



Sunnyvale Tenant/Landlord Dispute Resolution program
Project Sentinel

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July 5, 2016

Suzanne Ise, Housing Officer
City of Sunnyvale CDD, Housing Division
Sunnyvale, CA 94088-3707

Re: Services available to mobile home residents and summary of mandatory mediation programs that Project Sentinel administers

Dear Ms. Ise,

Project Sentinel provides counseling on rental and housing issues from a neutral perspective. Our case managers inform the requesting party of rights and responsibilities under the various California Codes and rules, often providing a summary of the current law or directing the party on how to find the underlying authority. However, our agency maintains its neutrality in this role and cannot advocate for any member of the public because Project Sentinel is not a legal service provider. On the other hand, case managers can assist parties by referring a caller to another resource for assistance, reviewing letters (but not drafting them), calling the second party to the dispute to clarify the dispute or conciliate it by phone, or setting up a mediation if all parties choose to select this option. Mediation is voluntary in Sunnyvale so the second party must agree to participate.

Project Sentinel has no enforcement power and cannot force a second party to do or to stop doing a certain behavior. The agency cannot take a report or make a record of any complaints for later enforcement. The dispute resolution process is confidential so a caller is not permitted to “build a record” of complaints to use later in another context. We sometimes receive a call to “make a report” where the police may have declined to write up a person’s grievances.

Our case managers are willing to listen and to help a caller review options but they do not judge or determine who is correct or right. Their neutrality means that they are sometimes perceived as unhelpful or unresponsive. Most of us would like to hear that another person agrees with us when we’re upset but our case managers are constrained by their role to remain neutral.

If a caller discusses a dispute with a case manager and Project Sentinel cannot provide the requested assistance, the case manager will try to find another agency or program that will be able to help that caller. We provide contact information for many providers, including low or no cost legal services, senior assistance for legal and non-legal matters, fair housing providers, Sunnyvale Community Services, Housing Authority, and various shelters and emergency housing providers.

The agency has found that the Mobilehome Residency Law (“MRL”) and the regulations and park rules that form overlays to affect rights at the mobilehome parks are difficult for many people to understand. Many renters and landlords in mobilehome parks are unaware that the rules that govern mobilehome parks are very different from the California Civil Code that covers the majority of the tenant/landlord disputes in Sunnyvale. This is an area where Project Sentinel educate callers on the applicable rules and avert a dispute altogether.

This fiscal year, Sunnyvale’s dispute resolution program opened five (5) cases from mobilehome park residents. Four (4) were owners and one (1) was a renter. A short summary of these cases is included below.

Case no. 1: A mobilehome owner has allowed a homeless person to stay on a temporary basis and then grew more concerned about that person’s behavior. She wanted to ask the person to leave and had received a notice to terminate her space lease. Project Sentinel assisted her in communicating effectively with the person to find new housing and take his belongings.

Case no. 2: A tenant of a mobilehome called about who is responsible for paying for bed bug treatments. Project Sentinel’s case manager provided information on the tenant’s rights and responsibilities for the treatments and the options for communicating and resolving disputes through conciliation and mediation. The tenant decided how to proceed based on the information provided.

Case no. 3: An owner of a mobilehome asked for information regarding who is responsible for maintenance and repairs to a mobilehome and space. Project Sentinel provided information and offered conciliation and mediation services.

Case no. 4: A person had lived in a mobilehome with her parents for many years. She was added to the title and added to the space lease with the park. When both parents passed away, the park asked her to sign a new lease and demanded that she qualify on her own under the park rules. The Project Sentinel case manager conciliated that dispute by phone which resulted in a resolution that allowed the owner to remain in the home.

Case no. 5: A mobilehome owner received a 60 day notice terminating his lease for repeated violation of the park rules on late payment of rent. After discussing the matter with a case manager, he resolved the dispute with park management.

None of the five (5) cases involved residents of Plaza del Rey Mobilehome Park.

Martin Eichner has recently updated his excellent summary of the MRL which Project Sentinel will provide free to any Sunnyvale residents who request it. We will post it on our website shortly and will attach with this letter.

In addition to cases, we received very few phone calls identified as from mobilehome park residents this fiscal year. Those calls did not develop into cases because the callers did not want to share information/pursue any action. As far as I could discern, none of these were from Plaza del Rey residents so I am not clear on

why so many residents at the study session meeting indicated that Project Sentinel could not or would not help them. We will reach out to the residents if you believe that would be helpful. Perhaps a facilitation meeting might be advisable as the Council suggested.

On a separate topic of rent control/stabilization and/or rental dispute resolution ordinances, Project Sentinel is the administrator for Los Gatos, Fremont, Campbell, Mountain View and Hayward. Each has its own procedures so here is a sketch of the major differences:

- The Town of Los Gatos Rental Dispute Mediation and Arbitration Ordinance provides for mandatory attendance by a landlord at mediation and, if a party requests it, mandatory attendance at binding arbitration. It is the only jurisdiction in Santa Clara County that we administer with binding arbitration. The cap is set at 5% per year.
- The Fremont Residential Rent Increase Dispute Resolution Ordinance (RRIDRO) provides for mandatory participation in mediation but non-binding arbitration by a fact finding panel. The ordinance provides penalties for violating the proscribed procedures for increasing rents, including rolling back any increases and refunding increased rents paid pursuant to an invalid notice of rent increase.
- The Campbell Rental Dispute Ordinance includes mandatory attendance at mediation and a next phase of non-binding arbitration by a “fact finding commission” rather than a single arbitrator. There is no means to enforce the decision of the commission. Rent increases are limited to “reasonable” amounts based on many factors, including the current market.
- Mountain View’s new Rental Housing Dispute Resolution Program institutes mandatory mediation upon request after conciliation efforts have failed. If a party requests non-binding arbitration after the parties fail to resolve the matter at mediation, it is set for arbitration before a single arbitrator. There is no enforcement power in the ordinance although there are consequences to a party’s failure to participate in mediation or arbitration in good faith. A landlord that imposes more than two rent increases a year which when combined exceed 7.2% is required to participate in the mediation program.
- Palo Alto allows tenants and landlords to file a petition to request mandatory mediation on almost any issue except termination of a tenancy. If a party fails to appear, the case manager is encouraged to contact the City Attorney so see if a fine is appropriate. If the parties do not resolve the dispute through mediation, there is no next step. If they do resolve the dispute, there is no enforcement provision.
- For Hayward, the Residential Rent Stabilization Ordinance includes mandatory mediation and binding arbitration provisions. The ordinance sets forth very specific procedures and a presumed 5% per year cap on rents. There is also a Mobilehome Space Rent Stabilization Ordinance which limits increases in rents and addresses reductions in service. There is no mediation. If the city’s rent review officer cannot conciliate the issue, a party may ask for binding arbitration; however, the ordinance does not seem to be utilized often.

Please let me know if there is any more information I can provide that would help with your follow up report.

Sincerely,

A handwritten signature in cursive script that reads "Sandra DeLateur". The signature is written in black ink and is positioned above the printed name.

Sandra DeLateur
Director Dispute Resolution Programs



YOUR RIGHTS AND RESPONSIBILITIES AS A MOBILEHOME OWNER UNDER THE CALIFORNIA MOBILEHOME RESIDENCY LAW

Leases and Space Rent

- ✓ Every homeowner must be offered a written rental agreement for a term of 12 months, unless the homeowner requests a shorter period. A term of more than 12 months cannot be required, but can be mutually agreed upon. Every rental agreement must specify the park's services and fees. The agreement must also attach a copy of the park rules, the written disclosure regarding park conditions, and a copy of the Mobilehome Residency Law, all of which are deemed to be part of the agreement. An updated version of the MRL must be provided annually. A rental agreement or lease for a period of years cannot be automatically renewed without the homeowner's consent.
- ✓ If the park intends to increase the space rental amount upon renewal of the lease or rental agreement, or within the term of a lease, it must give a 90 day advance written notice. The MRL does not regulate the amount of rent increases; that issue is left for local jurisdictions. A park must refund any security deposit initially collected from a homeowner after one year of successful residency.
- ✓ Every rental agreement must include management's duty to properly maintain the condition of the park. A homeowner who believes that this duty is being violated must give at least 30 days written notice of the deficiency to management before taking legal action.
- ✓ A homeowner who lives alone is entitled to have one other person share the mobilehome, and may do so without paying any additional fee to management. Other guests are permitted to stay in the home without a fee, as long as they do not stay more than 20 consecutive days or 30 total days in a year. No fee can be charged for any immediate family members living in the home. A senior may have a live-in companion to provide health or supportive care pursuant to a doctor's written treatment plan.
- ✓ A park may operate as a "senior" park only if certain federal law requirements are met. Otherwise, a park must be open to all families.
- ✓ A homeowner may sublease his or her home after one year of occupancy but only if the homeowner must be absent due to a medical condition confirmed in writing by a physician. The sublease tenant must meet the park's qualifications and fully comply with the owner's lease. The tenant cannot be charged rent or fees greater than the owner would pay.
- ✓ Park management can enter a home only with the owner's written consent or to respond to an emergency. Entry onto the lot is permitted only for specific actions such as maintenance and cannot interfere with the owner's quiet enjoyment unless there is an emergency.

Utilities

- ✓ Park management is permitted to include utilities as part of the rent payment or to charge separately for utilities, such as electric, sewage and cable tv. A homeowner has a right to install a dish antenna rather than paying for cable. If it bills separately, management is not permitted to add any profit to the actual utility charges it passes to the homeowners.
- ✓ The utility bills must show the actual charges and meter readings. The California PUC will accept an informal complaint if the homeowner believes the billing does not reflect accurate metering. If a “third party” billing company used, its name and contact information must be listed on the utility billing.
- ✓ Although some parks allow direct billing, homeowners do not have the right to insist on directly contracting with utility providers.

Park Rules

- ✓ All park rules must be applied evenly and must be honored by both residents and park management. Rules must be consistent with applicable fair housing laws.
- ✓ A copy of the current park rules must be attached to every rental agreement.
- ✓ Management must give proper notice of any proposed changes in the current rules and hold a meeting with homeowners. Unless homeowners voluntarily accept the changes, rules other than those applying to recreational facilities can be implemented by management only after a six-month waiting period. The content of any such rules must be “reasonable.”
- ✓ Homeowners have a right to have one pet, subject to management’s right to establish reasonable rules for pets.
- ✓ Management must give a 14 day written notice of any code violation or rule infraction or condition which must be corrected, before it can charge any resulting costs or fees to the homeowner.
- ✓ Management can give a 14 day notice of its intent to remove belongings on the rental space that violate the park rules or lease agreements. If the homeowner fails to correct the violation, management can remove the property, and store it at the homeowner’s expense. After 60 days, management can dispose of the removed property.

Park Facilities and Conditions

- ✓ Management is responsible for the overall safe maintenance and operation of the park. Management is responsible for health and safety maintenance of trees anywhere in the park, if the individual homeowner’s rental agreement has been renewed since January 2001. A homeowner must obtain permission before planting a new tree. Management is responsible for any driveways it installs. Homeowners are responsible for driveways they install or for any damage they cause to existing driveways.
- ✓ Homeowners are entitled to an initial written disclosure at the time of purchase from management describing the park conditions such as lighting, utilities, common areas, parking, and playgrounds.
- ✓ A park manager must reside in a park with 50 or more spaces. The manager must be available to respond to emergencies by telephone or other similar device.

Association and Communication

- ✓ If the park has a clubhouse, it must be open and available during reasonable hours. Homeowners have the right to use park facilities for meetings for “any lawful purpose” and to invite public officials or members of homeowner advocacy groups. They cannot be charged a fee, as long as all park residents are invited.
- ✓ On non-commercial issues, homeowners have the right to circulate petitions and leaflets and canvass other homeowners, as long as they observe reasonable hours and reasonable behavior.
- ✓ Homeowners have the right to display political campaign signs within 90 days prior to an election and 15 days after, as long as the size of the sign does not exceed 6 square feet.
- ✓ Upon written request, management must meet and consult with a group of homeowners or an individual homeowner regarding park rules, rental agreements, maintenance standards or physical improvements.

Eviction

- ✓ A lease may be terminated or denied renewal only for specified reasons. The most important of these are failure to comply with applicable ordinances or state regulations after receiving a notice of deficiency, failure to comply with park rules after receiving a 7 day notice of violation, or certain criminal acts such as prostitution or drug dealing. Three 7 day notices in a 12 month period are grounds for eviction without further opportunity to comply. A homeowner can also be terminated for being a “substantial annoyance” to other homeowners or residents.
- ✓ A rental may also be terminated for failure to pay rent, utilities or other service charges which are 5 or more days late, but only after subsequently receiving a 3 day written notice of this deficiency.
- ✓ Delinquency payments can be cured within the three day notice period, but not if three prior notices for the same violation have been served within the last twelve months.
- ✓ A notice of termination for any of these reasons must be served 60 days in advance, and must state the factual basis for the termination. The notice must be served on all legal homeowners and lienholders.
- ✓ A legal owner, such as a bank, or lienholder can cure a default in rent or fees within the first 30 days after notice of termination, but can do so only twice during a 12 month period.
- ✓ The homeowner can sell the home during the sixty day notice period as long as all arrears are brought current and the transaction is completed during the sixty day time period.

Purchase and Transfer

- ✓ Homeowners have the right to sell a mobile home “in place” through an agent of their choice. Management cannot charge a fee for a sale unless it performs an actual service related to the sale. Written notification that the home is for sale can be required. Management cannot require the owner to allow the park a right of first refusal, unless there is a separate agreement where management pays for this option.

- ✓ Within certain limits, a homeowner can place a “for sale” sign in front of the home. Management cannot prohibit listing the unit for sale although it can require notification and cannot require the homeowner to use a specific broker or dealer.
- ✓ Management cannot require that a mobilehome be removed from the park as a condition of sale unless the home is significantly “rundown” or past a certain age and in violation of the California Department of Housing & Community Development standards for mobilehome conditions. Repairs to a home to remain in the park can be a condition of sale only if the repairs are for exterior portions, are required by state or local regulation, and are not to structures owned or installed by management.
- ✓ Management may require financial qualifications from a prospective buyer and proof that the buyer will not violate park rules. A fee for financial reports may be charged the buyer, but must be credited toward rent if accepted, or refunded at the end of the process if the buyer is rejected by management. Management must accept or reject a prospective buyer in writing within fifteen business days after receiving a completed application. If a buyer is rejected, the reasons must be stated in writing.
- ✓ The Statutory Disclosure Form is required for all sales. Management must provide a separate disclosure to any prospective buyer, which includes an explanation of the dual nature of ownership, the fact that a lease or rental agreement will be required, and the applicable rental rates and other charges that will apply, as well as the right to a copy of the park rules.
- ✓ A legal heir who continues in possession of a mobile home after the registered homeowner dies, must promptly take the necessary steps to legally transfer ownership. Failure to transfer title can result in summary eviction. Park management has the right to require the heir to qualify under the same criteria that would apply to a new purchaser. The heir may sell the home “in place”, as long as all of the obligations of the deceased homeowner are kept current.

Park Closure

- ✓ Under state law, homeowners must be given 15 days advance notice of management’s intent to appear before a local governing body to request a change of use for the park, and the notice must include an explanation of the impact report requirement. The actual impact report subsequently prepared must describe housing alternatives and mitigation efforts such as relocation expenses. The local governing body must review this report before making any final decisions.
- ✓ Homeowners must be given six months advance notice of intent to close the park after all local permits have been approved, or twelve months advance notice if the park closure does not require local government permits.
- ✓ In addition to state law, local governments have the ability through zoning and conversion ordinances to impose conditions on requests to close parks, for example, by requiring relocation assistance or requiring management to buy the home at fair market value.
- ✓ If the park owner places the park on the sales market, and if there is an owners’ association in the park, the association must be given notice in order to make a purchase offer.

Enforcement of Legal Rights

- ✓ The State of California Ombudsman in the Department of Housing and Community Development will answer questions about the interpretation of the MRL, and other laws and regulations related to mobilehomes, and will take complaints, which it will refer to park management. This office does not have any direct enforcement power.
- ✓ Homeowners are authorized to file a civil lawsuit to address violations of the MRL. Attorney's fees are included in the remedies that a homeowner can obtain, and for willful violations, there are monetary penalties or punitive damages in addition to actual damages. If the claim arises from management's failure to maintain conditions in the park, the homeowner must give management thirty days written notice of the deficiency before filing suit.
- ✓ The local city attorney or district attorney can bring a civil suit, if there has been a substantial failure by management to maintain the physical condition of the park or if there has been a substantial violation of a park rule by management or by a homeowner.
- ✓ The California Department of Housing and Community Development enforces building codes and standards for mobilehome parks. These regulations include the requirements for installing new homes and for existing conditions such as utility hook-ups and setbacks between units. This department has a local inspector assigned to the South Bay area.
- ✓ Park management may seek a restraining order to prevent an on-going violation of park rules by a homeowner that is causing serious and irreparable harm.

FOR MORE INFORMATION

Call Project Sentinel

1-408-720-9888 or 1-888-FAIR HOUSING

Project Sentinel offers neutral counseling and dispute resolution services, but not legal advice or representation