

General Assembly

Raised Bill No. 988

January Session, 2023

LCO No. 4001



Referred to Committee on HOUSING

Introduced by: (HSG)

## AN ACT CONCERNING THE PURCHASE OF A MOBILE MANUFACTURED HOME PARK BY ITS RESIDENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. Subsection (f) of section 21-70 of the general statutes is
- 2 repealed and the following is substituted in lieu thereof (Effective October
- 3 1, 2023):
- 4 (f) (1) Any person or entity making an application to appear before
- 5 any municipal, state or federal agency with respect to any matter
- 6 changing the land use of a specific mobile manufactured home park
- 7 shall give written notice of the application by certified mail, return
- 8 <u>receipt requested and</u> by first class mail <u>with tracking</u> addressed to the
- 9 affected units of the park [or] <u>and</u> by personal delivery to the units not
- later than seven days after its filing. <u>Such person or entity shall also send</u>
- 11 or deliver a copy of such notice to the Department of Housing,
- 12 <u>Connecticut Housing Finance Authority and Department of Consumer</u>
- 13 Protection and to any association of residents of the mobile
- 14 manufactured home park which has made a written request for such
- 15 <u>notice.</u> The notice shall state the reasons for which the application was

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16 filed and shall be sent by certified mail, return receipt requested.

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(2) [Except as otherwise provided in subdivision (5) of this subsection, any Any mobile manufactured home park owner who intends to discontinue the use of the land as a mobile manufactured home park or to sell, lease, or transfer land used as a mobile manufactured home park to any person [who intends to discontinue its use as a mobile manufactured home park] shall give written notice by certified mail, return receipt requested, by first class mail with tracking addressed to each mobile manufactured home unit [or] and by personal delivery to each unit upon such land. [if such transaction will entail the discontinuance of the use of the land for mobile manufactured home park purposes.] If an owner of a mobile manufactured home has given the park owner written notice that the owner resides in a place other than the owner's unit, notice shall be sent by first class mail to the address so provided. A copy of such notice shall also be sent to the Department of Housing, Connecticut Housing Finance Authority and Department of Consumer Protection. The notice shall include a statement of the residents' rights under this subsection and the deadlines for exercising such rights. If the notice is based on a sale of the park, the notice shall also include the price, terms and conditions of the offer the park owner has conditionally accepted or plans to accept and a copy of the signed written contract or offer. The notice shall include a statement advising the recipient of the intended discontinuance of use or sale, lease or other transfer and [, except as otherwise provided in subdivision (5) of this subsection, shall be mailed [or] and delivered at least one hundred twenty days prior to the discontinuance of the use of the land as a mobile manufactured home park or the proposed closing upon the sale of the park, whichever is earlier. The notice may run concurrently with the notice required by subdivision (3) of subsection (a) of section 21-80 or subparagraph (E) of subdivision (1) of subsection (b) of section 21-80. A copy of such notice from the park owner shall be sent to any association of residents of the mobile manufactured home park which has made a written request for such notice. A mobile manufactured home park owner may accept an offer for the sale, lease

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or transfer of the land before providing a copy of such notice as long as the agreement is conditioned upon giving the residents the notice and the opportunity to purchase required by this subsection.

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(3) [Except as otherwise provided in subdivision (5) of this subsection, within] Within one hundred twenty days after the notice provided for in subdivision (2) of this subsection has been mailed, any association representing twenty-five per cent or more of the units in the park that are occupied by their owners or one or more of the owner's family members, including an association formed after the issuance of the notice, may notify the owner of the park that it is interested in purchasing the mobile manufactured home park. A copy of such notice may be filed on the land records of the town in which the mobile manufactured home park is located. If such notice is given, [except as otherwise provided in subdivision (5) of this subsection, the association shall have three hundred sixty-five days after the notice required in subdivision (2) of this subsection has been given to purchase the park through negotiation or the method set forth in subdivision (4) of this subsection, or if it proceeds pursuant to subdivision (5) of this subsection and reaches an agreement with the park owner for purchase of the park, to close on the sale. Upon the request of the association, the Department of Housing and the Connecticut Housing Finance Authority shall assist the association in developing financing for the purchase of the park.

(4) If the association and the park owner cannot agree upon a purchase price, the association shall have the right to purchase the property: (A) If the association matches the essential provisions of any existing bona fide offer to purchase the park made by another potential purchaser which offer by such other purchaser the owner is prepared to accept; or (B) if there is no such offer, at a purchase price to be established by an appraiser chosen by the association and the park owner, then the park owner shall sell the park to the association at such purchase price in accordance with this subsection. No park owner shall unreasonably refuse to enter into, or unreasonably delay the execution or closing on, a purchase and sale agreement with an association that

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has made a bona fide offer to meet the price and substantially equivalent terms and conditions of an offer for which notice is required to be given pursuant to this subsection. If the two parties cannot agree upon one appraiser, either party may notify the other, in writing, of such disagreement, and the association shall choose an appraiser, the park owner shall choose an appraiser, and the two appraisers shall choose a third appraiser, which three appraisers shall establish a value of the park. If the park owner refuses to select an appraiser within fifteen days of such notice, the Commissioner of Consumer Protection shall choose an appraiser for the park owner. The costs of all appraisers shall be paid equally by the association and the park owner. [Except as otherwise provided in subdivision (5) of this subsection, if, I If, within three hundred sixty-five days from the mailing of the notice required in subdivision (2) of this subsection, no agreement for [such sale] the sale of the mobile manufactured home park signed by the association and the park owner has been filed upon the land records, or if the association has not filed a certified statement to purchase the park at the appraised value which value shall also be certified on the land records by the appraiser or appraisers, the right provided in this subsection to purchase the park shall be void and any recorded notice filed pursuant to subdivision (3) of this subsection shall be void.

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[(5) In any case in which a mobile manufactured home park with two hundred or more units in which a majority of residents have been given written notice, prior to June 10, 1999, of the intended discontinuance of the use of the land as a mobile manufactured home park, regardless of whether one or more of such notices or the service of such notices is subsequently deemed invalid or ineffective, (A) any subsequent notice of such intended discontinuance that is given or required to be given after June 23, 1999, by the owner pursuant to this subsection, and (B) any notice given or action taken pursuant to this subsection after June 23, 1999, by any association representing twenty-five per cent or more of the units in the park shall be subject to the time limitations contained in this subsection that were in effect immediately prior to June 23, 1999.]

(5) Within the one hundred twenty-day time period prescribed by

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118	subdivision (3) of this subsection, an association that meets the		
119	requirements of said subdivision shall have the right to make an offer to		
120	purchase the park without following the method or invoking the rights		
121	set forth in subdivision (4) of this subsection, in which case the		
122	association shall so state when presenting its offer to the park owner. Ir		
123	such a case, the park owner shall have the duty to consider the		
124	association's offer and negotiate with such association in good faith.		
125	(6) An association of residents that has the right to purchase under		
126	this subsection may, at its election, assign its purchase rights to the		
127	municipality where such association is located, the housing authority		
128	for its area, an agency of the state or any nonprofit organization for the		
129	purpose of continuing the use of the property as a mobile manufactured		
130	home park.		
131	(7) The requirements of subdivisions (2) to (6), inclusive, of this		
132	subsection shall apply separately to each substantially different offer to		
133	sell or purchase a mobile manufactured home park.		
134	(8) Subdivisions (2) to (7), inclusive, of this subsection shall not apply		
135	<u>if:</u>		
136	(A) The sale, lease or transfer is to a family member of the owner or		
137	to a trust, the beneficiaries of which are family members of the owner;		
138	(B) The transfer is by gift, devise or required by operation of law;		
139	(C) The sale, lease or transfer is by a partnership to one or more of its		
140	partners;		
141	(D) The conveyance of an interest in the park is incidental to the		
142	financing of such park;		
143	(E) The lease is the lease of a lot within the mobile manufactured		
144	home park to a person who will live in a mobile manufactured home or		

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(F) The sale, lease or transfer is between joint tenants or tenants in

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such lot;

## 147 common; or

## (G) The sale is made by eminent domain.

Sec. 2. (NEW) (Effective October 1, 2023) An owner of a mobile manufactured home park who sells such park to residents of the park in compliance with the requirements of subsection (f) of section 21-70 of the general statutes, as amended by this act, shall be exempt from payment of state conveyance taxes otherwise due based on the sale price of the park, provided (1) the entity purchasing the mobile manufactured home park is owned by at least twenty-five per cent of the residents of the park or an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, and (2) the sale terms require the guaranteed maintenance of the property as a mobile manufactured home park.

This act shall take effect as follows and shall amend the following sections:			
Section 1	October 1, 2023	21-70(f)	
Sec. 2	October 1, 2023	New section	

## Statement of Purpose:

To allow residents of a mobile manufactured home park that is being sold to buy such park by matching the sales price for such park.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

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