# ATTORNEY GENERAL OF THE STATE OF WASHINGTON

# MANUFACTURED HOUSING DISPUTE RESOLUTION PROGRAM

In the Matter of the

Complaint of Iopu Sepetaio Against Silver Creek Meadows.

NOTICE OF VIOLATION

RCW 59.30.040

MHDRP Complaint No. 411320

Following an investigation into the above-entitled matter pursuant to RCW 59.30.040, the Manufactured Housing Dispute Resolution Program of the Office of the Attorney General of Washington has found there to be NO VIOLATION of the Manufactured/Mobile Home Landlord-Tenant Act, RCW 59.20. If you disagree with this decision, your attention is directed to the section entitled APPEAL RIGHTS at the end of this Notice, which outlines the procedures under RCW 59.30.040 for filing an appeal.

This Notice does not limit the rights of any party to take other legal action.

#### I. INTRODUCTION

On June 26, 2012, Iopu Sepetaio filed a complaint against Silver Creek Meadows (Silver Creek) with the Manufactured Housing Dispute Resolution Program (MHDRP). Sepetaio alleged that Silver Creek violated the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA), RCW 59.20, by requiring him to pay attorney's fees following service of an Eviction Summons and Complaint for Unlawful Detainer. MHDRP contacted Silver Creek in an attempt to facilitate negotiation between the parties and resolve the dispute through an informal dispute resolution process. However, the parties were not able to negotiate a resolution to this matter and the MHDRP therefore concluded that an agreement could not be reached between the parties. As a result, the MHDRP conducted a formal investigation pursuant to RCW 59.30.040. As more fully set forth below, the MHDRP concludes that Silver Creek has violated RCW 59.20.135, by

requiring Sepetaio to pay attorney's fees following service of an Eviction Summons and Complaint for Unlawful Detainer.

#### II. FACTUAL BACKGROUND

- 2.1 Silver Creek Meadows is a mobile home park for purposes of RCW 59.20.030(10), and is located in Bremerton, Washington. Sepetaio owns and resides in a manufactured/mobile home located on space rented from Silver Creek, and therefore is a tenant under RCW 59.20.030(18).
- On May 14, 2012, Sepetaio was served with a Five-Day Notice to Pay Rent and/or Other Charges or to Vacate. The Notice stated that the total amount due was \$703.89.
- 2.3 A letter dated May 14, 2012, from Debi Goetz (the manager of Silver Creek) to Sepetaio, informed Sepetaio that the May rent was being returned for insufficient funds. The total amount due for May was itemized, and included rent plus a late fee of \$75, and an insufficient funds fee of \$24 for a total due of \$703.89.
- Following receipt of the May 14<sup>th</sup> Five-Day Notice, Sepetaio spoke with Goetz and informed her that he would pay May's rent, additional penalties, and June's rent on June 1<sup>st</sup>. Goetz did not recall this specific conversation, but states that she and Sepetaio spoke numerous times regarding payment of the rent.
- 2.5 A letter dated May 21, 2012, from Goetz to Sepetaio, again informed Sepetaio that the total amount due for May was \$703.89. The letter also stated that due to non-payment Olsen Law firm would proceed with eviction and "attorney fees will accrue."
- 2.6 On May 25, 2012, Sepetaio was served with an Eviction Summons and Complaint for Unlawful Detainer.
- 2.7 On June 1, 2012, Sepetaio paid May's rent and penalties and June's rent. Goetz then informed Sepetaio that he also owed \$342.25 for legal fees. Sepetaio paid the extra \$342.25.

#### III. VIOLATIONS

3.1 RCW 59.20.110, provides that "[i]n any action arising out of this chapter, the prevailing party shall be entitled to reasonable attorney's fees and costs." Silver Creek is not a prevailing party in an action arising out of RCW 59.20. Silver Creek is not entitled to attorney's fees and costs.

### IV. CORRECTIVE ACTION

4.1 Silver Creek must, within fifteen (15) days of receipt of this Notice, reimburse Sepetaio \$342.25, the amount Sepetaio was improperly charged for legal fees. Silver Creek may not pass this expense on to Sepetaio.

A failure to take the corrective action set forth above within fifteen (15) days of receipt of this Notice will result in the imposition of a \$75 fine per day thereafter, until compliance is achieved.

Signed this 14h day of January, 2013.

MANUFACTURED HOUSING DISPUTE RESOLUTION PROGRAM

ROBERT M. MCKENNA

Attorney General

SHANNON E. SMITH

Senior Counsel

Chief, Consumer Protection Division

#### APPEAL RIGHTS

Either party may appeal this Notice by requesting a hearing before an administrative law judge. If neither party appeals this Notice, the Notice of Violation becomes a final order of the Attorney General and is not subject to review by any court or agency.

RCW 59.30.040 governs the parties' appeal rights. A copy of RCW 59.30.040 is attached. An appeal of this Notice requesting a hearing must be:

- In writing, stating the basis for the appeal and the specific remedy sought
- Signed by the appealing party
- Received by Manufactured Housing Dispute Resolution Program within fifteen (15) business days of the party's receipt of this notice
- Mailed or delivered to:

Attorney General's Office Manufactured Housing Dispute Resolution Program 800 Fifth Avenue, Suite 2000, TB-14 Seattle, WA 98104-3188

If a timely appeal is received, MHDRP will coordinate with the Office of Administrative Hearings to schedule a hearing. In an appeal you will bear the cost of you own legal expenses. An administrative law judge will hear and receive pertinent evidence and testimony and decide whether a violation of the MHTLA has occurred by a preponderance of the evidence. The administrative law judge's decision will constitute the final agency order of MHDRP. A final order may be appealed to superior court according to instructions included a decision.

### PROOF OF SERVICE

| I certify that I served a copy of this document | t on all parties | or their counse | l of record | on the date |
|---|------------------|-----------------|-------------|-------------|
| below as follows:                               |                  |                 |             |             |

☐ Certified and Regular US Mail

TO:

TO:

Walter H. Olsen, Jr. Olsen Law Firm 205 S. Meridian Puyallup, WA 98371

Iopu Sepetaio PO Box 43 Port Orchard, WA 98366

I certify under penalty of perjury under the laws of the state of Washington that the foregoing is true and correct.

DATED this 14th day of January, 2013, at Seattle, Washington.

MARY HARPER Legal Assistant II RCW 59.30.040

Dispute resolution program — Complaint process.

- (1) An aggrieved party has the right to file a complaint with the attorney general alleging a violation of chapter 59.20 RCW.
  - (2) Upon receiving a complaint under this chapter, the attorney general must:
- (a) Inform the complainant of any notification requirements under RCW 59.20.080 for tenant violations or RCW 59.20.200 for landlord violations and encourage the complainant to appropriately notify the respondent of the complaint; and
- (b) If a statutory time period is applicable, inform the complainant of the time frame that the respondent has to remedy the complaint under RCW 59.20.080 for tenant violations or RCW 59.20.200 for landlord violations.
- (3) After receiving a complaint under this chapter, the attorney general shall initiate the manufactured/mobile home dispute resolution program by investigating the alleged violations at its discretion and, if appropriate, facilitating negotiations between the complainant and the respondent.
- (4)(a) Complainants and respondents shall cooperate with the attorney general in the course of an investigation by (i) responding to subpoenas issued by the attorney general, which may consist of providing access to papers or other documents, and (ii) providing access to the manufactured/mobile home facilities relevant to the investigation. Complainants and respondents must respond to attorney general subpoenas within thirty days.
  - (b) Failure to cooperate with the attorney general in the course of an investigation is a violation of this chapter.
- (5) If after an investigation the attorney general determines that an agreement cannot be negotiated between the parties, the attorney general shall make a written determination on whether a violation of chapter 59.20 RCW has occurred.
- (a) If the attorney general finds by a written determination that a violation of chapter 59.20 RCW has occurred, the attorney general shall deliver a written notice of violation to the respondent who committed the violation by certified mail. The notice of violation must specify the violation, the corrective action required, the time within which the corrective action must be taken, the penalties including fines, other penalties, and actions that will result if corrective action is not taken within the specified time period, and the process for contesting the determination, fines, penalties, and other actions included in the notice of violation through an administrative hearing. The attorney general must deliver to the complainant a copy of the notice of violation by certified mail.
- (b) If the attorney general finds by a written determination that a violation of chapter 59.20 RCW has not occurred, the attorney general shall deliver a written notice of nonviolation to both the complainant and the respondent by certified mail. The notice of nonviolation must include the process for contesting the determination included in the notice of nonviolation through an administrative hearing.
- (6) Corrective action must take place within fifteen business days of the respondent's receipt of a notice of violation, except as required otherwise by the attorney general, unless the respondent has submitted a timely request for an administrative hearing to contest the notice of violation as required under subsection (8) of this section. If a respondent, which includes either a landlord or a tenant, fails to take corrective action within the required time period and the attorney general has not received a timely request for an administrative hearing, the attorney general may impose a fine, up to a maximum of two hundred fifty dollars per violation per day, for each day that a violation remains uncorrected. The attorney general must consider the severity and duration of the violation and the violation's impact on other community residents when determining the appropriate amount of a fine or the appropriate penalty to impose on a respondent. If the respondent shows upon timely application to the attorney general that a good faith effort to comply with the corrective action requirements of the notice of violation has been made and that the corrective action has not been completed because of mitigating factors beyond the respondent's control, the attorney general may delay the imposition of a fine or penalty.
- (7) The attorney general may issue an order requiring the respondent, or its assignee or agent, to cease and desist from an unlawful practice and take affirmative actions that in the judgment of the attorney general will carry out the purposes of this chapter. The affirmative actions may include, but are not limited to, the following:
  - (a) Refunds of rent increases, improper fees, charges, and assessments collected in violation of this chapter;
  - (b) Filing and utilization of documents that correct a statutory or rule violation; and
  - (c) Reasonable action necessary to correct a statutory or rule violation.
- (8) A complainant or respondent may request an administrative hearing before an administrative law judge under chapter 34.05 RCW to contest:
- (a) A notice of violation issued under subsection (5)(a) of this section or a notice of nonviolation issued under subsection (5) (b) of this section;

- (b) A fine or other penalty imposed under subsection (6) of this section; or
- (c) An order to cease and desist or an order to take affirmative actions under subsection (7) of this section.

The complainant or respondent must request an administrative hearing within fifteen business days of receipt of a notice of violation, notice of nonviolation, fine, other penalty, order, or action. If an administrative hearing is not requested within this time period, the notice of violation, notice of nonviolation, fine, other penalty, order, or action constitutes a final order of the attorney general and is not subject to review by any court or agency.

- (9) If an administrative hearing is initiated, the respondent and complainant shall each bear the cost of his or her own legal expenses.
  - (10) The administrative law judge appointed under chapter 34.12 RCW shall:
  - (a) Hear and receive pertinent evidence and testimony;
  - (b) Decide whether the evidence supports the attorney general finding by a preponderance of the evidence; and
- (c) Enter an appropriate order within thirty days after the close of the hearing and immediately mail copies of the order to the affected parties.

The order of the administrative law judge constitutes the final agency order of the attorney general and may be appealed to the superior court under chapter 34.05 RCW.

- (11) When the attorney general imposes a fine, refund, or other penalty against a respondent, the respondent may not seek any recovery or reimbursement of the fine, refund, or other penalty from a complainant or from other manufactured/mobile home tenants.
- (12) All receipts from the imposition of fines or other penalties collected under this section other than those due to a complainant must be deposited into the manufactured/mobile home dispute resolution program account created in RCW 59.30.070.
- (13) This section is not exclusive and does not limit the right of landlords or tenants to take legal action against another party as provided in chapter 59.20 RCW or otherwise. Exhaustion of the administrative remedy provided in this chapter is not required before a landlord or tenants may bring a legal action. This section does not apply to unlawful detainer actions initiated under RCW 59.20.080 prior to the filing and service of an unlawful detainer court action; however, a tenant is not precluded from seeking relief under this chapter if the complaint claims the notice of termination violates RCW 59.20.080 prior to the filing and service of an unlawful detainer action.

[2007 c 431 § 4.]

Notes:

Implementation -- 2007 c 431: See note following RCW 59.30.010.