

February 21, 2024

Dear Members of the Vermont House Committee on Housing & General Affairs,

My name is Sofia Benito Alston, CVOEO Flood Recovery Specialist and joined by my colleague Ryan Gerrity, Senior Resident Organizer with the Mobile Home Program (MHP) to provide you with perspectives on H. 556 – act requiring mobile home park flood risk disclosure.

The Mobile Home Program is the only statewide mobile home advocacy program. We work to empower mobile home residents through community organizing and education and to protect and improve their housing rights and living conditions.

Mobile home park communities experience socio-economic vulnerabilities with physical proximity to hazards. Based on Table #6 -below- of the 2023 UVM Vermont Manufactured Home Communities Flood Risk Assessment Report (page 20), Vermont has seventy identified mobile home parks with potential flood hazards.

Table 6. Summary of number of MHCs with parcel area and building locations within different flood hazard relate data layers

Map layer	Number of MHC with land within mapped area (highest risk area)	% of MHC with land within mapped area (highest risk area)	Number of MHC with building locations within mapped area	% of MHC with building locations within mapped area
Floodway	20	8.4%	10	4.2%
100-Year Floodplain	48	20.2%	28	11.8%
500-Year Floodplain	26	10.9%	14	5.9%
River Corridor	44	18.5%	36	15.1%
Small Stream 50' Setback	20	8.4%	10	4.2%
Dam Inundation Area	18	7.6%	18	7.6%

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H. 556 proposes to require mobile home park owners to inform prospective tenants if a mobile home park is in a flood hazard area. It also stipulates that a notice must be given if any lot within the mobile home park is wholly or partially located in a flood hazard area according to

the flood insurance rate map effective for the mobile home park at the time the proposed lease is furnished to a prospective leaseholder.

This act's language is direct and much needed, but we have a concern about unintended consequences, such as the possible negative impact on the already low asset value of mobile homes when this disclosure requirement is enacted; for large MHPs, the negative impact on asset value of mobile homes not located in flood hazard area but with one or a few homes located wholly or partially in a one; or more importantly, the negative impact on mobile home flood insurance rate.

Although these concerns might not be addressed today, we suggest adding a line recommending (not requiring) that mobile homeowners obtain and maintain Flood Insurance to H. 556.

Indeed, for residents of mobile home parks, understanding the property's history within FEMA's system and maintaining flood insurance is crucial as FEMA requires that flood insurance post disaster-assistance. Failure to do so forfeits eligibility for future aid, leaving individuals financially vulnerable. Previous homeowners may neglect to inform subsequent owners about insurance requirements, compounding the risk. Being eligible for FEMA assistance and utilizing its benefits opens doors to several support programs for recovery. Even in the absence of a declared disaster, having flood insurance ensures coverage, providing peace of mind and enhancing resilience to future flood events.

In the event of a declared disaster impacting a property, FEMA assistance is available only once for properties that do not carry flood insurance, underscoring the importance of being aware of the property's history and status within FEMA's system. This aspect of FEMA eligibility not only emphasizes the significance of insurance but also highlights its role as a gateway to other aid programs. Understanding this linkage can empower residents to make informed decisions about insurance coverage, supporting their financial stability and enhancing resilience in the face of future flood events.

Most Vermont communities participate in the National Flood Insurance Program (NFIP), recognizing the essential role of flood insurance in a state with high flood risks. According to 2019 FEMA data, Vermont stands out for its above-average annual flood insurance costs, with homeowners potentially paying more than \$1,512 annually. This highlights the significance of flood insurance in safeguarding properties against unexpected flood damage and its monetary



Housing Advocacy Mobile Home Program

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impact. For many individuals in mobile home parks, which are more likely to be in a flood hazard area, affording flood insurance can present a significant financial challenge and barrier.

CVOEO MHP concerns about mandating such housing costs for residents is reinforced by our recent contacts with mobile homeowners affected by Vermont's latest flooding disasters. There are significant and growing concerns about the cost of flood insurance and worries about municipalities and government agencies potentially requiring residents to purchase flood insurance in the future.

Recognizing how unaffordable insurance has become for many vulnerable residents, if mandated, it is imperative to establish financial support for mobile homeowners grappling with flood insurance access and costs. This support would be crucial in ensuring that flood protection remains accessible amidst rising housing prices and costs, directly addressing the affordability challenge for those most at risk.

Thank you for your attention,

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