

HOUSING DIVISION RULES

PART I: MOBILE HOME PARKS

1. AUTHORITY.

These rules are issued pursuant to authority vested in the Department of Housing and Community Development by 3 V.S.A. §§ 801(11), 831, 2452, 2453 and 10 V.S.A. §§ 6205(b), 6231(b), 6252(a), 6253(g), and 6262(b).

2. DEFINITIONS.

The definitions set forth in this Section 2 shall apply to the rules of the Housing Division, Part I, Mobile Home Parks.

2.1 “Commissioner” means the Commissioner of the Department of Housing and Community Development of the Agency of Commerce and Community Development for the State of Vermont.

2.2 “Consumer price index” means the United States Consumer Price Index for all Urban Consumers, Housing Component, published by the United States Bureau of Labor Statistics in the periodical “Monthly Labor Review and Handbook of Labor Statistics,” as established annually by the Department of Housing and Community Development.

2.3 “Cost of capital improvements” means the costs of replacement or repair of any major infrastructure systems of the mobile home park that exceed \$2,500.

2.4 “Department” means the Department of Housing and Community Development of the Agency of Commerce and Community Development for the State of Vermont.

2.5 “Eligible Site” means a mobile home lot that is in conformance with the provisions of 10 V.S.A. § 6238(b) (2) and is available for siting of a mobile home.

2.6 “Good faith” means honesty in fact and the observance of reasonable standards and fair dealing, such that each party shall respond promptly and fairly to offers from the other party.

2.7 “Leaseholder” means a resident lawfully occupying a mobile home owned by the park owner or the owner of a mobile home sited on a mobile home lot in a mobile home park regardless of whether the leaseholder has actual possession of a written lease.

2.8 “Lot rent” means any charge imposed on a leaseholder for rental and occupancy of a mobile home lot, unless specifically excluded by statute or rule.

2.9 “Mobile home” means a structure or type of manufactured home that is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, cooling, and electrical systems therein, and is: (a) transportable in one or more sections; and (b) at least eight feet wide or 40 feet long or when erected has at least 320 square feet or if the structure was constructed prior to June 15, 1976, at least eight feet wide or 32 feet long; or (c) any structure that meets all the requirements of this definition except for size and for which the manufacturer voluntarily files a certification required by the U.S. Department of Housing and Urban Development and complies with the construction and safety standards established under Title 42 of the U.S. Code. A recreational vehicle or camping trailer is not a mobile home.

2.10 “Mobile home park” means any parcel or contiguous lots of land under common ownership or control on which are sited, or which is designed, laid out or adapted to accommodate, more than two mobile homes. A parcel or contiguous lots owned by agricultural employers providing up to four mobile homes for use by full-time workers or employees, and a parcel or contiguous lots used solely on a seasonal basis for vacation or recreational mobile homes shall not be considered a mobile home park.

2.11 “Mobile home park owner” or “park owner” means one or more owners, operators, officers, managing agents, or other persons with practical authority to establish rules, policies, or other requirements of a mobile home park.

2.12 “Resident” means any individual, individuals, or family who occupy a mobile home in a mobile home park on a permanent or temporary basis.

2.13 “Security deposit” means any advance, deposit, or prepaid rent charged for the purpose of securing a resident’s obligation to pay rent and maintain a rented mobile home or mobile home lot, which is refundable to the resident at the termination of the resident’s tenancy, as set forth at 10 V.S.A. § 6244.

2.14 “Site improvement fee” means the charge, which in accordance with 10 V.S.A. § 6238 may not exceed \$8,000, for the cost of establishing a mobile home lot within a mobile home park, including site clearing, grading, construction of a mobile home pad; construction of utility improvements such as those for water supply, sewage disposal, electricity, telephone, cable television, and gas; payment of municipal fees such as school impact fees and sewer connection charges; and payment of other costs associated with improvement of a site.

2.15 “Termination or expiration of tenancy” shall mean any of the following: (a) the leaseholder removes a mobile home from the mobile home park and terminates the lease for the lot on which the mobile home was located; (b) delivery to the park owner of an executed bill of sale, or copy thereof, transferring ownership of a mobile home that

remains in the park either to a person who has entered into a lease with the park owner or to the park owner; (c) removal of the resident from the mobile home park pursuant to a court-issued writ of possession; (d) the date contained in a notice of termination by a resident in compliance with 10 V.S.A. § 6261(d); or (e) that date agreed upon by the resident and the park owner.

3. REGISTRATION.

By September 1 of each year, every park owner shall register their mobile home park(s), and pay the annual lot fee if applicable. The Commissioner shall establish the annual lot fee, up to the amount allowed by law, that shall be payable by the park owner for each occupied leased lot in the mobile home park. The fee may be charged to leaseholders, and shall not be deemed a lot rent increase.

4. LEASE REQUIREMENTS.

4.1 Written lease required. The park owner shall provide an initial copy of the lease to each leaseholder of the mobile home park and upon request shall give a leaseholder a copy of the current lease for his or her lot. All terms governing use and occupancy of a mobile home lot shall be in writing, and every lease shall be fair and reasonable; any term which obstructs a leaseholder's ability to act in accordance with 10 V.S.A. Chapter 153 shall be unenforceable. No lease term may require a leaseholder to waive any rights provided by 10 V.S.A. Chapter 153 or these rules, or any other provision of state or federal law or regulation.

4.2 Prospective leaseholders. The park owner shall provide each prospective leaseholder a copy of the proposed written lease with sufficient time for review prior to finalizing any lease. Upon agreement, both the park owner and the prospective leaseholder shall sign the lease and the park owner shall furnish a copy of the signed lease to the leaseholder.

4.3 Uniform enforcement. Any lease term that is not uniformly applied to all leaseholders of the same or similar category shall be unenforceable, with the exception of different lot rent amounts in mobile home parks constructed after June 1, 1995, or new lots in mobile home parks expanded after that date. The park owner shall have the burden of proving the existence of a reasonable basis for categorizing leaseholders or lots.

4.3.1 Admission Policy. A park owner may have an admission policy. To be valid, any admission policy must be in writing, clearly describe all requirements for eligibility, and include a statement that the park owner will not discriminate in admissions for any reason described in 10 V.S.A. Section 6236(e)(3) or (4). Admissions policies shall be uniformly applied to all prospective leaseholders.

4.4 Removal of mobile home. A lease term requiring removal from the mobile home park of a mobile home that is detrimental to other residents for health or safety reasons, or for failure to maintain reasonable aesthetic standards established in the lease, shall be permissible. However, the age of a mobile home, in and of itself, shall not justify a requirement for its removal from a mobile home park. No lease term shall allow the park owner to require removal of a mobile home without written notice to the mobile home owner and a reasonable opportunity to cure the problem.

4.5 Subletting / Sale of Mobile Home. A lease may not prohibit subletting. A leaseholder is required to obtain written consent from the park owner, which shall not be unreasonably withheld, before renting or selling his or her mobile home, or subleasing, or assigning the lease, for the mobile home lot.

4.5.1 Permission to Sublet. A lease may require a leaseholder to notify the park owner in writing of the name and mailing address of any prospective sublessee. No such lease provision shall be enforceable, however, unless the lease also requires the park owner to notify the prospective sublessee and the leaseholder in writing within thirty days of request as to whether consent to the sublease is granted. Notice to the prospective sublessee shall include the reasons for denial, if applicable.

4.6 Rent charges; limits and exceptions. With the exception of proprietary leases in mobile home parks owned by limited equity housing cooperatives established under 11 V.S.A. chapter 14, this subsection 4.6 shall govern all mobile home park leases with respect to rental charges.

4.6.1 Lease terms governing rent charges shall be effective for a minimum of one year. However, provided there is notice at the inception of a new leaseholder's lease, a new leaseholder in a mobile home park in which a uniform rent schedule impacts all lots in the mobile home park simultaneously may be required to pay an increased rent charge at the uniform increase date.

4.6.2 The lease shall provide for a minimum of 60 days' prior written notice of any rent increase.

4.6.3 Notwithstanding any provision of the lease, a park owner may increase rental charges during a year to the extent necessary to cover an increase in operating expenses, but only in the event of an unanticipated increase of 20 percent or more in the mobile home park's operating expenses which is the result of legislative action taken during that year.

4.7 Required lease terms. All mobile home park lot leases shall contain the following:

- (a) Amount and schedule for rental and utility charges and other reasonable incidental service charges, if any. Failure to include such charges in the lease shall prohibit a park owner from imposing or collecting the same.
- (b) Names and addresses of the park owners.
- (c) Notice that the park owner shall not discriminate for reasons of race, religious creed, color, sex, sexual orientation, gender identity marital status, disability, national origin, or due to receipt of public assistance, or because there are minor children in the household.
- (d) Notice that the park owner shall not discriminate based on age except as permitted under 9 V.S.A. § 4503(b) and (c). Any permissible age restrictions shall be identified in the lease.
- (e) The requirement to obtain permission from the park owner before renting or selling a mobile home, or subleasing, or assigning a lease, for a mobile home lot.
- (f) The notice period required from a leaseholder who wishes to terminate a lease.
- (g) The effective date of the lease.

4.8 Lease renewal; new lease terms. Any proposed new lease, lease amendment, addition to, or deletion from the lease shall be provided in writing to all residents at least thirty days in advance of the effective date of such change, and shall be signed by the park owner and leaseholder. If the leaseholder does not object in writing by the effective date, the leaseholder shall be deemed to have accepted the new or changed lease terms or new lease. Lot leases automatically renew unless superseded or replaced, or voided due to a termination or expiration of tenancy.

5. CHARGES AND FEES.

5.1 Entrance fees prohibited. No park owner shall charge an entrance fee to a leaseholder or prospective leaseholder for the privilege of leasing or occupying a mobile home park lot. Nor may a leaseholder or prospective leaseholder be restricted in his or her choice of vendors from whom to purchase goods and services. A reasonable charge for the fair value of services performed in placing a mobile home on a mobile home park lot shall not be considered an entrance fee, but such charge shall not include upgrading any mobile home park utilities in order to comply with state or local regulations, including the *Rules for Mobile Home Park Warranty of Habitability, Housing Division Rules, Part III*.

5.2 Site improvement fee. A limited equity housing cooperative organized to provide low- or moderate-income housing as defined in 11 V.S.A. chapter 14, or a 501(c)(3) organization, as defined under the federal tax code, or its wholly owned subsidiary, may charge a site improvement fee to the initial leaseholder of an eligible mobile home lot.

5.3 Security Deposits. A park owner may require a leaseholder to pay a security deposit, and shall, in such event, include in the lease provisions consistent with this subsection 5.3 which govern the security deposit. A park owner may be subject to municipal ordinances with respect to security deposits in addition to the requirements of the Mobile Home Park Act and these Rules.

5.3.1 The park owner may retain all or a portion of a security deposit for the following:

- (a) Nonpayment of rent;
- (b) Damage to the park owner's property as a result of the act or failure to act of the leaseholder, except ordinary wear and tear;
- (c) Nonpayment of utility or other charges owed to the park owner by the leaseholder;
- (d) Expenses incurred to remove any articles abandoned by the leaseholder.

5.3.2 The park owner shall, by hand delivery or first class mail to the last known address of the leaseholder, and within 14 days of the termination or expiration of the leaseholder's tenancy, return the security deposit, including any interest accrued as required by the lease or local ordinance, to the resident less deductions, if any, along with an itemization of deductions. Failure to do so within 14 days shall result in a forfeiture of the park owner's right to retain any portion of the security deposit. Willful failure to do so within 14 days shall result in liability of the park owner for double the amount withheld, plus reasonable attorneys' fees and costs.

5.3.3 In the event of sale or other transfer of the mobile home park, the park owner shall transfer all security deposits to the new owner. The new park owner shall provide each leaseholder notice that it has received transfer of the security deposit, the amount transferred, and the new park owner's name and address.

6. LOT RENT INCREASE.

6.1 Notice. A park owner may not increase lot rent without first providing at least 60 days' written notice to each affected leaseholder and the Commissioner. The notice shall be provided on a form provided by the Department, and shall include:

- (a) the amount, including any capital improvements surcharge;
- (b) the effective date;
- (c) a copy of leaseholders' rights as provided at 10 V.S.A. §§ 6251 – 6253; and
- (d) the percentage of increase from the current base lot rent.

6.1.1 No rent increase shall be given within six months before a park closure notice is issued or at any time while the closure notice is in effect, and any increased rent paid by a leaseholder during the six months prior to a park closure notice shall be refunded within seven days of the closure notice, unless the Commissioner has determined that the rent increase is needed to help remedy an emergency situation affecting the health, safety or welfare of the residents.

6.2 Capital Improvements Surcharge.

6.2.1 Any portion of a lot rent increase attributable to recovery of the park owner's estimated Cost of Capital Improvements as defined in Section 2 hereof, shall be considered a capital improvements surcharge, shall be limited as set forth at 10 V.S.A. § 6251, and shall terminate at the time the actual costs have been recovered.

6.2.2 If a lot rent increase is in any part due to a capital improvements surcharge, the notice shall identify that portion of the proposed increase attributed to the surcharge; the estimated cost of the improvements; and the proposed duration of the surcharge to recover the estimated cost, stated in 12-month increments.

6.2.3 The park owner, with the notice of lot rent increase, shall provide the Commissioner with an affidavit stating the estimated cost of the capital improvement, the expected date of completion of the improvements and the time frame required for the surcharge to provide for recovery of the cost of the improvements.

6.3 Lot Rent Dispute; Mediation.

6.3.1 The Department shall maintain a list of qualified professional mediators compiled in cooperation with park owners and leaseholders in Vermont.

6.3.2 A majority of the affected leaseholders in a mobile home park may request mediation of a proposed lot rent increase that is more than one percentage point above the Consumer Price Index. Such request shall be made by delivering to the Commissioner and the park owner, within 15 business days of the park owner's notice to the Commissioner of lot rent increase, a petition stating that the increase is disputed and bearing the signatures of the affected leaseholders who so request, and the name of the person who will represent the petitioners. However, if it is demonstrated that the park owner failed to send the notice to the most current address provided to the park owner by any leaseholder, and that notice to the leaseholder was delayed for that reason, the petition shall be filed within 15 business days of the date on which it is demonstrated that every affected leaseholder had received notice. Any refusal of a certified mailing of the completed Lot Rent Increase Notice shall be deemed to be receipt. The park owner shall bear the burden of demonstrating that the proposed increase is reasonable.

6.3.2.1 A majority shall be determined by one vote per leasehold, though no leaseholder shall have more than one vote.

6.3.3 The Department shall provide the list of qualified professional mediators to the park owner and the petitioners' representative. The petitioners' representative and the park owner shall select a mediator from the list who is mutually agreeable, and provide the mediator's agreement to conduct the mediation to the Commissioner. In the event that within 5 business days of receipt of the list, the parties have not selected a mediator, the Commissioner shall appoint a mediator from the list.

6.3.4 The park owner shall provide to the mediator and the petitioners' representative all information supporting the proposed increase at least 5 days before the initial mediation session. The park owner shall also provide any documents or information requested by the mediator for the purposes of the mediation. All mediation sessions shall be completed at least 10 days prior to the effective date of the proposed lot rent increase.

6.3.5 Any resolution of the dispute shall be reduced to a written agreement among the parties, setting forth the amount of any increase and its effective date, together with all other matters agreed upon. The mediator shall detail the outcome of the mediation in a report signed by all parties, and provide the same to the parties and the Commissioner.

6.3.6 The selected or appointed mediator shall not have any direct or indirect interest in the mobile home park and shall disclose any experience as a park owner, or resident, along with any other circumstances that may create an actual or perceived conflict of interest. The mediator shall not be competent to testify in any subsequent action regarding the proposed lot rent increase, and the mediator's report shall not be admissible as evidence. The Department shall pay the fees for

mediation based on a schedule established pursuant to the *Rules for Mediation and Legal Services Payments and Consumer Price Index for Lot Rent Disputes, Housing Division Rules, Part II*.

6.4 Abatement; Civil Action. In the event mediation is unsuccessful, a majority of the mobile home park's leaseholders may file suit for abatement of an increase which is unreasonable based upon the park owner's total reasonable or documented expenses, including the cost of debt service and allowance for a reasonable return on the investment, as compared to similar investments. Any abatement action must be filed within 30 days after the effective date of the lot rent increase. No abatement action may be filed if the rent increase is effective following a completed sale of the mobile home park which was contingent upon the increase, provided at least 6 months' notice has been given.

7. MOBILE HOME PARK OWNER OBLIGATIONS.

7.1 Implied Warranty. In every lease is implied a covenant and warranty on the part of the park owner to provide, throughout the period of the tenancy, premises which are safe, clean and fit for human habitation, including:

- (a) Adequate and reliable utility services;
- (b) Safe electrical service to a location on each lot from which the mobile home may be connected;
- (c) Potable water and sewage disposal to a location on each lot from which the mobile home may be connected;
- (d) Safe and fit roads, common areas and facilities.

No waiver of the covenant and warranty of habitability shall be enforceable.

7.2 Habitability Rules. Every park owner shall comply with the *Rules for Mobile Home Park Warranty of Habitability, Housing Division Rules, Part III*.

7.3 Failure to Comply. In the event a park owner fails to comply with the obligation of habitability by making timely repairs after actual notice from a leaseholder, a governmental entity, or a qualified independent inspector, provided the conditions are not the result of the acts or omissions of the leaseholder or resident beyond normal wear and tear, and provided the noncompliance materially affects health and safety, a leaseholder may:

- (a) Withhold payment of lot rent for the period of noncompliance;
- (b) Seek a court order requiring compliance;

(c) Seek a court order for damages, costs, and reasonable attorneys' fees;

(d) Terminate the lease with reasonable notice.

7.4 Relocation.

7.4.1 If a mobile home lot or rented mobile home is condemned by a government agency due to willful failure of the owner to comply with any obligations imposed by law, he or she shall be liable for the reasonable relocation costs of the affected leaseholders and residents. Any leaseholder or resident so affected may seek a court order requiring the owner to pay reasonable relocation costs, including court costs and attorneys' fees.

7.4.2 If a park owner commences closure of a mobile home park within one year of receiving a notice from a state or municipal official of a violation of health, safety or environmental laws, or the habitability requirements contained in this Rule or the Rules for Mobile Home Park Warranty of Habitability, Housing Division Rules Part III, the Commissioner may require the park owner to pay up to \$3,500 in relocation costs to each affected leaseholder, unless the park owner can demonstrate that he or she has no financial capacity to comply.

8. MINOR DEFECT; NONCOMPLIANCE WITH LAW OR LEASE.

If, after 30 days' written notice, a park owner fails to repair a minor defect, or cure noncompliance with the Mobile Home Park Act, or noncompliance with a material provision of the lease which has occurred due to no fault of the leaseholder, the leaseholder may repair the minor defect and deduct the actual and reasonable cost thereof from rent next due, up to one-half of one month's rent. Repair of a minor defect or noncompliance shall not include major work on the park's water, septic, or electrical systems. The leaseholder shall provide the park owner an itemization of the deduction along with the rental payment, and shall be responsible for any damage to property of the park owner caused by such repairs or attempts to repair.

9. MOBILE HOME PARK RESIDENT OBLIGATIONS.

9.1 Compliance with Regulations. A resident shall not act in any way which will cause the mobile home park to be out of compliance with building, environmental or housing or health regulations.

9.2 Peaceful Enjoyment. A resident shall not act or allow his or her guests or invitees to act in a manner which would disturb other residents' peaceful enjoyment of the mobile home park.

9.3 No Destruction. A resident shall not deliberately or negligently destroy, deface, damage or remove any part of the mobile home park or its fixtures, mechanical or utility systems or furnishings, nor deliberately or negligently allow another to do so.

9.4 Subletting. No leaseholder may rent or sell his or her mobile home or sublease, or assign a lease, for the mobile home lot without the express permission of the park owner, which shall not be unreasonably withheld.

9.5 Notice of termination. A leaseholder may terminate a lease by delivering written notice to the park owner of the termination date at least one rental payment period prior to the termination date, unless inconsistent with a written lease.

9.6 Penalties. In addition to eviction, a park owner may seek court-ordered damages, costs and reasonable attorneys' fees for violation of the obligations set forth in 10 V.S.A. § 6261.

10. MOBILE HOME PARK OWNER ACCESS.

10.1 Mobile Home Lot. A park owner may enter a mobile home lot under the following circumstances:

- (a) with resident consent, which shall not be unreasonably withheld;
- (b) between the hours of 7:00 a.m. and 7:00 p.m., provided at least 12 hours' notice has been given, for the following purposes: inspection; to make necessary or agreed repairs, alterations or improvements; to supply agreed services; or to exhibit a lot for sale or rent, or to lenders or contractors; or
- (c) without notice or permission upon learning, unexpectedly, in the course of performing repairs in the mobile home park, that entry is necessary to complete the repairs, provided that reasonable attempts to contact the resident were made and the need to enter the lot was not foreseeable.

10.2 Mobile Home. A park owner may enter a mobile home or a mobile home lot without notice or permission upon the reasonable belief that there is a likelihood of imminent injury to person or property, or of interruption in utility services.

11. SALE OF MOBILE HOME ON SITE.

11.1 Notification. Prior to selling a mobile home sited in a mobile home park, the mobile home owner shall provide notice to the park owner by certified mail, notifying him or her of the name and mailing address of the prospective buyer. The mobile home owner shall provide a copy of a completed, unexecuted, Vermont mobile home uniform bill of sale to the park owner at least 21 days prior to the transfer or sale of the mobile

home, and to the town clerk in which the mobile home is located for his or her endorsement in compliance with 9 V.S.A. Section 2602.

11.2 Acceptance. The park owner shall lease the mobile home lot to the prospective buyer if the buyer and his or her household meet the terms of the lease or qualify under a valid admission policy of the park. Upon approval the park owner shall provide the proposed lease to the buyer. If the buyer does not notify the park owner of any objections to any terms in the lease in writing prior to occupying the mobile home lot, the buyer will be deemed to have accepted the lease.

11.3 Denial. If the park owner determines that the buyer and his or her household do not meet the terms of the lease or qualify under a valid admission policy, the park owner shall notify the mobile home owner and prospective buyer in writing within twenty-one days. The notice of denial to the prospective buyer shall list the specific reasons why the buyer and his or her household do not qualify.

11.4 Deemed approval. Failure by a park owner to provide a written notice of denial, including the reasons for denial, within twenty-one days shall be deemed approval of the prospective buyer to lease the lot on which the mobile home is sited.

11.5 Commission prohibited. No park owner shall charge or collect a commission on the sale of a mobile home in the mobile home park, except pursuant to a written agreement with the mobile home owner for representation in the sale of the mobile home.

12. EVICTION OF MOBILE HOME PARK RESIDENT.

12.1 Grounds. A leaseholder may only be evicted by order of court for nonpayment of rent, substantial violation of the lease terms, violation of the leaseholder's obligations as set forth at 10 V.S.A. § 6261, abandonment of the mobile home, or in the event the mobile home park is closed in whole or in part. No leaseholder may be evicted for a substantial violation of the lease terms unless the eviction proceeding is commenced within 60 days of the last alleged violation, or in the case of criminal activity within 60 days after the leaseholder was arraigned on the charges. No leaseholder may be evicted for violation of a lease term that is not enforced against others in the mobile home park. Evictions of subletting mobile home residents shall be pursuant to 9 V.S.A. § 4467.

12.2 Notice.

12.2.1 Nonpayment of Rent or Substantial Violation. The park owner shall provide notice to the leaseholder by certified or registered mail before bringing any eviction proceedings. The notice shall provide the grounds for eviction and the fact that eviction proceedings for unpaid rent may be avoided by paying overdue rent within 20 days of the mailing of the notice. No notice shall be required if the nonpayment of rent or a substantial violation is the second such

occurrence within 6 months, and proper notice was provided with respect to the first nonpayment or substantial violation during the period.

12.2.1.1 Notice of Proceedings. A park owner shall serve notice of eviction proceedings pursuant to 10 V.S.A. § 6237 and 12 V.S.A. Chapter 169 to the leaseholder and to any occupants known to the park owner to be residing in the mobile home.

12.2.2 Park Closure. A park owner shall provide notice, delivered by certified mail, to the Commissioner and to each affected resident or leaseholder of the mobile home park at least 18 months before closure of the park or any part of the park that would result in the eviction of any residents or leaseholders or the removal of any or all of the mobile homes. The period of time between delivery of notice and the proposed closure date shall be the “Notice Period.” The notice shall include:

- (a) a statement that the park owner intends to close all or part of the mobile home park;
- (b) the date that the park owner intends to close all or part of the mobile home park;
- (c) a statement that no evictions will be commenced during the notice period, except for nonpayment of rent or substantial violations of the lease;
- (d) a properly completed and signed Notification to Department of Housing and Community Development of Intent to Close a Mobile Home Park form;
- (e) a list of the names and mailing addresses of each of the affected leaseholders and residents of the mobile home park.

The Notice Period shall not commence until the date on which all of the affected leaseholders or residents have received notice in accordance with the requirements of this subsection 12.2.2, except that the commencement of the Notice Period shall not be delayed by a resident or leaseholder’s failure to provide updated address or contact information to the park owner. Any refusal of the certified mailing of the closure notice shall be deemed to be receipt.

12.2.3 Notice of Intent to Sell Required. Before giving a park closure notice the park owner shall issue a park sale notice pursuant to section 13 below that discloses the potential closure of the mobile home park, or record a notice in the land records of the municipality where the mobile home park is located prohibiting the park owner from selling the land for a period of five years.

12.2.4 Permission for Shortened Notice Period. Upon request, and if necessary to assure the health safety or welfare of the mobile home park residents, the Commissioner may change the notice requirement by allowing a shortened Notice Period. A request shall be in writing in the form of a sworn affidavit and include:

- (a) a statement of the reasons why the shortened Notice Period is requested;
- (b) the steps the park owner has taken to correct or mitigate the problem;
- (c) any alternatives to shortened Notice Period; and
- (d) any assistance that will be offered to the affected leaseholders and residents due to their proposed dislocation.

Upon receipt of a request for a shortened Notice Period, the Commissioner may contact state and local health officials, the affected leaseholders and residents, and others for further information and comments. The Commissioner shall render a decision within sixty days of the request.

12.2.5 Expiration of Closure Notice. The mobile home park shall be deemed to have closed at such time as at least 18 months from delivery of notice has elapsed, or at the end of such longer Notice Period as may have been identified by the park owner, and fewer than three (3) mobile homes are occupied within what had been the mobile home park, or when every leaseholder and resident has vacated the mobile home park and removed his or her mobile home and possessions, whichever is sooner. However, if the park owner has not completed the park closure or commenced eviction proceedings within 18 months after the proposed closure date or expiration of the Notice Period, whichever is later, the closure notice shall be deemed void, and any attempt to close the mobile home park shall require a new notice process pursuant to paragraph 12.2.2. Notwithstanding the voiding of the closure notice, evictions already commenced may continue.

12.3 No Force or Self Help. A leaseholder shall not be evicted by force or any other self-help measure.

12.4 Illegal Evictions. Willful interruption of any utility service other than for necessary repairs on a temporary basis, or eviction or other denial of access by a park owner to a resident's property other than by order of court shall be considered an illegal eviction. Condemnation of a lot or a mobile home resulting from the acts or omissions of the park owner shall be considered an illegal eviction. This shall not be construed to prohibit disconnection due to nonpayment of water charges by a water system approved by the Vermont Public Service Board, nor to interfere in any way with rights and obligations of an approved water system.

12.5 Remedies for Illegal Evictions. Any leaseholder may bring suit against the park owner for illegal eviction and seek recovery of damages, injunctive relief, costs and reasonable attorneys' fees. A leaseholder may not seek an injunction to allow continued occupation of a condemned lot or mobile home park. A park owner may recover reasonable attorneys' fees for defense of an illegal eviction action that is determined to be frivolous or intended solely for harassment.

12.6 Remedies for Retaliatory Conduct. Any leaseholder may seek a court order against a park owner for changing the terms of a lease or for bringing or threatening to bring an action because of the leaseholder's complaint about conditions in the mobile home park to a governmental agency or town official, or to the park owner about a violation of chapter 153 of Title 10, or because the leaseholder has organized or joined a residents' organization. Such court order may provide damages and reasonable attorneys' fees. Retaliatory conduct by the park owner may be a defense to any court action brought by the park owner against a leaseholder.

12.7 Penalties. A park owner who closes a mobile home park and sells the land within five years without complying with the requirement to give a notice of intent to sell the park shall be liable to the State in the amount of \$10,000 or 50% of the gain realized from the sale, whichever is greater, unless the Commissioner determines that strict compliance with the notice and holding requirements is likely to cause undue hardship to the park owner, leaseholders, or both.

13. MOBILE HOME PARK SALE.

13.1 Notice. A park owner shall provide each mobile home owner and the Commissioner notice of intent to sell the mobile home park by certified mail return receipt requested, on a form provided by the Department ("Notice of Intent to Sell"). If the Notice is refused or otherwise undeliverable, the park owner shall send the Notice by first class mail to the mobile home owner's last known mailing address. A refusal of the certified mailing of the completed Notice of Intent to Sell shall be deemed to be receipt. No notice to the Commissioner shall be required when a notice to mobile home owners is not required.

13.2 Notice Date. The Notice Date shall be the date upon which the Commissioner has received notice of intent to sell the mobile home park in accordance with this rule. However, if within 30 days it is demonstrated that the park owner failed to send notice to the most current address provided to the park owner by a mobile home owner, and that notice to the mobile home owner was delayed for that reason, the Notice Date shall be the date on which it is demonstrated that every mobile home owner has received notice.

The Notice shall include:

- (a) A statement that the park owner intends to sell the mobile home park;

- (b) The price, terms and conditions under which the mobile home park is offered for sale;
- (c) A detailed description of the property offered for sale including the location and size of the mobile home park, number of mobile home lots, any buildings including mobile homes, and any other real or personal property, equipment or fixtures included in the sale terms;
- (d) A list of the names and mailing addresses of the mobile home owners, and the number of leaseholds held by each;
- (e) The status of the mobile home park regarding compliance with all statutes, regulations and permits to the owner's best knowledge, and an explanation for any noncompliance;
- (f) A statement that for forty-five (45) days following the notice the park owner will not enter into any agreement to sell the mobile home park that would infringe the rights of the mobile home owners to negotiate for purchase of the mobile home park; and if within the forty-five (45) day period the park owner receives notice from a majority of the mobile home owners that they intend to consider purchase of the mobile home park, that the park owner will not enter into any agreement to sell the mobile home park that would infringe the rights of the mobile home owners to negotiate for purchase of the mobile home park for an additional one hundred and twenty (120) days, except for an agreement with a group representing a majority of the mobile home owners or with a nonprofit entity approved by a majority of the them;
- (g) A properly completed and signed Notification to the Department of Housing and Community Development of Intent to sell a Mobile Home Park form.

13.3 Mobile Home Owners Right to Negotiate Purchase. A majority of the mobile home owners in a mobile home park shall have the right to negotiate to purchase the mobile home park by providing a Notice of Intent to Negotiate to the park owner and the Commissioner within 45 days of the Notice Date (the "Notice Period"). Such Notice of Intent to Negotiate shall be a written statement, bearing the signatures of a majority of the mobile home owners. A majority shall be determined by one vote per leasehold, though no mobile home owner shall have more than 3 votes or 30% of the aggregate mobile home park vote, whichever is less. Any dispute as to whether a majority has been achieved shall be resolved by the Commissioner by comparing the list of mobile home owners provided by the park owner to the mobile home owners' notice of intent. Inaccuracies in such list as to the number or identity of mobile home owners shall render the Notice of Mobile Home Park Sale incomplete.

13.3.1 Period of Negotiation. If the park owner receives a Notice of Intent to Negotiate from the mobile home owners pursuant to subsection 13.3 above, then

for an additional 120 days (the “Negotiation Period”), starting from the 46th day following the Notice Date, the park owner shall:

- (a) Not enter into any agreement to sell the mobile home park that would infringe upon the rights of the mobile home owners to negotiate for purchase of the mobile home park; and
- (b) Fully consider any written offer to purchase from the mobile home owners or their selected nonprofit organization.
- (c) If the park owner does not receive a Notice of Intent to Negotiate bearing the signatures of a majority of the mobile home owners during the 45-day Notice Period, he or she has no further restrictions on the sale unless a new notice is required pursuant to Section 13.3.3 below.

13.3.2 Obligations of Good Faith. The park owner and the mobile home owners or the nonprofit corporation selected by the mobile home owners shall negotiate sale terms with one another in good faith as defined in Section 2.6 above. Sale terms include the price and other factors generally given consideration such as financing or closing contingencies.

13.3.3 New Notice Required. Prior to the expiration of the Notice of Intent to Sell, and before making an offer to sell or accepting an offer to purchase the mobile home park, the park owner shall provide a new Notice of Intent to Sell in accordance with Section 13.1 above unless the sale price is:

- a) no more than five percent below the price for which the mobile home park was initially offered for sale; or
- b) at least five percent more than the final written offer from a group representing a majority of the mobile home owners or a nonprofit corporation approved by them.

13.4 Health and Safety Disclosures. Prior to the sale of a mobile home park, the park owner shall furnish the following to the buyer:

- (a) the results of the most recent sanitary survey of the mobile home park conducted by the Agency of Natural Resources;
- (b) the results of all drinking water tests required or performed for the mobile home park during the preceding 36 months; and
- (c) all state and local government permits related to operation of the mobile home park and its systems.

13.5 Penalties. In addition to any other causes of action or penalties, a park owner that sells a mobile home park in violation of its obligations under this section and 10 V.S.A. § 6242 shall be liable to the mobile home owners in the amount \$10,000 or 50% of the gain realized from the sale, whichever is greater.

13.6 Applicability of Section. The requirements of this section shall have no applicability to sales or transfers among family members, through foreclosure, to a trust solely benefiting a park owner's family members, among partners who are owners, incidental to financing, among owners as joint tenants or tenants in common, pursuant to eminent domain, or pursuant to a municipal tax sale.

13.7 Expiration of Notice of Intent to Sell. A Notice of Intent to Sell shall expire if sale of the mobile home park has not been completed within 12 months of the expiration of the 45-day Notice Period, except when the park owner has entered into a binding purchase agreement with a group representing a majority of the mobile home owners or a nonprofit corporation approved by them. Any efforts to sell or close on an existing purchase and sale agreement after the expiration of the Notice of Intent to Sell shall require a new Notice of Intent to Sell and renewed rights in the mobile home owners to negotiate for purchase of the mobile home park.

14. PENALTIES; ENFORCEMENT.

14.1 Notice of Alleged Violation

14.1.1 The Commissioner may issue a notice of alleged violation of the Mobile Home Park Law. A notice of alleged violation must be in writing.

14.1.2 The notice shall include, at a minimum, the following:

- a) a description of the alleged violation, including reference to the particular statute and any applicable Housing Division Rule allegedly violated;
- b) a statement of the legal authority and jurisdiction under which administrative penalty is being assessed;
- c) the amount of the proposed administrative penalty; and
- d) a warning that the decision to impose a penalty may become final and the penalty imposed if no hearing is requested within 20 calendar days of receipt of the notice.

14.1.3 The notice of alleged violation shall be served on the park owner by certified mail or personal service.

14.1.4 The park owner alleged to have committed the violation shall have 20 calendar days from the date of service to file a written request for a hearing. If no

request for a hearing is filed within 20 calendar days, the notice and penalty shall be deemed a final order of the Commissioner.

14.1.5 Notice of alleged violation and penalties issued under these rules shall not limit the authority of the Commissioner to bring a civil action for damages or injunctive relief, or both, to refer a violation to the Attorney General or State's Attorney for enforcement, or to take any other appropriate enforcement action.

14.2 Hearing Process. The procedures set forth in 3 V.S.A. §§ 809 through 813 shall cover all hearings under these rules.

14.2.1 A park owner who requests a hearing regarding a notice of alleged violation shall be entitled to a hearing before the Commissioner within 60 days of filing the request. The 60-day time frame may be extended if the park owner who requested the hearing requests, in writing, additional time to prepare for the hearing.

14.2.2 A hearing notice that includes the time, place, and nature of the hearing shall be delivered to the park owner within 7 days of receipt of a request for a hearing and no less than 15 days prior to the date set for the hearing.

14.2.3 The Commissioner may appoint a hearing officer to hear evidence on the alleged violation, prepare findings, and recommend a decision.

14.2.4 The park owner may appear at the hearing with or without counsel, and may present evidence and examine and cross-examine witnesses.

14.2.5 At the hearing the rules of evidence shall be according to 3 V.S.A. § 810.

14.2.6 Opportunity shall be given all parties to respond and present evidence and argument on all issues involved.

14.2.7 The hearing officer may compel, by subpoena, the attendance and testimony of witnesses and the production of books and records in accordance with 3 V.S.A. §§ 809, 809a, and 809b.

14.2.8 Oral proceedings or any part thereof shall be recorded, and shall be transcribed on request of any party subject to other applicable provisions of law, and upon payment by the requesting party of the reasonable costs thereof.

14.2.9 Nothing in this section shall prohibit the informal disposition of a notice of alleged violation by stipulation, agreed settlement, consent order or default. Informal disposition may proceed with clear and simple documentation without complete adherence to this section.

14.3 Administrative Penalty/Fine. In assessing a penalty, the Commissioner shall consider the degree of actual and potential impact on public health, safety, and welfare resulting from the violation; the number of people affected by the violation; whether or not the violation was corrected after notification of its existence; the economic benefit gained by the violation; the deterrent effect of the penalty; and whether the park owner has been fined for the same or similar violations in the past. Standard penalties shall be based on a schedule maintained by the Department, which shall be made available to the public upon request.

14.4 Decision. At the close of the evidence the Commissioner shall issue a written decision, which shall include, at a minimum, the following:

- a) Findings of fact relevant to each alleged violation;
- b) Conclusion of law regarding each alleged violation;
- c) Amount of the penalty imposed for each violation;
- d) Date on which the penalty is due; and
- e) Instructions to the park owner on where to file any appeal and the applicable time limits.

14.5 Collection. The Department may collect an unpaid administrative penalty by filing a civil collection action in any superior court, or through any other means available to state agencies, after the time for filing an appeal has expired.

14.6 Civil Action by Resident. In addition to any other rights of action, any resident may file suit against the park owner, after 30 days' written notice by certified mail to the park owner, for violation of 10 V.S.A. chapter 153 §§ 6236-6243 and for violation of 10 V.S.A. § 6242, may seek damages in the amount of \$10,000.00 or 50 percent of the gain realized by the park owner from the sale, whichever is greater, as well as actual and punitive damages.