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Senior-Citizen Mobile-Home Parks Across OC Fight for Their Survival Against Developers

By [Courtney Hamilton](#) Wed., Sep. 9 2015 at 2:00 PM

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Ginger Roberts sits on a loveseat against the window at the clubhouse of Costa Mesa's Rolling Homes Mobile Park. The 81-year-old's neighbors are poolside, sipping beers and cocktails while playing a particularly testy card game. "Where's your cocktail?" one player cracks as someone joins in. "You should always have a cocktail in hand."

Though it's near the end of the 55 freeway and faces busy Newport Boulevard, the scene is calm, relaxing, an ideal place for seniors to live out their golden years. Roberts looks on from inside the clubhouse, the harsh sunlight nearly obscuring her small frame. She's recalling for a reporter the day Rolling Homes residents learned their way of life here had no future.

"One Sunday morning [in 2013], I was getting ready for church," Roberts says, her shock of short, red hair and thick, black eyeliner complementing her feisty tone. "A friend called me and informed me that our park was for sale in the Daily Pilot and that they were going to put a high-rise in place of our homes."

The 55-and-older mobile-home park was the planned site of a four-story luxury apartment complex--and Rolling Homes residents could do nothing about it. They were subject to California laws that allow owners of mobile-home parks with no homeowners' associations (HOAs) to keep a property sale secret until the very end--eviction notices. Rolling Homes didn't have an HOA because residents thought they'd never need one.

"We were always told the park would never be sold," Roberts says. "The owners' dad was a huge Christian, and he wanted to leave the park for low-income seniors."

But when former owners Ralph and June Cover--"Wonderful people," Roberts insists--passed away, their daughters took over. Though Roberts maintains the daughters were "hoodwinked by smooth developers," they began negotiating a sale to Newport Beach-based Province Group in 2013, who quickly drew up plans and petitioned the Costa Mesa City Council to rezone the land.

Province Group's plans for a 208-unit complex does not take into consideration the impact to Rolling Homes residents and neighboring businesses. The developer offered apartments constructed with only "high-quality materials" wrapped around a five-level parking structure, featuring roughly 400 parking spots, and promised, "Redevelopment of this property will create a much more visually appealing community."

Larry Sutton, owner of nearby Orange County Trailer Supply, discovered his office was to become a driveway to the complex. At a July 2013 City Council meeting, he maintained that his business was not for sale. "It's probably one of the oldest businesses in Costa Mesa, if not in the top two or three, and it doesn't plan on moving," Sutton said resolutely, drawing laughs and applause from the crowd.

The residents, who had quickly organized into an HOA before that meeting, attended in force. They held signs pleading, "Save Our Senior Park"; they cheered when one of their own spoke. "The guys that wanted us gone, their jaws just dropped," Roberts says, grinning with self-satisfaction. According to the Daily Pilot, Province Group tried to convince council members that the new complex would raise the property's values from less than \$500,000 to \$50 million. Then-Mayor Jim Righeimer told the residents, "It's very, very valuable land, and the amount that you're paying in rent is nowhere near the value of this land."

But Rolling Homes residents won that night. The City Council rejected Province Group's plans; the Rolling Homes landlords offered five-year leases with modest annual rent increases. The

reprieve, however, is likely temporary. "As we were leaving, Mayor Jim Rigeimer, told us, 'You all have to be prepared because you're going to lose your homes,'" Roberts recalls. "Many of us are in our seventies and eighties and crippled. How could he do that? I wonder how he sleeps at night. Where are we going to go?"

Soon after, the Costa Mesa Mobile Home Coalition was formed, uniting Rolling Homes tenants with similar renters and homeowners across the city to fight for an ordinance that protects them. The proposal: make developers follow certain steps when they decide to convert mobile-home parks into more-expensive developments and kick the poor, elderly and working class out.

"It's now our mission to help other mobile-home parks," Roberts says. And they need all the help they can get.

Long the refuge of senior citizens and low-income households, mobile-home parks throughout Orange County are increasingly drawing the interest of developers looking to build new housing in an area where land is at a severe premium. Rolling Homes would have been the fourth park to close for incoming luxury apartments in Costa Mesa and neighboring Newport Beach in just the past two years; previous victims include Ebb Tide Mobile Home Park, Marina Mobile Home Park and Anchor Trailer Port. Closures often entail Orwellian relocation contracts that leave many residents desperate and broke. When there are no city laws to regulate the conversion, developers offer pittance relocation allowances despite costs easily topping \$10,000. But in many ways, the former residents of closed parks are the lucky ones; those who remain in mobile-home enclaves slated for eventual development face steep rent hikes--as much as \$641 in one recent case--and unreasonable leases.

"Orange County is controlled by money," says Ray Downing, vice president of the Golden State Manufactured-Home Owners League (GSMOL)'s chapter overseeing Los Angeles, Orange and San Bernardino counties. The statewide organization, founded in 1962, is the only advocacy group in California dedicated to fighting for mobile-home owners' rights and quality of life. Affectionately called "Gizmo," GSMOL created the Mobile Home Residency Law (MRL) in 1978, a series of state laws that govern mobile-home-park owner and tenant relations.

With about 4,800 such parks in California housing approximately 500,000 mobile homes, the understaffed, volunteer-based organization has historically punched way above its weight. But in the past five years, it has found itself increasingly outmanned by the Western Manufactured Housing Communities Association (WMA), the chief mobile-home-park owners' organization, which boasts two political-action committees (PACs) and eight state capital lobbyists to GSMOL's one PAC and one lobbyist.

Downing, a former sergeant in the Army, works closely with fellow GSMOL volunteer Mary Jo Baretich, a former GSMOL president and current manager for the Orange County area. Both retired mobile-home dwellers, they know the issues and challenges surrounding life in these parks.

Like Downing, elderly veterans constitute a large portion of mobile-home residents. "They protected our country, even other countries, and what do you give them back?" Baretich asks, incensed. Downing nods. "You put them on the street."

Most mobile-home residents own the abodes but rent the plot of dirt or asphalt on which it stands. Residents say the parks, nearly all family-owned operations prior to the current development rush, welcome a sort of slow-paced, neighborly lifestyle. They were staples of Orange County for decades, popping up everywhere from Pacific Coast Highway to just a couple of blocks south of Disneyland.

But by the 1990s, many mobile-home-park owners started cashing out, selling their properties to make way for hotels, condos or street expansions. Others passed away, with corporate housing-management firms coming in and dismissing the old ways as inefficient. While rent increases were once rare, they became a regular occurrence.

In response, residents began to fight for rent controls and other ordinances to protect themselves; they failed in Anaheim, Dana Point, Garden Grove, Huntington Beach, Laguna Beach, Lake Forest, Stanton and Villa Park. Such losses weren't surprising: Only 3 percent of cities in Los Angeles, San Bernardino and Orange counties mandate rent control, according to GSMOL. Moreover, it's a struggle to organize residents. "A lot of them hadn't approached GSMOL, so they weren't organized, even into HOAs," Baretich says.

The only Orange County city that offers rent control is San Juan Capistrano, which passed a mobile-home rent-control ordinance in 1978. At the time it was written, the ordinance noted a "shortage of spaces for the location of mobile homes" and the need to protect residents from "unreasonable space rents." It has withstood several challenges, traveling all the way to the California 4th District Court of Appeal in 1989.

But as El Nido Mobile Estates residents can attest, San Juan Capistrano's ordinance is again under siege. When seven-and-a-half-year resident Carol Brinkman received word in May that her rent was to increase from \$600 to \$1,241, she thought it was a mistake. "For [37] years, it's been rent-controlled," she says. "How can this be? I didn't believe it was going to happen."

Seated in the dark green, dated interior of the El Nido clubhouse, Brinkman and 12-year resident Tom Perrin recount their senior citizens' park's convoluted rent-increase-notification process. According to the city's Mobile Home Rent Control ordinance, rents can't exceed the average Consumer Price Index (CPI) for the preceding calendar year. Park owner Richard Worley seemed to abide by the ordinance when, in April, he sent a letter saying rent would increase by 1.3 percent. Soon after, another letter rescinded the preceding one. But a month after that, residents received yet another letter, this one saying a \$641 rent increase was slated for September. For Brinkman, that's a 106 percent increase in her base rent.

"The stress has been unimaginable," Perrin says, claiming that one resident fainted on the spot when reading the notice, while another suffered a minor stroke. "There have been people who haven't been able to sleep for days."

Worley also petitioned San Juan Capistrano to waive rent control at the park altogether. "[He] thinks since it's been so long since it [was] written, [he] can come in and file petitions to eliminate rent control," Downing says. In response, 90 percent of El Nido residents filed a protest with the city within a week, necessitating a city hearing. As of press time, preliminary city hearings on the rent increase have determined that the \$641 hike is not justified as a fair and reasonable return for Worley's investment in El Nido. The final decision is up to the City Council.

Along with the rent hike, Worley offered a 25-year lease option, incentivized by locking in their new rent for the duration. But residents quickly realized it was another attempt to circumvent the city's rent-control ordinance, since such long-term agreements are exempt from such regulations.

Worley has only spoken through his lawyer, Robert Coldren. "The fact [is] that the rents in El Nido Mobile Home Park are dramatically below what is fair and reasonable and spectacularly below fair market rentals," he says. "The El Nido community is directly next to the Hunt Club, where multimillion-dollar homes are selling. There are homes in my client's mobile-home park where the only thing that the tenant owns is the home and the landscaping. . . . You could purchase all of that for, say, \$100,000 or, in some cases, \$50,000. Yet those homes are selling for \$300,000 in my client's mobile-home park. . . . They're not buying and selling the mobile homes, really; they're buying and selling my client's land."

Coldren told the Capistrano Dispatch in May that long-term residents wouldn't be forced out if they couldn't afford the rent increase "so long as the park owner is treated fairly by the city." To make sure no one faced eviction, Worley vowed to help residents find roommates to offset the cost increase or defer rent "so that it's not collected during their lifetime," according to the Dispatch. El Nido residents took that to entail a sort of property lien, in which residents' children would be unable to inherit or sell the house without paying years of back rent.

Enraging mobile-home residents is nothing new to Coldren, who has fashioned a career out of representing park owners and managers. His law-practice website boasts he "enjoys a special reputation in the area of property rights, land use and regulatory 'taking' issues."

This expertise lends itself to Coldren's other specialty: investing in mobile-home parks. He's the managing partner in Pacific Current Partners, whose website notes it is "especially interested in properties currently burdened by regulatory pressures related to rent control, ground leases, entitlements, transient vs. non-transient use permits, failure to maintain lawsuits, [Housing and Community Development] notices, and other legal encumbrances." The lawyer/developer maintains that Worley deserves a market return--however, he doesn't think mobile-home parks are a fair market-price indicator. "It makes no sense to look at rent in comparable mobile-home parks, and the reason for that is that all mobile-home parks in San Juan are rent controlled, so it's comparing one price-fixed set of rents to another price-fixed set of rents," he says. "That's not nearly an indication of what the market is. Coastal communities stretching from Chula Vista to Malibu have mobile-home rent-control laws, so similarly, you could not find comparable rents there because there's not a marketplace."

(Shortly after saying this, Coldren withdrew his consent to a recorded interview, asking the Weekly to hand over a copy of what had already been recorded; the Weekly declined. Coldren ended the conversation and could not be reached to continue the interview by press time.)



Baretich, a developer's greatest foe

Tenants can always leave onerous situations, but it's a much more strenuous ordeal for people who've bought mobile homes and are faced with exorbitant relocation costs. Even those who can afford the move are effectively screwed, as most California mobile-home parks won't accept abodes older than 10 years old.

As a result, coalition efforts are under way in Orange and Garden Grove. Huntington Beach has an active group. They're fighting for rent control and for mobile-home conversion ordinances, which require park owners to either relocate tenants to suitable dwellings or offer them in-place value for their homes. But even such legal protections and organizing efforts offer no guarantees of safety, as residents of the Ebb Tide Mobile Home Park found out.

Ebb Tide had been a fixture of Newport Beach's Placentia Avenue for decades when its owners, Totah Family Partnership, decided to convert the park into single-family homes ranging from 1,600 to 2,100 square feet. While residents initially fought the conversion and took the issue before the City Council, a resident who asked to not be named said they were recently asked by the owners' representatives to vacate by Oct. 31.

A "voluntary relocation agreement," circulated prior to the Newport Beach City Council approving the required Resident Impact Report (RIR), incentivized Ebb Tide occupants to leave as quickly as possible. An attempt to bypass whatever relocation requirements the city would have mandated, the agreement acknowledged that the city had not yet reviewed the RIR nor required it "to provide any displaced resident of the park reasonable relocation costs or any other consideration as a result of the park closure."

While Totah Family Partnership offered payments between \$9,000 and \$15,700 for residents to relocate within 60 days, provisions bound residents to the agreement in a manner recalling the days of serfdom. One provision required residents to "not challenge or oppose in any manner, either orally or in writing, directly or indirectly, efforts and actions taken in furtherance of the closure of the park" and to "support and endorse the owner's intention and plan to close the park."

Another section simultaneously imposed a gag order on residents and urged them to become snitches. According to the document, if any third, non-legal party attempted "to compel the disclosure of the terms of this agreement or any term thereof . . . resident shall immediately give notice of such attempt to owner, [and] cooperate with owner in opposing any such disclosure." It went on to say anyone who violated the terms of the agreement "shall entitle owner to seek injunctive or other equitable relief and/or damages in addition to attorney's fees and costs, including expert costs."

During a January meeting of the Newport Beach City Council, Sunti Kumjim, representing Ebb Tide LLC (owned by Totah Family Partnership), noted that council members would likely hear from the park's residents about "hardship and a lack of perceived fairness." Still, he maintained, Ebb Tide went above and beyond the legal requirements, meeting with the majority of park residents several times.

Costa Mesa's Anchor Trailer Port faced a similar shakedown when its 2013 demolition made way for luxury condos, according to a former resident who requested anonymity. After reviewing the Ebb Tide relocation agreement, the resident called the provisions "hideous" and similar to language used by developers against Anchor residents. "To demand that the resident actually 'support' the RIR and all else proposed by the park in regard to change of use is just

really out there and obnoxious," the former Anchor Trailer Port resident says. "What, like, come to the meetings and cheer?"

Meanwhile, Coldren and his Pacific Current Partners continue to raise rents at two of their Huntington Beach mobile-home communities, Huntington Shorecliffs and Pacific Mobile Home Park. In 2008, rent was \$1,250 and \$825, respectively; now, they're at \$2,500 and \$2,285. GSMOL estimates that upward of 150 residents have fled Huntington Shorecliffs in response.

The dramatic rent increases led Huntington Beach's mobile-home owners to organize and fight for rent control in 2014. They almost pulled it off, Baretich says. "We made a mistake," she recalls. "Rather than going out and collecting 15,000 signatures, we allowed the City Council to put it on the ballot, and the park owners coerced them to pull it off at the last minute."

After speaking with Pacific Current Partners affiliate John Saunders, "soul searching" convinced Councilman Jim Katapodis to say during a special council meeting that Saunders had taken steps "to come to an agreement with home owners that is fair and equitable for both sides."

Baretich scoffs at Saunders' logic. "Oh, I'm so sorry I raised the rents \$500 here and another \$500 there six months later," she says, mockingly. "I'm going to offer our people five-year leases with only 4 percent annual rent increases.' This is after he's already got them up to \$1,950 a month. The City Council members were convinced."

With rent stabilization defeated in 2014, Huntington Beach mobile-home residents continue to suffer. Next in the developers' crosshairs: Rancho Huntington Mobile Park, a serene senior enclave off Brookhurst Street plagued by soaring rents and predatory housing practices, the park's HOA says.

The small park's streets are mostly asphalt, with neatly trimmed landscaping surrounding residents' well-maintained homes, many featuring baby-blue walls and garden gnomes. Paper signs declaring, "THIS IS A SENIOR COMMUNITY" dot several residents' windows, hinting that something is amiss in paradise.

Rancho Huntington's owner is mobile-home-industry mogul Kort and Scott Financial Group LLC, which operates hundreds of parks throughout the country. Through Sierra Management Co., it attempted to convert Rancho Huntington into an all-ages community in 2013, a common tactic to drive out seniors and make more money off newer, better-off tenants. But the city created a "senior park overlay" in March 2014 that prevents the conversion of all 10 of Huntington Beach's current senior parks into all-ages parks. (Despite that, the paper signs remain.)

At Rancho Huntington, Kort and Scott has raised rents to match the expected conversion. HOA treasurer Pat Taylor has seen her rent increase \$350 in two years. Fellow HOA member Barbara Rocha's lease allows \$200 increases for two years, with \$89 increases three years thereafter. As with El Nido in San Juan Capistrano, Rancho Huntington residents were offered 25-year leases riddled with potential rent increases while promising little protection. After a back-and-forth

between Sierra Management and the Rancho Huntington HOA, the periodic rent increase was shelved, with residents settling for an annual 7 percent rent increase--for now.

While several residents would like to leave, they're stuck in what Rocha calls a "hostage situation." Not only are rents dramatically increasing, but many other mobile-home parks have ratcheted up move-in qualifications over the past decade; for instance, Kort and Scott requires prospective tenants to prove they make three times the monthly rent at Rancho Huntington. "How many retired people do you know that bring in \$5,400 a month as income?" HOA president Bruce Binder asks.

Rancho Huntington residents are now trying to purchase the park themselves as a last measure. "We'll probably have to file a lawsuit to get them to sit down and talk with us," Binder says, noting that Kort and Scott and Sierra Management are currently embroiled in a lawsuit in Redwood City over a similar mobile-home community controversy. (Kort and Scott did not respond to multiple interview requests.)

"This was my feet-first house," Rocha bitterly says. "The only way I would leave it is feet first on a gurney, either to assisted living or the morgue. Needless to say, they've disrupted my plan."

But even Rocha has a sense of humor about it all--and a warning to developers.

"Unfortunately for this park, we're not all a bunch of demented seniors," she says. "We've been able to mobilize voices within the park. It doesn't necessarily mean we have any power to change things, but we can voice what's wrong and shine a light on it."

Message from OMHA President Bob Markley: The above article does not mention OMHA, ACTION, or any other local organizations helping manufactured home owners, and there are many such organization around the state. Oceanside residents are encouraged to join OMHA, ACTION, and GSMOL, all of which are working on their behalf.