CALIFORNIA LEGISLATURE

Joint Hearing of
THE SENATE SELECT COMMITTEE ON MOBILE AND MANUFACTURED HOMES, THE ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT THE ASSEMBLY SELECT COMMITTEE ON MOBILEHOMES

Senator Joseph L. Dunn
Assembly Member Gene Mullin
Assemblywoman Sally J. Lieber
Chairs

TRANSCRIPT AND REPORT:

"Mobilehome Park Maintenance Inspection Program – Extend or Die"

January 25, 2006

Sacramento, California

1350-S

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TABLE OF CONTENTS

	Pages
List of Witnesses	i
Agenda and Background Paper with Attachments	ii - xxi
Transcript of Testimony	1 - 34
Appendix	

LIST OF WITNESSES

	Pages
Ms. Catherine Borg **Legislative Advocate, Western Manufactured Housing Communities**	5-7
Ms. Jeri McLees **Park Owner, Member, Western Manufactured Housing Communities**	7-11
Mr. Don Gilbert **Legislative Advocate, California Mobilehome Parkowners Alliance**	10-12
Mr. Maurice Priest **Legislative Advocate, Golden State Manufactured Home Owners League**	13-16
Ms. Patricia Owens **Regional Manager, Golden State Manufactured Home Owners League**	16
Mr. Lloyd Logan **Vice President, Golden State Manufactured Home Owners League**	17
Mr. Herman Osario **Representative, California Mobilehome Resource Action Association**	17-18
Ms. Judy Nevis **Acting Director, State Department of Housing and Community Development**	18-25
Ms. Kim Strange **Deputy Director, Division of Codes and Standards, State Department of Housing and Community Development**	26
Mr. Josh Pino **Chief Building Inspector, City of Sacramento**	27-31
Mr. Mark Wood **Building Official, City of Davis**	30-31
Mr. Jerry Bowles **Vice President, Resident Owned Mobilehome Parks, Golden State Manufactured Home Owners League**	32-33

CALIFORNIA LEGISLATURE

STATE CAPITOL
SACRAMENTO, CALIFORNIA
95814

Mobilehome Park Maintenance Inspection Program – Extend or Die

Joint Hearing of the
Senate Select Committee on Mobile & Manufactured Homes
Assembly Committee on Housing and Community Development
Assembly Select Committee on Mobilehomes

January 25, 2006, 2-4 p.m.,
Rm. 112, State Capitol

Agenda

2 p.m.	Call to Order Introductory Remarks	 Senator Joe Dunn Assemblymember Gene Mullin Assemblymember Sally Lieber
2:20 p.m.	Panel Testimony Mobilehome Park Owners	 Western Manufactured Housing Communities Association - Catherine Borg & Jeri McLees California Mobilehome Park Owners Alliance – Don Gilbert
	Mobilehome Home Owners	Golden State Manufactured-home Owners League – Maurice Priest - Patricia Owens – Sacramento - Lloyd Logan – Citrus Heights California Mobilehome Resource & Action Association – Herman Osorio

(over)

	State & Local Enforcement Agencies	Department of Housing & Community Development (HCD) - Judy Nevis, Acting Director - Kim Strange, Codes & Standards - Jolena Voorhis, Legis. Director. City and County Officials - Josh Pino – Chief Bldg Inspector City of Sacramento - Mark Wood – Building Official City of Davis
3:30 p.m.	Public Comment Period	Jim Gullion – Jamestown Jerry Bowles - Capitola
3:50 p.m.	Closing Comments	Committee Chairs, Members
4 p.m.	Adjourn	

Joint Hearing on Mobilehome Park Maintenance Inspection Program – Extend or Die
January 25, 2006, 2-4 p.m., Rm. 112, State Capitol

BRIEFING PAPER

Purpose

The hearing's purpose is to take testimony from interested and affected organizations, agencies, and the general public on renewing the Department of Housing and Community Development's Mobilehome Park Maintenance inspection program or letting it sunset after December 31, 2006. Later, the committees will publish a transcript and joint report of the testimony at the hearing.

Background

There are approximately 4,850 mobilehome parks and manufactured housing communities in California providing spaces for an estimated 675,000 or more residents. The state Department of Housing and Community Development (HCD) and designated local agencies, under agreement with HCD, are responsible for inspecting these parks for health and safety violations. The state's Mobilehome Park Inspection (MPM) Program, administered by HCD, provides a complete inspection of a mobilehome park, as contrasted with a complaint driven inspection, which is normally only an inspection of specified issues that are a subject of the complaint.

Health and Safety Code requirements for mobilehome parks, such as set back requirements for mobilehomes from lot lines, park utilities and utility connections, the width of park roadways, or specifications for storage sheds and park lighting, among others, are like local building code requirements for conventional structures. Mobilehome park code requirements are not subject to local building codes but are uniform statewide as provided by the Mobilehome Parks Act and spelled out by department regulations, commonly known as "Title 25" (California Code of Regulations). These regulations are enforced by inspection at the time of the construction of the park as a condition of granting the initial permit to operate, and subsequently upon a complaint, or, since 1991 (AB 925, 1990) through a scheduled full (MPM) inspection of the park. Both park owners and homeowners are subject to citation. Although HCD conducts about 70% of the inspections statewide, the department also has agreements with approximately 90 local jurisdictions to carry out the inspections within parks in their communities (Attachment 1).

The first phase of MPM inspections was conducted between 1991 and 1999. Originally a 5-year timeline, due to various exigencies, including state budget problems in the early 1990's and the demands of the Northridge earthquake clean-up, the program was legislatively expanded to 8 years. The program is self-supporting with an annual $4 per space fee assessed against parks, half paid by homeowners, to fund the inspection effort. During the 1991-99 phase, HCD or local agencies conducted one full inspection of every mobilehome park in the state.

When the issue of extending the MPM program was reviewed in the late 1990's by the Legislature, funding was a major issue. HCD contended that an increase as high as $13 a space per year was needed at that time to continue the full 5-year program. Although one homeowner group was willing to consider a $1 per space increase, both mobilehome park owners and

mobilehome owners generally opposed fee increases, and some park owners championed the idea of privatizing the inspection program. The Legislature made various fine tuning efforts with the inspection program, such as extending compliance schedules and eliminating citations for minor violations, but the basic problem of under funding was not addressed. Instead, the renewal of the MPM program (SB 700, 1999) for 2000-2006 changed the focus of the inspections to a 7-year cycle and limited them to 40% of the parks with the worst record of violations during the first inspection cycle (1991-1999) or the most number of complaints, rather than all parks, as determined by the enforcement agency. Citations for "Title 25" violations, depending on the nature of the violation, either must be corrected immediately or within 90 (later changed to 60) days. Lesser C & D violations were deleted as items subject to remedy or repair, although they still are reflected on the record. HCD produced a video that is available to parks and residents subject to MPM inspections explaining what to expect from homeowners and the park manager in such an inspection. HCD also set up an SB-700 Task Force every 6 months to report to and take input from groups interested in the MPM program, including park owner, mobilehome owner, local government and legislative representatives. An HCD report to the Legislature required prior to the 2006 sunset of the program included in the bill was deleted by later legislation. But as the result of the MPM program, HCD reports that tens of thousands of health and safety violations, both park and homeowner, have been cited and remedied since 1991, some of which arguably may not otherwise have been found or fixed (Attachments 2 & 3).

In 2005, the Senate Select Committee on Mobile and Manufactured Homes created a Working Group of park owners, mobilehome owners, HCD and local government representatives to make recommendations concerning renewal of the MPM program after 2006. The primary issue the Working Group reviewed was whether fees supporting the program should be increased, as HCD staff had suggested ($14 a space), or by how much. Local governments had also complained that the fee structure to support mobilehome park code enforcement in general is inadequate. In fact, citing costs and other considerations, an increasing number of locals have opted out of the program in recent years, adding to HCD's burden at a time of increasing personnel shortages. HCD also claimed it did not have enough funding to run even the existing 40% program for a full fiscal year, but had to scale it back during the last few months of the '04-05 fiscal year.

The chair, Senator Dunn, requested HCD's director to provide information to the Working Group about what level of funding would be required to operate a 5-year program inspecting every park, as well as the level of funds needed to continue the current program of inspecting 40% of the parks – the "worst" parks. The director responded that an $18 space fee per year ($14 increase) would be required for a full 5-year program, and a $6 space fee per year ($2 increase) would be required to continue the so-called 40% program (Attachment 4).

Ultimately Working Group members could not agree. One park owner and one homeowner organization supported the $14 per space fee increase. But other park owner and homeowner groups would not support a fee increase or could agree only to a $2 increase. As such, Senate Bill 106 (Dunn) was passed to increase the fee by $2 and to extend the MPM sunset until January 1, 2008, in order to give the Legislature more time to consider and legislate a permanent solution for a long-range MPM program. However, SB 106 was vetoed by the Governor (Attachment 5).

The Senate Select Committee on Mobile and Manufactured Homes has held a number of hearings on park inspection and park code enforcement issues since 1997. Although funding has always been a major concern, a number of other issues have also arisen. Some park residents are unhappy with enforcement of Title 25 on a number of accounts – perceiving that enforcement agencies are too slow to respond to complaints, do not communicate or follow-through with complainants, take too long to require that violations are corrected, are not able to enforce correction of violations at all, even where cited, or in some cases side with park managers in citing homeowners while ignoring park violations. On the other hand, park owners have complained that under the 40% MPM program operated since 2000, the "good" parks pay the same annual fee for enforcement as the "problem" parks, yet "good" parks never get the benefit of an inspection. Some park owners also complain that HCD is more focused on park violations and does little to prosecute homeowner/space violations. But critics also point out that HCD is basically a ticket writer and has no real authority to fine violators, relying on local district attorneys or city attorneys to follow through with actual criminal prosecution or civil abatement.

Recent Enforcement Legislation

Over the last several years, there have been a number of legislative attempts to address Health and Safety Code enforcement issues in mobilehome parks. Recent bills have included:

- Senate Bill 1627 (Dunn, 2000) requires HCD to adopt and enforce maintenance standards and annual inspection of fire hydrants in mobilehome parks and, upon certain findings, allows local governments to enforce more stringent fire prevention standards for hydrants for mobilehome parks than the state's Mobilehome Parks Act. Signed into law.
- Senate Bill 339 (Dunn, 2001), among other provisions, required HCD and local enforcement agencies to follow-through with complainants by informing them of the date they would inspect and let the complainant know the result of an inspection. This bill passed the Senate but died in the Assembly Appropriations Committee.
- Assembly Bill 1648 (Salinas, 2001) permitted HCD inspectors to impose fines of $100 to $250 for citations that were not fixed within 30 days of a final notice. This bill died in the Assembly Appropriations Committee.
- Assembly Bill 2382 (Corbett, 2002), in addition to district attorneys authorized by prior law, permits county counsels, city attorneys, and the Attorney General to pursue civil abatement actions for Title 25 violations constituting a public nuisance. Signed into law.
- Senate Bill 54 (Dunn, 2003) requires that before a lot line in a mobilehome park can be moved or altered, a permit be obtained from the enforcement agency. Signed into law.
- Senate Bill 40 (Dunn, 2005) as an enforcement tool authorized HCD to have standing to seek a court appointed receivership of mobilehome parks that have substantial and uncorrected code violations. Passed by Legislature but vetoed by the Governor.
- Senate Bill 106 (Dunn, 2005) extended the sunset for the MPM inspection program by one year to January 1, 2008 and increased the annual per space fee by $2 for the program. Passed by the Legislature but vetoed by the Governor.
- Senate Bill 765 (Dunn, 2005) expanded HCD enforcement authority over sewer spill clean-up in mobilehome parks. Passed by the Legislature but vetoed by the Governor.

Selected Issues

Among others, issues that members of the committees or witnesses may wish to consider in evaluating whether to extend the MPM program include:

1. Proof in the Pudding: Is the MPM program worth continuing? What will the system of park inspections look like without the MPM program? Should time certain health and safety inspections be required of parks (every 5 or 7 years, for example) or are inspections on a complaint basis adequate to deal with most violations in parks, as was the case prior to 1991?

2. Dollars and Sense: Should fees be increased on both park owners and homeowners to support a renewed MPM program and to what extent?

3. What is Adequate? What level of inspection is adequate? On a time certain basis (every 5 or 7 years, for example), should every mobilehome park and every space in those parks be inspected, or only those parks with the worst record of violations or most complaints?

4. More Bang for the Buck: What changes could be made in the MPM program to make it more cost-effective?

5. More than a Ticket Writer: Should HCD be given more or better Title 25 enforcement tools, such as citation fine authority, standing to petition for a court appointed receivership, or even standing to file civil abatement actions in the most serious cases?

6. Redirection: Is there adequate funding for even a basic complaint-based inspection program? If the MPM is not renewed, should the $4 fee that supports it be retained, rather than sunsetted, to improve the 'complaint inspection' process, follow-up and customer service related thereto?

7. Offering the Carrot: Should locals be given the option to increase their own enforcement fees up to a certain limit, on a vote of the local elected body, as an incentive to individually assume Title 25 enforcement of parks by agreement with HCD?

8. Local Control?: Would MPM inspections be more efficient if the inspection program was turned over completely to local governments, leaving HCD in a supervisory role, rather than continuing a program where HCD must send state inspectors many miles in some cases to conduct MPM inspections in different communities over widespread areas? Or if the MPM is a state program, why should locals be involved at all, even on an individual basis by agreement?

9. Preserving Parks: Many mobile parks provide a form of affordable housing. If turned over to local control, what mechanism could be established to provide that locals don't simply condemn mobilehome parks to close them and dislocate poorer residents in their communities?

# # #

LOCAL GOVERNMENTS WITH MOBILEHOME PARK INSPECTION AUTHORITY (Jan. 2006)

COUNTIES:

Contra Costa
Imperial
Modoc
Napa
Riverside
San Bernardino
San Diego
San Francisco
San Mateo
Santa Barbara
Stanislaus
Tuolomne

CITIES:

Alturas
Barstow
Bell
Big Bear
Brawley
Brisbane
Blythe
Calexico
Calipatria
Calistoga
Camarillo
Carlsbad
Cathedral City
Chino
Chula Vista
Clearlake
Coachella
Colfax
Colton
Crescent City
Cudahy
Cypress
Daly City
Dana Point
Desert Hot Springs
Dinuba
El Cajon
El Centro
El Monte
Escondido
Folsom
Fontana
Hemet
Grand Terrace
Greenfield
Hawthorne
Imperial
Indio
Irvine
La Mesa
Lake Elsinore
Los Alamitos
Lynwood
Marina
Milpitas
Modesto
Montclair
Needles
Norwalk
Oceanside
Pittsburg
Placentia
Port Hueneme
Rancho Cucamonga
Rancho Mirage
Redondo Beach
Rialto
San Bernardino
San Clemente
San Diego
San Jacinto
San Juan Capistrano
San Marcos
Santa Maria
Santa Monica
Seal Beach
Sebastopol
South Gate
St. Helena
Union City
Upland
Ventura
Victorville
Vista
Yorba Linda
Yucaipa
Yucca Valley
Waterford

RECENT MOBILEHOME PARKS ACT
MAINTENANCE INSPECTION ACTIVITY ("MPM")*

	1/1/02-12/31/02	1/1/03-12/31/03
Preinspection Conferences		
# of parks noticed	430	150
# of parks completed	402	139
MPM Initial Inspections		
# of parks inspected	452	151
# of lots inspected	29,530	10,268
# of lots cited	15,471	4,463
# of park violations	14,513	3,629
# of resident violations	22,649	6,748
MPM Reinspections (may be more than one reinspection per park each year)		
# of reinspections	785	600
# of lots inspected	20,855	15,308
# of lots cited	11,339	7,825
# of park violations	10,605	7,359
# of resident violations	14,697	10,209

MPM Time-and-Motion Results (Per-space timing)

Pre-inspecton conference with Park Operator: 3.6 minutes/space
Initial full-park inspection: 12.9 minutes/space
Inspector report-writing: 4.88 minutes/space
Reinspections of violations cited: 11.9 minutes/space
Inspector travel time: 7.4 minutes/space
Support time: 22.3 minutes/space
TOTAL MINUTES PER SPACE: 62.9

NOTES:

1. Numbers reflect carry-over from prior calendar year, and completion may be in a subsequent calendar year.

2. These violations all reflect "B" violations. "A" violations are issued by hand, on the site, and therefore are not captured in this data base.

*2005 HCD Report to the Senate Select Committee on Mobile & Manufactured Homes' MPM Legislative Working Group

MOST COMMON MOBILEHOME PARK MAINTENANCE VIOLATIONS

As prescribed by statute, a maintenance inspection does not result in violation notices being written for every violation of the act, but only those representing "imminent" or "unreasonable" risks or hazards.

The ten most commonly cited violations against mobilehome park operators, as a percentage of total (39,000) violations identified as park operator violations:

1. The lot/park electrical service equipment has exposed live electrical parts. **8%**

2. The lot sewer inlet and/or clean out is open. **6%**

3. The gas meter is inadequately supported. **5%**

4. The lot/park electrical service equipment is in disrepair or substandard condition and/or not weatherproof. **3%**

5. The lots in the park are not identified. **4%**

6. There is a leak at the water supply outlet or lot drain. **3%**

7. There is exposed non-metallic electrical cable (romex) being used where it is subject to physical damage. **3%**

8. A mobilehome/recreational vehicle is located closer than three feet to a lot line and is within six feet to combustible construction on an adjacent lot. **3%**

9. The over current protective device at the lot electrical service equipment is rated greater than the ampacity of the manufactured home/mobilehome cord or feeder conductors. **2.5%**

10. There is an accumulation of refuse, garbage, rubbish, lumber scraps, waste paper, hay, grass, straw, weeds, litter, or other combustible waste on the roof, on the vacant lot, or in the open space. **2.5%**

Ten most commonly cited violations against mobilehome park residents, as a percentage of total (45,000) violations identified as park resident violations:

1. There is an accumulation of refuse, rubbish, lumber scraps, paper, leaves, brush, or other combustible materials under or around the manufactured home/mobilehome. **6%**

2. The stairway to the mobilehome or accessory structure does not have a handrail. Every stairway with four or more steps or serving porches having the finished floor 30 inches or more above grade shall be equipped with handrails and intermediate rails. **5+%**

3. There is non-metallic electrical cable (romex type) being used in an exposed location where it is subject to physical damage. **5%**

4. Extension cord is being used to supply power to a source that requires a permanent wiring method. **4%**

5. There is no complying stairway at each required exit. **2.5%**

6. No permit was obtained for the installation and/or construction performed. No person shall erect, construct, reconstruct, install, relocate or alter (1) any building, structure or accessory building, (2) any electrical, mechanical, or plumbing equipment, (3) any fuel gas equipment installation, or (4) any fire protection equipment within a mobilehome park or a mobilehome lot without first obtaining a written construction permit. **2+%**

7. The manufactured home/mobilehome electrical supply conduit is buried. **2+%**

8. A combustible storage cabinet (shed) is constructed with combustible material and is within three feet of the lot line or six feet from combustible construction on the adjacent lot. **2%**

9. There is a leak in the drain line system. **2%**

10. The stairway handrail is structurally unsound. **2%**

California Department of Housing and Community Development
MPM Task Force
Member's Briefing Paper

December 9, 2005

Brief summaries of mobilehome parks with serious violations

Last Chance Letters:

Cherry Lane MHP, San Joaquin County: A Last Chance Letter (LCL) was sent to the operator of Cherry Lane Mobilehome Park on October 20, 2005, for violations cited during a complaint investigation. The uncorrected violation is the failure to maintain a safe operating private sewage disposal system. The LCL gained the attention of the park owner and stimulated work towards repair of the sewage disposal system. Engineered plans were submitted and recently approved. While the construction is being completed, the park management company has contracted with a sewage disposal pumping company and the sewage system septic tanks are being drained on a daily basis. A followup inspection is scheduled for early January 2006.

Casa Grande Mobilehome Park, Solano County: The owner of Casa Grande Mobilehome Park on September 8, 2005 was issued a Last Chance Letter to trim the dead fronds from palm trees located throughout the park. The owner has proven in past matters involving the issuance of compliance orders to be non-cooperative. The LCL in this case did get the owners attention and resulted in all the palm trees in the park being trimmed by a professional tree trimming company. This enforcement action is now closed.

Vasco MHP, Alameda County: A Last Chance Letter has been sent to the park operator of Vasco Mobilehome Park on June 23, 2005 for continuing violations cited during a complaint investigation. Uncorrected violations include: lot electrical service equipment of 30 amp/155 volt which does not have the capacity to supply the installed 100 amp 120/240 volt mobilehome; a mobilehome located closer than the required six feet from a mobilehome on an adjacent lot; gas meters on lots have been enclosed or obstructed in such a manner as to restrict ventilation to the gas meter;, a sewer leak at the resident's end of the lot connection causing a health hazard; and accumulation of refuse, rubbish, lumber scraps, paper, leaves, brush, or other combustible materials under and around the mobilehomes throughout the park. The park operator responded to the LCL by correcting the cited violations. This enforcement action is now closed.

Livermore Trailer Ranch, Alameda County: A Last Chance Letter (LCL) was sent to the park operator of Livermore Trailer Ranch on July 7, 2005 for continuing violations cited during a complaint investigation. Uncorrected violations include: park electrical service equipment (circuit panel box) located outside of an abandoned building has exposed live electrical parts; lot electrical service equipment does not have the capacity to supply the installed mobilehome; park electrical service equipment not accessible for inspection or disconnection in case of emergency; park electrical service equipment in disrepair or substandard condition; inadequate and deteriorated lot electrical service equipment supports; LP-Gas vessels not securely fastened to the mobilehome; non-metallic electrical cable being used in an exposed location where it is subject to physical damage; electrical equipment and/or electrical receptacles installed in an exterior location not approved for wet or damp locations; inadequate clearance around the LP-Gas tank (60 to 500 U.S. gallon capacity) installed on the lot; extension cord being used to supply power to a source that requires a permanent wiring method; and accumulation of refuse, rubbish, lumber scraps, paper, leaves, brush, or other combustible materials under and around several mobilehomes throughout the park. The park operator responded to the LCL by correcting many of the cited violations with only a few remaining to be finished. A follow up inspection is scheduled for late December 2005.

Cabana Holiday Mobilehome Park, Monterey County: A Last Chance Letter (LCL) has been issued to the operator of Cabana Holiday Mobilehome Park on September 15, 2005, for continuing violations cited during a complaint investigation. Uncorrected violations include the hillside behind the homes at lots 5, 43, 44, 45, 46, 47, and 48 is failing and the retaining wall at lot 5 has been installed without benefit of permit or inspection. The park operator has responded to the thirty (30) day LCL and progress is being made towards correcting the cited the violations. A follow-up inspection is scheduled for early January 2006.

Holly Mobile Estates, San Joaquin County: A Last Chance Letter (LCL) was issued on November 3, 2005, to the operator of Holly Mobile Estates for continuing violations cited during a complaint investigation. The uncorrected violations include but are not limited to: parts of the parks water and gas services have been replaced or reconstructed without permits; there is an accumulation of refuse, garbage, and rubbish in the open area of the park; there are wood awnings and enclosures throughout the that have been deemed substandard; there is evidence of drain connector leakage at several mobilehome lots in the park; electrical outlet on the mobilehome cord connection side is broken; numerous park gas meter are not supported; at several lots, waste water from the clothes washer is being discharged on the ground; at several lots, the lot electrical equipment is substandard and conductors deteriorated; at several lots, the

electrical service equipment is not provided with the minimum 36 inch working clearance; at several lots, the mobilehome electrical feeder assembly is damaged exposing the electrical conductors and the park overhead conductors have deteriorated with age creating an electrical hazard. The park is currently scheduled for a reinspection; if no action has been taken, the Department will proceed with a PTO suspension action.

V Trailer Park, San Joaquin County: A Last Chance Letter (LCL) was issued to the operator of V Trailer Park on October 31, 2005, for a continuing violation cited during a complaint investigation. The uncorrected violation involves the abatement of several vacant substandard mobilehomes creating injury risk to the adults and children in the park. The park owner responded to the LCL by taking action to remove some of the substandard units, unfortunately he has run into some legal difficulties regarding unit owner authorization for the remaining substandard units. A follow-up inspection is scheduled for early January 2006.

Sundown Mobilehome Park, Butte County: A Last Chance Letter (LCL) was issued to the operator of Sundown Mobilehome Park for continuing violations cited during a complaint investigation. Uncorrected violations include the failure to remove or repair an abandoned substandard mobilehome creating a hazard for park residents especially children, park lots littered with debris and garbage, and a broken lot water main. The park operator responded to the LCL by correcting the cited violations. This enforcement action is now closed.

Gateway Mobilehome Park, Tehama County: A Last Chance Letter (LCL) was issued to the operator of Gateway Mobilehome Park for continuing violations cited during a complaint investigation. The uncorrected violations include the installation of six mobilehomes in the park without benefit of permits or inspections. The installations of these homes do not meet setback requirements and in some cases are impeding roadway passage. Approximately 60 days after the LCL was issued the violations were corrected. This enforcement action is now closed.

Oak Knolls Trailer Park, Sanger, Fresno County: A Last Chance Letter was issued to the park owner on July 8, 2005 for continued violations of the Mobilehome Parks Act cited in a recent inspection conducted by HCD. There are 47 violations that remain uncorrected, posing an unreasonable risk to health and safety. The park owner was given until August 8, 2005 to correct all outstanding violations or legal and/or administrative action will be taken by the Department to obtain compliance.

A follow-up inspection conducted in October 2005 confirmed that the park operator was diligently making corrections and as of December 1, 2005 only one outstanding violation remained. As a result of the effort being made by the park operator, additional time was granted to complete the corrections. A final follow-up inspection will take place in January 2006.

Notice of Intent to Suspend PTO:

Orick Motel and Trailer Park, Humboldt County: Notice of Intent to Suspend the Permit to Operate was sent on October 19, 2005, to the owner of Orick Motel and Trailer Park and a resident advisory notice posted in the park. The notice was provided to the owners due to the installation of four mobilehomes without permit or inspection, the installation of six recreational vehicles on unapproved lots with unapproved utility connections, operating the park without a current Permit to Operate and for park roadways which contain numerous large depressions creating breeding grounds for mosquitoes and other vectors. The Department has yet to hear back from the park owner and is scheduled for a follow-up visit within the next two weeks.

Lathrop Sands Mobilehome Park, San Joaquin County: Notice of Intent to Suspend the Permit to Operate was sent on September 19, 2005 to the owner of Lathrop Sands Mobilehome Park and a resident advisory notice posted in the park. The notice was provided to the owners due to the lack of action by the park operator to replace a failed private sewage disposal system. This matter was also referred to the San Joaquin District Attorney's Office who in the past has been very helpful in resolving similar situations.

Lathrop Sands MHP, San Joaquin County Follow-up Information: The management company representing Lathrop Sands Mobilehome Park responded to a settlement agreement reached with the San Joaquin County District Attorney by submitting plans, and a check for $1703 to repair the park's failing septic system. Additionally, the management company provided payment in the amount of $2000 to cover Department enforcement costs. The Department previously filed a complaint with the San Joaquin County District Attorney for noncompliance in the abatement of the health and safety hazards associated with the failing septic system and surfacing raw sewage. HCD has agreed to withdraw its complaint with the San Joaquin County District Attorney as soon as the system repairs are completed and approved.

Ramblin Rose R.V. Resort, Del Norte County: Notice of Intent to Suspend the Permit to Operate was sent on June 10, 2005 to the owner of Ramblin Rose R V Resort and a resident advisory notice posted in the park. The notice was provided to the owners for failure to correct numerous park electrical violations and the installation of park lighting without permit and inspections. Department representatives later met with the park manager of Ramblin Rose R.V. Resort to discuss the outstanding violations and the permit to operate suspension. The park manager explained that he was trying to correct the violations but was getting no assistance from the park owner. He further explained that the park more than likely would be going into foreclosure or is in foreclosure and shortly become the lender's property. The park manager was advised that within 30 days, the official notice of suspension of the park's permit to operate would be issued and posted, making it illegal for the owner to continue to collect rent. To date the park's Permit to Operate remains suspended with no rent being collected by the owner.

Deluxe Trailer Park (40 lots), Santa Barbara, Santa Barbara County: On April 13, 2005 a Notice of Intent to Suspend the Permit to Operate was issued to the park owners for failing to comply with the Department's Notice of Violations resulting from a mobilehome park maintenance inspection recently conducted at the request of the City of Santa Barbara Code Enforcement Agency and Fire Department alleging serious hazards.

There are approximately 75 violations constituting an unreasonable risk to health and safety remaining, ranging from fire separation encroachments, construction without permits, substandard room additions, plumbing and electrical violations, and trash and debris though out the park. The park owners were given until May 13, 2005, to comply.

A re-inspection was conducted on May 13, 2005, and revealed the park owner did not take any corrective action but rather was attempting to evict the residents from the park. The CSA-I contacted the Santa Barbara City Attorney and scheduled a meeting for June 2, 2005 to file a complaint against the park owner for willfully failing to comply with the Department's

Notice of Violations. The City Attorney was willing to accept the case and pursue legal action against the park owner. On June 2, 2005, the CSA I met with the City Attorney and representatives from the city code enforcement, building department and city managers office also attended the meeting. The City Attorney stated that he would draft a civil complaint and meet with the park owner before filing the legal case with the court.

On or about the end of June 2005, the City Attorney met with the park owner to discuss the case and a plan of corrective action. The park owner agreed on a timeline presented by the City Attorney to achieve full compliance. To date, all park violations have been corrected and the City Attorney is working with Department staff and park residents to assure timely correction of the remaining resident violations.

Loucal Trailer Park (140 lots), Little Rock, Los Angeles County: On September 29, 2005, a Notice of Intent to Suspend the Permit to Operate was sent to the park owner for continuing violations of the Mobilehome Parks Act discovered in a recent complaint investigation. The private sewage system is failing and there is raw sewage being deposited on the ground at lots 1, 2, 6, 7 and 12. The park owner was cited several times to repair the failing sewer system; however, the latest inspection conducted on September 3, 2005, revealed the park owner has done nothing to correct the system. The SAO is filing a case with Los Angeles District Attorney's Office concurrent with the Notice to Suspend the Permit to Operate.

On or about October 3, 2005, the SAO received a letter from the park owner requesting a meeting with staff at the park to discuss the 'Notice of Intent to Suspend the Permit to Operate" and discuss the sewage problems. The park's sewage is system is still in disrepair and staff advised the owner that unless immediate action is taken to make the necessary repairs, the Permit to Operate will be suspended by November 4, 2005.

A reinspection was conducted on November 5, 2005 which revealed good progress was being made to correct the remaining violations. Plans to repair the failing sewage system have been submitted to the L.A. County Health Department for approval. Once approved by that agency, the park operator will submit an application to HCD to complete the necessary repairs. Due to the progress being made to bring the park into compliance, the park operator was given an extension of time to complete the remaining repairs necessary to bring the park into substantial compliance with the Mobilehome Parks Act.

Suspended PTO or Follow-up Information:

Jennings Mobilehome Park, Madera County: Effective June 10, 2005, this troubled mobilehome park with years of sporadic correction of park and resident violations became the property of new owners. As a prelude to the sale of the park and the suspension of the park's Permit to Operate, a meeting was held between the new owners and HCD representatives to discuss the uncorrected violations and what would need to be done to bring the park into compliance. The new owners purchased the property fully aware of the problems needing to be resolved. Additionally, the Department received a check in the amount of $3,840 as part of an agreement between HCD management and the previous owner for reimbursement of inspection costs incurred during its enforcement efforts. To date, a few violations still remain but progress has been made by the new owners.

Westerner MHP, Sacramento County: HCD suspended the Permit to Operate Westerner MHP on December 29, 2003, and the City of Sacramento accepted jurisdiction. The 47-space park was placed in court –supervised receivership after the owner failed to bring a failed private sewage disposal system into compliance. Earlier this year, Sacramento City Building Department delivered records for the final approval of the new park sewer system connecting Westerner MHP to the City's public sewer system. The delivery of this information will now allow HCD to once again assume enforcement duties in the park and reinstate the Permit to Operate when requested by the court-appointed receiver.

Terhel Farms Trailer Park # 2, Colusa County: The Permit to Operate Terhel Farms Trailer Park # 2 was suspended in March 2005 for failure to correct several cited health and safety violations including: a significant amount of construction activity without benefit of permits; inadequate fire separation; and no current Permit to Operate at the time of suspension.

Recently, the operator has demonstrated a desire to bring the property into compliance by having plans prepared and securing required local zoning and construction approvals. A meeting was conducted by Department representatives to provide a preliminary plan review and a review of local approvals. The meeting concluded with an advisory report of what was needed so the plan submittal could be accepted into plan check. Progress continues towards reinstatement of the Permit to Operate.

Sleepy Hollow Resort, Lake County - Update: The Permit to Operate for Sleepy Hollow Resort has been reinstated. The park PTO was suspended on January 7, 2005 for a variety of health and safety violations. The most recent uncorrected violations were for construction without permits, manufactured home installations without permit or inspections, and failure of the park's sewage disposal system. All of the above violations have been resolved. The last issues to be resolved were the buildings constructed or altered on the property, for which the local building department has issued permits and assumed responsibility, since there use is not related to park operation. The operator was able to complete the installation of the new sewage disposal system with the local health department granting final approval.

Faerie Ring RV Park, Sonoma County - Update: A meeting was held by the Sonoma County Deputy DA to determine whether the operator of Faerie Ring RV Park had complied with the terms of a Preliminary Injunction issued July 28, 2005. Present at the meeting were Sonoma County Counsel, Sonoma County Code Enforcement, Sonoma County Environmental Health and HCD representatives. HCD reported the issuance of a permit for the construction of a new park electrical system, but to date no construction has commenced. There has been no progress in mitigating the substandard sewage disposal system and the operator has not complied with the order to pump the system and report the activity monthly. The County Code Enforcement has ordered the park operator to return the park to its original use permit conditions and address the sewage disposal violations, which he has not done. The operator claims he is attempting to obtain land use approvals to increase the number of RV lots.

Due to the owner's inability to comply with the conditions of the Preliminary Injunction, the DA plans to pursue collection of civil penalties and costs. He is also considering placement of the park in the care of a receiver.

Catalpa Tree Trailer Park, Butte County: A Final Notice of Suspension was served to the owner of Catalpa on September 12, 2005. The PTO suspension was based on the installation of a storm drain system that did not have local approvals and without benefit of a permit and inspection issued by the Department. Follow-up inspections at the site have revealed that the 28-space mobilehome park has been completely vacated and is being redeveloped as a commercial property. This file is now closed.

STATE OF CALIFORNIA -BUSINESS, TRANSPOR ON, AND HOUSING AGENCY ARNOLD SCHWARZENEGGER, *Governor*

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
OFFICE OF THE DIRECTOR
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February 24, 2005

The Honorable Joseph L. Dunn
California State Senate
1020 N Street, Room 2080
Sacramento, California 95814

Dear Senator Dunn:

I want to thank you for convening a legislative working group to address the sun setting of the state's Mobilehome Park Inspection Program (MPM), operated by the Department of Housing and Community Development (Department). The Department shares your concern about the effect the expiration of this program would have on the residents of mobilehome parks, as well as the owners and operators of these parks.

We are pleased to provide any assistance we can in your endeavor to ensure the health and safety of park residents through this program. Specifically, your letter requested information pertaining to the estimated cost per space needed to continue inspections at the current seven-year cycle and alternatively, the costs required if the program was to convert to a five-year cycle. Our analysis has determined the following:

- If the existing MPM program were continued for another seven-year cycle, exactly as it is, with the Department inspecting 40 percent of the State's total parks (those which have the most health and safety problems or most complaints), the Department estimates that the per-space fee would have to be increased from the current $4.00 per space per year to $6.00 per space. These estimates are based on program history, time and motion studies and current costs.

- If the existing program were to continue as it is, except on a five-year basis, with 100% of the parks in the State inspected during that time frame, the Department estimates that the per-space fee would have to be increased from $6.00 to $18.00 per space.

Please let us know if the Department can be of any further assistance. Should you have any questions concerning this information, please contact Kim Strange, Acting Deputy Director for the Division of Codes and Standards, at (916) 323-9252 or by email at kstrange@hcd.ca.gov.

Sincerely,

Thanks again, Senator!

Lucetta Dunn
Director

cc: Richard Costigan, Legislative Secretary
Governor's Office

GOVERNOR ARNOLD SCHWARZENEGGER

OCT 0 6 2005

To the Members of the California State Senate:

I am returning Senate Bill 106 without my signature.

This bill increases the fee for mobilehome park inspections by fifty percent with no commensurate increase in the level of protection for mobilehome park residents. The current fee of four dollars charged to park owners provides inspection and enforcement by the Housing and Community Development Department and will sunset on January 1, 2007.

There is no compelling reason to raise the mobilehome park inspection fee at this time.

Sincerely,

Arnold Schwarzenegger

STATE CAPITOL • SACRAMENTO, CALIFORNIA 95814 • (916) 445-2841

TRANSCRIPT

Joint Hearing of the Senate Select Committee on Mobile and Manufactured Homes, the Assembly Committee on Housing and Community Development, and the Assembly Select Committee on Mobilehomes

Mobilehome Park Maintenance Inspection Program—Extend or Die

January 25, 2006
State Capitol Building, Room 112
Sacramento, California

SENATOR JOE DUNN: We're just waiting a minute, a moment or two, everyone, because we know that Assemblymember Lieber wanted to be here as well, too, and we're just checking on her status. As soon as we get word on that one, we'll get rolling right away. And in fact, if we have them, oops, where did I put it? Here we go. As most everyone is aware, we do this generally by panels. Why don't we bring Catherine Borg up, have her settle in. We knew she was coming. You knew I was going to pick on you, Jeri McLees, and Don Gilbert—why don't we get each of them up here and settled in. And I am going to give each of the members an opportunity for some opening comments, then we'll get right into the testimony, as well, too.

I know everybody who's usually here and present at hearings are a little bit shocked that we're actually here and starting at two o'clock as scheduled. It's our New Year's resolution at least for today.

UNIDENTIFIED: You're not working on legislative time.

SENATOR DUNN: The issue today is the Park Maintenance Inspection program. It's a Joint Hearing because we're doing it both with those folks from the Senate side who have been involved in this issue and also the Assembly side. We

are joined today, of course, by Assembly members Garcia and Mullin. I am going to give each of them an opportunity to share as I mentioned, some opening comments in just a moment.

I only want to share just a little bit to set the stage, what brings us here today. I think most people here have been involved in this process relating to the Park Maintenance Inspection program, so I'm not going to spend a lot of time on it, but basically what we want to do today is review and discuss the extension of HCD's Mobilehome Park Maintenance Program, which unfortunately, from many viewpoints sunsets at the end of this year. There is a briefing paper available. If you do not have a copy of it, I believe it's right over here on the sergeant's desk. Please take it, because it does cover the history of the inspection program, and how it's evolved over time since it's original creation.

It started in 1991, where every park in the state was inspected over approximately an eight year period until the sunset was extended in 1999. Since 2000, we have inspected about 40 percent of the parks focusing in on the worst parks with the most violations and problems. The program's value, as everyone is aware, is that in 15 years of the program there's been tens of thousands of violations found and mostly corrected. As I've said many times, the vast majority of parks do the right thing for their residents, and are not really touched by the inspection program, and that was the whole evolution process of focusing in on the smaller number of parks that are problems, or have consistent problems in this area.

Due to the pending sunset of this year, last year, in 2005, we brought together a legislative working group to try to deal with extending the park inspection program culminating in a compromise, short term answer, which was SB 106, that increased the fee by $2 per space and extended the program for two years. Unfortunately, it was vetoed by the Governor and that's, of course, why we are back here today.

We know that dollars seem to be the big issue. I think there's been an evolution in mindsets towards the inspection program over the years by both residents and park owners, but the real issue now, of course, is the dollars and what the current revenue allows for and what would be necessary to keep the

program going under certain iterations. And we've discussed as everybody who's been involved in this process anywhere up to a $14 increase and we know last year the HCD director suggested that if we stay zeroed-in on the 40 percent program, it would probably be a $6 program. Today, of course, we want to get everybody's input on those various options as far as what we do with the program itself.

We have just a couple of procedural notes in a moment, but before I do that, let me turn it over to our Assembly members that are here, starting first with Assemblymember Garcia if she wishes to share any opening comments.

ASSEMBLYMEMBER BONNIE GARCIA: (INAUDIBLE)

SENATOR DUNN: You got it. The ball has been passed over to Assemblymember Mullin. Let's invite him for any comment.

ASSEMBLYMEMBER GENE MULLIN: Thank you, Mr. Chair, and thanks to the vice-chair of the Housing Committee to allow me to go first. And I will be brief. Speaking of brief, I appreciate the briefing paper that was constructed and provided a good history of the program and some of the issues that will be addressed today, and so, thank you for that backgrounding.

Clearly the Mobilehome Park Maintenance program provides a relatively low cost approach to ensuring health and safety conditions that are appropriate in parks that have had, not all parks, but particularly those that have had problems with the violations. It would seem that state oversight would arguably provide a consistent mechanism to ensure that parks are meeting the Health and Safety Code requirements in the state. With that, I look forward to hearing the information and feedback from the various panels today and look forward to working to make sure we have some program in place going out into the future.

SENATOR DUNN: Mr. Mullin, thank you very much. Ms. Garcia?

ASSEMBLYMEMBER GARCIA: Thank you, Senator. I think it's extremely important topic that we're touching on. We're talking about almost a half a million people living within some type of park within the State of California. And I hope that we look to not just extend the program, but how we can obtain compliance and support from the local jurisdictions instead of shifting all the responsibility over to the state. And also looking at compliance instead of a citation driven or,

you know, penalty driven program that does nothing to remedy the problems that are within the park.

And finally that we should also look at partnerships, perhaps privatizing part of the inspection process or creating partnerships with the private sector, so that we can better manage the problems that we see within some of these parks. Thank you.

SENATOR DUNN: Thank you very much, Assemblymembers. Just on some procedural notes for those unfamiliar with the process, some of the members of the committee may have to come and go periodically through the testimony simply because of other committee commitments that they have. Please don't take personal offense. They will be monitoring the hearing. We are being televised. But, excuse folks as we have to come and go with other challenges throughout the building. Just like when you're at the movie theater and that little trailer comes on and says "turn off your cell phones", we'd appreciate that too. The only difference between the local movie theater and here on that score is we have sergeants-at-arms that are here that will confiscate that cell phone if it becomes an annoyance to your neighbor. So to avoid confiscation, we respectfully suggest that you turn off cell phones and pagers or at the very least, turn them to vibrate mode. And also for any conversations—we're in a relatively small room, obviously, we prefer any side conversations be taken out in the hall so as not to disturb the testimony or the questioning from the dais itself.

As I mentioned, we are being televised. And there will be a transcript available sometime probably in mid February or so. You can contact any of the committees involved in this hearing or specifically the Senate Select Committee on Mobile and Manufactured Homes. If you do want a copy of the transcript you can leave that with either Stephanie who is sitting over here in the front row way over here on my left, your right, I think that would be. And John Tennyson, of course, who most folks are very familiar with over the years on many of the issues relating to mobile and manufactured home communities.

So, without anything further, let's go right to our agenda starting with our panel from the mobilehome park owner community. And starting with Catherine Borg. Ms. Borg, if you would, please.

MS. CATHERINE BORG: Thank you, Catherine Borg with the Western Manufactured Housing Communities. Senator, members, thank you for having us here today. The Western Manufactured Housing Community Association celebrated its 60th anniversary this year and has a membership of approximately 1,800 communities throughout the state. We are discussing today whether the current MPM program should be extended beyond 2006 or whether the program should be abandoned due to inadequate funding. WMA believes the program is valuable to both park owners and residents. Responsible park owners work tirelessly to operate their communities in an efficient and legal manner and strive to comply with all the health and safety statutes in Title 25 regulations.

Responsible residents don't want to live in an environment where other residents create unsafe living conditions for their neighbors. And the Department of Housing and Community Development has served as a valuable third party needed to make sure everyone is in compliance. WMA supports a continuation of the current program and plans to introduce similar legislation to SB 106, by Senator Dunn, to remove the sunset date. WMA supported SB 106 last year and agreed to a $14 increase in the fees split by residents and owners to inspect all the parks on a five year basis. The bill was amended to increase the fee, but only $2 and was subsequently vetoed. It is WMA's intent to continue the program as it is currently funded.

I would like to address some of the issues that were outlined in the briefing paper. With respect to proof is in the pudding—WMA believes the MPM program is worth continuing on a time certain basis and not on a compliant only basis. Dollars and cents—WMA believes that the fees should be increased to a level which will support a program that inspects every mobilehome park in the state every five years. What is adequate? Again, we would like to see the inspectors every five years going into every park. More bang for the buck—I would have to defer to HCD to whether the program could be more cost effective. More than a ticket writer, WMA would not support citation authority for enforcement agencies. Redirection—WMA believes that if the mobilehome park maintenance and inspection program is eliminated, so should the fee. The fee was very specifically agreed to fund the MPM program and not anything else.

Offering the carrot—locals should not be given the ability to create their own fee to implement the program. When local governments opt in to become the enforcement agency, they should use the same criteria and guidelines as the state enforcement agency. Local control—WMA does not believe the program should be turned over to local control. It would be extremely difficult to provide industry specific education when there are several different versions of the MPM program. Compliance would be difficult to attain, as each locality would have different standards. HCD provides a consistent application of the law throughout the state and when there's a disagreement with an inspector, someone from Sacramento is able to resolve the dispute.

Preserving parks—adequate protection is provided by the Government Code. WMA does not believe this to be an issue, as manufactured housing communities that are closed as a result of a decision by the enforcement agency would still need to follow the Mobilehome Park Closure Act in Government Code Section 65863.7.

So, thank you, and I can answer any further questions.

SENATOR DUNN: Ms. Borg, one question, and you may have mentioned it. My apologies if I missed it. I think in your statement you indicated that WMA continues to support the $14 per space increase that was proposed last year, although we came up with a compromise, obviously. Where is your organization, if you know, if we maintain a no fee increase or modest increase to maintain the 40 percent approach?

MS. BORG: We are, the bill that we are introducing is just a continuation of the 40 percent program at the $4 level.

SENATOR DUNN: Okay, alright. Got it. Other questions for Ms. Borg? Mr. Mullin.

ASSEMBLYMEMBER MULLIN: Just briefly, Ms. Borg. I thought in reading the briefing paper that the $4 fee would not allow the 40 percent oversight to continue. I thought that that would be inadequate given cost pressures that they would not be able to do 40 percent in the future at that level.

MS. BORG: The $4 fee currently is inadequate. That's why we supported the bill last year to increase it to $6, because currently how things happen is that

on the budget year basis, by January HCD has run out of funds and they're not able to do any more inspections.

ASSEMBLYMEMBER MULLIN: They're not meeting the 40 percent at the current rate, but so continuation of that $4 fee would not get you 40 percent. It would get you substantially less than that.

MS. BORG: You are correct, but we believe that the current program, as inadequate as it is, is better than no program at all.

SENATOR DUNN: Okay. Other questions from the dais? Seeing none, let's go to Jeri McLees, and then Don we'll come to you. Please.

MS. JERI McLEES: Good afternoon. My name is Jeri McLees and I've been involved in the mobilehome park industry since 1975. A lot of my comments are going to be repetitious a little bit of what Catherine has said, but I'm going to be speaking from a little different perspective.

I'm a community owner, have been since 1985, and I also was intimately involved in the establishment of this inspection program back in the early '90s when I worked as one of WMA's legislative advocates. It's the opinion of WMA and myself—we represent about 1,800 communities throughout California, as Catherine said, that the MPM inspection program has been successful and should be continued.

We supported Senator Dunn's bill of last year and we're very disappointed in the Governor's veto. We're sponsoring legislation by Assemblymember Coto which we hope can be the vehicle to continue the program past the sunset date at the end of this year. What exactly is going to happen with that bill, of course, is way too soon to tell, and perhaps that can address some of your questions, Assemblyman.

Why would we support a program which would allow third party inspections of our communities? Inspections by persons who give us citations and ultimately could shut down an inferior property. That's exactly why we believe that only a neutral third party can provide the appropriate ammunition to resolve health and safety violations of both park owners and management as well as residents, thus enhancing the lives of our residents and the safety of our communities.

One of the hats that I wear with WMA is to periodically compile cases of interest throughout the country. One of those are what's called failure to maintain lawsuits. When I started doing this in the early '90s, those lawsuits were very, very popular. Late '80s, late '90s, I'm going to tell you we had 50, 60, 70, 80 lawsuits going on at any time. And that's one of the impetuses for us establishing this program. Since the inception of the program, those cases have decreased dramatically and in my last report, I think I only had about ten that were active. It's a benefit I think of everyone involved, except maybe the attorneys.

Another hat I wear—

SENATOR DUNN: I won't take anything personal from that, Ms. McLees.

MS. McLEES: I know you wouldn't, Senator. **(LAUGHTER)** It's a secondary hat you wear.

SENATOR DUNN: There we go.

MS. McLEES: Another hat I wear is an instructor with WMA's continuing education program. I've been doing that since 1992. We had recent seminars in Northern California and I spoke to about 250-280, mostly managers. And I specifically asked them—I was coming to this hearing and I said, hey, what's your feeling? You know, does this work for you? Is it working for the parks? Is it working for the residents? And I had not one person in that entire group say, oh, we wanted to stop. It was totally the opposite. It was a resounding let's continue the program under any circumstances. One manager said that the inspection program had helped tremendously in getting his residents to resolve health and safety issues, issues which hadn't been addressed for years and which the managers and the residents were at loggerheads. Then the park didn't have to resort to termination of tenancy, which is really our only stick that we have. And the residents, their neighbors, and the park could be happier ever after.

Another manager said he welcomed the inspectors into his community and wished that they would come more often, not less often. This was repeated by several. Many of the people didn't understand the 40 percent rule. They didn't understand the funding. I, of course, didn't go into the details of it, but all of them seemed to feel that they wanted to have, as we do with the Public Utilities

Commission, a periodic inspection where we will be accountable to a third party entity.

In answer to some of the points raised by the committee consultant, which, by the way, was very well done. I was quite impressed with it, the program should be continued. My preference, the WMA's preference would be that periodic inspection timetable be established for all the parks with perhaps a secondary complaint basis program for the most egregious of issues.

I personally think sunset dates are good whether we have three years, five years, eight years down the road, but for the Legislature to come back and take a look at the program as it has done with this one and as it does with many other programs over which it has oversight, I think it's a worthwhile endeavor. The fees are the worst. The fees are an issue and something I don't believe we can resolve today. WMA supported the fee increase contained in Senator Dunn's bill and pledges to continue to work with HCD and others on a fee that's effective. For my personal standpoint and the 400 homes sites over which I have control, an additional $5 or $15 a year to get a third party, knowledgeable inspector in my communities would be a worthwhile investment. But, I know that others in our industry disagree and, of course, WMA has to speak for them all.

On the area of local control, I would urge the Legislature to not turn the program over to local governments carte blanche. We've learned that in many instances and frankly, in my experience, people who are outstanding building inspectors are totally confused and stymied by the intricacies of mobilehome parks, mobilehome construction and standards. It's like apples and oranges. The program should be left in the hands of HCD or perhaps as Ms. Garcia suggested, maybe some sort of partnership with HCD training and oversight. Hopefully HCD will be getting more inspectors in the future and continue the program itself.

The one complaint I've heard about the program over the years, other than the fact that it's not more frequent, is that there's not uniformity in the process. It seems to depend upon the individual who's conducting the inspection, and frankly, upon the depth of experience of that person. We have a lot of turnover in the mid-'90s of long term inspectors who knew Title 25 by heart, and I think as

these inspectors come on board and get the training, that problem will get resolved and I know HCD is working on it.

I think the timelines for correction of most of the violations we talked about, whether it needs to be tightened or lessened to 60 days, or 90 days, it seems to be adequate and really doesn't need to be revised. Should enforcement agencies be given more authority? That's a tough one. As we look at program for fines and receiverships, you know, it opens a whole can of worms as we recognize when we're dealing with a receivership bill last year.

I guess I defer to HCD as to whether they're unable to resolve the really tough cases under the current program. I think the vast majority of them we are able to work out under, you know, our current process. Thank you very much for your interest. All I can say is I hope that in this coming year we can figure out a good compromise to keep the program going. And I'm, like Catherine, available for any questions you might have.

SENATOR DUNN: Okay, Ms. McLees, thank you very much. Any questions from the dais? Seeing none, Mr. Gilbert, let's get to you. That, it's Don Gilbert representing the California Mobilehome Park Owners Alliance. Mr. Gilbert.

MR. DON GILBERT: Mr. Chair, Chairman Mullin, Vice chair Garcia, and Assemblymember Lieber, I appreciate the opportunity to be here representing CMPA. First wanted to start off by thanking you, Senator Dunn, for your efforts at getting our working group together last year. I thought it was very positive, especially as compared to, as Mr. Tennyson will remember, with SB 700, where there were a few more fireworks, I think, among the industry, the homeowners, and the park owners, there's much more agreement there than there has been in the past on this issue, so that's good. And as you know, we did support SB 106. We would support that bill again were it to be introduced.

We are very comfortable with the current program, which is why we supported SB 106. We do not think there is any empirical evidence of any kind actually suggesting that it needs to be expanded. We're quite willing to pay an increase of $2 split 50/50 with the residents to support the current program. I was looking at some analyses of SB 700 from 1999, which went into effect January 1, 2000, and the analysis said that there was, you know, 5,000 plus parks at that

time of which 40, four-zero, parks had serious violations which is less than one percent of 5,000. And we agreed the homeowners and the industry, nonetheless, to have 40 percent of the parks inspected despite the fact that less than one percent had serious problems. And we think that's still a smart way to go. It's obviously going to capture more than just serious violations. It will capture lesser violations as well. So, that's why we support the current program and would like to see it continue.

Really, that's about all I have to say. We hope that there will be legislation this year to keep the program going. Thank you very much.

SENATOR DUNN: Okay, Don. Thank you very much. Question—I'm not trying to pit one organization from the other, but I just want to understand if there's a distinction here, because I heard from, if I heard Ms. Borg and Ms. McLees correctly, that from WMA's perspective, they would support every park inspected once per five years. Let's ignore the fee issue for a moment, because we know the revenue necessary. I think that's what I had heard. And Mr. Gilbert, from the Alliance perspective, does the Alliance support that position or simply the current status of the inspection program?

MR. GILBERT: The current status. We do not support the other position.

SENATOR DUNN: Okay, I just wanted to make sure whether I was hearing a distinction or not. And I didn't want to imply one there if there wasn't, so I appreciate that. Other questions from the dais? Mr. Mullin.

ASSEMBLYMEMBER MULLIN: Briefly, Ms. McLees, you said that you had a group of managers and owners who were supportive of the fee. You have 60 percent of the parks never inspected, as I understand it right now, if they fall above that. Was there any concern that they were paying the fee but never being seen?

MS. McLEES: That's why several of them said that, you know, they'd like them to come in. They were not as concerned about paying the fee, because actually the current fee of $4 a year per space is a pretty minimalistic amount. But, they were concerned that they'd like to have them come in. You have to think about it from management's perspective, you know, not only are we going to get cited, but the inspector's going to come in and take a look at some of the residents'

issues and you know, the guy coming in with a uniform saying you've broken Title 25, is very different than the manager coming in and saying you've broken Title 25, so I don't think that's a major concern right now.

SENATOR DUNN: Okay, other questions from the dais? Mr. Gilbert, ___.

MR. GILBERT: Thank you, Senator. I just wanted to add one thing on the distinction in our positions, which, by the way, we have much in common in our positions, as well.

SENATOR DUNN: Understood, understood.

MR. GILBERT: I guess our position is there's not any evidence really anywhere that suggests that these 60 percent of these parks, you know, are a problem either with the residents or the management, and so given that, you know, we don't see any reason to expand the program. We would rather keep the program narrowly focused on, you know, parks that may or may not be a problem. But, not parks where there's no historical evidence to suggest that there's any need to inspect them.

SENATOR DUNN: Okay, I just want to offer something that you had indicated, as well, too, and I offer this both from the park owners' perspective and the residents' perspective, as well. In my tenure on this committee it's been tremendous to see over the years a number of working groups on a number of issues between park owners and park residents. We haven't resolved everything, we know that, but for many issues that at previous times would lead simply to confrontation, it has been wonderful to see, them resolved in those working groups. And I hope that those continue and continue to expand throughout California. At least my own view is I'm very big believer in those, and I think they've resolved many issues along the way. Anything else any of the three of you wish to add? Alright, why don't we thank you very much for your testimony.

Let's go on to our next panel, the representatives from the mobilehome owners themselves. Let's bring up Maurice Priest, Patricia Owens, Lloyd Logan, Herman Osorio. Let's bring all four folks up and settled into our seats here. Welcome to each of you. I will start in the order that is listed on the agenda. Representing the Golden State Manufactured-home Owners League, let's start with Maurice Priest. Mr. Priest?

MR. MAURICE PRIEST: Mr. Chair and members, Maurice Priest representing Golden State Manufactured-home Owners League. On behalf of GSMOL, we also want to thank you, Senator Dunn, for the work that you've done with regard to these inspections and the park inspection program. It's a very important subject for mobilehome owners. We supported the original inspection legislation and we've supported the inspection program since its inception.

I wanted to just define a little bit more closely what the cost has meant to mobilehome owners in the state, most of whom are low income individuals. Under the current program of $4, with half of that being paid directly by park owners, the other half a pass-through, what this means is that 16 cents per month is currently paid by mobilehome owners under the program, under its current funding level. We think that has been money well spent even though our members are low income, because it goes directly to the maintenance not only of their homes, but more importantly, the common areas, the common area infrastructure that can have a direct and serious impact on the value of their homes.

When GSMOL supported the $14 increase on the existing $4 so it would be a total of $18, we did that knowing that $7 of that increase would also be on the backs of individual mobilehome owners. Translated, that means adding 58 cents per month to mobilehome owners, most of whom are low income, which would have been a total of 74 cents per month paid directly by mobilehome owners in the state. And our reason for continuing to support even that level, that increased level of funding is, number one, our belief in the value of the program, how it benefits the mobilehome park owners, as well as the residents. And we're also motivated frankly, by our fear of what negative impact would fall directly on mobilehome owners throughout the state if there were no park inspections conducted whatsoever.

Having lobbied for GSMOL now for over 25 years, I can remember the horror stories that existed before there was any park inspection program. And it was not a pretty sight. That's why GSMOL along with the mobilehome park industry supported creation of the program. So we believe that even though our members are low income, 74 cents per month for an $18 a year funding which as explained and described by HCD and its staff would have enabled them to hire the additional

inspectors to increase the frequency of park inspections, and I know that that would not enable them to inspect all parks immediately in the state. I think that if that additional funding was supported so that the backlog of the worst parks could be concluded, right, still focus on the current violators that they're aware of and that have received citations, and then when that backlog is dealt with, commence with the additional staff the inspections of all parks at least once every five years as Catherine Borg of WMA also stated. We believe that that would be an excellent program.

We know that the costs for operating the program and inspector costs and employment costs and all of the employee related costs have gone up. That's why we supported the increase in funding. But, if the program is disbanded, we really fear for the direct impact on the value of homes by these low income individuals that we represent. As difficult as 74 cents a month might be to some of our members, thousands of dollars in loss on property value because a prospective buyer is not going to move into a dilapidated mobilehome home park, you know, where the infrastructure is run down, the streets are in poor condition, maybe the swimming pool is closed. That would have a far more devastating impact on residents when the time comes for them to go to assisted living or to basically cash in their largest investment and move elsewhere. And we think that continuation of the program is very important.

One of the things that I felt particularly bad about when SB 106 was vetoed was that this bill enjoyed support of the industry and of GSMOL. I mean, when you have a bill that received no "No" votes on the Assembly floor of 72-0 and only three dissenting votes on the floor of the Senate, frankly, I was flabbergasted that a veto resulted. I mean, I didn't research every bill that came through the Legislature last year, but maybe there were a handful on any subject that had a 72-0 vote on the Assembly floor. So, we really believe that it was a just a foregone procedural matter that the bill would be signed and be able to take effect, and we were very disappointed when it didn't happen.

The major point that I would like to make in concluding my remarks is that I think that GSMOL, and I'm their advocate, and those organizations who support the inspection program, I'll take my share of that, and say that I believe in

retrospect I could have done a better job and can do a better job on new legislation this year to spend more time with the Governor and explain that this is a self-funding program. We're not asking for general appropriation funds. I mean, this is such an important issue that consumers and the industry alike are willing to pay the cost to have a program. It's true that the state agency is handling the lion's share of that and administering the entire program, and we support HCD's direct involvement rather than going to a private industry and or even turning it over to local governments.

We have encountered the same problems as Jeri McLees testified to a moment ago, where the locals may do an excellent job of conventional building inspections, but boy, there's a lot left to be desired when they encountered the park inspection program. And I also know over the years that there have been many cities that believe that they wanted to assume the park inspection program and did so only to find out within a year, 18 months, that maybe we should punt and give it back to HCD. So we think HCD is the appropriate place and when it's really a self-funding program supported by consumers and the industry alike, I don't believe that justifies a veto.

So we hope that the program can continue, even if it continues at the $4 or a $6 level. GSMOL's position is that we will continue to support that, because even if it means that we drop below the 40 percent as Assemblymember Mullin mentioned a few moments ago, that's still better than disbanding the program entirely. So we are here to strongly support it as best we can. Thank you.

SENATOR DUNN: Okay. Thank you very much. I do want so I'm not accused of blindsiding here, because I do know Judy's sitting back there. She probably knows this is coming. I'll just forewarn her when she comes up on the next panel. I want to read the very short veto message from the Governor last October on SB 106 as has been referenced by each of the witnesses thus far.

"I'm returning SB 106 without my signature. This bill increases the fee for mobilehome park inspections by 50 percent with no commensurate increase in the level of protection for mobilehome park residents. The current fee of $4 charged to park owners provides inspection and enforcement by the HCD and will sunset on January 1, 2007. There is no compelling reason to raise the park inspection fee at

this time." I read that because I think Mr. Priest just indicated as well, too, all of us were surprised to say the least on the veto. And particularly with the reference of no commensurate increase in the level of protection. But as each of the witnesses has indicated, it's our understanding that the current amount cannot sustain the 40 percent program. So, in effect, that fee increase was to justify the current level, not a commensurate increase. And so Judy, I forewarn you, you know I'm going to come after you with both barrels blazing when you come up, because it did not seem to make sense and I think that is an opinion held, I don't mean to put words in anybody's mouth, by virtually all the stakeholders in this process and doesn't seem to make sense.

Okay. Let's go onto—Mr. Priest, did you have anything else? I didn't want to—okay. Let's go on to our next witness, Patricia Owens from Sacramento, also a member of GSMOL. Patricia, welcome.

MS. PATRICIA OWENS: Good afternoon, Senator Dunn and Assembly Members. Thank you for having me today. Being that I am a Regional Manager with GSMOL, I often travel to many of the mobilehome parks, because I am invited to many homeowners' meetings. And I know the residents in Sacramento and the other counties within my region, which is Sacramento, Yolo, Yuba, Sutter, and Coloma County. And of those parks that I visit, many of the residents want this program to continue. They are for it. They support it even with a slight increase or even with the full impact increase that we suggest at the $18 level. They want that insurance of knowing that there is the program in effect, so that if there are ever any problems within park that they know there's an agency that will follow up and make sure that the parks are maintained and taken care of.

And I will make my statements very brief, so that's all I have to say. Thank you.

SENATOR DUNN: Thank you very much, Ms. Owens. Any questions from the dais? I forgot to make that invitation after Mr. Priest's testimony. Seeing none, let's go to our next one in the order on the agenda. Mr. Lloyd Logan from Citrus Heights, also representing GSMOL.

MR. LLOYD LOGAN: Yes, thank you for having me, Senator and Assembly Members. I really appreciate it. I'm a vice president of GSMOL covering the area

from San Joaquin County north to Oregon and pretty much west to the ocean and east to Nevada. I encounter these problems periodically where inspections have apparently not been done recently, and a number of people have said, "Why not?" And so we're trying to cross that bridge now and hopefully we can extend this or add to the enforcement. Thank you.

SENATOR DUNN: Okay. Mr. Logan, thank you very much. Let's go on to our next witness. As a representative of the California Mobilehome Resource and Action Association, CMRAA, Herman Osorio. Mr. Osorio, welcome.

MR. HERMAN OSORIO: Thank you. Herman Osorio, once again, for CMRAA. About nine years ago I guess when CMRAA was organized, we obviously were already under the program for the inspections. And so the concern was not so much in having inspections, but in carryover of what happens after citations, and that it was a foregone conclusion to me that we were going to continue to have an inspection program. The question was, was it going to be every five or seven years, was it going to be 40 percent or 100 percent? And last year we, I thought, hammered out a very, very good compromise and we supported your bill and it was as I, as the others have said, a blindsided surprise that he vetoed it. I don't think he read the letter that I see in here from HCD, the third paragraph saying that the program, in order to carry on another year, the $4 was not enough, $6 was needed to do it, and it's obviously paid for by the residents and the park owners and not the state. It surprised us.

We will support, once again, any bill that comes before the Legislature to continue the inspection program. And we will discuss with the others and compromise on the amount as well as the duration. As the others have said, I cannot believe that we could have parks existing without an inspection program, not just for the park owners concerned, but for the park residents. They are, in many cases, just as at fault as are the park owners in the maintenance of their own residences. And so we feel that that is necessary and would be natural that we would have inspections in the parks. And so we will support anything that comes up this legislative year. We're only concerned with the amount and the duration. Thank you.

SENATOR DUNN: Okay. Mr. Osorio, thank you very much. Any questions from the dais for any of these witnesses? Seeing none, to each of the four of you, thank you very much. Hopefully like some of our park owners representatives who have remained after their testimony, hopefully you could remain. If we have some follow up that is necessary.

Let's roll right into our next panel. And I know that Judy just can't wait to get up here and testify. Representing state and local enforcement agencies, let's start first with just the panel from Department of Housing, Community Development, HCD. I believe we have three witnesses from HCD, and after this panel we'll bring up the city and county officials that are listed next. So let's welcome each of these starting with Judy Nevis, acting director, HCD. Welcome.

MS. JUDY NEVIS: Well, I'm happy to be here. Yes, I'm happy to be here at this—

SENATOR DUNN: We'll check back on that in about five minutes.

MS. NEVIS: Yeah, okay. And frankly, I had planned to discuss some of the background, but I think John did such a good job on his paper that that's not really necessary. Just a few points there that right now we have enforcement responsibility, that is, HCD does, for a total of 4,015 mobilehome and special occupancy parks, while 72 local agencies enforce the Act in 1, 497 parks, so that kind of gives you a feel of how it's split between state and local currently.

And beyond that, I just kind of want to go down to just talking about what happened with the last round of inspections that we did complete. Between January, 1999, and December 31st, 2005, we've inspected just over 30 percent of the parks within our jurisdiction, and those, of course, with the most or the most serious health and safety violations or complaints. During this period we conducted maintenance inspections on 1,226 parks inspecting their common areas and 81,827 spaces. So that's lots of inspections.

SENATOR DUNN: Judy, for what time period was that again?

MS. NEVIS: That's from January 1st, 1999, up to December 31st, 2005, so up to present. And those inspections resulted in 69,653 resident violations and 40,758 park violations, all of which were either imminent hazards or unreasonable

risks to health and safety. So these are violations the majority of which have now been corrected.

By the current January 1st, 2007, sunset date, we would expect to complete inspections in just over 33 percent of the parks within our jurisdiction and the reasons for not getting quite to the 40 percent, include that, of course, we've focused on the worst parks, so correction and working with violations actually took longer. And in addition, over time there has been erosion in the staffing levels, of course, as a result of inflation, so we just didn't quite get the inspection number that we thought, but we came pretty close at 33 percent.

During the upcoming year in order to meet our constituents' expectations, to complete any inspections that we start in anticipation of a sunset date, we'll assign an average of six new MPM inspections per month statewide through September 30th. These assignments will be based on park complaint investigations where the district representative determines the entire park really does need inspection for health and safety reasons. And then during the last three months of 2006, we will spend doing the necessary follow up to see that we get compliance and the violations corrected within the 60 and 30 day inspection periods.

So that kind of brings you up to speed on what has been done and where we would be at the point of sunset, so it's just kind of current status. And I think the rest of those who have been testifying and the background paper really lay out the history and frankly, what level of investment in the program buys what level of inspection. There doesn't seem to be a dispute about that. That's factual.

And I'm ready to answer any questions you may have.

SENATOR DUNN: I'm waiting.

MS. NEVIS: I know.

SENATOR DUNN: I know you don't want to, but we do need—

MS. NEVIS: That's okay.

SENATOR DUNN: --because, obviously, and you know it, we're all kind of stymied here and frankly, none of us thought we'd be here today and don't worry, I won't ask your personal opinion about it. But, we have a veto message. Frankly, I don't think it really was responsive to the issue particularly when the comment,

the specific one that I zeroed in on about no commensurate increase in level of protection for mobilehome park residents, because I don't think HCD disagrees with the statement that the current funding level is not adequate to maintain the 40 percent goal. In fact, you even said it was inflation and so forth.

MS. NEVIS: Correct.

SENATOR DUNN: We don't have it, you know. We came close, but we don't have it and my guess is if we stay where we are and just extend the current situation, no fee increase, that, due to inflation, we're going to continue to do this and the 33 is going to go to 25 and 18, etc. And we have to do something about that and I don't think there's anything that we can do until we address the fee issue. So let me just put it back to you, into your court here and from the Administration's perspective. We're in a new Legislative session. There are going to be proposals. You heard about them, to try do deal with this again. Each of them wrestle with the complicated issue and delicate issues, the fee increases that nobody likes, but the fact of life, particularly in this one when both sides of the proverbial table, the owners and the residents came to agreement, what is it the Administration seeks on this issue to get some solution before the program dies?

MS. NEVIS: Well, with regard to the veto message, I know that the Governor hears advice from many parties and certainly we, all of us in the room, sort of know what advice we may have given. But, we don't know what the total picture was. I don't have any personal additional insight as to the story of that particular veto message other than a recognition we're raising a fee, but we're not getting any more. And somehow if we're going to increase the fee, we ought to be getting more.

I think the part of that story that just really is a bit puzzling is that we know that that would be the case if we were starting from a program that began a year ago, perhaps, but we're talking about a 1990 and a 1991 fee, so obviously inflation does erode and I just really don't have any additional insight. I must presume that there were other advisors that, you know, had views and that those were considered and it's just not something that I know about. Now for this session, obviously there will be legislation introduced and we will again provide our information about the program and about the views of others and I assume we'll

have an opportunity to explain again what, you know, what the value or basically what different dollar levels buy you in terms of service and inspection frequency.

SENATOR DUNN: Yeah, and again, we heard it through this veto message that a fee increase is no increase in service, but no fee increase really means declining service. It's a simple fact of life and every resident organization, every one of the park owner groups, have indicated at the very least we want to maintain current inspection levels. To do that it's going to require a small fee increase. And if there's a consensus we want to increase it. Obviously it may have to be a more significant fee increase. There's just no getting around that fact of life. Again, none of us want to do it. We appreciate the park owners and the residents coming together and reaching an agreement on a difficult issue. This is one of those situations in my humble view where the people impacted by state policy have reached a resolution they can work with. And now the policy makers, legislative and executive, have failed to carry out their will. I'm not trying to be disrespectful to anybody, but it is a veto message that's not really grounded in reality. It just isn't, because of our declining service, so to speak, to the very stakeholders that are involved in this process, park owners and residents. I'll get off my soap box.

Other comments from the dais? Assemblywoman Lieber.

ASSEMBLYMEMBER SALLY LIEBER: I had a question. If the program goes away, presumably complaints will continue or probably intensify, and how would HCD cope with those without the revenues coming in from the program? Can you do that with existing resources?

MS. NEVIS: Well, most of the resources, the people that we have and the funding for the program is, you might say, self-financed, because it is regulatory fees. This is a statutory fee, but the majority of the fees that fund our programs are regulatory. That means they are fees for a particular service that somebody has requested, so if you're going to put a new porch on your manufactured home or if you're going to have another type of accessory structure, you contact us. We send an inspector to look at that. So over the past year we have adjusted those fees with the support of stakeholders and industry, but they are really for those specific things. We are very careful about making sure that if you give us a dollar

to do "X", we do "X". So there are about six people who work now on the Mobilehome Park Maintenance inspection program and those folks—

ASSEMBLYMEMBER LIEBER: How many was that?

MS. NEVIS: Six. It's about six inspectors, and so, you know, if those inspectors were no longer with us, obviously we would find it difficult to respond to complaints or there would be a greater lag if we were able to do so. We'd do everything we could, of course.

ASSEMBLYMEMBER LIEBER: And those must be extremely hard working six people.

MS. NEVIS: Well, it's a personnel equivalent, and so we have inspectors that do more than one program or activity, so it's spread throughout the state. I think we've got about 40 some odd right now, and as a result of the regulatory increases last year for inspections for particular services, that number is increasing. But for this, for the specific MPM program, you know, obviously there would be delays. We would do our best, but we wouldn't have dedicated staff for that.

ASSEMBLYMEMBER LIEBER: And I think we understand that the Administration didn't support a fee increase without expanded services being available for that, however unrealistic that is. But, what is the Administration's position on maintaining the existing services outside of what the fee level would be?

MS. NEVIS: You know, we really have not had a chance to have a conversation again. In other words, if there is a bill, it'll be going through channels and we'll be seeking a position on this. We don't have a new position on legislation since the veto message, so we've not had that dialogue.

ASSEMBLYMEMBER LIEBER: And what was the position on SB 106?

MS. NEVIS: We didn't have an approved position.

SENATOR DUNN: Ms. Garcia.

ASSEMBLYMEMBER GARCIA: Thank you. I think there's really two issues. The first is do we go beyond the sunset date, and second, do we look at a fee structure that makes sense in terms of doing the inspections? And actually, a third issue -- how many of these coaches should we actually inspect? I have to tell

you having worked in housing and having to go out there, because I worked for the city of Coachella, and I did the inspections at the mobilehome parks. I happen to think that the inspection is better done at the local level. You know what the problems are in that community. You can better work with the clients in your community than the state can. And it's clear with six inspectors for the entire state, and you are looking at every county, you're giving them an average of 10 counties to cover per inspector. So, there's no way they can get out there on time. There's no way they can be responsive, and certainly you're barking more than you're biting. Because even when you issue a citation or you're looking at fines, you're still looking at the local jurisdiction for the District Attorney or the City Attorney to do the prosecution when you actually write a notice of violation. There still has to be that partnership with the local level.

So I'm wondering if in this discussion today and as we're looking at advancing legislation, if we should not be looking more towards a shift to the local level working with the local code enforcement divisions that are charged with some of the responsibility, perhaps looking at some of the building and safety codes and creating a fee structure that the locals can adopt themselves. Because clearly I've not seen anything in any of the material that I'm looking at today that gives us any idea of how successful the cities and counties have been in implementing their own program. And we have, I think, 12 counties that do their own inspection program and over 75 cities that do their inspection programs. So where are they in terms of fees? Are they charging $4? Did they go up to $15? Are they going out and inspecting every coach? Are they only going after the worst of the worst? Is there a rotation system perhaps once every three years or five years? And finally, when you're looking at increasing the fee structure, should we not be looking at those that are guilty? If you are using most of the resources, should you not pay for those resources? In other words, if we're using our resources for 40 percent which are the repeat offenders, would it not be fair to shift some of that additional cost to them instead of looking for everybody else to carry that burden? So I hope that that's certainly something that this committee looks at, and when we look at legislation, we also look at how we can work with the local jurisdictions

to do what obviously we would like to do at the state level, but cannot do with the current resources that we have.

SENATOR DUNN: Ms. Nevis, any comments?

MS. NEVIS: Only to say that currently the local jurisdictions can opt into the program, and so that's why some of them are doing it. We don't have really good information about how well they've done. They have the same requirements if they are doing the MPM program locally, that is. Their target would be the same as ours—40 percent of the parks emphasizing those that are in the worst condition. But, we don't have really good data on how successful they have been. Some have returned the inspection program to us. Sometimes that has been for reasons that they are unable to carry it out at the same fee levels for reasons similar to ours. And others—I'm sure there's other factors. But it is now voluntary.

SENATOR DUNN: I'm going to—I know Mr. Tennyson wants to say something. And I'll just preface it by John, I know you were heavily involved in this at the time. My recollection of the history of this, however, was that part of the impetus for this HCD's involvement in this was the utter failure of folks at the local level to do what they could have done at the time. John, comments.

MR. JOHN TENNYSON: Well, I'm not sure I would characterize it as "the utter failure."

SENATOR DUNN: My editorial.

MR. TENNYSON: I think that the desire was to see one uniform program with uniform standards and uniform fees. And that's what we have, and to pick up on what you said about fees, the locals are restricted in terms of fees to the same fee structure that HCD can impose on the parks and the residents in terms of the per space fees. So they can't really charge more than what the state can charge.

ASSEMBLYMEMBER GARCIA: Would that be for a code enforcement fee, a, you know, fire inspection fee, or how we handle the rest of the commercial properties within that jurisdiction?

SENATOR DUNN: Well, since our next panel consists of some city and county officials, you're welcome to pose that question to them.

ASSEMBLYMEMBER GARCIA: And then just to comment on what you said, so you're saying we had utter failure at the city and county level and now we have utter failure at the state level? Is that where we're--?

SENATOR DUNN: No. Ms. Garcia, I'm going to respectfully disagree with that. As when properly funded, the MPM program has been a success. Every stakeholder that's involved in it that's testified here has testified to that--park owners, residents, quite the contrary. That's why they came together last year jointly to support the fee increase, because they believe in it and it has been successful. Quite the contrary.

Any other additional comments?

MS. NEVIS: I don't think so unless anyone has any specific questions. Certainly we have endeavored to do the very best job we can within those constraints. And I think we've done a pretty good job, and so we're happy to answer any questions--we will be remaining—that you may have as the hearing goes one.

SENATOR DUNN: And I'm assuming the others -- they're here just here for questions.

MS. NEVIS: That's right.

SENATOR DUNN: I didn't kind of think you were going to come with your own prepared comment. Hold on. Mr. Tennyson has a comment, a question.

MR. TENNYSON: I want to ask you one more question with regard to last year. Your representatives indicated to us that because of the shortage of funding, that two thirds through the fiscal year, say March, February/March, you had to discontinue these inspections. You may have continued the follow through on previous inspections, but no new inspections until the new fiscal year because of fiscal situation.

MS. NEVIS: Yes.

MR. TENNYSON: Is that true? Is that what's going to happen this year, as well with this program?

MS. NEVIS: Well, it could, because basically the funds run out before the year does, and so sometimes we'll start out at the beginning of the fiscal year, but the funds don't carry us all the way through at the current level.

SENATOR DUNN: I think we have a statement right behind you.

MS. KIM STRANGE: We do actually have a plan, though, as Judy had --.

SENATOR DUNN: Can you identify yourself for the record, please.

MS. STRANGE: Kim Strange—to finish out this year with the sunset date coming, and that's to initiate six MPM inspections per month statewide ending in September so that we would have 90 days to finish them out before the end of this year. So we hope to not have that happen, Mr. Tennyson.

MR. TENNYSON: Okay, and one additional question—last year your representatives indicated to us actually, your predecessor indicated to us in a letter which is included in the—

MS. STRANGE: Yes.

MR. TENNYSON: --as an attachment to the briefing paper that in order to fully fund the current so called 40 percent program, this $2 fee increase would be necessary. But, to fund a full blown 100 percent inspection program over a five-year period inspecting all parks you would need a $14 increase for a total of $18. Are those figures still valid today?

MS. STRANGE: As far as I know. Now we haven't recomputed that, but this is pretty recent, so there may be some inflationary factor there, but those were, I think, good numbers. It was just a matter of looking at the hours it takes and the time per inspection and we do have a great deal of experience now on how long that takes. So I would say those would be pretty accurate.

MR. TENNYSON: And those figures were based on time and motion studies.

MS. STRANGE: Time and motion studies that we do over, since '91.

SENATOR DUNN: And if I may, and on this panel, Judy, just one request to you, and I would specifically request feedback if you can within the next few days on this request. As you heard, you already know there will be legislation on the issue. I believe the park owners identified Mr. Coto as an author of one of the measures. There may be other bills addressing this identical issue. Our collective hope, both houses, both sides of the aisle is that we find a consensus bill again that everybody can support, or the vast majority can support.

What from my perspective we don't want to see is this surprise again. And so my request, and I understand you are, you can't make any commitments about a future bill that may hit the Governor's office. But, what I would like you to request is the authority, on behalf of HCD, the authority to participate in the discussions here in the Legislature about a compromise bill that has the voice of the Administration in it from the get go, so if there are legitimate concerns we can deal with them and resolve them on a program that HCD has every right to be proud of. You heard the testimony that this is just not one of those situations where we should lose it on some, perhaps, misguided piece of advice at the end of the line. Whatever led to this, let's get the Administration's voice involved from the get go so that we can resolve those legitimate issues. But if there are legitimate concerns, their voice is there and we can resolve them early and hopefully put another bill on the Governor's desk in some form or another that will actually have a slightly different outcome this time around. So I would ask that you seek that authority and let me know as quickly as you can whether in fact HCD has been granted that authority.

MS. NEVIS: We'll certainly do that.

SENATOR DUNN: Alright, thank you very, very much. Are there any other questions from the dais for this panel? Seeing none, let's go to our city and county officials and bring up Josh Pino, Chief Building Inspector, City of Sacramento, and Mark Wood, Building Official, City of Davis. Let's bring those two individuals up. Welcome, each of you. And just because of the order on the agenda, no other reason, let's start with Mr. Pino, Chief Building Inspector, City of Sacramento.

MR. JOSH PINO: Thank you very much. We appreciate the opportunity. We didn't know that the secret was out that we didn't like dealing with mobilehome parks, **(LAUGHTER)** but, if in the future if the signature of the next bill could be guaranteed by a box of Cuban cigars, Mr. Schwarzenegger has got my number. **(LAUGHTER)** I'm just kidding, of course.

We've become involved in mobilehome parks on a local level because of emergencies that have come up, and I'll hit on those in a second here. But, these mobilehome parks are very important to the city because they provide vital housing to our residents. In the same manner, when they go bad, they also affect

not only the residents within the park, but the adjoining properties, as was evidenced last summer or early last spring, I should say, by a park in town known as the Westerner Mobilehome Park, where the sewer system failed, at which point HCD had no choice but to revoke their permit. They came into our jurisdiction at that point and again, we had no choice but to seek legal action and we had to, we went the administrative, the civil, and the criminal route, which was very effective. Bottom line is we ended up having a receiver appointed to actually make the repairs to the sewer system, and by doing that, we kept the residents within their homes rather than displacing them. Displacing those tenants, if I remember correctly, was in the neighborhood of 300 or 400 folks that would have been displaced.

This last Thursday I responded to a similar incident in a park here in this city. The infrastructure of these parks is failing. They're old, most of them are 40+, 50 years old. And they're not being maintained as they should. HCD does an excellent job. We have a great working relationship with the local folks, Mr. Fitzgerald and Mr. McCardle at the local level who supervise the program. However, as has been stated here before, they're greatly understaffed and just can't get to all the emergencies as they should.

My recommendation to you is, and Ms. Garcia brought it up before, is the fact that I think in addition to maintaining at the very least a status quo of inspecting the parks on a five or seven year cycle, whatever you determine that to be appropriate, you need to have necessary funding within HCD to have a team of inspectors, if you will, that administer these egregious violations, which are in the minority, as they arise. You don't have to take away from existing resources to have a team of inspectors go out to Southern California or wherever they need to go to address these issues. But, in order to do that, you need the funding. In order to achieve that funding I think what you need to do is give HCD the authority to impose fees that are charged to the violator, not across the board to the parks or to the residents who are otherwise behaving, but to those that break the law.

So in other words, if a problem arises where it's very egregious, a notice or order would be issued to that owner or that resident. They would bear the cost of

that enforcement, because they're the ones creating the problem. That burden should not go to everyone that is complying, everybody else that is complying. You can do that very simply by doing a cost study of what that program costs to implement. We do that at the city level when there's a house that's in violation. We issue them an order. They have to make repairs. Should they fail to make those repairs, we then impose some fees upon them that are not punitive, but they're a cost recovery fee in order to provide and protect the public's health, safety, and welfare, which is really the bottom line.

The two parks that I mentioned had sewage emanating from these parks that was not only just affecting the park, but is now affecting the adjoining properties, a severe health hazard that should not be allowed to go on. So, I think there are measures you can take where you can pretty much keep the annual inspection fees to continue the inspections at the five or seven year level, but you need to make those violators pay for their violations.

An additional factor that I would recommend is a lot of these parks are dependent up on that inspection that comes across every so often to manage the park. They have to be responsible for the oversight of the park, the maintenance, the management, so if through some kind of legislation you can add some factors that deal with management of the parks and oversight of the parks, it would be of great help. Right now, I know there are park owners out there that are dependent upon that punch list that comes from HCD on a regular basis to then go out and look at the park and make the corrections.

They need to be held accountable, the park owners, the park residents, to be held accountable. Implementing some kind of management process that oversees these parks is also of most importance to us. And the local jurisdictions get a lot of the complaints, because the residents, quite often, don't know who regulates the parks from an inspection standpoint. So we get a lot of the complaints and obviously we pass them on to HCD. But, should the state fail to continue the program or somehow come up with a compromise to continue the program, I'm sure you're going to see the local jurisdictions jumping in because of the importance and the number of parks in our city. We have numerous parks which are, like I said, probably 40 or more years old.

SENATOR DUNN: Okay. Mr. Pino, thank you very much for your testimony. Let's go to Mr. Wood, Mark Wood, Building Official, City of Davis, and then I'll open it up to the dais for any questions. Mr. Wood, welcome.

MR. MARK WOOD: Thank you for letting me be here. First, as the building official for the City of Davis, I'd like to concur with what Josh said.

SENATOR DUNN: Josh doesn't know he made everybody sitting behind him nervous by his comments.

MR. WOOD: But, I'm here on behalf of California Building Officials and League of California Cities and he stole a lot of my thunder, so I'm just going to read a few things from this letter that I think you received. First, on behalf of the California Building Officials and League of California Cities, we would like to commend you on your tireless efforts to promote greater health and safety standards within California's 4,850 mobilehome parks and communities. Enforcing strict standards that California has in place to ensure the safety of mobilehome park residents is a difficult job and we applaud your work to promote such activities and programs.

CALBO and the League of California Cities would like to offer the following model as a basis for the MPM reorganization. We feel that this solution addresses our concerns while keeping the original purpose of the MPM program intact. It's really kind of two-pronged. First, change the MPM program from requiring annual inspections at 40 percent of the California mobilehome parks to a program that requires an inspection in 100 percent of the parks every seven years.

Two, increase the annual fee by $1 per space per year to cover inflation and increase inspection salaries starting in 2007. Every mobilehome park would be inspected once every seven years to ensure fairness and compliance with California Health and Safety Codes. The second prong really is to grant authority to HCD and local jurisdictions to issue citations, allow local jurisdictions the option to increase enforcement fees such as what Josh was saying. If this is not considered, many jurisdictions may choose not to offer the inspections which would only shift the work and the authority back to HCD. Owners would continue to abate violations by paying additional inspection fees as necessary. Since

owners would have to pay for violations, complaint based inspections can be self-supporting if HCD and local jurisdictions can cite and set fees for abatement.

SENATOR DUNN: Okay. Mr. Wood, thank you very much. Questions from the dais? Seeing none, I would—sorry, you almost escaped the wrath of Mr. Tennyson, not quite. John.

MR. TENNYSON: I'd like to ask Mr. Pino how does this fee, you didn't characterize as a fine, you characterized it as a fee, on violators work? Apparently local jurisdictions have this authority now under their own local building codes for conventional properties, is that correct?

MR. PINO: That's correct, as well as the state Health and Safety Code gives us that same jurisdiction. And the way we do it is—

MR. TENNYSON: So is this for any violation or just the most serious, what they characterize in HCD's parlance as "A" violations, the sewer, the fire, the electrical?

MR. PINO: It all depends on the seriousness of the violation. There are violations where we notice and we're basically saying please fix this and we give them a specific amount of time to fix it. Should they fail, then we issue what's called a notice and order. It's when we issue that notice and order, now they're mandated to make those repairs. It is at that time that those fees come into play. That's when we start recovering our fees.

What we did in the city to establish those fees is we did a cost study. We hired an outside consulting firm to do a time and motion study to find out how much it costs us to do business. And the purpose of doing that is so as I stated before, these violators that are creating these problems for the community don't, they don't put that burden on the taxpayer. They are the ones creating the violation. They should be paying for our time to enforce it.

What we then do is we bill them for the amounts. We have set amounts that we bill them for. Should they fail to pay, then we make it a lien on the property, and a personal obligation on the individual.

MR. TENNYSON: Thank you.

SENATOR DUNN: Okay, any other questions from the dais? Seeing none, to both of you, thank you very much for your testimony, as well, too. Let's go to

our last panel which is entitled the public comment period. We currently only have two individuals. They are Jim Gullion from Jamestown, and Jerry Bowles from Capitola. Why don't we bring those two individuals forward. Come on. Settle in. We may not have our second one. Before we invite you to testify are there other individuals from the public that wish to make comments during this specific time? If so, why don't you come on forward now. Seeing none, I guess you are going to be our only public comment period witness. Welcome.

MR. JERRY BOWLES: Thank you, Senator. And thank you for allowing me the chance to talk. I'm representing--

SENATOR DUNN: Oh, sorry, you need to say your name for the record. Sorry, thank you, sergeant.

MR. BOWLES: Jerry Bowles. I'm from Capitola. And actually I wear several hats here in the state. I'm vice president for Resident Owned Mobilehome Parks for GSMOL. I'm a chairperson for the Santa Cruz and Santa Clara County Resident Owned Mobilehome Parks. I work on legislative reports for the mobilehome commission for Santa Cruz County. And I'm a retired fire chief, 31 years.

Thirteen years ago we bought our park in Capitola. It's Brookbelle Terrace.

SENATOR DUNN: It's a resident owned park?

MR. BOWLES: Resident owned park. It's 111 spaces. Two years later we had an inspection. We were not only the residents, but we're the management of that park. In the inspection I attended the inspection with the inspector touring the entire park. With that subsequently there were 57 letters of compliance for corrections. These were all handled in a fast, judicious period of time. No citations were issued after the fact. The residents I know were very pleased with the pre-inspection publication that came out from HCD listing the things that they're going to look for and things that would help them as individuals prepare for this inspection. So a lot of the things were corrected.

And out of the 57 coaches that were given letters of correction, we now have 33 of those with new owners who have never gone through this inspection program. We have quite a turnover. We used to be inspected by the City of Capitola. The City of Capitola is a small city of two square miles. One building

inspector. He didn't have enough time to devote to our seven mobilehome parks in our city. Subsequently that was turned back over to HCD. That's when we had the HCD inspector come in and do our inspections.

Knowing the violations that we had and the pre-inspection publication that went out, and my history with the fire service, I think that did a lot to help reduce the hazards. I can't say it for sure, but I think we've had less calls for service from the fire service to these mobilehome parks for slip and falls, the electrical problems, and so forth since the inspection than we did before. I do want to support the committee's work with the new bill to get the inspection program back on line. It's something that I feel we need strongly in the state. I'm open for questions.

SENATOR DUNN: Okay. From the dais, any questions for Mr. Bowles. Mr. Bowles, thank you very, very much for your testimony. Also thank you for your many years of service to the firefighting community, as well, too. Greatly appreciate it. Did I miss any other witnesses who would like to testify during the public comment period? Seeing none, closing comments from our members. Ms. Garcia, any closing comments? You're most welcome. Ms. Lieber, closing comments.

ASSEMBLYMEMBER LIEBER: Just like to thank everyone that's participated. I think this has been very helpful for us.

SENATOR DUNN: Alright, thank you. Just some last comments. I want to again thank all of our witnesses who testified for our members and staff that were here this afternoon. And hopefully Judy didn't mind my picking on her. That's why, that's the unfortunate downside of her getting to serve in the acting director's position.

We all know this is a program that is enthusiastically supported by all the folks that are directly impacted by residents, by park owners, and all of them. I know during its initial introduction there was some disagreement whether we should go down this route. There were some hiccups in the early stages. Most of those have been worked out. Nothing, no program is perfect, but this one certainly has accomplished some good. There's always room for more improvement. We're wide open to those suggestions. We're back at it again with, I know, Mr. Coto's bill

there may be others. As I mentioned to Ms. Nevis, my hope is like last year all the stakeholders will come back to the table. Let's find a consensus again this time. We beg, we plead, we'll beg, borrow, and steal if we have to, to get the Administration's voice in there in the early stages so we can resolve any concerns and ensure that we have an end product that is acceptable to all stakeholders and that is meaningful for carrying out the policy intended by the program, and then have a bill that will actually be signed when it hits the Governor's desk.

Without anything further, thank you to all the witnesses, to the fellow members, to their staff, to our sergeant-at-arms, and we are adjourned.

# # # # #

APPENDIX

"Joint Hearing–Monbilehome Park Maintenance Inspection Program"

January 25, 2006; Wednesday afternoon, 2-4 pm, Room 112; State Capitol Building.

I was a speaker at the hearing held in 1995 and addressed this same subject. Ten plus years ago I was suggesting that we have these inspections on a five year cycle and also increase the fees.

As GSMOL Vice-President for Zone B (which represents Regions 8, 10, 12 and 13 and approximately 728 Mobilehome parks in twenty counties). My recommendation would be to once again increase ***"these much needed inspections per a 5-year cycle with a total annual fee of $24"*** which would be divided equally between the park owner and the residents.

As GSMOL Vice-President of Zone B for these past thirty-three months, the ***"failure to maintain"*** by mobilehome park owners in my Zone has been a disaster. If the ***"Park Owners"*** were not allowed to violate Mobilehome Residency Law (MRL) 798.23; ***"Application To Park Owners and Employees"*** - there would not be so many problems. Repeatedly the park owner is giving residents ***"14-day notices"*** for their failure to maintain their space as noted in the park's ***"Rules and Regulations"***. The resident has an obligation to follow MRL798.36; ***"Enforcement of Park Rules - No Fees."*** but the park owners have an obligation to ***"comply with MRL798.23"***.

"MRL 798.23" should have another paragraph to allow residents to file against a park owner for their failure to maintain their ***"common area"*** as noted in both ***MRL798.36*** which conflicts with ***MRL798.23***. ***MRL798.23*** clearly requires a park owner to ***"comply with MRL798.23"***. Many of the cases in numerous mobilehome parks that fail to comply with MRL798.23 creates many problems. I have yet to review a park's rules and regulations that do not address the ***"14 day notice"*** for the residents who fail to maintain their space at some given time. The park owner knows how easy it is to intimidate residents. Most everyone moving into a Mobilehome Park for the first time have no idea of their rights under both the MRL and Title 25. The residents are certainly not alone. There are very few in management who are acquainted with the Mobilehome Residency Laws or Title 25.

The failure to maintain by park owners throughout Zone B is over whelming.

As Zone B Vice-President, I average talking to a group of residents approximately ten to twelve times per month. The common and most serious problems these residents share with me are ***"improper drainage"***, gross neglect in ***"failure to maintain common areas"***, ***"low water pressure"***, ***"very neglected and diseased trees"***, ***"verbal abuse by management"***, ***"improperly maintained swimming pools"***, ***"clubhouses locked more than they are open"***, ***improperly maintained streets"*** - to name a few.

Failure to maintain a sound inspection program will enable most existing park owners to destroy many seniors investments, and through no fault of the residents, we shall all possibly face living in both a substandard environment and forced to live under a "slum landlord". Is this what our senior citizens deserve?

Jim Gullion, Vice President Zone B;
(209) 533-9174 or FAX (209) 588-2737

California Building Officials

LEAGUE OF CALIFORNIA CITIES

January 24, 2006

The Honorable Joe Dunn, Chair
Senate Select Committee on Mobile & Manufactured Homes
State Capitol
Sacramento, California 95814

RE: Mobilehome Park Maintenance Inspection Program Comments from California Building Officials & the League of California Cities

Dear Senator Dunn:

On behalf of the California Building Officials (CALBO) and the League of California Cities (League), we would like to commend you for your tireless efforts to promote greater health and safety standards within California's 4,850+ mobilehome parks and communities. Enforcing the strict standards that California has in place to ensure the safety of mobilehome park residents is a difficult job and we applaud your work to promote such activities and programs.

As you know, in 1990, AB 925 was passed by the state legislature requiring annual inspections of California mobilehome park communities, ensuring their safety and compliance with applicable standards. Although the requirements undoubtedly created a strain on HCD personnel tasked with the majority of the enforcement duties, the Mobilehome Park Maintenance (MPM) program, successfully improved the living and safety standards within the mobilehome park community, just as the program was intended to do. In addition to the HCD inspections, over eighty local jurisdictions are responsible for mobilehome park inspections. Both CALBO and League memberships includes the majority of these local jurisdictions.

However, over the years the program has been forced to scale back its enforcement capabilities and focus on parks that have been defined as "problematic." This is due greatly to the lack of available funding from the State and the costliness of annual inspections. Although we understand that the program has been self-funded since it was originally created, we are concerned that it no longer is able to accomplish its original intent without requesting further funding from the State. CALBO and the League believe that the MPM program has unfortunately weakened to a point where without serious reorganization, it would be difficult to justify State funding.

CALBO and the League are also concerned with the lack of consistency applied to the standards. With the decrease in funding, the program has been forced to scale back on enforcement capabilities and focus on parks that have been defined as "problematic." "Problematic" parks are subject to one set of standards while "good" parks are subject to

another set of standards. CALBO and the League believe that if there is not funding and fairness available to inspect all mobilehomes in California as the original MPM program was crafted to do, we would encourage your committee to work with HCD to find a new alternative program that might be more consistent with the needs of all mobilehome park communities in California.

As a solution, CALBO and the League would like to offer the following model as a basis for MPM reorganization. We feel that this solution addresses our aforementioned concerns, while keeping the original purpose of the MPM program in tact.

- Change the MPM program from requiring annual inspections in 40% of California's mobilehome parks, to a program that requires **an inspection in 100% of the parks every 7 years**.
- Increase the annual fee by $1.00 per space, per year, to cover inflation and increased inspection salaries starting in 2007.
- Every mobilehome park would be inspected once every 7 years to ensure fairness and compliance with California's Health & Safety codes.
- Grant authority to HCD and local jurisdictions to issue citations.
- Allow local jurisdictions the option to increase enforcement fees. If this is not considered, many jurisdictions may choose not to offer the inspections which would only shift the authority back to HCD.
- Owners would continue to abate violations by paying additional inspection fees, as necessary. Since owners would have to pay for violations, complaint-based inspections can be self-supporting if HCD and local jurisdictions can cite/set fees for abatement.

We hope that our comments and suggestions are of value to your committee as the future of the MPM program is assessed in the coming weeks. Please call upon our expertise or familiarity with California's mobilehome park communities and applicable building standards at any time, should we ever be able to be of further assistance to your committee.

Sincerely,

Sheila Lee
First Vice President
California Building Officials

Daniel Carrigg
Legislative Director
League of California Cities

Donna Matthews
10961 Desert Lawn Dr. #109
Calimesa, CA 92320

January 24, 2006

Senator Dunn, Chairman
Senate Select Committee on
Mobile and Manufactured Homes
Fax (916) 327-4480

Dear Senator Dunn:

Thank you for sending the material concerning your hearing on the Future of HCD's Park Inspection Program, I am sorry I will not be able to attend to testify as this subject is so important to me, not only as GSMOL Assistant Manager of Region Nine but personally.

As the committee hearing will explore many aspects of the program, I want to bring to the attention what I feel is most serious problem **effectiveness in enforcing** the program. Required inspection of parks is a good law, but if there is no power to enforce citations the program is useless, which is not only is my opinion but I hear the same said from many of the GSMOL members in my region.

Senator Craven held this same type hearing on February 18, 1997 in Sacramento at which time I testified, and obtained a recording of the hearing. I believe it would be wise to review that tape and you will probably find that nothing has changed in all these years, the same complaints about the program, so I believe now is the chance to do something constructive concerning the program, if it is to bf continued, otherwise use the money for inspections on enforcing code violations. If there is a park violation HCD must have the authority to see it is corrected, if it is the homeowner violation and the money is not available to correct it, advise them of an agency which will help out financially.

HCD is the enforcement agency of the codes, lets see that they enforce the codes so that the **standards and requirements of** construction, **maintenance**, occupancy, use, and design of mobilehome parks guarantee mobilehome park residents maximum protection of their investment and a decent living environment, (H&S code #18251). That mobilehome residents are assure of living conditions for their health, safety and general welfare, and a decent living environment, that protects their investment, H&S code #`18250), and if the Inspection of parks law does not give this authority the law is useless.

I believe the most important things to consider at this hearing are; has this HCD Park Inspection Program as written have the power to enforced these laws? Has California's low and moderate income housing requirements under these laws been protected? Have senior's mobilehome investments and life style been protected? When inspections showed these laws have been found to be breached by a park owner was the park Permit to Operate renewed? Sometimes were they renewed again and again? Maybe the money available to HCD should be used for enforcement of any complaints, not inspection.

These comments I make now are from GSMOL members of the Plantation on the Lake MP, and my personal experiences with this inspection program, not necessarily that of the GSMOL organization Our experiences have been of frustration, disillusionment and despair, because when our mobilehomes were installed in late May 1985 the homes were contracted to be installed by the park owner in a low profile manner, we did not know that the park owner's permit called for installation on a cement slab on gently sloping terrain. Riverside County was the enforcement agency at that time and approved this instillation of mobilehomes in Phase I over these 3 feet pits without providing any drainage, in violation of Title 21, #1610. To install low profile the lots in the rear had to be filled, which were done without compaction or the proper permit.

A group of GSMOL members met with the owner presenting their concerns and the answer received was there were no violations and an inspection was welcomed. Riverside County Dept. of Health was the enforcing agency at that time. A park inspection was made, Oct 23, 88. The inspection stated, the main water supply appears to be leaking and discharging water under seams in the streets, water and/or moisture was observed **under 43** mobilehomes. The report was sent to HCD, Nov. 2, 1988, RE: ACR #10171, to Ms. Coward, from David Richardson of the Riverside Environmental Health Services, as HCD had jurisdiction to see the County was enforcing the codes.

Nothing was done so a suit was filed in Riverside Superior Court, July 26,1989. In October 1989 GSMOL Chapter #1613 voted to have a Tenants Rights Committee and I was appointed to chair this committee. Over the years I had numerous contact with various personal at HCD, too numerous to mention, but all documented.

On December 1, 1990 the City of Calimesa incorporated at which time local enforcement of the Mobilehome Parks Act reverted back HCD, from Riverside County.

March 15, 1991 The Plantation park owner applied to HCD for an Alternate Approval for under home drainage for Phase III. That in Phase I and II each lot would be evaluated separately for drainage.

May 6,1991, HCD gave an Activity Report which was stamped, won't accept, dated May 15, 91. The report **listed 217 homes** installed low profile where the lots were not graded properly nor provisions been made for the drainage of surface water in violation of 1610 (b) and (c), also listed were sewer, electrical and gas violations.

The Superior Court Case #2000054 was settled in favor of the mobilehome owners, July 23, 1991, but the defendants contended that the settlement was a full release that plaintiffs were responsible for the costs of any corrections to their lots.

There was an ORDER ON MOTION TO ENTER JUDGMENT, dated Oct. 8,1991. Clerk's Certificate of Mailing dated October 18, 1991stated "The background of this proceeding and the transcript show that defendants are now attempting to add a condition beyond the terms of the agreement"

October 16,1991, Travis Pitts, Deputy Director of HCD held a hearing where Rondell B. Hanson a park owner testified that because of the lease agreement certain parties in the litigation were responsible for the correction to their lots. (OUR LEASES WERE DOCUMENTED IN THE COURT CASE, and THE MATTER WAS BEING DECIDED IN COURT AT THE TIME OF THIS HEARING). I obtained a taped copy of this HCD hearing.

November 4, 1992, Travis Pitts issued a decision that the park is responsible for providing and maintaining adequate drainage, but resident's, lots, ones who had participated in the law suit, were listed been as being responsible because of the lease agreement. I tried many times to change this HCD opinion, as the lease was part of the case and the court ruled 2 days after this hearing that it was the park owners responsibility for correction to the lots., that these residents had no opportunity to repute Mr. Hanson's testimony, that the law states it is a felony to give false evidence, also this was discrimination because other residents having the same lease agreement were not listed as responsible.

November 20,1997 John Kerin, HCD Field Operations Manager sent me a letter stating that on October 16,1997 there was a meeting with the park manager, the purpose of the meeting was to clarify the results of the inspections conducted Oct 8,9.10,1997. Without higher legal authority those lots listed as responsible for correction was still the Departments position. There were 83 lots still listed as having no means of drainage from beneath their homes.

If these few resident are truly responsible for the correction of standing water under their homes because of their lease agreement, as Mr. Hanson's testified at the HCD hearing why, has HCD never issued a correction notice of these violation? They have been under my mobilehome as found violations where there has been standing water.

Why after 10 years, many citations, were there still 83 seniors without drainage from beneath their homes?

HOW EFFECTIVE IS THE INSPECTION PROGRAM?

As I testified at the February 18. 1997 Senate hearing on the HCD Park inspection program, if all this money spent on inspections and citations given without any results, why not use it for enforcement when valid complaints were made by mobilehome owners?

Sincerely,

Donna Matthews

Donna Matthews
GSMOL Assistant Manager
Region Nine

SENATE BILL No. 1231

Introduced by Senators Dunn, Bowen, and Kuehl
(Coauthors: Assembly Members Evans, Jones, and Laird)

February 6, 2006

An act to amend Section 798.73 of the Civil Code, and amend Sections 18400.1 and 18424 of, and to repeal and amend 18502 of, the Health and Safety Code, relating to mobilehomes.

LEGISLATIVE COUNSEL'S DIGEST

SB 1231, as introduced, Dunn. Mobilehomes: park inspections.

(1) Existing law generally prohibits the management of a mobilehome park from requiring a mobilehome be removed from the park when it is sold to a third party during the term of the homeowner's rental agreement. However, in a sale to a third party, the management may require that a mobilehome be removed from the park in order to upgrade the quality of the park, if the mobilehome meets certain size and age criteria and it does not comply with specified health and safety standards as determined by an inspection by the appropriate enforcement agency.

This bill would permit home inspectors who hold specified contracting licenses to perform the inspections described above. The bill would require that copies of the inspector's reports be made available to both the homeowner and management and would prohibit the management from requiring a homeowner to use a home inspector of the management's choice for these purposes.

(2) The Mobilehome Parks Act regulates the conditions in mobilehome parks and special occupancy parks, as defined, and, until January 1, 2007, requires the Department of Housing and Community Development, and local government entities that assume enforcement duties, to inspect the parks pursuant to specified criteria and to issue notices of violations. Existing law, until January 1, 2007, establishes a

fee structure for permits for constructing and operating mobilehome parks and special occupancy parks and provides a different fee structure to take effect on and after January 1, 2007.

This bill would delete the date of January 1, 2007, and would extend the operation of the provisions described above currently in effect until January 2014. The bill would revise the date the subsequent fee structure would take effect in conformance with this change. The bill would also revise the annual operating permit fee structure which is to take effect following the termination of the current structure, and would update an element of the inspection criteria for parks. This bill would also remove superceded provisions.

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

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

SECTION 1. Section 798.73 of the Civil Code is amended to read:

798.73. The management may not require the removal of a mobilehome from the park in the event of its sale to a third party during the term of the homeowner's rental agreement or in the 60 days following the initial notice required by paragraph (1) of subdivision (b) of Section 798.55. However, in the event of a sale to a third party, in order to upgrade the quality of the park, the management may require that a mobilehome be removed from the park ~~where~~ *if*:

(a) It is not a "mobilehome" within the meaning of Section 798.3.

(b) It is more than 20 years old, or more than 25 years old if manufactured after September 15, 1971, and is 20 feet wide or more, and the mobilehome does not comply with the health and safety standards provided in Sections 18550, 18552, and 18605 of the Health and Safety Code and the regulations established thereunder, as determined following an inspection by the appropriate enforcement agency, as defined in Section 18207 of the Health and Safety Code, *or by a home inspector who is licensed as a C-47 General Manufactured Housing Contractor or is licensed as a general contractor. Copies of the inspector's reports made pursuant to this section shall be available to both the homeowner and the management. The management shall not*

require a homeowner to use a home inspector of the management's choice for purposes of this section.

(c) The mobilehome is more than 17 years old, or more than 25 years old if manufactured after September 15, 1971, and is less than 20 feet wide, and the mobilehome does not comply with the construction and safety standards under Sections 18550, 18552, and 18605 of the Health and Safety Code and the regulations established thereunder, as determined following an inspection by the appropriate enforcement agency, as defined in Section 18207 of the Health and Safety Code, *or by a home inspector who is licensed as a C-47 General Manufactured Housing Contractor or is licensed as a general contractor. Copies of the inspector's reports made pursuant to this section shall be available to both the homeowner and the management. The management shall not require a homeowner to use a home inspector of the management's choice for purposes of this section.*

(d) It is in a significantly rundown condition or in disrepair, as determined by the general condition of the mobilehome and its acceptability to the health and safety of the occupants and to the public, exclusive of its age. The management shall use reasonable discretion in determining the general condition of the mobilehome and its accessory structures. The management shall bear the burden of demonstrating that the mobilehome is in a significantly rundown condition or in disrepair. The management of the park may not require repairs or improvements to the park space or property owned by the management, except for damage caused by the actions or negligence of the homeowner or an agent of the homeowner.

SEC. 2. Section 18400.1 of the Health and Safety Code is amended to read:

18400.1. (a) In accordance with subdivision (b), the enforcement agency shall enter and inspect mobilehome parks, as required under this part, at least once every seven years, to ensure enforcement of this part and the regulations adopted pursuant to this part. The enforcement agency's inspection shall include an inspection of the exterior portions of individual manufactured homes and mobilehomes in each park inspected. Any notices of violation of this part shall be issued pursuant to Chapter 3.5 (commencing with Section 18420).

(b) In developing its mobilehome park maintenance inspection program, the enforcement agency shall inspect the mobilehome parks that the enforcement agency determines either:

(1) Had the most serious, or a substantial number of serious, health and safety violations as a result of inspections of the parks made pursuant to the mobilehome park maintenance inspection program during the ~~1991 through 1999~~ *2000 through 2006* phase of the program.

(2) Have complaints that have been made to the enforcement agency regarding serious health and safety violations in the park. A single complaint of a serious health and safety violation shall not automatically trigger an inspection of the entire park unless upon investigation of that single complaint the enforcement agency determines that there is a violation and that an inspection of the entire park is necessary.

(c) Nothing in this part shall be construed to allow the enforcement agency to issue a notice for a violation of existing laws or regulations that were not violations of the laws or regulations at the time the mobilehome park received its original permit to operate, or the standards governing any subsequent permit to construct, or at the time the manufactured home or mobilehome received its original installation permit, unless the enforcement agency determines that a condition of the park, manufactured home, or mobilehome endangers the life, limb, health, or safety of the public or occupants thereof.

(d) Not less than 30 days prior to the inspection of a mobilehome park under this section, the enforcement agency shall provide individual written notice of the inspection to the registered owners of the manufactured homes or mobilehomes, with a copy of the notice to the occupants thereof, if different than the registered owners, and to the owner or operator of the mobilehome park and the responsible person, as defined in Section 18603.

(e) At the sole discretion of the enforcement agency's inspector, a representative of either the park operator or the mobilehome owners may accompany the inspector during the inspection if that request is made to the enforcement agency or the inspector requests a representative to accompany him or her. If either party requests permission to accompany the inspector or

is requested by the inspector to accompany him or her, the other party shall also be given the opportunity, with reasonable notice, to accompany the inspector. Only one representative of the park owner and one representative of the mobilehome owners in the park may accompany the inspector at any one time during the inspection. If more than one representative of the mobilehome owners in the park requests permission to accompany the inspector, the enforcement agency may adopt procedures for choosing that representative.

(f) The enforcement agency shall coordinate a preinspection orientation for mobilehome owners and mobilehome park operators with the use of an audio-visual presentation furnished by the department to affected local enforcement agencies. Enforcement agencies shall furnish the audio-visual presentation to park operators and mobilehome owner representatives in each park subject to inspection not less than 30 days prior to the inspection. Additionally, it is the Legislature's intent that the department shall, where practicable, conduct live presentations, forums, and outreach programs throughout the state to orient mobilehome owners and park operators on the mobilehome park maintenance inspection program and their rights and obligations under the program.

(g) Any local enforcement agency that relinquishes enforcement authority to the department shall remit to the department fees collected pursuant to paragraph (2) of subdivision (c) of Section 18502 that have not been expended for purposes of that paragraph.

(h) This section shall remain in effect only until January 1, ~~2007~~ *2014*, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, ~~2007~~ *2014*, deletes or extends that date.

SEC. 3. Section 18424 of the Health and Safety Code is amended to read:

18424. This chapter shall remain in effect only until January 1, ~~2007~~ *2014*, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, ~~2007~~ *2014*, deletes or extends that date.

SEC. 4. Section 18502 of the Health and Safety Code, as amended by Section 8 of Chapter 520 of the Statutes of 1999, is repealed.

~~18502. Fees as applicable shall be submitted for permits:~~

~~(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.~~

~~(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).~~

~~(c) (1) Except for a temporary recreational vehicle park, an annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot or two dollars ($2) per camping party for the maximum number of camping parties to be accommodated at any one time in an incidental camping area.~~

~~(2) Except for a special occupancy park, an additional annual fee of four dollars ($4) per lot shall be paid to the department or the local enforcement agency, as appropriate, at the time of payment of the annual operating fee. All revenues derived from this fee shall be used exclusively for the inspection of mobilehome parks and mobilehomes to determine compliance with the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)) and any regulations adopted pursuant to the act.~~

~~(3) The Legislature hereby finds and declares that the health and safety of mobilehome park occupants is a matter of public interest and concern and that the fee paid pursuant to paragraph (2) shall be used exclusively for the inspection of mobilehome parks and mobilehomes to ensure that the living conditions of mobilehome park occupants meet the health and safety standards of this part and the regulations adopted pursuant thereto. Therefore, notwithstanding any other provisions of law or local ordinance, rule, regulation, or initiative measure to the contrary, the holder of the permit to operate the mobilehome park shall be entitled to directly charge one-half of the per lot additional annual fee specified herein to each homeowner, as defined in Section 798.9 of the Civil Code. In that event, the holder of the permit to operate the mobilehome park shall be entitled to directly charge each homeowner for one-half of the per lot additional annual fee at the next billing for the rent and other charges immediately following the payment of the additional fee to the department or local enforcement agency.~~

~~(d) Temporary recreational vehicle park operating permit fee of twenty-five dollars ($25), with no additional fee for the lots.~~

~~(e) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).~~

~~(f) Duplicate permit fee or amended permit fee of ten dollars ($10).~~

~~(g) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2007, deletes or extends that date.~~

SEC. 5. Section 18502 of the Health and Safety Code, as amended by Section 22 of Chapter 434 of the Statutes of 2001, is amended to read:

18502. Fees as applicable shall be submitted for permits:

(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.

(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).

(c) (1) An annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot.

(2) An additional annual fee of four dollars ($4) per lot shall be paid to the department or the local enforcement agency, as appropriate, at the time of payment of the annual operating fee. All revenues derived from this fee shall be used exclusively for the inspection of mobilehome parks and mobilehomes to determine compliance with the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)) and any regulations adopted pursuant to the act.

(3) The Legislature hereby finds and declares that the health and safety of mobilehome park occupants is a matter of public interest and concern and that the fee paid pursuant to paragraph (2) shall be used exclusively for the inspection of mobilehome parks and mobilehomes to ensure that the living conditions of mobilehome park occupants meet the health and safety standards of this part and the regulations adopted pursuant thereto. Therefore, notwithstanding any other provisions of law or local ordinance, rule, regulation, or initiative measure to the contrary, the holder of the permit to operate the mobilehome park shall be entitled to directly charge one-half of the per lot additional annual fee specified herein to each homeowner, as defined in

Section 798.9 of the Civil Code. In that event, the holder of the permit to operate the mobilehome park shall be entitled to directly charge each homeowner for one-half of the per lot additional annual fee at the next billing for the rent and other charges immediately following the payment of the additional fee to the department or local enforcement agency.

(d) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).

(e) Duplicate permit fee or amended permit fee of ten dollars ($10).

(f) This section shall remain in effect only until January 1, ~~2007~~ *2014*, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, ~~2007~~ *2014*, deletes or extends that date.

SEC. 6. Section 18502 of the Health and Safety Code, as amended by Section 9 of Chapter 520 of the Statutes of 1999, is amended to read:

18502. Fees as applicable shall be submitted for permits:

(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.

(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).

(c) ~~Except for a temporary recreational vehicle park, an~~ *An* annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot ~~or two dollars ($2) per camping party for the maximum number of camping parties to be accommodated at any one time in an incidental camping area~~.

~~(d) Temporary recreational vehicle park operating permit fee of twenty-five dollars ($25), with no additional fee for the lots.~~

~~(e)~~

(d) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).

~~(f)~~

(e) Duplicate permit fee or amended permit fee of ten dollars ($10).

~~(g)~~

(f) This section shall become operative on January 1, ~~2007~~ *2014*.

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ASSEMBLY BILL No. 2250

Introduced by Assembly Member Coto

February 22, 2006

An act to amend Section 18400.1 of, to amend and repeal Section 18502 of, and to repeal Section 18424 of, the Health and Safety Code, relating to mobilehome parks.

LEGISLATIVE COUNSEL'S DIGEST

AB 2250, as introduced, Coto. Mobilehome Parks Act.

(1) The Mobilehome Parks Act requires the Department of Housing and Community Development or a city, county, or city and county that assumes responsibility for the enforcement of the act to enter and inspect mobilehome parks every 7 years to ensure enforcement of the act and implementing regulations. Existing law requires an enforcement agency to issue notice to correct a violation. Existing law repeals these provisions on January 1, 2007.

This bill would delete the repeal of these provisions.

(2) The Mobilehome Parks Act requires an annual operating permit fee of $25 and an additional $2 per lot or camping party, as specified. In addition, existing law requires, except for a special occupancy park, an additional annual fee of $4 per lot and requires this additional $4 fee to be used exclusively for the inspection of mobilehome parks and mobilehomes. Existing law repeals the additional $4 fee per lot on January 1, 2007.

This bill would delete the repeal of the additional $4 fee per lot.

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

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

SECTION 1. Section 18400.1 of the Health and Safety Code is amended to read:

18400.1. (a) In accordance with subdivision (b), the enforcement agency shall enter and inspect mobilehome parks, as required under this part, at least once every seven years, to ensure enforcement of this part and the regulations adopted pursuant to this part. The enforcement agency's inspection shall include an inspection of the exterior portions of individual manufactured homes and mobilehomes in each park inspected. Any notices of violation of this part shall be issued pursuant to Chapter 3.5 (commencing with Section 18420).

(b) In developing its mobilehome park maintenance inspection program, the enforcement agency shall inspect the mobilehome parks that the enforcement agency determines either:

(1) Had the most serious, or a substantial number of serious, health and safety violations as a result of inspections of the parks made pursuant to the mobilehome park maintenance inspection program during the 1991 through 1999 phase of the program.

(2) Have complaints that have been made to the enforcement agency regarding serious health and safety violations in the park. A single complaint of a serious health and safety violation shall not automatically trigger an inspection of the entire park unless upon investigation of that single complaint the enforcement agency determines that there is a violation and that an inspection of the entire park is necessary.

(c) ~~Nothing in this part shall be construed to~~ *This part does not* allow the enforcement agency to issue a notice for a violation of existing laws or regulations that were not violations of the laws or regulations at the time the mobilehome park received its original permit to operate, or the standards governing any subsequent permit to construct, or at the time the manufactured home or mobilehome received its original installation permit, unless the enforcement agency determines that a condition of the park, manufactured home, or mobilehome endangers the life, limb, health, or safety of the public or occupants thereof.

(d) Not less than 30 days prior to the inspection of a mobilehome park under this section, the enforcement agency shall provide individual written notice of the inspection to the

registered owners of the manufactured homes or mobilehomes, with a copy of the notice to the occupants thereof, if different than the registered owners, and to the owner or operator of the mobilehome park and the responsible person, as defined in Section 18603.

(e) At the sole discretion of the enforcement agency's inspector, a representative of either the park operator or the mobilehome owners may accompany the inspector during the inspection if that request is made to the enforcement agency or the inspector requests a representative to accompany him or her. If either party requests permission to accompany the inspector or is requested by the inspector to accompany him or her, the other party shall also be given the opportunity, with reasonable notice, to accompany the inspector. Only one representative of the park owner and one representative of the mobilehome owners in the park may accompany the inspector at any one time during the inspection. If more than one representative of the mobilehome owners in the park requests permission to accompany the inspector, the enforcement agency may adopt procedures for choosing that representative.

(f) The enforcement agency shall coordinate a preinspection orientation for mobilehome owners and mobilehome park operators with the use of an audio-visual presentation furnished by the department to affected local enforcement agencies. Enforcement agencies shall furnish the audio-visual presentation to park operators and mobilehome owner representatives in each park subject to inspection not less than 30 days prior to the inspection. Additionally, it is the Legislature's intent that the department shall, where practicable, conduct live presentations, forums, and outreach programs throughout the state to orient mobilehome owners and park operators on the mobilehome park maintenance inspection program and their rights and obligations under the program.

(g) Any local enforcement agency that relinquishes enforcement authority to the department shall remit to the department fees collected pursuant to paragraph (2) of subdivision (c) of Section 18502 that have not been expended for purposes of that paragraph.

~~(h) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted~~

~~statute, which is enacted before January 1, 2007, deletes or extends that date.~~

SEC. 2. Section 18424 of the Health and Safety Code is repealed.

~~18424. This chapter shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2007, deletes or extends that date.~~

SEC. 3. Section 18502 of the Health and Safety Code, as amended by Section 22 of Chapter 434 of the Statutes of 2001, is amended to read:

18502. Fees as applicable shall be submitted for permits:

(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.

(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).

(c) (1) An annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot.

(2) An additional annual fee of four dollars ($4) per lot shall be paid to the department or the local enforcement agency, as appropriate, at the time of payment of the annual operating fee. All revenues derived from this fee shall be used exclusively for the inspection of mobilehome parks and mobilehomes to determine compliance with the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)) and any regulations adopted pursuant to the act.

(3) The Legislature hereby finds and declares that the health and safety of mobilehome park occupants is a matter of public interest and concern and that the fee paid pursuant to paragraph (2) shall be used exclusively for the inspection of mobilehome parks and mobilehomes to ensure that the living conditions of mobilehome park occupants meet the health and safety standards of this part and the regulations adopted pursuant thereto. Therefore, notwithstanding any other provisions of law or local ordinance, rule, regulation, or initiative measure to the contrary, the holder of the permit to operate the mobilehome park shall be entitled to directly charge one-half of the per lot additional annual fee specified herein to each homeowner, as defined in

Section 798.9 of the Civil Code. In that event, the holder of the permit to operate the mobilehome park shall be entitled to directly charge each homeowner for one-half of the per lot additional annual fee at the next billing for the rent and other charges immediately following the payment of the additional fee to the department or local enforcement agency.

(d) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).

(e) Duplicate permit fee or amended permit fee of ten dollars ($10).

~~(f) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2007, deletes or extends that date.~~

SEC. 4. Section 18502 of the Health and Safety Code, as amended by Section 8 of Chapter 520 of the Statutes of 1999, is repealed.

~~18502. Fees as applicable shall be submitted for permits:~~

~~(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.~~

~~(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).~~

~~(c) (1) Except for a temporary recreational vehicle park, an annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot or two dollars ($2) per camping party for the maximum number of camping parties to be accommodated at any one time in an incidental camping area.~~

~~(2) Except for a special occupancy park, an additional annual fee of four dollars ($4) per lot shall be paid to the department or the local enforcement agency, as appropriate, at the time of payment of the annual operating fee. All revenues derived from this fee shall be used exclusively for the inspection of mobilehome parks and mobilehomes to determine compliance with the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200)) and any regulations adopted pursuant to the act.~~

~~(3) The Legislature hereby finds and declares that the health and safety of mobilehome park occupants is a matter of public interest and concern and that the fee paid pursuant to paragraph~~

~~(2) shall be used exclusively for the inspection of mobilehome parks and mobilehomes to ensure that the living conditions of mobilehome park occupants meet the health and safety standards of this part and the regulations adopted pursuant thereto. Therefore, notwithstanding any other provisions of law or local ordinance, rule, regulation, or initiative measure to the contrary, the holder of the permit to operate the mobilehome park shall be entitled to directly charge one-half of the per lot additional annual fee specified herein to each homeowner, as defined in Section 798.9 of the Civil Code. In that event, the holder of the permit to operate the mobilehome park shall be entitled to directly charge each homeowner for one-half of the per lot additional annual fee at the next billing for the rent and other charges immediately following the payment of the additional fee to the department or local enforcement agency.~~

~~(d) Temporary recreational vehicle park operating permit fee of twenty-five dollars ($25), with no additional fee for the lots.~~

~~(e) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).~~

~~(f) Duplicate permit fee or amended permit fee of ten dollars ($10).~~

~~(g) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute, which is enacted before January 1, 2007, deletes or extends that date.~~

SEC. 5. Section 18502 of the Health and Safety Code, as amended by Section 9 of Chapter 520 of the Statutes of 1999, is repealed.

~~18502. Fees as applicable shall be submitted for permits:~~

~~(a) Fees for a permit to conduct any construction subject to this part as determined by the schedule of fees adopted by the department.~~

~~(b) Plan checking fees equal to one-half of the construction, plumbing, mechanical, and electrical permit fees, except that the minimum fee shall be ten dollars ($10).~~

~~(c) Except for a temporary recreational vehicle park, an annual operating permit fee of twenty-five dollars ($25) and an additional two dollars ($2) per lot or two dollars ($2) per camping party for the maximum number of camping parties to be accommodated at any one time in an incidental camping area.~~

~~(d) Temporary recreational vehicle park operating permit fee of twenty-five dollars ($25), with no additional fee for the lots.~~

~~(e) Change in name fee or transfer of ownership or possession fee of ten dollars ($10).~~

~~(f) Duplicate permit fee or amended permit fee of ten dollars ($10).~~

~~(g) This section shall become operative on January 1, 2007.~~

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