

# Manufactured Housing Dispute Resolution Program

2023 Annual Report to the Washington State Legislature

# **Washington State Attorney General - Bob Ferguson**

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# **Manufactured Housing Dispute Resolution Program**

# **Executive Summary**

#### HISTORY

The 2007 Washington State Legislature recognized that there are factors unique to the relationship between a manufactured/mobile home tenant and their landlord. The difficulty and expense of moving and relocating a manufactured/mobile home creates unique challenges. The Legislature found that many tenants who experienced violations of the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA), RCW 59.20 were often left without protections or access to legal remedies. In response, the State Legislature passed into law RCW 59.30. This law authorizes the Attorney General's Office to administer the Manufactured Housing Dispute Resolution Program (the Program) and enforce the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA), RCW 59.20.

The Legislature also authorized the Attorney General to produce and distribute educational materials regarding the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA) and the Manufactured/Mobile Home Dispute Resolution Program; to create and maintain a database of manufactured/mobile home communities that have had complaints filed against them, other data related to the complaints filed, and the outcome of complaints.

The Program is required to provide this annual report to the Legislature on the data collected, including Program performance measures and recommendations regarding how the Manufactured/Mobile Home Dispute Resolution Program may be improved.

#### MISSION & VISION

The Manufactured Housing Dispute Resolution Program enforces the Manufactured/ Mobile Home Landlord Tenant Act (MHLTA), RCW 59.20, educates stakeholders, and fosters relationships between manufactured/mobile home community home owners and land owners. We facilitate communication among parties in an effort to resolve disputes and avoid evictions.

The Program seeks to foster a safe and sustainable manufactured/mobile home community industry in Washington State through excellence in service, respected regulatory leadership, and effective membership in stakeholder organizations.

# MANUFACTURED HOUSING DISPUTE RESOLUTION PROGRAM OVERVIEW

## **DISPUTE RESOLUTION**

Both homeowners and landlords may file complaints with the Program if they believe there is a violation of RCW 59.20. The Program does not represent landlords or tenants. Dispute resolution efforts focus on educating the parties on their respective rights and responsibilities under the MHLTA and resolving the complaint in compliance with the MHLTA, RCW 59.20.

The Program receives and reviews complaints and provides services pursuant to RCW 59.30, including investigating complaints and facilitating dispute resolution where the complaint involves RCW 59.20. The Program gathers information and documents from the parties to inform the dispute resolution process, and facilitates communication between the parties in an effort to help resolve the complaint.

If the issues presented in a complaint do not involve RCW 59.20, the Program provides the complainant with information about other resources available to help them resolve the issue, including referrals to other agencies or dispute resolution centers, or recommends the complainant contact a private attorney.

Complainants and respondents must cooperate with the Program during an investigation. Failure to cooperate with the Program in the course of an investigation is a violation of RCW 59.30.

Filing a complaint with the Program does not prevent the parties from taking legal action as permitted in RCW 59.20 or negotiating directly with each other to find a resolution independent from the Program.

# **VOLUNTARY COMPLIANCE EXAMPLES**

#### **DISPUTE RESOLUTION:**

The Program continues to resolve a high number of complaints through the Dispute resolution process, including the following examples for 2023. The complaints remain open for other issues.

#### Paradise Cove RV Park (Castle Rock, WA)

Paradise Cove RV Park agreed to provide refunds totaling \$9,535 for tenants related to rent increases without lawful notice and overcharges for utilities.

#### Burlington Hills Mobile Home Park (Mount Vernon, WA)

Burlington Hills agreed to refund all of its tenants for rent increases that were imposed during the Covid moratorium on rent increases.

### Harts Lake Resort & RV Park LLC (Roy, WA)

Harts Lake Resort & RV Park agreed to institute MHLTA regulations instead of traditional landlord/tenant law following Program services.

## Leisure Manor Mobile Estates (Bremerton, WA)

Leisure Manor agreed to rescind a rent increase following Program services. The complaints remain open for other issues.

### **ENFORCEMENT**

If the parties cannot reach an agreement through the Program's dispute resolution process, and the issue(s) in dispute relate to the MHLTA, the Program will refer the matter to the Program's Assistant Attorney General (AAG), who will review and consider the facts and make a written determination about whether there is a violation of RCW 59.20. The AAG or the Program may conduct further investigation before issuing a Notice of Violation or a Notice of Non-violation. The Program may also issue an order requiring a party to cease and desist from an unlawful practice and take affirmative actions that will carry out the purposes of RCW 59.30.

If the Program determines that a landlord or tenant has violated RCW 59.20, it will issue a written Notice of Violation to the party who committed the violation. The Notice of Violation will specify the corrective action required, the time within which the corrective action must be taken, any fines or penalties that will be imposed if corrective action is not taken within the specified time period, and the process for contesting the determination in the Notice of Violation through an administrative hearing.

If the Program determines that the responding party did not violate RCW 59.20, it will issue a written Notice of Non-violation. The Program provides parties with copies of Notices issued pursuant to RCW 59.30.

#### ENFORCEMENT ACTIONS:

### Beacon Charters RV Park (Ilwaco, WA)

In June of 2022, the Program issued a Notice of Violation and Cease and Desist Order against Beacon Charters RV Park and their parent company, Deer Point Meadows Investments, relating to several MHLTA violations including illegal eviction notices, park upkeep, and retaliation. The Notice/Order was appealed by the landlord, and a six day administrative hearing was held between January and April of 2023. Administrative Law Judge Travis Dupree fully affirmed the Notice/Order in May of 2023. In October of 2023, the Program moved to enforce the Notice/Order and issued fines for failing to comply. Clark County Superior Court granted the enforcement motion with fines against Beacon Charters and RV Park totaling \$57,000.00. Clark County also affirmed the Program's Order for the landlords to pay tenants relocation costs at \$2,000 each. The administrative hearing cost the Program over \$55,000.00.

### Windsor Court Mobile Home Park (Lakewood, WA)

The Program issued a Notice of Violation and Cease and Desist Order against Windsor Mobile Home Park on November 9, 2023. The issues related failure to cooperate with the Program and upkeep of the Park. The Program is currently working with the park manager and Lakewood Code Enforcement related to the ordered corrective action. No fines have been issued pending progress on compliance.

# Lawson-Campbell Mobile Home Park (Airway Heights, WA)

The Program issued a Notice of Violation and Cease and Desist Order against Lawson-Campbell Mobile Home Park for failure to cooperate with the Program and park upkeep, among other issues. The Program in conjunction with the Spokane Department of Health and Airway Heights Police Department is currently monitoring the clean-up of the park. No fines have been issued pending progress on compliance.

#### SB 5198 - Notice of Sale Process

The Program has been working with the Department of Commerce on instituting the 2023 amendments to the MHLTA, which requires parks to provide a "Notice of Opportunity to Compete" for purchase of a park before the landlord publicly lists the park for sale, among other changes. The Program has had one park de-list their advertisement until the proper Notice of Opportunity to Compete was issued. The Program has active investigations into other parks related to this issue and has provided educational materials to landlords following public listings of parks.

# **PROGRAM STATISTICS**

The Program received a record number of complaints in 2023. The Program has seen a trend in complaints being filed by multiple tenants against an individual Park, and multiple tenants from multiple Parks filing complaints against multiple Parks owned by one entity.

The Program continues to resolve a high number of complaints through the dispute resolution process. In 2023, fines and notices issued by the Program have increased.

#### Fines Issued in 2023:

	Tenants	Landlords
Fines issued in 2023	0	\$57,000.00

#### Refunds/Credits paid by Respondents in 2023:

	Tenants	Landlords	ı
Refunds/Credits	>\$50,000	0	ı

The Program reports the following for the reporting period of December 6, 2022 through December 25, 2023. The Program complaint volume continues to climb each year with 2023 reaching a record number of 734 complaints.

### 1. Number of complaints received.

	Tenants	Landlords
Complaints received 2023	719	3
New complaints pending	12	
review		
Total	734	

#### 2. Communications with constituents.

The Program received approximately 2,000 telephone calls during this reporting period. Program staff provide callers with information about RCW 59.20 and 59.30, Program services, the dispute resolution process, and how to access Program services. In addition, Program staff assisted callers by providing resources and referrals for issues that did not involve RCW 59.20 and 59.30.

# 3. Top Complaint Issues.

Issue	Number
Utilities	191
Amount of Rent Increase	123
General Maintenance	112
Rental Agreements	108
Fees	83
Notice of Rent Raise	82
Rules Enforcement	77
Rent Raise	54
Notice of Sale of MHP	54
Eviction Issues	52
Health, Safety, or Sanitation	40
Permanent Structures	38

# 4. Number of Complaints Closed.

	Tenants	Landlords
Complaints Closed	504	10
Total	514	

# 5. Complaint Resolutions.

Closed Complaint Resolutions:	# of Complaints
Multiple Complaints	84
DR Services Voluntary Compliance	168
DR Services No MHLTA Issue	68
Complainant stopped participating in dispute resolution process	40
Anonymous or DR services not authorized by complainant	32
Outside RCW 59.20/No MHLTA Issue/Not a MHP	51
Complaint Withdrawn by Complainant	9
Closed Administratively	4
Referred to Enforcement including Park-wide	40



# **ENFORCEMENT ACTIONS**

Enforcement Actions	Tenants	Landlords
Notice of Violation	0	2
Notice of Non-violation	0	0
Order to Cease and Desist or Affirmative Action	0	2
Total	0	4

## 1. Administrative Appeals.

Appeals to the Office of Administrative Hearings	Tenants	Landlords
Appeals of Violations to Office of Administrative Hearings	0	1
Appeals of Non-Violations to Office of Administrative Hearings	0	0

# 2. Court of Appeal Decisions.

Court of Appeal Decision		
Tenants	Landlords	
0	0	
0	0	

# **OUTREACH AND EDUCATION**

The Program produces and distributes educational materials to landlords, tenants, and stakeholders concerning RCW 59.20 and the Program as required by RCW 59.30.030(3)(a), (b) and (c), including the notice of tenants' rights and responsibilities that must be posted by all landlords pursuant to RCW 59.30.030(2)(b)(i). All educational materials are available in English and Spanish and in other languages upon request.

The Program strives to provide quality educational materials and outreach for the benefit of landlords, tenants, and other stakeholders. The Program provided educational materials to stakeholders upon request and distributed notice of tenants' rights and responsibilities to mobile home park landlords and owners.

The Program also continues to communicate with legal aid groups and government agencies, including local code enforcement officers, Department of Commerce, Northwest Justice Project, and Thurston County Legal Services.

The Program presented at multiple in-person and virtual stakeholder meetings in 2023 upon requests from stakeholders to present information about the Program and Program services. The Program plans to reinstate and host quarterly stakeholder meetings in 2024. The Program intends to increase its visibility in 2024 by proactively initiating more presentations to mobile housing communities.

# **OTHER RECOMMENDATIONS:**

- 1. RCW 59.30.010: Current staffing is not sufficient to resolve and/or investigate the quantity of complaints seen this year "quickly and efficiently" as directed in RCW 59.30.010(2).
- 2. RCW 59.29.355: The \$10,000 penalty authorized under RCW 59.20.355 as being enforceable only against the seller after the park has already been sold may not be sufficient to preserve mobile housing communities as the legislature intends. The availability of injunctive relief after a public listing but prior to a sale, and a penalty against the buyer, may be more effective in carrying out the legislative intent as stated in the note following RCW 59.20.030.
- 3. RCW 59.20.135: When a dispute arises over ownership of a permanent structure, there is often no existing evidence to establish whether a tenant or a landlord originally affixed the permanent structure. The Program would benefit from a clear statement on what party has the burden to establish ownership of permanent structures.
- 4. 59.20.060(2)(c). The Program would benefit by a clear procedure on the available remedy for increasing rent during the term of the rental agreement. Often, tenants at the same mobile/manufactured home parks have different "lease renewal dates." A common complaint is a landlord imposing rent increases uniformly, which results in rent increases occurring on a non-lease renewal dates for certain tenants. There is no guidance on whether the remedy is: a) refunds are provided to the point the tenant would have paid had the rent increase been imposed on the lease renewal date, or b) the rent increase is deemed ineffectual, with the result being no rent increase occurring for that calendar year of the lease, reverting to the original rent.
- 5. The Program would benefit from clarification on whether it has authority to enforce non-registration of mobile home parks per RCW 59.30.050 or if that is under the sole jurisdiction of the Department of Revenue.

# PROGRAM STAFF

The Program managed many staffing changes in 2023 and experienced staffing shortages for extended periods of time throughout the year.

# **CURRENT PROGRAM STAFFING**

- Sandra Hatcher, Program Supervisor
- Camille Carroll, Program Dispute Resolution Specialist
- Mayte Jimenez, Program LEP Services Specialist
- Kimberly Norris, Program Coordinator
- Scott Henderson, Program Investigator
- Sebastian Miller, Assistant Attorney General
- Cynthia Lockridge, Program Director

### To Contact the manufactured Housing Dispute Resolution Program:

Statewide toll-free: 866-924-6458

King County: 206-464-6049 E-mail: MHDR@atg.wa.gov

Mail: Manufactured Housing Dispute Resolution Program

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