1 A bill to be entitled 2 An act relating to mobile home park lot tenancies; 3 amending s. 723.003, F.S.; defining the term 4 "amenity"; amending s. 723.012, F.S.; revising the 5 requirements of a prospectus or offering circular to 6 include an additional statement on the front cover or 7 the first page after a specified date; amending s. 8 723.037, F.S.; requiring a park owner to give written 9 notice before reducing amenities; providing that a 10 homeowners' association does not have standing to 11 challenge a reduction in amenities unless agreed to by 12 a majority of the homeowners; expanding the notice to include certain information if amenities are reduced; 13 adding the requirement for a meeting within 30 days 14 15 after receipt of the notice that an amenity is 16 reduced; clarifying that the committee required to be 17 designated under certain circumstances may not exceed five mobile home owners; requiring the disclosure of 18 19 material factors that resulted in the reduction of amenities; amending s. 723.061, F.S.; providing 20 21 circumstances under which a mobile home park owner may 22 evict a mobile home owner, a mobile home tenant, a 23 mobile home occupant, or a mobile home due to a change 24 of use or rezoning; amending s. 723.071, F.S.; 25 increasing the number of days available for mobile home owners to purchase the park; repealing s. 26

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27	723.075(3), F.S., relating to a homeowner of a
28	concrete block home in a mobile home park being a part
29	of the homeowners' association; amending ss. 73.072
30	and 723.031, F.S.; conforming cross-references to
31	changes made by the act; providing an effective date.
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33	Be It Enacted by the Legislature of the State of Florida:
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35	Section 1. Section 723.003, Florida Statutes, is reordered
36	and amended to read:
37	723.003 Definitions.—As used in this chapter, the term the
38	following words and terms have the following meanings unless
39	clearly indicated otherwise:
40	(1) "Amenity" means a tangible or intangible benefit
41	offered by a park owner to a home owner, including onsite
42	recreational facilities and planned programs, services,
43	activities, and maintenance.
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	(3) (1) The term "Division" means the Division of Florida
45	$\underline{\text{(3)}}$ (1) The term "Division" means the Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of
45 46	
	Condominiums, Timeshares, and Mobile Homes of the Department of
46	Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation.
46 47	Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation. (4) (2) The term "Lot rental amount" means all financial
46 47 48	Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation. (4)(2) The term "Lot rental amount" means all financial obligations, except user fees, which are required as a condition
46 47 48 49	Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation. (4)(2) The term "Lot rental amount" means all financial obligations, except user fees, which are required as a condition of the tenancy.

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hitch, built on an integral chassis, designed to be used as a dwelling when connected to the required utilities, and not originally sold as a recreational vehicle, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

- <u>(6) (4)</u> The term "Mobile home lot rental agreement" or "rental agreement" means \underline{a} any mutual understanding or lease, whether oral or written, between a mobile home owner and a mobile home park owner in which the mobile home owner is entitled to place his or her mobile home on a mobile home lot for either direct or indirect remuneration of the mobile home park owner.
- $\underline{(7)}$ (5) The term "Mobile home owner" or "home owner" means a person who owns a mobile home and rents or leases a lot within a mobile home park for residential use.
- (8) (6) The term "Mobile home park" or "park" means a use of land in which lots or spaces are offered for rent or lease for the placement of mobile homes and in which the primary use of the park is residential.
- $\underline{(9)}$ (7) The term "Mobile home park owner" or "park owner" means an owner or operator of a mobile home park.
- (10) (8) The term "Mobile home subdivision" means a subdivision of mobile homes where individual lots are owned by owners and where a portion of the subdivision or the amenities exclusively serving the subdivision are retained by the subdivision developer.

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(11) (9) The term "Operator of a mobile home park" means either a person who establishes a mobile home park on land which is leased from another person or a person who has been delegated the authority to act as the park owner in matters relating to the administration and management of the mobile home park, including, but not limited to, authority to make decisions relating to the mobile home park.

- (12) (10) The term "Pass-through charge" means the mobile home owner's proportionate share of the necessary and actual direct costs and impact or hookup fees for a governmentally mandated capital improvement, which may include the necessary and actual direct costs and impact or hookup fees incurred for capital improvements required for public or private regulated utilities.
- (13) (11) The term "Proportionate share" as used in subsection (10) means an amount calculated by dividing equally among the affected developed lots in the park the total costs for the necessary and actual direct costs and impact or hookup fees incurred for governmentally mandated capital improvements serving the recreational and common areas and all affected developed lots in the park.
- (15) (12) The term "Unreasonable" means arbitrary, capricious, or inconsistent with this chapter.
- (16) (13) The term "User fees" means those amounts charged in addition to the lot rental amount for nonessential optional services provided by or through the park owner to the mobile

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home owner under a separate written agreement between the mobile home owner and the person furnishing the optional service or services.

- (2)(14) The term "Discrimination" or "discriminatory" means that a homeowner is being treated differently as to the rent charged, the services rendered, or an action for possession or other civil action being taken by the park owner, without a reasonable basis for the different treatment.
- (14) (15) The term "Resale agreement" means a contract in which a mobile home owner authorizes the mobile home park owner, or the park owner's designee, to act as exclusive agent for the sale of the homeowner's mobile home for a commission or fee.
- Section 2. Paragraph (b) of subsection (1) of section 723.012, Florida Statutes, is amended to read:
- 723.012 Prospectus or offering circular.—The prospectus or offering circular, which is required to be provided by s.
 723.011, must contain the following information:
 - (1) The front cover or the first page must contain only:
 - (b) The following statements in conspicuous type:
- 1. THIS PROSPECTUS CONTAINS VERY IMPORTANT INFORMATION REGARDING YOUR LEGAL RIGHTS AND YOUR FINANCIAL OBLIGATIONS IN LEASING A MOBILE HOME LOT. MAKE SURE THAT YOU READ THE ENTIRE DOCUMENT AND SEEK LEGAL ADVICE IF YOU HAVE ANY QUESTIONS REGARDING THE INFORMATION SET FORTH IN THIS DOCUMENT.
- 2. THE STATEMENTS CONTAINED HEREIN ARE ONLY SUMMARY IN NATURE. A PROSPECTIVE LESSEE SHOULD REFER TO ALL REFERENCES, ALL

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131 EXHIBITS HERETO, THE CONTRACT DOCUMENTS, AND SALES MATERIALS.

- 3. ORAL REPRESENTATIONS SHOULD NOT BE RELIED UPON AS CORRECTLY STATING THE REPRESENTATIONS OF THE PARK OWNER OR OPERATOR. REFER TO THIS PROSPECTUS (OFFERING CIRCULAR) AND ITS EXHIBITS FOR CORRECT REPRESENTATIONS.
- 4. UPON DELIVERY OF THE PROSPECTUS TO A PROSPECTIVE LESSEE, THE RENTAL AGREEMENT IS VOIDABLE BY THE LESSEE FOR A PERIOD OF 15 DAYS.
- 5. UPON A CHANGE IN USE OF THE LAND, YOU MAY BE EVICTED

 AND ORDERED TO MOVE YOUR MOBILE HOME WITHIN 6 MONTHS, OR ABANDON

 YOUR MOBILE HOME IF THE HOME CANNOT BE RELOCATED. YOU MAY BE

 ELIGIBLE FOR ASSISTANCE TO RELOCATE PURSUANT TO SECTIONS 723.061

 AND 723.0612, FLORIDA STATUTES.

- Beginning July 1, 2014, the language required in subparagraph 5.

 must be included in each new prospectus delivered by the park

 owner to a prospective lessee.
- Section 3. Section 723.037, Florida Statutes, is amended to read:
 - 723.037 Lot rental increases; reduction in services, or utilities, or amenities; change in rules and regulations; mediation.—
 - (1) A park owner shall give written notice to each affected mobile home owner and the board of directors of the homeowners' association, if one has been formed, at least 90 days before an prior to any increase in lot rental amount; a or

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reduction in services, or utilities, or amenities provided by the park owner; or a change in rules and regulations. The notice must shall identify all other affected homeowners, which may be by lot number, name, group, or phase. If the affected homeowners are not identified by name, the park owner shall make the names and addresses available upon request. Rules adopted as a result of restrictions imposed by governmental entities and required to protect the public health, safety, and welfare may be enforced before prior to the expiration of the 90-day period but are not otherwise exempt from the requirements of this chapter. Passthrough charges must be separately listed as to the amount of the charge, the name of the governmental entity mandating the capital improvement, and the nature or type of the pass-through charge being levied. A notice Notices of increase in the lot rental amount due to a pass-through charge must shall state the additional payment and starting and ending dates of each passthrough charge. The homeowners' association does not shall have no standing to challenge the increase in lot rental amount; τ reduction in services, or utilities, or amenities; or change of rules and regulations unless a majority of the affected homeowners agree, in writing, to such representation.

(2) Notice as required by this section shall, In addition to the information required in subsection (1), the notice required under this section is only be required to include the dollar amount of the relevant portions of the present lot rental amount that are being increased and the dollar amount of the

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proposed increases in lot rental amount if there is an increase in the lot rental amount; a, the reduction in services, or utilities, or amenities; or a the change in rules and regulations and its the effective date thereof.

- (3) The park owner shall file annually with the division a copy of any notice of a lot rental amount increase. The notice shall be filed by on or before January 1 of each year for any notice given during the preceding year. If the actual increase is an amount less than the proposed amount stated in the notice, the park owner shall notify the division of the actual amount of the increase within 30 days after of the effective date of the increase or at the time of filing, whichever is later.
- (4) (a) A committee, not to exceed five mobile home owners in number, designated by a majority of the affected mobile home owners or by the board of directors of the homeowners' association, if applicable, and the park owner shall meet, at a mutually convenient time and place within 30 days after receipt by the homeowners of the notice of change, to discuss the reasons for the increase in lot rental amount; reduction in services, or utilities, or amenities; or change in rules and regulations.
- (b)1. At the meeting, the park owner or subdivision developer shall in good faith disclose and explain all material factors resulting in the decision to increase the lot rental amount; reduce services, or utilities, or amenities; or change rules and regulations, including how those factors justify the

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specific change proposed. The park owner or subdivision developer may not limit the discussion of the reasons for the change to generalities only, such as, but not limited to, increases in operational costs, changes in economic conditions, or rents charged by comparable mobile home parks. For example, if the reason for an increase in lot rental amount is an increase in operational costs, the park owner must disclose the item or items which have increased, the amount of the increase, any similar item or items which have decreased, and the amount of the decrease. If an increase is based upon the lot rental amount charged by comparable mobile home parks, the park owner shall disclose, and provide in writing to the committee at or before the meeting, the name, address, lot rental amount, and any other relevant factors relied upon by the park owner, such as facilities, services, and amenities, concerning the comparable mobile home parks. The information concerning comparable mobile home parks to be exchanged by the parties is to encourage a dialogue concerning the reasons used by the park owner for the increase in lot rental amount and to encourage the home owners to evaluate and discuss the reasons for those changes with the park owner. The park owner shall prepare a written summary of the material factors and retain a copy for 3 years. The park owner shall provide the committee a copy of the summary at or before the meeting.

2. The park owner $\underline{\text{may}}$ shall not limit the comparable mobile home park disclosure to those mobile home parks that are

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owned or operated by the same owner or operator as the subject park, except in certain circumstances, which include, but are not limited to:

- a. That the market area for comparable mobile home parks includes mobile home parks owned or operated by the same entity that have similar facilities, services, and amenities;
- b. That the subject mobile home park has unique attributes that are shared with similar mobile home parks;
- c. That the mobile home park is located in a geographic or market area that contains few comparable mobile home parks; or
- d. That there are similar considerations or factors that would be considered in such a market analysis by a competent professional and would be considered in determining the valuation of the market rent.
- (c) If the committee disagrees with a park owner's lot rental amount increase based upon comparable mobile home parks, the committee shall disclose to the park owner the name, address, lot rental amount, and any other relevant factors relied upon by the committee, such as facilities, services, and amenities, concerning the comparable mobile home parks. The committee shall provide to the park owner the disclosure, in writing, within 15 days after the meeting with the park owner, together with a request for a second meeting. The park owner shall meet with the committee at a mutually convenient time and place within 30 days after receipt by the park owner of the request from the committee to discuss the disclosure provided by

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the committee. At the second meeting, the park owner may take into account the information on comparable parks provided by the committee, may supplement the information provided to the committee at the first meeting, and may modify his or her position, but the park owner may not change the information provided to the committee at the first meeting.

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- (d) The committee and the park owner may mutually agree, in writing, to extend or continue any meetings required by this section.
- (e) Either party may prepare and use additional information to support its position during or subsequent to the meetings required by this section.

This subsection is not intended to be enforced by civil or administrative action. Rather, the meetings and discussions are intended to be in the nature of settlement discussions before prior to the parties proceed <a href="pro

- (5)(a) Within 30 days after the date of the last scheduled meeting described in subsection (4), the homeowners may petition the division to initiate mediation of the dispute pursuant to s. 723.038 if a majority of the affected homeowners have designated, in writing, that:
 - 1. The rental increase is unreasonable;
- 285 2. The rental increase has made the lot rental amount unreasonable;

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3. The decrease in services or utilities is not accompanied by a corresponding decrease in rent or is otherwise unreasonable; or

4. The change in the rules and regulations is unreasonable.

- (b) A park owner, within the same time period, may also petition the division to initiate mediation of the dispute.
- (c) When a dispute involves a rental increase for different home owners and there are different rates or different rental terms for those home owners, all such rent increases in a calendar year for one mobile home park may be considered in one mediation proceeding.
- (d) At mediation, the park owner and the homeowners committee may supplement the information provided to each other at the meetings described in subsection (4) and may modify their position, but they may not change the information provided to each other at the first and second meetings.

The purpose of this subsection is to encourage discussion and evaluation by the parties of the comparable mobile home parks in the competitive market area. The requirements of this subsection are not intended to be enforced by civil or administrative action. Rather, the meetings and discussions are intended to be in the nature of settlement discussions <u>before</u> prior to the parties <u>proceed</u> proceeding to litigation of any dispute.

(6) If a party requests mediation and the opposing party

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refuses to agree to mediate upon proper request, the party refusing to mediate <u>is</u> shall not be entitled to <u>attorney</u> attorney's fees in any action relating to a dispute described in this section.

Section 4. Paragraph (d) of subsection (1) of section 723.061, Florida Statutes, is amended to read:

723.061 Eviction; grounds, proceedings.-

- (1) A mobile home park owner may evict a mobile home owner, a mobile home tenant, a mobile home occupant, or a mobile home only on one or more of the following grounds:
- (d) Change in use of the land comprising the mobile home park, or the portion thereof from which mobile homes are to be evicted, from mobile home lot rentals to some other use, if:
- 1. The park owner gives written notice to the homeowners' association formed and operating under ss. 723.075-723.079 of its right to purchase the mobile home park, if the land comprising the mobile home park is changing use from mobile home lot rentals to a different use, at the price and under the terms and conditions set forth in the written notice.
- a. The notice shall be delivered to the officers of the homeowners' association by United States mail. Within $\underline{90}$ 45 days after the date of mailing of the notice, the homeowners' association may execute and deliver a contract to the park owner to purchase the mobile home park at the price and under the terms and conditions $\underline{\text{set forth}}$ in the notice. If the contract between the park owner and the homeowners' association is not

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executed and delivered to the park owner within the 90-day 45-day period, the park owner is under no further obligation to the homeowners' association except as provided in sub-subparagraph b.

- b. If the park owner elects to offer or sell the mobile home park at a price lower than the price specified in her or his initial notice to the officers of the homeowners' association, the homeowners' association has an additional 10 days to meet the revised price, terms, and conditions of the park owner by executing and delivering a revised contract to the park owner.
- c. The park owner is not obligated under this subparagraph or s. 723.071 to give any other notice to, or to further negotiate with, the homeowners' association for the sale of the mobile home park to the homeowners' association after 6 months after the date of the mailing of the initial notice under subsubparagraph a.
- 2. The park owner <u>has applied to the local government for</u> <u>change of use or rezoning and</u> gives the affected mobile home owners and tenants at least 6 months' notice of the eviction due to the projected change in use and of their need to secure other accommodations.
- a. The notice of eviction due to a change in use of the land must include in a font no smaller than the body of the notice the following statement:

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YOU MAY BE ENTITLED TO COMPENSATION FROM THE FLORIDA
MOBILE HOME RELOCATION TRUST FUND, ADMINISTERED BY THE
FLORIDA MOBILE HOME RELOCATION CORPORATION (FMHRC).
FMHRC CONTACT INFORMATION IS AVAILABLE FROM THE
FLORIDA DEPARTMENT OF BUSINESS AND PROFESSIONAL
REGULATION.

- b. The park owner may not give a notice of increase in lot rental amount within 90 days before giving notice of a change in use or within 6 months after the eviction notice.
- c. The park owner shall attach a relocation plan to the application to the local government for change of use or rezoning. Such plan must indicate monetarily comparable, suitable, and available facilities for displaced residents. The application and the attached plan must be provided to the park's homeowners' association with the eviction notice.
- Section 5. Paragraph (b) of subsection (1) of section 723.071, Florida Statutes, is amended to read:
- 383 723.071 Sale of mobile home parks.—

384 (1)

(b) The mobile home owners, by and through the association defined in s. 723.075, shall have the right to purchase the park if, provided the home owners meet the price and terms and conditions of the mobile home park owner by executing a contract with the park owner within $\underline{90}$ 45 days \underline{after} , \underline{unless} \underline{agreed} to $\underline{otherwise}$, \underline{from} the date of mailing of the notice, \underline{unless}

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another timeframe is agreed upon, and <u>if provided</u> they have complied with ss. 723.075-723.079. If a contract between the park owner and the association is not executed within such <u>90-day 45-day</u> period, then, unless the park owner thereafter elects to offer the park at a price lower than the price specified in her or his notice to the officers of the homeowners' association, the park owner has no further obligations under this subsection, and her or his only obligation <u>is shall be</u> as <u>described</u> set forth in subsection (2).

Section 6. <u>Subsection (3) of section 723.075, Florida</u>
<u>Statutes, is repealed.</u>

Section 7. Subsection (1) of section 73.072, Florida Statutes, is amended to read:

- 73.072 Mobile home parks; compensation for permanent improvements by mobile home owners.—
- (1) If When all or a portion of a mobile home park as defined in s. 723.003(6) is appropriated under this chapter, the condemning authority shall separately determine the compensation for any permanent improvements made to each site. This compensation shall be awarded to the mobile home owner leasing the site if:
- (a) The effect of the taking includes a requirement that the mobile home owner remove or relocate his or her mobile home from the site;
- (b) The mobile home owner currently leasing the site has paid for the permanent improvements to the site; and

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(c) The value of the permanent improvements on the site exceeds \$1,000 as of the date of taking.

Section 8. Paragraph (b) of subsection (5) of section 723.031, Florida Statutes, is amended to read:

723.031 Mobile home lot rental agreements.-

- amount and services included. An increase in lot rental amount upon expiration of the term of the lot rental agreement shall be in accordance with ss. 723.033 and 723.037 or s. 723.059(4), whichever is applicable, provided that, pursuant to s. 723.059(4), the amount of the lot rental increase is disclosed and agreed to by the purchaser, in writing. An increase in lot rental amount shall not be arbitrary or discriminatory between similarly situated tenants in the park. No lot rental amount may be increased during the term of the lot rental agreement, except:
 - (b) For pass-through charges as defined in s. 723.003(10). Section 9. This act shall take effect July 1, 2014.

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