

# Council Study Session

October 31, 2022

<b>Agenda Item</b>	Preserving Manufactured Home Parks	
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<b>Item Type</b>	Requested by Council <input checked="" type="checkbox"/> Update <input type="checkbox"/> Request for Direction <input type="checkbox"/> Presentation <input type="checkbox"/>	

## **SUMMARY**

The City would like to identify and explore strategies to preserve manufactured home parks, promote the development of new manufactured home parks, with the intention of providing a needed and valued housing type within the community.

As part of the public engagement process, an organized advocacy group of manufactured home park residents have advanced several ideas to help preserve their parks, and to increase the number of new parks. At the regular Housing and Human Services meeting on October 27<sup>th</sup>, the Commission made a recommendation to include and prioritize the inclusion of manufactured home park (MHP) protections and incentives as strategic actions in the Housing Production Strategy.

In response to the public input received through the Housing Production Strategies process, City Councilor Gina DuQuenne, has invited Tom Armstrong, Supervising Planner for the City of Portland, to talk to the Council about the ordinance Portland has passed regarding protections for manufactured home parks.

## **POLICIES, PLANS & GOALS SUPPORTED**

Housing Capacity Analysis

Housing Production Strategy (HPS, plan development in process)

## **PREVIOUS COUNCIL ACTION**

None

## **BACKGROUND AND ADDITIONAL INFORMATION**

Ashland has four manufactured home parks, as of November 2020, with a total of 255 spaces. Manufactured and mobile home parks provide opportunities for affordable housing for homeowners of a type that is not otherwise present in the housing market. Closure of manufactured home parks was common in Oregon during the mid-2000's and new manufactured home parks have not been developed in Oregon cities in more than a decade.

In the face of closure or sale of a manufactured home park, preservation of this valued housing type can be accomplished through a range of approaches, such as resident owned cooperatives (ROCs), non-profit ownership, establishing a manufactured home park zone, or local or State relocation requirements for the closure of a park.

### **Resident Owned Cooperatives (ROC)**

A Resident Owned Cooperative alleviates the potential for abrupt eviction and redevelopment through the collective purchase the manufactured home park from its owner, and then self-manage the operation, maintenance and infrastructure of the park. Residents contribute their own funds and often look for outside support, such as non-profit housing organizations that provide training and financing, to assist them in the purchase of these multi-million-dollar properties. Oregon considers ROCs “one of the most effective ways of preserving affordable manufactured housing. It also promotes secure tenure and encourages wealth-building and asset appreciation via manufactured home ownership” (Local Agency Toolkit 2016). Casa of Oregon is one such non-profit organization that has recently worked with a manufactured home park community in Phoenix to acquire the property and develop an ROC ([CASA of Oregon Manufactured Housing Cooperative Development](#)).

Organizations that provide support for preservation of manufactured home parks include: Oregon Housing and Community Services (OHCS), Network for Oregon Affordable Housing, Banner Bank, and Community Development Financial Institutions (CDFIs). Nonprofits like CASA of Oregon and St. Vincent de Paul of Lane County have assisted with preservation of many of the 30 manufactured home parks. In 2019, the Oregon Legislature funded a manufactured dwelling park loan program through OHCS specifically to preserve manufactured home parks. OHCS works with CDFIs to preserve manufactured home parks through this loan fund.

### **Establishing a manufactured home park zone**

Ashland currently has a Manufactured Housing Development section within the Land Use Ordinance ([18.2.3.180](#)) which establishes allowances for manufactured home park developments and encourages design standards to create pleasing appearances, provide for sufficient open space for light, air, and recreation, and to provide adequate access to and parking for manufactured housing sites. Presently manufactured home parks are permitted in all multifamily zones (R-2, R-3, NN-2) within the City, but there is no designated zoning classification where MHPs are the exclusive housing type permitted.

Adopting a zone that allows manufactured home parks as a permitted use and prohibits other types of single-family detached or multifamily housing is another method of park preservation employed in Oregon. Rezoning mobile home parks to a zoning category that legally restricts the property to use only as a manufactured home park reduces the redevelopment risks and is intended to help protect mobile home residents from displacement. Cities such as Cornelius and Portland have taken this approach. In these cases the cities initiated the rezoning and developed a new MHP zone to accommodate existing parks. This strategy required “up-zoning” the property (granting an increase in potential development density) to avoid the potential for what could be considered a condemnation taking by the imposed use restriction to only allowing a manufactured home park. This method of increasing residential densities

was utilized in Portland's code development to add value to manufacture home park lands assigned the MHP zone, to avoid potential Measure 49 claims. Under Measure 49, if a local government enacts a land use regulation that restricts a residential use which reduces the fair market value of a property, then the landowner may qualify for compensation. [Portland Ordinance](#)

### **Relocation requirements for the closure of a manufactured home park**

Oregon regulates closure of manufactured home parks (ORS 90.645). The State requires owners of manufactured home parks to give notice of closure or conversion of a manufactured home park. MHP owners are required to pay households a fee (of between about \$6,000 and \$10,000) when closing manufactured home parks.

Some communities in Oregon, such as Bend Oregon, have passed local manufactured home park closure ordinances which are in effect a disincentive to closure. Bend recognized the effect that MHP closures were having on its affordable housing stock and implemented two notable regulations:

- 1) Owners of MHPs are able to redevelop MHPs consistent with the land's current zoning, provided the owner or developer assists the tenants in moving their manufactured homes to new MHPs or paying fair-market value for the homes if they are not legal to be moved;
- 2) MHP owners will be able to zone their MHP at a higher density provided the redevelopment of the site sets aside a portion of the new lots for families earning less than 30% of Bend median income and for tenants whose homes could not be moved from the park.

### **Housing Production Strategy**

The City of Ashland is in the process of developing a Housing Production Strategy (HPS) which identifies strategic actions to address the development of needed housing types in Ashland. The Housing Production Strategy project will create a plan to address Ashland's unmet housing needs with a focus on equity and public input. At the end of this year long planning effort, the final Housing Production Strategy report will identify a set of specific actions the city will undertake over an 8-year period to promote the development of needed housing. Such actions may include land use ordinance amendments, zoning changes, financial incentives, and other actions within the City's purview.

The preservation or production of manufactured home parks is one of the currently identified strategic actions for inclusion in the draft HPS. The Housing and Human Services Commission prioritized this strategic action for inclusion in the HPS at their regular meeting on September 29<sup>th</sup>, and the Ad-Hoc HPS Advisory Committee also listed this action as a priority for inclusion in the plan in recognizing the need to establish protections to preserve this form of housing within Ashland.

Through careful review of the various tools that could be employed to preserve Manufactured Home Parks, Ashland can best determine which tools would be most effective and retaining existing parks and creating incentives to promote the development of new MHPs. Through inclusion of the MHP strategic action in the HPS Ashland will work with residents of manufactured home parks, and owners of parks where redevelopment may be considered, to identify opportunities to preserve manufactured home parks through a combination of approaches.

**FISCAL IMPACTS**

N/A

**ACTIONS, OPTIONS & POTENTIAL MOTIONS**

None

**REFERENCES & ATTACHMENTS**

- Public Comment received
  - Letter from Committee to Protect Ashland’s Mobile Home Parks dated 1/10/2022

TO: Ashland Housing and Human Services Commission  
From: Committee to Protect Ashland's Mobile Home Parks  
Date: 1/10/22

Greetings and Happy New Year! We are a group of mobile home park residents and homeowners who want to protect and enhance the affordable housing found in our city's mobile home parks. We would like to get your feedback on one strategy: to create a new "mobile home park" zone that would protect parks and give the city more overview of mobile home park closures in the future. We would like to propose an ordinance very similar to a 2018 ordinance that the City of Portland passed which now protects that city's parks. May we please get on your agenda and have a discussion to brainstorm possibilities?

As you know, Ashland has three mobile home parks that house roughly 206 very-low, low-income and middle-income households. Under current law and regulation, these parks could be closed by their owners for redevelopment after one year's notice. Some will remember that 20 years ago the Lower Pines Park was closed (where the Rogue Credit Union now stands on Ashland Ave.) and 10 vulnerable households were displaced. The city was unable to prevent this closure; we don't want this to happen again!

To better understand the issues, we hope you will view this [VIDEO](#). (We will soon have a Spanish-language version of this video as well.)

Although this housing stock is a small percentage of Ashland's affordable housing, it's crucial to retain this resource in the current housing crisis. We must also prevent the displacement of very vulnerable populations. Many park residents consist of the working poor, elderly folks and people with disabilities, as well as a significant number of LGBT and Hispanic/Latinx families. We have lived here for decades, raised families, attended Ashland's schools and contributed to the local economy. We want our communities to remain in place. As we make improvements to our homes, we want to know our investments are safe.

We believe a new mobile home park zone would advance the city's goals to comply with the state's Goal 10, which requires that cities offer a wide range of housing options, including those for very low-income and low-income residents. Our proposed Portland-style ordinance would require that an owner go through a zoning change process before closing a mobile home park and establish that a change would better match the city's housing goals. This ordinance could also support park owners in retaining and improving their parks with a variety of incentives, such as the ability to sell unused density to other developers. The city could also offer low-income housing space rental incentives as well. These incentives could help owners repair aging infrastructure in our parks. We want a win/win situation for all concerned.

Our committee includes residents from Wingspread Mobile Home Park and The Pines. We are now seeking representatives from Tolman Creek Mobile Home Park. We look forward to hearing your thoughts and ideas, including other strategies we could support to protect and enhance our mobile home parks.

Here again is the [VIDEO](#) we have made. For a summary of the [Portland ordinance](#), see pp 6-9 of that document. Thanks for your attention!

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