

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0635.01 Duane Gall x4335

HOUSE BILL 20-1201

HOUSE SPONSORSHIP

Hooton and Gonzales-Gutierrez,

SENATE SPONSORSHIP

Moreno and Ginal,

House Committees

Transportation & Local Government

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PROVIDING HOME OWNERS IN A MOBILE HOME PARK THE
102 OPPORTUNITY TO PURCHASE THE PARK UNDER SPECIFIED
103 CIRCUMSTANCES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill gives home owners in a mobile home park the opportunity to make an offer to buy the park if the landlord anticipates selling it or changing the use of the land. A landlord must give notice of a pending sale to the home owners, the applicable municipality or county, the division of housing in the department of local affairs, and each home

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

owners' association, residents' association, or similar body that represents the residents of the park. The home owners then have 90 days to make an offer to purchase and arrange financing if necessary. A purchase may be made by an association representing at least 51% of the home owners.

If a sale of a mobile home park occurs and the home owners are not the buyers, the landlord must send the municipality or county and the division of housing an affidavit of compliance with the requirements of the bill.

The notice and purchase-option provisions do not apply if the proposed sale is to a family member of the landlord or to someone who is already a cotenant of the property or if a transfer occurs due to inheritance or eminent domain.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds, determines, and declares that:

4 (a) More than 100,000 Coloradans currently live in manufactured
5 housing, including mobile homes, and that number is increasing;

6 (b) Mobile homes, manufactured housing, and factory-built
7 housing are important, unsubsidized, and effective ways to meet
8 Colorado's affordable housing needs;

9 (c) Because many people living in mobile home parks own their
10 home but not the land upon which it sits, park owners can wield
11 significant power over housing security. If a park owner pursues
12 redevelopment of the park property, mobile home owners are at risk of
13 losing their investment. The scarcity of vacancies in other parks and the
14 high costs of relocating a mobile home make relocation of a mobile home
15 nearly impossible. When a mobile home park closes, mobile home owners
16 can find themselves pushed into poverty.

17 (d) The department of regulatory agencies' "2018 Sunrise Review:
18 Manufactured Housing Community Owners and Managers" states:
19 "Clearly, harm is occurring in manufactured housing communities . . . The

1 harm largely stems from the lack of enforcement of existing laws, bad
2 actors exploiting a relatively loose regulatory structure, and the inevitable
3 tension that arises when the house belongs to one person but the land
4 beneath it belongs to someone else ... Conditions for Colorado owners of
5 manufactured homes could be improved by ... promoting opportunities
6 for homeowners to purchase the communities they live in; and increasing
7 political engagement at the local and the state level.";

8 (e) Existing statutory provisions requiring notice to mobile home
9 owners of a pending sale or change in use of a mobile home park
10 represent a positive step toward reducing the amount of economic
11 disruption experienced by mobile home owners in these circumstances;
12 and

13 (f) Building on these provisions by also giving mobile home
14 owners an opportunity to purchase the property, in accordance with this
15 act, can help to promote home ownership while preserving the benefits of
16 mobile home parks as affordable housing.

17 **SECTION 2.** In Colorado Revised Statutes, **repeal and reenact,**
18 **with amendments,** 38-12-217 as follows:

19 **38-12-217. Notice of change of use - notice of sale or closure of**
20 **park - opportunity for home owners to purchase - procedures -**
21 **exemptions.** (1) EXCEPT AS SPECIFIED IN SUBSECTION (13) OF THIS
22 SECTION:

23 (a) A MOBILE HOME PARK OWNER SHALL NOTIFY THE OWNERS OF
24 ALL MOBILE HOMES IN THE PARK AND THE MUNICIPALITY IN WHICH THE
25 PARK IS SITUATED OR, IF NONE, THE COUNTY IN WHICH THE PARK IS
26 SITUATED OF THE PARK OWNER'S INTENT TO CHANGE THE USE OF THE LAND
27 COMPRISING THE PARK OR TO SELL THE PARK.

1 (b) IF A MOBILE HOME PARK OWNER INTENDS TO CHANGE THE USE
2 OF THE LAND COMPRISING THE MOBILE HOME PARK, THE MOBILE HOME
3 PARK OWNER SHALL GIVE WRITTEN NOTICE TO EACH HOME OWNER AT
4 LEAST TWELVE MONTHS BEFORE THE CHANGE IN USE WILL OCCUR. THE
5 MOBILE HOME PARK OWNER SHALL MAIL THE WRITTEN NOTICE TO EACH
6 HOME OWNER AT THE HOME OWNER'S MOST RECENT ADDRESS AND SHALL
7 POST A COPY OF THE NOTICE IN A CONSPICUOUS PLACE ON THE MOBILE
8 HOME OR AT THE MAIN POINT OF ENTRY TO THE LOT.

9 (2) **Notice - when required.** EXCEPT AS SPECIFIED IN SUBSECTION
10 (13) OF THIS SECTION:

11 (a) A LANDLORD SHALL GIVE NOTICE TO EACH HOME OWNER IN THE
12 MOBILE HOME PARK UPON ANY OF THE FOLLOWING TRIGGERING EVENTS:

13 (I) THE LANDLORD LISTS THE PARK FOR SALE;

14 (II) THE LANDLORD INTENDS TO MAKE A FINAL, UNCONDITIONAL
15 ACCEPTANCE OF AN OFFER FOR THE SALE OR TRANSFER OF THE PARK; OR

16 (III) THE LANDLORD RECEIVES:

17 (A) A NOTICE OF ELECTION AND DEMAND OR LIS PENDENS
18 RELATED TO FORECLOSURE OF THE PARK PURSUANT TO PART 1 OF ARTICLE
19 38 OF THIS TITLE 38; OR

20 (B) NOTICE THAT A CERTIFICATE OF LEVY HAS BEEN FILED
21 RELATED TO THE PARK PURSUANT TO SECTION 13-56-101.

22 (b) WITHIN FOURTEEN DAYS AFTER THE DATE ON WHICH ANY OF
23 THE EVENTS DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION OCCUR,
24 THE LANDLORD SHALL MAIL THE NOTICE REQUIRED BY THIS SECTION BY
25 CERTIFIED MAIL TO:

26 (I) EACH HOME OWNER, USING THE MOST RECENT ADDRESS OF THE
27 HOME OWNER, AND SHALL POST A COPY OF THE NOTICE IN A CONSPICUOUS

1 PLACE ON THE MOBILE HOME OR AT THE MAIN POINT OF ENTRY TO THE LOT;

2 (II) THE MUNICIPALITY OR, IF THE PARK IS IN AN UNINCORPORATED
3 AREA, THE COUNTY WITHIN WHICH THE PARK IS LOCATED;

4 (III) THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
5 AFFAIRS; AND

6 (IV) EACH HOME OWNERS' ASSOCIATION, RESIDENTS'
7 ASSOCIATION, OR SIMILAR BODY THAT REPRESENTS THE RESIDENTS OF THE
8 PARK.

9 (3) **Contents of notice.** THE NOTICE GIVEN PURSUANT TO
10 SUBSECTION (1) OR (2) OF THIS SECTION MUST INCLUDE NOTICE OF HOME
11 OWNERS' RIGHTS UNDER SUBSECTIONS (4) TO (9) OF THIS SECTION. IF THE
12 TRIGGERING EVENT INVOLVES A SALE, THE NOTICE MUST ALSO INCLUDE A
13 DESCRIPTION OF THE PROPERTY TO BE PURCHASED AND THE PRICE, TERMS,
14 AND CONDITIONS OF AN ACCEPTABLE OFFER THE LANDLORD HAS RECEIVED
15 TO SELL THE MOBILE HOME PARK OR THE PRICE OR TERMS AND CONDITIONS
16 FOR WHICH THE LANDLORD INTENDS TO SELL THE PARK.

17 (4) **Offer to purchase - who may submit - time limits.** (a) A
18 GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES HAVE
19 NINETY DAYS AFTER THE DATE THAT THE LANDLORD MAILES A NOTICE
20 UNDER SUBSECTION (1) OR (2) OF THIS SECTION TO:

21 (I) SUBMIT TO THE LANDLORD A PROPOSED PURCHASE AND SALE
22 AGREEMENT; AND

23 (II) OBTAIN A BINDING COMMITMENT FOR ANY NECESSARY
24 FINANCING OR GUARANTEES.

25 (b) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION, IF A
26 FORECLOSURE SALE OF THE PARK IS SCHEDULED FOR LESS THAN NINETY
27 DAYS AFTER THE LANDLORD MAILES A NOTICE UNDER SUBSECTION (1) OR

1 (2) OF THIS SECTION, THE OPPORTUNITY GRANTED BY SUBSECTION (4)(a)
2 OF THIS SECTION TERMINATES ON THE DATE OF THE FORECLOSURE SALE.

3 (c) A GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR
4 ASSIGNEES HAS THE OPPORTUNITY GRANTED BY SUBSECTION (4)(a) OF
5 THIS SECTION IF THE GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR
6 ASSIGNEES HAVE THE APPROVAL OF AT LEAST FIFTY-ONE PERCENT OF THE
7 HOME OWNERS IN THE PARK. THE GROUP OR ASSOCIATION OF HOME
8 OWNERS OR THEIR ASSIGNEES MUST SUBMIT TO THE LANDLORD
9 REASONABLE EVIDENCE THAT THE HOME OWNERS OF AT LEAST FIFTY-ONE
10 PERCENT OF THE OCCUPIED HOMES IN THE PARK HAVE APPROVED THE
11 GROUP OR ASSOCIATION PURCHASING THE PARK.

12 (5) **Landlord's duty to consider offer.** A LANDLORD THAT
13 RECEIVES AN OFFER PURSUANT TO THIS SECTION SHALL NOT
14 UNREASONABLY REFUSE TO:

15 (a) PROVIDE DOCUMENTS, DATA, AND OTHER INFORMATION IN
16 RESPONSE TO REASONABLE REQUESTS FOR INFORMATION FROM A GROUP
17 OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES PARTICIPATING
18 IN THE OPPORTUNITY TO PURCHASE THAT WOULD ENABLE THEM TO
19 PREPARE AN OFFER;

20 (b) NEGOTIATE IN GOOD FAITH WITH A GROUP OR ASSOCIATION OF
21 HOME OWNERS OR THEIR ASSIGNEES; OR

22 (c) SCHEDULE A CLOSING DATE FOR A PURCHASE AND SALE
23 AGREEMENT.

24 (6) **Expiration of opportunity to purchase.** (a) IF THE
25 NINETY-DAY PERIOD PROVIDED FOR IN SUBSECTION (4)(a) OF THIS SECTION
26 ELAPSES AND A GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR
27 ASSIGNEES HAVE NOT SUBMITTED A PROPOSED PURCHASE AND SALE

1 AGREEMENT OR OBTAINED A BINDING FINANCIAL COMMITMENT, THE
2 GROUP'S OR ASSOCIATION'S OPPORTUNITIES PROVIDED BY THIS SECTION
3 TERMINATE.

4 (b) A LANDLORD SHALL GIVE A GROUP OR ASSOCIATION OF HOME
5 OWNERS OR THEIR ASSIGNEES AN ADDITIONAL NINETY DAYS AFTER THE
6 NINETY-DAY PERIOD PROVIDED BY SUBSECTION (4)(a) OF THIS SECTION TO
7 CLOSE ON THE PURCHASE OF THE MOBILE HOME PARK.

8 (7) **Extension of time.** THE NINETY-DAY PERIODS DESCRIBED IN
9 SUBSECTIONS (4)(a) AND (6)(b) OF THIS SECTION MAY BE EXTENDED BY
10 WRITTEN AGREEMENT BETWEEN THE LANDLORD AND THE GROUP OR
11 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES.

12 (8) **Assignment of right to purchase.** A GROUP OR ASSOCIATION
13 OF HOME OWNERS OR THEIR ASSIGNEES THAT HAVE THE OPPORTUNITY TO
14 PURCHASE UNDER SUBSECTION (4) OF THIS SECTION MAY ASSIGN THEIR
15 PURCHASE RIGHT TO A LOCAL OR STATE GOVERNMENT, TRIBAL
16 GOVERNMENT, HOUSING AUTHORITY, OR NONPROFIT WITH EXPERTISE
17 RELATED TO HOUSING, OR TO AN AGENCY OF THE STATE, FOR THE PURPOSE
18 OF CONTINUING THE USE OF THE PARK.

19 (9) **Independence of time limits and notice provisions.**

20 (a) EACH OCCURRENCE OF A TRIGGERING EVENT LISTED IN SUBSECTION
21 (1) OR (2) OF THIS SECTION CREATES AN INDEPENDENT, NINETY-DAY
22 OPPORTUNITY TO PURCHASE FOR THE GROUP OR ASSOCIATION OF HOME
23 OWNERS OR THEIR ASSIGNEES. IF A NINETY-DAY OPPORTUNITY TO
24 PURCHASE IS IN EFFECT AND A NEW TRIGGERING EVENT OCCURS, THE
25 ONGOING NINETY-DAY TIME PERIOD TERMINATES AND A NEW NINETY-DAY
26 TIME PERIOD BEGINS ON THE LATEST DATE ON WHICH THE LANDLORD
27 GIVES NOTICE, AS REQUIRED BY SUBSECTION (1) OR (2) OF THIS SECTION,

1 OF THE NEW TRIGGERING EVENT. THE TIME LIMITS ON THE OPPORTUNITY
2 TO PURCHASE RUN SEPARATELY FOR EACH DIFFERENT BONA FIDE OFFER TO
3 PURCHASE THE MOBILE HOME PARK.

4 (b) A NOTICE REQUIRED UNDER THIS SECTION IS IN ADDITION TO,
5 AND DOES NOT SUBSTITUTE FOR OR AFFECT, ANY OTHER NOTICE
6 REQUIREMENT UNDER THIS PART 2.

7 (10) A LANDLORD SHALL NOT MAKE A FINAL, UNCONDITIONAL
8 ACCEPTANCE OF ANY OFFER FOR THE SALE OR TRANSFER OF THE PARK
9 UNTIL:

10 (a) THE LANDLORD HAS CONSIDERED AN OFFER MADE BY A GROUP
11 OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES PURSUANT TO
12 SUBSECTIONS (4) AND (5) OF THIS SECTION; OR

13 (b) THE APPLICABLE PERIOD FOR EXERCISE OF THE OPPORTUNITY
14 TO PURCHASE HAS EXPIRED PURSUANT TO SUBSECTION (6) OF THIS
15 SECTION.

16 (11) **Failure to complete transaction - affidavit of compliance.**
17 IF THE GROUP OR ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES ARE
18 NOT THE SUCCESSFUL PURCHASER OF THE PARK, THE LANDLORD SHALL
19 PROVIDE EVIDENCE OF COMPLIANCE WITH THIS SECTION BY FILING AN
20 AFFIDAVIT OF COMPLIANCE WITH:

21 (a) THE MUNICIPALITY OR, IF THE PARK IS IN AN UNINCORPORATED
22 AREA, THE COUNTY, WITHIN WHICH THE PARK IS LOCATED; AND

23 (b) THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL
24 AFFAIRS.

25 (12) **Complaints.** A PARTY WITH RIGHTS OR OBLIGATIONS UNDER
26 THIS SECTION MAY USE THE COMPLAINT PROVISIONS OF THE "MOBILE
27 HOME PARK ACT DISPUTE RESOLUTION AND ENFORCEMENT PROGRAM",

1 PART 11 OF THIS ARTICLE 12, TO ENFORCE THOSE RIGHTS OR OBLIGATIONS
2 OR TO RESOLVE A DISPUTE INVOLVING THEM.

3 (13) **Exemptions from notice requirement.** NOTWITHSTANDING
4 ANY PROVISION TO THE CONTRARY, A LANDLORD IS NOT REQUIRED TO GIVE
5 NOTICE OR EXTEND AN OPPORTUNITY TO PURCHASE TO A GROUP OR
6 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES IF THE SALE,
7 TRANSFER, OR CONVEYANCE OF THE MOBILE HOME PARK IS:

8 (a) TO A SPOUSE, A PARTNER IN A CIVIL UNION, OR LEGALLY
9 RECOGNIZED CHILDREN OF THE LANDLORD;

10 (b) TO A TRUST THE BENEFICIARIES OF WHICH ARE THE SPOUSE,
11 PARTNER IN A CIVIL UNION, OR LEGALLY RECOGNIZED CHILDREN OF THE
12 LANDLORD;

13 (c) TO A FAMILY MEMBER WHO IS INCLUDED WITHIN THE LINE OF
14 INTESTATE SUCCESSION IF THE LANDLORD DIES INTESTATE;

15 (d) BETWEEN JOINT TENANTS OR TENANTS IN COMMON; OR

16 (e) PURSUANT TO EMINENT DOMAIN.

17 (14) **Triggering events not essential.** (a) A GROUP OR
18 ASSOCIATION OF HOME OWNERS OR THEIR ASSIGNEES MAY SUBMIT AN
19 OFFER TO PURCHASE TO A LANDLORD AT ANY TIME, EVEN IF NONE OF THE
20 EVENTS LISTED IN SUBSECTION (1) OR (2) OF THIS SECTION HAS OCCURRED.

21 (b) THE LANDLORD SHALL CONSIDER IN GOOD FAITH ANY OFFER
22 MADE IN ACCORDANCE WITH SUBSECTION (14)(a) OF THIS SECTION.

23 **SECTION 3.** In Colorado Revised Statutes, 38-12-1103, **amend**
24 (2) as follows:

25 **38-12-1103. Definitions.** As used in this part 11, unless the
26 context otherwise requires:

27 (2) (a) "Complainant" means a landlord or home owner who has

1 filed a complaint alleging a violation of the act or the complainant's agent,
2 employee, or representative authorized to act on the complainant's behalf.

3 (b) "COMPLAINANT" INCLUDES A GROUP OR ASSOCIATION OF HOME
4 OWNERS OR THEIR ASSIGNEES THAT IS GRANTED AN OPPORTUNITY TO
5 OFFER TO PURCHASE A MOBILE HOME PARK UNDER SECTION 38-12-217.

6 **SECTION 4. Applicability.** This act applies to conduct occurring
7 on or after the effective date of this act.

8 **SECTION 5. Safety clause.** The general assembly hereby finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, or safety.