I have had the privilege of being chair of the Mobilehome Select Committee for about a year and a half now. I hope that as long as I am elected as your state senator I will continue to give that – to have that honor. I think there is a lot of work to do in mobilehome communities. I think it is one of the last bastions of affordable housing and we want to make sure that it is working well for everyone. So, I am consultant, Stephanie Reid, who – I would just like to ask all of you to give her a round of applause and thank her because she is retiring after how many years, Stephanie?

STEPHANIE REID: With the State, thirty-one.

LEYVA: Thirty-one years with the State. She has been such a help to me in this last year and a half. I am very grateful to her. And I am going to miss you a lot, Stephanie. But, you know what? The time has come and she should go and enjoy her retirement. So, thank you for everything, Stephanie. It's been greatly appreciated.

I would also like to thank all of the witnesses and those in the audience for taking your time out for being here. I especially want to thank the County of San Bernardino for allowing us the opportunity to use the supervisors' chambers. Senate and County staffs are working together today to record and also live stream this on the Internet.

So, members of the audience, you can text your friends and let them know that they can watch you at [sd20.senate.ca.gov](http://sd20.senate.ca.gov). So, just make sure you know you are going to be on TV this entire time.

I have another very exciting announcement. Those of you who parked in the parking lot that says it is only three-hours, that is going to be waived today. So if we are here for three and one minute you will not have to worry about that.

At this time it is really my pleasure to introduce to you Mr. James Ramos who is the chair of the San Bernardino County Board of Supervisors. He is going to welcome us. Please sit down, Mr. Chair. I have had the pleasure of knowing Mr. Ramos for a very long time and appreciate all the work that he is doing for the County of San Bernardino. It's been some trying times and you have really handled yourself -- grace under pressure. Thank you so much. Supervisor Ramos.

SUPERVISOR JAMES RAMOS: Thank you for choosing San Bernardino and the board chambers to conduct this informational hearing that's going to be ongoing here today. On behalf of San Bernardino County we welcome you to our chambers, as you are sitting there and leading the hearing and moving it forward. Senator, really -- a deep heartfelt appreciation to you and your colleagues out there for always remembering San Bernardino County. Certainly you are no stranger to what it is the legislative things that we've moved forward. We currently have a bill that we are encouraging the Governor to sign that deals with December 2<sup>nd</sup>. So it's a good ongoing relationship. We are also honored to have the strong partnership of the whole Caucus with us throughout this time and the times we've faced here in the last eighteen months in San Bernardino County. It is truly as a family of

electeds – of all elected – that we come together and support one another. So on behalf of the San Bernardino County Board of Supervisors – as chairman of the board of supervisors – I want to welcome you here to San Bernardino County and thank you for choosing this area to perform this informational hearing. Thank you.

LEYVA: My pleasure. Thank you, Supervisor Ramos. It's a pleasure to have you here. And let us know how we can continue to be helpful in the State Senate.

RAMOS: Thank you.

LEYVA: So we are here today because I have had the pleasure of touring about ten mobilehome parks in the last year and a half and I have gotten a lot of feedback on a variety of issues, but the issue that we want to talk about today is the impact of untrained property managers. So these are the folks that manage the mobilehome parks. And the impact that them being untrained is having on residents in mobilehomes and trailer parks – [RESPONDING TO A COMMENT FROM THE AUDIENCE:] Okay, all is good.

The purpose of this fact-gathering hearing is to determine how make many of the mobilehome and trailer parks in California – many, many of those in my own district – code compliant. And further, how to decrease the burden of some of them, that they have caused on the city, the county and state services. Today, witnesses will be sharing opinions, experiences and solutions for improving the current system. The focus of this hearing -- a training and licensing program for onsite mobilehome park managers – is suggested as one of those solutions.

Managing a mobilehome park, as I have found out – and probably many of know – is very complex. And I will tell you I have met several mobilehome park managers who have said to me “I'm just doing the best I can.” And I don't think that anyone sets out to do a bad job on anything. And certainly if mobilehome park managers are well-informed and trained they will better be able to assist the residents. And, I would like to hope that in the long run we would have less problems going forward.

So, today I am going to show you some of the books.... The Mobilehome Residency Law – the MRL. The Mobilehome Parks Act, which is contained in the Health and Safety

Code. Title 25, which is part of the State building code enforcement regulations. And I didn't hold up the MRL, but – here it is right here, which is kind of the Bible. It was the very first document that I read cover-to-cover that I read when I was first elected to the State Senate because I did not have TV at my apartment. And it's actually fascinating and gives you much good information.

These are significant sets of laws that create a foundation for a well-run mobilehome park. However, since it is not required for an onsite property manager to be trained we hear of many violations and many of them have never even these books. Many of them have seen the MRL but there is so much more for them to know and be aware of.

Within the past years, as I have said, I have toured many mobilehome parks in the district, and it's unfortunate to report that I have seen parks with high crime rates, trash bins that are not being emptied, uncorrected safety violations, and a culture of trespassing, to name a few problems. And as I stated earlier, most mobilehome park managers are really trying to do the right thing, and in many instances they just don't know what to do.

And it is important to remember that not all parks have untrained staff. In California we have a few professional park owner membership associations which we will hear from today that know the importance of manager training. These groups provide the very training that the Legislature has recognized as vital to the health of California's cities and counties. Some might say, "Well, the Senate publishes the MRL which is available. Isn't that enough?" I really is not. It is great for all of the quick, easy questions and answers.

On pages 2 and 3 of the hearing report you will see a list of the alleged violations by some park managers. Interestingly, you will also see a list of concerns by park employees who have contacted my staff seeking more information in an effort to at least train themselves. I think that is what stood to me the most, is these park managers really are trying to get the information so they can do the best job possible.

I would like to applaud Western Manufactured Home Communities and California Mobilehome Parkowners Alliance for filling the obvious need for this training. Thank you very much. It is important, as a legislator, I hear from all members of the mobilehome park community so that we can make the best decisions possible.

In the state of Oregon and Nevada, they require at least one manager of the park to complete four hours of training every two years. I'm sorry, that is the state of Oregon. And

the state of Nevada they have to complete six hours of training every year. We think that it is time for California to do the same thing and have own professional code of ethics. The question we will be seeking to answer today is “Will state licensing of mobilehome and trailer park managers improve the quality of life for Californians who live in these unique communities.

I'd like to remind everyone today, and those that are watching, if you have written testimony or a handout that you would like the Select Committee to be aware of, please hand it to any staff in the room. If you are staff of Senator Connie Leyva, please raise your hand. You can hand any of that information to my great staff. You may also mail your testimony or comments to the office.

So, let us begin. Our first panel is Golden State Mobilehome-owners League. Please come forward. I am sorry. We are starting with our Sergeant Davis of the City of Colton Police Department. Sorry, Sergeant Davis. Please come on up. Welcome.

SERGEANT STEVE DAVIS: Thank you for having me, Senator. My name is Steve Davis. I am a sergeant with the City of Colton Police Department and I am here to represent the City of Colton. I do not have a presentation at this time but I would be more than happy to answer any technical questions that you might have

LEYVA: So, one of my questions would be, What are some of the challenges that you and your officers have encountered at mobilehome parks in the City of Colton?

DAVIS: We have a variety of issues. A lot of disturbances occur at these locations. One of them is very well known for conflicts between the HOA president and many of the residents there. There was a period where I think we were out at the location probably twenty times in a matter of thirty days.

LEYVA: Almost daily.

DAVIS: Yes. That has changed. He is no longer the association president, so we haven't gone out there quite as much but we have a variety of trespassing issues; a lot of animal issues with dogs and cats, and things like that.

LEYVA: The issue with the animals is that there are too many? Or that they are feral?

DAVIS: Both. There's a lot of feral cats. There are stray dogs in the area. A lot of people don't take responsibility for their animals.

LEYVA: In the twenty times that you were at this facility in thirty days, what was the nature of the calls that you were receiving?

DAVIS: They were disputes between the homeowners' association president and residents in the park. They were personality issues --

LEYVA: Got it.

DAVIS: -- between them. He was pretty stern with how he wanted the way things run. It was his way or the highway. They were basically -- They got physical several times. A couple people went to jail.

[CROSSTALK]

LEYVA: Go ahead. Please proceed.

DAVIS: Since he has left things have settled down quite a bit there.

LEYVA: Was he also the onsite park manager?

DAVIS: No he was not.

LEYVA: He was not. Was there an onsite park manager?

DAVIS: Yes.

LEYVA: And was he or she able -- There were not able to help out with the situation?

DAVIS: Well, eventually they did, but it took quite some time for it to be resolved.

LEYVA: And do you know if this onsite park manager had any training at all?

DAVIS: I don't think she had any professional training.

LEYVA: Ok. And just in your opinion, do you think that could be helpful?

DAVIS: Absolutely. I think it could be a big benefit.

LEYVA: Very good. Is there anything else that you would like to add? Anything other comments, or anything that we can do to be helpful?

DAVIS: No. I think this is a great forum to have. I'm looking forward to being part of it. But I think this is a big step in the right direction, and I look forward to helping if I can.

LEYVA: Right on. Well thank you very much, Sergeant. We greatly appreciate it. Those are the only questions I have, so if there is nothing else that you want to add, that would be just fine.

DAVIS: Thank you.

LEYVA: Thank you very much. And please stay. Next we are going to go with our statewide mobilehome owners association. I would like to invite up Bruce Stanton, who is an attorney, Golden State Manufactured-home Owners League. Bruce has been an



outstanding help in the townhalls that we have had over the past year and a half. So Bruce, I would like to thank you very much for your willingness to help on all of these situations.

BRUCE STANTON: Thank you, Senator.

LEYVA: You are quite welcome. And you brought a couple friends, so maybe you all can introduce yourselves.

STANTON: We shall. I'm Bruce Stanton. I'm here today as corporate counsel for the Golden State Manufactured-home Owners League, which is a fifty-two year old state organization comprised of homeowners and residents in mobilehome and manufactured home communities. I have with me here today two of the zone vice presidents from GSMOL. We have Ray Downing here to my –

LEYVA: Welcome, Ray. Nice to see you.

STANTON: -- far right who is the zone vice president for Zone C, which is essentially Los Angeles county area all the way out to the eastern border, all the way down through Orange County. Where Ray's zone ends, Tim Sheahan here – his zone begins.

LEYVA: Hi, Tim.

STANTON: Tim is Zone D Vice President. He's from San Marcos and he covers the entire San Diego County and Palm Desert/high desert area.

TIM SHEAHAN: Riverside County. Imperial County.

LEYVA: Big area.

SHEAHAN: Ray represents San Bernardino County in his zone.

LEYVA: Yes, he does. Thank you, Ray.

STANTON: So I brought them along. I thought I would give some remarks and then let them also speak to these – to this issue – and give some testimony regarding what they see and hear and face daily --

LEYVA: That would be great.

STANTON: -- in their positions as zone vice presidents.

LEYVA: That would be great. Thank you.

STANTON: As the two famous movie reviewers use to do, I would just say, GSMOL gives two thumbs up – way up – to the summary that was prepared by the committee and to this concept. We've been consistently supporting this idea for the last fifteen years and participated in both of the previous kind of incarnations of this investigation and committee discussions and hearings and bills that sort of never got completely off the ground or were vetoed – all, again, requiring some sort of manager certification or training. Since this committee hearing today was announced we have also polled our leadership tree and obviously have received very consistent responses that this is sorely needed. This from our regional managers, associate and assistant managers who are in leadership positions below the vice presidents in zones and specific parts of zones, or what we call regions throughout the state.

Personally, as I have represented GSMOL for a total of about fourteen years and been in this industry for over thirty years, I can also say that the list that I see on Pages 2 and 3 of the summary is a very accurate list. I might add a few other things to it such as not only do we have selective enforcement problems but we have parks where the rules aren't enforced at all. The resale, the blocking, can amount to things like not providing applications to buyers, or just being so rude to prospective buyers that they just leave and don't want to buy in the park, or requiring unreasonable park upgrades at the time of the resale which all of – at least the application part and the upgrade part – really stem from, in

my view, from either a lack of understanding of the Mobilehome Residency Law or perhaps an unwillingness to follow it. But, I find the list to be quite accurate. Another item that we've been encountering recently is the denial of access to the clubhouse for homeowner association, or GSMOL/mobilehome issue-types meetings. And actually Ray will have a letter to actually read to you that we just received that speaks to that. So, as I look at this issue it would seem to me that in concept any responsible park owner and all homeowners would agree that this is a good idea. It would be hard to find somebody who would say "We don't want managers to be trained. There is just no need to do that." The issue might be, do we mandate it, or how do we do it? But I think clearly the concept should be agreeable to all. I know that one park management president that I've heard recently said sometime when they're interviewing for park manager positions they might interview up to twenty people before they find somebody.

And that I think speaks to the issue of how important this position is. I mean, the benefits to homeowners I think are obvious. One, they live in immobile homes in immobile home parks. They can't move them. Very, very rarely. I think three-percent of all mobilehomes, once they are sited, ever move until their final destination in the junkyard or in Elko, Nevada some place. This immobility makes residents essentially captive to a poor management situation if that exists. Secondly, they depend upon management as the primary voice and face of the park owner. That's who they see on a daily basis. And they depend upon them to provide information, enforcement, or interpretation of a lot of different laws and regulations. We've got rental agreements which sometimes can be thirty pages or more.

We have ancillary agreements such as pool, RV, pet, or arbitration agreements or clauses. We have Title 25 – Code of Regulations – which is essentially the building code for mobilehome parks. We have the rules and regulations of the park, which are the operating – internal operating procedures for the community. We have ADA, and disability-related issues. We have utility-related laws regarding submetering if we've got a submetered park for gas and electric, and even water issues can come into play. And we have federal and local housing laws, especially where we have senior parks. So we have this real, complex overlay of all these different laws that can come into play.

We need somebody who has at least a basic understanding that these laws exist, and a basic understanding that these laws exist and a basic understanding of what, in essence, the laws contain.

So, unlike apartment renters, who are very mobile, manufactured homeowners who are not mobile, have a very significant investment in their homes. Sometimes hundreds and thousands of dollars. And that is a dollar investment that is at risk, to some degree, if we have poor management.

And we have high-density residential communities where quiet enjoyment is critical. If you don't have good management that knows how to deal with conflict resolution; the unique needs of elderly, or families or children; the right of privacy – how to balance that – or the need for safety in the community, which is very important, especially in terms of emergency preparedness plans, enforcement of speeding in parks, etcetera.

So, that's homeowner's side. Park owner's side – I mean, to me, it would seem to be equally obvious. Happy residents make a better investment. I think we can all agree on that.

LEYVA: I think we can.

STANTON: Following the law limits park owner liability. I mean, if I'm a park owner, why would I want a manager -- a rogue, outlier manager – who is just making up the law as they go. And we have managers in some of the smaller parks, maybe up in the Gold Country, or the hills especially who you say, "Mobilehome Residency Law" and they are either going to look at you and say "What's that?" or "I could care less." And these are some of the real rogue kind of communities that don't belong to any trade association.

And following the law limits further regulation. Most of that green book that you showed everybody exists because of issues that have arisen where laws are required and have to be passed because of abuses. I don't think that the arguments that have been made in the past, that we should not adopt a program like this are persuasive because you simply can't compare apartment managers to the management that's required in mobilehome park communities. A lot of the issues I just mentioned --. Obviously, mobilehome park managers have way more responsibility and attention that's needed to regulations.

This is a consumer protection law. And I note that in the summary that it talks about consumers requiring protection. We know that because the MRL cannot be waived even if somebody wanted to -- they're presumed to not have known what they were doing. And we've got things like the 72-hour rescission right which is very similar to aluminum siding salesmen who go through the neighborhood and get you to sign that contract and the next morning you look at it go "What did I do?" And you've got that right to rescind.

And I think the cost of any program like this would be justified and worthwhile to a park owner because, first of all I'm presuming it is a deductible business expense. But secondly, the better-trained managers are the more long-tenured they would be, it would seem and you would have less need to be always hiring or firing managers and going through the expense of all of that. And with fewer problems and issues you've got fewer legal fees. You don't have to call you attorney as often to get you out of a mess that the manager got you into.

And as the summary points out we have other states -- very close, nearby states here in the West -- that have less regulation. I think you have more regulation than any other states when it comes to mobilehome parks. But they already have training in place. And we don't. And the question is "Why?"

So, it would be hard for me to imagine any park owner saying "I don't want my managers trained." The most responsible park owners do it already, as this has pointed out. Why not all?

And as long as the cost and time are reasonable, there should be consensus within the industry. I believe that this is long overdue.

In conclusion, I would say, let's finally admit that there are significant problems as a result of poorly trained managers; that we can bring to fruition the prior work of this committee, in its prior incarnations, through its previous leadership, and bring this problem to the legislative floor and get something passed. We know training is not going to eliminate all the problems but I have to believe that it will be a very significant factor, go along way to improving mobilehome park living throughout the state in many parks. And we can eliminate, I think, a lot of what we're encountering by having responsible and knowledgeable and educated management.

GSMOL is willing to work together with park owners to do this, in the sense that we started putting on what we called “mobilehome residency law roadshows” a few years ago where I’d go around and go to the different zones and with the help of leadership we put on seminars for our residents to educate them about the MRL. And we try to do that in a responsible manner. It is not intended to be incendiary or advocating that, you know, “let’s go sue park owners”. It’s to give them the basic information and prevent those kinds of conflicts. But we still need legislation to bring, what I would call uniformity, consistency, and meaningful benefit to the community as a whole.

So those are my comments. I’ll be very excited to see something actually move forward on this. And I compliment the senator and the committee for its interest in this issue. I’d like to ask Ray Downing if he has any comments.

LEYVA: And before we get to you, Ray.... I agree with many of the things that you said. And as you said, the evidence and the need for regulation on [pages] 2 and 3 – I had highlighted the ones that I had seen myself when I was touring parks -- and there are numerous. I was able to highlight all but four that I did not actually witness or have someone tell me about. And I did not meet any mobilehome park managers who had had any kind of training. One quick question I had because I had not heard of this either, and I don’t think it was on the list. You just said something this morning about residents being denied access to the clubhouse. What would be a reason for that?

STANTON: The underlying reason from our perspective is that a park owner, management, may wish to discourage any type of organization of homeowners, wherein they would learn about their rights. They want to basically keep them divided or unknowledgeable. The rationale given is such things as “We have a schedule that you have to comport with, so you have to give us months and months in advance what dates you want to reserve the clubhouse because we have a lot of functions in here and we can’t bump other functions out of the way.” Mr. Downing just received a letter which is another one that we’ve encountered and that we actually had to bring a couple of lawsuits regarding this where management takes the position that GSMOL is a commercial organization because when we have meetings we invite people to become members for a twenty-five dollar fee. And that

even though we are nonprofit we fall within the non-solicitation ban that the park has in its rules and regulations; which from our view directly conflicts with [Civil Code Section] 798.51 which I call the “first amendment rights” for mobilehome owners. Clearly, a GSMOL membership is not a commercial solicitation. But we have a letter from Lancaster denying the ability of the chapter to use clubhouse on that basis, saying “Please reference our rules and regulations.” To me, having some training that would tell a manager and – hopefully up the food chain – those above that the state law trumps any rule or regulation where you try to define us as a commercial organization. What do you have to fear from residents meeting about mobilehome issues? But it’s all meant to discourage and to be a chilling effect.

LEYVA: Very good. Thank you very much, Bruce. Ray, did you have some comments or questions?

RAY DOWNING: Maybe I can expound first of all on how this letter.... When we first went into this park to try to get the GSMOL chapter organized, the first time in management was there, they had armed guards at the door, they would not let us in –

LEYVA: Armed? Armed guards?

DOWNING: Yes.

LEYVA: Wow.

DOWNING: So we had our meeting out in a picnic area that they had. They did not discourage us from having the meeting. So the second time we went in they let us use the clubhouse and we organized the chapter and a few days later our chapter president got this letter. May I read it to you?

It says, “To the president of the GSMOL group. Kimberly Clarkson (that’s our president of the chapter) has requested the use of the clubhouse for a meeting October 12<sup>th</sup>, 2016. Unfortunately, the leadership of GSMOL has lost their privileges. You cannot solicit

membership that involves money. The park does not allow solicitation of any sort, whether it be church groups, Girl Scouts, Boy Scouts, or any other groups of soliciting money to join an organization. This all falls under solicitation sign that is posted at the front gate. The GSMOL cannot dictate to potential members with false information. They do not have the right to violate the rules of Lancaster Estates residents'. This is what happened at your last meeting. Please read your MRL and park rules and regulations. Thank you. Lancaster Estates Management." Let me go back to this last sentence they had here. We did not violate any of their park rules and regulations. The manager came in, he just didn't like what we were talking about. And we told them that they do have to follow park rules and regulations as long as it says in the MRL, they do not conflict with the MRL.

LEYVA: I think Bruce you said that this was okay, to me – legally -- on this issue, in the clubhouse. Is that correct?

STANTON: Well, 798.51 guarantees the right of mobilehome residents to assemble for purposes related to mobilehome living.

LEYVA: Okay.

STANTON: And very seldom have we ever had a park owner take this position, I will say. This is not a typical position. But, it is an attempt, in my view, to frustrate the 798.51 right of assembly. Much as we've seen attempts to stop canvassing and petitioning in mobilehome parks -- management who is following the residents dropping leaflets and picking them up behind the residents; you can't use the mail tubes, only the management can use the mail tubes. That kind of thing. But this is a more frontal attack, if you will, to say "We're not even going to allow you in the clubhouse to have this meeting."

LEYVA: If the manager were trained, do you know if he or she is a trained park manager?

DOWING: No, I don't know that for a fact.



LEYVA: Okay.

DOWNING: We have some of the park members here.

LEYVA: Very good. Then hopefully if this person had gone through training they would know that it would be alright for you to do that. So this is one other thing that we can add to our list of reasons why park managers should be trained.

DOWNING: Especially when it deals with the MRL because a lot of them – they have what I call their own set of rules. That’s their own domain and they run it like they want to run it.

STANTON: It’s a little ironic that that says “Please read your MRL” at the end.

[CROSSTALK]

DOWNING: They don’t even know it themselves.

LEYVA: Correct. And thus the need for training.

DOWNING: Right.

LEYVA: Thank you, Ray. Tim, did you have any remarks? And Ray, did you have anything else?

DOWNING: Just one other thing to say that I feel where they need the training to know how to manage is because, as I said before, some of them feel that that is their own domain. They can run it like they want to. We have a park in down the street from me, not too far, The Highlands, the manager of that park walks around with a pistol in her belt.

LEYVA: Well.

DOWNING: And when you go into the office the pistol is laying on the desk in her office. These are the things where – management, that’s they own place. They own it, they run it. It’s going to be run the way they want to. No according to what this says. [HOLDS UP MRL.]

LEYVA: Got it. Okay. That’s very enlightening information, and I would say, again, reinforces the need for training.

DOWNING: Yes. Thank you.

LEYVA: Thank you very much, Ray. Tim?

TIM SHEAHAN: My name is Tim Sheahan. I have been a volunteer advocate for manufactured home owners since 1996.

LEYVA: Thank you for that.

SHEAHAN: Over fifty thousand hours. I do it mainly for the seniors and the veterans who are so vulnerable in these communities. I’ve witnessed time and time again the arrogance of park managers as, Ray says, they think that is their domain. They can write their own law. Through this training they need to feel a great accountability for their actions. This abuse starts before people even purchase a home in these communities, with unfair income requirements – three or four times income requirements to what the rent is. And then many verbal misrepresentations to steer them to unfair, unconscionable leases, especially in jurisdictions with rent stabilization ordinances. To me as an advocate, and for the benefit of seniors, it would be huge if there could be an allowance for them to conceal recorders to document verbal statements made by management. There is a rational basis for seniors that have memory problems, could be able to memorialize what is said to them verbally. And I think if a manager realized that there could be – that their conversation might be recorded, they would maybe behave a little more ethically. And so one of my goals as a senior advocate to get that to pass for these business-type conversations.

In 2012, GSMOL-sponsored AB 2150 that led to a required notice of the rights and responsibilities that go out to the communities. I've seen very low compliance with that in communities even within my own community. They send out notice of the right to request a MRL but not this listing of the rights and responsibilities of homeowners. At the time we hoped there would be a further requirement that it be posted in the clubhouse. I think if we could accomplish that, and when a park manager says "Oh you don't have the right to request a meeting," and you could show "right there on your wall it says we have the right to meet in this clubhouse," they would feel more accountability. That would be a huge accomplishment. Many communities allow homeowner associations or GSMOL chapters to have a bulletin board in the clubhouse, also to communicate but also report on the laws. I think that would help compliance of park management and be a way to educate them also. Our goal is to reach a level of mutual respect between homeowners and managers. Sometimes that respect is hard-earned, but that should be the goal of all of us. It's a partnership when you own a home in these communities. And some communities owners are great, but others – like it's been said – think it's the wild, wild West and they could do whatever they want. And especially the seniors are being very severely impacted. One of my other hopes is that we could create an easier mechanism to file elder abuse and exploitation claims with district attorneys. Many of them have elder abuse divisions but they require homeowners to file police reports and it doesn't seem to be a good fit for the type of complaints that homeowners have if they get a notice of a six-hundred dollar a month rent increase. Do they file a police report when they get that ninety-day notice or what? And so... They would feel more accountability and there would be a mechanism to train managers if there was a greater opportunity to prosecute them and investigate them on the grounds of elder abuse and exploitation. I'll leave it at that. Thank you.

LEYVA: Thank you very much. I have a couple questions, but Bruce did you have a comment?

STANTON: Go ahead and ask your question. I was going to make one more comment.

LEYVA: I was going to ask – it’s really for all of you – what you would say is the top five alleged violations of state laws and regulations occur in these mobilehomes parks. What are you hearing mostly from the residents?

DOWNING: One of the main things I always hear goes back to managers who feel that the park is theirs and they are violating their own park rules and regulations thinking that they can do what they want to do. But according to the MRL, it states in there that management has to follow the same rules and regulations as the residents. But they refuse to do it and a lot of cases they make their own rules to give to the residents...to keep them, more or less, under thumb.

LEYVA: Got it. Other issues, Tim?

SHEAHAN: I think with the [INAUDIBLE] from the mom-and-pop owners to the corporate owners there has been an enabling of managers to be more rogue and do things without the knowledge of the community owner necessarily. We have some people from Escondido here. Several years ago, I know, the manager of a few communities told – well, one particular community – there’s a huge tree on a homeowner’s lot, said “You need to remove that tree and it’s going to cost” – I forgot how much it was – sixteen hundred dollars – some huge amount --

LEYVA: Gosh.

SHEAHAN: -- “but if you do it today we can maybe get someone to do it for eight-hundred dollars” or something like that

LEYVA: Right. Gotcha.

SHEAHAN: And there was certainly the impression that the manager was getting that money. It was the responsibility of the community owner to remove a tree that was a hazard. And with driveways and other things. Predatory towing, where they might, -- I

don't have hard evidence – but certainly there's been several suspicions that the manager works a deal with towing companies and I've seen myself, they'll swoop in and give no notice to the homeowner and they'll try to drive off as a way to make money. And my belief is that some of these managers are benefiting financially without the community owner even knowing.

LEYVA: Very good. Thank you. I have heard that myself. Bruce?

STANTON: I made a quick list of five. It's a little, I mean – wow – it's a like, you know, what are your favorite five songs of all time? It's a tough list to maybe come up with

LEYVA: I agree. I think you've heard more than I have. I can think of my five, but I have not been doing this as long as you.

STANTON: I would say the five would be interfering with resales. And again, that could be denying application, being rude, unreasonable, upgrade requests. Something that would be designed to frustrate resales; Denying access to clubhouse, as we've talked about, for what I call first amendment rights. Unequal enforcement of rules or no enforcement at all. And that kind of cuts both ways because you can have residents coming in and saying "Please enforce the rules", and you have other residents saying "Why are you enforcing the rules against me?"

LEYVA: Right.

STANTON: And there's an area where if a well-trained manager and park management is committed, they can actually work with the homeowners and say "You guys help us to enforce the rules." And I've actually represented or been involved with some parks that good organizations of residents, like an E-core group or something that actually assists with that.

Number Four. Changing rules without proper notice. And using what are called “policies” to enforce conditions or actions. Maybe it’s not a rule but it is a “policy”, which obviously is not defined anywhere. So maybe that means there is no rule.

Number Five would be seven-day notices – eviction notices – that are given for all kinds of reasons or just not proper under the Code. So those would be the sort of the Top Five.

The other comment I thought I should make in closing is about two years ago our organization began a series of meetings with WMA and developed, what we call a “best practices committee”, where among other things, we are discussing issues, trying to see if there are issues that can be formally resolved or that we can agree upon that might even go to legislative resolution, like the disposal law that went into the MRL this year. But also writing articles that we call “best practices articles” that each of our associations publishes in our newsletters on topics like the clubhouse, and vehicular issues in parks – the two that I can most recently think of. To try and put out, into the industry, what we feel mutually are the best practices that hopefully managers would read, as well as residents, to, again, try to supplement this and not just say, “We’re going to just sit back and let somebody else do it all.” We want to be proactive.

LEYVA: Very good. You didn’t say either of the two things that I heard the most, but you’ve been doing this longer than I have. I hear a lot from folks that the number one thing, on Page 2, unexplained charges on their utility bills.

STANTON: It’s big.

LEYVA: I think I have heard that on almost every park that I have toured. And the other issue that I heard is not having a safe space or even a green space for children to play. A lot of these mobilehome parks were all asphalt and there was no place for the kids to play other than maybe right where their parents happen to live. So, those are two things that I heard quite a bit.

STANTON: And I would say another one would be drug-related, crime-related conditions in the park that management is clearly overwhelmed by and really doesn't know how to deal with. Maybe they are not getting the support they need from park owner or off-site management, but they are just overwhelmed.

LEYVA: Tim?

SHEAHAN: If could just add that many of these communities were built as fifty-five and older communities and converted to all-age without any requirement to add playgrounds for children or added parking or upgrades to the infrastructure. And so that has impacted a lot of these communities. And would also add that the state of Arizona has a program that allows the community owners or the homeowner advocacy group to conduct training for managers. So you might look into that also.

LEYVA: Very good. I have one other question for this panel and some opponents for training of park managers have said that "If we're going to have training for park managers, we should also have training for park residents." I don't think that's a terrible idea. Curious, what you gentlemen think about that.

STANTON: I'm all for it. And having periodic - like maybe when you move into a certain community and there's sort of a new-resident meeting, where they're describing the activities or the events or the rules of the community. I mean that sounds great. The more information, in my view, that's out there, and the more communication, the better. And that's why we're committed to try to, as well, give information to our members. What do you guys think?

SHEAHAN: A few years ago we incorporated a 501(c)(3) education fund that's an affiliate of GSMOL. Ray and I are both on the Board, as well as Mary Jo Beretich here. And so we would welcome the opportunity to reach out to more homeowners. We have an educational blog already. A website that homeowners can go to to educate themselves on

Mobilehome Residency Law and Title 25. And I think we are fully supportive of that. And if you have any grant money that might be available --

[AUDIENCE LAUGHS]

-- to support that 501(c)(3), we would welcome that.

LEYVA: Let me get my checkbook.

STANTON: Stephanie's retiring, so she's got lots of money.

DOWNING: One of the main things that we try to achieve when we go to these parks -- and this is basically all we want to do is educate them on the laws. Now when we have, like say for instance this letter I read, when management is talking against the laws and saying things that's not true, and the intimidation that they have toward the people, the people feel that they are intimidated when the management comes to them and says "You don't believe this. You don't listen to this," that tends to defeat what we're trying to do because the people are afraid of losing their homes.

LEYVA: Sure. Absolutely.

DOWNING: So this is maybe another thing we can add to that list as to why we need managers schooled and trained in how to be a manager.

LEYVA: Absolutely. I completely agree. Gentlemen, thank you very much. Is there any parting comments you would like to make, or are you good?

STANTON: I'm just going to mention, I'm glad Tim mentioned the 501(c)(3). We've just developed a draft thing called the "MRL Master Exam" that we're going to try to put together so that residents can actually go and take a test and hopefully learn about the MRL that way.



LEYVA: Send it me. I'd like to take the test. Gentlemen, thank you very much. I appreciate all your time and your effort.

[APPLAUSE]

LEYVA: Alright, our next panel is a statewide mobilehome owners association. I would like to invite up Catherine Borg, legislative advocate of Western Manufactured Home Communities, and Dick Bessire, who has been quite an ally and very helpful in all of the townhalls that we have had; Vickie Talley, advisory board member of California Mobilehome Parkowners Alliance. Very happy to have all three of you with us today. Welcome. Catherine, do you get to start?

CATHERINE BORG: Thank you. Thank you for having us here today in San Bernardino.

LEYVA: You are quite welcome. We are always happy to have people in San Bernardino and the I.E. [INLAND EMPIRE].

BORG: I'm Catherine Borg with the Western Manufactured Housing Communities Association. I have been working for them for the last fifteen years. WMA has been around since 1945 and is the biggest trade association representing mobilehome park owners in the state of California. We have approximately eighteen hundred members and that is of the state's reported four-thousand, five hundred and fifty-six parks. And lots spaces would be four-hundred and fifty-two thousand, six hundred and seventy-five spaces.

LEYVA: Say that one more time.

BORG: Four hundred and fifty-two thousand, six hundred and seventy-five.

LEYVA: A lot of folks.

BORG: Those are active places. But those are from soup-to-nuts as far as anything that is over two spaces is considered a mobilehome park. We have places that have, you know, eight-hundred-plus spaces. We have places that are, you know, five and six, and very rural. You know, not anything like this to come to to get some kind of training. So, again, let me thank you for having us here today to talk about improving mobilehome parks through education and licensure of property onsite managers. WMA has a premiere program in the state and it's a voluntary program that we created in response to something like this back in 1988. Our program was established in about 1991. And I just wanted to go over with you some of the things that we require as far as our training is concerned. It's a certificate program. It's not a licensure program. I want to point out that in the other states that were brought up, those states have an educational requirement, like in education hours. They are not licensed, they are not certified. They are just, you come, you sit, you listen, you leave. So, our program is quite different. We require if you are going to get an MCM certificate, you will get sixty units, and each unit is equated to about an hour. You have an exam, and if you do not pass, you do not get the units. They are able to re-test to get those units, but each session consists of about sixty units. It takes approximately somebody two and a half years to get their MCM certificate. They would have to get recertified after every two years and they have to require to get eighteen units again in the next two years. But they must take – they are mandated to take the new laws' seminar every year in which they are certified. They'll get a pin. Some people have been around for a long time. Currently we have approximately six-hundred MCM recipients. Those are people who are currently certified. People have lapsed, and gone one, but that's our current number. Our program is available to both members of WMA and non-members of WMA. Our cost is not small. It costs about two-hundred dollars for each training.

LEYVA: And the park manager pays for that?

BORG: Probably their boss or their –

LEYVA: The owner?

BORG: -- corporate pays for that. Some people do pay for it on their own. They consider that a plus for themselves. But it's not cheap.

LEYVA: No. Not at all. So sixty units, and you say that's about how many hours? Sixty hours?

BORG: It would be about sixty hours.

LEYVA: At two hundred dollars per two hours? That is a little pricey.

BORG: Two hundred dollars for like a six unit.

LEYVA: Okay. Got it. About two-thousand dollars.

BORG: For example, this year the new law seminar costs about two-hundred, nine dollars. The bundle.... We have a series of programs that happen and you can get those for like one-hundred and sixty-three dollars each. Let me go through with you some of the things that we've done over the last couple of years. So in 2015 we did a disaster preparedness plan. We, in May, had done a technology and tenancy program. August was "mental health first aid". Obviously I think you understand we've seen a lot of mental health issues come up throughout the state, and that has been a big issue that we've had in some of our communities. And I'm sure the guy from Colton can attest to that.

LEYVA: Sergeant Davis.

BORG: So, in 2016, we have Business Best Practices: From Office Management to Customer Relations. We, in May had Maintenance Infrastructure, Drought-resistance Landscaping and Keeping Your Park Healthy. In August we had a paid speaker that did some seminars on Fair Housing and Solutions. But again, a lot of the issues that come up -- these complaints and I think you hear them today -- a lot of them is not that they don't know the law it's, I think, sometimes customer relations are not good on both sides.

LEYVA: Do any of the trainings ever include conflict resolution?

BORG: Yes. We've done that in the past.

LEYVA: In my personal opinion, I think that conflict resolution for every park manager would be at the top of the list.

BORG: I think conflict resolution for everybody in the United States –

LEYVA: -- in life.

BORG: Yes -- For everybody would be a good thing to have.

LEYVA: Agreed.

BORG: Our program is really good, but I would probably say that it's probably not the most important thing here that could be done to help improve the mobilehome parks in the state of California. It would be very difficult for the State to come down and say that every single park manager, every single park in the state of California should have some required training, just because of the diversity that we have here in the State, as far as locations and abilities. It's going to be very difficult. We still have some parks that – a fax machine would be considered high technology. Just because of where they are. They don't really need. We have eighty-two year old managers that I don't think any of the residents would complain about that are the sweetest things. They come and make the coffee and they collect the rent checks, and everything is good. But that person is not going to want to get in a car and travel four hours for a mandatory training. That person would probably decide to retire.

LEYVA: And I think that's the hard part, right? Because you do have that eighty-two year old nice guy who's going to bring you coffee and whatnot, but in the ten parks that I visited I only met one manager that kind of had an idea of what they were doing. The rest of them

were completely lost. Now that's only ten, so I know that's a very small sample but my concern is that there are more managers that aren't a nice guy or gal and that if they had the training they could better run – It would just be better for everybody. They could better run the park and the residents would do what they were supposed to do as well.

BORG: I understand that oftentimes people know the law. They apply it differently. So far example, it me a week to convince the County of Riverside, in their environmental safety department, that the mobilehome park kitchen was not a food facility. They wanted to regulate that as a food facility. They wanted to shut down the bereavement group that was meeting there. The pancake breakfast they didn't want to occur. They were very concerned about the health and safety of that facility and wanted to charge them a permit, and wrote them a cease-and-desist. So after many hours and days of prompting them to ask them "Where do you cite your regulatory authority for this?", they finally realized that they didn't have regulatory authority for this. So sometimes even though they know the law and they doing it in earnest, they might apply it differently. Our recommendation would be that we focus on programs that could enhance what are out there right now. So for example, there is a Mobilehome Ombudsman Program that the State of California is required to have. There is somebody there that is supposed to answer questions and help to resolve complaints. Some of the things they are supposed to do is provide assistance in talking complaints, helping to resolve and coordinate the resolution of those complaints, and they're even supposed to offer advice on problems relating to the Mobilehome Residency Law. The Ombudsman is not supposed to arbitrate or provide legal advice, but I still think that – my understanding is that – that position might be able to do more in the line of helping to resolve problems before they get to this point in time. We would be more than willing to help work with HCD to help create some kind of tools. With the Orange County group we had had a complaint form that was very beneficial. It took in a lot of very detailed information. I think sometimes, in the use of the clubhouse issue, I think some people just need to be reminded of what the law, what they can and what they cannot do. But I'm not sure if mandating manager education statewide is the most effective way to resolve that issue.

LEYVA: I would agree that we could probably do more with the Ombudsperson program. Maybe make it a little more robust. I know that I've had people call and then call us and say that "we didn't get any answers." I have not found people who have found it terribly helpful. And I think that creates a little more work for our consultant here because she ends up with more of the calls. So I think we could do more with the Ombudsperson program.

BORG: We also take a lot of calls at WMA and we refer out. I have to say that the Mobilehome Residency Law book that your committee puts together is extremely helpful. One of the things that has been very helpful is that Frequently Asked Questions.

LEYVA: Yes. Yes, I agree.

BORG: They are seen as third-party answers to those questions, because sometimes, you know how it is, you are looking for an answer and you ask the mobilehome park owners and the residents are going to say "Well, that's not right because it's coming from you."

LEYVA: Right. I know.

BORG: But it's the same thing. We bring them out and "Here's the answer. The Senate Select Committee says" and it's like, "Oh, okay." They'll take that answer.

LEYVA: Right.

BORG: We also use the back of this booklet. Every single county is portrayed here with their Adult Protective Services, legal services, all kind of things that are extremely helpful. That, I think, could be enhanced; used more on the Mobilehome Ombudsman site. Then again, I think one of the more effective ways to handle some of these issues that we have is the issue of giving us the tools that are necessary to evict bad residents. It's one of these issues that WMA and GSMOL have talked about in their group meetings together but we have not quite come to a resolution on what that solution is. Part of the issue is that there

is a section of the Mobilehome Residency Law – 798.56(b). And that section has to do with substantial annoyance. And to get us to get us to evict certain people in the park we need to have certain witnesses who are willing to sign on and give out those names. And those are public for sixty days to the person that you want to evict. We came very close to a resolution except that GSMOL believed that the new section should not apply to management or the employees of the park. The problem is management has been a target of these harassment things. Residents have beat up our managers. We have had to get temporary restraining orders. They are afraid just as much as some of the other residents in the community. But we believe that it should apply – that if the evidence is against the manager or park employee, that we should be able to evict that person. I've pulled off just a couple of the many, many articles that I have found over the years on resident harassment. This one – [reading] “Man Allegedly Shoots Mom’s Turtle; Creates Standoff in North County. Man shot the mother’s turtle before making threats of deadly violence. He wanted to be killed by the police officer. Authorities had said that Nelson had caused many disturbances in the park previously.

LEYVA: Would training of the park manager have helped this situation?

BORG: No. What we need is tools to be able to evict people like this guy who wanted to kill the turtle.

LEYVA: And the tools you are looking for legislative tools? Is that what you mean?

BORG: Yes. We need enhancements in the Mobilehome Residency Law, and that Civil Code, to be able to evict bad tenants. I believe when that section was created, the ideas was you had a lot of senior communities. Everyone was abiding by the rules. And in earnest, most people wanted to do the right thing. But over the years, with mental health issues, with communities that have become more family-oriented you have people moving back into the family house. Residents come to us and say “Please evict this guy. Can’t you do anything?” No, we can’t do anything because that resident has decided that that person in their caregiver. Then our hands are tied. We can’t do anything. “Can you evict that person?”

They have four barking dog.” That person claims that one is their pet and three are their service animals. We had this guy who just was going to jail. He was the guy who did the voice of Charlie Brown. He had just been sentenced to four years and eight months to prison for threatening the former mobilehome park manager and trying to threaten Sheriff Bill Gore. He also harassed other residents in the mobilehome park. Training is great, but training is not going to get to the issue that we think is going to serve the residents of the State of California best. We would like to see something like that go forward first. Mr. Stanton brought up their bill on the tenants’ ten best things, and they had a resident that came in to testify his reasoning for wanting to have that top ten list, and the reason was is they came into the park, they were very excited. Yes, they got all this information that the park manager told them that they needed to read and they never read it. So again, when you talk about -- We have the seven-day rescission notice for something, we have a three-day rescission notice for something, but if people don’t read the information that’s given to them, it doesn’t work.

LEYVA: It’s a challenge. We absolutely all know situations where people are given information and they don’t read it. You know Catherine, I am always willing to look at things, and we can talk further evictions and what that looks like. I’m always willing to look at -- We have a lot of issues in mobilehome parks. I think what we are talking about today is one of many. And certainly we don’t want residents being harassed, we don’t want park managers being harassed as well. I take everything you said into account. I’ve taken some notes. Is there anything else you wanted to add before we move onto the rest>

BORG: I’d like to introduce Vickie Talley.

LEYVA: That would be great. Thank you.

VICKIE TALLEY: Thank you. My name is Vickie Talley. I am on the board of directors of Mobilehome Park Owners Alliance and also I’ve been executive director of the Manufactured Housing Educational Trust for over thirty years. That organization covers this region: the Inland Empire, San Bernardino/Riverside counties, and Orange county.



And in that thirty years of time I've had considerable experience in sitting down and meeting with park owners, managers and residents. And one thing I can say through that extensive experience is is a lot of miscommunication, misunderstanding. One of the things we did in the city of Huntington Beach was that we came up with a dispute resolution program basically saying and advising the mobilehome park residents that if you have an issue in your park here are the steps that you follow. And that means you go to the manager first, park owner. If that doesn't work, you call our organization. We sit down, put together a meeting with the park and the residents. And I can tell you that through that program we've resolved many, many disputes. And again, it is just a misunderstanding. I think the suggestion that both park owners, managers and residents all need education was absolutely great. That is the key. We do everything we can to provide that education through CMPA and through MHET. We provide a 24/7 hotline to answer questions to supplement the Ombudsman Program. CMPA focuses primarily on the owners. We totally support WMA's education program. It is an outstanding program. We educate and work with the owners of the mobilehome parks primarily. And obviously the owners need to be aware and pass that down on to their managers and adopt policies that comply with the regulations and the rules at hand. And of course, the laws at hand. We never want to... And I can tell you there isn't a mobilehome park owner around that intentionally wants to violate a rule.

LEYVA: I agree with you. I think they are trying to do the best they can.

TALLEY: Right. Or have a manager violate a rule. So there's misunderstandings, there's personalities. I think we've given we've given good examples of that. Catherine did a great job of that. I want to reiterate that I've had an opportunity over the years to become close with the executive director of the Oregon mobilehome park owners association and the Nevada mobilehome park owners association, and had an opportunity to touch bases with them regarding their programs. They don't license and they don't provide certificates. They don't do testing. In Oregon.... One of my questions is, has this reduced the number of complaints you've had in your state. The response is "no", it hasn't. And so I think that's an interesting challenge, if you will. The other thing I think is very, very important... I heard a

lot of talk – comments today -- about rogue park owners, and of course Catherine related to our small parks throughout the state who have very few spaces... Mom and pops' who have elderly managers... But by and large, we have evolved where we have very sophisticated park management companies providing very specific services to park owners, and Mr. Bessire has one of those premiere companies. And I think it is just an incredible service. These professional companies, and – if you will – the corporate owners who manage their properties, and these folks are very, very careful about making sure that their managers know the law, abide by the law, and are very, very much on top of that. The last thing they want is to have a lawsuit on anything. I want to say that some of these complaints are the exception and not the rule. And I would like to offer to you an even more extensive tour of mobilehome parks.

LEYVA: Oh I plan on it. It's just finding the time.

TALLEY: We are more than happy. We do a lot of work in this area. Would love to introduce you to some more broad range, and probably more typical. So in closing, we absolutely have to support Catherine's comments on providing tools to park managers and park owners. It's really difficult when you have a park resident complaining about their neighbor. Again, the barking dog, whatever it is. And we have no tools to evict. That's not a management training issue. That's an issue we don't have the ability under the current Law. So these are so important to us. My concluding remarks were going to say, please join us on a tour. So I'll just offer that again.

LEYVA: Very good. And I'd love to. I absolutely love to. Thank you, Vickie. Before we move over to Dick, I just want to comment on when you talked about Oregon and Arizona, it has not reduced their complaints. I think in my mind, when I think about park managers being trained, I don't know that it will reduce complaints because I think when people live around each other, or work around each other, there is always going to be complaints. My hope would be to reduce violations. Management training [to] reduce violations that are in the park versus just the complaints.

TALLEY: That's a good point. And if I said Arizona, I meant Nevada, I apologize.

LEYVA: And I said the wrong thing. You said the right thing. Sorry. And I would like to know more about the dispute resolution. I think that that is always important. And does CMPA train? How do you.... You've just done it there in Huntington Beach I think you said

TALLEY: No. That was through the Manufactured Housing Educational Trust working closely with the city and park owners in that city, and we did the dispute resolution. It is a voluntary -- It's obviously this is what you do when you follow -- But I will be very happy to provide you with that. We've done that other cities as well.

LEYVA: And how does one sign up for that? Do you guys go on the road, so to speak, and train park managers or residents, or do you just wait until an issue comes up? How do you do that?

TALLEY: Well, the City actually took part in distributing that information to the residents. We distribute it to all the parks owners --

LEYVA: City by city?

TALLEY: In this case, this particular one was in Huntington Beach.

LEYVA: Ok. But if some of the folks here were interested they would just contact you? OR how would they --

TALLEY: Absolutely.

LEYVA: Ok great. Thank you very much.

TALLEY: You're welcome.

LEYVA: Dick Bessire. How are you? Welcome.

DICK BESSIRE: I'm good. Thank you very much. I wasn't planning on participating. I was just going to follow up on a couple of things. I think that a couple of very important things that we need to get to is the Senate Select Committee over the years was developed to just handle exactly what we are sitting here talking about. Trying to find resolutions to problems, specifically originally in Orange County. And what happened, that's why you got this new Civil Code that you folks up out that has got to be one of the greatest things and if people would just read this it would stop about half the problems. Because when I relate our people to this booklet where you can read it. The problem in the state of California is we have to issue the California Civil Code, and so but the problem is you can't read it because it is too small. So when you go to read it, this [HOLDING UP SELECT COMMITTEE'S BOOK] is the Bible, as far as I am concerned. You can tell mine gets worn. And I give mine our half the time. So, there's some on your back desk here, so if there any residents who don't have a copy they should get a copy.

LEYVA: Definitely. We think it's the Bible too.

BESSIRE: Another thing that doesn't get published enough too is that the Committee, at one time, came up with a resolution form – a standard complaint form -- that we suggested to be used – was used in Orange County. There were several park owners that volunteered to use it in all their parks. We actually use it in over seventy of our communities in the state of California. It's one of those where the residents can complain or suggest items to management. When they don't get resolution, then it goes to the owner – or to the management company – and then to the owner. And there's double copies. And if you read just what the terminology on it is, it will resolve a lot of the things we are talking about here today. If people would just use that to start with. And it's a great form to use. We give it out in all of our communities. I know Bill Schwienfirth gave it out on all of his communities. Norm McAdoo gave it out on all of his communities. And so we used it in the pilot case in Orange County at one time. And I would strongly suggest that gets used. Mobilehome park management is common sense. The problem is is trying to find people that will honestly

run communities with common sense, and show respect for each other. The biggest problem that we see constantly is the lack of common sense from managers. I am one of the people who will tell you I have probably interviewed twenty couples who find one couple we will hire, because if I sit there and I am interviewing and get them in an argument with each other you can imagine what they are going to do when they are dealing with residents. So we do go through a process that takes a very long time sometimes trying to find your right management. On your list of items that cause the biggest problems is you've got to put selective enforcement at the top of that list, because that is –

LEYVA: Selective enforcement by managers?

BESSIRE: By managers. It's the selective enforcement of -- Sometimes they say they play favorites. Sometimes it's selective enforcement because they don't understand the total law. They'll go after something they think they know better than somebody else. Selective enforcement is something that you guys really do have to address. This issue about training.... None of our people go to the CMPA programs. We do our own training within our own company once and year and we go through all the things. And one of the things is P.R. Public relations that we try to instill in our managers that it's really an important factor of running a community, is the PR aspect. To say that you have to be certified or take a license, or any of those things, honestly everybody can run for a test, study for a test, and pass. I think this thing about training where you have to sit there and you do have to listen, you are going to pick up something in that whole process. So having continuing education hours where people do have to listen to something – whether you do it over the Internet now, which is really a lot easier to do. I think there are things that I think are really beneficial that managers could pick up from that. But again, I think that to say that you are going to license them... Do you guys realize you don't have to have a manager in a community under fifty spaces? That's State law.

LEYVA: Which is kind of a problem. But that's discussion for another day.

BESSIRE: It is. It creates a major problem. Especially if you own the utility systems, and you do all these things. But that's been the law forever. So one of the problems you are faced with is..... And do you realize when she is sitting here quoting the number of spaces that are left in the state of California, okay, with only 452,000 spaces left.... Spaces are going out of business, I mean there saying "ok, we are not going to stay in this business anymore". And when you're sitting there saying that the average spaces in a park is less than ninety spaces. It's less than ninty spaces. So when you are starting to think about these parks that are two-, three-, four-, five-hundred spaces that means there's all these parks that are under fifty spaces and it does create a problem, because how do you get to them. There's nobody onsite. There's nobody that's responsible. How do you get to those owners? And if you come up with some kind of a program, that's the ones you need to address. That's because those are some of the people who are causing some of the bigger problems. I probably take, on average, ten to fifteen calls from different park managers or residents of other communities that aren't even ours in regards to ongoing issues – how do we handle certain things. And again, there's a lot of people like me that are out there in the business -- I'm seventy-three years old. I started when I was fifteen, so I've been in the business a long time. So, trying to sit there and make the business better, there's several of us out there who try to do that, who take those calls and try and help out. And the people from GSMOL will sit here and tell you, they know if they can have someone call me and I will make the call and beat on somebody's head. Like if I can try and find out who is carrying the gun, I guarantee you they will have a phone call from me.

LEYVA: That will be wonderful. Thank you. Is Ray still here? Did he leave? I'm sure we can find out – There you are Ray.

BESSIRE: He's got to fill me in. I saw him outside.

LEYVA: Thank you, Ray. I was thinking I might want to go and talk to that gentleman. Oh, it's a lady. Even more fun.

BESSIRE: But the issues about what Catherine also said, about these really bad residents that we can't do anything about [INAUDIBLE] "Why does it take so long to take care of this", right? Our process gets really long, and the State of Nevada, if you know it's a drug dealer or suspect it's a drug dealer, I can have that person out of my park in five days. In five days. Just on suspicion.

LEYVA: Hmm. Got it.

BESSIRE: The thing is, about some of the laws, the pendulum always swings too far. And we're half the cause of this [HOLDS UP MOBILEHOME RESIDENCY LAW]. We are, the owners of the communities, because we didn't listen. Not good listeners. Every seminar I have ever done I have always said that the best onsite managers are somebody with elephant ears and pin head. Because if you listen enough, you are probably going to learn something. I can sit here on behalf of WMA, we try, we have a convention coming up that has programs that are trying to do this, behalf of Vickie Talley. I have known her years. And Orange County, you never hear much out of, well, it's because she's also been involved in Orange County. And so they've put these programs together that seem to work and so if we can take the best part of those programs... That's probably a good start for what we really need to do. But again, anything that we can do to help, we're here to answer questions

LEYVA: I appreciate that. And you have been very helpful at all the town halls we've had, and I thank you. Dick, how does the program work for your managers, the program – the training that you put on? Do the managers sign up? What happens if they don't attend the training? Is there any enforcement?

BESSIRE: They won't work for me for very long. They are required to participate–

LEYVA: It could be a job requirement. I have requirements in my job.

BESSIRE: We require them to come and participate in face-to-face seminars at our – once a year when the new laws come out – we usually do it in the end of January, or the first week in February. Because one of the things we do is, we do new laws to start with. But then we always have an attorney come in or a PR person come in or somebody else to do some training. Even the utilities stuff. We do utilities training because that's become a huge –

LEYVA: Big issue.

BESSIRE: Huge, huge issue. And this thing about, where you say, people are being charged inappropriately, our managers are trained in regards to say, if somebody comes in and complains about a meter, here's what you do. I've put together a manager's manual several years ago. WMA actually has a manager's manual. [TO CATHERINE BORG:] They still have a manager's manual, right?

BORG: Probably.

BESSIRE: We put a manager's manual several years ago and we require our managers sit down and read it. And hopefully it has the things that you are sitting here talking about. It has a section on PR. How to handle certain things. How to handle emergencies. And I think if that was something that could be published – could be helpful to anybody, even if it was a fifty-space park -- Because by law now we are supposed to have certain things like a disaster plan. We have to have these things now as part of the law that's been written. And I think even if you had the checklist of what those things were that you had to have, that might be beneficial.

LEYVA: So if I'm a park manager and I work for you and I don't go to the training, what happens to me?

BESSIRE: You better have a good excuse, number one -- and it's medical, usually is the only thing that won't be there. Because we actually fly you down. Whatever the case may be.



Our parks are all over the state of California and we usually have the seminar in southern California.

LEYVA: So it is somewhat mandatory.

BESSIRE: It is mandatory.

LEYVA: It is mandatory. Okay, very good. If we don't license or we don't train managers – I think that everything that you have all talked about is, all of it's helpful. All of it's good stuff. But if we don't require park managers – fifty spaces or more – to be trained, what do we do? What do we do?

BESSIRE: I think that the situation that you've just said, I don't think it's the licensing where you have to go pass a test or you do something. I think if you make it mandatory that you have to take some kind of hours. I think that's a reasonable request, to be very truthful.

LEYVA: Okay. Catherine, what do you think?

BORG: On behalf of WMA's legislative committee and the board, I am not authorized to say or support anything in that regard.

LEYVA: Got it.

BORG: I think the point that Dick makes is really good, and I think that's where we came from with some of the other bills that we've had before us on mandated training, is that there's a lot of companies out there, a lot of big management companies that do their own training, and we wouldn't want to say that you have to take training from WMA, or that you have to take training from the MHET, or you have to take training from some statewide trade association. If there's a good management company like Dick's, like Jim Joffe's group... A lot of these other groups have their own training. They are very adequate. They

teach the right things. They get to their people. Obviously if you don't attend those trainings, you probably get fired. That's a pretty big internal hammer. So I would hate to say that there would be a bill out there that said you would have to take it from a certain group.

LEYVA: Right, no, I understand what you are saying. If we make it mandatory, how do we enforce it?

BORG: Very good question. I wanted to bring up these numbers. In the state of Nevada, there are four hundred parks – in the state of Nevada. That's a little bit easier to follow up on and figure out who's got their certificate up or not. I think in Arizona, I think they only have fourteen-hundred parks.

LEYVA: As the sixth largest economy, we do have challenges in the state of California.

BORG: Yeah. But again what I get back to is, with our forty-five hundred parks, there are even more with the RV parks, and whether you consider those communities or not, in this regard. Who is going to go up to Del Norte county to make sure that Betty Sue has her five hours of manager training. And maybe Betty Sue is the greatest park manager on earth and she's got no complaints from her residents.... I don't think that the State of California has enough money right now to follow up on making sure that those people have that sort of training. We would support the MPM [MOBILEHOME PARK MAINTENANCE] program which is coming up for renewal very soon. We need to look at that. We need more enforcement of the Health and Safety codes in the mobilehome parks more than we need enforcement of whether the manager has a certain amount of hours of training or not.

LEYVA: I absolutely don't disagree with you about the health and safety, but for me, that goes to the training. A lot of the managers that I talked to didn't know what to do when they had feral cats, and we had a park that had a typhus outbreak. The managers didn't know what the law was and what they could do about those cats. So I think the health and safety ties directly back to whether or not the manager is trained and knows where.... The

problem with the manager was, they didn't who to call, what to do. Do I call the health department, do I call the city, do I HCD? Who do I talk to? I think training would have helped them with that situation.

BORG: I think there is always going to be very unique circumstances that come up that a manager is not going to know who to call at that time and they are going to have to know who to call to find out that answer. We get issues that come up all the time. Like this food facility issue. I didn't know. I had to go back and research. I didn't know the law. I don't think I would know what to do with feral cats, but I would probably have to call somebody. Have common sense enough to call somebody – what do I do with these feral cats? Can I shoot them?

LEYVA: You can't, but the health department – the humane society can dispose of them.

BORG: Maybe that gal with the gun can come and take care of your feral cats.

LEYVA: I think the point I am trying to make is, just knowing some basic things. Because we can't teach common sense.

BORG: That is true.

LEYVA: Some people have more than others.

BORG: You can't tell people that they need to read something –

LEYVA: Right.

BORG: -- because they don't.

LEYVA: Hopefully if they are trained, they –

BORG: I'm just saying, on both sides.

LEYVA: Agreed. On both sides. Totally agreed. Vickie, did you want to say something?

TALLEY: Just real quick, because Catherine touched on a lot of what I was thinking as well, but I don't think you can train for every single circumstance.

LEYVA: Absolutely. I agree.

TALLEY: And so the key here is that can put in the park inspection program. There is not enough inspectors to inspect the park.

LEYVA: That is true.

TALLEY: And here we're talking about putting in another program and you're asking how you are going to enforce that. I think that is the key to the whole thing. It would be way too big and way too expensive. And frankly we are trying to make the point that this may be a little bit overblown when we've got – the problems are more the exception than the rule. Thank you so much.

LEYVA: Thank you.

BESSIRE: Can I make one last comment?

LEYVA: Of course.

BESSIRE: It's really kind of interesting because I actually find out that some parks don't put out the California Civil Code, which is against the law. Why don't you -- We all have to do an operating permit. Permit to operate, right? Why don't you put a little box on there that whether they've given out the California Civil Code or not then they can't use it an an excuse that they didn't put out the California Civil Code. That, in itself, gets the residents

more up-to-speed on what's available to them. And that puts an owner at risk because violations of the California Civil Code has penalties. And I think everybody, I don't care who you are – I'm sitting here putting some of my own people out risk – but they should be putting out the California Civil Code –

LEYVA: Absolutely.

BESSIRE: -- to let the residents know. And maybe you can do it because we all have to pull annual permits. We have to check the boxes now for our fire checks and all the other stuff. So why not put a little box on there that you distributed it because once they check that box they have a liability.

LEYVA: Good suggestion. Does anyone have any closing comments? Thank you very much. Very good panel.

TALLEY: Thank you very much for having us.

LEYVA: You're very, very welcome. So next up is the director of HCD Brian Metcalf. I didn't see Brian. Oh I did see you, Brian. You are not Brian.

RICHARD WEINERT: No I am not. Senator Leyva, Richard Weinert.

LEYVA: Richard. Sorry Richard. We have met. I apologize for not remembering your name.

WEINERT: Ben just got here. If we can delay for a couple of minutes, he will be in here to testify.

LEYVA: Yes, absolutely. So how about if we take a little ten-minute break. Does that sound good? Okay. So let's reconvene at about ten minutes to three. Thank you.

[BREAK]

LEYVA: All right, if I can ask everyone to take their seats and we'll go ahead and get started. Hopefully everybody stretched their legs a little bit and is ready to be focused and learn more good stuff. Alright we are back on the record and we would like to welcome our director of HCD – Housing and Community Development – Mr. Ben Metcalf. I think the last time Ben and I were working on a mobilehome issue you were about three or four days into your new job. So now you have a vast amount of experience, maybe what, six months? Welcome. We are very happy to have you here and happy to have you participate in our hearing on – just trying to decide if park managers should be trained if that is something that would help some of the issues and complaints and violations that we have in mobilehome parks in California. So, welcome.

BEN METCALF: Good afternoon, Chairman Leyva. Thank you for your leadership on this important and all you've been doing here in the area of mobilehomes. HCD is please to participate in this hearing as the primary state agency responsible for physical maintenance and operation of mobilehome parks throughout the state. I know we've participated in many of these discussions in the past and we want to be part of furthering this good work and this discussion. I'd like to give a little bit of background on HCD's role and how we might fit into the conversations that are going on today.

LEYVA: That would be great.

METCALF: Our job is, by law, primarily related to assuring the health and safety of the parks and manufactured homes located therein. We have an enforcement authority that is carried out through two primary programs: the Mobilehome Parks Program and the Occupational Licensing Program. Both of those are operated under the authority of the Mobilehome Parks Act and Special Occupancy Parks Act. Under that authority, we develop, administer and enforce statewide standards for the benefit of park residents and users to provide a decent living environment, to protect their investments in manufactured homes, mobile homes, multi-unit manufactured homes, and recreational vehicles. The Parks

program is adopted and enforces pre-emptive state regulations for the construction, the use maintenance, occupancy of privately-owned mobilehomes and special occupancy parks all throughout this great state. Local governments have responsibility for the Mobilehome Parks Act, Special Occupancy Parks Act, along with adopted ordinance outside of parks, and may, at their discretion, assume enforcement responsibilities inside of parks. As of today, local governments have jurisdiction over 980 parks, representing some 9,700 mobilehome lots in California. That's twenty percent of all the parks statewide. When that scenario presents itself, when the local government has assumed enforcement obligations our responsibility is simply to insure the local government is properly doing its duty under the Act. And occasionally, if we find that the local jurisdiction is not performing, we do have the right to take that authority back, as was done recently in the City of San Clemente. Where we are the enforcement authority we conduct field operation activities. We have about sixty phenomenally talented individuals on our staff who are out criss-crossing the state every working day conducting field operations out of two offices statewide. That includes plan-checking, design specifications for new parks and additions and expansions and alterations, permitting and inspecting mobilehomes and manufactured homes and accessory structures. And, of course, investigating complaints of violations of the provisions of the Mobilehome Parks Act. [TO THE AUDIO DESK:] Is that better? Okay.

In 2015, our district representatives conducted 24,448 inspections. When we discover a violation in a park on a lot, or a home, that requires correction, the first thing we do is issue a Notice of Violation. That provides the responsible party sixty days – calendar days – to correct the issue. In the case of an issue where we have an imminent health and safety hazard, we won't give them sixty days. We will require that they fix it immediately. We document and report and number of all type of violations to the Mobilehome Parks Act and the Maintenance Inspection Task Force. And I can tell during the 2015 calendar year the data shows thirty-two percent of all the violations we issued 15,900 violations for health and safety issues. To give you an example of what the top types of violations were that we issued against, they were unsupported gas meters, lot lines not clearly identified, exposed live electrical parts or equipment not suitable for a wet location, other electrical issues, uncapped drains inlets. Those were examples of the kinds of issues we routinely flag. For the issues that are not health and safety, those tend to be resident violations, and

let me give you some examples of those. Accumulation of rubbish or combustible material on lots, issues related to unsafe stairways or handrails on resident-owned property, and electrical violations within the lots including – as we sometimes see – the use of extension cords in lieu of permanent wiring, or the locating of appliances outside the actual property. Sheds constructed less than three-feet from the lot line is another issue of some concern for us. In addition, HCD's Occupational Licensing Program is an important one for us. It includes five elements: licensing, consumer complaint handling, continuing education, enforcement, and the Manufactured Home Recovery Fund. Let me talk about three of those in a little bit more detail as it's relevant to the hearing.

First, licensing. The department administers examinations for manufactured home or commercial modular dealer or salespersons and businesses. We do this at our headquarters office in Sacramento as well as our four field offices across the state. These examinations are multiple-choice exams that cover the basic requirements of the law as well as our regulations that are specific to this particular license the applicant is seeking. We also handle consumer complaints against licensees. These are where violations have been alleged. In calendar year 2015 we had two hundred consumer complaints that were filed for investigation specific to HCD licensees, or as it related to unlicensed activity. When an investigation of a complaint or an audit reveals violations we then proceed to issue an order to comply if the situation is one that can be corrected. Or, in certain circumstances we will issue a civil monetary citation, or we will file an accusation against the licensee. To give you an example of the scope of that, in calendar year 2015, HCD successfully issued ten-thousand dollars of citations for illegal or unlicensed sales activity.

We also operate a mobilehome ombudsman program that is for many folks in mobilehome points, the first touch-point when issues come up. They receive and process all kinds of complaints for folks living in manufactured housing or mobilehome, and we offer assistance through the Ombudsman on a variety of issues. Now some of the issues that come up are things that we, ourselves, do not have jurisdiction over, but when we are able we forward those issues to appropriate authorities that do have the jurisdiction and point the caller in the appropriate direction. In calendar year 2015 our Ombudsman received a total of 2,181 complaints -- 1,679 of those were mobilehome park complaints,



257 related to the Mobilehome Residency Law, and 209 were related to illegal or unlicensed sales activity.

Let me give you some of the examples of some of the top issues that come up through our Ombudsman. 1:40:43