

Fairness, Sustainability & Quality for Vermont's Mobile Home Parks Vermont Affordable Housing Coalition

Mobile home parks are an essential affordable housing resource in Vermont. In 2019, one in every 38 Vermonters lived in a mobile home park (238 parks, 7,096 households, 16,400 residents). All residents pay lot rent and 90% of residents also own their home. Most parks are privately owned, but many parks have converted to resident-owned cooperatives or been preserved by nonprofits.

In 2019, consultant John Ryan prepared the report [*Sustainability Assessment of Affordable Mobile Home Parks in Vermont*](#) for the Vermont Housing and Conservation Board. It is based on interviews with park owners and managers about park sustainability.

At a glance:

- Surveyed 52 parks in 40 communities, with 2,000 households, ranging in size from 7 to 172 lots.
- Median lot rent is \$325/month.
- Median assessed value of homes is \$20,080.
- In 2017, 23 parks reported negative cash flow.
- 300 - 400 homes are estimated to be substandard.
- Deferred capital needs are estimated at \$10 million.

In response to the demonstrated need in mobile home parks, the Vermont Affordable Housing Coalition proposes the following investment to support this critical affordable housing resource:

Statewide capital needs: Includes projects such as (1) improving, replacing, or installing water and sewer systems, and (2) road, grading, and drainage improvements.

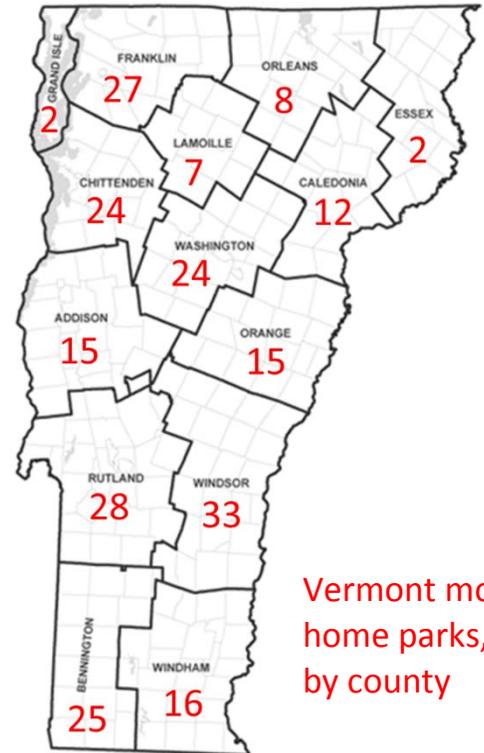
Tri-Park: Tri-Park Cooperative Housing in Brattleboro is Vermont's largest mobile home park with 314 lots. The community sustained heavy damage during Irene. Forty-two Tri-Park homes are in a flood zone and urgently need to be relocated. This project includes home and resident relocation, park infrastructure improvements, and 36 replacement homes.

Small scale capital needs: Includes projects such as disposal of abandoned homes, installation of new foundations on vacant lots, tree trimming and removal, and installing road aprons.

Homeownership, new and repairs: Provide funding to (1) fill vacant lots with Energy Star or zero energy modular homes by lowering the cost for buyers, and (2) make available grants averaging \$7,500 to homeowners with health and safety repair needs.

Affordable financing: Below-market rate loans will be offered to park owners through the Vermont Housing Finance Agency to finance infrastructure improvements and to refinance existing debt. Affordable loans will enhance financial sustainability. Loans will be made available to non-profits, cooperatives, and for-profit owned parks.

Program management and marketing: Hire redevelopment professionals to (1) support park owners in defining capital needs and to apply for public and private funding, and (2) update the mobile home park "brand" and make it easier for home-seekers to find vacant lots around the state.



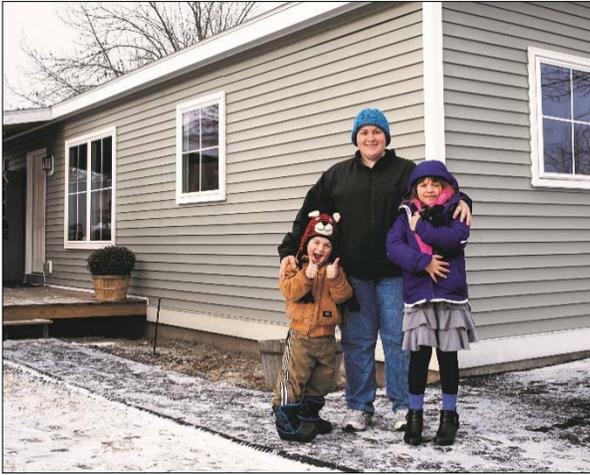
Vermont mobile home parks, by county

Items	Amount	Potential Existing Sources*	Funding Gap
Statewide Capital Needs	11,000,000	8,250,000	2,750,000
Tri-Park Redevelopment	3,900,000	1,150,000	2,750,000
Small Scale Capital Needs	2,000,000	1,500,000	500,000
Homeownership, New & Repair	13,300,000	11,800,000	1,500,000
Interest Rate Buy-Down	1,000,000	-	1,000,000
Program Management & Marketing	400,000	-	400,000
Total	31,600,000	22,700,000	8,900,000

*Existing sources will provide some of the funding needed, including from:
 Park Replacement Reserves
 Agency of Natural Resources
 USDA Rural Development
 Vermont Community Development Program
 Conventional Debt
 Vermont Housing & Conservation Board

Park case studies:

Otter Creek Park, Vergennes



Nonprofit ownership - Addison County Community Trust
73 households

Which line items will support this park?

- *“Homeownership, New and Repair”* can enable current residents to repair existing homes and support new residents to place new homes on vacant lots
- *“Statewide capital needs”* can help fund new park roads. New roads will improve drainage to prevent water pooling on residents’ lots, reduce winter road maintenance costs, reduce wear and tear on residents’ cars, and end the expensive cycle of patch jobs to the current road.

Cold Springs Park, West Fairlee

Private ownership

16 households

Which line items will support this park?

- *“Homeownership, New and Repair”* can enable current residents to repair existing homes, continue placing new zero energy homes on vacant lots, and improve pride within the community
- *“Program management and marketing”* can support park owner access to the affordable financing offer as they upgrade water and septic infrastructure



St. George Cooperative, St. George



Co-op ownership - Residents purchased park in 2019
120 households

Which line items will support this park?

- *“Statewide capital needs”* can help fund water system upgrades for improved resident health and safety.
- *“Affordable financing”* can reduce the cost of debt incurred on water line improvements, resulting in better park operational economic sustainability.

TRI-PARK COOPERATIVE HOUSING CORPORATION Brattleboro, Vermont

Tri-Park Cooperative Housing Corporation is one of the largest and most important, privately owned, unsubsidized providers of affordable housing in the State of Vermont. Founded in the mid 1950's and incorporated as a mobile home Cooperative in 1989, before Irene Tri-Park was home to 333 mobile home sites and nearly 1,000 residents, almost 10% of the total population of Brattleboro. Many of its residents are in tenuous financial situations and any increase in the monthly rent could render their homes unaffordable.



Flooding in Mountain Home Park during 2019 ice jam.

Tri-Park Cooperative is:

- The oldest mobile home park cooperative in the state, comprising three separate mobile home parks, including the largest mobile home park in the State: Mountain Home Park with 264 occupied housing sites.
- A critical source of housing for people who perform essential jobs in the community, such as clerks/cashiers, janitors/custodians, medical assistants, child care workers, and home health care aides.
- Home to a significant population living on fixed incomes, including seniors and people with disabilities.

Tri-Park faces two major threats to its stability: 1) Aging and failing infrastructure, and 2) households in the direct path of the next flooding event. Tri-Park currently has two failing sewer systems in the two smaller parks and a bridge in immediate need of replacement. In 2011, Tropical Storm Irene caused widespread devastation across southern Vermont and resulted in the loss of 20 homes within Tri-Park. Furthermore, Tri-Park is required to remove 42 additional homes from the special flood hazard area.

Tri-Park has made significant investments in its own infrastructure over the last two decades, and it has done so while maintaining affordable rent levels:

- \$8M invested in water, sewer and stormwater system upgrades since 2006. As part of that project, Tri-Park committed itself to removing homes that are at the highest risk of flood damage to protect the life and safety of residents.
- Invested more than \$250,000 in upgrades to electrical service components.
- Nearly \$100,000 in redevelopment costs associated with the acquisition and removal of abandoned and dilapidated homes from its properties.

Tri-Park has reached a crossroads where it can no longer preserve its housing stock while simultaneously investing in the necessary infrastructure upgrades it needs to survive. Tri-Park's significant infrastructure and health and safety needs can only be met with legislative action.

<i>Existing Needs</i>		<i>Potential Sources</i>	
Black Mountain sewer upgrades	\$300,000	Co-op cash reserves	\$150,000
Glen Park sewer upgrades	\$200,000	Cash from refinancing current loans*	\$500,000
Winding Hill bridge replacement	\$225,000	CWSRF	\$500,000
Total infrastructure	\$725,000	Total potential sources	\$1,150,000
Redevelop Maintenance site with 18 lots	\$1,100,000		
Create 18 additional infill sites	\$1,201,750		
Relocation Assistance for 20 households in greatest danger of flooding	\$ 850,000		
Total existing needs	\$3,876,750	Balance from VHCB, CBDG & other sources to be determined	\$2,726,750

**Depending on terms of new loan*