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Regulation of Mobile Home Parks

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During the 2019 legislative session, the passage of House Bill 19-1309 brought changes to the Mobile Home Park Act. This *issue brief* provides background information on mobile homes and an overview of the Mobile Home Park Act, including recent changes to the law with regard to county ordinances, registrations, the dispute resolution and enforcement program, and evictions.

Background

A mobile home park is land used for permanent housing that includes five or more mobile homes. The manager operates the park, and the landowner is the person who owns the park. The landowner and manager may be the same person.

State law defines a mobile home as a building on a frame that includes plumbing, heating, and electric facilities. The home may be set on a foundation permanently or set in an area on a less permanent basis in a mobile home park or on other land.¹ Manufactured homes are considered mobile homes under federal and state law.²

Leases between the park and home owner must be made in writing and include the length of the lease, the amount of rent to be paid, the rules of the park, and other guidelines. The park or management and the home owner must sign the lease. Home owners must receive notice of rent increases.

State Law

The Mobile Home Park Act (act) originated in 1973. The act outlines the relationship between mobile home park owners and mobile home owners who rent space in parks. The legislative declaration recognizes that mobile homes provide affordable housing and that there is a need to protect mobile home owners from losing their homes or financial investments.

In 2018, the Department of Regulatory Agencies released the 2018 Sunrise Review: Manufactured Housing Community Owners and Managers Report. The report recommended that manufactured housing community owners and managers not be regulated. However, it stated that the General Assembly could amend the act to further protect home owners and that the public would benefit from modifications to and increased compliance with the act. The report is on the department website:

(Manufactured Housing Community Owners and Managers Report).

During the 2019 session, lawmakers passed HB 19-1309. The legislation allows local governments to enact laws for the safe and equitable operation of mobile home parks in their jurisdictions. Revisions to state law also included the establishment of mobile home park registration; the addition of dispute resolution to address complaints and disagreements between park owners and home owners; and changes to timelines for eviction of a mobile home owner and his or her mobile home from a park.

¹38-12-201.5, C.R.S.

²24 CFR. § 3280.2

County Ordinances

HB 19-1309 allows county governments to enact local laws related to mobile home owners in unincorporated areas of the county and to establish agreements with adjoining counties municipalities within their jurisdiction. These laws may be enacted to protect mobile home owners in the safe use of their property. Prior to passage of the bill, some local governments, including the City and County of Broomfield, were already taking steps to govern parks. In 2018, Broomfield approved Ordinance 2083, which addresses additional regulations for mobile home communities. These additions to local law included addressing upgrades to mobile homes, utilities, privacy, and mediation. For example, before making an ordinance-related complaint prior to eviction, the park owners and residents of the park are required to participate in mediation.

Registration Process and Fees

Pursuant to the 2019 legislation, the Colorado Department of Local Affairs (DOLA) will annually register all parks and collect registration fees that fund a new dispute resolution and enforcement program. The landowner must pay a registration fee for each mobile home independently owned on rented land within the park. No more than half of the fee may be charged to the home owner. The fee is \$24 for calendar year 2020 and can be increased by rule in future years. Initial registration of parks must be filed before February 1, 2020, and after that date, within three months of mobile homes or rented space becoming available for rent. DOLA must create and maintain a registration database of parks by February 1, 2020. The database will include all mobile homes within each park.

Dispute Resolution and Enforcement Program

Under HB 19-1309, DOLA will perform dispute resolution for issues involving mobile home parks, including investigating any alleged violations of state laws concerning mobile home parks, facilitating negotiations, and imposing penalties where appropriate. The process begins when a mobile home owner files a complaint with DOLA. If DOLA determines that a violation of the act has occurred, the department will deliver a written notice to both the complainant and respondent. The written notice must include the basis for the determination, the violation that occurred, the action required to correct the violation, the timeframe within which that action must occur, and the process for contesting the determination.

DOLA will create a complaint database by May 1, 2020 that will include all parks that have had complaints filed against them under the dispute resolution and enforcement program. This database will include information on the number of complaints received, the nature and extent of the complaints, the violation of law, and the outcome of each complaint.

Mobile Home Eviction

A mobile home tenancy may be terminated only for specific cause. Evictions based on grounds such as failure to comply with written rules of the park require the mobile home park owner or manager to provide a 60-day notice and a right to cure the noncompliance within 30 days. A ten-day notice is required for failure to pay rent, engaging in dangerous or willfully destructive conduct, or commission of a crime. The notice must include the reasons for the eviction, whether the home owner may correct the problem to stay at the park, and the option for mediation.

If a judge rules in favor of the mobile home park and provides an order requiring the home owner to move his or her home, the home owner must move or sell his or her mobile home and vacate the park within 30 days. A home owner may stay longer, up to 60 days after the ruling, if the home owner pays the park owner or manager a pro-rated amount of rent in advance for each day after the expiration of the initial 30-day period. All rent must be paid no later than 30 days after the court ruling.