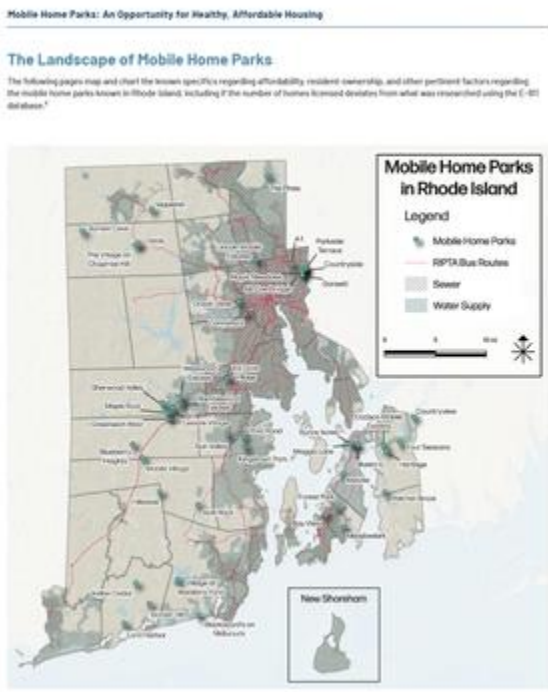


Hi Dawn, my apologies for my tardiness in sending this information but I thought the committee would find helpful as they review House Bill # 7984 at the hearing today. Unfortunately, I am not able to attend the hearing today but my colleague, Melina Lodge from the Housing Network of RI is bringing hard copies of the report to the hearing today. As always, I am happy to discuss further with committee members. Thanks. Brenda

A Look into the Health and Affordability of Rhode Island's Mobile Home Parks according to HWRI's latest Issue Brief:



Mobile Home Parks: An Opportunity for Healthy, Affordable Housing

MARCH 2024

The Rhode Island Housing Resources Commission (HRC) published an in-depth review of the geography, regulatory frameworks, and policy issues of licensed mobile home parks in 2001.

In Rhode Island general law:
Mobile homes appear within Title 31 Motor and Other Vehicles. They are named as "shorter" or personal possession—similar to a car—not as real estate. Chapters 44, 44.1, and 44.2 define the rest of the legal framework, including state oversight by the Division of Business Regulation (DBR) and surveying by the Department of Health.

For legislators at the Rhode Island General Assembly, exploring ways to include mobile homes, and particularly mobile home parks, as low- and moderate-income housing (LMI, 45-52-2.2) is a topic of discussion almost annually. However, the assumption that mobile homes are inherently an affordable housing option not subjected to the same skyrocketing costs associated with other types of housing is not always true. Due to the unique factors associated with mobile homes, consideration must be paid to several important measures before a mobile home is counted as low- and moderate-income housing.

First, it cannot be assumed that all mobile homes are affordable to low- or moderate-income households or that this demographic comprises them.

Affordability of Mobile Home Parks
"Affordable housing" is defined in RIGL 42-129-8.1(1) as housing that costs less than 30 percent of a qualifying household's income. For rental homes, the qualifying income must be less than 80 percent area median income (AMI) as defined by the U.S. Department of Housing & Urban Development (U.S. HUD), and for owned homes, the income must be less than 100 percent AMI.

When the mobile home resides plays an important role in determining its affordability, mobile homes can be placed on their own private parcels or within a mobile home park on a "pad" that is owned. While the former generally ensures that costs of the land remain stable to the owner, a mobile home that is sited within a park may be subject to dramatic increases in pad rent, quickly making an otherwise affordable housing option unaffordable. This, compounded by the fact that moving a mobile home from one park to another is often costly and impractical, the influence of pad rent on affordability cannot be understated.

Through prior research and licensing of parks by DBR, it can be reasonably estimated that there are 3,762 mobile homes in 44 parks.¹

There is substantial diversity in the characteristics and geography of these parks, including those that are age-restricted, seasonal, destinations with homes that serve as second or vacation homes. There are no mechanisms to ensure the measure of affordability used to ensure that the household's incomes qualify as low or moderate.

Second, is the quality of the homes themselves and the parks where they are located.

Mobile Homes and Manufactured Housing
Despite the popular use of the term "mobile homes," there is formally a distinction between mobile homes and manufactured housing determined by federal regulations.

In 1974, U.S. Congress passed the National Manufactured Housing Construction and Safety Standards Act, and in 1976, U.S. HUD established regulations for these homes.² These regulations helped set industry standards and, in some cases, enabled financing of homes by lenders under certain conditions.

Mobile homes that were built prior to U.S. HUD's 1976 regulations do not meet these standards and cannot be considered manufactured housing.

Beyond the home's standards, the quality of the parks themselves needs to be considered. Parks that are in rural settings without access to public water and sewer pose a concern regarding drinking water and proper sewage treatment.

Cooperative Ownership of Mobile Home Parks
Across the United States, the most reliable way to ensure that mobile homes located within parks are healthy and affordable is cooperative resident ownership.

Housing advocates have noted this as a possibility for those legislators who would like to have mobile homes considered within the definition of low- and moderate-income housing. Resident ownership assures the health and longer-term affordability of the pad remains to the mobile home owners. Though still not a subsidy that maintains the affordability, the cooperative ownership model mimics that assurance. Resident Owned Communities (ROCs, USA) is a non-profit organization that works with park residents when their parks become available for purchase. In Rhode Island, they work with the Cooperative Development Institute (CDI) to provide the technical assistance needed for the process.³

Due to the current affordability crisis, there has been a resurgence of interest in manufactured housing and resident-ownership of these parks in the last few years. The former represents significant cost-savings in building, the latter due to investors draining up units and park closures, with subsequent loss of affordability.

HousingWorksRI
at Roger Williams University

HousingWorks RI at Roger Williams University recently released *Mobile Home Parks: An Opportunity for Healthy, Affordable Housing*, an issue brief exploring the structure of mobile home parks in relation to health and affordability, which has been a topic discussed by state legislators over many years. The brief takes a deeper dive into the role mobile home parks could play in the state's low-and moderate-income housing stock, and the factors that must be considered in order for that to be a real possibility.

Key to understanding the affordability of mobile homes is where it is located. A mobile home can be sited privately on an individual parcel or within a park. Those mobile homes located on a parcel of land offer owners some stability in terms of

cost, whereas within a park, the mobile home is subject to variability in the fee to rent the pad upon which it sits, allowing for the possibility of dramatic increases. "Pad" rent and whether the park is occupied year-round or on a seasonal basis represent significant factors in identifying a mobile home as affordable.

"While assumptions have been made about the affordability of mobile homes and who lives in them, the fact is, there are no mechanisms to ensure either," said Brenda Clement, Director of HousingWorks RI at Roger Williams University. "In addition to the established income qualifications and costs associated with being a resident in a mobile home park—such as pad fees—the quality and location of the parks must also be considered. The parks in areas without public water and sewer must ensure the health and safety of those systems."

Across the United States, the most reliable way to ensure that mobile homes parks are healthy and affordable is through cooperative resident ownership. Housing advocates have raised this as a possibility for those legislators who would like to have mobile homes considered within the definition of low- and moderate-income housing. Resident ownership assures the health and longer-term affordability of the pad rentals to the mobile home owners.

"The power of this brief is to elevate the importance of mobile home parks in Rhode Island as vital, affordable housing communities that will be greatly enhanced with the support for further resident ownership conversion, supporting existing resident owned parks and for both the preservation of these homes and possible expansion within our mobile home parks in the State" said Ray Neirinckx, coordinator, Office of Community Development for the Rhode Island Housing Resources Commission.

Mobile Home Parks: An Opportunity for Healthy, Affordable Housing concludes with a set of recommendations to help inform the discussion and enhance the opportunity for better outcomes for these nearly 4,000 Rhode Island households. HousingWorks RI outlines 11 recommendations surrounding research and outreach, statutory and regulatory activities, financial capacity, and housing and park quality, including, but not limited to:

- A statewide mobile home park inventory with special attention on the status of resident-owned parks in Rhode Island, including creation of an online database with mapping of all parks.
- Revise the State's First Right of Refusal law to provide adequate time to make an offer and notice of sale and/or conversion to the Rhode Island Department of Housing.
- Encourage the development of greater financial resources for mobile home parks such as: Developing financial resources for infrastructure repairs; developing more affordable mobile home financing options for purchase and refinancing; and provide resources to mobile resident groups and non-profit organizations for mobile home park conversion to resident ownership.
- Ensure timely inspections and verification of the quality of drinking water and adequate sewage treatment for those parks not connected to public infrastructure.

Mobile Home Parks: An Opportunity for Healthy, Affordable Housing can be found electronically on the HousingWorks RI at RWU website at: www.housingworksri.org.

Check out the [2023 Housing Fact Book](#) and [Rhode Island Zoning Atlas!](#)

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