

HOUSE BILL REPORT

ESHB 1884

As Passed House:
January 22, 2018

Title: An act relating to eligibility for relocation assistance for tenants of closed or converted mobile home parks.

Brief Description: Concerning relocation assistance for manufactured/mobile home park tenants.

Sponsors: House Committee on Community Development, Housing & Tribal Affairs (originally sponsored by Representatives Ryu, Barkis, Goodman, Stokesbary and Pollet).

Brief History:

Committee Activity:

Community Development, Housing & Tribal Affairs: 2/14/17, 2/16/17 [DPS];
Appropriations: 2/23/17, 2/24/17 [DPS(CDHT)].

Floor Activity:

Passed House: 1/22/18, 70-25.

Brief Summary of Engrossed Substitute Bill

- Allows qualifying manufactured/mobile home park tenants to use Relocation Assistance Program (Program) funds to secure housing that is not a manufactured home.
- Allows manufactured/mobile home park tenants seeking relocation assistance from the Program to receive other funding for relocation purposes, without reducing their eligibility for relocation assistance funds.
- Requires that a manufactured/mobile home park tenant's combined relocation assistance, from the Program and other sources, not exceed the tenant's actual relocation expenses.

HOUSE COMMITTEE ON COMMUNITY DEVELOPMENT, HOUSING & TRIBAL AFFAIRS

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Ryu, Chair; Macri, Vice Chair; McCabe, Ranking Minority Member; Barkis, Assistant Ranking Minority Member; Jenkin, Reeves and Sawyer.

Staff: Kirsten Lee (786-7133).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Community Development, Housing & Tribal Affairs be substituted therefor and the substitute bill do pass. Signed by 19 members: Representatives Ormsby, Chair; Robinson, Vice Chair; Bergquist, Caldier, Cody, Fitzgibbon, Hansen, Hudgins, Jinkins, Kagi, Lytton, Pettigrew, Pollet, Sawyer, Senn, Springer, Stanford, Sullivan and Tharinger.

Minority Report: Do not pass. Signed by 13 members: Representatives Chandler, Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Stokesbary, Assistant Ranking Minority Member; Buys, Haler, Harris, Manweller, Nealey, Schmick, Taylor, Vick, Volz and Wilcox.

Staff: Meghan Morris (786-7119).

Background:

Office of Mobile and Manufactured Home Relocation Assistance.

The Office of Mobile and Manufactured Home Relocation Assistance (Office), in the Department of Commerce (Department), provides general assistance to mobile and manufactured home resident organizations, tenant organizations, and mobile and manufactured home community owners. Among its duties, the Office provides technical assistance to tenants who are participating in the conversion of a mobile home park to resident ownership under the Park Purchase Program, and provides financial assistance for displaced homeowners under the Mobile and Manufactured Home Relocation Assistance Program (Relocation Assistance Program) when mobile home parks close.

Mobile and Manufactured Home Relocation Assistance Program.

The Relocation Assistance Program, administered by the Office, provides monetary assistance on a first-come, first-served basis to low-income persons owning mobile homes located in mobile home parks that are scheduled for closure or conversion to another use. Tenants residing in parks that are closed because of park-owner fraud or health and safety concerns are given priority to available funds. Payments are made by the Office upon verification of eligibility and subject to the availability of funds.

To be eligible for relocation assistance:

- a tenant's household income must be no greater than 80 percent of the median family income for the county where the mobile or manufactured home is located; and
- the homeowner must maintain ownership and either relocate the home or dispose of it if it cannot be relocated.

Eligible mobile home owners may receive reimbursement of relocation expenses up to \$12,000 for a multi-section home and \$7,500 for a single-section home. The Relocation Assistance Program is funded by a \$100 fee on the issuance of a certificate of title for mobile and manufactured homes. Fees are deposited into the Mobile Home Park Relocation Fund. If a person receives any payments for relocation, outside of funds provided by the Relocation Assistance Program, the funds from the Relocation Assistance Program will be reduced by the amount of outside funding received. If the amount of assistance received from an outside source exceeds the maximum amount of assistance a person is eligible for under the Relocation Assistance Program, then the person is not eligible for Relocation Assistance Program funds.

Owners of recreational vehicles (RVs) and travel trailers are not eligible for relocation assistance.

Summary of Engrossed Substitute Bill:

The definition of "relocate" is expanded, giving tenants the ability to use Relocation Assistance Program funds to secure other housing when their manufactured/mobile home has been demolished and disposed of.

The amount of relocation assistance that tenants qualify for under the Relocation Assistance Program is modified, relocation assistance is no longer automatically reduced by the amount of outside funding received and if tenants receive outside funding that exceeds the amount of relocation assistance they are eligible for, they are not disqualified from relocation assistance. A tenant's combined relocation assistance funds, from outside sources and relocation assistance, must not exceed the tenant's actual relocation expenses.

The Department of Commerce may use funds from the renamed Manufactured/Mobile Home Park Relocation Fund for administrative expenses.

Changes are made to the relocation assistance application criteria, including eliminating a different application processes for different type of applicants.

"Tenant" means a person that owns a manufactured/mobile home located on a rented lot in a manufactured/mobile home park.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony (Community Development, Housing & Tribal Affairs):

(In support) The goals for the Relocation Assistance Program include having adequate funds for relocation assistance, and with rising numbers of mobile and manufactured home closures, providing a means for mobile home park owners to keep their property current and

updated for tenants. The changes included in this legislation are good for the state, local jurisdictions, and tenants, and preserves affordable housing opportunities to allow mobile home parks to operate longer. We need to keep affordable housing affordable for tenants and to keep these communities current.

(Opposed) It is important that relocation assistance funds are preserved for low-income housing purposes because funds are limited. The Assistance Program should continue to be used for its intended purpose for assistance to homeowners when mobile home parks close.

The only way to help is to fully compensate home owners for the loss of their homes. Currently, only actual expenses for relocation are compensated, but home owners cannot use the funds for any other purpose, including rental costs. This purpose is needed because most mobile homes are demolished when mobile and manufactured homes are closed. There is going to be an increase in the number of mobile and manufactured homes eliminated because of mobile home park closures, increasing the need for relocation assistance funding and flexibility to use the funds as needed.

Having a tiered structure to pay into a relocation fund is problematic for some mobile and manufactured home owners. For many, they would be required to pay into the fund, but would not qualify for relocation assistance if their mobile home park closed.

Staff Summary of Public Testimony (Appropriations):

(In support) None.

(Opposed) None.

Persons Testifying (Community Development, Housing & Tribal Affairs): (In support) Representative Ryu, prime sponsor; and Craig Hilis, Manufactured Housing Communities of Washington, Incorporated.

(Opposed) Ishbel Dickens and Jan Slyvester, Association of Manufactured Home Owners; Nancy Sapiro, Columbia Legal Services; and Robert Ashmore.

Persons Testifying (Appropriations): None.

Persons Signed In To Testify But Not Testifying (Community Development, Housing & Tribal Affairs): None.

Persons Signed In To Testify But Not Testifying (Appropriations): None.