Susan Ellinger

From: kevin callahan <kevincallahan1947@gmail.com>

Sent: Tuesday, April 2, 2024 11:20 AM

To: Susan Ellinger

Cc: Christina R. Marneris (DSHS/ALTSA/AAADSW)

Subject: Mobile Home Park Discussion

Attachments: CLARK COUNTY MOBILE HOME PARKS.docx; CLARK COUNTY MOBILE HOME

PARKS.docx; Manufactured Home Park Preservation.docx; Preserving Affordability

Through Manufactured Home Park Zones.docx

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Susan and Christina

Attached is some updated information about the number of mobile home parks in the unincorporated county but I think the count is incomplete.

I have also attached a list of policy options that the county might pursue is researching and planning for this issue. Thanks. Kevin

CLARK COUNTY MOBILE HOME PARKS

PARK NAME	LOCATION	# OF UNITS	RENT
ACRES MOBILE HOME	13401 NE 88 TH ST	91	\$540
BLUEBERRY ESTATES	11717 NE 59 [™] ST	11	\$585
CASCADE PARK	16500 SE 1 ST ST	171	\$1,000
CASTLE TREE	14615 NE 85 [™] ST	11	
COLUMBIA NORTH	$14204 \text{ NE } 10^{\text{TH}} \text{ AVE}$	83	\$650
COLONY MOBILE	1001 NW 139 TH ST	54	
COUGAR RIDGE	1020 NW 106 TH CIRCLE	17	\$625
COUNTRY MEADOWS	11005 NE 76ST ST	63	\$550
CYPRESS POINT	1805 NE 94 TH ST	62	\$650
FAIR OAKS	5404 NE 121 ST AVE	109	\$835
HAZEL DELL	1709 NE 78 TH ST	159	\$500
LAZY Z	1004 NE 72 ND ST	45	\$495
MEADOW VERDE	23 MEADOW VERDE	98	\$1,000
MOBILE RETREAT	1401 NE 143 RD ST	45	\$400
NOMAD	10505 NE 53 RD AVE	50	\$510
OAK HAVEN	5701 NE ST JOHNS RD	90	\$665
LAKESIDE	6610 NEW WHITEY RD	<u>120</u>	
TOTAL UNITS/AVE RENT		1,319	\$643

These 1,300 units represent a significant contribution to the region's stock of affordable housing. Public policy should strongly encourage the preservation of both the existing units and their continued affordability.

Manufactured Home Park Preservation

Overview:

On November 7, 2022 Bellingham City Council approved Ordinance 2022-11-025 adopting code amendments providing a degree of protection for manufactured home parks (MHPs) in Bellingham.

Project Background

In 2019 in response to increasing concerns related to housing affordability and availability Bellingham amended the Comprehensive Plan to include <u>Goal H-5</u> in the Housing Chapter which states "Existing manufactured home parks (MHPs) should be preserved." The goal statement was paired with a matching actionable <u>Policy H-55</u> which states "Identify and evaluate methods to encourage the preservation of existing manufactured home parks to ensure their continued provision of affordable housing."

In 2020 and 2021 Planning and Community Development Department staff evaluated a variety of preservation strategies and determined that three were most likely to be effective and feasible in the near term. These included establishing a protective MHP overlay zone, enhancing MHP tenant opportunity to purchase, and expanding MHP closure notifications. Code amendments implementing these strategies were developed and in 2022 the Planning and Development Commission held a public hearing and made recommendations on the amendments to City Council. City Council held a public hearing and work sessions on the Planning and Development Commission recommendations and adopted Ordinance 2022-11-025 on November 7, 2022.

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Project Background MHP Overlay Zone

<u>BMC 20.35.100</u> defines an overlay zone intended to retain sufficient land for mobile and manufactured homes in certain existing mobile and manufactured home parks (MHPs) while allowing a variety of other uses.

This overlay includes all ten MHPs in Bellingham, and if no further action is taken, will be in effect for 30 years (until November 22, 2052). The overlay zone allows mobile and manufactured housing as well as churches, schools, public utilities, and wireless communication facilities. For mobile and manufactured housing uses the overlay zone has no density limitations, meaning for this specific housing form the density requirements of the underlying zoning do not apply.

The overlay zone includes a use exception clause allowing property owners of MHPs to appeal to the Hearing Examiner to seek exemption from the requirements of the overlay. To do this, owners must demonstrate they have no reasonable use of their property under the overlay; or that the uses allowed under the overlay are not economically viable at that location.

<u>BMC 20.10.033</u> defines who shall be notified and the timeline for notification when the owner of a manufactured home park enters into an agreement for the sale or transfer of the MHP property.

The code specifies that the MHP owner must notify all tenants, qualified tenant organizations, and eligible organizations identified in <u>BMC</u>
<u>20.08.020</u>, the office of manufactured home relocation assistance, the City of Bellingham, the Bellingham Housing Authority, and the Washington State Housing Finance Commission.

The notification must include a statement that the owner intends to sell the MHP community, as well as the contact information for the landlord, or their agent, who is responsible for communicating with a qualified tenant organization, or other eligible organizations, regarding the sale of the property. It must also include the price, terms, and conditions of the sale and a copy of any pending sales agreements. Finally, the notification must include a statement of the deadline for submission of a proposed purchase and sale agreement from a qualified tenant organization or other eligible organization.

If the owner of an MHP enters into a purchase and sale agreement prior to notifying tenants and other qualified organizations, the agreement must include an express reference to the notice requirements, including the owner's obligation to negotiate in good faith with the tenants if they notify the owner in writing of their interest in purchasing the MHP. Also, any purchase and sale agreement should include a closing date no earlier than six months from the date of execution to provide the

required notice to the tenants and afford them a meaningful opportunity to negotiate a purchase of the park.

If a qualified tenant organization or other eligible organization, after receiving the notice of sale, wishes to purchase the MHP, it shall submit a proposed purchase and sale agreement in writing via certified or registered mail to the MHP owner within 60 days of receipt of the MHP owner's notice of sale. The MHP owner shall engage in good faith negotiations with the qualified tenant organization or other eligible organizations. If the MHP owner accepts the organization's proposal, the organization shall have 120 days in addition to the 60-day notice period in which to obtain any necessary financing or guarantees and to close on the purchase. If no qualified tenant organization exists at the time the MHP owner gives its notice of sale, the homeowners may form one for the purpose of considering whether to exercise the purchase opportunity.

Preserving Affordability Through Manufactured Home Park Zones

June 21, 2022 by Steve Butler

Category:

Development Regulations and Zoning

Housing



Affordable housing is a significant yet challenging issue for local

governments to tackle. There is no single, "one-size-fits" solution, so it is important for local governments to consider a wide variety of different actions to effectively address this enormous problem. Manufactured homes, formerly known as mobile homes, are one type of affordable housing that are often overlooked, yet they serve an important role.

Most manufactured homes are located within manufactured home parks (MHPs), which are sometimes referred to as manufactured housing communities. So, if there are one or more MHPs currently operating in your community, they are likely to be a good source of affordable housing. MHPs are increasingly at risk, however, of being redeveloped into market rate housing or a commercial use. One way that MHPs can be preserved is by local governments creating new zones (or strengthening existing regulations) that designate an area specifically for MHPs.

Preserving MHPs: An Important Part of a Local Affordable Housing Program

Why focus on preserving MHPs, you may ask? The answer is that they are likely serving tenants whose needs cannot often be met with other forms of affordable housing. A recent MRSC blog (Manufactured Home Parks as a Local Source of Affordable Housing: A Case Study) highlighted a City of Kent study of its MHPs, which made the point that "manufactured home parks fill an important, affordable niche between apartments and single-family housing." The study also highlighted three key reasons why Kent's MHP residents enjoy living in mobile homes:

- Affordability
- Privacy
- Sense of ownership

The rising cost of housing is affecting most types of housing throughout the U.S. and our state, including manufactured housing, with a growing demand for manufactured housing units causing an increase in MHP rents nationwide. But most MHP residents are on the lower end of the economic spectrum and

have a limited number of housing choices. In addition, when compared to recent buyers of site-built homes, manufactured home-friendly municipalities have been found to contain a larger share of Black and Hispanic potential homebuyers. Finally, it is easier and more cost-effective to preserve existing MHPs than it is to create new ones (which is generally also true with most categories of affordable housing).

Another benefit of having a Manufactured Home Park zone or Manufactured Housing Community zone is that it can be used to address where a tiny home on wheels (sometimes referred to as a THOW) may be sited and used as permanent housing, per RCW 35.21.684(3) and SHB 2001.

MHP Residents: At High Risk of Displacement

One common obstacle that MHP residents face is displacement, caused by park owners selling their properties. Once this happens, there is a dearth of viable options open to those displaced residents who own their manufactured home but rent the land upon which their housing unit sits. Thus, displacement can be extremely disruptive and difficult for MHP tenants, many of whom value privacy and a sense of ownership.

The dwindling number of MHPs in our state are almost always fully occupied, which makes it difficult for displaced owners of manufactured homes to find a relocation site. In addition, older units are usually not able to be moved to another location due to structural and regulatory reasons. Both of the abovementioned factors put a manufactured unit owner in a "real pickle," where they may be forced to abandon the homes in which they have owned and lived in for many years

The Role of MHP Zoning

One technique to preserve MHPs in your community is to include an MHP-only designation within your comprehensive plan and enact a corresponding MHP-only zone within your local regulations and zoning map. This step reduces the potential that these properties will be redeveloped, and park residents be displaced as a result.

Oftentimes, MHPs are included in a lower density residential zone that allows a wide variety of land uses. The problem with that approach is that the other allowed uses are often more popular with developers. For example, an MHP located in a low- or medium-density residential zone that allows construction of new single-family homes, duplexes, triplexes, and townhouses runs a substantial risk that the land will be purchased and converted to one of those other residential uses, often at market rates. The usual result for that scenario is that the affordable manufactured units are displaced by construction of more expensive housing (and the existing MH residents are usually unable to move their housing units to another location). Having MHP-only zoning in place reduces the potential (and therefore, the temptation) for a MHP owner to convert the land to a more financially lucrative development option.

MHP Zoning Examples

In 1985, Boulder (CO) adopted a mobile home zone to address the risk of its MHPs being redeveloped. In our state, Tumwater and Deer Park were some of the first local governments to adopt MHP zoning as a method for preserving existing parks. More recently, Bothell, Ellensburg, and Kenmore have taken steps using zoning to help preserve their MHPs.

Bothell has adopted a Mobile Home Park Overlay zone, which has resulted in the preservation of several MHPs within that city. Ellensburg's Manufactured Home Park Zone code provisions in EMC Subsection 15.300.040(E) states that:

The MHP zone comprises areas developed or suitable for development for placement and occupancy of manufactured homes for residential purposes on rented or leased sites in manufactured home parks. These purposes are accomplished by:

- 1 Establishing regulations to establish, stabilize, and protect the residential character of the zone and to prohibit all incompatible activities;
- 2 Establishing provisions for common open space; and
- 3 Establishing standards for a safe and connected circulation system.

Kenmore allows a limited number of permitted uses other than manufactured housing within its Manufactured Housing Community Zone. In addition, Kenmore's innovative Residential Density Incentives and Transfer of Density program includes preservation of existing MHPS as an eligible activity by allowing increased density on a non-MHP development site in exchange for an easement limiting redevelopment within the participating MHP.

Conclusion

Affordable housing is a difficult and challenging issue, and local governments need to consider employing a number of different strategies to effectively address it. MHPs typically contains housing that is affordable to lower income households. As a result, helping to preserve existing MHPs by creating a new MHP-only zone is an example of a direct action that a municipality can take retain one source of its affordable housing stock. Several communities in Washington State have already adopted MHP-only zoning and more will be considering it as they work on their Housing Action Plans and upcoming comprehensive plan updates. So, perhaps it a possible action for your community to consider taking.

Additional Material

- Freddie Mac: Identifying the Opportunities to Expand Manufactured Housing
- American Planning Association: Preserving Manufactured Home Communities — This resource requires payment for non-APA members, but you will be able to access it if you or someone on your staff is an APA member.

 The Coloradoan: 75% of Fort Collins mobile home sites moving to new preservation-minded zoning category (Dec. 3, 2020)
 The author would like to thank the following people for their assistance: Lauri Anderson, City of Kenmore; Jeff Smith, Ashley Winchell, and Amanda Davis, City of Bothell; Brad Medrud, City of Tumwater; Roger Krieger, City of Deer Park; and former MRSC Public Policy Intern Justin Sharer.