

S B

393

STATE OF ALASKA

DEPARTMENT OF LAW

OFFICE OF THE ATTORNEY GENERAL

Bill Sheffield, Governor

POUCH K - STATE CAPITOL
JUNEAU, ALASKA 99811
PHONE: (907) 465-3600

February 3, 1984

The Honorable Richard Eliason
Chair, Senate Labor and
Commerce Committee
Alaska State Senate
Pouch V
Juneau, AK 99811

Re: Senate Bill 393,
evictions from mobile
home parks

Dear Senator Eliason:

Your office has requested the Attorney General's office, Consumer Protection Section to comment on Senate Bill 393 which would forbid a mobile home park operator to evict a mobile home due to the age of the home. Under the bill, age of the home can only become a valid ground for eviction when the mobile home is no longer in "fit and habitable condition."

The Consumer Protection Section of the Attorney General's office is aware of evictions based on age, at least in the Anchorage area. However, normally the mobile home park operator does not actually evict a mobile home tenant currently in the park, but at the time that the tenant chooses to sell his or her mobile home, the mobile home park operator refuses to continue rental of the space to the new buyer, due to the age of the mobile home.

If Committee members decide to pass out the bill, you could further the bill's effectiveness by adding a provision that eviction of the mobile home could not occur at the time of a purchase by a subsequent owner, as long as the home still met the fit and habitable requirement.

To evict a mobile home due to its age is an especially grievous hardship on the consumer-owner of the mobile home, since most mobile home parks will also have a rule against taking in any new tenants who own older homes. Also, most of the cities in Alaska do not allow mobile homes to be placed on city lots except

Honorable Richard Eliason
Chair, Senator Labor and
Commerce Committee

February 3, 1984
Page 2

on the most remote edges of the city. You may wish to take note that Alaska Housing Financing Corporation is continuously lobbied by the mobile home dealers and park owners to continue its extension of 15 year term loans on mobile homes, so that the industry will not collapse. However, the industry does not always seem as willing to accommodate the mobile homes for the 15 year period in a park.

Sincerely,

NORMAN C. GORSUCH
ATTORNEY GENERAL

By: 

Connie J. Sipe
Assistant Attorney General
Consumer Protection Section

CJS:vrp

- cc: Arthur F. Peterson
Assistant Attorney General

SB 393 TITLE & SPONSOR SUMMARY

14:28 5/22/84 PAGE 1 OF 2

AMENDED TITLE:

AN ACT RELATING TO EVICTION FROM A MOBILE HOME PARK, AND PROVIDING FOR AN EFFECTIVE DATE

PRIME SPONSOR: RAY.

CO-SPONSORS:

CURRENT STATUS: 1/31/84 IN (S) LABOR & COM

SB 393 SENATE ACTION

14:28 5/22/84 PAGE 2 OF 2

DATE SEQ PAGE

LEGISLATIVE ACTION

01/31/84 01 1895

FIRST READING -- COMMITTEE REPORTS
LABOR & COMMERCE
RULES

*** ** ** *** ** *

Hearing on SB 393

"An act relating to eviction from a mobile home park; and providing an effective date."

Presented to: Labor and Commerce Committee February 7, 1984

Ch: Richard I. Eliason

Bob Mulcahy

Fritz Pettyjohn

Patrick Rodey

John C. Sackett

Petitioner: Thomas E. Carey
Glencaren Mobile Home Court
by Ann M. Carey

Testimony:

My name is Ann Carey. I have come in the behalf of Thomas E. Carey and in the interest of Glencaren Mobile Home Court located in Anchorage at 2221 Muldoon Road. Glencaren, one of the newest and we like to think one of the nicest courts in Anchorage is home to approximately 500 families. Tom Carey has been in the mobile home industry for over thirty years.

I am here to briefly offer suggestions to upgrade Senate Bill 393, "An act relating to eviction from a mobile home park," so that we all can live with this legislation.

The continual process of upgrading a park is in the best interest of the current tenants, future tenants, and the park owners. Mobile home parks and park owners are constantly having to struggle with the common complaint that mobile home courts are dingy, dirty, cramped, and the homes are unkempt, old and collapsing. Nobody would choose to live there, no one would choose to have a park in their neighborhood. This negative disposition coupled by the rising property values are making even the possibility of having and maintaining a pleasant attractive park a privilege for only the newly developed court.

Without standards and regulations a court owner, the park itself, and current tenants are subject to a sub-minimum neighborhood. A court owner must maintain some lever to upgrade his/her court to retain the real value of neighboring homes and to insure the attractiveness and appeal of the park itself.

Granted, Mr. Carey feels as though some regulation is necessary to protect a current tenant from being robbed of a rental space by the itchy prospects of a new sale. We are willing to discuss the possibility of an amendment to the proposed legislation which would protect a tenant and still grant a reasonable

lever to a court owner. We are proposing that a home have the privilege of residing in any given park for a guaranteed period of fifteen years after the manufacturer's date of the mobile home. And that a court owner shall provide a written notice to the tenant two years prior to the expected date that the mobile home be moved out of the court. This insures a current tenant the security of a rental space for fifteen years with ample notice of expected relocation. Additionally, this amendment would give a court owner a reasonable lever to upgrade the park and maintain both the value of the property and of neighboring mobile homes.

We want to dispel the misconceptions of mobile home parks and mobile home park management. We want the right to upgrade our park to make it a pleasant attractive alternative as low income housing. Yet both our tenants and government must work with us to maintain some basic standards.

Finally, I, on the behalf of Tom Carey, would like to request another hearing on this legislation to adequately represent the Trailer Coach Association of Anchorage, concerned tenants, and other mobile home park owners.

I would like you to carefully consider the points I have brought before you today. First, that a court owner should have the privilege of upgrading his/her court to secure the value of neighboring homes and provide a pleasant alternative as low income housing. Second, that an amendment be considered guaranteeing a home rental space until fifteen years after the home's manufacturing date. Furthermore, that a mobile home court owner give written notice two years prior to the homes expected relocation date. Third, that another hearing be scheduled to air these and other concerns.

Thank-you for your time. I trust you will give these recommendations serious consideration.

Ann M. Carey for
Thomas E. Carey and
Glencaren Mobile Home Court

Ellen Searby Feb. 7, 1984 Re: SB 393

I am Ellen Searby. I have lived in a mobilehome that I own in a park in Juneau for more than 3 years. The park I live in has the following provision in its regulations, similar to the rules in other parks:

Class 3 Mobile Homes shall be those 25 years of age or older from date of manufacture. Class 3 mobile homes shall not be permitted into the park, and those mobile homes already in the park attaining this status shall be removed by Lessees at their expense, as soon as the owner discontinues personal occupancy and there shall be no assignment or subleasing of same, and while in the park must follow requirements pertaining to Class 2.

A provision like this lessens the value of an older mobilehome by many thousands of dollars, no matter how good its condition and appearance. My home is 19 years old but could easily pass for 5. When I sell it in the next few years, the buyer will be faced with that 25 year limit beyond which he or a later owner may not sell it and leave it in the park. There is no place else for it to go in Juneau. As a move is costly and potentially damaging, this provision lessens the value of my property and others now.

SB 393 would protect us from arbitrary limits on the age of our homes which devalue our property through no fault of the homeowners now matter how well we maintain them. There is a statewide shortage of mobilehome spaces, so it is a sellers' market with the tenant vulnerable to considerable property loss if forced to move. Additional protection is needed for park tenants, but SB 393 would remove one of the costliest burdens of the mobilehome owner. It should be passed. Thank you.

Hearing on SB 393

"An act relating to eviction from a mobile home park; and providing an effective date."

Presented to: Labor and Commerce Committee

Ch: Richard I. Eliason

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Petitioner: Thomas E. Carey
Glencaren Mobile Home Court
by Ann M. Carey

We contend that:

1. The continual process of upgrading a mobile home park is in the best interest of current tenants, future tenants, and park owners.
2. There be an amendment considered to the proposed legislation which would guarantee a rental space to a mobile home for up to fifteen years after the manufacturer's date of the mobile home. Furthermore, that a court operator be required to send written notice to a tenant two years prior to a homes expected relocation date.
3. There be another hearing scheduled on this legislation to adequately represent all concerned parties.

Thank-you for Your Time.

February 8, 1984

Senator Bill Ray
Alaska State Senate
District C
Pouch V
Juneau, Alaska 99811

RE: Senate Bill 393

Dear Senator Ray;

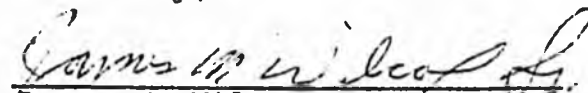
I am writing this letter to show my disapproval with another layer of laws pertaining to mobile home parks.

You might not realize it, but mobile home parks are one of the most regulated businesses in the state. It is for that reason amongst others that older parks are being closed out and other uses are being made of the property. I am afraid, that it will close more parks and defeat the very intent of helping the lower income people.

Bill, as you know, I own three mobile home parks in the Juneau area. I think the park owners have the right to know who wants this kind of restriction put on the park owners.

Thank you for your time.

Sincerely,


James M. Wilcox, Sr.
Owner - Mobile Haven
Mobile II
Sprucewood

cc: Senator Eliason

Lemon Creek Manor mobile home park

5875 Glacier Hwy. Sp. 5
Juneau, Alaska 99801

(907) 586-2379
(907) 586-3184

February 6, 1984

Honorable Bill Ray
Alaska Senate
District C
Pouch V
Juneau, AK 99811

RE: Senate Bill 393

Dear Senator Ray:

I read in the Juneau Empire that you have submitted Bill No. 393, which, if passed, would prevent a mobile home park owner from requiring old trailers to be removed from their parks.

From our experience most of the problems we have had are with tenants living in old, travel-type camper trailers, or just old homes. These homes were not built to be lived in in our sometimes cruel severe winters. Most are not well insulated, have warm climate type windows, or are inadequately wired.

The result is that the tenants have to run their water to prevent pipes from freezing, which results in water supplies running dry, and overloading the sewer disposal plants.

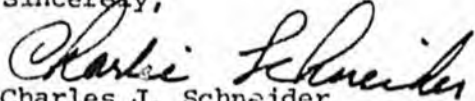
The wiring is also inadequate to stand the electrical loads when these tenants are forced to use portable electric heaters to stay warm.

I know you are a very concerned person and you are trying to help these people who have these old units. However, by their very nature, the units are small and poorly built for Alaskan conditions. Usually these homes have a wanagan or two attached, with wood stoves. Your bill could possibly cause injury or death to the very people you are trying to help.

Also, a park could end up full of old trailers and the end result would be that the park owners would have no other choice but to phase out the park, as is happening in one park here in Juneau.

Thank you for considering my views on this bill.

Sincerely,


Charles J. Schneider

cc: Senator Eliason

Linda S. Larsen
1720 Valley Court #11
Juneau, AK 99801

February 6, 1984

The Honorable Richard I. Eliason
Alaska State Senator
Pouch V
Juneau, AK 99811

Dear Senator Eliason:

I am writing this letter to you to ask for your personal support on a very serious problem that is hovering over the heads of approximately 180 families. It is the closing of two trailer courts - Valley Court and Mobile Two. Since I am a resident of Valley Court, I have information relating to it only. Regarding Mobile Two, I have heard that it is closing in about a year and 60 of the 180 families I mentioned live there.

Valley Court is scheduled to close (see enclosed notice) in June, 1985. The owner, Phil Godfry, is certainly within his legal rights to do whatever he chooses with his private property. He has not given his tenants any indication he will be lending any assistance with the move. I have written him asking what, if anything, he will be willing to do including purchasing any trailers to house employees. I am waiting for a response. He has only been kind enough to give us ample notice. Time is not the factor, really, for as the situation now stands, in 18 months, we will still be faced with the incredible dilemma of where to go once we reach the street.

Please allow me a few moments to explain my personal situation. I am a single parent with a five year old son, a cat and a large dog. I do have a good job as a secretary with the Dept. of Public Safety, but even so, I find myself living on a month-to-month basis. I'm considered low-income status simply because I have only one income coming in. My choices for providing my son a secure, comfortable homelife are limited because of this. I do not receive child support. I thought my choice in investing in a trailer was the best and most logical considering my resources and the high cost of renting. My mortgage payment is only \$225/mo. Space rent is \$150/mo. This compared to \$700/mo rent to pay off someone else's mortgage was in our best interests. I am a proud, self-reliant individual who has worked hard for what I have. Before buying this trailer, my son and I could only afford living in small, one-room efficiency apartments or sharing housing with roommates. It is important when you are raising a child to have the privacy of your own home and also important is the child's privacy in having his/her own room. Finally, at age five, my son has a room of his own. Not only will he be forced to go back to efficiency apartment living quarters by this eviction, but we are being faced with the strong possibility of having to live out of our pick-up truck for a while as I cannot afford to pay rent and also pay the mortgage payment each month on a home we cannot live in.

Where my trailer would be at that point, I do not know. I have written AHFC to get information on what action, if any, they will be taking. I shudder at

repossession of my trailer. After literally writing letters to AHFC to justify my even qualifying for the loan, repossession would not have a good effect on my credit status. It would most likely kill any chances I would have at obtaining a loan for something else in the future. The loss of my \$3,000 downpayment, plus having to pay an additional \$1,000 to credit card accounts in order to qualify for the loan is something I do not wish to happen. If it were not for the \$1,000 Alaska Permanent Dividend payments in 1982, we would not have been able to come up with that kind of money in the first place. The only other alternative I can see is to be forced to work two jobs in order to save enough money to get out of this financial hole and back in a secure position. But, I strongly feel that this would not be in the best interests of my son. He already has only his mother to depend on, it must surely be important that she is there with him at least part of the day. No matter how you look at it, the only ones sacrificing anything are the residents facing eviction.

The possibility of saving enough money to even move my trailer (it has been said the cost would range somewhere between \$2,000 and \$3,000) is something I cannot begin to try to budget for at this point. I purchased my trailer in Valley Court because: 1) I could not afford the incredibly high cost of renting anymore; 2) Valley Court is one of the very few trailer courts that allow a dog over 15 inches; and 3) there simply was not another choice in my price range (\$16,000).

You may wonder why I have a cat and large dog. My cat is 10 years old; she is my baby and I could not give her up anymore than I could give up my son. My dog is a collie and I have him to protect us. I am afraid of guns and my eyesight is bad enough that if I were to gather the courage to use one, I would probably miss. Considering the recent murders in trailer courts, I'm sure you can understand a single woman's desire for the protection of a large dog.

I decided to invest in buying a trailer as a stepping stone in order to build up enough money so that if I were to sell it in about three years, I might get enough back for a downpayment on a house. Do you realize that a person paying \$600 a month rent will have paid \$10,800 by June, 1985? That is a little less than one half my gross annual income. I think you would agree that \$600 a month is a very conservative estimate of rent these days in Juneau. Since so many of us have animals and children, even finding rentals will be extremely difficult. To me, renting is a waste of my financial resources and chain me to a dead end. How do I compensate for the added expense? Buy less food? Shop at the Salvation Army? I do not want to end up in a low-income housing project like Cedar Park. Although I sympathize with the problems that many people are faced in those kinds of places like alcoholism, child abuse and wife abuse, I certainly do not want my baby surrounded by them. If that sounds selfish, I can't help wanting the best life I can possibly give to my child. I could have sat around on welfare for the last five years if I wanted to. But I didn't, I wanted to work and strive for what little we now have. I'm overwhelmed by the injustice we are all being faced with.

I feel a bit awkward explaining my reasons for being in Valley Court in the first place, but I think it is important. Now that you know why I am there I will tell you what the impact of it closing will have on me.

The financial strain of getting the money together to move the trailer will set me back for the next two years as I will have to beg the bank for a personal loan and pay it back plus interest. Once I work out the financial end of it, I am not really any better off because there is nowhere to move to. I realize I am very fortunate that my trailer is moveable at all. Valley Court is not a nice, manicured trailer court like Switzer Village, for instance. Many of the trailers there are around 20 years old and to move them would be impossible. My trailer is a 1974 model. Right now I owe \$14,000 on it. My loan is for 11 years and I will be paying almost double that amount with the interest. Whether I move my trailer to a new location or am forced to abandon it, the bank expects me to keep paying for it. If I am living on a limited budget now, how can I possibly keep paying off this loan and pay rent? And I do not see why I should be in the position of paying for a home I cannot live in. I have no money to invest in something else at the same time so I could rent my trailer out.

You are probably thinking of several options I may have at this point. The most logical one is to find a buyer who will not have a problem with relocating the trailer in the future. I am trying, but not too many people are interested in trailers that have to be moved. My trailer would be valued at about \$17,000 if it weren't in Valley Court. I don't know what kind of an offer I could even get for it now. Since I owe a major portion of the value to the bank, I cannot afford to sell it for peanuts just to be rid of it.

The other option I have is to apply for a loan at the bank for a property purchase when the trailer court is just about closed. AHFC has started a brand new program dealing specifically with a situation like this. Simply stated, if you have an existing loan on your trailer with AHFC, they will finance 75% on a piece of property to move it to as long as the property is hooked up to water, sewer and electricity and assuming they approve you for the loan based on your specific financial situation. This sounds like the perfect solution, however, the 25% I would have to come up with is at least \$10,000. My savings account is balanced at \$3.00. I'm not kidding. If I am having a hard time figuring out where to come up with two or three thousand dollars, there is no way I can raise ten. So, although the intent of AHFC is good, as it now stands, it is not addressing anyone's needs. People with that kind of money do not live in trailers usually. They are into the real thing - houses on your own land that you do not have to worry about being evicted from.

One other thought. Even if the City and Borough of Juneau takes a stand in this matter and decides to somehow see that a new trailer court is built, there is no legal guarantee that the people being forced out will be the ones to move in. Anyone can find out about a new trailer court at the same time we do and move in ahead of us. If I feel fairly confident my trailer is moveable, but being 10 years old, it is not certain it would be allowed in.

Mr. John Annon, Housing Director for the City and Borough of Juneau, stated in an interview with KTOO on the program "Our Town" last week that the city felt this was a private matter between a private citizen and a landlord. The only reason they were looking into it was the fact that many of the families were of low-income status. He also expressed the dilemma that if a solution were

arrived at, it would have to be designed to meet any future situations that may arise. It didn't sound like the City was willing to put itself in the position of having to lend financial aid to every trailer owner in Juneau now or in the future. I cannot help but wonder why a piece of land can be zoned for a trailer court and a gravel pit at the same time. It has also been said that one of the main buyers of the gravel would be the City and Borough of Juneau. At this time, Mr. Phil Godfry's permit to run his gravel operation is due for review and reissuance. It is scheduled on the agenda of a meeting of the City Planning Commission on February 14, 1984. Even if we, the residents of Valley Court, do not have any legal rights or power in this situation, it would seem the City does. I can only think of one solution that would possibly address the various problems we are faced with. Some kind of financial opportunity in the form of a loan not requiring any downpayment to be used for a property purchase to move your trailer on, or if you do not have a trailer that can be moved, a loan to get you into another home purchase. The HOF program and Farmer's Home Loan program are nice in print, but you are limited to finding housing under \$85,000 and even so, you still need the 5% downpayment and closing costs. Again, if we had that kind of money, we would be standing in line at the realtor's office with our applications in hand. Either this loan procedure could be developed, or else someone should appropriate the funds to reimburse us for our losses. If your trailer is valued under \$5,000, then set a minimum reimbursement amount that would give that family buying power. This may sound like the "wounded duck syndrome" (the psychologist in the movie Modern Problems used that phrase. It went like this: Help me, help me, I'm a wounded duck. Fix my broken wing.) Well, the City has directed us as individuals to come up with the answer as it is beyond their imagination to find it themselves, so this is one individual's attempt at addressing everyone's needs. The main thing to remember is whatever solution is arrived at must not include a family having to come up with thousands of dollars they don't have and to end up in the street homeless.

It is my intention with this letter to ask you for your personal consideration in helping us find an alternative solution to our problem. Somewhere there must be a State Statute or City law which can be utilized. Somewhere the moral obligation must rest at a governmental level that can provide an answer. If you have any advice or know of anyway you can be of some assistance, please contact me. Thank you for listening.

Sincerely,



Linda S. Larsen

Attachment: (Eviction Notice)

VALLEY COURT
1720-0 Valley Court
Juneau, Alaska 99801

JANUARY 3, 1984

TO THE RESIDENTS OF VALLEY COURT:

THIS IS TO NOTIFY YOU THAT NO LATER THAN JUNE 1, 1985, YOU MUST HAVE COMPLETED REMOVING YOUR TRAILER, WANNIGAN AND ANY OTHER ATTACHMENTS THERETO FROM VALLEY COURT. THIS IS KEEPING IN LINE WITH OUR NOTICE AND STATEMENT GIVEN IN JUNE OF 1982. THIS NOTICE DOES APPLY TO ALL TRAILERS ON SPACES IN VALLEY COURT. ALASKA LAW STATES THAT WE ARE OBLIGATED TO GIVE A 90-DAY NOTICE; WE ARE GIVING 1½ YEARS. WE FEEL THIS SHOULD BE SUFFICIENT TIME TO RELOCATE. YOUR COOPERATION WILL BE APPRECIATED.


MANAGER

Barnes Development, Inc.

Wasilla Branch
P.O. Box 874567
Wasilla, Alaska 99687
(907) 376-8550

Juneau Branch
P.O. Box 3173
Juneau, Alaska 99803
(907) 789-5090

February 8, 1984

Honorable Bill Ray
Alaska Senate
District C
Pouch V
Juneau, AK 99811

Re: Senate Bill 393

Dear Senator Ray:

We are owners of Glacier View Mobile Home Park in Juneau.

It is our opinion that your Bill No. 393, recently submitted to the Senate, is not in the best interests of either the public or mobile home park owners.

Clearly, "mobile homes" manufactured fifteen or twenty years ago were literally "trailers", many of them travel-trailers now referred to as Recreational Vehicles. In either case, they were not made for winter in Alaska, lacking the necessary insulation, heating systems and other weatherization features found in more recently manufactured mobile homes. They often become not merely unsightly with age and liabilities to the park, but dangerously subject to burn-out and resulting injury or death.

Finally, we believe it is unreasonable to require mobile home park owners to permit older homes to remain forever. Such a requirement only degrades the park and will eventually produce a ghetto. Sooner or later the park owner would have little choice but to convert the land to other use.

Sincerely,



William A. Barnes

cc: Senator Richard Eliason
Chairman
Senate Labor & Commerce Committee
Pouch V
Juneau, AK 99811

Bill Fact Sheet

Date Received 1/31/84

Bill Number SB393 Title Eviction from mobile home

Fiscal Note - Date Requested _____ Date Received _____

- Of Whom _____

Dept. Position Paper - Date Requested _____ Date Received _____

- Of Whom _____

Resource People

Initial Hearing - Date 2/7/84
People Contacted

- ✓ Connie Sipe.
- ✓ Ben Marsh - 278-3615. Trailer Court Owner's Assn.
- ✓ Ray - 2/2

Follow-up Hearing - Date _____

Final Action _____ Date _____