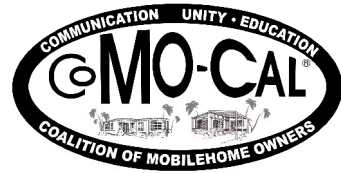


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CoMO-CAL is a non-profit California Corporation dedicated to serving mobilehome owners in California. Our purpose is to educate, communicate and unite. We are MAKING A DIFFERENCE!



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Our purpose is education, communication and to unite mobilehome owners.

SERVICES WE PROVIDE OUR MEMBERS

1. 12 issues of THE VOICE. Usually 20 pages long, filled with important information no mobilehome owner should be without. Articles from around the state of California. Tips and Suggestions. Important laws explained so you can understand how you are protected.
2. Website: **comocal.org**. Members have access to all issues of THE VOICE, attorneys who know the MRL, important links to government, advocacy groups, etc.
3. Small Claims Court Assistance: We will pay your fees up to \$30.00 and help with your paperwork. (Some restrictions apply.)
4. Questions / Problems: Our staff is ready to take your call to advise you regarding questions and problems you might have.
5. We have several attorneys to help with litigation or give advice.
6. Above all, a way to UNITE and have a VOICE.



THE VOICE

COALITION OF MOBILEHOME OWNERS
FEBRUARY 2007 VOLUME 3 ISSUE 2

Park Purchases by Residents – “Getting On The Park Owner’s Radar”

When a mobilehome park is put “on the market,” its residents usually miss the opportunity to buy it. They most often learn the park *was* for sale *after* it has been sold to a new “investor-owner.”

Why don’t park owners give the residents a chance to buy the park? One reason is that most owners believe the residents aren’t organized, or can’t get the necessary financing. They are not “on the owner’s radar” as potential buyers. This is sad, because often the owner’s *best* possible buyer is the resident group.

Some park residents believe California law gives them a “right of first refusal” to buy the park when it is put up for sale. This is not true. In recent years, bills have been introduced in the California Legislature to give “right of first refusal” to mobilehome park residents. None of these bills has become law.

One California city (San Marcos) includes “first refusal” in its rent stabilization ordinance. However, in a recent lawsuit by residents against a local park owner, the judge said that “first refusal” was unconstitutional in that case – a taking of the park owner’s property rights without compensation.

Of course, a resident group and a park owner could make a contract giving “right of first refusal” to the residents. These agreements are very rare – park owners see little benefit in signing one.

So what *do* park resident groups have? They have Mobilehome Residency Law Sec. 798.80. This law lets residents tell the owner they’re interested in buying the park. Please read the law to understand its details.

Essentially, MRL 798.80 says: The park owner can be *required* to give the residents written notice that he intends to offer the park for sale. However, the residents *must first request this notice* from the owner, in writing.

Taking advantage of MRL 798.80 requires little effort. A resident association of at least 3 people (a president, a secretary and a treasurer) needs to be formed. The association does not have to be incorporated. All that is required is sending a letter to the park owner once each year.

Saying “we’re interested in buying your park” is a good start. But how can you motivate the owner to *really* consider the residents as “park buyers?” I suggest that in your annual letter to the owner, you also say:

- 1) The resident group will pay a very fair price for the park;
- 2) The group believes it can get financing to buy the park; and,
- 3) Selling to the residents can give the owner tax benefits available from no other buyer.

These statements are true, and should help your group’s credibility as a buyer of the park.

(continued on Page 3, RADAR)

CoMO-CAL TID BITS

1. The table at the right indicates the CPI in percentage for the L.A. area for the year 2006. For those of us under a Rent Stabilization Ordinance, we are always watching the CPI because these are the figures used by the LAHD to determine our rent increases for the period July 2007 through June 30, 2008. The average CPI for the Los Angeles area for 2006 so far (without December figures) is 4.37%. **This means that our increase for July 2007 through June 30, 2008 will be 4.0%.** (It would take a jump to 6.0% in December to change this to 5.0%, which is unlikely).
2. We welcome to our family many mobilehome owners from the Modesto Area. They have joined as a consequence of the efforts of the Stanislaus Mobilehome Owners—Advocates group. Thank you Sally, Sandy, and your group for supporting our efforts to unite and enlighten mobilehome owners.
3. We are seeing more and more park owners pushing long term leases, especially in areas that are working on new Rent Stabilization Ordinances. We suggest residents DO NOT sign these leases and consult with an attorney first. We have heard of parks threatening residents with high increases if they pursue some form of rent control.
4. On January 11, 2007 the residents of University Mobile Home Park in Loma Linda held a meeting. Our representative Pam Partridge from Hemet attended to speak about CoMO-CAL and answer questions from residents. In attendance was Bruce Matthias, the regional representative of WMA for Orange, Riverside and San Diego counties and the park manager. Of course Bruce wants to know what residents are discussing. As we have noted in the past, Western Manufactured Communities Association (WMA) is a park owners group. Their purpose is to protect and insure the rights and interests of park owners, NOT MOBILE HOME OWNERS. CoMO-CAL has noted when management or their representatives attend meetings, residents often feel intimidated and will not speak freely. We suggest you DO NOT invite management or their representatives to your meeting.
5. The residents of Las Brisas of Long Beach have something in common with those living in Valle Verde Courtyard, Chatsworth. Many residents in both parks are receiving seven day notices. It turns out that they have the same management company: Ventura Investments.
6. Remember one advantage of CoMO-CAL membership. We have a terrific website at comocal.org. Anyone with a computer can access the site. You do need to ask us for a USER NAME AND PASSWORD, but with these you can access the MEMBERS ONLY SECTION. All our newsletters are there and you can download them for your use.
7. We are looking for area representatives. We need contacts in your area. Please call for details.

CPI 2006 L.A. AREA

JANUARY	5.40
FEBRUARY	5.10
MARCH	4.70
APRIL	4.70
MAY	5.40
JUNE	5.20
JULY	5.00
AUGUST	4.30
SEPTEMBER	3.40
OCTOBER	2.20
NOVEMBER	2.70
DECEMBER	

2007 MOBILEHOME RESIDENCY LAW

As per 798.15(c), your park must give you a copy of the 2007 Mobilehome Residency Law (MRL) before February 1st, 2007. "The rental agreement shall be in writing and shall contain, in addition to the provisions otherwise required by law to be included, all of the following: c) A copy of the text of this chapter shall be attached as an exhibit and shall be incorporated into the rental agreement by reference. Management **shall provide all homeowners with a copy of this chapter prior to February 1 of each year**, if a significant change was made in the chapter by legislation enacted in the prior year.

Those residents living in parks whose owners belong to the WMA (Western Manufactured Communities Association) usually receive the MRL printed by the WMA. You can tell because it has Civil Code at the top with WMA under. The problem with this MRL is the font is very small and hard for us seniors to read.

Senate Publications (1020 N Street, Room B-53, Sacramento, Ca. 95814, 916-327-2155) will send you a copy of the 2007 MRL, which has much larger font and is easily read. Their charge is \$4.50 (includes shipping and handling) and you must send a check for that amount with the request.. Sales tax must be figured on this amount.

CoMO-CAL has ordered a 100 copies of the Mobilehome Residency Law published by Senate Publications. If you would like a copy, please send a check for \$5.00 and your name and address to the address below.

(RADAR, continued from Page 1)

Any positive response from the owner would lead to "next steps." Your group would interview "park purchase" consultants and check their backgrounds. Then, you would select one who can prove his or her *substantial* experience in helping residents buy their parks. *Before* you hire a consultant, they should explain to your group:

- The method that would be used to buy the park ("co-op," "subdivision," etc.)
- Exactly how the purchase would be financed;
- The financial plan for successful operation of the park after the residents own it.

Many benefits come with mobilehome park "resident ownership." You can use MRL 798.80 to remind the owner that your group wants to buy the park. With very little effort, you can at least be "on the owner's radar" when the park is to be sold.

David Loop is a real estate attorney and homeowners board member of Aptos Knoll Park in Aptos, California. He helped organize the resident purchase of Aptos Knoll in 2005.

RESIDENT PURCHASE VERSUS CONDO-CONVERSION

QUESTION by CoMO-CAL: Please explain the differences between a resident purchase of a park and a condo— conversion.

ANSWER: (By Deane Sargent):

A condo conversion (or subdivision) divides the park into individual ownership interests (like squares on a checker board) and each resident has to individually purchase their "square" and obtain the financing to do so. Resident group condo conversions are difficult because:

- They require a very high percentage of the park to participate (typically 80-90%).
- Each resident must qualify and obtain their own financing.
- Some owners are using condo conversions as a scam to get parks off of rent control.

An alternative to condo conversion is the purchase of the park by a resident owned corporation. This is the method I use. I believe it to be better and more successful because:

- The purchase requires less participation (typically 60+%)
- The major portion of the financing is made to the corporation, not to individuals, and such financing is easier to obtain.
- The individual cash requirement is much less.
- Residents needing financing for their share are 'pre-qualified'.

ANSWER (By Dave Loop):

In a "condo conversion," the space under each mobilehome is turned into a "subdivision lot." The lot is offered for sale to the homeowner whose mobilehome is sited on that lot. To "buy in," the homeowner has two choices:

Pay cash for the lot, or

Get financing to pay for the lot over time.

For park residents who are low income or seniors this can definitely be a problem. Condo conversions divide parks into two groups – the "have's," who can afford to buy their lot, and the "have-not's" who cannot.

In a "resident-owned corporation (ROC)" conversion, homeowners do *not* buy the "lot" where their home is sited. Instead, each household buys a share in the ROC (their "homeowners association"). The ROC buys and then owns all of the park's land. The property is not subdivided into "lots."

Each homeowner's "cash" requirement is much less for a ROC conversion. This is because the ROC gets one large mortgage loan for the whole property, with better terms than individual homeowners would get. Essentially, the ROC has much more "borrowing power" than the individual homeowners themselves.

sand, and has refused to stand up to the WMA and other park owner organizations, mobile home owners today are more vulnerable than ever before. And mobile home owners are now reluctant to join any organization for fear they will not be receptive to their needs.

What has happened to GSMOL?

Many of us, including myself, have continued to support GSMOL in spite of it's issues. Many had hoped that GSMOL's new president, Tim Sheahan, former Zone D Vice President and member of the Board of Directors for several years, would lead GSMOL in a new direction.

Unfortunately this hope has not materialized. The Californian, GSMOL's monthly newsletter, has not been published the last three months. The website has not been updated. Certainly it would have been easy enough to put something on the website explaining the situation to GSMOL members. And there are many other issues—too numerous to report here. And GSMOL is short two of its four Vice Presidents.

One Common Thread?

Over the years there has been a common thread in GSMOL, their Lobbyist and Corporate Counsel Maurice Priest. He has been with GSMOL over 25 years. Mr. Priest is an attorney and receives a salary from GSMOL for each position. He also runs Resident Owned Parks, Inc. (ROP). Although leaders have come and gone, Mr. Priest has remained. Some believe Mr. Priest has gained so much power that he is the "puppet master," i.e. he runs the show in Garden Grove. Perhaps there is some truth to this. After all he does sit at every Board of Directors meeting, although he is not on the Board, but simply an employee of GSMOL. Why else would GSMOL continue to focus the majority of its resources on new legislation—a direction where in Mr. Priest directly benefits? If GSMOL started looking at the total picture, i.e. problems we are having in our parks with numerous issues, then there would be no need for groups such as CoMO-CAL.

Have there been any efforts to change GSMOL's focus?

Yes, in mid-2004, eight GSMOL managers wrote a "Recommendation Report" asking GSMOL leadership to focus more resources to directly help GSMOL members in their parks. In fact I chaired that committee and worked two months writing the report. Every managers input was used. Every manager signed off on the final report which was submitted to the GSMOL Board of Directors in August 2004.

What Happened to the Recommendation Report?

It was swept under the rug by the Board and no recommendations were implemented. So much for input from GSMOL managers. So much for any change of direction in GSMOL.

The Bottom Line. You Must Be Active.

Today, mobile home owners can not blindly follow any one person or any one organization. GSMOL has become what it is today partly because it's members have not been active or cared to investigate what GSMOL was doing for them. Mobilehome owners must wake up and be active. They must unite and work together toward common goals. CoMO-CAL can be an organization by it's members, for it's members only if you are active. We have a chance to make a difference. Please be a part of this opportunity.

BE ACTIVE LET'S MAKE A DIFFERENCE TOGETHER

So who is George Smith and what does this have to do with Milt Burdick?

In **February 1999**, GSMOL Vice President George Smith filed a lawsuit against GSMOL. One complaint was as follows: (6) Contrary to the bylaws of the Corporation, the Corporation, through the acts of the majority of the Board of Directors, continuously punish and remove officers and directors that dissent or otherwise oppose or refuse to support the policies of the majority directors. The means used to punish and remove dissenting directors are acts of humiliation, censure, withholding of expense reimbursements, the denial of corporate information, the refusal to allow dissenting directors an opportunity to present agenda items for consideration at directors meetings, the suspension of directors' and/or officers' powers and the termination of their membership in the Corporation. Once dissenting directors and/or officers are removed, the majority on the Board then appoints replacement directors and/or officers supportive of the policies and acts of the majority on the Board. In addition, the board deliberately withholds information from the members by censoring and removing all minority views from corporate publications and member communications. By these acts, the majority of the Board perpetuate themselves and their policies and undermine the rights of the members to elect their own representatives as provided in the Corporation's bylaws.

Mr. Smith's lawsuit was settled. As part of the settlement, it had to be printed in the Californian. Essentially GSMOL was required to follow their own bylaws, and let Corporate officers perform their duties, get them reimbursements, and freely express themselves. Also GSMOL had to conduct meetings in accordance with the Bylaws and Robert's Rules of Order, and could not deny renewal of membership to qualified members

So are these two issues related? I believe they are. GSMOL has and continues to shun those directors, managers and members who question the "leadership." George Smith and Milt Burdick are only the tip of the iceberg. Others include Rosemary Tomai, Jerry Lenhard, Don Hunter, John Sisker, Ralph Weber, Tom Lockhart, myself, and many others. And more and more members are not renewing, more and more chapters are folding.

History

During the 40 some years GSMOL has been around, thousands of mobilehome owners have put their trust in it. And many of us have actively supported GSMOL without question, blindly following our leaders. Why? Because we trusted they were doing a good job for us and had our best interests at heart. After all, their own Bylaws state their purpose is "to promote the general welfare of mobile home owners."

In the early 90's GSMOL had over 90,000 members and a budget close to \$1.5 million. As Donald DeVore put it in his book "Mobile Home Wars," "GSMOL was so powerful that they were like a 500-pound gorilla looking for a fight." Mr. DeVore continues "In these past few years, their strength has dwindled and they have lost most, if not all of their power."

The purpose of GSMOL (as stated in their Bylaws) is "to promote the general welfare of mobile home owners." To me, this means helping us deal with issues such as interference of sales, rent control, retaliatory or unlawful evictions, out of control managers, and other serious issues experienced by mobile home owners, not just trying to get new laws. And what about enforcement of the laws we already have? In my opinion, GSMOL has played a big part in allowing the serious issues we face today in our parks to manifest. Since GSMOL has essentially refused to help "in the trenches," has refused to draw a line in the

QUESTION by CoMO-CAL: I'm confused about the part that a condo conversion requires a large percentage of the park to participate. Does that mean a large percentage of the park must want to do a condo conversion? I thought that residents HAD NO CONTROL over the process. I do know that low income will still have "rent control." Also in the case of Carson Harbor, the park owner retains voting rights for all those spaces that do not opt to purchase, thus giving him majority control. Is that how most condo conversions work?

ANSWER: (By Deane Sargent)

There are two types of condo conversions: 1) those driven or initiated by the owner and 2) those driven or initiated by the resident group (which is the type I referred to in my prior email). The two have significantly different aspects to them.

With Park Owner Initiated conversions in California, I suspect the owner's motivation is to get the park off of rent control. He couldn't care less if ANY condos were sold. You are correct that the resident have NO control.

The impact upon residents who do not or cannot purchase their condo interest depends upon the local regulatory situation. If there is no prohibition to prevent it, I assume the owner can raise rents to what ever he thinks is the market.

How the owner controls the park after conversion depends upon the legal documents used in the conversion and California law. This is not my area of expertise so I defer to some attorney somewhere.

With the Resident Group initiated conversions, a large percentage of participation is usually required because the group has to generate enough money to buy the park from the owner.

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Planners approve mobile home park conversion recommendation

By Julian J. Ramos/STAFF WRITER, Santa Maria Times January 6, 2007

The Buellton Planning Commission has recommended approval of the conversion of Ranch Club Mobile Estates from a rental mobile home park to an ownership park.

The park's owner, Morris Jurkowitz, has proposed the conversion of the park to resident ownership. Ranch Club Mobile Estates is a 232-unit senior mobile home community with 336 residents at 330 W. Highway 246.

The Planning Commission's action Thursday night was a recommendation to the City Council, which must agree before the approval is final. That discussion is scheduled for Feb. 8.

At a June meeting in the park's clubhouse, Richard H. Close, a Santa Monica-based real estate attorney representing Jurkowitz, said the choice for residents is to continue to rent or buy the lot their mobile home is on.

A homeowners association, similar to those in condominiums, would be created. Residents who decide to continue renting will pay their rent and the property owner will pay the dues for the resident. If a renter sold his mobile home, however, the new owner would have to purchase the land, Close said. Eventually, the park would be 100 percent resident owned.

At Thursday's meeting, the City Council Chambers were filled with park residents. In public comment, Ranch Club tenants Bert and Sandra Mack questioned Close about the conversion. Their concerns included the results of a tenant survey. The survey, returned by 159 of the park's 232 residents, reported 72 percent of those responding, 114 votes, supporting the conversion.

Although the total number of supporting votes is not a majority of the park's total residents, a majority vote is not required in the tentative tract map process included in the Planning Commission's resolution.

All lots will be appraised at once, in a process paid for by the park's owner, to determine a base price and establish lot sizes and categories. After the appraisal, the tenant will have 90 days after the subdivision report is issued to make a decision of whether to buy or rent. If the tenant is unhappy with the appraisal, it can be challenged. The appraised price becomes the basis for lenders, Close said.

Those who qualify as low-income will see their rent raised no higher than the consumer price index each year, while other residents' rents will increase to market rate over four years. After four years, when the rent reaches market rate, there are no rent control restrictions and it is up to the owner to set rents. Under federal guidelines, low-income for one person in Santa Barbara County is classified as an annual income of no more than \$36,850, before taxes. For two people, the classification is \$42,100.

In October, Planning Director Marc Bierdzinski received a letter from Ruth Strobach of the Conversion Committee for Ranch Club Mobile Estates. The letter identified resident concerns about the condition of electrical systems, gas and sewer lines and water system. Although the conversion requires city approval through the Planning Commission and City Council, the state Department of Housing and Community Development holds jurisdiction for common areas and facilities building codes. Any park inspection would be performed by the state or subcontracted through Santa Barbara County.

The vote was 4-0. Because he owns a mobile home in the park, commissioner Gerald Witcher excused himself from the discussion. Bierdzinski said the item is scheduled for City Council consideration on Feb. 8.

Julian J. Ramos can be reached at 688-5522, Ext. 6008 or jramos@santamariatimes.com.

DEJAVU IN GARDEN GROVE

EDITORIAL By Frank Wodley, CoMO-CAL PRESIDENT

Milt Burdick has been our GSMOL Zone C Vice President for over 6 years. "Uncle Miltie" was my mentor when I was GSMOL Chapter 159 President and GSMOL San Fernando Valley Associate Manager. He has been a hard working advocate for mobile home owners for many years. . In my estimation, Milt was our only real voice on the Board of Directors. He spoke out on several issues, including GSMOL finances and legislation. It is my understanding that the "leadership" of GSMOL had had enough of Milt speaking out. This all came to a head at the June 2006 Board of Directors meeting in Garden Grove. On June 15, 2006 Milt sent me an email with the following letter attached. I publish it now because Milt just recently gave me permission.

GSMOL Zone C Vice President, June 15, 2006

To: GSMOL Board of Directors and GSMOL Members of Zone C

From: Milton Burdick, Vice President of Zone C; **Subject:** Resignation

As of this date (June 15, 2006) I hereby resign my position as Vice President of Zone C (Los Angeles, Orange and San Bernardino Counties). In my term I have accomplished many goals, yet accomplished so little on increasing GSMOL membership. Office staff has been of great help to me during my term.

I carry no bitterness against anyone and will continue to support GSMOL and GSMOL goals. GSMOL is larger than all of us. You might say; then why are you resigning?

Lately I have been accused of being one of the causes of Divisiveness within and not being a "Team Player" To me this means giving up my right to free speech and compromise my feelings and opinions on issues that I feel the membership is entitled to hear about and make their own decisions.

I am the type of person who does not fit the "Team" mold. I have taken on park managers and park owners and stand up for Homeowners when I feel park owners are wrong and continuously violating state and federal laws. I have and will continue to express my feelings on legislative issues which is one of the areas I have been accused of not being a "Team Player" When a law is not (my opinion) in the best interest of Mobilehome Owners---I intend on speaking out, not be part of a team and remain silent.

As I said above I will take on park managers and park owners when I feel they are wrong, this is the same way I feel about GSMOL leadership, when I feel they are going in the wrong direction, I will state my opinions and not remain silent just to be a team player. Present Board members know I have express my feelings in the past.

This resignation will be effected on my replacement or on September 1, 2006 which ever comes first. I will continue to assist office staff when requested to do so.

Signed: **Milt Burdick**

CoMO-CAL LEGAL FUND

The results are coming in on the Legal Fund Questionnaire. Every reply wanted a Legal Fund and either it was Extremely Important or Very Important. So be it! We will formally start a Legal Fund. Some sent in checks already. And any monies collected as of today earmarked Legal or Legal Fund will go only to that purpose.

If this program is to be successful, we must ask for \$25.00 /year to join. At that rate, it will take at least 400 joining in 2007 to have \$10,000. And with that we can support four lawsuits a year at \$2500 each..

PRELIMINARY GUIDELINES

If you want Legal Funds for a lawsuit, to qualify you must

1. Be a CoMO-CAL member in good standing, i.e. membership paid to date
2. Have donated at least \$25.00 to the legal fund for the present year.
3. Submit an application. Application must include name, contact information, address, summary of problem, details of lawsuit, attorney name, and other relevant information. If you do not presently have an attorney or lawsuit, give us information when you might file and who might represent you.
4. Grants initially will be limited to a maximum \$2500.00
5. CoMO-CAL will chose to support those lawsuits that we believe have a good chance of winning.
6. If and when you win, you must immediately repay any funds received from CoMO-CAL. That money will go back into the legal fund. If you do not win, you owe CoMO-CAL nothing.

By Barney Lerten, KTVZ.com

The city of Bend (Oregon) is poised to move forward this month with a novel approach toward solving a problem facing many communities: Mobile home owners facing eviction and possibly even homelessness as mobile home parks on valuable land are redeveloped.

A key part of the idea, worked out in collaboration with park owners, tenants and affordable housing advocates, is to let the parks be redeveloped at higher-density zoning, with new manufactured homes and multi-family units, so as to ensure they get a better rate of return, while also providing a vital component of affordable housing. The city and Deschutes County also have been talking about offering up surplus land for such uses. (Full Story—Contact CoMO-CAL)

THE WEHRMAN LIBRARY

This is a terrific archive of information. Go to www.wehrmanlibrary.org

SCAC asking planners to prevent mobile home conversions

By Randi Block/Staff Writer, Santa Maria Times November 29, 2006

Members of the South County Advisory Council don't want mobile home residents to be forced to find new places to live, and they are asking San Luis Obispo County planners to prevent that from happening. The board reviewed a request from member Reggie Dion to send a letter to county officials requesting their support to ban conversions of mobile home parks to other uses.

These conversions threaten thousands of county residents, who depend on the parks for affordable housing, board members said Monday.

"What has happened in mobile home parks is a tragedy," said SCAC member Istar Holliday.

The unanimously approved letter asks for a permanent solution to the problem because "if the number of mobile homes available decreases drastically, it is unlikely to be replaced by all the well intentioned, but marginally effective, policies and strategies for low-income housing development."

"... Disrupting these existing communities will cause hardship to many elderly, disabled and single parent residents dependent on neighbors and their existing community's support system."

SCAC board member Phil Henry shared the group's sentiments and said he wants to create a stakeholder group to study the issue and come up with a long-term plan.

Earlier this month, the county Planning Commission recommended to the Board of Supervisors that it adopt a two-year urgency ordinance banning all conversions. During that period, county planners should be directed to develop a permanent land-use designation for mobile homes and find land for additional parks.

Randi Block can be reached at 805-347-4580 or rblock@santamariatimes.com.

SONOMA SUPES EXTEND BAN ON MOBILE HOME CONVERSIONS

http://cbs5.com/localwire/localnews/bcn/2006/12/05/n/HeadlineNews/MOBILE-HOMES/resources_bcn.html

Sonoma County's Board of Supervisors today extended for six months an emergency ordinance that imposes a moratorium on the conversion of mobile homes to resident ownership. The ordinance passed in October was to expire Thursday. The board could have extended it until October 2007. The Santa Rosa City Council passed a similar ordinance.

Residents, mostly seniors, of two mobile home parks facing the conversion packed the supervisors' chambers for a hearing on the ordinance. They said they fear they will lose rent control protection if they do not agree to convert their homes to ownership.

The owners of the Sequoia Gardens and Leisure Park mobile home parks in Santa Rosa and the Country Mobile Home Park in unincorporated Sonoma County are considering converting the parks to resident ownership. There are 540 mobile home spaces within those three parks and Leisure Park is an all-age park. The other two are senior parks.

Richard Close, the attorney for Sequoia Gardens, said pre-empting the conversion via a moratorium violates state law and that rents would not increase beyond the annual consumer price index amount each year "forever."

Those mobile home residents who agree to ownership will own the land under their homes and a share of all common areas in the park, Close said. Residents of the parks said they could not afford the mortgage to buy their home and the space rent, both of which could amount to between \$2,000 and \$3,000 a month.

ARTICLES FROM NEW HAMPHIRE

EDITOR'S NOTE: We are not alone when it comes to issues in our mobile home parks. This is happening across the country. I've included a couple articles (Pages 8 & 9) about mobile home life in New Hampshire. The article on Page 9 should give California some ideas about improving mobile home owners lives, such as having a state board to intervene when there are disputes between park owners and residents. It also brings to light other issues—out of state investors are buying parks and increasing rents to turn larger profits, and rent increases should not be allowed to cover taxes or maintenance. It is also interesting that New Hampshire has a loan program

CoMO-CAL believed from its inception that we can learn from others. This is a good example of that. We need to network with others who have experience and knowledge about issues we all face. If those leading efforts in your area are not networking, suggest to them that they should. Let's make this a TEAM EFFORT!

WHAT ARE YOU PAYING FOR?

By: Attorney Rob Hunt, Robert D. Hunt, P.A., Gilford, NH 03249 <http://www.robhuntlaw.com>

Manufactured housing park owners collect money from their tenants, but NH law does not allow unlimited charges on unlimited items. Tenants should look carefully at what they are being charged and make sure that they are only being charged legitimate fees.

Although it may seem overwhelming, Tenants should take the time to sit down and read certain NH laws that govern manufactured housing park owners and tenants. In doing so, Tenants should keep in mind that they are probably not the only ones being charged a particular fee. Often, the fee is being charged to each lot in the park.

For example, if a five dollar fee is being charged to each lot every month and there are 200 lots in the park, the park is collecting twelve thousand dollars per year just on that fee itself. Anyone can see that such a scenario could motivate certain park owners to find reasons to charge additional fees, expenses or costs for any and all items it can come up with.

Certain NH laws governing manufactured housing parks were written specifically because of this situation. Tenants in such parks are particularly vulnerable to park owners because, for example, park owners own the land upon which Tenant-owned manufactured homes are installed. Like in an apartment or a rented house, Tenants in manufactured housing parks are subject to the park rules and/or lease terms created by the park owners. But unlike tenants in apartments or rented homes Tenants in manufactured housing parks are also subject to rules which restrict the sale or removal of their manufactured home. This gives park owners more control and may further motivate them to charge fees that are likely to go unchallenged by Tenants.

There is a specific law that helps to protect NH manufactured housing park Tenants entitled Regulation of Manufactured Housing Parks (NH RSA 205-A). Part of this law is enforced by the NH Board of Manufactured Housing. Tenants should take the time to read this law and visit the Board's website. If a Tenant believes that a park owner is charging an unlawful fee, the Board has a complaint form that can be filled out and submitted directly by Tenants. Then the Board will determine whether certain park rules are unreasonable or whether a violation of the law has occurred.

At a minimum, Tenants should be aware of the relative rights and responsibilities between themselves and manufactured housing park owners. If they are, they will be much less likely to be taken advantage of or to be unfairly charged fees for which they should not be charged.

S.C. Upholds Property Tax Pass-Through for Mobilehomes

[Metropolitan News-Enterprise](#) Friday, January 12, 2007

By TINA BAY, Staff Writer

California's Mobilehome Residency Law does not preempt local rent control ordinances permitting mobilehome park owners to separately charge residents for property taxes imposed on park land, the state Supreme Court held yesterday.

Reversing rulings by the Fourth District Court of Appeal and San Diego Superior Court Judge Luis R. Vargas, the high court unanimously concluded mobilehome park owners may impose pass-through charges for real property taxes pursuant to a city ordinance without contravening Sec. 798.31 of the Mobilehome Residency Law.

Chula Vista's rent control ordinance at the relevant time stated that "space rent," which was subject to rent increase restrictions, did not include allowable pass-throughs such as property taxes. Instead, the ordinance provided, residents could be charged property taxes as an item separate from and in addition to rent.

Under Sec. 798.31, owners may not charge residents "a fee for other than rent, utilities, and incidental reasonable charges for services actually rendered."

Writing for the court, Justice Joyce L. Kennard said that a property tax charge constitutes "rent" under the state provision because nothing other than use of the rented space and common areas triggers the charge; it is compensation for the use of the rented space and common areas of the park; and it is a business expense that rental property owners have traditionally recovered from their tenants through amounts charged as rent.

The issue, she said, was whether a separate charge excluded from the definition of "rent" in a local ordinance may nonetheless be considered "rent" under the state statute.

Kennard concluded that exclusion of the property tax pass-through from the definition of "space rent" under the local ordinance was not inconsistent with—and therefore did not preempt—the inclusion of the property tax pass-through within Sec. 798.31's definition of "rent."

"[T]he ordinance does not purport to define the term 'rent' under the state Mobilehome Residency Law or as used in the leases subject to the ordinance," the justice explained. "It merely defines and uses the term 'space rent' as a way of specifying the charges that the ordinance regulates."

It does not prohibit the parties from including those other charges as rent in their leases, she wrote.

The lawsuit had been brought by residents of Don Luis Estates, a mobilehome park owned by Luis J. Cacho and three of his children. An ownership transfer following the death of Cacho's mother in 1994—she had previously co-owned the park with the four—triggered a reassessment of the property's value and a tax increase of over \$18,000.

Cacho and his children implemented a property tax pass-through in 1998 after obtaining the opinion of a city official that the pass-through would not violate the city's rent control ordinance. The pass-through amount was increased annually, and was listed variously on the invoices as "rent tax," "rent adj," "adj," "other" and "CVMC9.50.030H."

Kill rebirth of Prop. 90: Refuse to sign petition

Modesto Bee, December 27, 2006

Weary of special-interest groups buying their way onto the ballot by paying people to collect signatures? Here's a suggestion: When asked to sign a petition, refuse.

Just saying no could help keep bad initiatives off the ballot — initiatives like the one being pushed by the Howard Jarvis Taxpayers Association. The group wants to, in effect, resurrect November's Proposition 90 — which deserved the beating it got. That initiative was bad; this version is worse. Like Proposition 90, the proposed initiative would hamstring government in establishing regulations — from rent controls to land-use zoning. Unlike Proposition 90, it would apply to existing laws and regulations — not just future ones.

Under this plan, any government action enacted before the election "shall be null and void" if it "results in continuing damage" to property. Sounds innocuous until you read the extremely broad definition of "damage." Any action depriving owners of any part of the "economically viable use" of their property is considered "damage," triggering payment to the owner. Currently, only government regulations that deprive owners of "all economically beneficial use" of property have required compensation. Adding the words "in part" changes everything.

Say a developer owns 100 acres and two acres are undevelopable because of wetlands regulations. Under this change, local government would have to pay the developer not to develop those two acres. Taxpayers would pick up the tab unless the local government could prove that its restrictions "substantially advance a legitimate government interest."

What's wrong with that? Plenty. Writing for a unanimous Supreme Court in 2005, Justice Sandra Day O'Connor rejected such a standard, saying it would require the courts to sort through all sorts of government regulations — "a task for which they are not well suited." The proposed initiative is a formula for endless litigation and endless taxpayer costs.

The Jarvis proposal specifically denounces a Hawaii law that caps what oil companies can charge for leasing gas stations to small businessmen. Chevron U.S.A. believes such a rent cap is a "taking" of Chevron property and should be compensated. Now these anti-tax zealots want to foist the Chevron view onto Californians. The proposed initiative would forbid "limiting the price a property owner may charge" for using property — and in the process, bar efforts such as Hawaii's that help small businesses dealing with giants such as Chevron.

Such a law would hinder local government's ability to stop rent gouging at mobile home parks — an issue closer to home. Taken to extremes, businesses could sue over the number of parking spaces in their lots or hours they can operate.

When this new proposal gets a title from the attorney general's office, the sponsor will spend more than \$1 million to gather signatures to get it on the 2008 ballot. Voters can kill this one in its nest. Refuse to sign.

<http://www.modbee.com/opinion/story/13146068p-13792142c.html>

Goal: Give owners of mobile homes more say

Unjustified rent increases could be appealed

By MEG HECKMAN Monitor staff Article published Feb 3, 2005

When a spat erupts at a mobile home park over utility bills, noise complaints or even lawn ornaments, tenants and park owners can ask the state to step in. **But when it comes to rent increases, park residents have two options: pay up or move out.**

A bill introduced yesterday aims to change that, giving tenants the right to appeal unjustified rent increases to a special state board and, if necessary, superior court. Supporters say it's the only way to keep mobile homes affordable for elderly and low-income residents, especially as traditional housing costs continue to rise.

But park owners disagree. Dozens turned out to decry the bill, saying it could ruin their relationship with their tenants, cost thousands in legal fees and drive up rents even more. The crowd of about 100 overflowed into the State House hallway. Most folks were against the bill, but a handful of frustrated mobile home residents championed the idea, some pleading tearfully with lawmakers. Donna McLennan said another increase in her lot rent will drive her out of the only home she can afford.

Two days ago, her monthly lot rent at Pembroke's Silver Fox Estates went from \$150 to \$450, something she can't afford on her retail worker's salary. Her husband's medication is worth two weeks of pay, and bills take another two weeks of work to cover. The increase in lot price is an additional week and a half of pay. "In case you're counting, that's five and a half weeks, and I haven't found a month that's got that, and I still haven't eaten or paid my oil," she said. Moving out of the park would cost thousands, money she doesn't have. "We're so stuck, it isn't funny."

About 25,000 people live in New Hampshire's 460 mobile home parks. They own their homes but pay rent on the land beneath them. When disagreements come up, tenants and park owners can ask the state's Board of Manufactured Housing to intervene. **For \$25, board members will sort out the park's rules and help reach a compromise.**

Right now, state law forbids the board from getting involved with rent increases or evictions. But that would change if this bill passes. If a tenant felt a rent increase were unjustified, the board could intervene. **Increases to cover legitimate expenses like taxes or repairs would be exempt.**

Most park owners said they increase rents just enough to cover property taxes and maintenance. But Paul Bradley, a representative of the New Hampshire Community Loan Fund, said a growing number of **out-of-state investors are buying parks and increasing rents to turn larger profits.**

"Times have changed," he said. "Parks are no longer owned by mom and pop. . . . Our challenge is with the coming waves of investors." Local park owners bristled, saying the bill would just make it harder for them to hold on to their businesses. Property taxes, zoning laws and liability insurance are already spurring many longtime park owners to sell their land to developers or out-of-state companies.

"It's the most regulated and controlled housing in the state of New Hampshire," said James Bianco, a representative of the New Hampshire Manufactured Housing Association. Appeals mean legal fees, and park owners would have to pass that cost to their tenants, he said. "This is going to make people raise the rents higher than they normally would." But some lawmakers stressed that honest park owners wouldn't have to worry about the law.

"It does not hurt the park owners who behave themselves. They've got nothing to be afraid of," said Sen. Robert Flanders, an Antrim Republican and the bill's sponsor. He called comparisons between his bill and rent control "baloney," saying he only **wanted to protect people from losing their homes.** "People have their life savings in these things."

BETTY LOVEL COMENTARY

In an atmosphere of ever expanding business opportunities, corporations gobbling up one another, deregulation running rampant, all in the pursuit of obscene profits, questions need to be asked. At what point does legitimate pursuit of wealth become an illegal pursuit of greed?

I am speaking specifically of the highly lucrative, profit driven Mobilehome Park Industry, a monopoly of gigantic proportions.

A proliferation of mobilehome park "takeovers" which began in the '70's, by investors and developers, ended an era of "Mom and Pop" owned parks. Mom and Pop were honest, hard working, morally responsible, and shared a mutual respect with the people (Homeowners) who provided their livelihood. All of that ended when the takeovers began. While providing a decent living to Mom and Pop, Big Business began to take opportunistic advantage of Homeowners vulnerability. To this very day, the assaults continue as the means to justify the ends – increased profits.

Year after year, the assaults have intensified. The Mobilehome Park Industry has become more and more aggressive in its efforts to destroy mobilehome living as we have known it. Mobilehome Owners are invited, enticed, and lured by park owners to buy and live on their properties, often owning and operating the sales office, which leads prospective buyers to believe they will get a "better deal". "Ripped off" is closer to reality. Cash bonds are required if a prospective homeowner wishes to purchase from an outside dealer, thereby assuring the park owner will get the sale. Quite a racket. Unfair business practice?

Throughout the years, space rents continually escalated, with no indication of tapering off. In fact, just the opposite occurred. With guidance from GSMOL, Homeowners in over 100 locations were able to petition their local governments to adopt rent stabilization ordinances. No longer could park owners raise space rents without proper justification. This angered the mighty giant, Industry.

Unconscionable leases have been an ongoing threat to the stability of rent control and affordable housing, i.e. mobilehomes/manufactured housing. The Wma is implementing multi-year leases in a statewide endeavor to eliminate rent control. The vulnerability of Homeowners has never been greater. Deceit is at an all time high. Park Owners rely on the trusting, unsuspecting innocence of uninformed Homeowners and prospective buyers. Many Homeowners unable to sell their homes due to the outrageous space rents, are forced to sell to the "caring" park owner who rents out the home and the space, thereby greatly increasing his profits and leaving the renter without any protections afforded under the MRL or any Rent Stabilization Ordinance. The WMA is an advocate of this practice. Another end-run around mobilehome laws. Collusion? Fraud?

Failure to maintain their parks has over the years increased park owner profits, thereby they are enjoying undue enrichments. When, and if they finally instigate repairs, etc., they "need" to increase the space rent. Large-scale items such as decades old trees whose roots are uplifting streets, sidewalks, mobilehomes, yards, carports, or have been dead for years and put Homeowners in danger are, by P.O. definition, "the responsibility of the Homeowners"! The same illogical thinking encompasses driveways as well. The Wma is fostering this absurd scheme. Conspiracy? Thousands of dollars have been paid out by Homeowners for three removal and driveway replacement to protect their home and space from further damage. At the expense of the Homeowner the PO enjoys the enhancement of his park, as well as value, and a bonus of a larger profit. Many Homeowners are afraid not to do the Pos bidding – the inference is EVICTION. Intimidation?

The list goes on. And, on and on. Go back ten, fifteen, twenty years. The "Californian" paints a factual picture, year by year, of the Industry's deliberate, progressive practices in order to gain unfair advantage and control of every mobilehome owner in the state.

The power of the Industry knows no bounds. The WMA, Park Owners, et al, tried in 1996 with Prop 199, to prohibit mobilehome rent control in every locality of the state. Through the guidance of GSMOL, HO's brought the issue to the attention of the voters, by speaking before clubs and organizations, letters to the editors, fliers, getting the truth to them, and defeated Prop 199.

The wounded giant Industry has retaliated in almost unbelievable ways, more vicious than ever, in its quest to eliminate the protections of rent stabilization and a systematic assault on the Mobilehome Residency Law. The intent being to dismantle it, bit by bit. Lawlessness?

The WMA is aggressively making rounds of cities and counties, their spokesman and attorneys insinuating themselves into the good favor of local officials. If there is a rent ordinance in place, they attempt to dismantle it, and if they can't threaten court action. Small cities cave in. Homeowners lose. When a city or county proposes to adopt an ordinance, the spokesman and attorneys show up, make threats of court action and, once again Homeowners lose. Local officials have become subservient to the Industry, and no longer serve the mobilehome owners electorate of their community. Through the Wma and WMA-PAC, the Industry is able to gain access to candidates, elected officials and their staffs, building relations with those who are in the position to do them the most good. Intimidation? Conspiracy? Bribery?

Has the Industry 'morphed into an untouchable venue for corruption? Are there similarities between the Industry and organized crime?

The Industry has a stranglehold on the availability of mobilehomes as a source of affordable housing. Local governments depend on mobilehome parks as a major part of their affordable housing supply. They are in jeopardy of losing state and federal affordable housing grants, while the Industry dictates policy of eliminating affordable housing in mobilehome parks. The state with all of its resources, should be investigating this, one of the largest, virtually uncontrolled monopolies in the state of California. Where is the Attorney General?

It would be a monumental, but not impossible task to document the systematic efforts of the Industry to obstruct local governments control, as well as state legislation, threats and intimidation of mobilehome owners, fraud, unfair business practices, conspiracy, denial of constitutional rights and much more.

It is time to stand up to the "untouchable" Industry before it is too late. In these United States of America, the very embodiment of freedom, monopolistic control over any citizen's life is unthinkable. My freedoms are not for sale. The Industry has declared war – we cannot surrender. We must join forces with our allies, whoever they may be, and take the fight directly to the Industry. Enough is enough.

Editors Note: WMA is Western Manufactured Communities Association, the park owners group

GSMOL is Golden State Mobilehome Owners League, a mobile home owners advocacy group.

Betty Lovel belongs to GSMOL and CoMO-CAL and resides in Orcutt, California We thank Betty for her contribution, which was written in 2001.

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