By Senator Fasano

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A bill to be entitled

An act relating to mobile home park lot tenancies; amending s. 723.031, F.S.; deleting cross-references to conform to changes made by the act; amending s. 723.0381, F.S.; authorizing the court to refer actions to binding arbitration under certain conditions; amending s. 723.059, F.S.; deleting a provision relating to mobile home park owners increasing rental amounts under certain conditions; amending s. 723.061, F.S., relating to grounds and proceedings for eviction; requiring a mobile home park owner to apply to the local government for change of use or rezoning under specified conditions; requiring such owner to provide a specified relocation plan; providing that such application and plan be provided to the park's homeowners' association; providing that a park owner may not give a notice of increase in lot rental amount during a specified period; deleting a provision relating to nonapplicability of certain provisions relating to governmental action affecting removal of mobile home owners; amending s. 723.071, F.S.; revising notice requirements relating to the sale of mobile home parks; revising provisions relating to a homeowners' association's right to purchase the mobile home park; increasing the number of days in which a contract must be executed for such sale; providing requirements for the purchase of the park by a homeowners' association; providing offer requirements; deleting definitions to conform to changes in such

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notice requirements; amending s. 723.083, F.S.; requiring an agency of municipal, local, county, or state government to first determine the existence of adequate mobile home parks or other monetarily comparable, suitable, and available facilities before approving any action that would result in the removal or relocation of mobile home owners residing in a mobile home park; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

4.3

Section 1. Subsection (5) of section 723.031, Florida Statutes, is amended to read:

723.031 Mobile home lot rental agreements.-

- (5) The rental agreement shall contain the lot rental 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:
- (a) When the manner of the increase is disclosed in a lot rental agreement with a term exceeding 12 months and which provides for such increases not more frequently than annually.
 - (b) For pass-through charges as defined in s. 723.003(10).

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(c) That no charge may be collected that results in payment of money for sums previously collected as part of the lot rental amount. The provisions hereof notwithstanding, the mobile home park owner may pass on, at any time during the term of the lot rental agreement, ad valorem property taxes and utility charges, or increases of either, provided that the ad valorem property taxes and the utility charges are not otherwise being collected in the remainder of the lot rental amount and provided further that the passing on of such ad valorem taxes or utility charges, or increases of either, was disclosed prior to tenancy, was being passed on as a matter of custom between the mobile home park owner and the mobile home owner, or such passing on was authorized by law. Such ad valorem taxes and utility charges shall be a part of the lot rental amount as defined by this chapter. Other provisions of this chapter notwithstanding, passon charges may be passed on only within 1 year of the date a mobile home park owner remits payment of the charge. A mobile home park owner is prohibited from passing on any fine, interest, fee, or increase in a charge resulting from a park owner's payment of the charge after the date such charges become delinquent. Nothing herein shall prohibit a park owner and a homeowner from mutually agreeing to an alternative manner of payment to the park owner of the charges.

Section 2. Subsection (2) of section 723.0381, Florida Statutes, is amended to read:

723.0381 Civil actions; arbitration.-

(2) The court may refer the action to nonbinding arbitration pursuant to s. 44.103, or, with the consent of both parties, to binding arbitration pursuant to s. 44.104, and the

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Florida Rules of Civil Procedure. The court shall order the hearing to be held informally with presentation of testimony kept to a minimum and matters presented to the arbitrators primarily through the statements and arguments of counsel. The court shall assess the parties equally to pay the compensation awarded to the arbitrators if neither party requests a trial de novo. If a party has filed for a trial de novo, the party shall be assessed the arbitration costs, court costs, and other reasonable costs of the opposing party, including attorney's fees, investigation expenses, and expenses for expert or other testimony or evidence incurred after the arbitration hearing if the judgment upon the trial de novo is not more favorable than the arbitration decision. If subsequent to arbitration a party files for a trial de novo, the arbitration decision may be made known to the judge only after he or she has entered his or her order on the merits.

Section 3. Subsections (4) and (5) of section 723.059, Florida Statutes, are amended to read:

723.059 Rights of purchaser.-

(4) However, nothing herein shall be construed to prohibit a mobile home park owner from increasing the rental amount to be paid by the purchaser upon the expiration of the assumed rental agreement in an amount deemed appropriate by the mobile home park owner, so long as such increase is disclosed to the purchaser prior to his or her occupancy and is imposed in a manner consistent with the initial offering circular or prospectus and this act.

(4) (5) Lifetime leases, both those existing and those entered into after July 1, 1986, shall be nonassumable unless

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otherwise provided in the lot rental agreement or unless the transferee is the home owner's spouse. The renewal provisions in automatically renewable leases, both those existing and those entered into after July 1, 1986, are not assumable unless otherwise provided in the lease agreement.

Section 4. Paragraph (d) of subsection (1) and subsections (3) through (5) of section 723.061, Florida Statutes, are 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 grounds provided in this section.
- (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, provided all tenants affected are given at least 6 months' notice of the projected change of use and of their need to secure other accommodations and provided the mobile home park owner has made application to the local government for change of use or rezoning. In an attachment to the application, the mobile home park owner shall provide a relocation plan indicating monetarily comparable locations for the displaced residents. The application and the attachment shall be provided to the park's homeowners' association. The notice shall include in a font no smaller than the body of the notice: 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. The park

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owner may not give a notice of increase in lot rental amount within 90 days before giving notice of a change in use $\underline{\text{nor}}$ during the 6-month eviction notice term.

- (3) The provisions of s. 723.083 shall not be applicable to any park where the provisions of this subsection apply.
- (3)(4) A mobile home park owner applying for the removal of a mobile home owner, tenant, occupant, or a mobile home shall file, in the county court in the county where the mobile home lot is situated, a complaint describing the lot and stating the facts that authorize the removal of the mobile home owner, tenant, occupant, or the mobile home. The park owner is entitled to the summary procedure provided in s. 51.011, and the court shall advance the cause on the calendar.
- (4)(5) Any notice required by this section must be in writing, and must be posted on the premises and sent to the mobile home owner and tenant or occupant, as appropriate, by certified or registered mail, return receipt requested, addressed to the mobile home owner and tenant or occupant, as appropriate, at her or his last known address. Delivery of the mailed notice shall be deemed given 5 days after the date of postmark.
- Section 5. Section 723.071, Florida Statutes, is amended to read:
 - 723.071 Sale of mobile home parks.
- (1) (a) If a mobile home park owner <u>intends to offer offers</u> a mobile home park for sale, <u>or if a mobile home park owner receives a bona fide offer to purchase the park that she or he intends to consider or make a counteroffer to, she or he shall notify, by certified mail, the officers of the homeowners'</u>

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association created pursuant to ss. 723.075-723.079, and the Florida Housing Finance Corporation, of the offer, or of her or his intent to offer, stating the price and the terms and conditions of sale, provided the requirements of the homeowners' offer to purchase as set forth in subsection (2) have been met by the homeowners' association.

- (b) The mobile home owners, by and through the association defined in s. 723.075, shall have the right to purchase the park, and the mobile home park owner is obligated to sell to the home owners, 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 120 45 days, unless agreed to otherwise, from the date of mailing of the notice and provided they have complied with ss. 723.075-723.079. If a contract between the park owner and the association is not executed within such 120-day 45-day 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 shall be as set forth in subsection (2).
- (c) If the park owner thereafter elects to offer the park at a price lower or higher than the price specified in her or his notice to the home owners, the home owners, by and through the association, will have an additional 21 10 days to meet the price and terms and conditions of the park owner by executing a contract. The homeowners, by and through the association, shall have 21 days to meet the price and terms and conditions of a counteroffer.

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(2) If the mobile home owners, by and through the association, have made a bona fide offer to purchase the park by certified mail to the mobile home park owner, the park owner is required to comply with the provisions of subsection (1). The offer to purchase must be renewed annually by certified mail to the park owner. The offer to purchase must include information about the number of home owners who are making the offer; the date, time, and place of the homeowners' association meeting determining such offer; and information concerning the ability of the home owners to purchase the park using a middle appraisal. If the homeowners' association has not made an offer to purchase by certified mail to the mobile home park owner, the park owner has no obligation to comply with the provisions of subsection (1). If a mobile home park owner receives a bona fide offer to purchase the park that she or he intends to consider or make a counteroffer to, the park owner's only obligation shall be to notify the officers of the homeowners' association that she or he has received an offer and disclose the price and material terms and conditions upon which she or he would consider selling the park and consider any offer made by the home owners, provided the home owners have complied with ss. 723.075-723.079. The park owner shall be under no obligation to sell to the home owners or to interrupt or delay other negotiations and shall be free at any time to execute a contract for the sale of the park to a party or parties other than the home owners or the association.

(3) (a) As used in subsections (1) and (2), the term "notify" means the placing of a notice in the United States mail addressed to the officers of the homeowners' association. Each

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such notice shall be deemed to have been given upon the deposit of the notice in the United States mail.

- (b) As used in subsection (1), the term "offer" means any solicitation by the park owner to the general public.
 - (3) (4) This section does not apply to:
- (a) Any sale or transfer to a person who would be included within the table of descent and distribution if the park owner were to die intestate.
 - (b) Any transfer by gift, devise, or operation of law.
- (c) Any transfer by a corporation to an affiliate. As used herein, the term "affiliate" means any shareholder of the transferring corporation; any corporation or entity owned or controlled, directly or indirectly, by the transferring corporation; or any other corporation or entity owned or controlled, directly or indirectly, by any shareholder of the transferring corporation.
 - (d) Any transfer by a partnership to any of its partners.
- (e) Any conveyance of an interest in a mobile home park incidental to the financing of such mobile home park.
- (f) Any conveyance resulting from the foreclosure of a mortgage, deed of trust, or other instrument encumbering a mobile home park or any deed given in lieu of such foreclosure.
- (g) Any sale or transfer between or among joint tenants or tenants in common owning a mobile home park.
- (h) Any exchange of a mobile home park for other real property, whether or not such exchange also involves the payment of cash or other boot.
- (i) The purchase of a mobile home park by a governmental entity under its powers of eminent domain.

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Section 6. Section 723.083, Florida Statutes, is amended to read:

723.083 Governmental action affecting removal of mobile home owners.—No agency of municipal, local, county, or state government shall approve any application for rezoning, or take any other official action, which would result in the removal or relocation of mobile home owners residing in a mobile home park without first determining that adequate mobile home parks or other monetarily comparable, suitable, and available facilities exist for the relocation of the mobile home owners.

Section 7. This act shall take effect July 1, 2009.