

Introduced by Committee on Transportation and Housing (Senators DeSaulnier (Chair), Gaines, Harman, Huff, Kehoe, Lowenthal, Pavley, Rubio, and Simitian)

February 17, 2011

An act to amend Sections 18070.2, 18218, 18218.5, 18551, 18866.2, and 33420.1 of, and to repeal Section 33334.29 of, the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 562, as introduced, Committee on Transportation and Housing. Housing omnibus bill.

(1) Existing law establishes the Manufactured Home Recovery Fund, which is continuously appropriated to make payments and distributions for actual and direct losses, as defined, arising out of specified transactions regarding the purchase or sale of a manufactured home, if certain conditions are met. Existing law prescribes a fee collected by the Department of Housing and Community Development for each reported sale of a manufactured home, to be deposited in the fund. Whenever the balance in the fund exceeds \$1,000,000 the department is authorized to reduce or increase the fee, respectively.

This bill would instead provide that the department may reduce the fee when the balance exceeds \$2,000,000.

(2) Existing law authorizes the redevelopment agency of the City of Redding to borrow and use a specified amount from its Low and Moderate Income Housing Fund to provide financial assistance for the acquisition of property for a veterans home.

The bill would repeal this provision of law.

(3) The bill would correct and eliminate erroneous cross-references, update obsolete terms, correct technical errors, and make conforming changes to existing law relating to housing.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 18070.2 of the Health and Safety Code
 2 is amended to read:

3 18070.2. (a) Fees for the establishment and operation of the
 4 Manufactured Home Recovery Fund shall be collected on or after
 5 January 1, 1985. Claims against the fund arising from sales which
 6 occur after January 1, 1985, may not be submitted to the
 7 department before January 1, 1986. For purposes of this section,
 8 the date of sale shall be either of the following:

9 (1) The date escrow closes for sales by dealers that are subject
 10 to Section 18035 or 18035.2.

11 (2) For all other sales, including sales by dealers in which escrow
 12 does not close, the date when the purchaser has paid the purchase
 13 price or, in lieu thereof, has signed a security agreement, option
 14 to purchase, or purchase contract and has taken physical possession
 15 or delivery of the manufactured home.

16 (b) Notwithstanding any other provision of law, whenever the
 17 balance in the Manufactured Home Recovery Fund exceeds ~~one~~
 18 *two* million dollars ~~(\$1,000,000)~~ *(\$2,000,000)* on January 1 of any
 19 year, the department may reduce the fee provided for in subdivision
 20 (c) of Section 18070.1. The department may again increase the fee
 21 up to a maximum of ten dollars (\$10) whenever the balance in the
 22 fund falls below one million dollars (\$1,000,000).

23 SEC. 2. Section 18218 of the Health and Safety Code is
 24 amended to read:

25 18218. “Commercial-~~each~~ *modular*” as used in this part has
 26 the same meaning as defined in Section 18001.8.

27 SEC. 3. Section 18218.5 of the Health and Safety Code is
 28 amended to read:

29 18218.5. “Special purpose commercial-~~each~~” *modular*” as
 30 used in this part has the same meaning as defined in Section
 31 18012.5.

1 SEC. 4. Section 18551 of the Health and Safety Code is
2 amended to read:

3 18551. The department shall establish regulations for
4 manufactured home, mobilehome, and commercial-~~each~~ *modular*
5 foundation systems that shall be applicable throughout the state.
6 When established, these regulations supersede any ordinance
7 enacted by any city, county, or city and county applicable to
8 manufactured home, mobilehome, and commercial-~~each~~ *modular*
9 foundation systems. The department may approve alternate
10 foundation systems to those provided by regulation where the
11 department is satisfied of equivalent performance. The department
12 shall document approval of alternate systems by its stamp of
13 approval on the plans and specifications for the alternate foundation
14 system. A manufactured home, mobilehome, or commercial-~~each~~
15 *modular* may be installed on a foundation system as either a fixture
16 or improvement to the real property, in accordance with subdivision
17 (a), or a manufactured home or mobilehome may be installed on
18 a foundation system as a chattel, in accordance with subdivision
19 (b).

20 (a) Installation of a manufactured home, mobile home, or
21 commercial-~~each~~ *modular* as a fixture or improvement to the real
22 property shall comply with all of the following:

23 (1) Prior to installation of a manufactured home, mobilehome,
24 or commercial-~~each~~ *modular* on a foundation system, the
25 manufactured home, mobilehome, or commercial-~~each~~ *modular*
26 owner or a licensed contractor shall obtain a building permit from
27 the appropriate enforcement agency. To obtain a permit, the owner
28 or contractor shall provide the following:

29 (A) Written evidence acceptable to the enforcement agency that
30 the manufactured home, mobilehome, or commercial-~~each~~
31 *modular* owner owns, holds title to, or is purchasing the real
32 property where the mobilehome is to be installed on a foundation
33 system. A lease held by the manufactured home, mobilehome, or
34 commercial-~~each~~ *modular* owner, that is transferable, for the
35 exclusive use of the real property where the manufactured home,
36 mobilehome, or commercial-~~each~~ *modular* is to be installed, shall
37 be deemed to comply with this paragraph if the lease is for a term
38 of 35 years or more, or if less than 35 years, for a term mutually
39 agreed upon by the lessor and lessee, and the term of the lease is
40 not revocable at the discretion of the lessor except for cause, as

1 described in subdivisions 2 to 5, inclusive, of Section 1161 of the
2 Code of Civil Procedure.

3 (B) Written evidence acceptable to the enforcement agency that
4 the registered owner owns the manufactured home, mobilehome,
5 or commercial-~~each~~ *modular* free of any liens or encumbrances
6 or, in the event that the legal owner is not the registered owner, or
7 liens and encumbrances exist on the manufactured home,
8 mobilehome, or commercial-~~each~~ *modular*, written evidence
9 provided by the legal owner and any lienors or encumbrancers that
10 the legal owner, lienor, or encumbrancer consents to the attachment
11 of the manufactured home, mobilehome, or commercial-~~each~~
12 *modular* upon the discharge of any personal lien, that may be
13 conditioned upon the satisfaction by the registered owner of the
14 obligation secured by the lien.

15 (C) Plans and specifications required by department regulations
16 or a department-approved alternate for the manufactured home,
17 mobilehome, or commercial-~~each~~ *modular* foundation system.

18 (D) The manufactured home, mobilehome, or commercial-~~each~~
19 *modular* manufacturer's installation instructions, or plans and
20 specifications signed by a California licensed architect or engineer
21 covering the installation of an individual manufactured home,
22 mobilehome, or commercial-~~each~~ *modular* in the absence of the
23 manufactured home, mobilehome, or commercial-~~each~~ *modular*
24 manufacturer's instructions.

25 (E) Building permit fees established by ordinance or regulation
26 of the appropriate enforcement agency.

27 (F) A fee payable to the department in the amount of eleven
28 dollars (\$11) for each transportable section of the manufactured
29 home, mobilehome, or commercial-~~each~~ *modular*, that shall be
30 transmitted to the department at the time the certificate of
31 occupancy is issued with a copy of the building permit and any
32 other information concerning the manufactured home, mobilehome,
33 or commercial-~~each~~ *modular* which the department may prescribe
34 on forms provided by the department.

35 (2) (A) On the same day that the certificate of occupancy for
36 the manufactured home, mobilehome, or commercial-~~each~~
37 *modular* is issued by the appropriate enforcement agency, the
38 enforcement agency shall record with the county recorder of the
39 county where the real property is situated, that the manufactured
40 home, mobilehome, or commercial-~~each~~ *modular* has been

1 installed upon, a document naming the owner of the real property,
2 describing the real property with certainty, and stating that a
3 manufactured home, mobilehome, or commercial-~~each~~ *modular*
4 has been affixed to that real property by installation on a foundation
5 system pursuant to this subdivision.

6 (B) When recorded, the document referred to in subparagraph
7 (A) shall be indexed by the county recorder to the named owner
8 and shall be deemed to give constructive notice as to its contents
9 to all persons thereafter dealing with the real property.

10 (C) Fees received by the department pursuant to subparagraph
11 (F) of paragraph (1) shall be deposited in the
12 Mobilehome-Manufactured Home Revolving Fund established
13 under subdivision (a) of Section 18016.5.

14 (3) The department shall adopt regulations providing for the
15 cancellation of registration of a manufactured home, mobilehome,
16 or commercial-~~each~~ *modular* that is permanently attached to the
17 ground on a foundation system pursuant to subdivision (a). The
18 regulations shall provide for the surrender to the department of the
19 certificate of title and other indicia of registration. For the purposes
20 of this subdivision, permanent affixation to a foundation system
21 shall be deemed to have occurred on the day a certificate of
22 occupancy is issued to the manufactured home, mobilehome, or
23 commercial-~~each~~ *modular* owner and the document referred to
24 in subparagraph (A) of paragraph (2) is recorded. Cancellation
25 shall be effective as of that date and the department shall enter the
26 cancellation on its records upon receipt of a copy of the certificate
27 of occupancy. This subdivision shall not be construed to affect the
28 application of existing laws, or the department's regulations or
29 procedures with regard to the cancellation of registration, except
30 as to the requirement therefor and the effective date thereof.

31 (4) Once installed on a foundation system in compliance with
32 this subdivision, a manufactured home, mobilehome, or commercial
33 ~~each~~ *modular* shall be deemed a fixture and a real property
34 improvement to the real property to which it is affixed. Physical
35 removal of the manufactured home, mobilehome, or commercial
36 ~~each~~ *modular* shall thereafter be prohibited without the consent
37 of all persons or entities who, at the time of removal, have title to
38 any estate or interest in the real property to which the manufactured
39 home, mobilehome, or commercial-~~each~~ *modular* is affixed.

40 (5) For the purposes of this subdivision:

1 (A) “Physical removal” shall include, without limitation, the
2 unattaching of the manufactured home, mobilehome, or commercial
3 ~~each~~ *modular* from the foundation system, except for temporary
4 purposes of repair or improvement thereto.

5 (B) Consent to removal shall not be required from the owners
6 of rights-of-way or easements or the owners of subsurface rights
7 or interests in or to minerals, including, but not limited to, oil, gas,
8 or other hydrocarbon substances.

9 (6) At least 30 days prior to a legal removal of the manufactured
10 home, mobilehome, or commercial ~~each~~ *modular* from the
11 foundation system and transportation away from the real property
12 to which it was formerly affixed, the manufactured home,
13 mobilehome, or commercial ~~each~~ *modular* owner shall notify the
14 department and the county assessor of the intended removal of the
15 manufactured home, mobilehome, or commercial ~~each~~ *modular*.
16 The department shall require written evidence that the necessary
17 consents have been obtained pursuant to this section and shall
18 require application for either a transportation permit or
19 manufactured home, mobilehome, or commercial ~~each~~ *modular*
20 registration, as the department may decide is appropriate to the
21 circumstances. Immediately upon removal, as defined in this
22 section, the manufactured home, mobilehome, or commercial ~~each~~
23 *modular* shall be deemed to have become personal property and
24 subject to all laws governing the same as applicable to a
25 manufactured home, mobilehome, or commercial ~~each~~ *modular*.

26 (b) The installation of a manufactured home or a mobilehome
27 on a foundation system as chattel shall be in accordance with
28 Section 18613 and shall be deemed to meet or exceed the
29 requirements of Section 18613.4. This subdivision shall not be
30 construed to affect the application of sales and use or property
31 taxes. No provisions of this subdivision are intended, nor shall
32 they be construed, to affect the ownership interest of any owner
33 of a manufactured home or mobilehome.

34 (c) Once installed on a foundation system, a manufactured home,
35 mobilehome, or commercial ~~each~~ *modular* shall be subject to
36 state enforced health and safety standards for manufactured homes,
37 mobilehomes, or commercial ~~eaches~~ *modulars* enforced pursuant
38 to Section 18020.

1 (d) No local agency shall require that any manufactured home,
2 mobilehome, or commercial-~~each~~ *modular* currently on private
3 property be placed on a foundation system.

4 (e) No local agency shall require that any manufactured home
5 or mobilehome located in a mobilehome park be placed on a
6 foundation system.

7 (f) No local agency shall require, as a condition for the approval
8 of the conversion of a rental mobilehome park to a resident-owned
9 park, including, but not limited to, a subdivision, cooperative, or
10 condominium for mobilehomes, that any manufactured home or
11 mobilehome located there be placed on a foundation system. This
12 subdivision shall only apply to the conversion of a rental
13 mobilehome park that has been operated as a rental mobilehome
14 park for a minimum period of five years.

15 SEC. 5. Section 18866.2 of the Health and Safety Code is
16 amended to read:

17 18866.2. Any notice of violation of this part, or any rule or
18 regulation adopted pursuant thereto, issued by the enforcement
19 agency shall be issued to the appropriate persons designated in
20 Section 18867 and shall include a statement that any willful
21 violation is a misdemeanor under Section-~~18870~~ 18874.

22 SEC. 6. Section 33334.29 of the Health and Safety Code is
23 repealed.

24 ~~33334.29. (a) Notwithstanding Sections 33334.2, 33334.3,~~
25 ~~and 33334.6, the redevelopment agency of the City of Redding,~~
26 ~~of the County of Shasta, or of any other city located within the~~
27 ~~County of Shasta, may borrow and use up to two million three~~
28 ~~hundred thousand dollars (\$2,300,000) from its Low and Moderate~~
29 ~~Income Housing Fund to provide financial assistance for the~~
30 ~~acquisition of property for a veterans home within the territorial~~
31 ~~jurisdiction of the agency of the City of Redding. As used in this~~
32 ~~section, "veterans' home" shall mean a veterans' home authorized~~
33 ~~pursuant to Division 5 (commencing with Section 1010) of the~~
34 ~~Military and Veterans Code.~~

35 ~~(b) Funds borrowed pursuant to subdivision (a) shall be repaid~~
36 ~~within 15 years from the date they are loaned, with interest at the~~
37 ~~rate earned from time to time on funds deposited in the State of~~
38 ~~California Local Agency Investment Fund. The indebtedness~~
39 ~~created pursuant to this section shall not be considered to meet the~~
40 ~~requirements imposed by Section 33333.8, and the agency shall~~

1 ~~comply in full with that section. If a redevelopment agency~~
2 ~~described in subdivision (a) is required to remit an amount of tax~~
3 ~~increment funds to the county auditor for deposit in the county's~~
4 ~~Educational Revenue Augmentation Fund, created pursuant to~~
5 ~~Article 3 (commencing with Section 97) of Chapter 6 of Part 0.5~~
6 ~~of Division 1 of the Revenue and Taxation Code, then the time~~
7 ~~limit on repayment of the funds borrowed pursuant to this section~~
8 ~~shall be suspended for one year after the funds are remitted to the~~
9 ~~county auditor. In addition, the agency shall receive and use tax~~
10 ~~increment funds to pay the loan described in subdivision (a) until~~
11 ~~the funds borrowed pursuant to subdivision (a) have been fully~~
12 ~~repaid. The agency may not incur any obligation with respect to~~
13 ~~loans, advance of money, or indebtedness, or whether funded,~~
14 ~~refunded, assumed or otherwise, that would impair or delay its~~
15 ~~ability or capacity to repay the funds loaned pursuant to this~~
16 ~~section; except that the agency may incur indebtedness against~~
17 ~~non-Low and Moderate Income Housing Fund moneys if the~~
18 ~~proceeds of the indebtedness will be used to repay the funds~~
19 ~~borrowed pursuant to this section.~~

20 SEC. 7. Section 33420.1 of the Health and Safety Code is
21 amended to read:

22 33420.1. Within a project area, for any project undertaken by
23 an agency for building rehabilitation or alteration in construction,
24 an agency may take those actions which the agency determines
25 necessary and which is consistent with local, state, and federal
26 law, to provide for seismic retrofits as follows:

27 (a) For unreinforced masonry buildings, to meet the
28 requirements of ~~Chapter 1 of the Appendix of the Uniform Code~~
29 ~~for Building Conservation of the International Conference of~~
30 ~~Building Officials~~ *Appendix Chapter A1 of the most current edition*
31 *of the California Building Code.*

32 (b) For any buildings that qualify as "historical property" under
33 Section 37602, to meet the requirements of the State Historical
34 Building Code (Part 2.7 (commencing with Section 18950) of
35 Division 13) *and the most current edition of the California*
36 *Historical Building Code.*

37 (c) For buildings other than unreinforced masonry buildings
38 and historical properties, to meet the requirements of the most
39 current edition of the ~~Uniform Building Code of the International~~

1 ~~Conference of Building Officials~~ *International Building Code, as*
2 *applicable.*

3 If an agency undertakes seismic retrofits and proposes to add
4 new territory to the project area, to increase either the limitation
5 on the number of dollars to be allocated to the redevelopment
6 agency or the time limit on the establishing of loans, advances,
7 and indebtedness established pursuant to paragraphs (1) and (2)
8 of Section 33333.2, to lengthen the period during which the
9 redevelopment plan is effective, to merge project areas, or to add
10 significant additional capital improvement projects, as determined
11 by the agency, the agency shall amend its redevelopment plan and
12 follow the same procedure, and the legislative body is subject to
13 the same restrictions, as provided for in Article 4 (commencing
14 with Section 33330) for the adoption of a plan.

O