

To: Alex Farrell, Commissioner, Department of Housing and Community Development
Nate Formalarie, Deputy Commissioner, Department of Housing and Community Development
From: Maxwell Krieger, General Counsel, Department of Housing and Community Development
Date: February 2, 2024
Re: Proposed Mobile Home Park Definition Change

MEMORANDUM

This memorandum details the potential impact of a proposed change to the definition of Mobile Home Park (MHP), and the Housing Division's view of said change. This memorandum was drafted in consultation with Arthur Hamlin, Mobile Home Park Program Coordinator.

This request arose from a specific homeowners' association that consists of mobile homes owned on separate self-owned lots. The association has found that they cannot apply to certain state grants currently targeted at mobile home parks, including certain stormwater funding grants from the Department of Environmental Conservation.

A bill has been introduced to change the definition of a mobile home park, aimed at accommodating their situation.

The Housing Division does not support the proposed change, as the change would:

1. require amending other parts of the mobile home park statute and rules;
2. automatically include many communities under the jurisdiction of the mobile home park statute and rules without their consent, requiring them to register as parks and comply with statute and rules;
3. spread the limited available monetary assistance for mobile home parks over an even greater area; and
4. cause other unintended consequences, including, but not limited to, exploitation of loopholes in the land-use exemptions for mobile home parks.

Background:

The Mobile Home Park Statute was developed to protect mobile home park owners that lease the land under their homes and pay lot-rent. The centralized ownership structure of mobile home parks allows for ongoing maintenance and upkeep to be taken care of by the owner, but can also lead to a power imbalance. Therefore, the Legislature passed the Mobile Home Statute and intentionally created protections for mobile homeowners residing in mobile home parks, as they were not covered by landlord tenant law, nor did they own the land under their homes.

The law is designed to provide fair and reasonable lease terms for rental of the lot, reasonable protection from: unaffordable or unjust lot rent increases; self-help evictions or eviction from rented lots without just cause; displacement due to sale or closure of the park; and an opportunity to purchase the park, etc. Since 1995, park owners are required to register their park(s) annually and pay a fee for each "leased occupied" lot, and provide information such as the park owners names, number of lots available for rent, lot rent amount etc. Park owners are also bound by a statutory warranty of habitability.

Funding opportunities are also made available specifically for mobile home parks. These opportunities require registration as a park as part of their eligibility criteria.

The mobile home park law is centered around a lot lease, lot rent, and this specific ownership structure. DHCD has adopted administrative rules laying out the responsibilities of the park owner for maintenance of the land (premises), connections to water/septic/electric connection to each lot and of the resident for their mobile home and their lot.

The Housing Division within the DHCD monitors compliance with and enforces the mobile home park statute. Further, the Department coordinates with other entities, such as the Champlain Valley Office of Economic Opportunity (CVOEO) and the Vermont State Housing Authority (VSHA) to carry out other programs which aid individual mobile homeowners, renters, and park owners.

Language of the Bill:

The proposed language can be found in a bill introduced in the House during the 2023-2024 legislative session, [H.618](#) and are as follows:

§ 6201. DEFINITIONS

3 As used in this chapter, unless the context requires otherwise:

4 * * *

5 (2)(A) “Mobile home park” means ~~any parcel of land under single or~~
6 ~~common ownership or control~~ that contains, or is designed, laid out, or adapted
7 to accommodate, more than two mobile homes, together with all improvements
8 on the land, if held as:

9 (i) a parcel under single or common ownership or control; or

10 (ii) parcels managed together by a common interest community.

The original definition restricts mobile home parks to a **single parcel of land under single or common ownership**. This results in either ownership by one owner, or ownership by a cooperative. Mobile home parks do exist where the land under certain lots are owned by the home owner, but those lots are not considered to be a part of the park and do not share the same protections.

The proposed change would expand the definition to **multiple self-owned parcels** managed together by a common interest community.

Analysis and conclusion:

The proposed expansion of jurisdiction in H.618 would be incongruent with the current structure of the mobile home park law. As detailed above, the law was developed with the specific ownership structure in mind.

This change would automatically define any communities HOAs or common ownership structures with space for two or more mobile homes as mobile home parks. This would require them to register as parks and would make them subject to the mobile home park rules which would require amending to account for the new ownership structure). DHCD does not know the number of other communities that would be affected by this change.

If the main reasoning behind the change is to access funding, DHCD would recommend the requesting entity(ies) work with the potential funders to see if access to the program(s) can be widened without needing to change the underlying definition of a mobile home park.

To conclude, the Housing Division does not support the proposed change for the reasons above. If the changes are to go forward, further changes to the mobile home park statute and rules will be required.

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