Introduced by Assembly Member Mark Stone

February 20, 2020

An act to amend Section 798.56 of the Civil Code, and to amend Sections 65863.7 and 66427.4 of the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

AB 2782, as introduced, Mark Stone. Mobilehome parks: change of use.

Existing law, the Mobilehome Residency Law, requires the management of a mobilehome park to comply with notice and specified other requirements in order to terminate a tenancy in a mobilehome park due to a change of use of the mobilehome park, including giving homeowners at least 15 days' written notice that the management will be appearing before a local governmental board, commission, or body to request permits for the change of use.

This bill would instead require the management to give homeowners at least 60 days' written notice that the management will be appearing before a local governmental board, commission, or body to obtain local approval for the intended change of use of the mobilehome park.

Existing law, the Planning and Zoning Law, requires a person or entity proposing a change in use of a mobilehome park to file a report on the impact of the conversion, closure, or cessation of use upon the displaced residents of the mobilehome park that includes, among other things, the availability of adequate replacement housing in mobilehome parks and relocation costs. Existing law requires the person proposing the change in use to provide the report to a resident of each mobilehome

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park at least 15 days before the hearing on the impact report by the advisory agency or legislative body. Existing law requires the legislative body or advisory agency to review the report before any change of use, and authorizes the legislative body or advisory agency, as a condition of the change of use, to require the person or entity to take steps to mitigate any adverse impact on the ability of displaced residents to find adequate housing in a mobilehome park.

This bill would, instead, require that report to include a replacement and relocation plan that adequately mitigates the impact on the ability of displaced residents of the mobilehome park to be converted or closed to find adequate housing in a mobilehome park. The bill would require the person proposing the change in use to provide the report to a resident of each mobilehome in the mobilehome park at least 60 days before the hearing and pay to a displaced resident unable to obtain adequate housing in another mobilehome park the in-place market value of the displaced resident's mobilehome. The bill would require the legislative body or advisory agency to review the report prior to approving the change of and to make a finding that the approval of the closure of the park and of its conversion into its intended new use will not result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction. By placing new requirements on local legislative bodies when approving permits for a change of use for mobilehome parks, this bill would impose a state-mandated local program.

Existing law, the Subdivision Map Act, requires an impact report to be filed at the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a mobilehome park or floating home marina to another use that, among other things, addresses the availability of adequate replacement space in mobilehome parks or floating home marinas, and requires the subdivider to make the report available to each resident of the mobilehome park or floating home marina at least 15 days before the hearing on the map filing by the advisory agency or legislative body. Existing law authorizes a legislative body or advisory agency to require the subdivider to take steps to mitigate any adverse impact on the ability of displaced residents to find adequate space in a mobilehome park or floating home marina. Under existing law, any violation of the Subdivision Map Act is a misdemeanor.

This bill would, instead, require the report to meet requirements of the Planning and Zoning Law relating to the conversion of a mobilehome -3- AB 2782

park to another use, as described above. The bill would also apply those requirements to conversion of a floating marina. The bill would require the legislative body or advisory agency to require the subdivider to take steps to mitigate any adverse impact on the ability of displaced residents to obtain a comparable mobilehome or floating home, or a comparable available space, in a mobilehome park or floating home marina. The bill would also make conforming changes. By placing new requirements on local legislative bodies when approving the conversion of a mobilehome park or floating home marina, and by expanding the scope of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for specified reasons.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 798.56 of the Civil Code is amended to read:

798.56. A tenancy shall be terminated by the management only for one or more of the following reasons:

- (a) Failure of the homeowner or resident to comply with a local ordinance or state law or regulation relating to mobilehomes within a reasonable time after the homeowner receives a notice of noncompliance from the appropriate governmental agency.
- (b) Conduct by the homeowner or resident, upon the park premises, that constitutes a substantial annoyance to other homeowners or residents.

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- (c) (1) Conviction of the homeowner or resident for prostitution, for a violation of subdivision (d) of Section 243, paragraph (2) of subdivision (a), or subdivision (b), of Section 245, Section 288, or Section 451, of the Penal Code, or a felony controlled substance offense, if the act resulting in the conviction was committed anywhere on the premises of the mobilehome park, including, but not limited to, within the homeowner's mobilehome.
- (2) However the tenancy may not be terminated for the reason specified in this subdivision if the person convicted of the offense

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has permanently vacated, and does not subsequently reoccupy, the 2 mobilehome.

(d) Failure of the homeowner or resident to comply with a reasonable rule or regulation of the park that is part of the rental agreement or any amendment thereto.

No act or omission of the homeowner or resident shall constitute a failure to comply with a reasonable rule or regulation unless and until the management has given the homeowner written notice of the alleged rule or regulation violation and the homeowner or resident has failed to adhere to the rule or regulation within seven days. However, if a homeowner has been given a written notice of an alleged violation of the same rule or regulation on three or more occasions within a 12-month period after the homeowner or resident has violated that rule or regulation, no written notice shall be required for a subsequent violation of the same rule or regulation.

Nothing in this subdivision shall relieve the management from its obligation to demonstrate that a rule or regulation has in fact been violated.

(e) (1) Nonpayment of rent, utility charges, or reasonable incidental service charges; provided that the amount due has been unpaid for a period of at least five days from its due date, and provided that the homeowner shall be given a three-day written notice subsequent to that five-day period to pay the amount due or to vacate the tenancy. For purposes of this subdivision, the five-day period does not include the date the payment is due. The three-day written notice shall be given to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure. A copy of this notice shall be sent to the persons or entities specified in subdivision (b) of Section 798.55 within 10 days after notice is delivered to the homeowner. If the homeowner cures the default, the notice need not be sent. The notice may be given at the same time as the 60 days' notice required for termination of the tenancy. A three-day notice given pursuant to this subdivision shall contain the following provisions printed in at least 12-point boldface type at the top of the notice, with the appropriate number written in the blank:

40 services that has been served upon you in the last 12 months. _5_ AB 2782

Pursuant to Civil Code Section 798.56 (e) (5), if you have been given a three-day notice to either pay rent, utility charges, or other reasonable incidental services or to vacate your tenancy on three or more occasions within a 12-month period, management is not required to give you a further three-day period to pay rent or vacate the tenancy before your tenancy can be terminated."

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- (2) Payment by the homeowner prior to the expiration of the three-day notice period shall cure a default under this subdivision. If the homeowner does not pay prior to the expiration of the three-day notice period, the homeowner shall remain liable for all payments due up until the time the tenancy is vacated.
- (3) Payment by the legal owner, as defined in Section 18005.8 of the Health and Safety Code, any junior lienholder, as defined in Section 18005.3 of the Health and Safety Code, or the registered owner, as defined in Section 18009.5 of the Health and Safety Code, if other than the homeowner, on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice to the legal owner, each junior lienholder, and the registered owner provided in subdivision (b) of Section 798.55, shall cure a default under this subdivision with respect to that payment.
- (4) Cure of a default of rent, utility charges, or reasonable incidental service charges by the legal owner, any junior lienholder, or the registered owner, if other than the homeowner, as provided by this subdivision, may not be exercised more than twice during a 12-month period.
- (5) If a homeowner has been given a three-day notice to pay the amount due or to vacate the tenancy on three or more occasions within the preceding 12-month period and each notice includes the provisions specified in paragraph (1), no written three-day notice shall be required in the case of a subsequent nonpayment of rent, utility charges, or reasonable incidental service charges.

In that event, the management shall give written notice to the homeowner in the manner prescribed by Section 1162 of the Code of Civil Procedure to remove the mobilehome from the park within a period of not less than 60 days, which period shall be specified in the notice. A copy of this notice shall be sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, as specified in paragraph (b) of

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Section 798.55, by certified or registered mail, return receipt requested, within 10 days after notice is sent to the homeowner.

- (6) When a copy of the 60 days' notice described in paragraph (5) is sent to the legal owner, each junior lienholder, and the registered owner of the mobilehome, if other than the homeowner, the default may be cured by any of them on behalf of the homeowner prior to the expiration of 30 calendar days following the mailing of the notice, if all of the following conditions exist:
- (A) A copy of a three-day notice sent pursuant to subdivision (b) of Section 798.55 to a homeowner for the nonpayment of rent, utility charges, or reasonable incidental service charges was not sent to the legal owner, junior lienholder, or registered owner, of the mobilehome, if other than the homeowner, during the preceding 12-month period.
- (B) The legal owner, junior lienholder, or registered owner of the mobilehome, if other than the homeowner, has not previously cured a default of the homeowner during the preceding 12-month period.
- (C) The legal owner, junior-lienholder lienholder, or registered owner, if other than the homeowner, is not a financial institution or mobilehome dealer.

If the default is cured by the legal owner, junior lienholder, or registered owner within the 30-day period, the notice to remove the mobilehome from the park described in paragraph (5) shall be rescinded.

- (f) Condemnation of the park.
- (g) Change of use of the park or any portion thereof, provided:
- (1) The management gives the homeowners at least 15 60 days' written notice that the management will be appearing before a local governmental board, commission, or body to request permits for a change of use of the mobilehome park.
- (2) (A) After all required permits requesting a change of use have been approved by the local governmental board, commission, or body, the management shall give the homeowners six months' or more written notice of termination of tenancy.

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(B) If the change of use requires no local governmental permits, then notice shall be given 12 months or more prior to the management's determination that a change of use will occur. The

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management in the notice shall disclose and describe in detail the nature of the change of use.

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- (3) The management gives each proposed homeowner written notice thereof prior to the inception of his or her the proposed homeowner's tenancy that the management is requesting a change of use before local governmental bodies or that a change of use request has been granted.
- (4) The notice requirements for termination of tenancy set forth in Sections 798.56 and 798.57 shall be followed if the proposed change actually occurs.
- (5) A notice of a proposed change of use given prior to January 1, 1980, that conforms to the requirements in effect at that time shall be valid. The requirements for a notice of a proposed change of use imposed by this subdivision shall be governed by the law in effect at the time the notice was given.
- (h) The report required pursuant to subdivisions (b) and (i) of Section 65863.7 of the Government Code shall be given to the homeowners or residents at the same time that notice is required pursuant to subdivision (g) of this section.
- (i) For purposes of this section, "financial institution" means a state or national bank, state or federal savings and loan association or credit union, or similar organization, and mobilehome dealer as defined in Section 18002.6 of the Health and Safety Code or any other organization that, as part of its usual course of business, originates, owns, or provides loan servicing for loans secured by a mobilehome.
- SEC. 2. Section 65863.7 of the Government Code is amended to read:
- 65863.7. (a) (1)Prior to the conversion of a mobilehome park to another use, except pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7), 66410)), or prior to closure of a mobilehome park or cessation of use of the land as a mobilehome park, the person or entity proposing the change in use shall file a report on the impact of the conversion, closure, or cessation of use of the mobilehome park. The report shall include a replacement and relocation plan that adequately mitigates the impact upon the ability of the displaced residents of the mobilehome park to be converted or closed. In determining the impact of the conversion, closure, or cessation of use on displaced mobilehome park residents, the report shall address the

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availability of adequate replacement housing in mobilehome parks and relocation costs. closed to find adequate housing in a mobilehome park.

- (2) If a displaced resident cannot obtain adequate housing in another mobilehome park, the person or entity proposing the change of use shall pay to the displaced resident the in-place market value of the displaced resident's mobilehome.
- (b) The person proposing the change in use shall provide a copy of the report to a resident of each mobilehome in the mobilehome park at least—15 60 days prior to the hearing, if any, on the impact report by the advisory agency, or if there is no advisory agency, by the legislative body.
- (c) When the impact report is filed prior to the closure or cessation of use, the person or entity proposing the change shall provide a copy of the report to a resident of each mobilehome in the mobilehome park at the same time as the notice of the change is provided to the residents pursuant to paragraph (2) of subdivision (g) of Section 798.56 of the Civil Code.
- (d) When the impact report is filed prior to the closure or cessation of use, the person or entity filing the report or park resident may request, and shall have a right to, a hearing before the legislative body on the sufficiency of the report.
- (e) (1) The legislative body, or its delegated advisory agency, shall review the report, prior to approval of any change of use, and may require, as a condition of the change, the person or entity proposing the change in use to take steps to mitigate any adverse impact of the conversion, closure, or cessation of use on the ability of displaced mobilehome park residents to find adequate housing in a mobilehome park. The steps required to be taken to mitigate shall not exceed the reasonable costs of relocation.
- (2) Before the approval of any change of use, the legislative body shall make a finding that the approval of the closure of the park and of its conversion into its intended new use will not result in or materially contribute to a shortage of housing opportunities and choices for low- and moderate-income households within the local jurisdiction.
- (f) If the closure or cessation of use of a mobilehome park results from the entry of an order for relief in bankruptcy, the provisions of this section shall not be applicable.

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(g) The legislative body may establish reasonable fees pursuant to Section 66016 to cover any costs incurred by the local agency in implementing this section and Section 65863.8. Those fees shall be paid by the person or entity proposing the change in use.

(h) This section is applicable to charter cities.

- (i) This section is applicable when the closure, cessation, or change of use is the result of a decision by a local governmental entity or planning agency not to renew a conditional use permit or zoning variance under which the mobilehome park has operated, or as a result of any other zoning or planning decision, action, or inaction. In this case, the local governmental agency is the person proposing the change in use for the purposes of preparing the impact report required by this section and is required to take steps to mitigate the adverse impact of the change as may be required in subdivision (e).
- (j) This section is applicable when the closure, cessation, or change of use is the result of a decision by an enforcement agency, as defined in Section 18207 of the Health and Safety Code, to suspend the permit to operate the mobilehome park. In this case, the mobilehome park owner is the person proposing the change in use for purposes of preparing the impact report required by this section and is required to take steps to mitigate the adverse impact of the change as may be required in subdivision (e).
- (k) This section establishes a minimum standard for local regulation of the conversion of a mobilehome park to another use, the closure of a mobilehome park, and the cessation of use of the land as a mobilehome park and shall not prevent a local agency from enacting more stringent measures.
- SEC. 3. Section 66427.4 of the Government Code is amended to read:
- 66427.4. (a) At the time of filing a tentative or parcel map for a subdivision to be created from the conversion of a mobilehome park or floating home marina to another use, the subdivider shall also file a report on adhere to the requirements of Section 65863.7 relating to the impact of the conversion upon the displaced residents of the mobilehome park or floating home marina to be converted. In determining the impact of the conversion on displaced mobilehome park or floating home marina residents, the report shall address the availability of adequate replacement space in mobilehome parks or floating home marinas.

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(b) The subdivider shall make a copy of the report available to each resident of the mobilehome park or floating home marina at least 15 days prior to the hearing on the map by the advisory agency or, if there is no advisory agency, by the legislative body.

(b) The legislative body, or an advisory agency that is authorized by local ordinance to approve, conditionally approve, or disapprove the map, may require the subdivider to take steps to mitigate in addition to complying with other applicable law, shall be subject to Section 65863.7 relating to requiring mitigation of any adverse impact of the conversion on the ability of displaced mobilehome park or floating home marina residents to find adequate—space housing in a mobilehome park or floating home marina, respectively.

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(c) This section establishes a minimum standard for local regulation of conversions of mobilehome parks and floating home marinas into other uses and shall not prevent a local agency from enacting more stringent measures.

(e)

- (d) This section shall not be applicable to a subdivision that is created from the conversion of a rental mobilehome park or rental floating home marina to resident ownership.
- SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act or because costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.