

SB 6059 -- Redline

Substitute to Bill -- Concerning the sale or lease of manufactured/mobile home communities and the property on which they sit.

Deletions ~~struck~~ · Insertions underlined

~~S-4218.2~~S-3748.1 ~~SUBSTITUTE~~ SENATE BILL 6059 State of Washington 68th Legislature 2024 Regular Session By ~~Senate Housing (originally sponsored by~~ Senators Frame, McCune, Keiser, Kuderer, Randall, Saldana, Valdez, Van De Wege, Wellman, and C.

~~Wilson)~~Wilson ~~READ~~Read ~~FIRST~~first ~~TIME~~time ~~01/25/24,~~01/09/24.

Referred to Committee on Housing.

and amending RCW 59.20.030, 59.20.325, 59.20.330, 59.20.335, ~~59.20.080,~~ 59.21.030, and 59.21.040.

(3) "Community land trust" means a private, nonprofit, community- governed, and/or membership corporation whose mission is to acquire, hold, develop, lease, and steward land for making homes, farmland, gardens, businesses, and other community assets permanently ~~p-~~affordable for current and future generations.

~~1A SSB~~community ~~6059~~land ~~affordable~~p- ~~for current and future generations.~~

~~A1~~ community~~SB~~ land~~6059~~ trust's bylaws prescribe that the governing board is comprised of individuals who reside in the community land trust's service area, one-third of whom are currently, or could be, community land trust leaseholders;

Mobile homes have not been built since the introduction of the United States department of ~~p.~~

~~2 SSB~~SB 6059 ~~built since the introduction of the United States department of~~ housing and urban development manufactured home construction and safety act;

~~3 SSB~~SB 6059 (18) "Occupant" means any person, including a live-in care provider, other than a tenant, who occupies a mobile home, manufactured home, or park model and mobile home lot;

~~4 SSB~~SB 6059 (26) "Service member" means an active member of the United States armed forces, a member of a military reserve component, or a member of the national guard who is either stationed in or a resident of Washington state;

~~5 SSB~~SB 6059 (((c))) (d) A statement that in order to compete to purchase the manufactured/mobile home community, within 70 days after ((delivery)) the certified mailing or personal delivery date stated in accordance with (a) of this subsection of the notice of the owner's interest in selling the manufactured/mobile home community, the tenants must form or identify a single qualified tenant organization for the purpose of purchasing the manufactured/mobile home community and notify the owner in writing of:

~~6 SSB~~SB 6059 (c) The name and contact information of the representative or representatives of the qualified tenant organization with whom the owner may communicate about the purchase.

~~7 SSB~~SB 6059 (a) Form a resident nonprofit cooperative that is legally capable of purchasing real property or associate with a nonprofit corporation or housing authority that is legally capable of purchasing the manufactured/mobile home community in which the tenants reside;

Sec. If an eligible organization does not intend to make an offer on its own or on behalf of tenants, the eligible organization shall notify the owner, any qualified tenant organization from the park, and the department of commerce.

This notification does not prevent other eligible organizations from competing for purchase.

P.

8 SB 6059 Sec.

(1) During the process described in RCW 59.20.325 and 59.20.330, the parties shall act in good faith and in a commercially reasonable manner, which includes a duty for the tenants to notify the owner

~~p-~~promptly if there is no intent to purchase the manufactured/mobile home community or the property on which it sits.

~~8 SSB 6059 promptly if there is no intent to purchase the manufactured/mobile home community or the property on which it sits.~~

With respect to negotiation, this overall duty of good faith requirement means that the owner must allow the tenants to develop an offer, must give their offer reasonable consideration, ((and)) must inform the tenants if a higher offer is submitted, and must workshare fairly with all competing eligible buyers organizations in and the competing provision potential of buyers information participating regarding in the negotiations highest any bid offer, terms, order or for revised all offer potential or buyer terms to shared make with further other competitive competing offers, potential buyers.

~~(a) Obtain injunctive relief to prevent a sale or transfer to an entity that is not formed by or associated with the tenants;~~

~~and (b) Recover actual damages not to exceed twice the monthly rent from the owner for each tenant.~~

9 SSB 6059 (6)(a) Obtain an injunctive party relief misuses to or prevent discloses, in a substantial sale way, or confidential transfer information to in an violation entity of RCW 59.20.330, that party is may not recover formed actual by damages or from associated with the other tenants; party, and (b) Recover actual damages not to exceed twice the monthly rent from the owner for each tenant. (6) If a party misuses or discloses, in a substantial way, confidential information in violation of RCW 59.20.330, that party may recover actual damages from the other party.

RCW 59.20.080 and 2023 c 40 s 5 are each amended to read as follows:

(1) A landlord shall not terminate or fail to renew a tenancy of a tenant or the occupancy of an occupant, of whatever duration except for one or more of the following reasons:

(a) In accordance with RCW 59.20.045(6), substantial violation, or repeated or periodic violations, of an enforceable rule of the mobile home park as established by the landlord at the inception of or during the tenancy or for violation of the tenant's duties as provided in RCW 59.20.140.

The tenant shall be given written notice to cease the rule violation immediately.

The notice shall state that failure to cease the violation of the rule or any subsequent violation of that or any other rule shall result in termination of the tenancy, and that the tenant shall vacate the premises within ((twenty)) 20 days:

PROVIDED, That for a periodic violation the notice shall also specify that repetition of the same violation shall result in termination:

PROVIDED FURTHER, That in the case of a violation of a "material change" in park rules with respect to pets, tenants with minor children living with them, or recreational facilities, the tenant shall be given written notice under this chapter of a six month period in which to comply or vacate;

(b) Nonpayment of rent or other charges specified in the rental agreement, upon 14 days written notice to pay rent and/or other charges or to vacate;

(c) Conviction of the tenant of a crime, commission of which threatens the health, safety, or welfare of the other mobile home park tenants.

The tenant shall be given written notice of a 15-day period in which to vacate;

(d) Failure of the tenant to comply with local ordinances and state laws and regulations relating to mobile homes, manufactured homes, or park models or mobile home, manufactured homes, or park model living within a reasonable time after the tenant's receipt of p-

10 SSB 6059 notice of such noncompliance from the appropriate governmental agency;

(e) Change of land use of the mobile home park including, but not limited to, closure of the mobile home park or conversion to a use other than for mobile homes, manufactured homes, or park models or conversion of the mobile home park to a mobile home park cooperative or mobile home park subdivision.

The landlord shall give the tenants two years' notice, in the form of a closure notice meeting the requirements of RCW 59.21.030, in advance of the effective date of such change.

The two-year closure notice requirement does not apply if:

(i) The mobile home park or manufactured housing community has been acquired for or is under imminent threat of condemnation;

(ii) The mobile home park or manufactured housing community is sold or transferred to a county in order to reduce conflicting residential uses near a military installation;

(iii) The mobile home park or manufactured housing community is sold to an eligible organization;

(iv) The landlord provides relocation assistance of at least \$15,000 for a multisection home or of at least \$10,000 for a single section home, establishes a simple, straightforward, and timely process for compensating the tenants for the loss of their homes and actually compensates the tenants for the loss of their homes, at the greater of 50 percent of their assessed market value in the tax year prior to the notice of closure being issued, or \$5,000, at any point during the closure notice period and prior to a change of use or sale of the property.

At such time as the compensation is paid, the tenant shall be given written notice of at least 12 months in which to vacate that includes department of commerce contact information, as provided by the department of commerce, identifying financial and technical assistance programs available to support eligible tenant relocation activities, and the tenant shall continue to pay rent for as much time as he or she remains in the mobile home park or manufactured housing community.

Nothing in this subsection (1)(e)(iv) prevents a tenant from relocating his or her home out of the mobile home park or manufactured housing community pursuant to chapter 59.21 RCW.

In the event that a home remains in the mobile home park or manufactured housing community after a tenant vacates, the landlord shall be responsible for its demolition or disposal.

A landlord is still eligible for demolition and disposal costs pursuant to RCW p-

11 SSB 6059 59.21.021.

Homeowners who receive payments or financial assistance from landlords as described in this subsection (1)(e)(iv) remain eligible to receive other state assistance for which they may be eligible including,

~~but not limited to, relocation assistance funds pursuant to RCW 59.21.021;~~

~~or (v) The landlord provides relocation assistance of at least \$15,000 for a multisection home and of at least \$10,000 for a single section home at any point during the closure notice period and prior to a change of use or sale of the property.~~

~~At such time as the assistance is paid, the tenant shall be given written notice of at least 18 months in which to vacate that includes department of commerce contact information, as provided by the department of commerce, identifying financial and technical assistance programs available to support eligible tenant relocation activities, and the tenant shall continue to pay rent for as much time as he or she remains in the mobile home park or manufactured housing community.~~

~~Nothing in this subsection (1)(e)(v) prevents a tenant from relocating his or her home out of the mobile home park or manufactured housing community pursuant to chapter 59.21 RCW.~~

~~In the event that a home remains in the mobile home park or manufactured housing community after a tenant vacates, the landlord shall be responsible for its demolition or disposal.~~

~~A landlord is still eligible for demolition and disposal costs pursuant to RCW 59.21.021.~~

~~Homeowners who receive payments or financial assistance from landlords as described in this subsection (1)(e)(v) remain eligible to receive other state assistance for which they may be eligible including, but not limited to, relocation assistance funds pursuant to RCW 59.21.021;~~

~~(f) Engaging in "criminal activity." "Criminal activity" means a criminal act defined by statute or ordinance that threatens the health, safety, or welfare of the tenants.~~

~~A park owner seeking to evict a tenant or occupant under this subsection need not produce evidence of a criminal conviction, even if the alleged misconduct constitutes a criminal offense.~~

~~Notice from a law enforcement agency of criminal activity constitutes sufficient grounds, but not the only grounds, for an eviction under this subsection.~~

~~Notification of the seizure of illegal drugs under RCW 59.20.155 is evidence of criminal activity and is grounds for an eviction under this subsection.~~

~~The requirement that any tenant or occupant register as a sex offender under RCW 9A.44.130 is grounds for eviction of the sex offender under p.~~

~~12 SSB 6050 this subsection.~~

~~If criminal activity is alleged to be a basis of termination, the park owner may proceed directly to an unlawful detainer action;~~

~~(g) The tenant's application for tenancy contained a material misstatement that induced the park owner to approve the tenant as a resident of the park, and the park owner discovers and acts upon the misstatement within one year of the time the resident began paying rent;~~

~~(h) If the landlord serves a tenant three 20-day notices, each of which was valid under (a) of this subsection at the time of service, within a 12-month period to comply or vacate for failure to comply with the material terms of the rental agreement or an enforceable park rule, other than failure to pay rent by the due date.~~

~~The applicable 12-month period shall commence on the date of the first violation;~~

~~(i) Failure of the tenant to comply with obligations imposed upon tenants by applicable provisions of municipal, county, and state codes, statutes, ordinances, and regulations, including this chapter.~~

~~The landlord shall give the tenant written notice to comply immediately.~~

~~The notice must state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within 15 days;~~

~~(j) The tenant engages in disorderly or substantially annoying conduct upon the park premises that results in the destruction of the rights of others to the peaceful enjoyment and use of the premises.~~

~~The landlord shall give the tenant written notice to comply immediately.~~

~~The notice must state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within 15 days;~~

~~(k) The tenant creates a nuisance that materially affects the health, safety, and welfare of other park residents.~~

~~The landlord shall give the tenant written notice to cease the conduct that constitutes a nuisance immediately.~~

~~The notice must describe the nuisance and state (i) what the tenant must do to cease the nuisance and (ii) that failure to cease the conduct will result in termination of the tenancy and that the tenant shall vacate the premises in five days;~~

~~(l) Any other substantial just cause that materially affects the health, safety, and welfare of other park residents.~~

~~The landlord shall give the tenant written notice to comply immediately.~~

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~~13 SSB 6050 notice must describe the harm caused by the tenant, describe what the tenant must do to~~

~~comply and to discontinue the harm, and state that failure to comply will result in termination of the tenancy and that the tenant shall vacate the premises within 15 days;~~
~~or (m) Failure to pay rent by the due date provided for in the rental agreement three or more times in a 12-month period, commencing with the date of the first violation, after service of a 14-day notice to comply or vacate.~~
~~(2) Within five days of a notice of eviction as required by subsection (1)(a) of this section, the landlord and tenant shall submit any dispute to mediation.~~
~~The parties may agree in writing to mediation by an independent third party or through industry mediation procedures.~~
~~If the parties cannot agree, then mediation shall be through industry mediation procedures.~~
~~A duty is imposed upon both parties to participate in the mediation process in good faith for a period of 10 days for an eviction under subsection (1)(a) of this section.~~
~~It is a defense to an eviction under subsection (1)(a) of this section that a landlord did not participate in the mediation process in good faith.~~
~~(3) Except for a tenant evicted under subsection (1)(c) or (f) of this section, a tenant evicted from a mobile home park under this section shall be allowed 120 days within which to sell the tenant's mobile home, manufactured home, or park model in place within the mobile home park.~~
~~PROVIDED, That the tenant remains current in the payment of rent incurred after eviction, and pays any past due rent, reasonable attorneys' fees and court costs at the time the rental agreement is assigned.~~
~~The provisions of RCW 59.20.073 regarding transfer of rental agreements apply.~~
~~(4) Chapters 59.12 and 59.18 RCW govern the eviction of recreational vehicles, as defined in RCW 59.20.030, from mobile home parks.~~
~~This chapter governs the eviction of mobile homes, manufactured homes, park models, and recreational vehicles used as a primary residence from a mobile home park.~~

~~Sec.~~

~~6.~~

p-(2) The closure notice required under RCW 59.20.080 must be in substantially the following form:

~~14 SSB 6059 (2) The closure notice required under RCW 59.20.080 must be in substantially the following form:~~

~~., which is the date ((twelve)twelve months)months two years after the date this closure notice is given.~~

~~Telephone:p.~~

10 SB 6059 Telephone:

p-(a) A copy of the closure notice must be provided with all rental agreements signed after the original park closure notice date as required under RCW 59.20.060;

~~15(b) SSBNotice 6059to (a) A copy of the closuredirector notice must beinclude: provided with all rental agreements signed after the original park closure notice date as required under RCW 59.20.060;~~

~~(b) Notice to the director or director's designee must include:~~

~~Notice required under this subsection must be sent to the director or director's designee within ((ten)) 10 business days of the date notice was given to all tenants as required by RCW 59.20.080;~~

~~7.6.~~

~~or (2) the tenant purchased a mobile home already situated in thep. park or moved a mobile home into the park after a written notice of closure pursuant to RCW ((59.20.090)) 59.20.080(1)(e) has been given and the person received actual prior notice of the change or closure((;~~

11 SB 6059 the park or moved a mobile home into the park after a written notice of closure pursuant to RCW 59.20.090 has been given and the person received actual prior notice of the change or closure(;

~~1612 SSB SB 6059~~