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STATUTES RELATED TO SB 188

CHAPTER = 34.03  
SECTION = 34.03.225  
TITLE = 34  
HEADINGS TITLE 34.  
Property.  
CHAPTER 03.  
Uniform Residential Landlord and Tenant Act.  
ARTICLE 6.  
Landlord Remedies.  
CITATION Sec. 34.03.225.  
CATCH LINE  
TEXT LIMITATIONS ON MOBILE HOME PARK OPERATOR'S RIGHT TO TERMINATE.  
A mobile home park operator may evict a mobile home or a mobile  
home park dweller or tenant only for one of the following  
reasons:  
    (1) the mobile home dweller or tenant has defaulted in  
    the payment of rent owed;  
    (2) the mobile home dweller or tenant has been  
    convicted of violating a federal or state law or local  
    ordinance, and that violation is continuing and is  
    detrimental to the health, safety or welfare of other  
    dwellers or tenants in the mobile home park;  
    (3) the mobile home dweller or tenant has violated a  
    provision, enforceable under AS 34.03.130, of the rental  
    agreement or lease signed by both parties and not prohibited  
    by law including rent and the terms of agreement; and  
    (4) a change in the use of the land comprising the  
    mobile home park, or the portion of it on which the mobile  
    home to be evicted is located; however, all dwellers or  
    tenants so affected by a change in land use shall be given at  
    least 90 days notice, or longer if a longer notice period is  
    provided in a valid lease.  
HISTORY (Sec. 5 ch 138 SLA 1976; am sec. 1 ch 48 SLA 1982)

STATE OF ALASKA 1985 LEGISLATIVE SESSION  
FISCAL NOTE

Revision Date: \_\_\_\_\_

REQUEST

Bill/Resolution No.: SB 188  
 Title: "An Act relating to eviction from a mobile home part:..."  
 Sponsor: Sen. Ray  
 Requestor: Senate Labor & Commerce  
 Date of Request: March 11, 1985

FISCAL DETAIL

Agency Affected: Department of Law  
 Program Category Affected: Public Protection  
 BRU, Program or Subprogram(s) Affected: Consumer Protection

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
<b>OPERATING</b>						
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 SUPPLIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS						
800 MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>	<b>-0-</b>

<b>CAPITAL</b>						
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<b>REVENUE</b>						
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FUNDING: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

POSITIONS:

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
FULL-TIME	-0-	-0-	-0-	-0-	-0-	-0-
PART-TIME						
TEMPORARY						

ANALYSIS: Attach a separate page if necessary

This bill would prohibit a mobile home part operator from evicting a mobile home or a mobile home park dweller or tenant because of the age of the mobile home. The bill would not prohibit eviction for violation of a provision enforceable under AS 34.03.130 that requires that a mobile home be in a fit and habitable condition. The bill does not call for state intervention or enforcement and, consequently, no fiscal impact on the Department of Law is expected.

Prepared By: Richard I. Pegues, Director Phone: 465-3672  
 Division: Administrative Services Date: 3/12/85  
 Approved by Commissioner: Norman C. Gorsuch Date: 3/12/85  
 Agency: Department of Law

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agencies

Mobile Home Task Force  
Summary of Findings

The Mobile Home Task Force was organized to address five major problem areas:

1. Mobile home parks in Juneau are prime targets for conversion to other uses such as apartments, condominiums, single family housing, and in some instances, commercial or industrial uses. The most recent example of such a conversion is Valley Court Mobile Home Park. In June of 1982, approximately 50 residents of Valley Court were given notices of eviction. This action coupled with the relative nonexistence of mobile home lots on which to relocate the units, gives evidence of the economic pressures which can result in dire housing problems for mobile home owners.
2. Due to outmoded mobile home park regulations and inadequate enforcement, several parks have fallen into decay resulting in potentially serious health and safety hazards.
3. Although manufactured housing (including mobile homes) has moved to the forefront across the nation as the most affordable alternative to conventional housing, the utilization of this housing option to address Juneau's severe housing shortage has been virtually nonexistent in recent years. Why does this condition prevail and what can be done about it?
4. Given the imminent displacement of many mobile home owners from existing parks in the coming years, residents are faced with an immediate requirement for land that they can purchase or lease for the placement of their mobile homes. A recent informal survey indicates that many mobile home owners would much prefer to purchase a lot to live on.
5. The financing of mobile home purchases is presently restricted to levels which make lot and home ownership impractical under present Alaska Housing Finance Corporation policy. Can local government be of assistance in this area to stimulate housing development in Juneau?

The Mobile Home Task Force believes that its recommendations potentially provide partial solutions to all of the stated problem areas. Our recommendations include a revised mobile home park ordinance to enhance the city's ability to ensure safer and more attractive conventional mobile home parks in Juneau. We recommend

# Second Mortgage Loan Purchase Program



*In 1982, AHFC implemented its Second Mortgage Loan Purchase Program. The program can be divided into two categories:*

- 1) Home Improvement Loan (HIL); and*
- 2) Second Mortgages for the purchase of a residence*

## 1. Home Improvement Loan Taxable Program

### Maximum Loan Amount

The total-financing-to-value may not exceed 90% of the market value—as completed—and the sum of the first and the second may not exceed AHFC's loan maximums of \$178,650 for a single-family dwelling and \$207,750 for a duplex.

### Eligible Improvements

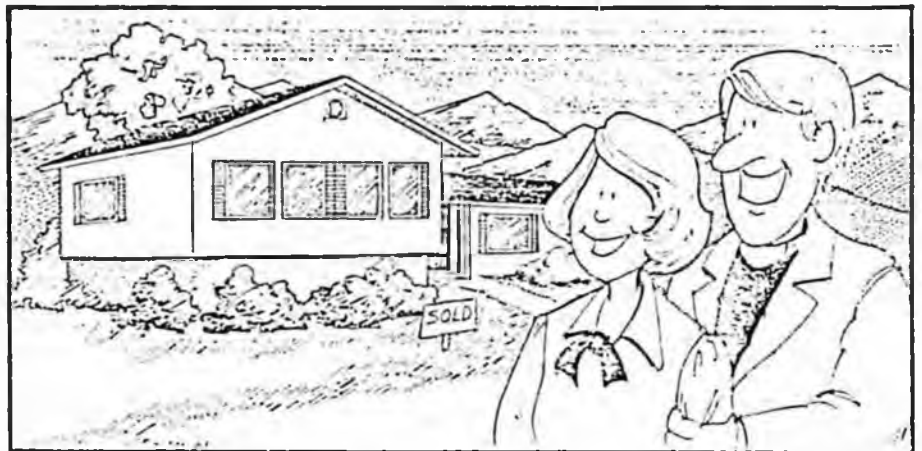
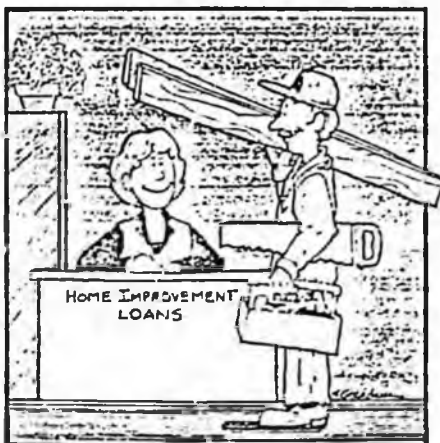
Those which improve the basic livability or energy efficiency of the dwelling, including completions or additions.

### Eligible Property

Owner-occupied single-family dwellings, including condominiums, units in a PUD, duplexes and Type I mobile homes. Vacation or rental properties are NOT eligible.

### Loan Terms

Up to \$6,450 . . . . . 5 years  
 \$ 6,500 - \$12,450 . . . . . 10 years  
 \$12,500 - and up . . . . . 15 years



## 2. Seconds for Purchase

Proceeds of a second mortgage must be used for the purchase of an owner-occupied single-family residence or duplex, where the dwelling is subject to an existing first mortgage.

### Maximum Loan Amount

The total-financing-to-value may not exceed 90% of the market value or sales price—whichever is less—and the sum of the first when combined with the second may not exceed AHFC's current loan maximums of \$178,650 for a single-family dwelling and \$207,750 for a duplex.

### Eligible Property

Owner-occupied single-family dwellings (including condominiums or PUDs) and duplexes. Mobile homes, vacation or rental properties are NOT eligible.

### Loan Terms

Up to \$6,450 . . . . . 5 years  
 \$ 6,500 - \$12,450 . . . . . 10 years  
 \$12,500 - and up . . . . . 15 years

## Interest Rates

As with AHFC's first mortgage program, the interest rate is governed by the legislature and may fluctuate depending on the cost the Corporation must pay to obtain its funds. Interest rates are SUBJECT TO CHANGE WITHOUT PRIOR NOTICE.

By Law, AHFC is allowed to loan up to \$90,000 under the first mortgage program at a subsidized rate. For any portion above \$90,000, the borrower is required to pay an interest rate equal to the cost of funds. The Seconds Program works in the same manner. However, please remember, if the existing first mortgage is a subsidized AHFC loan, the outstanding principal balance of the first mortgage must be subtracted from the \$90,000 to determine the amount of the second that will be eligible for the subsidized rate. This formula applies to both categories of the Second Mortgage Loan Program.

# Mobile Home Program



*Offering an alternative to the high cost of stick built dwellings, mobile homes have played a significant role in providing housing in Alaska.*

## Features

### Maximum Loan Amount:

Type I - \$178,650

Type II - \$ 75,000

### Minimum Down: 5%

### Maximum Term:

Type I - ABE Structured Mortgage  
(See brochure "Buying a Home in the Future")

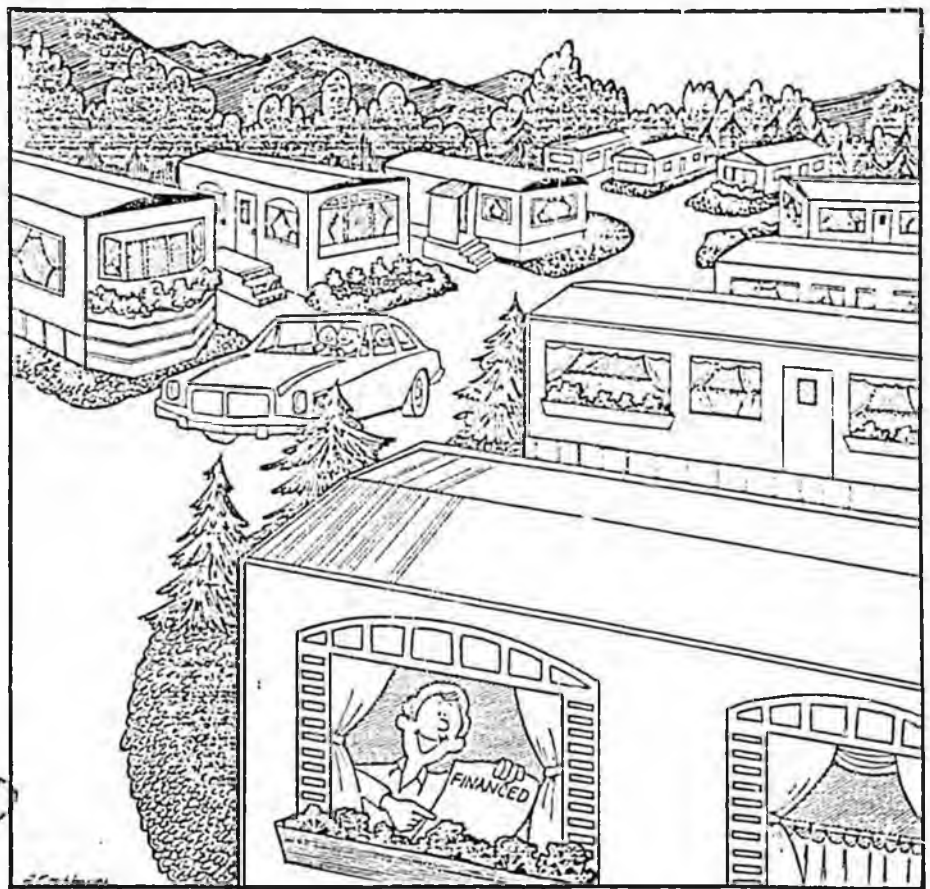
Type II - Lesser of 20 years or remaining economic life.

## Type I Mobile Home Criteria

Type I mobile homes will be financed with the proceeds from bond sales and may be financed under our Taxable Program, Veterans Mortgage Program, Tax-Exempt Program, Home Ownership Assistance Program, and Pledged Account Program (brochures for these Programs are available through your lender or AHFC).

Based on our current Pool Insurers' requirements, to be eligible for financing as a Type I Mobile Home the following requirements must be met:

1. Units must have been constructed after 6/15/76.
2. Units must be set up on permanent foundation and situated on fee simple lot or accepted leasehold estate.
3. Units must contain a minimum of 700 square feet, exclusive of lean-tos, wanigans, etc.
4. Units must have a pitched roof (for every 12 inches, the rise must be 3 inches), and have a roof overhang of no less than 10 inches.
5. Units must have a minimum ceiling height of 7' 6".
6. Units must be taxed as real property.
7. Units must meet the Federal Mobile Home Construction and Safety Standards (Title VI, Housing and Community Development Act of 1974).



## Type II Mobile Home Criteria

Type II mobile homes must contain a minimum of 600 square feet. Type II mobile homes are defined as all mobile homes not meeting the criteria set forth for a Type I unit. Type II mobile home units are also eligible for financing under the Home Ownership Assistance Program.

Type II mobile home loans may be for:

1. The purchase of a mobile home,
2. The purchase of a mobile home and lot,
3. The purchase of a mobile home and

to pay off an existing lot currently owned by the borrower, and

4. The purchase of a lot on which to move the borrower's existing AHFC mobile home, if the relocation is due to a mobile home park closure. (Maximum loan amount - 75% of lot value as improved, determined by lesser of cost or appraised value.)

For Items 2-4, the cost of the lot shall include the purchase price or payoff on the lot plus the cost of providing permanent improvements (water; sewer, access, etc.) to the lot.

**Other Criteria for Type II Mobile Homes**

1. Personal property (appliance package) that may be included in the sale of the mobile home is limited to \$1,500. No furniture may be included in the sale of the mobile home.
2. When the mobile home is located on fee simple land or an acceptable leasehold estate (and on a permanent foundation) improvements such as lean-tos, awnings, storage, etc. may be part of the appraised value if they enhance the livability and marketability of the unit.
3. If the unit is in a mobile home park, the park must be an approved AHFC park.
4. If the mobile home is on fee simple

land or an acceptable leasehold estate, the value of the mobile home and foundation shall not be less than 50% of the total appraised value.

**Examples:**

a) Mobile Home & Foundation	\$30,000
Land	<u>25,000</u>
Total Value	\$55,000

Since the mobile home and foundation is more than 50% of the total value, the maximum loan is 95% of \$55,000 or \$52,250

b) Mobile Home & Foundation	\$25,000
Land	<u>35,000</u>
Total Value	\$60,000

In this case, the mobile home and foundation is less than 50% of the total value so the maximum loan is based on 95% of 2 times the mobile home and foundation.  $\$25,000 \times 2 = \$50,000 \times 95\% = \$47,500$

**Interest Rates**

The interest rates under this program follow those established under the Taxable Mortgage Program and are based on the rate for AHFC bonds plus the Corporation's operating costs and will vary from time to time. INTEREST RATES ARE SUBJECT TO CHANGE WITHOUT PRIOR NOTICE. Consult your lender for the current AHFC rate.

XX REPLY TO

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**DEPARTMENT OF LAW**  
OFFICE OF ATTORNEY GENERAL  
CONSUMER PROTECTION SECTION

March 12, 1985

Honorable Fred F. Zharoff  
Chairman  
Senate Labor and Commerce Committee  
Alaska State Legislature  
Pouch V (MS 3100)  
Juneau, Alaska 99811

Re: SB 188

Dear Senator Zharoff:

This office has been asked for its comments on SB 188, relating to eviction from a mobile home park. The bill would prohibit mobile home park operators from evicting a tenant because of the age of the mobile home.

Based on the Consumer Protection Section's experience, such a bill would provide needed protection for mobile home park tenants. We have received several reports of instances where tenants were told that, due to the age of their mobile homes, they would have to remove their homes from the park when and if they decided to sell them. While this may already be unlawful under AS 34.03.040(c)(1), a legislative clarification on this point would be helpful.

One technical point I would make on SB 188 is as follows. AS 34.03.225, which the bill would amend, by its terms prohibits eviction for any reason other than the four specifically enumerated therein. The age of a mobile home is not among those reasons. My concern is that if an additional subsection were enacted, as under SB 188, setting out a particular prohibited ground for eviction, that might cast some doubt on the extent of the existing broad prohibition.

Now it is true that there is one potential "loophole" in the existing section, namely that under AS 34.03.225(3) a mobile home park operator might attempt to include in the rental agreement a provision requiring mobile homes to be under a certain age. To prevent this, while avoiding the possibility of weakening the section by implication, the Legislature could directly prohibit such a provision in rental agreements.

The logical place for an amendment on this point would be in AS 34.30.040(c). A new paragraph (5) could be added, as

Honorable Fred F. Zharoff  
SB 188

March 12, 1985  
Page 2

follows:

(c) No rental agreement between a mobile home park operator and a mobile home park tenant may


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(5) provide for eviction or termination of the tenancy or require removal of the mobile home because of the age of the mobile home, nor may the mobile home park operator make a rule or regulation to the same effect; however, this paragraph does not prohibit eviction for violation of a provision enforceable under AS 34.03.130 that requires that a mobile home be in a fit and habitable condition.

I hope this comment proves helpful to your Committee's deliberations.

Sincerely,

NORMAN C. GORSUCH  
ATTORNEY GENERAL

By:   
Robert E. Mintz  
Assistant Attorney General  
Consumer Protection Section

REM/ssr  
cc: Norman Corsuch